

July 17, 2018

**O'HANLON, DEMERATH & CASTILLO**

ATTORNEYS & COUNSELORS AT LAW

808 WEST AVE

**AUSTIN, TEXAS 78701**

TELEPHONE: (512) 494-9949

FACSIMILIE: (512) 494-9919

July 17, 2018

Local Government Assistance & Economic Analysis

Texas Comptroller of Public Accounts

P.O. Box 13528

Austin, Texas 78711-3528

RE: (1127) Amended application to the Pecos-Barstow-Toyah Independent School District from Brazos Midstream Holdings LLC

To the Local Government Assistance & Economic Analysis Division:

I have enclosed for you the amended application to the Pecos-Barstow-Toyah Independent School District from Brazos Midstream Holdings LLC. The following changes were made with the supplement:

1. Tab 7 – Updated description of qualified investment
2. Tab 8 – Updated description of qualified property
3. Tab 11 – Updated Qualified Property Map
4. New Signature Page

A copy of the application will be submitted to the Reeves County Appraisal District. Please do not hesitate to call with any questions.

Sincerely,

William Eggleston  
Assistant to Kevin O'Hanlon  
School District Consultant

Cc: Reeves County Appraisal District

## TAB 07

Description of Qualified Investment

**DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT**  
**PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT**

**Brazos Delaware, LLC (or “the Company”)** is a midstream energy company, whose primary activities include gas and crude gathering, treating, terminals and processing. With an initial focus on Texas and the adjoining states of New Mexico and Oklahoma, Brazos desires to ensure constrained producers reliable access to high value markets.

**Oklahoma**  
**New Mexico**  
**Texas**

**Proposed Project Description**

Brazos Delaware, LLC proposes to build a new (Phase I) 60 MMcf/d Gas Processing Plant, (Phase II) a 200MMcf/d Gas Processing Plant, and (Phase III) a 200MMcf/d Gas Processing Plant in Pecos-Barstow-Toyah ISD/Reeves County, Texas. Projected timeline for Brazos to start construction is July of 2016 and start hiring the new employees in August of 2016. This should allow for an estimated completion and commencement date of Phase I, II, and III by January of 2019. The feedstock for our processing facility will be raw natural gas, which exists in mixtures with other hydrocarbons, brought directly from underground to wellheads and then gathered through pipeline systems to the inlet of our facility. Our facility will use cryogenic processes to manufacture various hydrocarbons and fluids from raw natural gas, to produce what is known as dry natural gas, which is both cleaner and purer. The “products” of the facility will therefore include natural gas liquids (“NGLs”), consisting of ethane, propane, butane, and pentanes, as well as a ‘pipeline quality’ dry natural gas stream.

**Cryogenic Natural Gas Processing Plants**

The Comanche Plant would include the installation of three (3) refrigerated cryogenic gas plants. (Phase I 60MMcf/d, Phase II 200MMcf/d, and Phase III 200MMcf/d). If completed, the Comanche Gas Processing Plant will be designed to process 460MMcf/d of gas and would include the following components, providing long-term processing, compression and residue gas takeaway:

- Buildings, Foundations, Inlet Separator, Amine Unit, Boilers, Heat Exchangers, Natural Gas/Air/H2O Piping, Control
- Valves, Dehydration Units, Knock Out Drums, Slug Catcher, Compressors, Vessels, Heat Exchanger, SCADA plus Controls.
- Environmental: (A) Flare-Stack, Scrubber, and Leak Detection; (L) Liners, Containment.

## **TAB 08**

Description of Qualified Property

**DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT**  
**PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT**

**Brazos Delaware, LLC (or “the Company”)** is a midstream energy company, whose primary activities include gas and crude gathering, treating, terminals and processing. With an initial focus on Texas and the adjoining states of New Mexico and Oklahoma, Brazos desires to ensure constrained producers reliable access to high value markets.

