UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 24, 2008

TEPPCO Partners, L.P.

(Exact name of Registrant as specified in its charter)

Commission File No. 1-10403

Delaware	**76-0291058**
(State of Incorporation or Organization)	(I.R.S. Employer Identification Number)

1100 Louisiana Street, Suite 1600
Houston, Texas 77002
(Address of principal executive offices, including zip code)

(713) 381-3636
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On March 24, 2008, TEPPCO Partners L.P. (the "Partnership"), TE Products Pipeline Company, LLC, TCTM, L.P., TEPPCO Midstream Companies, LLC, and Val Verde Gas Gathering Company, L.P. (collectively, the "Subsidiary Guarantors") and their respective general partners or managing member, as the case may be (collectively with the Partnership and the Subsidiary Guarantors, the "TEPPCO Parties"), entered into an underwriting agreement with UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC, as representatives of the several underwriters named on Schedule I thereto (the "Underwriting Agreement") relating to the underwritten public offering and sale by the Partnership to the Underwriters of (i) $ 250,000,000 principal amount of the Partnership's 5.90% Senior Notes due 2013 (the "2013 Notes"), (ii) $350,000,000 principal amount of the Partnership's 6.65% Senior Notes due 2018 (the "2018 Notes") and (iii) $400,000,000 principal amount of the Partnership's 7.55% Senior Notes due 2038 (the "2038 Notes" and, together with the 2013 Notes and the 2018 Notes, the "Notes"). The Notes are being guaranteed (together with the Notes, the "Securities") on an unsecured and unsubordinated basis by the Subsidiary Guarantors. The offering of the Securities has been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a Registration Statement on Form S-3 (Registration No. 333-110207) (the "Registration Statement"), as supplemented by the Prospectus Supplement dated March 24, 2008 relating to the Securities, filed with the Securities and Exchange Commission ("Commission") pursuant to Rule 424(b) of the Securities Act (together with the accompanying prospectus dated November 3, 2003, the "Prospectus Supplement"). Certain legal opinions related to the Registration Statement are filed herewith as Exhibits 5.1 and 8.1.

The Underwriting Agreement provides that the obligations of the Underwriters to purchase the Notes are subject to approval of legal matters by counsel and other customary conditions. The Underwriters are obligated to purchase all the Notes if they purchase any of the Notes. The Partnership has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Underwriters may be required to make because of any of those liabilities. The Underwriting Agreement contains other customary representations, warranties and agreements. The summary of the Underwriting Agreement in this report does not purport to be complete and is qualified by reference to such agreement, which is filed as an exhibit hereto and incorporated herein by reference. The Underwriting Agreement contains representations, warranties and other provisions that were made or agreed to, among other things, to provide the parties thereto with specified rights and obligations and to allocate risk among them. Accordingly, the Underwriting Agreement should not be relied upon as constituting a description of the state of affairs of any of the parties thereto or their affiliates at the time it was entered into or otherwise.

The Prospectus Supplement provides that the Partnership will use net proceeds from the offering to repay indebtedness outstanding under its $1 billion senior unsecured term credit agreement. Affiliates of UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC are lenders under the term credit agreement and, accordingly, will receive proceeds from the offering of the Notes. In addition, from time to time the underwriters engage in transactions with the Partnership and its affiliates in the ordinary course of business. The underwriters have performed investment banking services for the Partnership and its affiliates in the last two years and have received fees for these services.

The Securities are being issued under the Indenture, dated as of February 20, 2002 (the "Indenture"), among the Partnership, as issuer, the Subsidiary Guarantors and U.S. Bank National Association (successor to First Union National Bank, NA, and Wachovia Bank, National Association) as trustee, as amended and supplemented by the Fifth Supplemental Indenture thereto with respect to the 2013 Notes (the "Fifth Supplemental Indenture"), the Sixth Supplemental Indenture thereto with respect to the 2018 Notes (the "Sixth Supplemental Indenture"), and the Seventh Supplemental Indenture thereto with respect to the 2038 Notes (together with the Fifth Supplemental Indenture and the Sixth Supplemental Indenture, the "Supplemental Indentures"). The terms of the Securities and the Supplemental Indentures are further described in the Prospectus Supplement under the captions "Description of the Notes" and "Description of Debt Securities," which description is incorporated herein by reference and filed herewith as Exhibit 99.2. Such description does not purport to be complete and is qualified by reference to the Indenture and the Supplemental Indentures, which are filed as exhibits hereto and incorporated herein by reference.

On March 24, 2008, the Partnership issued a press release relating to the public offering of the Notes contemplated by the Underwriting Agreement. A copy of the press release is furnished herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

The exhibits set forth below are filed herewith, except for exhibit 99.1, which is furnished herewith.

(d) Exhibits.

Exhibit Number	Description
1.1	Underwriting Agreement, dated March 24, 2008, by and among TEPPCO Partners L.P., TE Products Pipeline Company, LLC, TCTM, L.P., TEPPCO Midstream Companies, LLC, Val Verde Gas Gathering Company, L.P., Texas Eastern Products Pipeline Company, LLC, TEPPCO GP, Inc., TEPPCO NGL Pipelines, LLC and UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC, as representatives of the several underwriters named on Schedule I thereto.
4.1	Indenture, dated as of February 20, 2002 between TEPPCO Partners, L.P., as issuer, the subsidiary guarantors party thereto and U.S. Bank National Association (successor to First Union National Bank, NA, and Wachovia Bank, National Association) as trustee (Filed as Exhibit 99.2 to Form 8-K of TEPPCO Partners, L.P. (Commission File No. 1-10403) dated as of February 20, 2002 and incorporated herein by reference).
4.2	Form of Fifth Supplemental Indenture by and among TEPPCO Partners L.P., as issuer, TE Products Pipeline Company, LLC, TCTM, L.P., TEPPCO Midstream Companies, LLC, and Val Verde Gas Gathering Company, L.P., as subsidiary guarantors, and U.S. Bank National Association, as trustee.
4.3	Form of Sixth Supplemental Indenture by and among TEPPCO Partners L.P., as issuer, TE Products Pipeline Company, LLC, TCTM, L.P., TEPPCO Midstream Companies, LLC, and Val Verde Gas Gathering Company, L.P., as subsidiary guarantors, and U.S. Bank National Association, as trustee.
4.4	Form of Seventh Supplemental Indenture by and among TEPPCO Partners L.P., as issuer, TE Products Pipeline Company, LLC, TCTM, L.P., TEPPCO Midstream Companies, LLC, and Val Verde Gas Gathering Company, L.P., as subsidiary guarantors, and U.S. Bank National Association, as trustee.
4.5	Forms of Notes (included in Exhibits 4.2, 4.3 and 4.4 above).
5.1	Opinion of Baker Botts L.L.P.
8.1	Opinion of Baker Botts L.L.P. relating to tax matters
23.1	Consents of Baker Botts L.L.P. (included in Exhibits 5.1 and 8.1)
99.1	Press release of TEPPCO Partners, L.P. dated March 24, 2008.
99.2	Description of Notes and Description of Debt Securities.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEPPCO Partners, L.P.
(Registrant)

By: Texas Eastern Products Pipeline Company, LLC
General Partner

Date: March 27, 2008

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

EXHIBIT INDEX

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4.1	Indenture, dated as of February 20, 2002 between TEPPCO Partners, L.P., as issuer, the subsidiary guarantors party thereto and U.S. Bank National Association (successor to First Union National Bank, NA, and Wachovia Bank, National Association) as trustee (Filed as Exhibit 99.2 to Form 8-K of TEPPCO Partners, L.P. (Commission File No. 1-10403) dated as of February 20, 2002 and incorporated herein by reference).
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Exhibit 1.1

TEPPCO PARTNERS, L.P.

$250,000,000 5.90% Senior Notes due 2013
$350,000,000 6.65% Senior Notes due 2018
$400,000,000 7.55% Senior Notes due 2038

UNDERWRITING AGREEMENT

March 24, 2008

UBS Securities LLC
J.P. Morgan Securities Inc.
SunTrust Robinson Humphrey, Inc.
Wachovia Capital Markets, LLC,
As Representatives of the several
Underwriters named in Schedule I attached hereto,

c/o UBS Securities LLC
677 Washington Boulevard
Stamford, CT 06901

Ladies and Gentlemen:

TEPPCO Partners, L.P., a Delaware limited partnership (the "Partnership"), proposes to issue and sell to the underwriters listed on Schedule I hereto (collectively, the "Underwriters") (i) $250,000,000 aggregate principal amount of the Partnership's 5.90% Senior Notes due 2013 (the "2013 Notes"), (ii) $350,000,000 aggregate principal amount of the Partnership's 6.65% Senior Notes due 2018 (the "2018 Notes") and (iii) $400,000,000 aggregate principal amount of the Partnership's 7.55% Senior Notes due 2038 (the "2038 Notes," and together with the 2013 Notes and the 2018 Notes, the "Notes"), as set forth on Schedule I hereto. The Notes are to be fully and unconditionally guaranteed on a senior unsecured basis pursuant to guarantees (the "Guarantees," and together with the Notes, the "Securities") by TE Products Pipeline Company, LLC, a Texas limited liability company ("TE Products Pipeline"), TCTM, L.P., a Delaware limited partnership ("TCTM"), TEPPCO Midstream Companies, LLC, a Texas limited liability company ("TEPPCO Midstream"), and Val Verde Gas Gathering Company, L.P., a Delaware limited partnership ("Val Verde" and, together with TE Products Pipeline, TCTM and TEPPCO Midstream, the "Subsidiary Guarantors").

The 2013 Notes are to be issued under the Indenture, dated as of February 20, 2002 (the "Base Indenture"), among the Partnership, as issuer, TE Products Pipeline, TCTM, TEPPCO Midstream and Jonah Gas Gathering Company, a Wyoming general partnership ("Jonah Gas"), or their predecessors, as subsidiary guarantors, and U.S. Bank National Association, as successor trustee to Wachovia Bank, National Association and First Union National Bank (such successor trustee being referred to herein as the "Trustee"), as previously amended by the Full Release of Guarantee, dated as of July 31, 2006, pursuant to which Jonah Gas was fully released and discharged from all obligations in connection with the Indenture (the "Full Release of Guarantee"), and as shall be amended and supplemented by the Fifth Supplemental Indenture thereto, to be dated as of the Delivery Date; the 2018 Notes are to be issued under the Base

Indenture, as previously amended by the Full Release of Guarantee, and as shall be amended and supplemented by the Sixth Supplemental Indenture thereto, to be dated as of the Delivery Date; and the 2038 Notes are to be issued under the Base Indenture, as previously amended by the Full Release of Guarantee, and as shall be amended and supplemented by the Seventh Supplemental Indenture thereto, to be dated as of the Delivery Date. Such Fifth Supplemental Indenture, Sixth Supplemental Indenture and Seventh Supplemental Indenture are referred to collectively as the "Supplemental Indentures." The Base Indenture as amended and supplemented by the Full Release of Guarantee and the Supplemental Indentures as of the Delivery Date is referred to herein as the "Indenture."

Texas Eastern Products Pipeline Company, LLC, a Delaware limited liability company, is the general partner of the Partnership and is referred to herein as the "General Partner." TEPPCO GP, Inc., a Delaware corporation, is (x) the sole general partner of TCTM and (y) the sole managing member of TE Products Pipeline and TEPPCO Midstream, and is referred to herein as "TEPPCO GP." TEPPCO NGL Pipeline, LLC, a Delaware limited liability company, is the general partner of Val Verde and is referred to herein as "TEPPCO NGL Pipelines." In this Agreement, (i) TEPPCO GP and TEPPCO NGL Pipelines are referred to collectively as the "Subsidiary General Partners," (ii) the Partnership and the Subsidiary Guarantors are referred to collectively as the "Obligors," (iii) the Obligors, the General Partner and the Subsidiary General Partners are referred to collectively as the "TEPPCO Parties."

This is to confirm the agreement among the TEPPCO Parties and the Underwriters concerning the purchase of the Securities from the Partnership by the Underwriters.

1. *Representations, Warranties and Agreements of the TEPPCO Parties*. Each of the TEPPCO Parties jointly and severally represents and warrants to, and agrees with, the Underwriters that:

(a) A registration statement on Form S-3 (File No. 333-110207) relating to the Securities (i) has been prepared by the Obligors pursuant to the requirements of the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations (the "Rules and Regulations") of the Securities and Exchange Commission (the "Commission") thereunder; (ii) has been filed with the Commission under the Securities Act; and (iii) is effective under the Securities Act. Copies of such registration statement and any amendment thereto have been made available by the Obligors to you as the representatives (the "Representatives") of the Underwriters. As used in this Agreement:

(i) "Applicable Time" means 5:11 p.m. (New York City time) on the date of this Agreement;

(ii) "Base Prospectus" means the base prospectus included in the Registration Statement at the Applicable Time;

(iii) "Disclosure Package" means (i) the Base Prospectus, (ii) the Preliminary Prospectus as amended or supplemented as of the Applicable Time, (iii) the Issuer Free Writing Prospectuses, if any, identified in Schedule II hereto, and (iv) the final term sheet prepared and filed pursuant to Section 5(b) of this Agreement;

(iv) "Effective Date" means any date as of which any part of such registration statement relating to the Securities became, or is deemed to have become, effective under the Securities Act in accordance with the Rules and Regulations;

(v) "Issuer Free Writing Prospectus" means each "free writing prospectus" (as defined in Rule 405 of the Rules and Regulations) or "issuer free writing prospectus" (as defined in Rule 433 of the Rules and Regulations) prepared by or on behalf of the Partnership or the Subsidiary Guarantors or used or referred to by the Partnership or the Subsidiary Guarantors in connection with the offering of the Securities (including, without limitation, the electronic road show posted on www.netroadshow.com on March 24, 2008 and any other road show prepared by or on behalf of the Partnership or the Subsidiary Guarantors or used or referred to by the Partnership or the Subsidiary Guarantors in connection with the offering of the Securities that is a free writing prospectus under Rule 433);

(vi) "Preliminary Prospectus" means any preliminary prospectus relating to the Securities included in such registration statement or filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations, including the Base Prospectus and any preliminary prospectus supplement thereto relating to the Securities;

(vii) "Prospectus" means the final prospectus relating to the Securities, including the Base Prospectus and any prospectus supplement thereto relating to the Securities, as filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations; and

(viii) "Registration Statement" means, collectively, the various parts of the registration statement referred to in this Section 1(a), each as amended as of the Effective Date for such part, including any Preliminary Prospectus or the Prospectus and all exhibits to such registration statement.

Any reference to any Preliminary Prospectus, the Disclosure Package or the Prospectus shall be deemed to refer to and include any documents incorporated by reference therein pursuant to Form S-3 under the Securities Act as of the date of such Preliminary Prospectus or the Prospectus, as the case may be, or in the case of the Disclosure Package, as of the Applicable Time. Any reference to the "most recent Preliminary Prospectus" shall be deemed to refer to the latest Preliminary Prospectus included in the Registration Statement or filed pursuant to Rule 424(b) on or prior to the date hereof. Any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any document filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the date of such Preliminary Prospectus or the Prospectus, as the case may be, and incorporated by reference in such Preliminary Prospectus or the Prospectus, as the case may be; and any reference to any amendment to the Registration Statement shall be deemed to include the most recent annual report of the Partnership on Form 10-K filed with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act after the original Effective Date that is incorporated by reference in the Registration Statement. The Commission has not issued any order preventing or suspending the use of any Preliminary Prospectus or the Prospectus or suspending the effectiveness of the Registration Statement, and no proceeding or examination for such purpose

has been instituted or, to the Partnership's knowledge, threatened by the Commission. The Commission has not notified any of the TEPPCO Parties of any objection to the use of the form of the Registration Statement.

(b) *Well-Known Seasoned Issuer and Not an Ineligible Issuer*. The Partnership is a "well known seasoned issuer" (as defined in Rule 405 under the Securities Act), including not having been an "ineligible issuer" (as defined in Rule 405 under the Securities Act) at any such time or date. The Registration Statement is not the subject of a pending proceeding or examination under Section 8(d) or 8(e) of the Securities Act, and the Partnership is not the subject of a pending proceeding under Section 8A of the Securities Act in connection with the offering of the Notes.

(c) *Form of Documents*. The Registration Statement conformed and will conform in all material respects on each Effective Date and on the Delivery Date, and any amendment to the Registration Statement filed after the date hereof will conform in all material respects when filed, to the requirements of the Securities Act and the Rules and Regulations. The most recent Preliminary Prospectus conformed, and the Prospectus will conform, in all material respects when filed with the Commission pursuant to Rule 424(b) to the requirements of the Securities Act and the Rules and Regulations. The documents incorporated by reference in any Preliminary Prospectus or the Prospectus conformed, and any further documents so incorporated will conform, when filed with the Commission, in all material respects to the requirements of the Exchange Act or the Securities Act, as applicable, and the rules and regulations of the Commission thereunder. The Registration Statement and the Prospectus conform in all material respects to the requirements applicable to them under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

(d) *Registration Statement*. The Registration Statement did not, as of each Effective Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Registration Statement in reliance upon and in conformity with written information furnished to the Partnership through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 8(b).

(e) *Prospectus*. The Prospectus will not, as of its date and on the Delivery Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Prospectus in reliance upon and in conformity with written information furnished to the Partnership through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 8(b).

(f) *Documents Incorporated by Reference*. The documents incorporated by reference in any Preliminary Prospectus or the Prospectus did not, and any further documents filed and incorporated by reference therein will not, when filed with the Commission, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or

necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) *Disclosure Package*. The Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Disclosure Package in reliance upon and in conformity with written information furnished to the Partnership through the Representatives by or on behalf of any Underwriters specifically for inclusion therein, which information is specified in Section 8(b).

(h) *Issuer Free Writing Prospectus and Disclosure Package*. Each Issuer Free Writing Prospectus, when considered together with the Disclosure Package as of the Applicable Time, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Partnership through the Representatives by or on behalf of any Underwriters specifically for inclusion therein, which information is specified in Section 8(b).

(i) *Each Issuer Free Writing Prospectus*. Each Issuer Free Writing Prospectus conformed or will conform in all material respects to the requirements of the Securities Act and the Rules and Regulations on the date of first use, and the Obligors have complied with any filing requirements applicable to such Issuer Free Writing Prospectus pursuant to the Rules and Regulations. No TEPPCO Party has made any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus without the prior written consent of the Representatives, except as set forth on Schedule IV hereto. The Obligors have retained in accordance with the Rules and Regulations all Issuer Free Writing Prospectuses that were not required to be filed pursuant to the Rules and Regulations (it being understood that, as of the date hereof, the Partnership and the Subsidiary Guarantors have not retained any Issuer Free Writing Prospectus for the three year period required thereby). Each Issuer Free Writing Prospectus does not and will not include any information that conflicts with the information contained in the Registration Statement or the Disclosure Package, including any document incorporated therein and any prospectus supplement deemed to be a part thereof that has not been superseded or modified. The foregoing sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the TEPPCO Parties by the Underwriters through the Representatives specifically for inclusion therein, which information consists solely of the information specified in Section 8(b).

(j) *Formation and Qualification of the Partnership Entities*. Each of the TEPPCO Parties and the other subsidiaries of the Partnership listed on Schedule III hereto (each, a "Partnership Entity" and collectively, the "Partnership Entities") has been duly formed or incorporated, as the case may be, and is validly existing in good standing under the laws of its respective jurisdiction of formation or incorporation, as the case may be, with all corporate, limited liability company or partnership, as the case may be, power and authority necessary to

own or hold its properties and conduct the businesses in which it is engaged and, in the case of the General Partner, TEPPCO NGL Pipelines and TEPPCO GP, to act as general partner or sole managing member, as applicable, of the Partnership, Val Verde and the other Subsidiary Guarantors, respectively, in each case in all material respects as described in the Registration Statement, the Disclosure Package and the Prospectus. Each Partnership Entity is duly registered or qualified to do business and is in good standing as a foreign corporation, limited liability company or limited partnership, as the case may be, in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification or registration, except where the failure to so qualify or register would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), results of operations, business or prospects of the Partnership Entities taken as a whole (a "Material Adverse Effect") or subject the limited partners of the Partnership to any material liability or disability.

(k) *Ownership of General Partner*. Enterprise GP Holdings L.P., a Delaware limited partnership ("EPE"), owns 100% of the issued and outstanding membership interests in the General Partner; such membership interests have been duly authorized and validly issued in accordance with the limited liability company agreement of the General Partner, as amended and/or restated on or prior to the date hereof (the "GP LLC Agreement"); and EPE owns such membership interests free and clear of all liens, encumbrances, security interests, equities, charges or claims other than those in favor of lenders of EPE.

(l) *Ownership of General Partner Interest in the Partnership*. The General Partner is the sole general partner of the Partnership with a 1.999999% general partner interest in the Partnership (including the right to receive Incentive Distributions (as defined in the Partnership Agreement) (the "Incentive Distribution Rights")); such general partner interest has been duly authorized and validly issued in accordance with the agreement of limited partnership of the Partnership, as amended and/or restated on or prior to the date hereof (the "Partnership Agreement"); and the General Partner owns such general partner interest free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(m) *Ownership of the TEPPCO GP*. The Partnership owns 100% of the issued and outstanding capital stock of TEPPCO GP; such capital stock has been duly authorized and validly issued in accordance with the bylaws of TEPPCO GP, as amended or restated on or prior to the date hereof (the "TEPPCO GP Bylaws"), and the certificate of incorporation of TEPPCO GP, as amended and restated on or prior to the date hereof (the "TEPPCO GP Certificate of Incorporation"), and is fully paid and non-assessable; and the Partnership owns such capital stock free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(n) *Ownership of TE Products Pipeline, TCTM and TEPPCO Midstream*. (i) TEPPCO GP is (x) the sole general partner of TCTM (with a 0.001% general partner interest in TCTM) and (y) the sole managing member of TE Products Pipeline and TEPPCO Midstream (with a 0.001% membership interest in each of TE Products Pipeline and TEPPCO Midstream); each such general partner or membership interest has been duly authorized and validly issued in accordance with the agreement of limited partnership or limited liability company agreement, as applicable, of each of TE Products Pipeline, TCTM and TEPPCO Midstream, in each case as amended and/or restated on or prior to the date hereof (collectively, the "TE Products Pipeline, TCTM and TEPPCO Midstream Agreements"); and TEPPCO GP owns each such general

partner or membership interest free and clear of all liens, encumbrances, security interests, equities, charges or claims; and (ii) the Partnership is (x) the sole limited partner of TCTM and (y) the sole non-managing member of TE Products Pipeline and TEPPCO Midstream; each such limited partner or membership interest has been duly authorized and validly issued in accordance with the applicable TE Products Pipeline, TCTM and TEPPCO Midstream Agreement and is fully paid (to the extent required under the applicable TE Products Pipeline, TCTM and TEPPCO Midstream Agreement) and non-assessable (except as such non-assessability may be affected by Sections 17-607 and 17-804 of the Delaware Revised Uniform Limited Partnership Act (the "Delaware LP Act"), Section 101.206 of the Texas Business Organizations Code and as otherwise described in the Prospectus); and the Partnership owns such limited partner and membership interests free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(o) *Ownership of TEPPCO NGL Pipelines*. TEPPCO Midstream owns 100% of the issued and outstanding membership interests in TEPPCO NGL Pipelines; such membership interests have been duly authorized and validly issued in accordance with the limited liability company agreement of TEPPCO NGL Pipelines, as amended and/or restated on or prior to the date hereof (the "TEPPCO NGL Pipelines Agreement"); and TEPPCO Midstream owns such membership interests free and clean of all liens, encumbrances, security interests, equities, charges or claims other than those in favor of lenders of TEPPCO Midstream.

(p) *Ownership of Val Verde*. (i) TEPPCO NGL Pipelines is the sole general partner of Val Verde with a 0.001% general partner interest in Val Verde; such general partner interest has been duly authorized and validly issued in accordance with the agreement of limited partnership of Val Verde, as amended and/or restated on or prior to the date hereof (the "Val Verde Partnership Agreement") (the Val Verde Partnership Agreement and the TE Products Pipeline, TCTM and TEPPCO Midstream Agreements, collectively, the "Subsidiary Guarantor Agreements"); and TEPPCO NGL Pipelines owns such general partner interest free and clear of all liens, encumbrances, security interests, equities, charges or claims; and (ii) TEPPCO Midstream is the sole limited partner of Val Verde with a 99.999% limited partner interest in Val Verde; such limited partner interest has been duly authorized and validly issued in accordance with the Val Verde Partnership Agreement and is fully paid (to the extent required under the Val Verde Partnership Agreement) and non-assessable (except as such non-assessability may be affected by Sections 17-607 and 17-804 of the Delaware LP Act and as otherwise described in the Prospectus); and TEPPCO Midstream owns such limited partner interest free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(q) *No Registration Rights*. Neither the filing of the Registration Statement nor the offering of the Securities as contemplated by this Agreement gives rise to any rights for or relating to the registration of any securities of the Partnership, the Subsidiary Guarantors or any of the other subsidiaries of the Partnership listed on Schedule III hereto (the "Non-guarantor Subsidiaries"), except such rights as have been waived.

(r) *Authority*. Each of the TEPPCO Parties has all requisite power and authority to execute and deliver this Agreement and to perform its respective obligations hereunder, and the Obligors have all requisite power and authority to execute and deliver the Base Indenture and the Supplemental Indentures and to perform their respective obligations thereunder. The Obligors

have all requisite power and authority to issue, sell and deliver the Notes and the Guarantees, respectively, in accordance with and upon the terms and conditions set forth in this Agreement, the Partnership Agreement, the Subsidiary Guarantor Agreements, the Indenture, the Registration Statement, the Disclosure Package and Prospectus. All action required to be taken by the TEPPCO Parties or any of their security holders, partners or members for (i) the due and proper authorization, execution and delivery of this Agreement and the Indenture, (ii) the authorization, issuance, sale and delivery of the Securities and (iii) the consummation of the transactions contemplated hereby and thereby has been duly and validly taken.

(s) *Ownership of Non-guarantor Subsidiaries*. All of the outstanding shares of capital stock, partnership interests or membership interests, as the case may be, of each of the Non-guarantor Subsidiaries have been duly and validly authorized and issued, and are fully paid and non-assessable (except as such non-assessability may be affected by (i) Section 17-607 of the Delaware LP Act, in the case of partnership interests in a Delaware limited partnership, (ii) Section 18-607 of the Delaware LLC Act, in the case of membership interests in a Delaware limited liability company, (iii) Section 101.206 of the Texas Business Organizations Code, in the case of membership interests in a Texas limited liability company, and (iv) except as otherwise disclosed in the Disclosure Package and the Prospectus). Except as described in the Disclosure Package and the Prospectus, the Partnership and/or the Subsidiary Guarantors, as the case may be, directly or indirectly, owns the shares of capital stock, partnership interests or membership interests in each of the Non-guarantor Subsidiaries as set forth on Schedule III hereto free and clear of all liens, encumbrances (other than contractual restrictions on transfer contained in the applicable constituent documents), security interests, equities, charges, claims or restrictions upon voting or any other claim of any third party. None of the TEPPCO Parties has any subsidiaries other than as set forth on Schedule III hereto that would be deemed to be a "significant subsidiary" as such term is defined in Rule 405 of the Securities Act.

(t) *Authorization, Execution and Delivery of Agreement*. This Agreement has been duly authorized and validly executed and delivered by each of the TEPPCO Parties.

(u) *Authorization, Execution and Enforceability of Agreements*. (i) the Partnership Agreement has been duly authorized, executed and delivered by the General Partner and is a valid and legally binding agreement of the General Partner, enforceable against the General Partner in accordance with its terms; (ii) the TE Products Pipeline, TCTM and TEPPCO Midstream Agreements have been duly authorized, executed and delivered by TEPPCO GP and are valid and legally binding agreements of TEPPCO GP, enforceable against TEPPCO GP in accordance with their terms; (iii) the TEPPCO NGL Pipelines Agreement has been duly authorized, executed and delivered by TEPPCO Midstream and is a valid and legally binding agreement of TEPPCO Midstream, enforceable against TEPPCO Midstream in accordance with its terms; and (iv) the Val Verde Partnership Agreement has been duly authorized, executed and delivered by TEPPCO NGL Pipelines and is a valid and legally binding agreement of TEPPCO NGL Pipelines, enforceable against TEPPCO NGL Pipelines in accordance with its terms; *provided* that, with respect to each such agreement listed in this paragraph, the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(v) *Enforceability of Indenture*. The Base Indenture has been duly authorized, executed and delivered by (i) the Partnership, (ii) the predecessor of TE Products Pipeline, (iii) TCTM and (iv) the predecessor of TEPPCO Midstream. Each of the Supplemental Indentures has been duly authorized, executed and delivered by each of the Obligors. The execution and delivery of, and the performance by the Obligors of their respective obligations under the Indenture have been duly and validly authorized by each of the Obligors. Assuming due authorization, execution and delivery thereof by the Trustee, the Indenture when executed and delivered by the Obligors, will constitute a valid and legally binding agreement of the Obligors, enforceable against the Obligors in accordance with its terms; *provided* that, the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). The Indenture is duly qualified under the Trust Indenture Act.

(w) *Valid Issuance of the Notes*. The Notes have been duly authorized for issuance and sale to the Underwriters, and, when executed by the Partnership and authenticated by the Trustee in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of this Agreement, will have been duly executed and delivered by the Partnership, and will constitute the valid and legally binding obligations of the Partnership entitled to the benefits of the Indenture and enforceable against the Partnership in accordance with their terms; *provided* that, the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(x) *Valid Issuance of the Guarantees*. The Guarantees by the Subsidiary Guarantors have been duly authorized by the Subsidiary General Partners on behalf of the Subsidiary Guarantors and, on the Delivery Date, will have been duly executed and delivered by the Subsidiary Guarantors; when the Notes have been issued, executed and authenticated in accordance with the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of this Agreement, the Guarantees will constitute the valid and legally binding obligations of the Subsidiary Guarantors entitled to the benefits of the Indenture and will be enforceable against the Subsidiary Guarantors in accordance with their terms as set forth in the Indenture; *provided* that, the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(y) *No Conflicts or Violations*. None of the (i) offering, issuance and sale by the Obligors of the Securities, (ii) the execution, delivery and performance of this Agreement, the Indenture and the Securities by the TEPPCO Parties that are parties hereto and thereto, or (iii) consummation of the transactions contemplated hereby and thereby (A) conflicts or will conflict with or constitutes or will constitute a violation of the certificate of limited partnership or agreement of limited partnership, certificate of formation or limited liability company agreement, certificate or articles of incorporation or bylaws or other organizational documents of any of the Partnership Entities, (B) conflicts or will conflict with or constitutes or will constitute a breach or violation of, or a default (or an event that, with notice or lapse of time or both, would constitute

such a default) under, any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which any of the Partnership Entities is a party or by which any of them or any of their respective properties or assets may be bound, (C) violates or will violate any statute, law or regulation or any order, judgment, decree or injunction of any court, arbitrator or governmental agency or body having jurisdiction over any of the Partnership Entities or any of their respective properties or assets, or (D) results or will result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of any of the Partnership Entities, which conflicts, breaches, violations, defaults or liens, in the case of clauses (B) or (D), would, individually or in the aggregate, have a Material Adverse Effect.

(z) *No Consents*. No permit, consent, approval, authorization, order, registration, filing or qualification ("consent") of or with any court, governmental agency or body having jurisdiction over the Partnership Entities or any of their respective properties is required in connection with (i) the offering, issuance and sale by the Obligors of the Securities in the manner contemplated in this Agreement and in the Registration Statement, the Disclosure Package and the Prospectus, (ii) the execution, delivery and performance of this Agreement, the Indenture and the Securities by the TEPPCO Parties that are parties thereto or (iii) the consummation by the TEPPCO Parties of the transactions contemplated by this Agreement, the Indenture and the Securities, except for (A) such consents required under the Securities Act, the Exchange Act, the Trust Indenture Act (all of which have been obtained) and state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters and (B) such consents that have been, or prior to the Delivery Date (as defined herein) will be, obtained.

(aa) *No Default*. None of the Partnership Entities is (i) in violation of its certificate of limited partnership or agreement of limited partnership, certificate of formation or limited liability company agreement, certificate or articles of incorporation or bylaws or other organizational documents, (ii) in violation of any law, statute, ordinance, administrative or governmental rule or regulation applicable to it or of any order, judgment, decree or injunction of any court or governmental agency or body having jurisdiction over it or has failed to obtain any license, permit, certificate, franchise or other governmental authorization or permit necessary to the ownership of its property or to the conduct of its business, or (iii) in breach, default (and no event that, with notice or lapse of time or both, would constitute such a default has occurred or is continuing) or violation in the performance of any obligation, agreement or condition contained in any bond, debenture, note or any other evidence of indebtedness or in any agreement, indenture, lease or other instrument to which it is a party or by which it or any of its properties may be bound, which breach, default or violation, in the case of clause (ii) or (iii), would, if continued, have a Material Adverse Effect, or could materially impair the ability of any of the Partnership Entities to perform their obligations under this Agreement or the Base Indenture together with the Supplemental Indentures.

(bb) *Independent Registered Public Accounting Firm*. Deloitte & Touche LLP, who has audited the audited financial statements contained or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus (other than the financial statements included in the year ended December 31, 2005) is an independent registered public accounting firm with respect to the Partnership and the General Partner within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the

Commission and the Public Company Accounting Oversight Board (United States) (the "PCAOB").

(cc) *Financial Statements*. The historical financial statements (including the related notes and supporting schedule) contained or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus (i) comply in all material respects with the applicable requirements under the Securities Act and the Exchange Act (except that certain supporting schedules are omitted), (ii) present fairly in all material respects the financial position, results of operations and cash flows of the entities purported to be shown thereby on the basis stated therein at the respective dates or for the respective periods, and (iii) have been prepared in accordance with accounting principles generally accepted in the United States of America consistently applied throughout the periods involved, except to the extent disclosed therein. The other financial information of the General Partner and the Partnership and its subsidiaries, including non-GAAP financial measures, if any, contained or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus has been derived from the accounting records of the General Partner, the Partnership and its subsidiaries, and fairly presents the information purported to be shown thereby. Nothing has come to the attention of any of the Partnership Entities that has caused them to believe that the statistical and market-related data included in the Registration Statement, the most recent Preliminary Prospectus and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(dd) *No Distribution of Other Offering Materials*. None of the Partnership Entities has distributed or, prior to the completion of the distribution of the Securities, will distribute, any offering material in connection with the offering and sale of the Securities other than the Registration Statement, any Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus to which the Representatives have consented in accordance with Section 1(i) or 5(l) and the Issuer Free Writing Prospectus set forth on Schedule IV hereto and any other materials, if any, permitted by the Securities Act, including Rule 134 of the Rules and Regulations.

(ee) *Conformity to Description of the Securities*. The Securities, when issued and delivered against payment therefor as provided in this Agreement and in the Indenture, will conform in all material respects to the descriptions thereof contained or incorporated by reference in the Registration Statement, the Disclosure Package and the Prospectus.

(ff) *Certain Transactions*. Except as disclosed in the Prospectus and the Disclosure Package, subsequent to the respective dates as of which such information is given in the Registration Statement and the Disclosure Package, (i) none of the Partnership Entities has incurred any liability or obligation, indirect, direct or contingent, or entered into any transactions, not in the ordinary course of business, that, individually or in the aggregate, is material to the Partnership Entities, taken as a whole, and (ii) there has not been any material change in the capitalization or material increase in the long-term debt of the Partnership Entities, or any dividend or distribution of any kind declared, paid or made by the Partnership on any class of its partnership interests.

(gg) *No Omitted Descriptions; Legal Descriptions*. There are no legal or governmental proceedings pending or, to the knowledge of the TEPPCO Parties, threatened or

contemplated, against any of the Partnership Entities, or to which any of the Partnership Entities is a party, or to which any of their respective properties or assets is subject, that are required to be described in the Registration Statement, the Disclosure Package or the Prospectus but are not described as required, and there are no agreements, contracts, indentures, leases or other instruments that are required to be described in the Registration Statement, the Disclosure Package or the Prospectus or to be filed as an exhibit to the Registration Statement that are not described or filed as required by the Securities Act or the Rules and Regulations or the Exchange Act or the rules and regulations thereunder. The statements included in or incorporated by reference into the Registration Statement, the Disclosure Package and the Prospectus under the headings "Description of the Notes," "Description of Debt Securities," "Certain ERISA Considerations," and "Certain United States Federal Income Tax Considerations," insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings.

(hh) *Title to Properties*. Each Partnership Entity has (i) good and indefeasible title to all its interests in its properties that are material to the operations of the Partnership Entities, taken as a whole, and (ii) good and marketable title in fee simple to, or valid rights to lease or otherwise use, all items of other real and personal property which are material to the business of the Partnership Entities, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except such as (A) do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Partnership Entities, (B) could not reasonably be expected to have a Material Adverse Effect or (C) are described, and subject to the limitations contained, in the Disclosure Package.

(ii) *Rights-of-Way*. Each of the Partnership Entities has such consents, easements, rights-of-way or licenses from any person ("rights-of-way") as are necessary to conduct its business in the manner described in the Disclosure Package, the Prospectus and any Issuer Free Writing Prospectus, subject to such qualifications as may be set forth in the Disclosure Package and the Prospectus and except for such rights-of-way the failure of which to have obtained would not have, individually or in the aggregate, a Material Adverse Effect; each of the Partnership Entities has fulfilled and performed all its material obligations with respect to such rights-of-way and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or would result in any impairment of the rights of the holder of any such rights-of-way, except for such revocations, terminations and impairments that will not have a Material Adverse Effect, subject in each case to such qualification as may be set forth in the Disclosure Package and the Prospectus; and, except as described in the Disclosure Package and the Prospectus, none of such rights-of-way contains any restriction that is materially burdensome to the Partnership Entities, taken as a whole.

(jj) *Permits*. Each of the Partnership Entities has such permits, consents, licenses, franchises, certificates and authorizations of governmental or regulatory authorities ("permits") as are necessary to own or lease its properties and to conduct its business in the manner described in the Disclosure Package, the Prospectus and any Issuer Free Writing Prospectus, subject to such qualifications as may be set forth in the Disclosure Package and the Prospectus and except for such permits that, if not obtained, would not have, individually or in the aggregate, a Material Adverse Effect; each of the Partnership Entities has fulfilled and performed

all its material obligations with respect to such permits in the manner described, and subject to the limitations contained in the Disclosure Package and the Prospectus, and no event has occurred that would prevent the permits from being renewed or reissued or that allows, or after notice or lapse of time would allow, revocation or termination thereof or results or would result in any impairment of the rights of the holder of any such permit, except for such non-renewals, non-issues, revocations, terminations and impairments that would not, individually or in the aggregate, have a Material Adverse Effect. None of the Partnership Entities has received notification of any revocation or modification of any such permit or has any reason to believe that any such permit will not be renewed in the ordinary course.

(kk) *Books and Records; Accounting Controls*. The Partnership Entities (i) make and keep books, records and accounts that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets, and (ii) maintain systems of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(ll) *Related Party Transactions*. No relationship, direct or indirect, exists between or among the Partnership Entities on the one hand, and the directors, officers, partners, customers or suppliers of the General Partner and its affiliates (other than the Partnership Entities) on the other hand, which is required to be described in the Disclosure Package and the Prospectus and which is not so described.

(mm) *Environmental Compliance*. There has been no storage, generation, transportation, handling, treatment, disposal or discharge of any kind of toxic or other wastes or other hazardous substances by any of the Partnership Entities (or, to the knowledge of the TEPPCO Parties, any other entity (including any predecessor) for whose acts or omissions any of the Partnership Entities is or could reasonably be expected to be liable) at, upon or from any of the property now or previously owned or leased by any of the Partnership Entities or upon any other property, in violation of any statute or any ordinance, rule, regulation, order, judgment, decree or permit or which would, under any statute or any ordinance, rule (including rule of common law), regulation, order, judgment, decree or permit, give rise to any liability, except for any violation or liability that could not reasonably be expected to have, individually or in the aggregate with all such violations and liabilities, a Material Adverse Effect; and there has been no disposal, discharge, emission or other release of any kind onto such property or into the environment surrounding such property of any toxic or other wastes or other hazardous substances with respect to which any of the TEPPCO Parties has knowledge, except for any such disposal, discharge, emission or other release of any kind which could not reasonably be expected to have, individually or in the aggregate with all such discharges and other releases, a Material Adverse Effect.

(nn) *Insurance*. The Partnership Entities maintain insurance covering their properties, operations, personnel and businesses against such losses and risks as are reasonably adequate to

protect them and their businesses in a manner consistent with other businesses similarly situated. Except as disclosed in the Disclosure Package and the Prospectus, none of the Partnership Entities has received notice from any insurer or agent of such insurer that substantial capital improvements or other expenditures will have to be made in order to continue such insurance; all such insurance is outstanding and duly in force on the date hereof and will be outstanding and duly in force on the Delivery Date.

(oo) *Litigation*. There are no legal or governmental proceedings pending to which any Partnership Entity is a party or of which any property or assets of any Partnership Entity is the subject that, individually or in the aggregate, if determined adversely to such Partnership Entity, could reasonably be expected to have a Material Adverse Effect; and to the knowledge of the TEPPCO Parties, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(pp) *No Labor Disputes*. No labor dispute with the employees that are engaged in the business of the Partnership or its subsidiaries exists or, to the knowledge of the TEPPCO Parties, is imminent or threatened that is reasonably likely to result in a Material Adverse Effect.

(qq) *Intellectual Property*. Each Partnership Entity owns or possesses adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses; and the conduct of their respective businesses will not conflict in any material respect with, and no Partnership Entity has received any notice of any claim of conflict with, any such rights of others.

(rr) *Investment Company*. None of the Partnership Entities is now, or after sale of the Securities to be sold by the Obligors hereunder and application of the net proceeds from such sale as described in the most recent Preliminary Prospectus under the caption "Use of Proceeds" will be, an "investment company" or a company "controlled by" an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ss) *Absence of Certain Actions*. No action has been taken and no statute, rule, regulation or order has been enacted, adopted or issued by any governmental agency or body which prevents the issuance or sale of the Securities in any jurisdiction; no injunction, restraining order or order of any nature by any federal or state court of competent jurisdiction has been issued with respect to any Partnership Entity which would prevent or suspend the issuance or sale of the Securities or the use of the Disclosure Package in any jurisdiction; no action, suit or proceeding is pending against or, to the knowledge of the TEPPCO Parties, threatened against or affecting any Partnership Entity before any court or arbitrator or any governmental agency, body or official, domestic or foreign, which could reasonably be expected to interfere with or adversely affect the issuance of the Securities or in any manner draw into question the validity or enforceability of this Agreement or the Indenture or any action taken or to be taken pursuant hereto or thereto; and the Obligors have complied with any and all requests by any securities

authority in any jurisdiction for additional information to be included in the most recent Preliminary Prospectus.

(tt) *No Stabilizing Transactions*. None of the General Partner, the Partnership, the Subsidiary General Partners, the Subsidiary Guarantors or any of their affiliates has taken, directly or indirectly, any action designed to or which has constituted or which would reasonably be expected to cause or result, under the Exchange Act or otherwise, in stabilization or manipulation of the price of any securities of the Partnership or the Subsidiary Guarantors to facilitate the sale or resale of the Securities.

(uu) *Form S-3*. The conditions for the use of Form S-3 by the Obligors, as set forth in the General Instructions thereto, have been satisfied.

(vv) *Disclosure Controls*. The General Partner and the Partnership have established and maintain disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) which (i) are designed to ensure that material information relating to the Partnership, including its consolidated subsidiaries, is made known to the General Partner's principal executive officer and its principal financial officer by others within those entities, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared; (ii) have been evaluated for effectiveness as of the end of the period covered by the Partnership's most recent annual report filed with the Commission; and (iii) are effective in achieving reasonable assurances that the Partnership's desired control objectives as described in Item 9A of the Partnership's Annual Report on Form 10-K for the period ended December 31, 2007 (the "2007 Annual Report") have been met.

(ww) *No Deficiency in Internal Controls*. Based on the evaluation of its internal controls and procedures conducted in connection with the preparation and filing of the 2007 Annual Report, neither the Partnership nor the General Partner is aware of (i) any significant deficiencies or material weaknesses in the design or operation of its internal controls over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that are likely to adversely affect the Partnership's ability to record, process, summarize and report financial data; or (ii) any fraud, whether or not material, that involves management or other employees who have a role in the Partnership's internal controls over financial reporting.

(xx) *No Changes in Internal Controls*. Since the date of the most recent evaluation of the disclosure controls and procedures described in Section 1(vv) hereof, there have been no significant changes in the Partnership's internal controls that materially affected or are reasonably likely to materially affect the Partnership's internal controls over financial reporting.

(yy) *Sarbanes-Oxley Act*. The principal executive officer and principal financial officer of the General Partner have made all certifications required by the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and any related rules and regulations promulgated by the Commission, and the statements contained in any such certification are complete and correct. The Partnership and the General Partner are otherwise in compliance in all material respects with all applicable provisions of the Sarbanes-Oxley Act that are effective.

(zz) *Rating of Notes*. In accordance with Rule 2720(c)(3)(C) of the Conduct Rules of the National Association of Securities Dealers, Inc., the Notes have been rated in an investment grade category by Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings.

Any certificate signed by any officer of any TEPPCO Party and delivered to the Representatives or counsel for the Underwriters pursuant to this Agreement shall be deemed a representation and warranty by the TEPPCO Parties signatory thereto, as to the matters covered thereby, to each Underwriter.

2. *Purchase and Sale of the Notes*. On the basis of the representations and warranties contained in, and subject to the terms and conditions of, this Agreement, the Partnership agrees to issue and sell the Notes to the several Underwriters and each of the Underwriters, severally and not jointly, agrees to purchase from the Partnership (i) the principal amount of 2013 Notes set forth opposite that Underwriter's name in Schedule I hereto at a price equal to 99.322% of the principal amount thereof, (ii) the principal amount of 2018 Notes set forth opposite that Underwriter's name in Schedule I hereto at a price equal to 98.990% of the principal amount thereof and (iii) the principal amount of 2038 Notes set forth opposite that Underwriter's name in Schedule I hereto at a price equal to 98.576% of the principal amount thereof, in each case, plus accrued interest, if any, from the Delivery Date. The Partnership shall not be obligated to deliver any of the Notes except upon payment for all the Notes to be purchased as provided herein.

The Partnership understands that the Underwriters intend to make a public offering of the Notes as soon after the effectiveness of this Agreement as in the judgment of the Representatives is advisable, and initially to offer the Notes on the terms and conditions set forth in the Disclosure Package and the Prospectus.

3. *Offering of Securities by the Underwriters*. It is understood that the Underwriters propose to offer the Securities for sale to the public as set forth in the Prospectus.

4. *Delivery of and Payment for the Notes*. Delivery of and payment for the Notes shall be made at the office of Baker Botts L.L.P., Houston, Texas, at 10:00 A.M., New York City time, on March 27, 2008 or such other date and time and place as shall be determined by agreement between the Underwriters and the Obligors (such date and time of delivery and payment for the Notes being herein called the "Delivery Date"). Payment for the Notes shall be made by wire transfer in immediately available funds to the account(s) specified by the Obligors to the Representatives against delivery to the nominee of The Depository Trust Company, for the account of the Underwriters, of one or more global notes representing the Securities (collectively, the "Global Notes"), with any transfer taxes payable in connection with the sale of the Notes duly paid by the Partnership. The Global Notes will be made available for inspection by the Representatives not later than 1:00 p.m., New York City time, on the business day prior to the Delivery Date.

5. *Further Agreements of the Parties*. Each of the TEPPCO Parties covenants and agrees with the Underwriters:

(a) *Preparation of Prospectus and Registration Statement*. (i) To prepare the Prospectus in a form approved by the Underwriters and to file such Prospectus pursuant to Rule 424(b) under the Securities Act not later than Commission's close of business on the second business day following the execution and delivery of this Agreement or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Securities Act; (ii) to make no further amendment or any supplement to the Registration Statement or to the Prospectus except as permitted herein; (iii) to advise the Underwriters, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed and to furnish the Underwriters with copies thereof; (iv) to advise the Underwriters promptly after it receives notice thereof of the issuance by the Commission of any stop order or of any order preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus or for additional information; and (v) in the event of the issuance of any stop order or of any order preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus or suspending any such qualification, to use promptly its best efforts to obtain its withdrawal.

(b) *Final Term Sheet and Issuer Free Writing Prospectuses*. (i) To prepare a final term sheet, containing solely a description of final terms of the Securities and the offering thereof, in the form approved by the Representatives and attached as Schedule IV hereto, and to file such term sheet pursuant to Rule 433 under the Securities Act within the time required by such Rule; and (ii) not to make any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus without the prior written consent of the Representatives.

(c) *Copies of Registration Statements*. To furnish promptly to the Underwriters and to counsel for the Underwriters, upon request, a signed copy or conformed copy of the Registration Statement as originally filed with the Commission, and each amendment thereto filed with the Commission, including all consents and exhibits filed therewith.

(d) *Exchange Act Reports*. To file promptly all reports and any definitive proxy or information statements required to be filed by the Partnership with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities.

(e) *Copies of Documents to the Underwriters*. To deliver promptly to the Underwriters such number of the following documents as the Underwriters shall reasonably request: (i) conformed copies of the Registration Statement as originally filed with the Commission and each amendment thereto (in each case excluding exhibits), (ii) each Preliminary Prospectus, the Prospectus and any amended or supplemented Prospectus, (iii) each Issuer Free Writing Prospectus and (iv) any document incorporated by reference in any Preliminary

Prospectus or the Prospectus; and, if the delivery of a prospectus is required at any time after the date hereof in connection with the offering or sale of the Notes or any other securities relating thereto and if at such time any events shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act or the Exchange Act or with a request from the Commission, to notify the Underwriters immediately thereof and to promptly prepare and, subject to Section 5(f) hereof, file with the Commission an amended Prospectus or supplement to the Prospectus which will correct such statement or omission or effect such compliance.

(f) *Filing of Amendment or Supplement*. To file promptly with the Commission any amendment to the Registration Statement or the Prospectus or any supplement to the Prospectus that may, in the judgment of the Partnership, the Subsidiary Guarantors or the Underwriters, be required by the Securities Act or the Exchange Act or requested by the Commission. Prior to filing with the Commission any amendment to the Registration Statement or supplement to the Prospectus, any document incorporated by reference in the Prospectus or any Prospectus pursuant to Rule 424 of the Rules and Regulations, to furnish a copy thereof to the Underwriters and counsel for the Underwriters and not to file any such document to which the Underwriters shall reasonably object after having been given reasonable notice of the proposed filing thereof unless the Partnership or the Subsidiary Guarantors are required by law to make such filing.

(g) *Reports to Security Holders*. As soon as practicable after the Delivery Date, to make generally available to the Partnership's and the Subsidiary Guarantors' security holders an earnings statement of the Partnership and its consolidated subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Rules and Regulations (including, at the option of the Partnership, Rule 158).

(h) *Copies of Reports*. For a period of two years following the date hereof, to furnish to the Underwriters promptly upon request copies of all materials furnished by the Partnership to its security holders and all reports and financial statements furnished by the Partnership to the principal national securities exchange upon which the Notes may be listed pursuant to requirements of or agreements with such exchange or to the Commission pursuant to the Exchange Act or any rule or regulation of the Commission thereunder, in each case to the extent that such materials, reports and financial statements are not publicly filed with the Commission.

(i) *Blue Sky Laws*. Promptly to take from time to time such actions as the Underwriters may reasonably request to qualify the Securities for offering and sale under the securities or Blue Sky laws of such jurisdictions as the Underwriters may designate and to continue such qualifications in effect for so long as required for the resale of the Securities; and to arrange for the determination of the eligibility for investment of the Securities under the laws of such jurisdictions as the Underwriters may reasonably request; *provided* that no Partnership Entity shall be obligated to qualify as a foreign corporation in any jurisdiction in which it is not so qualified or to file a general consent to service of process in any jurisdiction.

(j) *Application of Proceeds*. To apply the net proceeds from the sale of the Securities as set forth in the Disclosure Package and the Prospectus.

(k) *Investment Company*. To take such steps as shall be necessary to ensure that no Partnership Entity shall become an "investment company" as defined in the Investment Company Act.

(l) *Retention of Issuer Free Writing Prospectuses*. To retain in accordance with the Rules and Regulations all Issuer Free Writing Prospectuses not required to be filed pursuant to the Rules and Regulations; and if at any time after the date hereof and prior to the Delivery Date, any events shall have occurred as a result of which any Issuer Free Writing Prospectus, as then amended or supplemented, would conflict with the information in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus or, when considered together with the most recent Preliminary Prospectus, would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, if for any other reason it shall be necessary to amend or supplement any Issuer Free Writing Prospectus, to notify the Representatives and, upon their reasonable request or as required by the Rules and Regulations, to file such document and to prepare and furnish without charge to each Underwriter as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Issuer Free Writing Prospectus that will correct such conflict, statement or omission or effect such compliance.

(m) *Stabilization*. To not directly or indirectly take any action designed to or which constitutes or which might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Partnership or the Subsidiary Guarantors to facilitate the sale or resale of the Securities.

6. *Expenses*. The Obligors agree to pay (a) the costs incident to the authorization, issuance, sale and delivery of the Securities and any taxes payable in that connection; (b) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement and any amendments and exhibits thereto; (c) the costs of printing and distributing the Registration Statement as originally filed and each amendment thereto and any post-effective amendments thereof (including, in each case, exhibits), the Prospectus and any amendment or supplement to the Prospectus, and the Disclosure Package, all as provided in this Agreement; (d) the costs of producing and distributing this Agreement, any underwriting and selling group documents and any other related documents in connection with the offering, purchase, sale and delivery of the Securities; (e) the filing fees incident to securing the review, if applicable, by the National Association of Securities Dealers, Inc. of the terms of sale of the Securities; (f) any applicable listing or other similar fees; (g) the fees and expenses of preparing, printing and distributing a Blue Sky Memorandum (including related fees and expenses of counsel to the Underwriters); (h) any fees charged by rating agencies for rating the Securities; (i) the fees and expenses of the Trustee and paying agent (including related fees and expenses of any counsel to such parties); (j) the costs and expenses of the Obligors relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Securities, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show

presentations with the prior approval of the Partnership, travel and lodging expenses of the representatives and officers of the Obligors and any such consultants; and (k) all other costs and expenses incident to the performance of the obligations of the Obligors under this Agreement; *provided* that, except as provided in this Section 6 and in Section 12 hereof, the Underwriters shall pay their own costs and expenses, including the costs and expenses of its counsel, any transfer taxes on the Notes which they may sell and the expenses of advertising any offering of the Securities made by the Underwriters.

7. *Conditions of Underwriters' Obligations*. The respective obligations of the Underwriters hereunder are subject to the accuracy, on the date hereof, at the Applicable Time and on the Delivery Date, of the representations and warranties of the TEPPCO Parties contained herein, to the accuracy of the statements of the TEPPCO Parties and the officers of the General Partner and the Subsidiary General Partners made in any certificates delivered pursuant hereto, to the performance by each of the TEPPCO Parties of its obligations hereunder and to each of the following additional terms and conditions:

(a) The Prospectus shall have been timely filed with the Commission in accordance with Section 5(a) of this Agreement; no stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Prospectuses or any Issuer Free Writing Prospectuses or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; any request of the Commission for inclusion of additional information in the Registration Statement or the Prospectus or otherwise shall have been complied with to the reasonable satisfaction of the Underwriters; and the Commission shall not have notified the TEPPCO Parties of any objection to the use of the form of the Registration Statement.

(b) The Underwriters shall not have discovered and disclosed to the TEPPCO Parties on or prior to the Delivery Date that the Registration Statement, the Prospectus or the Disclosure Package, or any amendment or supplement thereto, contains an untrue statement of a fact which, in the opinion of counsel for the Underwriters, is material or omits to state any fact which, in the opinion of such counsel, is material and is required to be stated therein or in the documents incorporated by reference therein or is necessary to make the statements therein not misleading.

(c) All corporate, partnership and limited liability company proceedings and other legal matters incident to the authorization, execution and delivery of this Agreement and the Indenture and the authorization, execution and filing of the Registration Statement, any Preliminary Prospectus, the Prospectus and any Issuer Free Writing Prospectus, and all other legal matters relating to this Agreement and the transactions contemplated hereby shall be reasonably satisfactory in all material respects to counsel for the Underwriters, and the TEPPCO Parties shall have furnished to such counsel all documents and information that they or their counsel may reasonably request to enable them to pass upon such matters.

(d) Baker Botts L.L.P. shall have furnished to the Underwriters its written opinion, as counsel for the TEPPCO Parties, addressed to the Underwriters and dated the Delivery Date, in form and substance satisfactory to the Underwriters, substantially to the effect set forth in Exhibit A hereto.

(e) Patricia A. Totten, Esq., shall have furnished to the Underwriters her written opinion, as Chief Legal Officer of the TEPPCO Parties, addressed to the Underwriters and dated the Delivery Date, in form and substance reasonably satisfactory to the Underwriters, substantially to the effect set forth in Exhibit B hereto.

(f) The Underwriters shall have received from Andrews Kurth LLP, counsel for the Underwriters, such opinion or opinions, dated the Delivery Date, with respect to such matters as the Underwriters may reasonably require, and the Partnership shall have furnished to such counsel such documents and information as they may reasonably request for the purpose of enabling them to pass upon such matters.

(g) At the time of execution of this Agreement, the Underwriters shall have received from each of Deloitte & Touche LLP and KPMG LLP a letter or letters, in form and substance satisfactory to the Underwriters, addressed to the Underwriters and dated the date hereof, each (i) confirming that they are an independent registered public accounting firm within the meaning of the Securities Act and are in compliance with the applicable rules and regulations thereunder adopted by the Commission and the PCAOB, and (ii) stating that, as of the date hereof (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Disclosure Package and the Prospectus, as of a date not more than five days prior to the date hereof), the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings.

(h) With respect to the letter or letters of each of Deloitte & Touche LLP and KPMG LLP referred to in the preceding paragraph and delivered to the Underwriters concurrently with the execution of this Agreement (the "initial letters"), such accounting firm shall have furnished to the Underwriters a letter (the "bring-down letter") of each of Deloitte & Touche LLP and KPMG LLP, addressed to the Underwriters and dated the Delivery Date, (i) confirming that they are an independent registered public accounting firm within the meaning of the Securities Act and are in compliance with the applicable rules and regulations thereunder adopted by the Commission and the PCAOB, (ii) stating that, as of the date of the bring-down letter (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Prospectus, as of a date not more than five days prior to the date of the bring-down letter), the conclusions and findings of such firm with respect to the financial information and other matters covered by the initial letters and (iii) confirming in all material respects the conclusions and findings set forth in the initial letters.

(i) The Obligors shall have furnished to the Underwriters certificates, dated the Delivery Date, of the chief executive officer and the chief financial officer of the General Partner and the Subsidiary General Partners, respectively, stating that: (i) such officers have carefully examined the Registration Statement, the Prospectus and the Disclosure Package; (ii) in their opinion, (1) the Registration Statement, including the documents incorporated therein by reference, as of the most recent Effective Date, (2) the Prospectus, including any documents incorporated by reference therein, as of the date of the Prospectus and as of the Delivery Date, and (3) the Disclosure Package, as of the Applicable Time, did not and do not include any untrue statement of a material fact and did not and do not omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made,

not misleading; (iii) as of the Delivery Date, the representations and warranties of the TEPPCO Parties in this Agreement are true and correct; (iv) the TEPPCO Parties have complied with all their agreements contained herein and satisfied all conditions on their part to be performed or satisfied hereunder on or prior to the Delivery Date; (v) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of such officer's knowledge, are threatened; (vi) the Commission has not notified the Partnership of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto; (vii) since the date of the most recent financial statements included or incorporated by reference in the Prospectus, there has been no material adverse effect on the condition (financial or otherwise), results of operations, business or prospects of the Partnership Entities, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Disclosure Package; and (viii) since the most recent Effective Date, no event has occurred that is required under the Rules and Regulations or the Securities Act to be set forth in a supplement or amendment to the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus that has not been so set forth.

(j) If any event shall have occurred on or prior to the Delivery Date that requires the Partnership or the Subsidiary Guarantors under Section 5(e) of this Agreement to prepare an amendment or supplement to the Prospectus, such amendment or supplement shall have been prepared, the Underwriters shall have been given a reasonable opportunity to comment thereon as provided in Section 5(f) hereof, and copies thereof shall have been delivered to the Underwriters reasonably in advance of the Delivery Date.

(k) No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any governmental agency or body which would, as of the Delivery Date, prevent the issuance or sale of the Securities; and no injunction, restraining order or order of any other nature by any federal or state court of competent jurisdiction shall have been issued as of the Delivery Date which would prevent the issuance or sale of the Securities.

(l) Except as described in the Disclosure Package and the Prospectus, (i) neither the Partnership, the Subsidiary Guarantors nor any of their subsidiaries shall have sustained, since the date of the latest audited financial statements included or incorporated by reference in the Disclosure Package and the Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree or (ii) since such date there shall not have been any change in the capital or long-term debt of the Partnership, the Subsidiary Guarantors or any of their subsidiaries or any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), results of operations, unitholders' equity, properties, management, business or prospects of the Partnership and its subsidiaries taken as a whole, the effect of which, in any such case described in clause (i) or (ii), is, in the judgment of the Representatives, so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities being delivered on the Delivery Date on the terms and in the manner contemplated in the Disclosure Package and the Prospectus.

(m) Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in any securities of the Partnership shall have been suspended by the Commission or the New York Stock Exchange, (ii) trading in securities generally on the New York Stock Exchange or the American Stock Exchange shall have been suspended or materially limited or the settlement of such trading generally shall have been materially disrupted or minimum prices shall have been established on the New York Stock Exchange, (iii) a banking moratorium shall have been declared by federal or New York State authorities, (iv) a material disruption in commercial banking or clearance services in the United States, (v) the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States or there shall have been a declaration of a national emergency or war by the United States or (vi) a calamity or crisis the effect of which on the financial markets is such as to make it, in the sole judgment of the Representatives, impracticable or inadvisable to proceed with the offering or delivery of the Securities being delivered on the Delivery Date on the terms and in the manner contemplated in the Disclosure Package and the Prospectus.

(n) Subsequent to the execution and delivery of this Agreement, if any debt securities of the TEPPCO Parties are rated by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) of the Rules and Regulations, (i) no downgrading shall have occurred in the rating accorded such debt securities (including the Securities) and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any securities of any of the Partnership Entities; it being understood that this clause (ii) shall not apply to public announcements reasserting, without any new negative developments or changes, any such surveillance or review that was initiated prior to the date hereof.

(o) The Partnership, the Subsidiary Guarantors and the Trustee shall have executed and delivered the Securities and the Supplemental Indentures.

All such opinions, certificates, letters and documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to the Underwriters and to counsel for the Underwriters.

8. *Indemnification and Contribution*.

(a) Each of the TEPPCO Parties, jointly and severally, agrees to indemnify and hold harmless each Underwriter, the directors, officers, employees and agents of any Underwriter and each person who controls any Underwriter within the meaning of either the Securities Act or the Exchange Act from and against any and all losses, claims, damages or liabilities, joint or several, to which that Underwriter, director, officer, employee or controlling person may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration

Statement, any Preliminary Prospectus, the Prospectus, the Disclosure Package, any Issuer Free Writing Prospectus or in any amendment or supplement thereto, or (ii) the omission or the alleged omission to state in the Registration Statement, any Preliminary Prospectus, the Prospectus, the Disclosure Package, any Issuer Free Writing Prospectus or in any amendment or supplement thereto any material fact required to be stated therein or necessary to make the statements therein not misleading; and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; *provided*, *however*, that the TEPPCO Parties will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the TEPPCO Parties by the Underwriters through the Representatives specifically for inclusion therein, which information consists solely of the information specified in Section 8(b). This indemnity agreement will be in addition to any liability which the TEPPCO Parties may otherwise have.

(b) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless each TEPPCO Party, the directors of the General Partner and the Subsidiary General Partners, the respective officers of the General Partner and the Subsidiary General Partners who signed the Registration Statement, and each person who controls the TEPPCO Parties within the meaning of either the Securities Act or the Exchange Act to the same extent as the foregoing indemnity from the Partnership to the Underwriters, but only with reference to written information relating to the Underwriters furnished to the TEPPCO Parties by the Underwriters through the Representatives specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability which the Underwriters may otherwise have. The TEPPCO Parties acknowledge that the statements set forth in the most recent Preliminary Prospectus and the Prospectus: (A) the names of the Underwriters, (B) the last paragraph of the cover page regarding delivery of the Notes and (C) under the heading “Underwriting,” (1) the sentence relating to discounts in the first paragraph under the subheading “Commissions and Expenses,” (2) the second sentence in the paragraph under the subheading “New Issue of Notes” and (3) the paragraphs under the subheading “Price Stabilization, Short Positions,” constitute the only information furnished in writing by or on behalf of the Underwriters for inclusion in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectuses or in any amendment or supplement thereto.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of any claim or the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the claim or the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantive rights and defenses and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party’s choice at the indemnifying party’s expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the reasonable fees, costs and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); *provided*, *however*, that such counsel shall be reasonably

satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, (iii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding and does not contain any statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) In the event that the indemnity provided in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the TEPPCO Parties and the Underwriters agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively, the "Losses") to which the TEPPCO Parties and the Underwriters may be subject in such proportion as is appropriate to reflect the relative benefits received by the TEPPCO Parties on the one hand and by the Underwriters on the other from the offering of the Securities; *provided*, *however*, that in no case shall any Underwriter be responsible for any amount in excess of the amount by which the total price of the Notes underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the TEPPCO Parties and the Underwriters shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the TEPPCO Parties on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the TEPPCO Parties shall be deemed to be equal to the total net proceeds from the Offering (before deducting expenses) received by it, and benefits received by the Underwriters shall be deemed to be equal to the total underwriting discounts and commissions, in each case as set forth on the cover page of the Prospectus. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the TEPPCO Parties on the one hand or the Underwriters on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The TEPPCO Parties and

each of the Underwriters agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 8, each person who controls any Underwriter within the meaning of either the Securities Act or the Exchange Act and each director, officer, employee and agent of any Underwriter shall have the same rights to contribution as the Underwriters, and each person who controls the TEPPCO Parties within the meaning of either the Securities Act or the Exchange Act, each officer of the General Partner and the Subsidiary General Partners who shall have signed the Registration Statement and each director of the General Partner and the Subsidiary General Partners shall have the same rights to contribution as the TEPPCO Parties, subject in each case to the applicable terms and conditions of this paragraph (d).