**Oklahoma**  
**New Mexico**  
**Texas**

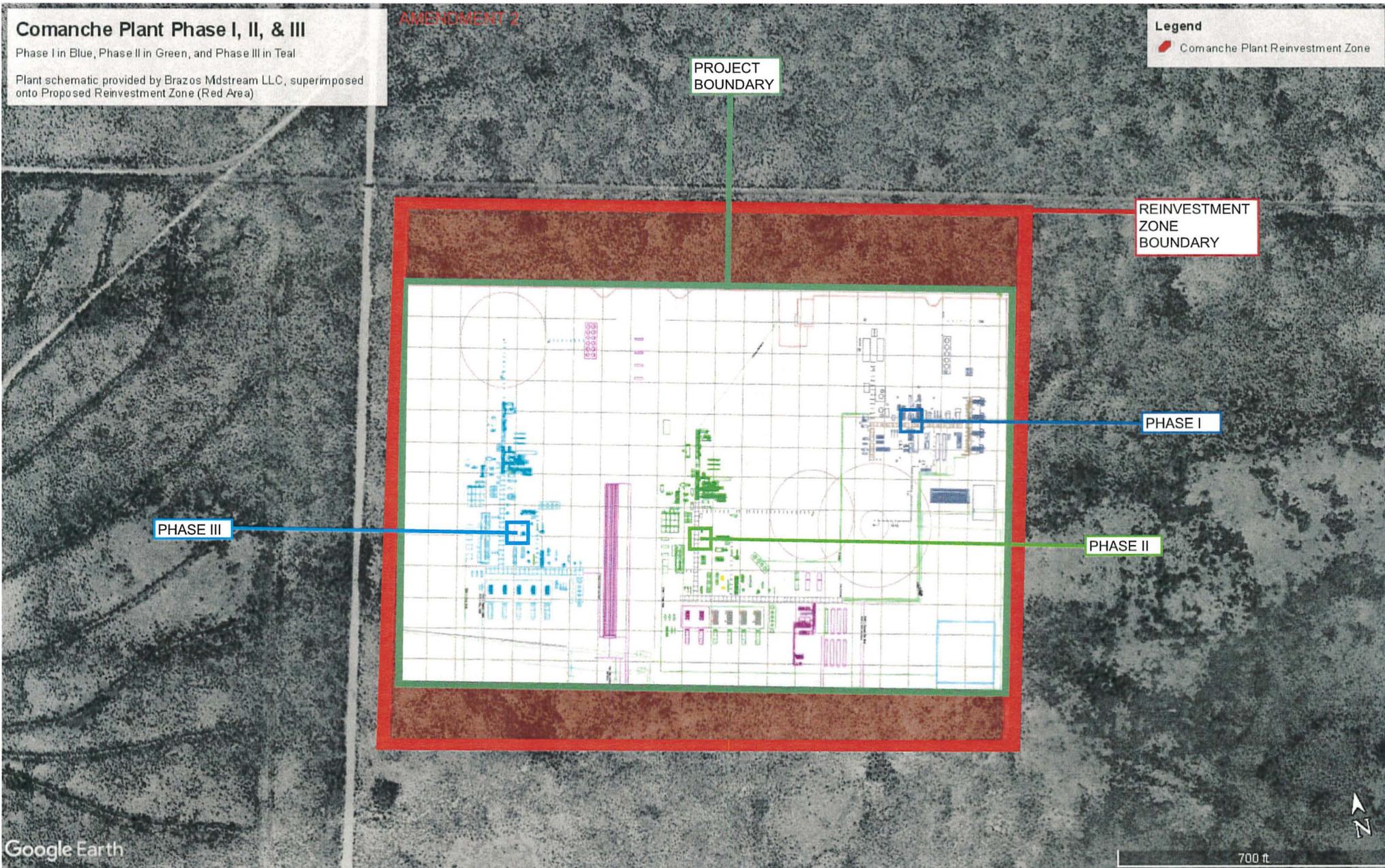
**Proposed Project Description**

Brazos Delaware, LLC proposes to build a new (Phase I) 60 MMcf/d Gas Processing Plant, (Phase II) a 200MMcf/d Gas Processing Plant, and (Phase III) a 200MMcf/d Gas Processing Plant in Pecos-Barstow-Toyah ISD/Reeves County, Texas. Projected timeline for Brazos to start construction is July of 2016 and start hiring the new employees in August of 2016. This should allow for an estimated completion and commencement date of Phase I, II, and III by January of 2019. The feedstock for our processing facility will be raw natural gas, which exists in mixtures with other hydrocarbons, brought directly from underground to wellheads and then gathered through pipeline systems to the inlet of our facility. Our facility will use cryogenic processes to manufacture various hydrocarbons and fluids from raw natural gas, to produce what is known as dry natural gas, which is both cleaner and purer. The “products” of the facility will therefore include natural gas liquids (“NGLs”), consisting of ethane, propane, butane, and pentanes, as well as a ‘pipeline quality’ dry natural gas stream.

**Cryogenic Natural Gas Processing Plants**

The Comanche Plant would include the installation of three (3) refrigerated cryogenic gas plants. (Phase I 60MMcf/d, Phase II 200MMcf/d, and Phase III 200MMcf/d). If completed, the Comanche Gas Processing Plant will be designed to process 460MMcf/d of gas and would include the following components, providing long-term processing, compression and residue gas takeaway:

- Buildings, Foundations, Inlet Separator, Amine Unit, Boilers, Heat Exchangers, Natural Gas/Air/H2O Piping, Control
- Valves, Dehydration Units, Knock Out Drums, Slug Catcher, Compressors, Vessels, Heat Exchanger, SCADA plus Controls.
- Environmental: (A) Flare-Stack, Scrubber, and Leak Detection; (L) Liners, Containment.



SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in **Tab 17**. **NOTE:** If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here

Hector Mendez  
Print Name (Authorized School District Representative)

Interim Superintendent  
Title

sign here

Hector Mendez  
Signature (Authorized School District Representative)

7/11/18  
Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here

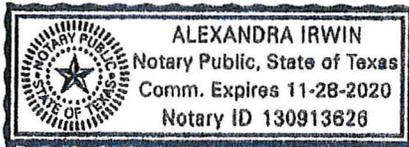
William Butler  
Print Name (Authorized Company Representative (Applicant))

CFO  
Title

sign here

[Signature]  
Signature (Authorized Company Representative (Applicant))

5/10/18  
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

10 day of May, 2018

Alexandra Irwin  
Notary Public in and for the State of Texas

My Commission expires: 11-28-2020

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.