9. *No Fiduciary Duty*. Each TEPPCO Party hereby acknowledges that each Underwriter is acting solely as an underwriter in connection with the purchase and sale of the Securities. Each TEPPCO Party further acknowledges that each Underwriter is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's-length basis and in no event do the parties intend that each Underwriter acts or be responsible as a fiduciary to any of the Partnership Entities, their management, unitholders, creditors or any other person in connection with any activity that each Underwriter may undertake or have undertaken in furtherance of the purchase and sale of the Securities, either before or after the date hereof. Each Underwriter hereby expressly disclaims any fiduciary or similar obligations to any of the Partnership Entities, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the TEPPCO Parties hereby confirm their understanding and agreement to that effect. The TEPPCO Parties and the Underwriters agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters to any of the Partnership Entities regarding such transactions, including but not limited to any opinions or views with respect to the price or market for the Securities, do not constitute advice or recommendations to any of the Partnership Entities. Each TEPPCO Party hereby waives and releases, to the fullest extent permitted by law, any claims that any TEPPCO Party may have against each Underwriter with respect to any breach or alleged breach of any fiduciary or similar duty to any of the Partnership Entities in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.

10. *Defaulting Underwriters*. If, on the Delivery Date, any Underwriter defaults in the performance of its obligations under this Agreement, the remaining non-defaulting Underwriters shall be obligated to purchase the principal amount of the Notes that the defaulting Underwriter agreed but failed to purchase on the Delivery Date in the respective proportions which the principal amount of the Notes set forth opposite the name of each remaining non-defaulting Underwriter in Schedule I hereto bears to the aggregate principal amount of the Notes set forth opposite the names of all the remaining non-defaulting Underwriters in Schedule I hereto; *provided*, *however*, that the remaining non-defaulting Underwriters shall not be obligated to purchase any of the Notes on the Delivery Date if the aggregate principal amount of the Notes that the defaulting Underwriter or Underwriters agreed but failed to purchase on such date

exceeds 10% of the aggregate principal amount of the Notes to be purchased on the Delivery Date, and any remaining non-defaulting Underwriters shall not be obligated to purchase more than 110% of the principal amount of the Notes that it agreed to purchase on the Delivery Date pursuant to the terms of Section 2. If the foregoing maximums are exceeded, the remaining non-defaulting Underwriters, or those other underwriters satisfactory to the Representatives who so agree, shall have the right, but shall not be obligated, to purchase, in such proportion as may be agreed upon among them, the aggregate principal amount of the Notes to be purchased on the Delivery Date. If the remaining Underwriters or other underwriters satisfactory to the Representatives do not elect to purchase the Notes that the defaulting Underwriter or Underwriters agreed but failed to purchase on the Delivery Date, this Agreement shall terminate without liability on the part of any non-defaulting Underwriters or the TEPPCO Parties, except that the TEPPCO Parties will continue to be liable for the payment of expenses to the extent set forth in Sections 6 and 12. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context requires otherwise, any party not listed in Schedule I hereto that, pursuant to this Section 10, purchases Notes that a defaulting Underwriter agreed but failed to purchase.

Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the TEPPCO Parties for damages caused by its default. If other Underwriters are obligated or agree to purchase the Notes of a defaulting or withdrawing Underwriter, either the Representatives or the TEPPCO Parties may postpone the Delivery Date for up to seven full business days in order to effect any changes that in the opinion of counsel for the TEPPCO Parties or counsel for the Underwriters may be necessary in the Registration Statement, the Prospectus or in any other document or arrangement.

11. *Termination*. The obligations of the Underwriters hereunder may be terminated by the Representatives by notice given to and received by the Partnership prior to delivery of and payment for the Notes if, prior to that time, any of the events described in Sections 7(l) or 7(m) shall have occurred or if the Underwriters shall decline to purchase the Notes for any reason permitted under this Agreement.

12. *Reimbursement of Underwriters' Expenses*. If the sale of the Securities provided for herein is not consummated because any condition to the obligations of the Underwriters set forth in Section 7 hereof is not satisfied, because of any termination pursuant to Section 7(l) hereof or because of any refusal, inability or failure on the part of any TEPPCO Party to perform any agreement herein or comply with any provision hereof other than by reason of a default by the Underwriters, the TEPPCO Parties will reimburse the Underwriters, severally through the Representatives, on demand for all reasonable out-of-pocket expenses (including reasonable fees and disbursements of counsel) that shall have been incurred by the Underwriters in connection with the proposed purchase and sale of the Securities. If this Agreement is terminated pursuant to Section 10 hereof by reason of the default of one or more of the Underwriters, the TEPPCO Parties shall not be obligated to reimburse any defaulting Underwriter on account of such Underwriter's expenses.

13. *Research Analyst Independence*. Each of the TEPPCO Parties acknowledges that the Underwriters' research analysts and research departments are required to be independent from their respective investment banking divisions and are subject to certain regulations and

internal policies, and that such Underwriters' research analysts may hold views and make statements or investment recommendations and/or publish research reports with respect to each of the TEPPCO Parties and/or the offering that differ from the views of their respective investment banking divisions. Each of the TEPPCO Parties hereby waives and releases, to the fullest extent permitted by law, any claims that the TEPPCO Parties may have against the Underwriters with respect to any conflict of interest that may arise from the fact that the views expressed by their independent research analysts and research departments may be different from or inconsistent with the views or advice communicated to the Partnership by such Underwriters' investment banking divisions. Each of the TEPPCO Parties acknowledges that each of the Underwriters is a full service securities firm and as such from time to time, subject to applicable securities laws, may effect transactions for its own account or the account of its customers and hold long or short positions in debt or equity securities of the companies that may be the subject of the transactions contemplated by this Agreement.

14. *Issuer Information*. Each Underwriter severally agrees that such Underwriter, without the prior written consent of the Partnership, has not used or referred to publicly and shall not use or refer to publicly any "free writing prospectus" (as defined in Rule 405) required to be filed by the Partnership with the Commission or retained by the Partnership under Rule 433, other than a free writing prospectus containing the information contained in the final term sheet prepared and filed pursuant to Section 5(b) of this Agreement; *provided* that the prior written consent of the parties hereto shall be deemed to have been given in respect of the free writing prospectuses included in Schedule II hereto and any electronic road show (including, without limitation, the electronic road show posted on www.netroadshow.com on March 24, 2008). Any such free writing prospectus consented to by the Representatives or the Partnership is hereinafter referred to as a "Permitted Free Writing Prospectus." The Partnership agrees that (x) it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and (y) it has complied and will comply, as the case may be, with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including in respect of timely filing with the Commission, legending and record keeping.

15. *Notices*. All statements, requests, notices and agreements hereunder shall be in writing, and:

(a) if to the Underwriters, shall be delivered or sent by mail or facsimile transmission to UBS Securities LLC, 677 Washington Boulevard, Stamford, CT 06901 (Fax:(203) 719-0495) Attention: Fixed Income Syndicate.

(b) if to the TEPPCO Parties, shall be delivered or sent by mail or facsimile transmission to TEPPCO Partners L.P., 1100 Louisiana Street, Suite 1600, Houston, Texas 77002, Attention: Chief Legal Officer (Fax: (713) 381-4039);

(c) *provided, however*, that any notice to any Underwriter pursuant to Section 8(c) shall be delivered or sent by mail, telex or facsimile transmission to such Underwriters at its address set forth in its acceptance telex to the Underwriters, which address will be supplied to any other party hereto by the Underwriters upon request. Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof.

The TEPPCO Parties shall be entitled to rely upon any request, notice, consent or agreement given or made by the Representatives on behalf of the Underwriters.

16. *Persons Entitled to Benefit of Agreement*. This Agreement shall inure to the benefit of and be binding upon the Underwriters, the TEPPCO Parties and their respective successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except as provided in Section 8 with respect to officers, directors, employees, agents and controlling persons of the Partnership, the Subsidiary Guarantors and the Underwriters. Nothing in this Agreement is intended or shall be construed to give any person, other than the persons referred to in this Section 16, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

17. *Survival*. The respective indemnities, representations, warranties and agreements of the TEPPCO Parties and the Underwriters contained in this Agreement or made by or on behalf on them, respectively, pursuant to this Agreement or any certificate delivered pursuant hereto, shall survive the delivery of and payment for the Securities and shall remain in full force and effect, regardless of any termination or cancellation of this Agreement or any investigation made by or on behalf of any of them or any person controlling any of them. The Underwriters acknowledge and agree that the obligations of the TEPPCO Parties hereunder are non-recourse to the General Partner.

18. *Definition of the Terms "Business Day" and "Subsidiary"*. For purposes of this Agreement, (a) "business day" means any day on which the New York Stock Exchange, Inc. is open for trading and (b) "affiliate" and "subsidiary" have their respective meanings set forth in Rule 405 of the Rules and Regulations.

19. *Governing Law*. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

20. *Jurisdiction; Venue*. The parties hereby consent to (i) nonexclusive jurisdiction in the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, (ii) nonexclusive personal service with respect thereto, and (iii) personal jurisdiction, service and venue in any court in which any claim arising out of or in any way relating to this Agreement is brought by any third party against the Underwriters or any indemnified party. Each of the parties (on its behalf and, to the extent permitted by applicable law, on behalf of its limited partners and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The parties agree that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the parties and may be enforced in any other courts to the jurisdiction of which the parties is or may be subject, by suit upon such judgment.

21. *Counterparts*. This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

22. *Amendments*. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

23. *Headings*. The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

[The Remainder of This Page Intentionally Left Blank]

If the foregoing correctly sets forth the agreement among the TEPPCO Parties and the Underwriters, please indicate your acceptance in the space provided for that purpose below.

Very truly yours,

TEPPCO PARTNERS, L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

TEXAS EASTERN PRODUCTS PIPELINE COMPANY, LLC

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

TEPPCO GP, INC.

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

TEPPCO NGL PIPELINES, LLC

By: /s/ William G. Manias
William G. Manias
Vice President and Chief Financial Officer

For themselves and as Representatives of the several Underwriters named in Schedule I hereto.

By: UBS SECURITIES LLC

By: /s/ Christopher Forshner
Name: Christopher Forshner
Title: Managing Director

By: /s/ Ryan Donovan
Name: Ryan Donovan
Title: Directors

By: J.P. MORGAN SECURITIES INC.

By: /s/ Stephen L. Sheiner
Name: Stephen L. Sheiner
Title: Vice President

By: SUNTRUST ROBINSON HUMPHREY, INC.

By: /s/ Christopher S. Grumboski
Name: Christopher S. Grumboski
Title: Director

By: WACHOVIA CAPITAL MARKETS, LLC

By: /s/ Carolyn Coan
Name: Carolyn Coan
Title: Vice President

Schedule I

Underwriters	Principal Amount of the 2013 Notes to be Purchased	Principal Amount of the 2018 Notes to be Purchased	Principal Amount of the 2038 Notes to be Purchased
UBS Securities LLC	$ 46,875,000	$ 65,625,000	$ 75,000,000
J.P. Morgan Securities Inc.	$ 46,875,000	$ 65,625,000	$ 75,000,000
SunTrust Robinson Humphrey, Inc.	$ 46,875,000	$ 65,625,000	$ 75,000,000
Wachovia Capital Markets, LLC	$ 46,875,000	$ 65,625,000	$ 75,000,000
BNP Paribas Securities Corp.	$ 15,000,000	$ 21,000,000	$ 24,000,000
Citigroup Global Markets Inc.	$ 15,000,000	$ 21,000,000	$ 24,000,000
Greenwich Capital Markets, Inc.	$ 15,000,000	$ 21,000,000	$ 24,000,000
KeyBanc Capital Markets Inc.	$ 5,834,000	$ 8,166,000	$ 9,333,000
Wedbush Morgan Securities Inc.	$ 5,833,000	$ 8,166,000	$ 9,334,000
Wells Fargo Securities, LLC	$ 5,833,000	$ 8,168,000	$ 9,333,000
TOTAL	$ 250,000,000	$ 350,000,000	$ 400,000,000

Schedule II

1. Term Sheet prepared and filed pursuant to Section 5(b) of this Agreement.

Schedule III

Significant Subsidiaries of the Partnership

Subsidiary	Jurisdiction of Formation	Ownership Interest Percentage (direct or indirect)
TE Products Pipeline Company, LLC	Texas	100.00%
TEPPCO Midstream Companies, LLC	Texas	100.00%
Val Verde Gas Gathering Company, L.P.	Delaware	100.00%
TCTM, L.P.	Delaware	100.00%
TEPPCO Crude Pipeline, LLC	Texas	100.00%
TEPPCO Seaway, L.P.	Delaware	100.00%
TEPPCO Crude Oil, LLC	Texas	100.00%
TEPPCO Marine Services, LLC	Delaware	100.00%

Schedule IV

Final Term Sheet

Filed Pursuant to Rule 433
Registration No. 333-110207
March 24, 2008

PRICING TERM SHEET

5.90% Senior Notes due 2013
6.65% Senior Notes due 2018
7.55% Senior Notes due 2038

Issuer:	TEPPCO Partners, L.P.
Guarantee:	Unconditionally guaranteed by TE Products Pipeline Company, LLC, TCTM, L.P., TEPPCO Midstream Companies, LLC and Val Verde Gas Gathering Company, L.P.
Security:	5.90% Senior Notes due 2013 ("2013 Notes") 6.65% Senior Notes due 2018 ("2018 Notes") 7.55% Senior Notes due 2038 ("2038 Notes")
Size:	2013 Notes: $250,000,000 2018 Notes: $350,000,000 2038 Notes: $400,000,000
Maturity Date:	2013 Notes: April 15, 2013 2018 Notes: April 15, 2018 2038 Notes: April 15, 2038
Coupon:	2013 Notes: 5.90% 2018 Notes: 6.65% 2038 Notes: 7.55%
Interest Payment Dates:	April 15 and October 15, commencing October 15, 2008
Interest Record Dates:	April 1 and October 1
Price to Public:	2013 Notes: 99.922% 2018 Notes: 99.640% 2038 Notes: 99.451%
Benchmark Treasury:	2013 Notes: 2.75% due February 28, 2013 2018 Notes: 3.50% due February 15, 2018 2038 Notes: 5.00% due May 15, 2037
Benchmark Treasury Yield:	2013 Notes: 2.617% 2018 Notes: 3.549% 2038 Notes: 4.346%

Spread to Benchmark Treasury:	2013 Notes: + 330 bps 2018 Notes: + 315 bps 2038 Notes: + 325 bps
Yield:	2013 Notes: 5.917% 2018 Notes: 6.699% 2038 Notes: 7.596%
Make-Whole Call:	2013 Notes: T + 50 bps 2018 Notes: T + 50 bps 2038 Notes: T + 50 bps
Expected Settlement Date:	March 27, 2008
CUSIP:	2013 Notes: 872384AD4 2018 Notes: 872384AE2 2038 Notes: 872384AF9
Ratings:	Baa3 (Stable) by Moody's Investors Service, Inc. BBB- (Stable) by Standard & Poor's Ratings Services BBB- (Stable) by Fitch Ratings
Joint Book-Running Managers:	UBS Securities LLC J.P. Morgan Securities Inc. SunTrust Robinson Humphrey, Inc. Wachovia Capital Markets, LLC
Co-Managers:	BNP Paribas Securities Corp. Citigroup Global Markets Inc. Greenwich Capital Markets, Inc. KeyBanc Capital Markets Inc. Wedbush Morgan Securities Inc. Wells Fargo Securities, LLC

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time; each rating should be evaluated independently of any other rating.

The issuer has filed a registration statement (including a prospectus) with the Securities and Exchange Commission, or SEC, for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering.

You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling UBS Securities LLC at (877) 827-6444 ext 561-3884, J.P. Morgan Securities Inc. at (212) 834-4533, SunTrust Robinson Humphrey, Inc. at (800) 685-4786 or Wachovia Capital Markets, LLC at (800) 326-5897.

Schedule IV

EXHIBIT A

FORM OF ISSUER'S COUNSEL OPINION

1. Each of the Delaware Entities is validly existing in good standing as a limited liability company, limited partnership or corporation, as the case may be, under the Delaware Limited Liability Company Act (the "Delaware LLC Act"), the Delaware Revised Uniform Limited Partnership Act (the "Delaware LP Act") or the Delaware General Corporation Law (the "DGCL"), respectively. Each of the Texas Entities is validly existing in good standing as a limited liability company under Title 3 of the Texas Business Organizations Code.

2. The Partnership has the limited partnership power and authority under the laws of the State of Delaware to (i) execute and deliver, and to incur and perform all of its obligations under, the Transaction Documents and (ii) carry on its business and own or lease its properties, in each case in all material respects as described in the Disclosure Package and the Final Prospectus. Each of the Subsidiary Guarantors has the limited liability company or limited partnership power and authority under the laws of the State of Delaware or the laws of the State of Texas, as the case may be, to (i) execute and deliver, and to incur and perform all of its obligations under, the Transaction Documents to which it is a party and (ii) carry on its business and own or lease its properties, in each case in all material respects as described in the Disclosure Package and the Final Prospectus. Each of the General Partner and the Subsidiary General Partners has the limited liability company or corporate power and authority under the laws of the State of Delaware to (i) execute and deliver, and to incur and perform all of its obligations under, the Underwriting Agreement and (ii) carry on its business and own or lease its properties, in each case in all material respects as described in the Disclosure Package and the Final Prospectus.

3. The Underwriting Agreement has been duly authorized, executed and delivered by each of the TEPPCO Parties; the Base Indenture has been duly authorized, executed and delivered by each of the Partnership, TCTM, the predecessor of TE Products Pipeline and the predecessor of TEPPCO Midstream; each of the Supplemental Indentures has been duly authorized, executed and delivered by each of the Obligors; and the Notes have been duly authorized, executed and delivered by the Partnership.

4. Assuming the due authorization, execution and delivery by the Trustee, the Indenture is a valid and legally binding agreement of each of the Obligors, enforceable against each of them in accordance with its terms under the laws of the State of New York, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws relating to or affecting the rights and remedies of creditors generally, and subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law) and any implied covenants of good faith and fair dealing.

5. When authenticated by the Trustee in accordance with the Indenture and delivered to and paid for by the Underwriters in accordance with the Underwriting Agreement, the Notes will constitute valid and legally binding obligations of the Partnership, entitled to the benefits of the Indenture and enforceable against the Partnership in accordance with their terms, under the laws of the State of New York, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws relating to or affecting the rights of creditors generally, and subject to the

application of general principles of equity (regardless of whether considered in a proceeding in equity or at law) and any implied covenants of good faith and fair dealing.

6. When the Notes have been authenticated by the Trustee in accordance with the Indenture and delivered to and paid for by the Underwriters in accordance with the Underwriting Agreement, the Guarantees of the Notes included in the Indenture will constitute valid and legally binding obligations of the Subsidiary Guarantors, enforceable against the Subsidiary Guarantors in accordance with the terms of the Indenture, under the laws of the State of New York, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws relating to or affecting the rights of creditors generally, and subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law) and any implied covenants of good faith and fair dealing.

7. None of (i) the execution and delivery of, or the incurrence or performance by the TEPPCO Parties of their respective obligations under, each of the Transaction Documents to which it is a party, each in accordance with its terms, (ii) the offering, issuance, sale and delivery of the Notes by the Partnership pursuant to the Underwriting Agreement or (iii) the issuance of the Guarantees of the Notes by the Subsidiary Guarantors (A) constitutes or will constitute a violation of the certificate of limited partnership or agreement of limited partnership, certificate of formation or limited liability company agreement, certificate or articles of incorporation or bylaws or other similar organizational documents of any of the TEPPCO Parties, (B) results or will result in any violation of the Delaware LP Act, the Delaware LLC Act, the DGCL, applicable laws of the State of Texas or the State of New York, Regulation T, U or X of the Board of Governors of the Federal Reserve System or other applicable laws of the United States of America, (C) constitutes or will constitute a breach or violation of, or a default (or an event which, with notice or lapse of time or both, would constitute such a default), under any contract identified on Exhibit A hereto ("Applicable Agreements") or (D) results or will result in the creation of any security interest in, or lien upon, any of the property or assets of the TEPPCO Parties pursuant to any Applicable Agreement, which violations, breaches, security interests or liens, in the case of clauses (B), (C) or (D) of this paragraph, would, individually or in the aggregate, have a material adverse effect on the financial condition, business or results of operations of the TEPPCO Parties and their subsidiaries, taken as a whole, or materially impair the ability of any of the TEPPCO Parties to perform its obligations under the Transaction Documents; provided that the applicable laws of the State of Texas, the State of New York and the United States of America referred to in clause (B) of this paragraph exclude federal and state securities laws, "Blue Sky" laws and other anti-fraud laws.

8. No Governmental Approval that has not been obtained or taken and is not in full force and effect is required to authorize, or is required for the execution and delivery by each of the TEPPCO Parties of, the Transaction Documents to which it is a party or the incurrence or performance of its obligations thereunder. As used in this paragraph, "Governmental Approval" means any consent, approval, license, authorization or validation of, or filing, recording or registration with, any executive, legislative, judicial, administrative or regulatory body of the State of Delaware, the United States of America, the State of Texas or the State of New York pursuant to Delaware LP Act, the Delaware LLC Act, the DGCL or applicable laws of the United States of America or of the States of Texas or New York; provided that we express no

opinion in this paragraph with respect to federal or state securities laws, “Blue Sky” laws or other anti-fraud laws.

9. The statements under the captions “Description of Debt Securities” and “Description of the Notes” in each of the Disclosure Package and the Final Prospectus, insofar as they purport to summarize certain provisions of documents or legal matters referred to therein, fairly summarize such provisions and legal matters in all material respects, subject to the qualifications and assumptions stated therein; and the Indenture and the Securities conform in all material respects to the descriptions thereof set forth under the captions “Description of Debt Securities” and “Description of the Notes” in each of the Disclosure Package and the Final Prospectus.

10. The statements under the caption “Certain United States Federal Income Tax Considerations” in each of the Preliminary Prospectus and the Final Prospectus, insofar as they refer to statements of law or legal conclusions, fairly summarize the matters referred to therein in all material respects, subject to the qualifications and assumptions stated therein.

11. Each of the Registration Statement, as of its latest Effective Date, the Preliminary Prospectus, as of its date, and the Final Prospectus, as of its date appears on its face to be appropriately responsive in all material respects to the requirements of the Securities Act and the 1933 Act Regulations, provided that we express no opinion, statement or belief in this paragraph as to any of the following included in or omitted from such documents: (a) any financial statements or schedules, including notes thereto and auditors’ reports thereon, (b) any other financial, statistical or accounting information or (c) any exhibits thereto.

12. None of the TEPPCO Parties is, or upon application of the net proceeds of the offering of the Securities as described in the Final Prospectus will be, an “investment company,” as such term is defined in the Investment Company Act of 1940, as amended.

13. The Registration Statement has become effective under the Securities Act; the Indenture has been qualified under the Trust Indenture Act of 1939, as amended; and any required filing of the Preliminary Prospectus and the Final Prospectus pursuant to Rule 424(b) under the Securities Act and of any Issuer Free Writing Prospectus pursuant to Rule 433 under the Securities Act has been made in the manner and within the time periods required by such rule. To our knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or threatened by the Commission.

We have participated in conferences with officers and other representatives of the TEPPCO Parties, with representatives of the Partnership’s independent registered public accounting firm and with your representatives and your counsel, at which the contents of the Registration Statement, the Disclosure Package, the Final Prospectus and related matters were discussed. Although we have not independently verified the information contained in the Registration Statement, the Disclosure Package or the Final Prospectus, and are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package or the Final Prospectus (except to the extent stated in paragraphs 9 and 10 above), we advise you that, on the basis of the foregoing, no facts have come to our attention that lead us to believe that:

(a) the Registration Statement, as of its latest Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

(b) the Disclosure Package, as of the Applicable Time, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(c) the Final Prospectus, as of its date and on the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We have not been asked to comment on, and express no statement or belief in this paragraph with respect to, any of the following that the Registration Statement, the Disclosure Package or the Final Prospectus contained, contains, omitted or omits: (a) financial statements and schedules, including the notes thereto and the auditors' reports thereon, (b) any other financial, statistical and accounting information, (c) representations and warranties and other statements of fact included in the exhibits to the Registration Statement or to the documents incorporated by reference therein or (d) Forms T-1 included as exhibits to the Registration Statement.

EXHIBIT B

FORM OF GENERAL COUNSEL'S OPINION

1. The General Partner is the sole general partner of the Partnership with a 1.999999% general partner interest in the Partnership (including rights to increasing percentage interests in Partnership distributions provided for in the Partnership Agreement); such general partner interest has been duly authorized and validly issued in accordance with the Partnership Agreement; and the General Partner owns such general partner interest free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware naming the General Partner as debtor is on file as of a recent date in the office of the Secretary of State of the State of Delaware.

2. EPE owns 100% of the issued and outstanding membership interests in the General Partner; such membership interests have been duly authorized and validly issued in accordance with the GP LLC Agreement; and EPE owns such membership interests free and clear of all liens, encumbrances, security interests, charges or claims, in each case in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware naming EPE as debtor is on file as of a recent date in the office of the Secretary of State of the State of Delaware, other those in favor of lenders of EPE.

3. The Partnership owns 100% of the issued and outstanding capital stock of TEPPCO GP; such capital stock has been duly authorized and validly issued in accordance with the TEPPCO GP Bylaws and the TEPPCO GP Certificate of Incorporation; and the Partnership owns such capital stock free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware naming the Partnership as debtor is on file as of a recent date in the office of the Secretary of State of the State of Delaware.

4. TEPPCO GP is (a) the sole general partner of TCTM (with a 0.001% general partner interest in TCTM) and (b) the sole managing member of TE Products Pipeline and TEPPCO Midstream (with a 0.001% membership interest in each of TE Products Pipeline and TEPPCO Midstream); each such general partner or membership interest has been duly authorized and validly issued in accordance with the applicable TE Products Pipeline, TCTM or TEPPCO Midstream Agreement. TEPPCO GP owns its general partner interest in TCTM free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware, naming TEPPCO GP as debtor is on file as of a recent date in the office of the Secretary of State of the State of Delaware. TEPPCO GP owns its membership interests in TE Products Pipeline and TEPPCO Midstream free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement under the Uniform Commercial Code of the State of Texas, naming TEPPCO GP as debtor is on file as of a recent date in the office of the Secretary of State of the State of Texas. The Partnership is (x) the sole limited partner of TCTM and (y) the sole non-managing member of TE Products Pipeline and TEPPCO Midstream; and each such limited partner or membership interest has been duly authorized and validly issued in accordance with the applicable TE Products Pipeline, TCTM or TEPPCO Midstream Agreement. The Partnership owns its limited partner interests in TCTM free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement

under the Uniform Commercial Code of the State of Delaware naming the Partnership as debtor is on file as of a recent date in the office of the Secretary of State of the State of Delaware; and the Partnership owns its membership interests in TE Products Pipeline and TEPPCO Midstream free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement under the Uniform Commercial Code of the State of Texas naming the Partnership as debtor is on file as of a recent date in the office of the Secretary of State of the State of Texas.

5. None of (i) the execution and delivery of, or the incurrence or performance by the TEPPCO Parties of their respective obligations under, each of the Transaction Documents to which it is a party, each in accordance with its terms, (ii) the offering, issuance, sale and delivery of the Notes by the Partnership pursuant to the Underwriting Agreement or (iii) the issuance of the Guarantees of the Notes by the Subsidiary Guarantors (A) constitutes or will constitute a breach or violation of, or a default (or an event which, with notice or lapse of time or both, would constitute such a default), under any agreement identified on Exhibit A hereto ("Applicable Commercial/Organic Agreements"), (B) results or will result in the creation of any security interest in, or lien upon, any of the property or assets of the TEPPCO Parties pursuant to any Applicable Commercial/Organic Agreement or (C) to my knowledge, violate any judgment, order or decree of any court or any governmental body or agency having jurisdiction over the Partnership, any of its subsidiaries or their respective property, except in each case for such breaches, violations, defaults, security interests or liens as would not have a material adverse effect on the business, properties, financial condition or results of operation of the Partnership and its subsidiaries, taken as a whole, or materially impair the ability of any of the TEPPCO Parties to perform their respective obligations under the Transaction Documents.

6. To my knowledge, (a) there is no legal or governmental proceeding pending or threatened to which any of the Partnership Entities is a party or to which any of their respective properties is subject that is required to be disclosed in the Disclosure Package or the Final Prospectus and is not so disclosed and (b) there are no agreements, contracts or other documents to which any of the Partnership Entities is a party that are required to be described in the Pricing Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

I have participated in conferences with officers and other representatives of the TEPPCO Parties, with representatives of the Partnership's independent registered public accounting firm and with your representatives and your counsel, at which the contents of the Registration Statement, the Disclosure Package, the Final Prospectus and related matters were discussed. Although I have not independently verified the information contained in the Registration Statement, the Disclosure Package or the Final Prospectus, and am not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package or the Final Prospectus, I advise you that, on the basis of the foregoing, no facts have come to my attention that lead me to believe that:

(a) the Registration Statement, as of its latest Effective Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

(b) the Disclosure Package, as of the Applicable Time, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(c) the Final Prospectus, as of its date and on the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

I have not been asked to comment on, and express no statement or belief in this paragraph with respect to, any of the following that the Registration Statement, the Disclosure Package or the Final Prospectus contained, contains, omitted or omits: (a) financial statements and schedules, including the notes thereto and the auditors' reports thereon, (b) any other financial, statistical and accounting information, (c) representations and warranties and other statements of fact included in the exhibits to the Registration Statement or to the documents incorporated by reference therein or (d) Forms T-1 included as exhibits to the Registration Statement.

EXHIBIT 4.2

FIFTH SUPPLEMENTAL INDENTURE

among

TEPPCO PARTNERS, L.P.

as Issuer,

TE PRODUCTS PIPELINE COMPANY, LLC,

TCTM, L.P.,

TEPPCO MIDSTREAM COMPANIES, LLC

and

VAL VERDE GAS GATHERING COMPANY, L.P.

as Subsidiary Guarantors,

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

March 27, 2008

5.90% Senior Notes due 2013

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FIFTH SUPPLEMENTAL INDENTURE

THIS FIFTH SUPPLEMENTAL INDENTURE, dated as of March 27, 2008 (this "Fifth Supplemental Indenture"), among TEPPCO Partners, L.P., a Delaware limited partnership (the "Partnership"), TE Products Pipeline Company, LLC, a Texas limited liability company ("TE Products"), TCTM, L.P., a Delaware limited partnership ("TCTM"), TEPPCO Midstream Companies, LLC, a Texas limited liability company ("TEPPCO Midstream"), Val Verde Gas Gathering Company, L.P., a Delaware limited partnership ("Val Verde" and together with TE Products, TCTM, and TEPPCO Midstream, the "Subsidiary Guarantors"), and U.S. Bank National Association, successor, pursuant to Section 7.09 of the Original Indenture (as defined below) to Wachovia Bank, National Association and First Union National Bank, as trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, TE Products, TCTM, TEPPCO Midstream and Jonah Gas Gathering Company, a Wyoming general partnership ("Jonah"), or their predecessors, and the Partnership have heretofore executed and delivered to the Trustee an Indenture dated as of February 20, 2002 (the "Original Indenture" and, as amended and supplemented by this Fifth Supplemental Indenture, the "Indenture"), providing for the issuance from time to time of one or more series of the Partnership's Debt Securities, and the Guarantee by each of the Subsidiary Guarantors (as defined therein) of the Debt Securities;

WHEREAS, Sections 2.01 and 2.03 of the Indenture provide that, without the approval of any Holder, the Partnership and the Subsidiary Guarantors may enter into supplemental indentures to establish the form, terms and provisions of a series of Debt Securities issued pursuant to the Indenture;

WHEREAS, Section 9.01(k) of the Indenture provides that the Partnership and the Subsidiary Guarantors and the Trustee may from time to time enter into one or more indentures supplemental thereto, without the consent of any Holders, to establish the form or terms of Debt Securities of a new series;

WHEREAS, Section 9.01(b) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add to the covenants of the Partnership or the Subsidiary Guarantors for the benefit of, and to add any additional Events of Default with respect to, all or any series of Debt Securities;

WHEREAS, Section 9.01(i) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add to, change or eliminate any of the provisions of the Indenture with respect to all or any series of Debt Securities, *provided* that, among other things, such addition, change or elimination does not apply to any outstanding Debt Security of any series created prior to the execution of such supplemental indenture;

WHEREAS, Section 9.01(i) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add Subsidiary Guarantors with respect to any or all of the Debt Securities;

WHEREAS, the Partnership desires to issue a series of its Debt Securities under the Indenture, such series to be known as its 5.90% Senior Notes due 2013 (the "2013 Notes"), the

issuance of which series was authorized by or pursuant to resolution of the Board of Directors, and the Subsidiary Guarantors desire to Guarantee the 2013 Notes as provided in Article XIV of the Indenture;

WHEREAS, the Partnership, pursuant to the foregoing authority, proposes in and by this Fifth Supplemental Indenture to supplement and amend the Original Indenture insofar as it will apply only to the 2013 Notes;

WHEREAS, each of Val Verde, TE Products and TEPPCO Midstream is executing and delivering this Fifth Supplemental Indenture for the purpose of providing a Guarantee of the 2013 Notes, in accordance with the provisions of the Original Indenture;

WHEREAS, pursuant to the Full Release of Guarantee of Wachovia Bank, National Association, as trustee, dated as of July 31, 2006, Jonah was fully released and discharged from all obligations, including any obligations as a Subsidiary Guarantor, in connection with the Indenture;

WHEREAS, all things necessary have been done to make the 2013 Notes, when duly issued by the Partnership and when executed on behalf of the Partnership and authenticated and delivered in accordance with the Indenture, the valid obligations of the Partnership, to make the Guarantee of the 2013 Notes the valid obligation of each of the Subsidiary Guarantors, and to make this Fifth Supplemental Indenture a valid agreement of the Partnership and the Subsidiary Guarantors, in accordance with their and its terms;

NOW, THEREFORE:

In consideration of the premises provided for herein, the Partnership, the Subsidiary Guarantors and the Trustee mutually covenant and agree for the equal and proportionate benefit of all Holders of the 2013 Notes as follows:

ARTICLE 1

THE 2013 NOTES

SECTION 1.1 Designation of the 2013 Notes; Establishment of Form.

There shall be a series of Debt Securities designated “5.90% Senior Notes due 2013” of the Partnership (the “2013 Notes”), and the form thereof (including the notation of Guarantee thereof) shall be substantially as set forth in Exhibit A hereto, which is incorporated into and shall be deemed a part of this Fifth Supplemental Indenture, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as the Partnership may deem appropriate or as may be required or appropriate to comply with any laws or with any rules made pursuant thereto or with the rules of any securities exchange on which the 2013 Notes may be listed, or to conform to general usage, or as may, consistently with the Indenture, be determined by the officers executing such 2013 Notes, as evidenced by their execution of the 2013 Notes.

The 2013 Notes will initially be issued in permanent global form, substantially in the form set forth in Exhibit A hereto, as a Global Security.

The Partnership initially appoints the Trustee to act as paying agent and Registrar with respect to the 2013 Notes.

SECTION 1.2 Amount.

The Trustee shall authenticate and deliver 2013 Notes for original issue in an aggregate principal amount of up to $250,000,000 upon Partnership Order for the authentication and delivery of 2013 Notes. The authorized aggregate principal amount of 2013 Notes may be increased at any time hereafter and the series may be reopened for issuances of additional 2013 Notes, upon Partnership Order without the consent of any Holder. The 2013 Notes issued on the date hereof and any such additional 2013 Notes that may be issued hereafter shall be part of the same series of Debt Securities.

SECTION 1.3 Redemption.

(a) There shall be no sinking fund for the retirement of the 2013 Notes or other mandatory redemption obligation.

(b) The Partnership, at its option, may redeem the 2013 Notes in accordance with the provisions of the 2013 Notes and the Indenture.

SECTION 1.4 Conversion.

The 2013 Notes shall not be convertible into any other securities.

SECTION 1.5 Maturity.

The Stated Maturity of the 2013 Notes shall be April 15, 2013.

SECTION 1.6 Place of Payment.

As long as any 2013 Notes are Outstanding, the Partnership shall maintain in the Borough of Manhattan, The City of New York, an office or agency where the 2013 Notes may be surrendered for registration of transfer or for exchange, an office or agency where the 2013 Notes may be presented for payment, and an office or agency where notices and demands to or upon the Partnership in respect of the 2013 Notes and the Indenture may be served. All of such offices or agencies shall initially be the corporate trust office of the Trustee in the Borough of Manhattan, The City of New York, which on the date of this Fifth Supplemental Indenture, is located at U.S. Bank National Association, 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa. The Partnership may also from time to time designate one or more other offices or agencies where the 2013 Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however,* that no such designation or rescission shall in any manner relieve the Partnership of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes.

SECTION 1.7 Subsidiary Guarantors.

The 2013 Notes shall be entitled to the benefits of the Guarantee of each of the Subsidiary Guarantors as provided in Article XIV of the Indenture.

SECTION 1.8 Other Terms of 2013 Notes.

Without limiting the foregoing provisions of this Article 1, the terms of the 2013 Notes shall be as provided in the form of 2013 Notes set forth in Exhibit A hereto and as provided in the Indenture.

ARTICLE 2

AMENDMENTS TO THE INDENTURE

The amendments and supplements contained herein shall apply to 2013 Notes only and not to any other series of Debt Securities issued under the Original Indenture and any covenants provided herein are expressly being included solely for the benefit of the 2013 Notes. These amendments and supplements shall be effective for so long as there remain any 2013 Notes outstanding.

SECTION 2.1 Definitions.

Section 1.01 of the Original Indenture is amended and supplemented by inserting or restating, as the case may be, in their appropriate alphabetical position, the following definitions:

"Attributable Indebtedness" means with respect to a Sale-Leaseback Transaction, at the time of determination, the lesser of:

(a) the fair market value (as determined in good faith by the Board of Directors) of the assets involved in the Sale-Leaseback Transaction;

(b) the present value of the total net amount of rent required to be paid under the lease involved in such Sale-Leaseback Transaction during the remaining term thereof (including any renewal term exercisable at the lessee's option or period for which such lease has been extended), discounted at the rate of interest set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the 2013 Notes compounded semiannually; and

(c) if the obligation with respect to the Sale-Leaseback Transaction constitutes an obligation that is required to be classified and accounted for as a Capital Lease Obligation for financial reporting purposes in accordance with GAAP, the amount equal to the capitalized amount of such obligation determined in accordance with GAAP and included in the financial statements of the lessee.

For purposes of the foregoing definition, rent will not include amounts required to be paid by the lessee, whether or not designated as rent or additional rent, on account of or contingent upon maintenance and repairs, insurance, taxes, assessments, utilities, water rates, operating charges, labor costs and similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the net amount determined assuming no such termination.

“Capital Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

“Consolidated Net Tangible Assets” means, at any date of determination, the aggregate amount of total assets included in the most recent consolidated quarterly or annual balance sheet of the Partnership prepared in accordance with GAAP, less applicable reserves reflected in such balance sheet, after deducting the following amounts:

(a) all current liabilities reflected in such balance sheet (excluding any current maturities of long-term debt or any current liabilities that by their terms are extendable or renewable at the option of the obligor to a time more than 12 months after the time as of which the amount is being computed); and

(b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles reflected in such balance sheet.

“Funded Debt” means all Debt maturing one year or more from the date of the incurrence, creation, assumption or guarantee thereof, all Debt directly or indirectly renewable or extendable, at the option of the debtor, by its terms or by the terms of the instrument or agreement relating thereto, to a date one year or more from the date of the incurrence, creation, assumption or guarantee thereof, and all Debt under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more.

“Permitted Liens” include:

(a) Liens existing at, or provided for under the terms of an “after-acquired property” clause or similar term of any agreement existing on the date of, the initial issuance of the 2013 Notes or the terms of any mortgage, pledge agreement or similar agreement existing on such date of initial issuance;

(b) Liens on property, shares of stock, indebtedness or other assets of any Person (which is not a Subsidiary of the Partnership) existing at the time such Person becomes a Subsidiary of the Partnership or is merged into or consolidated with or into the Partnership or any of its Subsidiaries (whether or not the obligations secured thereby are assumed by the Partnership or any of its Subsidiaries), provided that such Liens are not incurred in anticipation of such Person becoming a Subsidiary of the Partnership, or Liens existing at the time of a sale, lease or other disposition of the properties of a Person as an entirety or substantially as an entirety to the Partnership or any of its Subsidiaries;

(c) Liens on property, shares of stock, indebtedness or other assets existing at the time of acquisition thereof by the Partnership or any of its Subsidiaries (whether or not the obligations secured thereby are assumed by the Partnership or any of its Subsidiaries), or Liens thereon to secure the payment of all or any part of the purchase price thereof;

(d) any Lien on property, shares of capital stock, indebtedness or other assets created at the time of the acquisition of same by the Partnership or any of its Subsidiaries or within 12 months after such acquisition to secure all or a portion of the purchase price of such property, capital stock, indebtedness or other assets or indebtedness incurred to

finance such purchase price, whether such indebtedness is incurred prior to, at the time of or within one year after the date of such acquisition;

(e) Liens on property, shares of stock, indebtedness or other assets to secure any Debt incurred to pay the costs of construction, development, repair or improvements thereon, or incurred prior to, at the time of, or within 12 months after, the latest of the completion of construction, the completion of development, repair or improvements or the commencement of full commercial operation of such property for the purpose of financing all or any part of, such construction or the making of such development, repair or improvements;

(f) Liens to secure indebtedness owing to the Partnership or any of its Subsidiaries;

(g) Liens on any current assets that secure current liabilities or indebtedness incurred by the Partnership or any of its Subsidiaries;

(h) Liens in favor of the United States of America or any state, territory or possession thereof (or the District of Columbia), or any department, agency, instrumentality or political subdivision of the United States of America or any state, territory or possession thereof (or the District of Columbia), to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing, developing, repairing or improving the property subject to such liens;

(i) Liens in favor of any Person to secure obligations under provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any regulatory, governmental or court authority in connection with any contract or statute; or any Lien upon or deposits of any assets to secure performance or bids, trade contracts, leases or statutory obligations;

(j) Liens arising or imposed by reason of any attachment, judgment, decree or order of any regulatory, governmental or court authority or proceeding, so long as any proceeding initiated to review same shall not have been terminated or the period within which such proceeding may be initiated shall not have expired, or such attachment, judgment, decree or order shall otherwise be effectively stayed;

(k) Liens on any capital stock of any Subsidiary of the Partnership that owns an equity interest in a joint venture to secure indebtedness, provided that the proceeds of such indebtedness received by such Subsidiary are contributed or advanced to such joint venture;

(l) the assumption by the Partnership or any of its Subsidiaries of obligations secured by any Lien on property, shares of stock, indebtedness or other assets, which Lien exists at the time of the acquisition by the Partnership or any of its Subsidiaries of such property, shares, indebtedness or other assets or at the time of the acquisition of the Person that owns such property or assets;

(m) Liens on any property to secure bonds for the construction, installation or financing of pollution control or abatement facilities, or other forms of industrial revenue bond financing, or indebtedness issued or guaranteed by the United States, any state or any department, agency or instrumentality thereof;

(n) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) of any Lien referred to in clauses (a)-(m) above; *provided, however,* that any Liens permitted by the terms set forth under any of such clauses (a)-(m) shall not extend to or cover any property of the Partnership or of any of its Subsidiaries, as the case may be, other than the property specified in such clauses and improvements thereto or proceeds therefrom;

(o) Liens deemed to exist by reason of negative pledges in respect of indebtedness;

(p) Liens upon rights-of-way for pipeline purposes;

(q) any statutory or governmental Lien or a Lien arising by operation of law, or any mechanics', repairmen's, materialmen's, supplier's, carrier's, landlord's, warehousemen's or similar Lien incurred in the ordinary course of business which is not yet due or is being contested in good faith by appropriate proceedings and any undetermined Lien which is incidental to construction, development, improvement or repair;

(r) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, license, permit or by any provision of law, to purchase or to recapture or to designate a purchaser of, any property;

(s) Liens of taxes and assessments which are for the current year, and are not at the time delinquent or are delinquent but the validity of which are being contested at the time by the Partnership or any of its Subsidiaries in good faith;

(t) Liens of, or to secure the performance of, leases;

(u) Liens upon, or deposits of, any assets in favor of any surety company or clerk of court for the purpose of obtaining indemnity or stay of judicial proceedings;

(v) Liens upon property or assets acquired or sold by the Partnership or any of its Subsidiaries resulting from the exercise of any rights arising out of defaults on receivables;

(w) Liens incurred in the ordinary course of business in connection with workmen's compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;

(x) Liens securing indebtedness of the Partnership or indebtedness of any Subsidiaries of the Partnership, all or a portion of the net proceeds of which are used, substantially concurrently with the funding thereof (and for purposes of determining "substantial concurrence," taking into consideration, among other things, required notices

to be given to Holders of Outstanding Debt Securities under this Indenture (including the 2013 Notes) in connection with such refunding, refinancing, repurchase, and the required durations thereof), to refund, refinance, or repurchase all Outstanding Debt Securities under this Indenture (including the 2013 Notes) including all accrued interest thereon and reasonable fees and expenses and any premium incurred by the Partnership or its Subsidiaries in connection therewith; and

(y) any Lien upon any property, shares of capital stock, indebtedness or other assets to secure indebtedness incurred by the Partnership or any of its Subsidiaries, the proceeds of which, in whole or in part, are used to defease, in a legal or a covenant defeasance, the obligations of the Partnership on the 2013 Notes or any other series of Debt Securities.

"Principal Property" means, whether owned or leased on the date of the initial issuance of the 2013 Notes or acquired later:

(a) pipeline assets of the Partnership or any of its Subsidiaries, including any related facilities employed in the gathering, transportation, distribution, storage or marketing of natural gas, natural gas liquids, refined petroleum products, liquefied petroleum gases, crude oil or petrochemicals, that are located in the United States of America or any territory or political subdivision thereof; and

(b) any processing or manufacturing plant or terminal owned or leased by the Partnership or any of its Subsidiaries that is located in the United States of America or any territory or political subdivision thereof;

except, in the case of either of the foregoing clauses (a) and (b), any such assets consisting of inventories, furniture, office fixtures and equipment (including data processing equipment), vehicles and equipment used on, or useful with, vehicles, and any such assets, plant or terminal which, in the opinion of the Board of Directors, is not material in relation to the activities of the Partnership or of the Partnership and its Subsidiaries, taken as a whole.

"Sale-Leaseback Transaction" means any arrangement with any Person providing for the leasing by the Partnership or any of its Subsidiaries of any Principal Property, which Principal Property has been or is to be sold or transferred by the Partnership or such Subsidiary to such Person, other than:

(a) any such transaction involving a lease for a term (including renewals or extensions exercisable by the Partnership or any of its Subsidiaries) of not more than three years; or

(b) any such transaction between the Partnership and any of its Subsidiaries or between any of its Subsidiaries.

"Subsidiary Guarantors" means the Person or Persons named as the "Subsidiary Guarantors" in the first paragraph of this instrument until a successor Person or Persons shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Subsidiary Guarantors" shall mean such successor Person or Persons, and any other Subsidiary of the Partnership who may execute a supplement to the Original Indenture, for the purpose of providing a Guarantee of Debt Securities pursuant to the Original Indenture.

"2013 Notes" means the 5.90% Senior Notes due 2013 of the Partnership to be issued pursuant to this Indenture. For purposes of this Indenture, the term "2013 Notes" shall, except where the context otherwise requires, include the Guarantee.

SECTION 2.2 Redemption.

Article III of the Original Indenture shall be amended and supplemented by inserting the following new section in its entirety:

"Section 3.06. Optional Redemption.

The 2013 Notes may be redeemed at the option of the Partnership at any time in whole, or from time to time, in part, at the redemption prices described in the 2013 Notes. Any notice to Holders of 2013 Notes of such redemption shall include the method of calculating the redemption price, but need not include the redemption price itself. The actual redemption price, calculated as provided in the 2013 Notes, will be calculated and certified to the Trustee and the Partnership by the Independent Investment Banker."

SECTION 2.3 Covenants.

Article IV of the Original Indenture shall be amended and supplemented by inserting the following new sections in their entirety:

"Section 4.12. Limitation on Sale-Leaseback Transactions. The Partnership shall not, and shall not permit any of its Subsidiaries to, enter into any Sale-Leaseback Transaction unless:

(a) such Sale-Leaseback Transaction occurs within 12 months from the date of completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, or development of, or substantial repair or improvement on, or commencement of full operations of, such Principal Property, whichever is later;

(b) the Partnership or such Subsidiary, as the case may be, would be permitted, pursuant to the provisions of this Indenture, to incur Debt, in a principal amount at least equal to the Attributable Indebtedness with respect to such Sale-Leaseback Transaction, secured by a Lien on the Principal Property subject to such Sale-Leaseback Transaction pursuant to Section 4.13 without equally and ratably securing the 2013 Notes pursuant to such Section; or

(c) the Partnership or such Subsidiary, within a twelve-month period after the effective date of such Sale-Leaseback Transaction, applies or causes to be applied an amount equal to not less than the Attributable Indebtedness from such Sale-Leaseback Transaction either to (a) the voluntary defeasance or the prepayment, repayment, redemption or retirement of any 2013 Notes or other Funded Debt of the Partnership or any Subsidiary that is not subordinated to the Debt Securities, (b) the acquisition, construction, development or improvement of any Principal Property used or useful in the businesses of the Partnership (including the businesses of its Subsidiaries) or (c) any combination of applications referred to in the preceding clause (a) or (b).

Notwithstanding the foregoing provisions of this Section, the Partnership may, and may permit any Subsidiary to, effect any Sale-Leaseback Transaction that is not excepted by clauses

(a) through (c), inclusive, of this Section, provided that the Attributable Indebtedness from such Sale-Leaseback Transaction, together with the aggregate principal amount of (i) all other Attributable Indebtedness deemed to be outstanding in respect of all Sale-Leaseback Transactions (exclusive of any such Sale-Leaseback Transactions otherwise permitted under clauses (a) and (c) of this Section) and (ii) all outstanding Debt secured by Liens, other than Permitted Liens, on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property, does not exceed 10% of Consolidated Net Tangible Assets.

Section 4.13. Limitation on Liens. The Partnership shall not, and shall not permit any of its Subsidiaries to, incur, create, assume or suffer to exist any Lien, other than a Permitted Lien, on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property, whether now existing or hereafter created or acquired by the Partnership or such Subsidiary, to secure any Debt of the Partnership or any other Person, without in any such case making effective provision whereby any and all 2013 Notes then Outstanding will be secured by a Lien equally and ratably with, or prior to, such Debt for so long as such Debt shall be so secured. Notwithstanding the foregoing, the Partnership may, and may permit any Subsidiary to, incur, create, assume or suffer to exist any Lien (other than a Permitted Lien) on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property to secure Debt of the Partnership or any other Person, without securing the 2013 Notes as provided in this Section, provided that the aggregate principal amount of all Debt then outstanding secured by any such Lien together with the aggregate amount of Attributable Indebtedness deemed to be outstanding in respect of all Sale-Leaseback Transactions (exclusive of any such Sale-Leaseback Transactions otherwise permitted under clauses (a) and (c) of Section 4.12), does not exceed 10% of Consolidated Net Tangible Assets.

Section 4.14. Additional Subsidiary Guarantors. If at any time after the original issuance of the 2013 Notes, including following any release of a Subsidiary Guarantor from its Guarantee under this Indenture, any Subsidiary of the Partnership (including any future Subsidiary of the Partnership) guarantees any Funded Debt of the Partnership, then the Partnership shall cause such Subsidiary to guarantee the 2013 Notes and in connection with such guarantee, to execute and deliver an Indenture supplemental hereto pursuant to Section 9.01(g) simultaneously therewith. In order to further evidence its Guarantee, such Subsidiary shall execute and deliver to the Trustee a notation relating to such Guarantee in accordance with Section 14.02."

SECTION 2.4 Events of Default.

The following additional Event of Default shall be added to those in clauses (a)-(g) of Section 6.01 of the Original Indenture in relation to the 2013 Notes:

"(h) default in the payment by the Partnership or any of its Subsidiaries at the Stated Maturity thereof, after the expiration of any applicable grace period, of any principal of any Debt of the Partnership (other than the 2013 Notes) or any of its Subsidiaries (other than the Guarantee of the 2013 Notes) outstanding in an aggregate principal amount in excess of $50,000,000, or the occurrence of any other default thereunder (including, without limitation, the failure to pay interest or any premium), the effect of which default is to cause such Debt to become, or to be declared, due prior to its Stated Maturity and such acceleration is not rescinded within 60 days after there has been given, by registered or certified mail, to the Partnership and the Subsidiary Guarantors by the Trustee or to the Partnership, the Subsidiary Guarantors and the Trustee by the

Holders of at least 25% in principal amount of the Outstanding 2013 Notes a written notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder, and the receipt by the Partnership and the Subsidiary Guarantors of such written notice."

SECTION 2.5 Administration of Trust.

Article VII of the Original Indenture shall be amended and supplemented by inserting the following new section in its entirety:

"Section 7.13. Administration of Trust.

The Trustee shall administer the trust of the Indenture and shall perform a substantial part of its obligations relating to the 2013 Notes and this Indenture at its corporate trust office in The City of New York."

SECTION 2.6 Required Notices or Demands.

Section 13.03 of the Original Indenture shall be amended by deleting the addresses and contact information appearing therein and inserting the following new addresses and contact information:

"If to the Partnership or the Subsidiary Guarantors:
TEPPCO Partners, L.P.
TE Products Pipeline Company, LLC
TCTM, L.P.
TEPPCO Midstream Companies, LLC
Val Verde Gas Gathering Company, L.P.
1100 Louisiana Street, Suite 1600
Houston, Texas 77002
Attention: Chief Financial Officer
Telecopy No. 713-381-8225

If to the Trustee:
U.S. Bank National Association
5555 San Felipe Street, Suite 1150
Houston, Texas 77056
Attention: Steven A. Finklea, CCTS- Vice President
Telecopy No. 713-235-9213"

ARTICLE 3

VAL VERDE, TE PRODUCTS AND TEPPCO MIDSTREAM GUARANTEE

SECTION 3.1 Val Verde, TE Products and TEPPCO Midstream Guarantee.

Each of Val Verde, TE Products and TEPPCO Midstream hereby acknowledges and agrees that it is a Subsidiary Guarantor with respect to the 2013 Notes and is executing and delivering this Fifth Supplemental Indenture for the purpose of providing a Guarantee of the

2013 Notes, and accordingly, the obligations of each of Val Verde, TE Products and TEPPCO Midstream as a Subsidiary Guarantor of the 2013 Notes shall be governed by the Original Indenture, as amended and supplemented by this Fifth Supplemental Indenture, as may be further amended and supplemented from time to time.

ARTICLE 4

MISCELLANEOUS PROVISIONS

SECTION 4.1 Integral Part.

This Fifth Supplemental Indenture constitutes an integral part of the Indenture.

SECTION 4.2 General Definitions.

For all purposes of this Fifth Supplemental Indenture:

(a) capitalized terms used herein without definition shall have the meanings specified in the Original Indenture; and

(b) the terms “herein”, “hereof”, “hereunder” and other words of similar import refer to this Fifth Supplemental Indenture.

SECTION 4.3 Adoption, Ratification and Confirmation.

The Original Indenture, as supplemented and amended by this Fifth Supplemental Indenture, is in all respects hereby adopted, ratified and confirmed.

SECTION 4.4 Counterparts.

This Fifth Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed an original; and all such counterparts shall together constitute but one and the same instrument.

SECTION 4.5 Governing Law.

THIS FIFTH SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Fifth Supplemental Indenture to be duly executed, all as of the day and year first above written.

TEPPCO PARTNERS L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

[FORM OF FACE OF 2013 NOTE]

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.][1]

TEPPCO PARTNERS, L.P.
5.90% SENIOR NOTE DUE 2013

No. _____ $_____

CUSIP No. 872384AD4

TEPPCO Partners, L.P., a Delaware limited partnership (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns the principal sum of _____ Dollars on April 15, 2013 [or such greater or lesser amount as is indicated on the Schedule of Exchanges of Securities attached hereto][2], at the office or agency of the Company referred to below, and to pay interest thereon, commencing on October 15, 2008 and continuing semiannually thereafter, on April 15 and October 15 of each year, from March 27, 2008, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of 5.90% per annum, until the principal hereof is paid or duly provided for, and (to the extent lawful) to pay on demand, interest on any overdue interest at the rate borne by the Securities from the date on which such overdue interest becomes payable to the date payment of such interest has been made or duly provided for. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date (other than at maturity) will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the April 1 or October 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. Interest on the Securities of this series shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Company shall pay principal, premium, if any, and interest on this security in such coin or currency of the United States of America as at the time of payment shall be legal tender for payment of public and private debts. Payments in respect of a Global Security (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by the Depositary. Payments in respect of Securities in definitive form (including principal, premium, if any, and interest) will be made at the corporate trust office of the Trustee, which on the date hereof is located at 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa, or at such other office or agency of the Company as may be maintained for such purpose, or, at the option of the Company, payment of interest may be made by check mailed to the Holders on the

1 These paragraphs should be included only if the Debt Security is a Global Security.

2 This clause should be included only if the Debt Security is a Global Security.

relevant record date at their addresses set forth in the Debt Security Register of Holders or at the option of the Holder, payment of interest on Securities in definitive form will be made by wire transfer of immediately available funds to any account maintained in the United States, provided such Holder has requested such method of payment and provided timely wire transfer instructions to the paying agent. The Holder must surrender this Security to a paying agent to collect payment of principal.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed on its behalf by its sole General Partner.

Dated:_____

TEPPCO PARTNERS L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated:_____

U.S. BANK NATIONAL ASSOCIATION, *As Trustee*

By _____
Authorized Signatory

[FORM OF REVERSE OF 2013 NOTE]

This Security is one of a duly authorized issue of the series of Debt Securities of the Company designated as its 5.90% Senior Notes due 2013 (such series being herein called the "Securities"), which is issued under, with securities of one or more additional series that may be issued under, an indenture dated as of February 20, 2002, among the Company, the Subsidiary Guarantors and U.S. Bank National Association, successor to Wachovia Bank, National Association and First Union National Bank, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as amended and supplemented by the Fifth Supplemental Indenture dated as of March 27, 2008 (such Indenture, as so amended and supplemented, being called the "Indenture"), to which Indenture and all future indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Subsidiary Guarantors, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities are redeemable, at the option of the Company, at any time in whole, or from time to time in part, at a redemption price (the "Make-Whole Price") equal to the greater of: (i) 100% of the principal amount of the Securities to be redeemed; and (ii) the sum of the present values of the remaining scheduled payments of principal and interest (at the rate in effect on the date of calculation of the Make-Whole Price) on the Securities to be redeemed (exclusive of interest accrued to the date of redemption (the "Redemption Date")) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus 50 basis points; plus, in either case, accrued interest to the Redemption Date.

The actual Make-Whole Price, calculated as provided above, shall be calculated and certified to the Trustee and the Company by the Independent Investment Banker. For purposes of determining the Make-Whole Price, the following definitions are applicable:

"Treasury Yield" means, with respect to any Redemption Date applicable to the Securities, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third Business Day immediately preceding such Redemption Date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for the Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the Securities to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining terms of the Securities to be redeemed; *provided*, *however*, that if no maturity is within three months before or after the maturity date for the Securities, yields for the two published maturities most closely corresponding to such United States Treasury security will be determined and the treasury rate will be interpolated or extrapolated from those yields on a straight line basis rounding to the nearest month.

"Independent Investment Banker" means any of UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC (and their respective successors) or, if no such firm is willing and able to select the applicable Comparable Treasury Issue or perform the other functions of the Independent Investment Banker provided in the Indenture, an independent investment banking institution of national standing appointed by the Trustee and reasonably acceptable to the Company.

"Comparable Treasury Price" means, with respect to any Redemption Date, (a) the average of four Reference Treasury Dealer Quotations for the Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Independent Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means (a) each of UBS Securities LLC, J.P. Morgan Securities Inc. and Wachovia Capital Markets, LLC (or its relevant affiliate) and their respective successors; and (b) one other primary U.S. government securities dealer in the United States selected by the Company (each, a "Primary Treasury Dealer"); provided, however, that if any of the foregoing shall resign as a Reference Treasury Dealer, the Company will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date for the Securities, an average, as determined by an Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue for the Securities (expressed in each case as a percentage of its principal amount) quoted in writing to an Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

Securities called for optional redemption become due on the Redemption Date. Notices of optional redemption will be mailed at least 30 but not more than 60 days before the Redemption Date to each Holder of the Securities to be redeemed at its registered address. The notice of optional redemption for the Securities will state, among other things, the amount of Securities to be redeemed, the Redemption Date, the method of calculating such Make-Whole Price and the place(s) that payment will be made upon presentation and surrender of Securities to be redeemed. Unless the Company defaults in payment of the Make-Whole Price, interest will cease to accrue on the Redemption Date with respect to any Securities that have been called for optional redemption. If less than all the Securities are redeemed at any time, the Trustee will select the Securities to be redeemed on a pro rata basis or by any other method the Trustee deems fair and appropriate.

The Securities may be redeemed in part in multiplies of $1,000 only. Any such redemption will also comply with Article III of the Indenture.

Except as set forth above, the Securities will not be redeemable prior to their Stated Maturity and will not be entitled to the benefit of any sinking fund.

As set forth in the Indenture, an Event of Default with respect to the Securities is generally: (a) failure to pay principal upon Stated Maturity, redemption or otherwise; (b) default for 30 days in payment of interest on any of the Securities; (c) failure for 60 days after notice to comply with any other covenants in the Indenture or the Securities; (d) certain payment defaults under, or the acceleration prior to the Stated Maturity of, Debt of the Company or any Subsidiary in an aggregate principal amount in excess of $50,000,000, unless such acceleration is rescinded within 60 days after notice to the Company and the Subsidiary Guarantors as provided in the Indenture; (e) the Guarantee of the Securities by any of the Subsidiary Guarantors ceases to be in full force and effect (except as otherwise provided in the Indenture); and (f) certain events of bankruptcy, insolvency or reorganization of the Company or any Subsidiary Guarantor.

If an Event of Default described in clause (f) in the preceding paragraph occurs, then the principal amount of all Outstanding Securities, premium, if any, and interest thereon shall ipso facto be due and payable immediately. If any other Event of Default with respect to the Securities occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the Outstanding Securities may declare the principal amount of all the Securities, premium, if any, and accrued interest thereon to be due and payable immediately. The Indenture provides that such declaration may be rescinded in certain events by the Holders of a majority in principal amount of the Outstanding Securities.

No Holder of the Securities may pursue any remedy under the Indenture unless the Trustee shall have failed to act within 60 days after notice of an Event of Default with respect to the Securities and written request by Holders of at least 25% in principal amount of the Outstanding Securities, and the offer to the Trustee of indemnity reasonably satisfactory to it; however, such provision does not affect the right to sue for enforcement of any overdue payment on a Security by the Holder thereof. Subject to certain limitations, Holders of a majority in principal amount of the Outstanding Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except default in payment of principal, premium or interest) if it determines in good faith that withholding the notice is in the interest of the Holders. The Company is required to file a report with the Trustee each year as to the absence or existence of defaults.

The Company's payment obligations under the Securities are jointly and severally guaranteed by the Subsidiary Guarantors. Any Subsidiary Guarantor may be released from its Guarantee of the Securities under the circumstances described in the Indenture.

The Indenture contains provisions for defeasance at any time of (i) the entire indebtedness of the Company and Subsidiary Guarantors on this Security and (ii) certain Events of Default, upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company or the Subsidiary Guarantors and the rights of the Holders of the Securities under the Indenture at any time by the Company, the Subsidiary Guarantors and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in principal amount of the Securities at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company or the Subsidiary Guarantors with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security. Without the consent of any Holder, the Company, the Subsidiary Guarantors and the Trustee may amend or supplement the Indenture or the Securities to cure any ambiguity, defect or inconsistency, to make other changes that do not adversely affect the rights of any Holder and to make certain other specified changes.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any, on) and interest on this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registerable in the Debt Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company maintained for such purpose, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Securities are exchangeable for a like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax, fee, assessment or other governmental charge payable in connection therewith.

The General Partner and its directors, officers, employees, incorporators and stockholders, as such, shall have no liability for any obligations of the Subsidiary Guarantors or the Company under the Securities, the Indenture or the Guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder, by accepting this Security, waives and releases all such liability. Such waiver and release are part of the consideration for the issuance of this Security.

Prior to the time of due presentment of this Security for registration of transfer, the Company, Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture. The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to TEPPCO Partners, L.P., 1100 Louisiana Street, Suite 1800, Houston, Texas 77002, Attn: Investor Relations.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Securities as a convenience to the Holders thereof. No representation is made as to the accuracy of such numbers as printed on the Securities and reliance may be placed only on the other identifying information printed hereon.

This Security shall be governed by and construed in accordance with the laws of the State of New York.

ASSIGNMENT FORM

(I) or (we) assign and transfer this Security to

_____

(Insert assignee's social security or tax I.D. number)

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ as agent to transfer this Security on the Debt Security Register of the Company. The agent may substitute another to act for him.

Dated: _____

Signature: _____

(Sign exactly as name appears on the face of this Security)

Name: _____

Address: _____

_____

Phone No.: _____

Signature Guarantee

By: _____

Signature guarantor must be an eligible guarantor institution — a bank or trust company or broker or dealer which is a member of a registered exchange or the NASD.

SCHEDULE OF EXCHANGES OF SECURITIES[3]

The following exchanges, redemptions or repurchases of a part of this Global Security have been made:

Principal Amount of this Global Security Following Such Decrease Date of Exchange (or Increase)	Authorized Signatory of Trustee or Security Custodian	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security

3 This schedule should be included only if the Debt Security is a Global Security.

NOTATION OF GUARANTEE

Each of the Subsidiary Guarantors (which term includes any successor Person under the Indenture), has fully, unconditionally and absolutely guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture, the due and punctual payment of the principal of, and premium, if any, and interest on the Securities and all other amounts due and payable under the Indenture and the Securities by the Partnership.

The obligations of the Subsidiary Guarantors to the Holders of Securities and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article XIV of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee.

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

EXHIBIT 4.3

SIXTH SUPPLEMENTAL INDENTURE

among

TEPPCO PARTNERS, L.P.

as Issuer,

TE PRODUCTS PIPELINE COMPANY, LLC,

TCTM, L.P.,

TEPPCO MIDSTREAM COMPANIES, LLC

and

VAL VERDE GAS GATHERING COMPANY, L.P.

as Subsidiary Guarantors,

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

March 27, 2008

6.65% Senior Notes due 2018

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SIXTH SUPPLEMENTAL INDENTURE

THIS SIXTH SUPPLEMENTAL INDENTURE, dated as of March 27, 2008 (this "Sixth Supplemental Indenture"), among TEPPCO Partners, L.P., a Delaware limited partnership (the "Partnership"), TE Products Pipeline Company, LLC, a Texas limited liability company ("TE Products"), TCTM, L.P., a Delaware limited partnership ("TCTM"), TEPPCO Midstream Companies, LLC, a Texas limited liability company ("TEPPCO Midstream"), Val Verde Gas Gathering Company, L.P., a Delaware limited partnership ("Val Verde" and together with TE Products, TCTM, and TEPPCO Midstream, the "Subsidiary Guarantors"), and U.S. Bank National Association, successor, pursuant to Section 7.09 of the Original Indenture (as defined below) to Wachovia Bank, National Association and First Union National Bank, as trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, TE Products, TCTM, TEPPCO Midstream and Jonah Gas Gathering Company, a Wyoming general partnership ("Jonah"), or their predecessors, and the Partnership have heretofore executed and delivered to the Trustee an Indenture dated as of February 20, 2002 (the "Original Indenture" and, as amended and supplemented by this Sixth Supplemental Indenture, the "Indenture"), providing for the issuance from time to time of one or more series of the Partnership's Debt Securities, and the Guarantee by each of the Subsidiary Guarantors (as defined therein) of the Debt Securities;

WHEREAS, Sections 2.01 and 2.03 of the Indenture provide that, without the approval of any Holder, the Partnership and the Subsidiary Guarantors may enter into supplemental indentures to establish the form, terms and provisions of a series of Debt Securities issued pursuant to the Indenture;

WHEREAS, Section 9.01(k) of the Indenture provides that the Partnership and the Subsidiary Guarantors and the Trustee may from time to time enter into one or more indentures supplemental thereto, without the consent of any Holders, to establish the form or terms of Debt Securities of a new series;

WHEREAS, Section 9.01(b) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add to the covenants of the Partnership or the Subsidiary Guarantors for the benefit of, and to add any additional Events of Default with respect to, all or any series of Debt Securities;

WHEREAS, Section 9.01(i) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add to, change or eliminate any of the provisions of the Indenture with respect to all or any series of Debt Securities, *provided* that, among other things, such addition, change or elimination does not apply to any outstanding Debt Security of any series created prior to the execution of such supplemental indenture;

WHEREAS, Section 9.01(i) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add Subsidiary Guarantors with respect to any or all of the Debt Securities;

WHEREAS, the Partnership desires to issue a series of its Debt Securities under the Indenture, such series to be known as its 6.65% Senior Notes due 2018 (the "2018 Notes"), the

issuance of which series was authorized by or pursuant to resolution of the Board of Directors, and the Subsidiary Guarantors desire to Guarantee the 2018 Notes as provided in Article XIV of the Indenture;

WHEREAS, the Partnership, pursuant to the foregoing authority, proposes in and by this Sixth Supplemental Indenture to supplement and amend the Original Indenture insofar as it will apply only to the 2018 Notes;

WHEREAS, each of Val Verde, TE Products and TEPPCO Midstream is executing and delivering this Sixth Supplemental Indenture for the purpose of providing a Guarantee of the 2018 Notes, in accordance with the provisions of the Original Indenture;

WHEREAS, pursuant to the Full Release of Guarantee of Wachovia Bank, National Association, as trustee, dated as of July 31, 2006, Jonah was fully released and discharged from all obligations, including any obligations as a Subsidiary Guarantor, in connection with the Indenture;

WHEREAS, all things necessary have been done to make the 2018 Notes, when duly issued by the Partnership and when executed on behalf of the Partnership and authenticated and delivered in accordance with the Indenture, the valid obligations of the Partnership, to make the Guarantee of the 2018 Notes the valid obligation of each of the Subsidiary Guarantors, and to make this Sixth Supplemental Indenture a valid agreement of the Partnership and the Subsidiary Guarantors, in accordance with their and its terms;

NOW, THEREFORE:

In consideration of the premises provided for herein, the Partnership, the Subsidiary Guarantors and the Trustee mutually covenant and agree for the equal and proportionate benefit of all Holders of the 2018 Notes as follows:

ARTICLE 1

THE 2018 NOTES

SECTION 1.1 Designation of the 2018 Notes; Establishment of Form.

There shall be a series of Debt Securities designated “6.65% Senior Notes due 2018” of the Partnership (the “2018 Notes”), and the form thereof (including the notation of Guarantee thereof) shall be substantially as set forth in Exhibit A hereto, which is incorporated into and shall be deemed a part of this Sixth Supplemental Indenture, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as the Partnership may deem appropriate or as may be required or appropriate to comply with any laws or with any rules made pursuant thereto or with the rules of any securities exchange on which the 2018 Notes may be listed, or to conform to general usage, or as may, consistently with the Indenture, be determined by the officers executing such 2018 Notes, as evidenced by their execution of the 2018 Notes.

The 2018 Notes will initially be issued in permanent global form, substantially in the form set forth in Exhibit A hereto, as a Global Security.

The Partnership initially appoints the Trustee to act as paying agent and Registrar with respect to the 2018 Notes.

SECTION 1.2 Amount.

The Trustee shall authenticate and deliver 2018 Notes for original issue in an aggregate principal amount of up to $350,000,000 upon Partnership Order for the authentication and delivery of 2018 Notes. The authorized aggregate principal amount of 2018 Notes may be increased at any time hereafter and the series may be reopened for issuances of additional 2018 Notes, upon Partnership Order without the consent of any Holder. The 2018 Notes issued on the date hereof and any such additional 2018 Notes that may be issued hereafter shall be part of the same series of Debt Securities.

SECTION 1.3 Redemption.

(a) There shall be no sinking fund for the retirement of the 2018 Notes or other mandatory redemption obligation.

(b) The Partnership, at its option, may redeem the 2018 Notes in accordance with the provisions of the 2018 Notes and the Indenture.

SECTION 1.4 Conversion.

The 2018 Notes shall not be convertible into any other securities.

SECTION 1.5 Maturity.

The Stated Maturity of the 2018 Notes shall be April 15, 2018.

SECTION 1.6 Place of Payment.

As long as any 2018 Notes are Outstanding, the Partnership shall maintain in the Borough of Manhattan, The City of New York, an office or agency where the 2018 Notes may be surrendered for registration of transfer or for exchange, an office or agency where the 2018 Notes may be presented for payment, and an office or agency where notices and demands to or upon the Partnership in respect of the 2018 Notes and the Indenture may be served. All of such offices or agencies shall initially be the corporate trust office of the Trustee in the Borough of Manhattan, The City of New York, which on the date of this Sixth Supplemental Indenture, is located at U.S. Bank National Association, 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa. The Partnership may also from time to time designate one or more other offices or agencies where the 2018 Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however,* that no such designation or rescission shall in any manner relieve the Partnership of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes.

SECTION 1.7 Subsidiary Guarantors.

The 2018 Notes shall be entitled to the benefits of the Guarantee of each of the Subsidiary Guarantors as provided in Article XIV of the Indenture.

SECTION 1.8 Other Terms of 2018 Notes.

Without limiting the foregoing provisions of this Article 1, the terms of the 2018 Notes shall be as provided in the form of 2018 Notes set forth in Exhibit A hereto and as provided in the Indenture.

ARTICLE 2

AMENDMENTS TO THE INDENTURE

The amendments and supplements contained herein shall apply to 2018 Notes only and not to any other series of Debt Securities issued under the Original Indenture and any covenants provided herein are expressly being included solely for the benefit of the 2018 Notes. These amendments and supplements shall be effective for so long as there remain any 2018 Notes outstanding.

SECTION 2.1 Definitions.

Section 1.01 of the Original Indenture is amended and supplemented by inserting or restating, as the case may be, in their appropriate alphabetical position, the following definitions:

"Attributable Indebtedness" means with respect to a Sale-Leaseback Transaction, at the time of determination, the lesser of:

(a) the fair market value (as determined in good faith by the Board of Directors) of the assets involved in the Sale-Leaseback Transaction;

(b) the present value of the total net amount of rent required to be paid under the lease involved in such Sale-Leaseback Transaction during the remaining term thereof (including any renewal term exercisable at the lessee's option or period for which such lease has been extended), discounted at the rate of interest set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the 2018 Notes compounded semiannually; and

(c) if the obligation with respect to the Sale-Leaseback Transaction constitutes an obligation that is required to be classified and accounted for as a Capital Lease Obligation for financial reporting purposes in accordance with GAAP, the amount equal to the capitalized amount of such obligation determined in accordance with GAAP and included in the financial statements of the lessee.

For purposes of the foregoing definition, rent will not include amounts required to be paid by the lessee, whether or not designated as rent or additional rent, on account of or contingent upon maintenance and repairs, insurance, taxes, assessments, utilities, water rates, operating charges, labor costs and similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the net amount determined assuming no such termination.

“Capital Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

“Consolidated Net Tangible Assets” means, at any date of determination, the aggregate amount of total assets included in the most recent consolidated quarterly or annual balance sheet of the Partnership prepared in accordance with GAAP, less applicable reserves reflected in such balance sheet, after deducting the following amounts:

(a) all current liabilities reflected in such balance sheet (excluding any current maturities of long-term debt or any current liabilities that by their terms are extendable or renewable at the option of the obligor to a time more than 12 months after the time as of which the amount is being computed); and

(b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles reflected in such balance sheet.

“Funded Debt” means all Debt maturing one year or more from the date of the incurrence, creation, assumption or guarantee thereof, all Debt directly or indirectly renewable or extendable, at the option of the debtor, by its terms or by the terms of the instrument or agreement relating thereto, to a date one year or more from the date of the incurrence, creation, assumption or guarantee thereof, and all Debt under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more.

“Permitted Liens” include:

(a) Liens existing at, or provided for under the terms of an “after-acquired property” clause or similar term of any agreement existing on the date of, the initial issuance of the 2018 Notes or the terms of any mortgage, pledge agreement or similar agreement existing on such date of initial issuance;

(b) Liens on property, shares of stock, indebtedness or other assets of any Person (which is not a Subsidiary of the Partnership) existing at the time such Person becomes a Subsidiary of the Partnership or is merged into or consolidated with or into the Partnership or any of its Subsidiaries (whether or not the obligations secured thereby are assumed by the Partnership or any of its Subsidiaries), provided that such Liens are not incurred in anticipation of such Person becoming a Subsidiary of the Partnership, or Liens existing at the time of a sale, lease or other disposition of the properties of a Person as an entirety or substantially as an entirety to the Partnership or any of its Subsidiaries;

(c) Liens on property, shares of stock, indebtedness or other assets existing at the time of acquisition thereof by the Partnership or any of its Subsidiaries (whether or not the obligations secured thereby are assumed by the Partnership or any of its Subsidiaries), or Liens thereon to secure the payment of all or any part of the purchase price thereof;

(d) any Lien on property, shares of capital stock, indebtedness or other assets created at the time of the acquisition of same by the Partnership or any of its Subsidiaries or within 12 months after such acquisition to secure all or a portion of the purchase price of such property, capital stock, indebtedness or other assets or indebtedness incurred to

finance such purchase price, whether such indebtedness is incurred prior to, at the time of or within one year after the date of such acquisition;

(e) Liens on property, shares of stock, indebtedness or other assets to secure any Debt incurred to pay the costs of construction, development, repair or improvements thereon, or incurred prior to, at the time of, or within 12 months after, the latest of the completion of construction, the completion of development, repair or improvements or the commencement of full commercial operation of such property for the purpose of financing all or any part of, such construction or the making of such development, repair or improvements;

(f) Liens to secure indebtedness owing to the Partnership or any of its Subsidiaries;

(g) Liens on any current assets that secure current liabilities or indebtedness incurred by the Partnership or any of its Subsidiaries;

(h) Liens in favor of the United States of America or any state, territory or possession thereof (or the District of Columbia), or any department, agency, instrumentality or political subdivision of the United States of America or any state, territory or possession thereof (or the District of Columbia), to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing, developing, repairing or improving the property subject to such liens;

(i) Liens in favor of any Person to secure obligations under provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any regulatory, governmental or court authority in connection with any contract or statute; or any Lien upon or deposits of any assets to secure performance or bids, trade contracts, leases or statutory obligations;

(j) Liens arising or imposed by reason of any attachment, judgment, decree or order of any regulatory, governmental or court authority or proceeding, so long as any proceeding initiated to review same shall not have been terminated or the period within which such proceeding may be initiated shall not have expired, or such attachment, judgment, decree or order shall otherwise be effectively stayed;

(k) Liens on any capital stock of any Subsidiary of the Partnership that owns an equity interest in a joint venture to secure indebtedness, provided that the proceeds of such indebtedness received by such Subsidiary are contributed or advanced to such joint venture;

(l) the assumption by the Partnership or any of its Subsidiaries of obligations secured by any Lien on property, shares of stock, indebtedness or other assets, which Lien exists at the time of the acquisition by the Partnership or any of its Subsidiaries of such property, shares, indebtedness or other assets or at the time of the acquisition of the Person that owns such property or assets;

(m) Liens on any property to secure bonds for the construction, installation or financing of pollution control or abatement facilities, or other forms of industrial revenue bond financing, or indebtedness issued or guaranteed by the United States, any state or any department, agency or instrumentality thereof;

(n) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) of any Lien referred to in clauses (a)-(m) above; *provided, however,* that any Liens permitted by the terms set forth under any of such clauses (a)-(m) shall not extend to or cover any property of the Partnership or of any of its Subsidiaries, as the case may be, other than the property specified in such clauses and improvements thereto or proceeds therefrom;

(o) Liens deemed to exist by reason of negative pledges in respect of indebtedness;

(p) Liens upon rights-of-way for pipeline purposes;

(q) any statutory or governmental Lien or a Lien arising by operation of law, or any mechanics', repairmen's, materialmen's, supplier's, carrier's, landlord's, warehousemen's or similar Lien incurred in the ordinary course of business which is not yet due or is being contested in good faith by appropriate proceedings and any undetermined Lien which is incidental to construction, development, improvement or repair;

(r) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, license, permit or by any provision of law, to purchase or to recapture or to designate a purchaser of, any property;

(s) Liens of taxes and assessments which are for the current year, and are not at the time delinquent or are delinquent but the validity of which are being contested at the time by the Partnership or any of its Subsidiaries in good faith;

(t) Liens of, or to secure the performance of, leases;

(u) Liens upon, or deposits of, any assets in favor of any surety company or clerk of court for the purpose of obtaining indemnity or stay of judicial proceedings;

(v) Liens upon property or assets acquired or sold by the Partnership or any of its Subsidiaries resulting from the exercise of any rights arising out of defaults on receivables;

(w) Liens incurred in the ordinary course of business in connection with workmen's compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;

(x) Liens securing indebtedness of the Partnership or indebtedness of any Subsidiaries of the Partnership, all or a portion of the net proceeds of which are used, substantially concurrently with the funding thereof (and for purposes of determining "substantial concurrence," taking into consideration, among other things, required notices

to be given to Holders of Outstanding Debt Securities under this Indenture (including the 2018 Notes) in connection with such refunding, refinancing, repurchase, and the required durations thereof), to refund, refinance, or repurchase all Outstanding Debt Securities under this Indenture (including the 2018 Notes) including all accrued interest thereon and reasonable fees and expenses and any premium incurred by the Partnership or its Subsidiaries in connection therewith; and

(y) any Lien upon any property, shares of capital stock, indebtedness or other assets to secure indebtedness incurred by the Partnership or any of its Subsidiaries, the proceeds of which, in whole or in part, are used to defease, in a legal or a covenant defeasance, the obligations of the Partnership on the 2018 Notes or any other series of Debt Securities.

"Principal Property" means, whether owned or leased on the date of the initial issuance of the 2018 Notes or acquired later:

(a) pipeline assets of the Partnership or any of its Subsidiaries, including any related facilities employed in the gathering, transportation, distribution, storage or marketing of natural gas, natural gas liquids, refined petroleum products, liquefied petroleum gases, crude oil or petrochemicals, that are located in the United States of America or any territory or political subdivision thereof; and

(b) any processing or manufacturing plant or terminal owned or leased by the Partnership or any of its Subsidiaries that is located in the United States of America or any territory or political subdivision thereof;

except, in the case of either of the foregoing clauses (a) and (b), any such assets consisting of inventories, furniture, office fixtures and equipment (including data processing equipment), vehicles and equipment used on, or useful with, vehicles, and any such assets, plant or terminal which, in the opinion of the Board of Directors, is not material in relation to the activities of the Partnership or of the Partnership and its Subsidiaries, taken as a whole.

"Sale-Leaseback Transaction" means any arrangement with any Person providing for the leasing by the Partnership or any of its Subsidiaries of any Principal Property, which Principal Property has been or is to be sold or transferred by the Partnership or such Subsidiary to such Person, other than:

(a) any such transaction involving a lease for a term (including renewals or extensions exercisable by the Partnership or any of its Subsidiaries) of not more than three years; or

(b) any such transaction between the Partnership and any of its Subsidiaries or between any of its Subsidiaries.

"Subsidiary Guarantors" means the Person or Persons named as the "Subsidiary Guarantors" in the first paragraph of this instrument until a successor Person or Persons shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Subsidiary Guarantors" shall mean such successor Person or Persons, and any other Subsidiary of the Partnership who may execute a supplement to the Original Indenture, for the purpose of providing a Guarantee of Debt Securities pursuant to the Original Indenture.

"2018 Notes" means the 6.65% Senior Notes due 2018 of the Partnership to be issued pursuant to this Indenture. For purposes of this Indenture, the term "2018 Notes" shall, except where the context otherwise requires, include the Guarantee.

SECTION 2.2 Redemption.

Article III of the Original Indenture shall be amended and supplemented by inserting the following new section in its entirety:

"Section 3.06. Optional Redemption.

The 2018 Notes may be redeemed at the option of the Partnership at any time in whole, or from time to time, in part, at the redemption prices described in the 2018 Notes. Any notice to Holders of 2018 Notes of such redemption shall include the method of calculating the redemption price, but need not include the redemption price itself. The actual redemption price, calculated as provided in the 2018 Notes, will be calculated and certified to the Trustee and the Partnership by the Independent Investment Banker."

SECTION 2.3 Covenants.

Article IV of the Original Indenture shall be amended and supplemented by inserting the following new sections in their entirety:

"Section 4.12. Limitation on Sale-Leaseback Transactions. The Partnership shall not, and shall not permit any of its Subsidiaries to, enter into any Sale-Leaseback Transaction unless:

(a) such Sale-Leaseback Transaction occurs within 12 months from the date of completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, or development of, or substantial repair or improvement on, or commencement of full operations of, such Principal Property, whichever is later;

(b) the Partnership or such Subsidiary, as the case may be, would be permitted, pursuant to the provisions of this Indenture, to incur Debt, in a principal amount at least equal to the Attributable Indebtedness with respect to such Sale-Leaseback Transaction, secured by a Lien on the Principal Property subject to such Sale-Leaseback Transaction pursuant to Section 4.13 without equally and ratably securing the 2018 Notes pursuant to such Section; or

(c) the Partnership or such Subsidiary, within a twelve-month period after the effective date of such Sale-Leaseback Transaction, applies or causes to be applied an amount equal to not less than the Attributable Indebtedness from such Sale-Leaseback Transaction either to (a) the voluntary defeasance or the prepayment, repayment, redemption or retirement of any 2018 Notes or other Funded Debt of the Partnership or any Subsidiary that is not subordinated to the Debt Securities, (b) the acquisition, construction, development or improvement of any Principal Property used or useful in the businesses of the Partnership (including the businesses of its Subsidiaries) or (c) any combination of applications referred to in the preceding clause (a) or (b).

Notwithstanding the foregoing provisions of this Section, the Partnership may, and may permit any Subsidiary to, effect any Sale-Leaseback Transaction that is not excepted by clauses

(a) through (c), inclusive, of this Section, provided that the Attributable Indebtedness from such Sale-Leaseback Transaction, together with the aggregate principal amount of (i) all other Attributable Indebtedness deemed to be outstanding in respect of all Sale-Leaseback Transactions (exclusive of any such Sale-Leaseback Transactions otherwise permitted under clauses (a) and (c) of this Section) and (ii) all outstanding Debt secured by Liens, other than Permitted Liens, on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property, does not exceed 10% of Consolidated Net Tangible Assets.

Section 4.13. Limitation on Liens. The Partnership shall not, and shall not permit any of its Subsidiaries to, incur, create, assume or suffer to exist any Lien, other than a Permitted Lien, on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property, whether now existing or hereafter created or acquired by the Partnership or such Subsidiary, to secure any Debt of the Partnership or any other Person, without in any such case making effective provision whereby any and all 2018 Notes then Outstanding will be secured by a Lien equally and ratably with, or prior to, such Debt for so long as such Debt shall be so secured. Notwithstanding the foregoing, the Partnership may, and may permit any Subsidiary to, incur, create, assume or suffer to exist any Lien (other than a Permitted Lien) on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property to secure Debt of the Partnership or any other Person, without securing the 2018 Notes as provided in this Section, provided that the aggregate principal amount of all Debt then outstanding secured by any such Lien together with the aggregate amount of Attributable Indebtedness deemed to be outstanding in respect of all Sale-Leaseback Transactions (exclusive of any such Sale-Leaseback Transactions otherwise permitted under clauses (a) and (c) of Section 4.12), does not exceed 10% of Consolidated Net Tangible Assets.

Section 4.14. Additional Subsidiary Guarantors. If at any time after the original issuance of the 2018 Notes, including following any release of a Subsidiary Guarantor from its Guarantee under this Indenture, any Subsidiary of the Partnership (including any future Subsidiary of the Partnership) guarantees any Funded Debt of the Partnership, then the Partnership shall cause such Subsidiary to guarantee the 2018 Notes and in connection with such guarantee, to execute and deliver an Indenture supplemental hereto pursuant to Section 9.01(g) simultaneously therewith. In order to further evidence its Guarantee, such Subsidiary shall execute and deliver to the Trustee a notation relating to such Guarantee in accordance with Section 14.02."

SECTION 2.4 Events of Default.

The following additional Event of Default shall be added to those in clauses (a)-(g) of Section 6.01 of the Original Indenture in relation to the 2018 Notes:

"(h) default in the payment by the Partnership or any of its Subsidiaries at the Stated Maturity thereof, after the expiration of any applicable grace period, of any principal of any Debt of the Partnership (other than the 2018 Notes) or any of its Subsidiaries (other than the Guarantee of the 2018 Notes) outstanding in an aggregate principal amount in excess of $50,000,000, or the occurrence of any other default thereunder (including, without limitation, the failure to pay interest or any premium), the effect of which default is to cause such Debt to become, or to be declared, due prior to its Stated Maturity and such acceleration is not rescinded within 60 days after there has been given, by registered or certified mail, to the Partnership and the Subsidiary Guarantors by the Trustee or to the Partnership, the Subsidiary Guarantors and the Trustee by the

Holders of at least 25% in principal amount of the Outstanding 2018 Notes a written notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder, and the receipt by the Partnership and the Subsidiary Guarantors of such written notice."

SECTION 2.5 Administration of Trust.

Article VII of the Original Indenture shall be amended and supplemented by inserting the following new section in its entirety:

"Section 7.13. Administration of Trust.

The Trustee shall administer the trust of the Indenture and shall perform a substantial part of its obligations relating to the 2018 Notes and this Indenture at its corporate trust office in The City of New York."

SECTION 2.6 Required Notices or Demands.

Section 13.03 of the Original Indenture shall be amended by deleting the addresses and contact information appearing therein and inserting the following new addresses and contact information:

"If to the Partnership or the Subsidiary Guarantors:
TEPPCO Partners, L.P.
TE Products Pipeline Company, LLC
TCTM, L.P.
TEPPCO Midstream Companies, LLC
Val Verde Gas Gathering Company, L.P.
1100 Louisiana Street, Suite 1600
Houston, Texas 77002
Attention: Chief Financial Officer
Telecopy No. 713-381-8225

If to the Trustee:
U.S. Bank National Association
5555 San Felipe Street, Suite 1150
Houston, Texas 77056
Attention: Steven A. Finklea, CCTS- Vice President
Telecopy No. 713-235-9213"

ARTICLE 3

VAL VERDE, TE PRODUCTS AND TEPPCO MIDSTREAM GUARANTEE

SECTION 3.1 Val Verde, TE Products and TEPPCO Midstream Guarantee.

Each of Val Verde, TE Products and TEPPCO Midstream hereby acknowledges and agrees that it is a Subsidiary Guarantor with respect to the 2018 Notes and is executing and delivering this Sixth Supplemental Indenture for the purpose of providing a Guarantee of the

2018 Notes, and accordingly, the obligations of each of Val Verde, TE Products and TEPPCO Midstream as a Subsidiary Guarantor of the 2018 Notes shall be governed by the Original Indenture, as amended and supplemented by this Sixth Supplemental Indenture, as may be further amended and supplemented from time to time.

ARTICLE 4

MISCELLANEOUS PROVISIONS

SECTION 4.1 Integral Part.

This Sixth Supplemental Indenture constitutes an integral part of the Indenture.

SECTION 4.2 General Definitions.

For all purposes of this Sixth Supplemental Indenture:

(a) capitalized terms used herein without definition shall have the meanings specified in the Original Indenture; and

(b) the terms “herein”, “hereof”, “hereunder” and other words of similar import refer to this Sixth Supplemental Indenture.

SECTION 4.3 Adoption, Ratification and Confirmation.

The Original Indenture, as supplemented and amended by this Sixth Supplemental Indenture, is in all respects hereby adopted, ratified and confirmed.

SECTION 4.4 Counterparts.

This Sixth Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed an original; and all such counterparts shall together constitute but one and the same instrument.

SECTION 4.5 Governing Law.

THIS SIXTH SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed, all as of the day and year first above written.

TEPPCO PARTNERS L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner
By: _____
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

[FORM OF FACE OF 2018 NOTE]

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.][1]

TEPPCO PARTNERS, L.P.
6.65% SENIOR NOTE DUE 2018

No._____ $_____

CUSIP No. 872384AE2

TEPPCO Partners, L.P., a Delaware limited partnership (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____or registered assigns the principal sum of _____Dollars on April 15, 2018 [or such greater or lesser amount as is indicated on the Schedule of Exchanges of Securities attached hereto][2], at the office or agency of the Company referred to below, and to pay interest thereon, commencing on October 15, 2008 and continuing semiannually thereafter, on April 15 and October 15 of each year, from March 27, 2008, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of 6.65% per annum, until the principal hereof is paid or duly provided for, and (to the extent lawful) to pay on demand, interest on any overdue interest at the rate borne by the Securities from the date on which such overdue interest becomes payable to the date payment of such interest has been made or duly provided for. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date (other than at maturity) will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the April 1 or October 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. Interest on the Securities of this series shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Company shall pay principal, premium, if any, and interest on this security in such coin or currency of the United States of America as at the time of payment shall be legal tender for payment of public and private debts. Payments in respect of a Global Security (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by the Depositary. Payments in respect of Securities in definitive form (including principal, premium, if any, and interest) will be made at the corporate trust office of the Trustee, which on the date hereof is located at 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa, or at such other office or agency of the Company as may be maintained for such purpose, or, at the option of the Company, payment of interest may be made by check mailed to the Holders on the

1 These paragraphs should be included only if the Debt Security is a Global Security.

2 This clause should be included only if the Debt Security is a Global Security.

relevant record date at their addresses set forth in the Debt Security Register of Holders or at the option of the Holder, payment of interest on Securities in definitive form will be made by wire transfer of immediately available funds to any account maintained in the United States, provided such Holder has requested such method of payment and provided timely wire transfer instructions to the paying agent. The Holder must surrender this Security to a paying agent to collect payment of principal.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed on its behalf by its sole General Partner.

Dated: _____

TEPPCO PARTNERS L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: _____

U.S. BANK NATIONAL ASSOCIATION,
As Trustee

By _____
Authorized Signatory

[FORM OF REVERSE OF 2018 NOTE]

This Security is one of a duly authorized issue of the series of Debt Securities of the Company designated as its 6.65% Senior Notes due 2018 (such series being herein called the "Securities"), which is issued under, with securities of one or more additional series that may be issued under, an indenture dated as of February 20, 2002, among the Company, the Subsidiary Guarantors and U.S. Bank National Association, successor to Wachovia Bank, National Association and First Union National Bank, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as amended and supplemented by the Sixth Supplemental Indenture dated as of March 27, 2008 (such Indenture, as so amended and supplemented, being called the "Indenture"), to which Indenture and all future indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Subsidiary Guarantors, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities are redeemable, at the option of the Company, at any time in whole, or from time to time in part, at a redemption price (the "Make-Whole Price") equal to the greater of: (i) 100% of the principal amount of the Securities to be redeemed; and (ii) the sum of the present values of the remaining scheduled payments of principal and interest (at the rate in effect on the date of calculation of the Make-Whole Price) on the Securities to be redeemed (exclusive of interest accrued to the date of redemption (the "Redemption Date")) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus 50 basis points; plus, in either case, accrued interest to the Redemption Date.

The actual Make-Whole Price, calculated as provided above, shall be calculated and certified to the Trustee and the Company by the Independent Investment Banker. For purposes of determining the Make-Whole Price, the following definitions are applicable:

"Treasury Yield" means, with respect to any Redemption Date applicable to the Securities, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third Business Day immediately preceding such Redemption Date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for the Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the Securities to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining terms of the Securities to be redeemed; *provided*, *however*, that if no maturity is within three months before or after the maturity date for the Securities, yields for the two published maturities most closely corresponding to such United States Treasury security will be determined and the treasury rate will be interpolated or extrapolated from those yields on a straight line basis rounding to the nearest month.

"Independent Investment Banker" means any of UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC (and their respective successors) or, if no such firm is willing and able to select the applicable Comparable Treasury Issue or perform the other functions of the Independent Investment Banker provided in the Indenture, an independent investment banking institution of national standing appointed by the Trustee and reasonably acceptable to the Company.

"Comparable Treasury Price" means, with respect to any Redemption Date, (a) the average of four Reference Treasury Dealer Quotations for the Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Independent Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means (a) each of UBS Securities LLC, J.P. Morgan Securities Inc. and Wachovia Capital Markets, LLC (or its relevant affiliate) and their respective successors; and (b) one other primary U.S. government securities dealer in the United States selected by the Company (each, a "Primary Treasury Dealer"); provided, however, that if any of the foregoing shall resign as a Reference Treasury Dealer, the Company will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date for the Securities, an average, as determined by an Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue for the Securities (expressed in each case as a percentage of its principal amount) quoted in writing to an Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

Securities called for optional redemption become due on the Redemption Date. Notices of optional redemption will be mailed at least 30 but not more than 60 days before the Redemption Date to each Holder of the Securities to be redeemed at its registered address. The notice of optional redemption for the Securities will state, among other things, the amount of Securities to be redeemed, the Redemption Date, the method of calculating such Make-Whole Price and the place(s) that payment will be made upon presentation and surrender of Securities to be redeemed. Unless the Company defaults in payment of the Make-Whole Price, interest will cease to accrue on the Redemption Date with respect to any Securities that have been called for optional redemption. If less than all the Securities are redeemed at any time, the Trustee will select the Securities to be redeemed on a pro rata basis or by any other method the Trustee deems fair and appropriate.

The Securities may be redeemed in part in multiplies of $1,000 only. Any such redemption will also comply with Article III of the Indenture.

Except as set forth above, the Securities will not be redeemable prior to their Stated Maturity and will not be entitled to the benefit of any sinking fund.

As set forth in the Indenture, an Event of Default with respect to the Securities is generally: (a) failure to pay principal upon Stated Maturity, redemption or otherwise; (b) default for 30 days in payment of interest on any of the Securities; (c) failure for 60 days after notice to comply with any other covenants in the Indenture or the Securities; (d) certain payment defaults under, or the acceleration prior to the Stated Maturity of, Debt of the Company or any Subsidiary in an aggregate principal amount in excess of $50,000,000, unless such acceleration is rescinded within 60 days after notice to the Company and the Subsidiary Guarantors as provided in the Indenture; (e) the Guarantee of the Securities by any of the Subsidiary Guarantors ceases to be in full force and effect (except as otherwise provided in the Indenture); and (f) certain events of bankruptcy, insolvency or reorganization of the Company or any Subsidiary Guarantor.

If an Event of Default described in clause (f) in the preceding paragraph occurs, then the principal amount of all Outstanding Securities, premium, if any, and interest thereon shall ipso facto be due and payable immediately. If any other Event of Default with respect to the Securities occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the Outstanding Securities may declare the principal amount of all the Securities, premium, if any, and accrued interest thereon to be due and payable immediately. The Indenture provides that such declaration may be rescinded in certain events by the Holders of a majority in principal amount of the Outstanding Securities.

No Holder of the Securities may pursue any remedy under the Indenture unless the Trustee shall have failed to act within 60 days after notice of an Event of Default with respect to the Securities and written request by Holders of at least 25% in principal amount of the Outstanding Securities, and the offer to the Trustee of indemnity reasonably satisfactory to it; however, such provision does not affect the right to sue for enforcement of any overdue payment on a Security by the Holder thereof. Subject to certain limitations, Holders of a majority in principal amount of the Outstanding Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except default in payment of principal, premium or interest) if it determines in good faith that withholding the notice is in the interest of the Holders. The Company is required to file a report with the Trustee each year as to the absence or existence of defaults.

The Company's payment obligations under the Securities are jointly and severally guaranteed by the Subsidiary Guarantors. Any Subsidiary Guarantor may be released from its Guarantee of the Securities under the circumstances described in the Indenture.

The Indenture contains provisions for defeasance at any time of (i) the entire indebtedness of the Company and Subsidiary Guarantors on this Security and (ii) certain Events of Default, upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company or the Subsidiary Guarantors and the rights of the Holders of the Securities under the Indenture at any time by the Company, the Subsidiary Guarantors and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in principal amount of the Securities at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company or the Subsidiary Guarantors with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security. Without the consent of any Holder, the Company, the Subsidiary Guarantors and the Trustee may amend or supplement the Indenture or the Securities to cure any ambiguity, defect or inconsistency, to make other changes that do not adversely affect the rights of any Holder and to make certain other specified changes.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any, on) and interest on this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registerable in the Debt Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company maintained for such purpose, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Securities are exchangeable for a like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax, fee, assessment or other governmental charge payable in connection therewith.

The General Partner and its directors, officers, employees, incorporators and stockholders, as such, shall have no liability for any obligations of the Subsidiary Guarantors or the Company under the Securities, the Indenture or the Guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder, by accepting this Security, waives and releases all such liability. Such waiver and release are part of the consideration for the issuance of this Security.

Prior to the time of due presentment of this Security for registration of transfer, the Company, Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture. The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to TEPPCO Partners, L.P., 1100 Louisiana Street, Suite 1800, Houston, Texas 77002, Attn: Investor Relations.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Securities as a convenience to the Holders thereof. No representation is made as to the accuracy of such numbers as printed on the Securities and reliance may be placed only on the other identifying information printed hereon.

This Security shall be governed by and construed in accordance with the laws of the State of New York.

ASSIGNMENT FORM

(I) or (we) assign and transfer this Security to

_____

(Insert assignee's social security or tax I.D. number)

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint_____as agent to transfer this Security on the Debt Security Register of the Company. The agent may substitute another to act for him.

Dated:_____

Signature: _____

(Sign exactly as name appears on the face of this Security)

Name: _____

Address: _____

_____

Phone No.: _____

Signature Guarantee

By: _____

Signature guarantor must be an eligible guarantor institution — a bank or trust company or broker or dealer which is a member of a registered exchange or the NASD.

SCHEDULE OF EXCHANGES OF SECURITIES[3]

The following exchanges, redemptions or repurchases of a part of this Global Security have been made:

Principal Amount of this Global Security Following Such Decrease Date of Exchange (or Increase)	Authorized Signatory of Trustee or Security Custodian	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security

3 This schedule should be included only if the Debt Security is a Global Security.

NOTATION OF GUARANTEE

Each of the Subsidiary Guarantors (which term includes any successor Person under the Indenture), has fully, unconditionally and absolutely guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture, the due and punctual payment of the principal of, and premium, if any, and interest on the Securities and all other amounts due and payable under the Indenture and the Securities by the Partnership.

The obligations of the Subsidiary Guarantors to the Holders of Securities and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article XIV of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee.

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

EXHIBIT 4.4

SEVENTH SUPPLEMENTAL INDENTURE

among

TEPPCO PARTNERS, L.P.

as Issuer,

TE PRODUCTS PIPELINE COMPANY, LLC,

TCTM, L.P.,

TEPPCO MIDSTREAM COMPANIES, LLC

and

VAL VERDE GAS GATHERING COMPANY, L.P.

as Subsidiary Guarantors,

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

March 27, 2008

7.55% Senior Notes due 2038

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SEVENTH SUPPLEMENTAL INDENTURE

THIS SEVENTH SUPPLEMENTAL INDENTURE, dated as of March 27, 2008 (this "Seventh Supplemental Indenture"), among TEPPCO Partners, L.P., a Delaware limited partnership (the "Partnership"), TE Products Pipeline Company, LLC, a Texas limited liability company ("TE Products"), TCTM, L.P., a Delaware limited partnership ("TCTM"), TEPPCO Midstream Companies, LLC, a Texas limited liability company ("TEPPCO Midstream"), Val Verde Gas Gathering Company, L.P., a Delaware limited partnership ("Val Verde" and together with TE Products, TCTM, and TEPPCO Midstream, the "Subsidiary Guarantors"), and U.S. Bank National Association, successor, pursuant to Section 7.09 of the Original Indenture (as defined below) to Wachovia Bank, National Association and First Union National Bank, as trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, TE Products, TCTM, TEPPCO Midstream and Jonah Gas Gathering Company, a Wyoming general partnership ("Jonah"), or their predecessors, and the Partnership have heretofore executed and delivered to the Trustee an Indenture dated as of February 20, 2002 (the "Original Indenture" and, as amended and supplemented by this Seventh Supplemental Indenture, the "Indenture"), providing for the issuance from time to time of one or more series of the Partnership's Debt Securities, and the Guarantee by each of the Subsidiary Guarantors (as defined therein) of the Debt Securities;

WHEREAS, Sections 2.01 and 2.03 of the Indenture provide that, without the approval of any Holder, the Partnership and the Subsidiary Guarantors may enter into supplemental indentures to establish the form, terms and provisions of a series of Debt Securities issued pursuant to the Indenture;

WHEREAS, Section 9.01(k) of the Indenture provides that the Partnership and the Subsidiary Guarantors and the Trustee may from time to time enter into one or more indentures supplemental thereto, without the consent of any Holders, to establish the form or terms of Debt Securities of a new series;

WHEREAS, Section 9.01(b) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add to the covenants of the Partnership or the Subsidiary Guarantors for the benefit of, and to add any additional Events of Default with respect to, all or any series of Debt Securities;

WHEREAS, Section 9.01(i) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add to, change or eliminate any of the provisions of the Indenture with respect to all or any series of Debt Securities, *provided* that, among other things, such addition, change or elimination does not apply to any outstanding Debt Security of any series created prior to the execution of such supplemental indenture;

WHEREAS, Section 9.01(i) of the Indenture permits the execution of supplemental indentures without the consent of any Holders to add Subsidiary Guarantors with respect to any or all of the Debt Securities;

WHEREAS, the Partnership desires to issue a series of its Debt Securities under the Indenture, such series to be known as its 7.55% Senior Notes due 2038 (the "2038 Notes"), the

issuance of which series was authorized by or pursuant to resolution of the Board of Directors, and the Subsidiary Guarantors desire to Guarantee the 2038 Notes as provided in Article XIV of the Indenture;

WHEREAS, the Partnership, pursuant to the foregoing authority, proposes in and by this Seventh Supplemental Indenture to supplement and amend the Original Indenture insofar as it will apply only to the 2038 Notes;

WHEREAS, each of Val Verde, TE Products and TEPPCO Midstream is executing and delivering this Seventh Supplemental Indenture for the purpose of providing a Guarantee of the 2038 Notes, in accordance with the provisions of the Original Indenture;

WHEREAS, pursuant to the Full Release of Guarantee of Wachovia Bank, National Association, as trustee, dated as of July 31, 2006, Jonah was fully released and discharged from all obligations, including any obligations as a Subsidiary Guarantor, in connection with the Indenture;

WHEREAS, all things necessary have been done to make the 2038 Notes, when duly issued by the Partnership and when executed on behalf of the Partnership and authenticated and delivered in accordance with the Indenture, the valid obligations of the Partnership, to make the Guarantee of the 2038 Notes the valid obligation of each of the Subsidiary Guarantors, and to make this Seventh Supplemental Indenture a valid agreement of the Partnership and the Subsidiary Guarantors, in accordance with their and its terms;

NOW, THEREFORE:

In consideration of the premises provided for herein, the Partnership, the Subsidiary Guarantors and the Trustee mutually covenant and agree for the equal and proportionate benefit of all Holders of the 2038 Notes as follows:

ARTICLE 1

THE 2038 NOTES

SECTION 1.1 Designation of the 2038 Notes; Establishment of Form.

There shall be a series of Debt Securities designated “7.55% Senior Notes due 2038” of the Partnership (the “2038 Notes”), and the form thereof (including the notation of Guarantee thereof) shall be substantially as set forth in Exhibit A hereto, which is incorporated into and shall be deemed a part of this Seventh Supplemental Indenture, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as the Partnership may deem appropriate or as may be required or appropriate to comply with any laws or with any rules made pursuant thereto or with the rules of any securities exchange on which the 2038 Notes may be listed, or to conform to general usage, or as may, consistently with the Indenture, be determined by the officers executing such 2038 Notes, as evidenced by their execution of the 2038 Notes.

The 2038 Notes will initially be issued in permanent global form, substantially in the form set forth in Exhibit A hereto, as a Global Security.

The Partnership initially appoints the Trustee to act as paying agent and Registrar with respect to the 2038 Notes.

SECTION 1.2 Amount.

The Trustee shall authenticate and deliver 2038 Notes for original issue in an aggregate principal amount of up to $400,000,000 upon Partnership Order for the authentication and delivery of 2038 Notes. The authorized aggregate principal amount of 2038 Notes may be increased at any time hereafter and the series may be reopened for issuances of additional 2038 Notes, upon Partnership Order without the consent of any Holder. The 2038 Notes issued on the date hereof and any such additional 2038 Notes that may be issued hereafter shall be part of the same series of Debt Securities.

SECTION 1.3 Redemption.

(a) There shall be no sinking fund for the retirement of the 2038 Notes or other mandatory redemption obligation.

(b) The Partnership, at its option, may redeem the 2038 Notes in accordance with the provisions of the 2038 Notes and the Indenture.

SECTION 1.4 Conversion.

The 2038 Notes shall not be convertible into any other securities.

SECTION 1.5 Maturity.

The Stated Maturity of the 2038 Notes shall be April 15, 2038.

SECTION 1.6 Place of Payment.

As long as any 2038 Notes are Outstanding, the Partnership shall maintain in the Borough of Manhattan, The City of New York, an office or agency where the 2038 Notes may be surrendered for registration of transfer or for exchange, an office or agency where the 2038 Notes may be presented for payment, and an office or agency where notices and demands to or upon the Partnership in respect of the 2038 Notes and the Indenture may be served. All of such offices or agencies shall initially be the corporate trust office of the Trustee in the Borough of Manhattan, The City of New York, which on the date of this Seventh Supplemental Indenture, is located at U.S. Bank National Association, 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa. The Partnership may also from time to time designate one or more other offices or agencies where the 2038 Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however,* that no such designation or rescission shall in any manner relieve the Partnership of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes.

SECTION 1.7 Subsidiary Guarantors.

The 2038 Notes shall be entitled to the benefits of the Guarantee of each of the Subsidiary Guarantors as provided in Article XIV of the Indenture.

SECTION 1.8 Other Terms of 2038 Notes.

Without limiting the foregoing provisions of this Article 1, the terms of the 2038 Notes shall be as provided in the form of 2038 Notes set forth in Exhibit A hereto and as provided in the Indenture.

ARTICLE 2

AMENDMENTS TO THE INDENTURE

The amendments and supplements contained herein shall apply to 2038 Notes only and not to any other series of Debt Securities issued under the Original Indenture and any covenants provided herein are expressly being included solely for the benefit of the 2038 Notes. These amendments and supplements shall be effective for so long as there remain any 2038 Notes outstanding.

SECTION 2.1 Definitions.

Section 1.01 of the Original Indenture is amended and supplemented by inserting or restating, as the case may be, in their appropriate alphabetical position, the following definitions:

"Attributable Indebtedness" means with respect to a Sale-Leaseback Transaction, at the time of determination, the lesser of:

(a) the fair market value (as determined in good faith by the Board of Directors) of the assets involved in the Sale-Leaseback Transaction;

(b) the present value of the total net amount of rent required to be paid under the lease involved in such Sale-Leaseback Transaction during the remaining term thereof (including any renewal term exercisable at the lessee's option or period for which such lease has been extended), discounted at the rate of interest set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the 2038 Notes compounded semiannually; and

(c) if the obligation with respect to the Sale-Leaseback Transaction constitutes an obligation that is required to be classified and accounted for as a Capital Lease Obligation for financial reporting purposes in accordance with GAAP, the amount equal to the capitalized amount of such obligation determined in accordance with GAAP and included in the financial statements of the lessee.

For purposes of the foregoing definition, rent will not include amounts required to be paid by the lessee, whether or not designated as rent or additional rent, on account of or contingent upon maintenance and repairs, insurance, taxes, assessments, utilities, water rates, operating charges, labor costs and similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the net amount determined assuming no such termination.

“Capital Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

“Consolidated Net Tangible Assets” means, at any date of determination, the aggregate amount of total assets included in the most recent consolidated quarterly or annual balance sheet of the Partnership prepared in accordance with GAAP, less applicable reserves reflected in such balance sheet, after deducting the following amounts:

(a) all current liabilities reflected in such balance sheet (excluding any current maturities of long-term debt or any current liabilities that by their terms are extendable or renewable at the option of the obligor to a time more than 12 months after the time as of which the amount is being computed); and

(b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles reflected in such balance sheet.

“Funded Debt” means all Debt maturing one year or more from the date of the incurrence, creation, assumption or guarantee thereof, all Debt directly or indirectly renewable or extendable, at the option of the debtor, by its terms or by the terms of the instrument or agreement relating thereto, to a date one year or more from the date of the incurrence, creation, assumption or guarantee thereof, and all Debt under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more.

“Permitted Liens” include:

(a) Liens existing at, or provided for under the terms of an “after-acquired property” clause or similar term of any agreement existing on the date of, the initial issuance of the 2038 Notes or the terms of any mortgage, pledge agreement or similar agreement existing on such date of initial issuance;

(b) Liens on property, shares of stock, indebtedness or other assets of any Person (which is not a Subsidiary of the Partnership) existing at the time such Person becomes a Subsidiary of the Partnership or is merged into or consolidated with or into the Partnership or any of its Subsidiaries (whether or not the obligations secured thereby are assumed by the Partnership or any of its Subsidiaries), provided that such Liens are not incurred in anticipation of such Person becoming a Subsidiary of the Partnership, or Liens existing at the time of a sale, lease or other disposition of the properties of a Person as an entirety or substantially as an entirety to the Partnership or any of its Subsidiaries;

(c) Liens on property, shares of stock, indebtedness or other assets existing at the time of acquisition thereof by the Partnership or any of its Subsidiaries (whether or not the obligations secured thereby are assumed by the Partnership or any of its Subsidiaries), or Liens thereon to secure the payment of all or any part of the purchase price thereof;

(d) any Lien on property, shares of capital stock, indebtedness or other assets created at the time of the acquisition of same by the Partnership or any of its Subsidiaries or within 12 months after such acquisition to secure all or a portion of the purchase price of such property, capital stock, indebtedness or other assets or indebtedness incurred to

finance such purchase price, whether such indebtedness is incurred prior to, at the time of or within one year after the date of such acquisition;

(e) Liens on property, shares of stock, indebtedness or other assets to secure any Debt incurred to pay the costs of construction, development, repair or improvements thereon, or incurred prior to, at the time of, or within 12 months after, the latest of the completion of construction, the completion of development, repair or improvements or the commencement of full commercial operation of such property for the purpose of financing all or any part of, such construction or the making of such development, repair or improvements;

(f) Liens to secure indebtedness owing to the Partnership or any of its Subsidiaries;

(g) Liens on any current assets that secure current liabilities or indebtedness incurred by the Partnership or any of its Subsidiaries;

(h) Liens in favor of the United States of America or any state, territory or possession thereof (or the District of Columbia), or any department, agency, instrumentality or political subdivision of the United States of America or any state, territory or possession thereof (or the District of Columbia), to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing, developing, repairing or improving the property subject to such liens;

(i) Liens in favor of any Person to secure obligations under provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any regulatory, governmental or court authority in connection with any contract or statute; or any Lien upon or deposits of any assets to secure performance or bids, trade contracts, leases or statutory obligations;

(j) Liens arising or imposed by reason of any attachment, judgment, decree or order of any regulatory, governmental or court authority or proceeding, so long as any proceeding initiated to review same shall not have been terminated or the period within which such proceeding may be initiated shall not have expired, or such attachment, judgment, decree or order shall otherwise be effectively stayed;

(k) Liens on any capital stock of any Subsidiary of the Partnership that owns an equity interest in a joint venture to secure indebtedness, provided that the proceeds of such indebtedness received by such Subsidiary are contributed or advanced to such joint venture;

(l) the assumption by the Partnership or any of its Subsidiaries of obligations secured by any Lien on property, shares of stock, indebtedness or other assets, which Lien exists at the time of the acquisition by the Partnership or any of its Subsidiaries of such property, shares, indebtedness or other assets or at the time of the acquisition of the Person that owns such property or assets;

(m) Liens on any property to secure bonds for the construction, installation or financing of pollution control or abatement facilities, or other forms of industrial revenue bond financing, or indebtedness issued or guaranteed by the United States, any state or any department, agency or instrumentality thereof;

(n) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) of any Lien referred to in clauses (a)-(m) above; *provided, however,* that any Liens permitted by the terms set forth under any of such clauses (a)-(m) shall not extend to or cover any property of the Partnership or of any of its Subsidiaries, as the case may be, other than the property specified in such clauses and improvements thereto or proceeds therefrom;

(o) Liens deemed to exist by reason of negative pledges in respect of indebtedness;

(p) Liens upon rights-of-way for pipeline purposes;

(q) any statutory or governmental Lien or a Lien arising by operation of law, or any mechanics', repairmen's, materialmen's, supplier's, carrier's, landlord's, warehousemen's or similar Lien incurred in the ordinary course of business which is not yet due or is being contested in good faith by appropriate proceedings and any undetermined Lien which is incidental to construction, development, improvement or repair;

(r) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, license, permit or by any provision of law, to purchase or to recapture or to designate a purchaser of, any property;

(s) Liens of taxes and assessments which are for the current year, and are not at the time delinquent or are delinquent but the validity of which are being contested at the time by the Partnership or any of its Subsidiaries in good faith;

(t) Liens of, or to secure the performance of, leases;

(u) Liens upon, or deposits of, any assets in favor of any surety company or clerk of court for the purpose of obtaining indemnity or stay of judicial proceedings;

(v) Liens upon property or assets acquired or sold by the Partnership or any of its Subsidiaries resulting from the exercise of any rights arising out of defaults on receivables;

(w) Liens incurred in the ordinary course of business in connection with workmen's compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;

(x) Liens securing indebtedness of the Partnership or indebtedness of any Subsidiaries of the Partnership, all or a portion of the net proceeds of which are used, substantially concurrently with the funding thereof (and for purposes of determining "substantial concurrence," taking into consideration, among other things, required notices

to be given to Holders of Outstanding Debt Securities under this Indenture (including the 2038 Notes) in connection with such refunding, refinancing, repurchase, and the required durations thereof), to refund, refinance, or repurchase all Outstanding Debt Securities under this Indenture (including the 2038 Notes) including all accrued interest thereon and reasonable fees and expenses and any premium incurred by the Partnership or its Subsidiaries in connection therewith; and

(y) any Lien upon any property, shares of capital stock, indebtedness or other assets to secure indebtedness incurred by the Partnership or any of its Subsidiaries, the proceeds of which, in whole or in part, are used to defease, in a legal or a covenant defeasance, the obligations of the Partnership on the 2038 Notes or any other series of Debt Securities.

"Principal Property" means, whether owned or leased on the date of the initial issuance of the 2038 Notes or acquired later:

(a) pipeline assets of the Partnership or any of its Subsidiaries, including any related facilities employed in the gathering, transportation, distribution, storage or marketing of natural gas, natural gas liquids, refined petroleum products, liquefied petroleum gases, crude oil or petrochemicals, that are located in the United States of America or any territory or political subdivision thereof; and

(b) any processing or manufacturing plant or terminal owned or leased by the Partnership or any of its Subsidiaries that is located in the United States of America or any territory or political subdivision thereof;

except, in the case of either of the foregoing clauses (a) and (b), any such assets consisting of inventories, furniture, office fixtures and equipment (including data processing equipment), vehicles and equipment used on, or useful with, vehicles, and any such assets, plant or terminal which, in the opinion of the Board of Directors, is not material in relation to the activities of the Partnership or of the Partnership and its Subsidiaries, taken as a whole.

"Sale-Leaseback Transaction" means any arrangement with any Person providing for the leasing by the Partnership or any of its Subsidiaries of any Principal Property, which Principal Property has been or is to be sold or transferred by the Partnership or such Subsidiary to such Person, other than:

(a) any such transaction involving a lease for a term (including renewals or extensions exercisable by the Partnership or any of its Subsidiaries) of not more than three years; or

(b) any such transaction between the Partnership and any of its Subsidiaries or between any of its Subsidiaries.

"Subsidiary Guarantors" means the Person or Persons named as the "Subsidiary Guarantors" in the first paragraph of this instrument until a successor Person or Persons shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Subsidiary Guarantors" shall mean such successor Person or Persons, and any other Subsidiary of the Partnership who may execute a supplement to the Original Indenture, for the purpose of providing a Guarantee of Debt Securities pursuant to the Original Indenture.

"2038 Notes" means the 7.55% Senior Notes due 2038 of the Partnership to be issued pursuant to this Indenture. For purposes of this Indenture, the term "2038 Notes" shall, except where the context otherwise requires, include the Guarantee.

SECTION 2.2 Redemption.

Article III of the Original Indenture shall be amended and supplemented by inserting the following new section in its entirety:

"Section 3.06. Optional Redemption.

The 2038 Notes may be redeemed at the option of the Partnership at any time in whole, or from time to time, in part, at the redemption prices described in the 2038 Notes. Any notice to Holders of 2038 Notes of such redemption shall include the method of calculating the redemption price, but need not include the redemption price itself. The actual redemption price, calculated as provided in the 2038 Notes, will be calculated and certified to the Trustee and the Partnership by the Independent Investment Banker."

SECTION 2.3 Covenants.

Article IV of the Original Indenture shall be amended and supplemented by inserting the following new sections in their entirety:

"Section 4.12. Limitation on Sale-Leaseback Transactions. The Partnership shall not, and shall not permit any of its Subsidiaries to, enter into any Sale-Leaseback Transaction unless:

(a) such Sale-Leaseback Transaction occurs within 12 months from the date of completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, or development of, or substantial repair or improvement on, or commencement of full operations of, such Principal Property, whichever is later;

(b) the Partnership or such Subsidiary, as the case may be, would be permitted, pursuant to the provisions of this Indenture, to incur Debt, in a principal amount at least equal to the Attributable Indebtedness with respect to such Sale-Leaseback Transaction, secured by a Lien on the Principal Property subject to such Sale-Leaseback Transaction pursuant to Section 4.13 without equally and ratably securing the 2038 Notes pursuant to such Section; or

(c) the Partnership or such Subsidiary, within a twelve-month period after the effective date of such Sale-Leaseback Transaction, applies or causes to be applied an amount equal to not less than the Attributable Indebtedness from such Sale-Leaseback Transaction either to (a) the voluntary defeasance or the prepayment, repayment, redemption or retirement of any 2038 Notes or other Funded Debt of the Partnership or any Subsidiary that is not subordinated to the Debt Securities, (b) the acquisition, construction, development or improvement of any Principal Property used or useful in the businesses of the Partnership (including the businesses of its Subsidiaries) or (c) any combination of applications referred to in the preceding clause (a) or (b).

Notwithstanding the foregoing provisions of this Section, the Partnership may, and may permit any Subsidiary to, effect any Sale-Leaseback Transaction that is not excepted by clauses

(a) through (c), inclusive, of this Section, provided that the Attributable Indebtedness from such Sale-Leaseback Transaction, together with the aggregate principal amount of (i) all other Attributable Indebtedness deemed to be outstanding in respect of all Sale-Leaseback Transactions (exclusive of any such Sale-Leaseback Transactions otherwise permitted under clauses (a) and (c) of this Section) and (ii) all outstanding Debt secured by Liens, other than Permitted Liens, on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property, does not exceed 10% of Consolidated Net Tangible Assets.

Section 4.13. Limitation on Liens. The Partnership shall not, and shall not permit any of its Subsidiaries to, incur, create, assume or suffer to exist any Lien, other than a Permitted Lien, on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property, whether now existing or hereafter created or acquired by the Partnership or such Subsidiary, to secure any Debt of the Partnership or any other Person, without in any such case making effective provision whereby any and all 2038 Notes then Outstanding will be secured by a Lien equally and ratably with, or prior to, such Debt for so long as such Debt shall be so secured. Notwithstanding the foregoing, the Partnership may, and may permit any Subsidiary to, incur, create, assume or suffer to exist any Lien (other than a Permitted Lien) on any Principal Property or upon any shares of capital stock of any Subsidiary owning or leasing any Principal Property to secure Debt of the Partnership or any other Person, without securing the 2038 Notes as provided in this Section, provided that the aggregate principal amount of all Debt then outstanding secured by any such Lien together with the aggregate amount of Attributable Indebtedness deemed to be outstanding in respect of all Sale-Leaseback Transactions (exclusive of any such Sale-Leaseback Transactions otherwise permitted under clauses (a) and (c) of Section 4.12), does not exceed 10% of Consolidated Net Tangible Assets.

Section 4.14. Additional Subsidiary Guarantors. If at any time after the original issuance of the 2038 Notes, including following any release of a Subsidiary Guarantor from its Guarantee under this Indenture, any Subsidiary of the Partnership (including any future Subsidiary of the Partnership) guarantees any Funded Debt of the Partnership, then the Partnership shall cause such Subsidiary to guarantee the 2038 Notes and in connection with such guarantee, to execute and deliver an Indenture supplemental hereto pursuant to Section 9.01(g) simultaneously therewith. In order to further evidence its Guarantee, such Subsidiary shall execute and deliver to the Trustee a notation relating to such Guarantee in accordance with Section 14.02."

SECTION 2.4 Events of Default.

The following additional Event of Default shall be added to those in clauses (a)-(g) of Section 6.01 of the Original Indenture in relation to the 2038 Notes:

"(h) default in the payment by the Partnership or any of its Subsidiaries at the Stated Maturity thereof, after the expiration of any applicable grace period, of any principal of any Debt of the Partnership (other than the 2038 Notes) or any of its Subsidiaries (other than the Guarantee of the 2038 Notes) outstanding in an aggregate principal amount in excess of $50,000,000, or the occurrence of any other default thereunder (including, without limitation, the failure to pay interest or any premium), the effect of which default is to cause such Debt to become, or to be declared, due prior to its Stated Maturity and such acceleration is not rescinded within 60 days after there has been given, by registered or certified mail, to the Partnership and the Subsidiary Guarantors by the Trustee or to the Partnership, the Subsidiary Guarantors and the Trustee by the

Holders of at least 25% in principal amount of the Outstanding 2038 Notes a written notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder, and the receipt by the Partnership and the Subsidiary Guarantors of such written notice."

SECTION 2.5 Administration of Trust.

Article VII of the Original Indenture shall be amended and supplemented by inserting the following new section in its entirety:

"Section 7.13. Administration of Trust.

The Trustee shall administer the trust of the Indenture and shall perform a substantial part of its obligations relating to the 2038 Notes and this Indenture at its corporate trust office in The City of New York."

SECTION 2.6 Required Notices or Demands.

Section 13.03 of the Original Indenture shall be amended by deleting the addresses and contact information appearing therein and inserting the following new addresses and contact information:

"If to the Partnership or the Subsidiary Guarantors:
TEPPCO Partners, L.P.
TE Products Pipeline Company, LLC
TCTM, L.P.
TEPPCO Midstream Companies, LLC
Val Verde Gas Gathering Company, L.P.
1100 Louisiana Street, Suite 1600
Houston, Texas 77002
Attention: Chief Financial Officer
Telecopy No. 713-381-8225

If to the Trustee:
U.S. Bank National Association
5555 San Felipe Street, Suite 1150
Houston, Texas 77056
Attention: Steven A. Finklea, CCTS- Vice President
Telecopy No. 713-235-9213"

ARTICLE 3

VAL VERDE, TE PRODUCTS AND TEPPCO MIDSTREAM GUARANTEE

SECTION 3.1 Val Verde, TE Products and TEPPCO Midstream Guarantee.

Each of Val Verde, TE Products and TEPPCO Midstream hereby acknowledges and agrees that it is a Subsidiary Guarantor with respect to the 2038 Notes and is executing and delivering this Seventh Supplemental Indenture for the purpose of providing a Guarantee of the

2038 Notes, and accordingly, the obligations of each of Val Verde, TE Products and TEPPCO Midstream as a Subsidiary Guarantor of the 2038 Notes shall be governed by the Original Indenture, as amended and supplemented by this Seventh Supplemental Indenture, as may be further amended and supplemented from time to time.

ARTICLE 4

MISCELLANEOUS PROVISIONS

SECTION 4.1 Integral Part.

This Seventh Supplemental Indenture constitutes an integral part of the Indenture.

SECTION 4.2 General Definitions.

For all purposes of this Seventh Supplemental Indenture:

(a) capitalized terms used herein without definition shall have the meanings specified in the Original Indenture; and

(b) the terms “herein”, “hereof”, “hereunder” and other words of similar import refer to this Seventh Supplemental Indenture.

SECTION 4.3 Adoption, Ratification and Confirmation.

The Original Indenture, as supplemented and amended by this Seventh Supplemental Indenture, is in all respects hereby adopted, ratified and confirmed.

SECTION 4.4 Counterparts.

This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed an original; and all such counterparts shall together constitute but one and the same instrument.

SECTION 4.5 Governing Law.

THIS SEVENTH SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed, all as of the day and year first above written.

TEPPCO PARTNERS L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

[FORM OF FACE OF 2038 NOTE]

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.][1]

TEPPCO PARTNERS, L.P.
7.55% SENIOR NOTE DUE 2038

No._____ $_____

CUSIP No. 872384AF9

TEPPCO Partners, L.P., a Delaware limited partnership (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____or registered assigns the principal sum of _____ Dollars on April 15, 2038 [or such greater or lesser amount as is indicated on the Schedule of Exchanges of Securities attached hereto][2], at the office or agency of the Company referred to below, and to pay interest thereon, commencing on October 15, 2008 and continuing semiannually thereafter, on April 15 and October 15 of each year, from March 27, 2008, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of 7.55% per annum, until the principal hereof is paid or duly provided for, and (to the extent lawful) to pay on demand, interest on any overdue interest at the rate borne by the Securities from the date on which such overdue interest becomes payable to the date payment of such interest has been made or duly provided for. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date (other than at maturity) will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the April 1 or October 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. Interest on the Securities of this series shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Company shall pay principal, premium, if any, and interest on this security in such coin or currency of the United States of America as at the time of payment shall be legal tender for payment of public and private debts. Payments in respect of a Global Security (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by the Depositary. Payments in respect of Securities in definitive form (including principal, premium, if any, and interest) will be made at the corporate trust office of the Trustee, which on the date hereof is located at 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa, or at such other office or agency of the Company as may be maintained for such purpose, or, at the option of the Company, payment of interest may be made by check mailed to the Holders on the

1 These paragraphs should be included only if the Debt Security is a Global Security.

2 This clause should be included only if the Debt Security is a Global Security.

relevant record date at their addresses set forth in the Debt Security Register of Holders or at the option of the Holder, payment of interest on Securities in definitive form will be made by wire transfer of immediately available funds to any account maintained in the United States, provided such Holder has requested such method of payment and provided timely wire transfer instructions to the paying agent. The Holder must surrender this Security to a paying agent to collect payment of principal.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed on its behalf by its sole General Partner.

Dated: _____

TEPPCO PARTNERS L.P.

By: Texas Eastern Products Pipeline Company, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: _____

U.S. BANK NATIONAL ASSOCIATION,
As Trustee

By _____
Authorized Signatory

[FORM OF REVERSE OF 2038 NOTE]

This Security is one of a duly authorized issue of the series of Debt Securities of the Company designated as its 7.55% Senior Notes due 2038 (such series being herein called the "Securities"), which is issued under, with securities of one or more additional series that may be issued under, an indenture dated as of February 20, 2002, among the Company, the Subsidiary Guarantors and U.S. Bank National Association, successor to Wachovia Bank, National Association and First Union National Bank, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as amended and supplemented by the Seventh Supplemental Indenture dated as of March 27, 2008 (such Indenture, as so amended and supplemented, being called the "Indenture"), to which Indenture and all future indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Subsidiary Guarantors, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities are redeemable, at the option of the Company, at any time in whole, or from time to time in part, at a redemption price (the "Make-Whole Price") equal to the greater of: (i) 100% of the principal amount of the Securities to be redeemed; and (ii) the sum of the present values of the remaining scheduled payments of principal and interest (at the rate in effect on the date of calculation of the Make-Whole Price) on the Securities to be redeemed (exclusive of interest accrued to the date of redemption (the "Redemption Date")) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus 50 basis points; plus, in either case, accrued interest to the Redemption Date.

The actual Make-Whole Price, calculated as provided above, shall be calculated and certified to the Trustee and the Company by the Independent Investment Banker. For purposes of determining the Make-Whole Price, the following definitions are applicable:

"Treasury Yield" means, with respect to any Redemption Date applicable to the Securities, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third Business Day immediately preceding such Redemption Date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for the Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the Securities to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining terms of the Securities to be redeemed; *provided*, *however*, that if no maturity is within three months before or after the maturity date for the Securities, yields for the two published maturities most closely corresponding to such United States Treasury security will be determined and the treasury rate will be interpolated or extrapolated from those yields on a straight line basis rounding to the nearest month.

"Independent Investment Banker" means any of UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC (and their respective successors) or, if no such firm is willing and able to select the applicable Comparable Treasury Issue or perform the other functions of the Independent Investment Banker provided in the Indenture, an independent investment banking institution of national standing appointed by the Trustee and reasonably acceptable to the Company.

"Comparable Treasury Price" means, with respect to any Redemption Date, (a) the average of four Reference Treasury Dealer Quotations for the Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Independent Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means (a) each of UBS Securities LLC, J.P. Morgan Securities Inc. and Wachovia Capital Markets, LLC (or its relevant affiliate) and their respective successors; and (b) one other primary U.S. government securities dealer in the United States selected by the Company (each, a "Primary Treasury Dealer"); provided, however, that if any of the foregoing shall resign as a Reference Treasury Dealer, the Company will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date for the Securities, an average, as determined by an Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue for the Securities (expressed in each case as a percentage of its principal amount) quoted in writing to an Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

Securities called for optional redemption become due on the Redemption Date. Notices of optional redemption will be mailed at least 30 but not more than 60 days before the Redemption Date to each Holder of the Securities to be redeemed at its registered address. The notice of optional redemption for the Securities will state, among other things, the amount of Securities to be redeemed, the Redemption Date, the method of calculating such Make-Whole Price and the place(s) that payment will be made upon presentation and surrender of Securities to be redeemed. Unless the Company defaults in payment of the Make-Whole Price, interest will cease to accrue on the Redemption Date with respect to any Securities that have been called for optional redemption. If less than all the Securities are redeemed at any time, the Trustee will select the Securities to be redeemed on a pro rata basis or by any other method the Trustee deems fair and appropriate.

The Securities may be redeemed in part in multiplies of $1,000 only. Any such redemption will also comply with Article III of the Indenture.

Except as set forth above, the Securities will not be redeemable prior to their Stated Maturity and will not be entitled to the benefit of any sinking fund.

As set forth in the Indenture, an Event of Default with respect to the Securities is generally: (a) failure to pay principal upon Stated Maturity, redemption or otherwise; (b) default for 30 days in payment of interest on any of the Securities; (c) failure for 60 days after notice to comply with any other covenants in the Indenture or the Securities; (d) certain payment defaults under, or the acceleration prior to the Stated Maturity of, Debt of the Company or any Subsidiary in an aggregate principal amount in excess of $50,000,000, unless such acceleration is rescinded within 60 days after notice to the Company and the Subsidiary Guarantors as provided in the Indenture; (e) the Guarantee of the Securities by any of the Subsidiary Guarantors ceases to be in full force and effect (except as otherwise provided in the Indenture); and (f) certain events of bankruptcy, insolvency or reorganization of the Company or any Subsidiary Guarantor.

If an Event of Default described in clause (f) in the preceding paragraph occurs, then the principal amount of all Outstanding Securities, premium, if any, and interest thereon shall ipso facto be due and payable immediately. If any other Event of Default with respect to the Securities occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the Outstanding Securities may declare the principal amount of all the Securities, premium, if any, and accrued interest thereon to be due and payable immediately. The Indenture provides that such declaration may be rescinded in certain events by the Holders of a majority in principal amount of the Outstanding Securities.

No Holder of the Securities may pursue any remedy under the Indenture unless the Trustee shall have failed to act within 60 days after notice of an Event of Default with respect to the Securities and written request by Holders of at least 25% in principal amount of the Outstanding Securities, and the offer to the Trustee of indemnity reasonably satisfactory to it; however, such provision does not affect the right to sue for enforcement of any overdue payment on a Security by the Holder thereof. Subject to certain limitations, Holders of a majority in principal amount of the Outstanding Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except default in payment of principal, premium or interest) if it determines in good faith that withholding the notice is in the interest of the Holders. The Company is required to file a report with the Trustee each year as to the absence or existence of defaults.

The Company's payment obligations under the Securities are jointly and severally guaranteed by the Subsidiary Guarantors. Any Subsidiary Guarantor may be released from its Guarantee of the Securities under the circumstances described in the Indenture.

The Indenture contains provisions for defeasance at any time of (i) the entire indebtedness of the Company and Subsidiary Guarantors on this Security and (ii) certain Events of Default, upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company or the Subsidiary Guarantors and the rights of the Holders of the Securities under the Indenture at any time by the Company, the Subsidiary Guarantors and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in principal amount of the Securities at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company or the Subsidiary Guarantors with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security. Without the consent of any Holder, the Company, the Subsidiary Guarantors and the Trustee may amend or supplement the Indenture or the Securities to cure any ambiguity, defect or inconsistency, to make other changes that do not adversely affect the rights of any Holder and to make certain other specified changes.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any, on) and interest on this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registerable in the Debt Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company maintained for such purpose, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Securities are exchangeable for a like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax, fee, assessment or other governmental charge payable in connection therewith.

The General Partner and its directors, officers, employees, incorporators and stockholders, as such, shall have no liability for any obligations of the Subsidiary Guarantors or the Company under the Securities, the Indenture or the Guarantee or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder, by accepting this Security, waives and releases all such liability. Such waiver and release are part of the consideration for the issuance of this Security.

Prior to the time of due presentment of this Security for registration of transfer, the Company, Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture. The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to TEPPCO Partners, L.P., 1100 Louisiana Street, Suite 1800, Houston, Texas 77002, Attn: Investor Relations.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Securities as a convenience to the Holders thereof. No representation is made as to the accuracy of such numbers as printed on the Securities and reliance may be placed only on the other identifying information printed hereon.

This Security shall be governed by and construed in accordance with the laws of the State of New York.

ASSIGNMENT FORM

(I) or (we) assign and transfer this Security to

_____

(Insert assignee's social security or tax I.D. number)

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ as agent to transfer this Security on the Debt Security Register of the Company. The agent may substitute another to act for him.

Dated: _____

Signature: _____

(Sign exactly as name appears on the face of this Security)

Name: _____

Address: _____

Phone No.:

Signature Guarantee By: _____ Signature guarantor must be an eligible guarantor institution — a bank or trust company or broker or dealer which is a member of a registered exchange or the NASD.

SCHEDULE OF EXCHANGES OF SECURITIES[3]

The following exchanges, redemptions or repurchases of a part of this Global Security have been made:

Principal Amount of this Global Security Following Such Decrease Date of Exchange (or Increase)	Authorized Signatory of Trustee or Security Custodian	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security

3 This schedule should be included only if the Debt Security is a Global Security.

NOTATION OF GUARANTEE

Each of the Subsidiary Guarantors (which term includes any successor Person under the Indenture), has fully, unconditionally and absolutely guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture, the due and punctual payment of the principal of, and premium, if any, and interest on the Securities and all other amounts due and payable under the Indenture and the Securities by the Partnership.

The obligations of the Subsidiary Guarantors to the Holders of Securities and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article XIV of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee.

TE PRODUCTS PIPELINE COMPANY, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

TCTM, L.P.

By: TEPPCO GP, Inc., its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

TEPPCO MIDSTREAM COMPANIES, LLC

By: TEPPCO GP, Inc., its managing member

By: _____
William G. Manias
Vice President and Chief Financial Officer

VAL VERDE GAS GATHERING COMPANY L.P.

By: TEPPCO NGL Pipelines, LLC,
its general partner

By: _____
William G. Manias
Vice President and Chief Financial Officer

Exhibit 5.1

BAKER BOTTS LLP

ONE SHELL PLAZA
910 LOUISIANA
HOUSTON, TEXAS
77002-4995

TEL +1
713.229.1234
FAX +1
713.229.1522
www.bakerbotts.
com

AUSTIN
BEIJING
DALLAS
DUBAI
HONG KONG
HOUSTON
LONDON
MOSCOW
NEW YORK
RIYADH
WASHINGTON

March 26, 2008

TEPPCO Partners, L.P.
1100 Louisiana Street
Suite 1600
Houston, Texas 77002

Ladies and Gentlemen:

TEPPCO Partners, L.P., a Delaware limited partnership (the "Partnership"), TE Products Pipeline Company, LLC, a Texas limited liability company ("TE Products Pipeline"), TCTM, L.P., a Delaware limited partnership ("TCTM"), TEPPCO Midstream Companies, LLC, a Texas limited liability company ("TEPPCO Midstream"), and Val Verde Gas Gathering Company, L.P., a Delaware limited partnership (together with TE Products Pipeline, TCTM and TEPPCO Midstream, the "Subsidiary Guarantors") have engaged us to render the opinions expressed below in connection with the offering of (i) $250,000,000 aggregate principal amount of the Partnership's 5.90% Senior Notes due 2013 (the "2013 Notes"), (ii) $350,000,000 aggregate principal amount of the Partnership's 6.65% Senior Notes due 2018 (the "2018 Notes") and (iii) $400,000,000 aggregate principal amount of the Partnership's 7.55% Senior Notes due 2038 (together with the 2013 Notes and the 2018 Notes, the "Notes"). The Notes are to be guaranteed by the Subsidiary Guarantors pursuant to the Indenture (as defined below) (the "Guarantees," and together with the Notes, the "Securities").

The Partnership and the Subsidiary Guarantors (or their predecessors) have filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (Registration No. 333-110207) for the registration of the offer and sale of debt securities, including the Securities, and certain other securities of the Partnership under the Securities Act of 1933, as amended (the "Securities Act"), from time to time in accordance with Rule 415 promulgated under the Securities Act (the "Registration Statement"). The prospectus dated November 3, 2003 and the accompanying prospectus supplement relating to the Securities dated March 24, 2008 (together, the "Prospectus") have been filed with the Commission pursuant to Rule 424(b) promulgated under the Securities Act.

The Notes are to be issued and sold pursuant to an Underwriting Agreement, dated March 24, 2008 (the "Underwriting Agreement"), among the Partnership, the Subsidiary Guarantors, the respective general partners or managing member of the Partnership and the Subsidiary Guarantors, UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC, as representatives of the several underwriters named on Schedule I thereto.

The Securities are to be issued under the Indenture, dated as of February 20, 2002 (the "Base Indenture"), among the Partnership, as issuer, the subsidiary guarantors party thereto and U.S. Bank National Association, as successor trustee to First Union National Bank and Wachovia Bank, National Association, as amended and supplemented with respect to each series

of Securities by the Fifth, Sixth and Seventh Supplemental Indentures thereto to be dated as of March 27, 2008 (the "Supplemental Indentures," and the Base Indenture, as so amended and supplemented by the Supplemental Indentures, being referred to herein as the "Indenture").

As the basis for the opinions hereinafter expressed, we examined the following: (i) the organizational certificates, bylaws, certificate of incorporation and the limited partnership or limited liability company agreements (as the case may be) of the Partnership, the Subsidiary Guarantors and their respective general partners or managing member; (ii) the Base Indenture; (iii) the Supplemental Indentures, in the forms filed as exhibits to the Partnership's Current Report on Form 8-K dated March 24, 2008; (iv) the Registration Statement and the Prospectus; (v) the Underwriting Agreement; (vi) partnership and company records of the Partnership and the Subsidiary Guarantors and certificates of public officials and representatives of the Partnership and the Subsidiary Guarantors; and (vii) statutes and other instruments and documents. In making our examination, we have assumed the due execution and delivery of the Supplemental Indentures and have also assumed that all signatures on documents examined by us are genuine, that all documents submitted to us as originals are authentic and that all documents submitted to us as certified or photostatic copies conform with the originals of such documents. In connection with this opinion, we have assumed that the Securities will be issued and sold in compliance with applicable securities laws and in the manner set forth in the Prospectus.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Notes will, when they have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture and duly purchased and paid for in accordance with the terms of the Underwriting Agreement, constitute valid and legally binding obligations of the Partnership, enforceable against the Partnership in accordance with their terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws relating to or affecting the rights of creditors generally, and subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law) and any implied covenants of good faith and fair dealing.

2. When the Notes have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture and duly purchased and paid for in accordance with the terms of the Underwriting Agreement, the Guarantees of the Notes included in the Indenture will constitute valid and legally binding obligations of the Subsidiary Guarantors, enforceable against the Subsidiary Guarantors in accordance with the terms of the Indenture, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or other similar laws relating to or affecting the rights of creditors generally, and subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law) and any implied covenants of good faith and fair dealing.

We limit the opinions we express above in all respects to matters of the applicable laws of the State of New York.

We hereby consent to the reference to our Firm under the heading “Legal Matters” in the Prospectus and to the filing of this opinion as an exhibit to the Partnership’s Current Report on Form 8-K dated March 24, 2008. In giving this consent, we do not admit that we are within the category of persons whose consent is required under the provisions of the Securities Act or the rules and regulations promulgated thereunder. This opinion speaks as of the date hereof, and we disclaim any obligation to update it.

Very truly yours,

/s/ Baker Botts L.L.P.

PFP/CT/KC

Exhibit 8.1

BAKER BOTTS LLP

ONE SHELL PLAZA
910 LOUISIANA
HOUSTON, TEXAS
77002-4995

TEL +1
713.229.1234
FAX +1
713.229.1522
www.bakerbotts.com

AUSTIN
BEIJING
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March 26, 2008

TEPPCO Partners, L.P.
1100 Louisiana Street, Suite 1600
Houston, Texas 77002

RE: TEPPCO PARTNERS, L.P.; OFFERING OF SENIOR NOTES

Ladies and Gentlemen:

TEPPCO Partners, L.P., a Delaware limited partnership (the "Partnership"), TE Products Pipeline Company, LLC, a Texas limited liability company ("TE Products Pipeline"), TCTM, L.P., a Delaware limited partnership ("TCTM"), TEPPCO Midstream Companies, LLC, a Texas limited liability company ("TEPPCO Midstream"), and Val Verde Gas Gathering Company, L.P., a Delaware limited partnership (together with TE Products Pipeline, TCTM and TEPPCO Midstream, the "Subsidiary Guarantors") have engaged us to render the opinion expressed below in connection with the offering of (i) $250,000,000 aggregate principal amount of the Partnership's 5.90% Senior Notes due 2013 (the "2013 Notes"), (ii) $350,000,000 aggregate principal amount of the Partnership's 6.65% Senior Notes due 2018 (the "2018 Notes") and (iii) $400,000,000 aggregate principal amount of the Partnership's 7.55% Senior Notes due 2038 (together with the 2013 Notes and the 2018 Notes, the "Notes"). The Notes are to be guaranteed by the Subsidiary Guarantors (together with the Notes, the "Securities"). In connection therewith, we have prepared the discussion (the "Discussion") set forth under the caption "Certain United States Federal Income Tax Considerations" in the prospectus supplement relating to the Securities dated March 24, 2008 (the "Prospectus Supplement"), which accompanies the prospectus dated November 3, 2003 (the "Prospectus").

We hereby confirm that all statements of legal conclusions contained in the Discussion constitute the opinion of Baker Botts L.L.P. with respect to the matters set forth therein as of the date thereof, subject to the assumptions, qualifications, and limitations set forth therein.

In providing this opinion, we have examined and are relying upon the truth and accuracy at all relevant times of the statements, covenants and representations contained in (i) the Prospectus and the Prospectus Supplement, (ii) certain other filings made by the Partnership with the Securities and Exchange Commission and (iii) other information provided to us by the Partnership.

We hereby consent to the filing of this opinion as an exhibit to the Partnership's Current Report on Form 8-K dated March 24, 2008. In giving this consent, we do not admit that we are within the category of persons whose consent is required under the provisions of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ BAKER BOTTS L.L.P.

Exhibit 99.1

March 24, 2008

CONTACTS: Investor Relations — Mark G. Stockard
Phone: (713) 381-4707
Toll Free: (800) 659-0059
Media Relations — Rick Rainey
Phone: (713) 381-3635

TEPPCO PRICES $1 BILLION OF SENIOR NOTES

HOUSTON — TEPPCO Partners, L.P. (NYSE: TPP) today announced that the partnership has priced a public offering of $250 million in principal amount of senior notes due 2013, $350 million in principal amount of senior notes due 2018 and $400 million in principal amount of senior notes due 2038. The proceeds from the offering will be applied to the repayment and cancellation of the partnership's 364-day term credit facility that was set to mature in December 2008.

The notes due 2013 will be issued at 99.922 percent of their principal amount and will have a fixed-rate interest coupon of 5.90 percent and a maturity date of April 15, 2013. The notes due 2018 will be issued at 99.640 percent of their principal amount and will have a fixed-rate interest coupon of 6.65 percent and a maturity date of April 15, 2018. The notes due 2038 will be issued at 99.451 percent of their principal amount and will have a fixed-rate interest coupon of 7.55 percent and a maturity date of April 15, 2038. The settlement date for the offering is expected to be March 27, 2008.

UBS Securities LLC, JPMorgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC acted as joint book-running managers for the offering. The co-managing underwriters for the offering were BNP Paribas Securities Corp., Citigroup Global Markets Inc., Greenwich Capital Markets, Inc., KeyBanc Capital Markets Inc., Wedbush Morgan Securities Inc. and Wells Fargo Securities, LLC. An investor may obtain a free copy of the prospectus as supplemented by visiting EDGAR

on the SEC website at www.sec.gov. Alternatively, the Issuer, any underwriter or any dealer participating in this offering will arrange to send a prospectus to an investor if requested by calling UBS Securities LLC at (877) 827-6444 extension 5613884, JPMorgan Securities Inc. at (212) 834-4533, SunTrust Robinson Humphrey, Inc. at (800) 685-4786 or Wachovia Capital Markets, LLC at (800) 326-5897.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the senior notes described in this press release, nor shall there be any sale of these senior notes in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction. The offer is being made only through the prospectus as supplemented, which is part of a shelf registration statement.

TEPPCO Partners, L.P. is a publicly traded partnership with an enterprise value of approximately $5 billion which conducts business through various subsidiary operating companies. TEPPCO owns and operates one of the largest common carrier pipelines of refined petroleum products and liquefied petroleum gases in the United States; owns and operates petrochemical and natural gas liquid pipelines; is engaged in transportation, storage, gathering and marketing of crude oil; owns and operates natural gas gathering systems; owns and operates a marine transportation business for refined products, crude oil and lube products; and has ownership interests in Jonah Gas Gathering Company, Seaway Crude Pipeline Company, Centennial Pipeline LLC and an undivided ownership interest in the Basin Pipeline. Texas Eastern Products Pipeline Company, LLC, the general partner of TEPPCO Partners, L.P., is owned by Enterprise GP Holdings L.P. (NYSE: EPE).

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Exhibit 99.2

DESCRIPTION OF THE NOTES

We have summarized below terms and provisions of the notes. However, this summary is not a complete description of all of the terms and provisions of the notes. You should read carefully the section entitled "Description of Debt Securities" in the accompanying prospectus for a description of other material terms of the notes, the guarantees and the base indenture under which we will issue the notes. For more information, we refer you to the notes, the base indenture and the supplemental indentures, all of which are available from us. We urge you to read the base indenture and the supplemental indentures because they, and not this description, define your rights as an owner of the notes. Each series of notes is a new series of "senior debt securities" referred to in the accompanying prospectus. The following description supplements and, to the extent inconsistent therewith, replaces, the description of the general terms and provisions of the senior debt securities set forth in the accompanying prospectus. In this description, references to "us," "we," "ours," "TEPPCO Partners" or the "Partnership" are to TEPPCO Partners, L.P. and not our subsidiaries or affiliates.

We will issue each series of notes offered hereby under an indenture dated as of February 20, 2002, which we refer to as the "base indenture," among us, as issuer, our subsidiaries parties thereto, as guarantors, and U.S. Bank National Association (successor to Wachovia Bank, National Association and First Union National Bank), as trustee, as amended and supplemented pursuant to a supplemental indenture applicable to such series of notes. We refer to the base indenture, as amended and supplemented by each such supplemental indenture applicable to each series of notes offered hereby, as the "indenture."

General

The notes of each series:

- are our general unsecured obligations;
- are unconditionally guaranteed by our subsidiary guarantors;
- rank equally in right of payment with all of our other existing and future unsecured and unsubordinated debt, including all other series of debt securities issued under the indenture;
- effectively rank junior to any of our secured debt, to the extent of the collateral securing that debt;
- rank senior in right of payment to all of our future subordinated debt; and
- are non-recourse to our general partner. See "Description of Debt Securities — No Personal Liability of General Partner" in the accompanying prospectus.

Subject to the exceptions, and subject to compliance with the applicable requirements, set forth in the indenture, we may discharge our obligations under the indenture with respect to the notes as described under "Description of Debt Securities — Defeasance" in the accompanying prospectus.

The Guarantees

The notes are guaranteed by TE Products, TCTM, TEPPCO Midstream and Val Verde as described under "— Subsidiary Guarantors." These are our only subsidiaries that presently guarantee any of our long-term indebtedness.

Each guarantee by a subsidiary guarantor of the notes:

- is a general unsecured obligation of that subsidiary guarantor;
- ranks equally in right of payment with all other existing and future unsubordinated debt of that subsidiary guarantor;
- effectively ranks junior to any secured debt of such subsidiary guarantor, to the extent of the collateral securing that debt; and
- ranks senior in right of payment to any future subordinated indebtedness of that subsidiary guarantor.

Principal, Maturity and Interest

Initially, we will issue the 2013 notes in an aggregate principal amount of $250 million, the 2018 notes in an aggregate principal amount of $350 million and the 2038 notes in an aggregate principal amount of $400 million.

The notes will be in denominations of $1,000 and integral multiples of $1,000. The notes will mature on (a) April 15, 2013, in the case of the 2013 notes, (b) April 15, 2018, in the case of the 2018 notes and (c) April 15, 2038, in the case of the 2038 notes. We may issue additional notes of each series from time to time, without the consent of the holders of the notes, in compliance with the terms of the indenture.

Interest on the notes will:

- accrue at the rate of 5.90% per annum, in the case of the 2013 notes;
- accrue at the rate of 6.65% per annum, in the case of the 2018 notes;
- accrue at the rate of 7.55% per annum, in the case of the 2038 notes;
- accrue from the date of issuance or the most recent interest payment date;
- be payable in cash semi-annually in arrears on each April 15 and October 15, commencing on October 15, 2008;
- be payable to the holders of record on April 1 and October 1 immediately preceding the related interest payment dates;
- be computed on the basis of a 360-day year comprised of twelve 30-day months; and
- be payable, to the extent lawful, on overdue interest to the extent permitted by law at the same rate as interest is payable on principal.

If any interest payment date, maturity date or redemption date falls on a day that is not a business day, the payment will be made on the next business day with the same force and effect as if made on the relevant interest payment date, maturity date or redemption date. Unless we default on a payment, no interest will accrue for the period from and after the applicable interest payment date, maturity date or redemption date.

Payment and Transfer

Initially, each series of notes will be issued only in global form. Beneficial interests in notes in global form will be shown on, and transfers of interest in notes in global form will be made only through, records maintained by the depositary and its participants. Notes in definitive form, if any, may be presented for registration, exchange or transfer at the office or agency maintained by us for such purpose (which initially will be the corporate trust office of the trustee located at 100 Wall Street, Suite 1600, EX-NY-WALL, New York, NY 10005, Attn: David Massa, Vice President).

Payment of principal of, premium, if any, and interest on notes in global form registered in the name of DTC’s nominee will be made in immediately available funds to DTC’s nominee, as the registered holder of such global notes. If any of the notes is no longer represented by a global note, payment of interest on the notes in definitive form may, at our option, be made at the corporate trust office of the trustee indicated above or by check mailed directly to holders at their respective registered addresses or by wire transfer to an account designated by a holder.

No service charge will be made for any registration of transfer or exchange of notes, but we may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable upon transfer or exchange of notes. We are not required to transfer or exchange any note selected for redemption or any other note for a period of 15 days before any mailing of notice of notes to be redeemed.

The registered holder of a note will be treated as the owner of it for all purposes.

Optional Redemption

Each series of notes will be redeemable, at our option, at any time in whole, or from time to time in part, at a price equal to the greater of:

- 100% of the principal amount of the notes to be redeemed; and
- the sum of the present values of the remaining scheduled payments of principal and interest (at the rate in effect on the date of calculation of the redemption price) on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus 50 basis points;
- plus, in either case, accrued interest to the date of redemption (the "Redemption Date").

The actual redemption price, calculated as provided above, will be calculated and certified to the trustee and us by the Independent Investment Banker.

Notes called for redemption become due on the Redemption Date. Notices of optional redemption will be mailed at least 30 but not more than 60 days before the Redemption Date to each holder of the notes to be redeemed at its registered address. The notice of optional redemption for the notes will state, among other things, the amount of notes to be redeemed, the Redemption Date, the method of calculating the redemption price and each place that payment will be made upon presentation and surrender of notes to be redeemed. Unless we default in payment of the redemption price, interest will cease to accrue on any notes that have been called for redemption at the Redemption Date. If less than all of the notes of any series are redeemed at any time, the trustee will select the notes of such series to be redeemed on a pro rata basis or by any other method the trustee deems fair and appropriate.

For purposes of determining the optional redemption price, the following definitions are applicable:

"*Treasury Yield*" means, with respect to any Redemption Date applicable to any series of the notes, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third business day immediately preceding such Redemption Date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for such Redemption Date.

"*Comparable Treasury Issue*" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining terms of the notes to be redeemed; provided, however, that if no maturity is within three months before or after the maturity date for such notes, yields for the two published maturities most closely corresponding to such United States Treasury security will be determined and the treasury rate will be interpolated or extrapolated from those yields on a straight line basis rounding to the nearest month.

"*Independent Investment Banker*" means any of UBS Securities LLC, J.P. Morgan Securities Inc., SunTrust Robinson Humphrey, Inc. and Wachovia Capital Markets, LLC (and their respective successors) or, if no such firm is willing and able to select the applicable Comparable Treasury Issue or perform the other functions of the Independent Investment Banker provided in the indenture, an independent investment banking institution of national standing appointed by the trustee and reasonably acceptable to us.

"*Comparable Treasury Price*" means, with respect to any Redemption Date, (a) the average of four Reference Treasury Dealer Quotations for the Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Independent Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

"*Reference Treasury Dealer*" means (a) each of UBS Securities LLC, J.P. Morgan Securities Inc. and Wachovia Capital Markets, LLC (or its relevant affiliate) and their respective successors, and (b) one other primary U.S. government securities dealer in the United States selected by us (each, a "Primary Treasury Dealer"); provided, however, that if any of the foregoing shall resign as a Reference Treasury Dealer, we will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date for the notes, an average, as determined by an Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue for the notes (expressed in each case as a percentage of its principal amount) quoted in writing to an Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such Redemption Date.

Ranking and Security

The notes will be our unsubordinated obligations and will rank equally in right of payment with all of our other existing and future unsubordinated indebtedness. The notes will also be unsecured, unless we are required to secure them pursuant to the limitations on liens covenant described below. Similarly, each guarantee of the notes will be an unsubordinated and unsecured obligation of the subsidiary guarantor and will rank equally in right of payment with all other existing and future unsubordinated indebtedness of the subsidiary guarantor. The notes will effectively rank junior to all of our existing or future secured indebtedness to the extent of the assets securing such indebtedness. Similarly, each guarantee of the notes by a subsidiary guarantor will effectively rank junior to all existing and future secured indebtedness of the subsidiary guarantor to the extent of the assets securing such indebtedness. The notes will effectively rank junior to all indebtedness and other liabilities of our subsidiaries that are not subsidiary guarantors.

At December 31, 2007, on an as adjusted basis after giving effect to borrowings under the term credit agreement to retire the TE Products notes, to reduce indebtedness outstanding under our revolving credit facility and to fund a portion of our marine transportation business acquisitions, the aggregate amount of our unsecured and unsubordinated indebtedness was $1.9 billion. We and the subsidiary guarantors do not have any secured indebtedness. The notes will also rank equally in right of payment with our guarantee of up to $70 million principal amount of indebtedness of our Centennial joint venture. Additionally, the guarantees of the notes by the subsidiary guarantors will rank equally in right of payment with other unsecured and unsubordinated indebtedness of those subsidiaries, including their guarantees of our revolving credit facility, term credit agreement, $500.0 million principal amount of 7.625% Senior Notes due 2012, $200.0 million principal amount of 6.125% Senior Notes due 2013 and, with the exception of Val Verde Gas Gathering Company, the guarantee of up to $70 million of indebtedness of our Centennial joint venture. As of March 19, 2008, there is no debt outstanding at any of our subsidiaries that are not guarantors of the notes.

No Sinking Fund

We are not required to make mandatory redemption or sinking fund payments with respect to the notes.

Certain Covenants

Except to the extent described below, the indenture does not limit the amount of indebtedness or other obligations that we may incur and does not give you the right to require us to repurchase your notes upon a change of control. The indenture contains two principal covenants described in further detail below:

Limitation on Liens. This covenant limits our ability, and that of our Subsidiaries, to permit liens to exist on our principal assets; and

Limitation of Sale-Leaseback Transactions. This covenant limits our ability to sell or transfer our principal assets and then lease back those assets.

Capitalized terms used within this "Covenants" subsection are defined in the "Definitions" subsection.

Limitation on Liens. We will not, and will not permit any of our Subsidiaries to incur, create, assume or suffer to exist any lien on any Principal Property or on any shares of capital stock of any Subsidiary that owns or leases any Principal Property to secure any Debt (whether such Principal Property or shares of stock are now existing or owned or subsequently created or acquired), without effectively providing that the notes will be secured equally and ratably with or prior to such secured Debt until such time as such Debt is no longer secured by a lien.

The foregoing restriction does not require us to secure the notes if the liens consist of Permitted Liens or if the Debt secured by these liens is exempted as described under "— Exempted Indebtedness" below.

Limitation on Sale-Leaseback Transactions. We will not, and will not permit any of our Subsidiaries to, enter into any Sale-Leaseback Transaction unless:

- such Sale-Leaseback Transaction occurs within 12 months after the completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, or development of, or substantial repair or improvement on, or commencement of full operations of, such Principal Property, whichever is later;
- we or our Subsidiary, as the case may be, would be permitted, pursuant to the provisions of the indenture, to incur Debt secured by a lien on the Principal Property involved in such transaction at least equal in principal amount to the Attributable Indebtedness with respect to that Sale-Leaseback Transaction without equally and ratably securing the notes pursuant to the covenant described above in "— Limitation on Liens"; or
- within 12 months after the effective date of such transaction, we or our Subsidiary, as the case may be, apply an amount equal to not less than the Attributable Indebtedness of such Sale-Leaseback Transaction either to:

(1) the voluntary defeasance or the prepayment, repayment, redemption or retirement of the notes or other senior Funded Debt of ours or any of our Subsidiaries;

(2) the acquisition, construction, development or improvement of any Principal Property used or useful in our businesses (including the businesses of our Subsidiaries); or

(3) any combination of applications referred to in (1) or (2) above.

Exempted Indebtedness. Notwithstanding the foregoing limitations on liens and Sale-Leaseback Transactions, we and our Subsidiaries may incur, create, assume or suffer to exist any lien (other than a Permitted Lien) to secure Debt on any property referred to in the covenant described under "— Limitation on Liens" without securing the notes, or may enter into Sale-Leaseback Transactions without complying with the preceding paragraph, or enter into a combination of such transactions, if the sum of the aggregate principal amount of all such Debt then outstanding and the Attributable Indebtedness of all Sale-Leaseback Transactions then in existence not otherwise permitted in the preceding three bullet points (other than the second bullet point above), does not at the time exceed 10% of our Consolidated Net Tangible Assets.

Merger, Amalgamation, Consolidation and Sale of Assets

We will not merge, amalgamate or consolidate with or into any other person or sell, convey, lease, transfer or otherwise dispose of all or substantially all of our property or assets to any person, whether in a single transaction or series of related transactions, except in accordance with the provisions of our partnership agreement, and unless:

- we are the surviving entity, or the surviving entity:
  - is a partnership, limited liability company or corporation organized under the laws of the United States, a state thereof or the District of Columbia; and
  - expressly assumes by supplemental indenture, satisfactory to the trustee, all the obligations under the indenture and the debt securities under the base indenture to be performed or observed by us;
- immediately before and immediately after giving effect to the transaction or series of transactions, no default or event of default has occurred and is continuing;
- if we are not the surviving entity, each subsidiary guarantor, unless such subsidiary guarantor is the person with which we have consummated a transaction under this provision, shall have confirmed that its guarantee shall continue to apply to the obligations under the indenture and the debt securities under the base indenture; and

- we have delivered to the trustee an officers' certificate and opinion of counsel, each stating that the merger, amalgamation, consolidation, sale, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required, the supplemental indenture, comply with the indenture.

Thereafter, the surviving entity may exercise our rights and powers under the indenture, in our name or in its own name. If we sell or otherwise dispose of (except by lease) all or substantially all of our assets and the above stated requirements are satisfied, we will be released from all our liabilities and obligations under the indenture. If we lease all or substantially all of our assets, we will not be so released from our obligations under the indenture.

Events of Default

In addition to the "Events of Default" described in the base prospectus under the heading "Description of Debt Securities — Events of Default, Remedies and Notice — Events of Default," the following constitutes an "Event of Default" under the indenture in respect of each series of notes offered hereby:

default in the payment by us or any of our Subsidiaries at the stated final maturity, after the expiration of any applicable grace period, of any principal of our Debt (other than the notes of that series) or Debt of any of our Subsidiaries (other than the guarantee of the notes of that series) outstanding in an aggregate principal amount in excess of $50 million, or the occurrence of any other default (including, without limitation, the failure to pay interest or any premium), the effect of which is to cause such Debt to become, or to be declared, due prior to its stated maturity and such acceleration is not rescinded within 60 days after notice is given, in accordance with the indenture, to us and the subsidiary guarantors by the trustee, or to us, the subsidiary guarantors and the trustee by the holders of at least 25% in principal amount of the outstanding notes of that series.

An Event of Default for a particular series of notes will not necessarily constitute an Event of Default for the other series of notes or for any other series of debt securities that may be issued under the base indenture.

Definitions

As used in the description of certain provisions of the indenture, the following terms have the following meanings:

"Attributable Indebtedness" means with respect to a Sale-Leaseback Transaction, at the time of determination, the lesser of:

- the fair market value (as determined in good faith by the board of directors of our general partner) of the assets involved in the Sale-Leaseback Transaction;
- the present value of the total net amount of rent required to be paid under the lease involved in such Sale-Leaseback Transaction during the remaining term thereof (including any renewal term exercisable at the lessee's option or period for which such lease has been extended), discounted at the rate of interest set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the notes compounded semiannually; and
- if the obligation with respect to the Sale-Leaseback Transaction constitutes an obligation that is required to be classified and accounted for as a capital lease obligation (as defined in the indenture) for financial reporting purposes in accordance with generally accepted accounting principles, the amount equal to the capitalized amount of such obligation determined in accordance with generally accepted accounting principles and included in the financial statements of the lessee.

For purposes of the foregoing definition, rent will not include amounts required to be paid by the lessee, whether or not designated as rent or additional rent, on account of or contingent upon maintenance and repairs, insurance, taxes, assessments, utilities, water rates, operating charges, labor costs and similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but no rent shall be considered as

required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the net amount determined assuming no such termination.

"Consolidated Net Tangible Assets" means, at any date of determination, the aggregate amount of total assets included in our most recent consolidated quarterly or annual balance sheet prepared in accordance with generally accepted accounting principles, less applicable reserves reflected in such balance sheet, after deducting the following amounts:

- all current liabilities reflected in such balance sheet (excluding any current maturities of long-term debt or any current liabilities that by their terms are extendable or renewable at the option of the obligor to a time more than 12 months after the time as of which the amount is being computed); and
- all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles reflected in such balance sheet.

"*Debt"* means any obligation created or assumed by any person for the repayment of borrowed money and any guarantee therefor.

"Funded Debt" means all Debt maturing one year or more from the date of the incurrence, creation, assumption or guarantee thereof, all Debt directly or indirectly renewable or extendable, at the option of the debtor, by its terms or by the terms of the instrument or agreement relating thereto, to a date one year or more from the date of the incurrence, creation, assumption or guarantee thereof, and all Debt under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more.

"*Permitted Liens"* include:

- liens existing at, or provided for under the terms of an "after-acquired property" clause or similar term of any agreement existing on the date of, the initial issuance of the notes or the terms of any mortgage, pledge agreement or similar agreement existing on such date of initial issuance;
- liens on property, shares of stock, indebtedness or other assets of any person (which is not a Subsidiary of ours) existing at the time such person becomes a Subsidiary or is merged into or consolidated with or into us or any of our Subsidiaries (whether or not the obligations secured thereby are assumed by us or any of our Subsidiaries), provided that such liens are not incurred in anticipation of such person becoming a Subsidiary of ours, or liens existing at the time of a sale, lease or other disposition of the properties of a person as an entirety or substantially as an entirety to us or any of our Subsidiaries;
- liens on property, shares of stock, indebtedness or other assets existing at the time of acquisition thereof by us or any of our Subsidiaries (whether or not the obligations secured thereby are assumed by us or any of our Subsidiaries), or liens thereon to secure the payment of all or any part of the purchase price thereof;
- any lien on property, shares of capital stock, indebtedness or other assets created at the time of the acquisition of same by us or any of our Subsidiaries or within 12 months after such acquisition to secure all or a portion of the purchase price of such property, capital stock, indebtedness or other assets or indebtedness incurred to finance such purchase price, whether such indebtedness is incurred prior to, at the time of or within one year after the date of such acquisition;
- liens on property, shares of stock, indebtedness or other assets to secure any Debt incurred to pay the costs of construction, development, repair or improvements thereon, or incurred prior to, at the time of, or within 12 months after, the latest of the completion of construction, the completion of development, repair or improvements or the commencement of full commercial operation of such property for the purpose of financing all or any part of, such construction or the making of such development, repair or improvements;
- liens to secure indebtedness owing to us or our Subsidiaries;
- liens on any current assets that secure current liabilities or indebtedness incurred by us or our Subsidiaries;

- liens in favor of the United States of America or any state, territory or possession thereof (or the District of Columbia), or any department, agency, instrumentality or political subdivision of the United States of America or any state, territory or possession thereof (or the District of Columbia), to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing, developing, repairing or improving the property subject to such liens;
- liens in favor of any person to secure obligations under provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any regulatory, governmental or court authority in connection with any contract or statute; or any lien upon or deposits of any assets to secure performance or bids, trade contracts, leases or statutory obligations;
- liens arising or imposed by reason of any attachment, judgment, decree or order of any regulatory, governmental or court authority or proceeding, so long as any proceeding initiated to review same shall not have been terminated or the period within which such proceeding may be initiated shall not have expired, or such attachment, judgment, decree or order shall otherwise be effectively stayed;
- liens on any capital stock of any Subsidiary of ours that owns an equity interest in a joint venture to secure indebtedness, provided that the proceeds of such indebtedness received by such Subsidiary are contributed or advanced to such joint venture;
- the assumption by us or any of our Subsidiaries of obligations secured by any lien on property, shares of stock, indebtedness or other assets, which lien exists at the time of the acquisition by us or any of our Subsidiaries of such property, shares, indebtedness or other assets or at the time of the acquisition of the person that owns such property or assets;
- liens on any property to secure bonds for the construction, installation or financing of pollution control or abatement facilities, or other forms of industrial revenue bond financing, or indebtedness issued or guaranteed by the United States, any state or any department, agency or instrumentality thereof;
- liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) of any lien referred to in the bullet points above; provided, however, that any liens permitted by the terms set forth under any of such bullet points shall not extend to or cover any property of ours or of any of our Subsidiaries, as the case may be, other than the property specified in such clauses and improvements thereto or proceeds therefrom;
- liens deemed to exist by reason of negative pledges in respect of indebtedness;
- liens upon rights-of-way for pipeline purposes;
- any statutory or governmental lien or a lien arising by operation of law, or any mechanics', repairmen's, materialmen's, supplier's, carrier's, landlord's, warehousemen's or similar lien incurred in the ordinary course of business which is not yet due or is being contested in good faith by appropriate proceedings and any undetermined lien which is incidental to construction, development, improvement or repair;
- the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, license, permit or by any provision of law, to purchase or to recapture or to designate a purchaser of, any property;
- liens of taxes and assessments which are for the current year, and are not at the time delinquent or are delinquent but the validity of which are being contested at the time by us or any of our Subsidiaries in good faith;
- liens of, or to secure the performance of, leases;
- liens upon, or deposits of, any assets in favor of any surety company or clerk of court for the purpose of obtaining indemnity or stay of judicial proceedings;
- liens upon property or assets acquired or sold by us or any of our Subsidiaries resulting from the exercise of any rights arising out of defaults on receivables;

- liens incurred in the ordinary course of business in connection with workmen's compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;
- liens securing our indebtedness or indebtedness of any of our Subsidiaries, all or a portion of the net proceeds of which are used, substantially concurrently with the funding thereof (and for purposes of determining "substantial concurrence," taking into consideration, among other things, required notices to be given to holders of outstanding securities under the indenture (including the notes) in connection with such refunding, refinancing, repurchase, and the required durations thereof), to refund, refinance, or repurchase all outstanding securities under the indenture (including the notes) including all accrued interest thereon and reasonable fees and expenses and any premium incurred by us or our Subsidiaries in connection therewith; and
- any lien upon any property, shares of capital stock, indebtedness or other assets to secure indebtedness incurred by us or any of our Subsidiaries, the proceeds of which, in whole or in part, are used to defease, in a legal or a covenant defeasance, our obligations on the notes or any other series of our senior debt securities.

"*Principal Property*" means, whether owned or leased on the date of the initial issuance of notes or acquired later:

- pipeline assets of us or our Subsidiaries, including any related facilities employed in the gathering, transportation, distribution, storage or marketing of natural gas, natural gas liquids, refined petroleum products, liquefied petroleum gases, crude oil or petrochemicals, that are located in the United States of America or any territory or political subdivision thereof; and
- any processing or manufacturing plant or terminal owned or leased by us or any of our Subsidiaries that is located in the United States of America or any territory or political subdivision thereof;

except, in the case of either of the foregoing clauses, any such assets consisting of inventories, furniture, office fixtures and equipment (including data processing equipment), vehicles and equipment used on, or useful with, vehicles, and any such assets, plant or terminal which, in the opinion of the board of directors of our general partner, is not material in relation to our activities or the activities of us and our Subsidiaries, taken as a whole.

"*Sale-Leaseback Transaction*" means any arrangement with any person providing for the leasing by us or any of our Subsidiaries of any Principal Property, which Principal Property has been or is to be sold or transferred by us or such Subsidiary to such person, other than:

- any such transaction involving a lease for a term (including renewals or extensions exercisable by us or any of our Subsidiaries) of not more than three years; or
- any such transaction between us and any of our Subsidiaries or between any of our Subsidiaries.

"*Subsidiary*" of any person means:

- any corporation, association or other business entity of which more than 50% of the total voting power of equity interests entitled (without regard to any contingency) to vote in the election of directors, managers, trustees, or equivalent persons, at the time of such determination, is owned or controlled, directly or indirectly, by such person or one or more of the other Subsidiaries of that person or a combination thereof; or
- any partnership of which more than 50% of the partners' equity interests (considering all partners' equity interests as a single class), at the time of such determination, is owned or controlled, directly or indirectly, by such person or one or more of the other Subsidiaries of that person or a combination thereof.

Subsidiary Guarantors

Our payment obligations under the notes will be jointly and severally guaranteed by the subsidiary guarantors. The obligations of each subsidiary guarantor under its guarantee will be limited to the maximum amount that will, after giving effect to all other contingent and fixed liabilities of the subsidiary guarantor and

to any collections from or payments made by or on behalf of any other subsidiary guarantor in respect of the obligations of the other subsidiary guarantor under its guarantee, result in the obligations of the subsidiary guarantor under the guarantee not constituting a fraudulent conveyance or fraudulent transfer under Federal or state law.

Provided that no default shall have occurred and shall be continuing under the indenture, a subsidiary guarantor will be unconditionally released and discharged from the guarantee:

- automatically upon any sale, exchange or transfer, to any person that is not our affiliate, of all of our direct or indirect limited partnership or other equity interests in the subsidiary guarantor (provided such sale, exchange or transfer is not prohibited by the indenture);
- automatically upon the merger of the subsidiary guarantor into us or any other subsidiary guarantor or the liquidation and dissolution of the subsidiary guarantor (in each case to the extent not prohibited by the indenture); or
- following delivery of a written notice of the release by us to the trustee, upon the release of all guarantees by the subsidiary guarantor of any Debt of ours, except debt securities issued under the base indenture.

If at any time after the issuance of the notes, including following any release of a subsidiary guarantor from its guarantee under the indenture, a Subsidiary (including any future Subsidiary) guarantees any of our Funded Debt, we will cause such Subsidiary to guarantee the notes in accordance with the indenture by simultaneously executing and delivering a supplemental indenture.

Concerning the Trustee

U.S. Bank National Association is the trustee under the indenture and has been appointed by us as registrar and paying agent with regard to the notes.

DESCRIPTION OF DEBT SECURITIES

We will issue our debt securities under an Indenture dated February 20, 2002, as supplemented, among us, as issuer, First Union National Bank, as trustee, and the Subsidiary Guarantors. The debt securities will be governed by the provisions of the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended. We, the trustee and the Subsidiary Guarantors may enter into additional supplements to the Indenture from time to time. If we decide to issue subordinated debt securities, we will issue them under a separate Indenture containing subordination provisions.

This description is a summary of the material provisions of the debt securities and the Indentures. We urge you to read the Indenture and the form of Subordinated Indenture filed as exhibits to the registration statement of which this prospectus is a part because those Indentures, and not this description, govern your rights as a holder of debt securities. References in this prospectus to an "Indenture" refer to the particular Indenture under which we issue a series of debt securities.

General

The debt securities

Any series of debt securities that we issue:

- will be our general obligations;
- will be general obligations of the Subsidiary Guarantors if they are guaranteed by the Subsidiary Guarantors; and
- may be subordinated to our senior indebtedness and that of the Subsidiary Guarantors.

The Indenture does not limit the total amount of debt securities that we may issue. We may issue debt securities under the Indenture from time to time in separate series, up to the aggregate amount authorized for each such series.

We will prepare a prospectus supplement and either an indenture supplement or a resolution of our Board of Directors and accompanying officers' certificate relating to any series of debt securities that we offer, which will include specific terms relating to some or all of the following:

- the form and title of the debt securities;

- the total principal amount of the debt securities;
- the date or dates on which the debt securities may be issued;
- the portion of the principal amount which will be payable if the maturity of the debt securities is accelerated;
- any right we may have to defer payments of interest by extending the dates payments are due and whether interest on those deferred amounts will be payable;
- the dates on which the principal and premium, if any, of the debt securities will be payable;
- the interest rate which the debt securities will bear and the interest payment dates for the debt securities;
- any optional redemption provisions;
- any sinking fund or other provisions that would obligate us to repurchase or otherwise redeem the debt securities;
- whether the debt securities are entitled to the benefits of any guarantees by the Subsidiary Guarantors;
- whether the debt securities may be issued in amounts other than $1,000 each or multiples thereof;
- any changes to or additional Events of Default or covenants;
- the subordination, if any, of the debt securities and any changes to the subordination provisions of the Indenture; and
- any other terms of the debt securities.

This description of debt securities will be deemed modified, amended or supplemented by any description of any series of debt securities set forth in a prospectus supplement related to that series.

The prospectus supplement will also describe any material United States federal income tax consequences or other special considerations regarding the applicable series of debt securities, including those relating to:

- debt securities with respect to which payments of principal, premium or interest are determined with reference to an index or formula, including changes in prices of particular securities, currencies or commodities;
- debt securities with respect to which principal, premium or interest is payable in a foreign or composite currency;
- debt securities that are issued at a discount below their stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rates; and
- variable rate debt securities that are exchangeable for fixed rate debt securities.

At our option, we may make interest payments by check mailed to the registered holders of debt securities or, if so stated in the applicable prospectus supplement, at the option of a holder by wire transfer to an account designated by the holder.

Unless otherwise provided in the applicable prospectus supplement, fully registered securities may be transferred or exchanged at the office of the trustee at which its corporate trust business is principally administered in the United States, subject to the limitations provided in the Indenture, without the payment of any service charge, other than any applicable tax or governmental charge.

Any funds we pay to a paying agent for the payment of amounts due on any debt securities that remain unclaimed for two years will be returned to us, and the holders of the debt securities must look only to us for payment after that time.

The Subsidiary Guarantees

Our payment obligations under any series of debt securities may be jointly and severally, fully and unconditionally guaranteed by the Subsidiary Guarantors. If a series of debt securities are so guaranteed, the Subsidiary Guarantors will execute a notation of guarantee as further evidence of their guarantee. The applicable prospectus supplement will describe the terms of any guarantee by the Subsidiary Guarantors.

The obligations of each Subsidiary Guarantor under its guarantee will be limited to the maximum amount that will not result in the obligations of the Subsidiary Guarantor under the guarantee constituting a fraudulent conveyance or fraudulent transfer under federal or state law, after giving effect to:

- all other contingent and fixed liabilities of the Subsidiary Guarantor; and
- any collections from or payments made by or on behalf of any other Subsidiary Guarantors in respect of the obligations of the Subsidiary Guarantor under its guarantee.

The guarantee of any Subsidiary Guarantor may be released under certain circumstances. If no default has occurred and is continuing under the Indenture, and to the extent not otherwise prohibited by the Indenture, a Subsidiary Guarantor will be unconditionally released and discharged from the guarantee:

- automatically upon any sale, exchange or transfer, to any person that is not our affiliate, of all of our direct or indirect limited partnership or other equity interests in the Subsidiary Guarantor;
- automatically upon the merger of the Subsidiary Guarantor into us or any other Subsidiary Guarantor or the liquidation and dissolution of the Subsidiary Guarantor; or
- following delivery of a written notice by us to the trustee, upon the release of all guarantees by the Subsidiary Guarantor of any debt of ours for borrowed money (or a guarantee of such debt), except for any series of debt securities.

If a series of debt securities is guaranteed by the Subsidiary Guarantors and is designated as subordinate to our Senior Indebtedness, then the guarantees by the Subsidiary Guarantors will be subordinated to the Senior Indebtedness of the Subsidiary Guarantors to substantially the same extent as the series is subordinated to our Senior Indebtedness. See “— Subordination.”

Covenants

Reports

The Indenture contains the following covenant for the benefit of the holders of all series of debt securities:

So long as any debt securities are outstanding, we will:

- for as long as we are required to file information with the SEC pursuant to the Exchange Act, file with the trustee, within 15 days after we are required to file with the SEC, copies of the annual report and of the information, documents and other reports which we are required to file with the SEC pursuant to the Exchange Act;
- if we are not required to file information with the SEC pursuant to the Exchange Act, file with the trustee, within 15 days after we would have been required to file with the SEC, financial statements and a Management’s Discussion and Analysis of Financial Condition and Results of Operations, both comparable to what we would have been required to file with the SEC had we been subject to the reporting requirements of the Exchange Act; and
- if we are required to furnish annual or quarterly reports to our unitholders pursuant to the Exchange Act, file with the trustee any annual report or other reports sent to our unitholders generally.

A series of debt securities may contain additional financial and other covenants applicable to us and our subsidiaries. The applicable prospectus supplement will contain a description of any such covenants that are added to the Indenture specifically for the benefit of holders of a particular series.

Events of Default, Remedies and Notice

Events of default

Each of the following events will be an "Event of Default" under the Indenture with respect to a series of debt securities:

- default in any payment of interest on any debt securities of that series when due that continues for 30 days;
- default in the payment of principal of or premium, if any, on any debt securities of that series when due at its stated maturity, upon redemption, upon required repurchase or otherwise;
- default in the payment of any sinking fund payment on any debt securities of that series when due;
- failure by us or, if the series of debt securities is guaranteed by the Subsidiary Guarantors, by a Subsidiary Guarantor, to comply for 60 days after notice with the other agreements contained in the Indenture, any supplement to the Indenture or any board resolution authorizing the issuance of that series;
- certain events of bankruptcy, insolvency or reorganization of us or, if the series of debt securities is guaranteed by the Subsidiary Guarantors, of the Subsidiary Guarantors; or
- if the series of debt securities is guaranteed by the Subsidiary Guarantors:
  - any of the guarantees by the Subsidiary Guarantors ceases to be in full force and effect, except as otherwise provided in the Indenture;
  - any of the guarantees by the Subsidiary Guarantors is declared null and void in a judicial proceeding; or
  - any Subsidiary Guarantor denies or disaffirms its obligations under the Indenture or its guarantee.

Exercise of remedies

If an Event of Default, other than an Event of Default described in the fifth bullet point above, occurs and is continuing, the trustee or the holders of at least 25% in principal amount of the outstanding debt securities of that series may declare the entire principal of, premium, if any, and accrued and unpaid interest, if any, on all the debt securities of that series to be due and payable immediately.

A default under the fourth bullet point above will not constitute an Event of Default until the trustee or the holders of 25% in principal amount of the outstanding debt securities of that series notify us and, if the series of debt securities is guaranteed by the Subsidiary Guarantors, the Subsidiary Guarantors, of the default and such default is not cured within 60 days after receipt of notice.

If an Event of Default described in the fifth bullet point above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest on all outstanding debt securities of all series will become immediately due and payable without any declaration of acceleration or other act on the part of the trustee or any holders.

The holders of a majority in principal amount of the outstanding debt securities of a series may:

- waive all past defaults, except with respect to nonpayment of principal, premium or interest; and
- rescind any declaration of acceleration by the trustee or the holders with respect to the debt securities of that series,

but only if:

- rescinding the declaration of acceleration would not conflict with any judgment or decree of a court of competent jurisdiction; and
- all existing Events of Default have been cured or waived, other than the nonpayment of principal, premium or interest on the debt securities of that series that have become due solely by the declaration of acceleration.

If an Event of Default occurs and is continuing, the trustee will be under no obligation, except as otherwise provided in the Indenture, to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders unless such holders have offered to the trustee reasonable indemnity or security against any costs, liability or expense. No holder may pursue any remedy with respect to the Indenture or the debt securities of any series, except to enforce the right to receive payment of principal, premium or interest when due, unless:

- such holder has previously given the trustee notice that an Event of Default with respect to that series is continuing;
- holders of at least 25% in principal amount of the outstanding debt securities of that series have requested that the trustee pursue the remedy;
- such holders have offered the trustee reasonable indemnity or security against any cost, liability or expense;
- the trustee has not complied with such request within 60 days after the receipt of the request and the offer of indemnity or security; and
- the holders of a majority in principal amount of the outstanding debt securities of that series have not given the trustee a direction that, in the opinion of the trustee, is inconsistent with such request within such 60-day period.

The holders of a majority in principal amount of the outstanding debt securities of a series have the right, subject to certain restrictions, to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or of exercising any right or power conferred on the trustee with respect to that series of debt securities. The trustee, however, may refuse to follow any direction that:

- conflicts with law;
- is inconsistent with any provision of the Indenture;
- the trustee determines is unduly prejudicial to the rights of any other holder; or
- would involve the trustee in personal liability.

Notice of event of default

Within 30 days after the occurrence of an Event of Default, we are required to give written notice to the trustee and indicate the status of the default and what action we are taking or propose to take to cure the default. In addition, we are required to deliver to the trustee, within 120 days after the end of each fiscal year, a compliance certificate indicating that we have complied with all covenants contained in the Indenture or whether any default or Event of Default has occurred during the previous year.

If an Event of Default occurs and is continuing and is known to the trustee, the trustee must mail to each holder a notice of the Event of Default by the later of 90 days after the Event of Default occurs or 30 days after the trustee knows of the Event of Default. Except in the case of a default in the payment of principal, premium or interest with respect to any debt securities, the trustee may withhold such notice, but only if and so long as the board of directors, the executive committee or a committee of directors or responsible officers of the trustee in good faith determines that withholding such notice is in the interests of the holders.

Amendments and Waivers

We may amend the Indenture without the consent of any holder of debt securities to:

- cure any ambiguity, omission, defect or inconsistency;
- convey, transfer, assign, mortgage or pledge any property to or with the trustee;
- provide for the assumption by a successor of our obligations under the Indenture;
- add Subsidiary Guarantors with respect to the debt securities;

- change or eliminate any restriction on the payment of principal of, or premium, if any, on, any debt securities;
- secure the debt securities;
- add covenants for the benefit of the holders or surrender any right or power conferred upon us or any Subsidiary Guarantor;
- make any change that does not adversely affect the rights of any holder;
- add or appoint a successor or separate trustee; or
- comply with any requirement of the Securities and Exchange Commission in connection with the qualification of the Indenture under the Trust Indenture Act.

In addition, we may amend the Indenture if the holders of a majority in principal amount of all debt securities of each series that would be affected then outstanding under the Indenture consent to it. We may not, however, without the consent of each holder of outstanding debt securities of each series that would be affected, amend the Indenture to:

- reduce the percentage in principal amount of debt securities of any series whose holders must consent to an amendment;
- reduce the rate of or extend the time for payment of interest on any debt securities;
- reduce the principal of or extend the stated maturity of any debt securities;
- reduce the premium payable upon the redemption of any debt securities or change the time at which any debt securities may or shall be redeemed;
- make any debt securities payable in other than U.S. dollars;
- impair the right of any holder to receive payment of premium, principal or interest with respect to such holder's debt securities on or after the applicable due date;
- impair the right of any holder to institute suit for the enforcement of any payment with respect to such holder's debt securities;
- release any security that has been granted in respect of the debt securities;
- make any change in the amendment provisions which require each holder's consent;
- make any change in the waiver provisions; or
- release a Subsidiary Guarantor or modify such Subsidiary Guarantor's guarantee in any manner adverse to the holders.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. After an amendment under the Indenture becomes effective, we are required to mail to all holders a notice briefly describing the amendment. The failure to give, or any defect in, such notice, however, will not impair or affect the validity of the amendment.

The holders of a majority in aggregate principal amount of the outstanding debt securities of each affected series, on behalf of all such holders, and subject to certain rights of the trustee, may waive:

- compliance by us or a Subsidiary Guarantor with certain restrictive provisions of the Indenture; and
- any past default under the Indenture, subject to certain rights of the trustee under the Indenture;

except that such majority of holders may not waive a default:

- in the payment of principal, premium or interest; or

- in respect of a provision that under the Indenture cannot be amended without the consent of all holders of the series of debt securities that is affected.

Defeasance

At any time, we may terminate, with respect to debt securities of a particular series all our obligations under such series of debt securities and the Indenture, which we call a "legal defeasance." If we decide to make a legal defeasance, however, we may not terminate our obligations:

- relating to the defeasance trust;
- to register the transfer or exchange of the debt securities;
- to replace mutilated, destroyed, lost or stolen debt securities; or
- to maintain a registrar and paying agent in respect of the debt securities.

If we exercise our legal defeasance option, any subsidiary guarantee will terminate with respect to that series of debt securities.

At any time we may also effect a "covenant defeasance," which means we have elected to terminate our obligations under:

- covenants applicable to a series of debt securities and described in the prospectus supplement applicable to such series, other than as described in such prospectus supplement;
- the bankruptcy provisions with respect to the Subsidiary Guarantors, if any; and
- the guarantee provision described under "Events of Default" above with respect to a series of debt securities.

We may exercise our legal defeasance option notwithstanding our prior exercise of our covenant defeasance option. If we exercise our legal defeasance option, payment of the affected series of debt securities may not be accelerated because of an Event of Default with respect to that series. If we exercise our covenant defeasance option, payment of the affected series of debt securities may not be accelerated because of an Event of Default specified in the fourth, fifth (with respect only to a Subsidiary Guarantor (if any)) or sixth bullet points under "— Events of Default" above or an Event of Default that is added specifically for such series and described in a prospectus supplement.

In order to exercise either defeasance option, we must:

- irrevocably deposit in trust with the trustee money or certain U.S. government obligations for the payment of principal, premium, if any, and interest on the series of debt securities to redemption or maturity, as the case may be;
- comply with certain other conditions, including that no default has occurred and is continuing after the deposit in trust; and
- deliver to the trustee an opinion of counsel to the effect that holders of the series of debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such defeasance and will be subject to federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred. In the case of legal defeasance only, such opinion of counsel must be based on a ruling of the Internal Revenue Service or other change in applicable federal income tax law.

No Personal Liability of General Partner

Texas Eastern Products Pipeline Company, LLC, our general partner, and its directors, officers, employees, incorporators and stockholders, as such, will not be liable for:

- any of our obligations or the obligations of the Subsidiary Guarantors under the debt securities, the Indentures or the guarantees; or

- any claim based on, in respect of, or by reason of, such obligations or their creation.

By accepting a debt security, each holder will be deemed to have waived and released all such liability. This waiver and release are part of the consideration for our issuance of the debt securities. This waiver may not be effective, however, to waive liabilities under the federal securities laws and it is the view of the Securities and Exchange Commission that such a waiver is against public policy.

Subordination

Debt securities of a series may be subordinated to our "Senior Indebtedness," which we define generally to include all notes or other evidences of indebtedness for money, including guarantees, borrowed by us or, if applicable to any series of outstanding debt securities, the Subsidiary Guarantors, that are not expressly subordinate or junior in right of payment to any of our or any Subsidiary Guarantor's other indebtedness. Subordinated debt securities will be subordinate in right of payment, to the extent and in the manner set forth in the Indenture and the prospectus supplement relating to such series, to the prior payment of all of our indebtedness and that of any Subsidiary Guarantor that is designated as "Senior Indebtedness" with respect to the series.

The holders of Senior Indebtedness of ours or, if applicable, a Subsidiary Guarantor, will receive payment in full of the Senior Indebtedness before holders of subordinated debt securities will receive any payment of principal, premium or interest with respect to the subordinated debt securities:

- upon any payment or distribution of our assets or, if applicable to any series of outstanding debt securities, the Subsidiary Guarantors' assets, to creditors;
- upon a total or partial liquidation or dissolution of us or, if applicable to any series of outstanding debt securities, the Subsidiary Guarantors; or
- in a bankruptcy, receivership or similar proceeding relating to us or, if applicable to any series of outstanding debt securities, to the Subsidiary Guarantors.

Until the Senior Indebtedness is paid in full, any distribution to which holders of subordinated debt securities would otherwise be entitled will be made to the holders of Senior Indebtedness, except that such holders may receive limited partnership units and any debt securities that are subordinated to Senior Indebtedness to at least the same extent as the subordinated debt securities.

If we do not pay any principal, premium or interest with respect to Senior Indebtedness within any applicable grace period (including at maturity), or any other default on Senior Indebtedness occurs and the maturity of the Senior Indebtedness is accelerated in accordance with its terms, we may not:

- make any payments of principal, premium, if any, or interest with respect to subordinated debt securities;
- make any deposit for the purpose of defeasance of the subordinated debt securities; or
- repurchase, redeem or otherwise retire any subordinated debt securities, except that in the case of subordinated debt securities that provide for a mandatory sinking fund, we may deliver subordinated debt securities to the trustee in satisfaction of our sinking fund obligation,

unless, in either case,

- the default has been cured or waived and the declaration of acceleration has been rescinded;
- the Senior Indebtedness has been paid in full in cash; or
- we and the trustee receive written notice approving the payment from the representatives of each issue of "Designated Senior Indebtedness."

Generally, "Designated Senior Indebtedness" will include:

- indebtedness for borrowed money under a bank credit agreement, called "Bank Indebtedness;"
- any specified issue of Senior Indebtedness of at least $100 million; and

- any other indebtedness for borrowed money that we may designate.

During the continuance of any default, other than a default described in the immediately preceding paragraph, that may cause the maturity of any Senior Indebtedness to be accelerated immediately without further notice, other than any notice required to effect such acceleration, or the expiration of any applicable grace periods, we may not pay the subordinated debt securities for a period called the "Payment Blockage Period." A Payment Blockage Period will commence on the receipt by us and the trustee of written notice of the default, called a "Blockage Notice," from the representative of any Designated Senior Indebtedness specifying an election to effect a Payment Blockage Period.

The Payment Blockage Period may be terminated before its expiration:

- by written notice from the person or persons who gave the Blockage Notice;
- by repayment in full in cash of the Senior Indebtedness with respect to which the Blockage Notice was given; or
- if the default giving rise to the Payment Blockage Period is no longer continuing.

Unless the holders of Senior Indebtedness shall have accelerated the maturity of the Senior Indebtedness, we may resume payments on the subordinated debt securities after the expiration of the Payment Blockage Period.

Generally, not more than one Blockage Notice may be given in any period of 360 consecutive days unless the first Blockage Notice within the 360-day period is given by holders of Designated Senior Indebtedness, other than Bank Indebtedness, in which case the representative of the Bank Indebtedness may give another Blockage Notice within the period. The total number of days during which any one or more Payment Blockage Periods are in effect, however, may not exceed an aggregate of 179 days during any period of 360 consecutive days.

After all Senior Indebtedness is paid in full and until the subordinated debt securities are paid in full, holders of the subordinated debt securities shall be subrogated to the rights of holders of Senior Indebtedness to receive distributions applicable to Senior Indebtedness.

As a result of the subordination provisions described above, in the event of insolvency, the holders of Senior Indebtedness, as well as certain of our general creditors, may recover more, ratably, than the holders of the subordinated debt securities.

The Trustee

We may appoint a separate trustee for any series of debt securities. We use the term "trustee" to refer to the trustee appointed with respect to any such series of debt securities. We may maintain banking and other commercial relationships with the trustee and its affiliates in the ordinary course of business, and the trustee may own debt securities.

Governing Law

The Indenture and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York.