

Property and Excise Tax Department

May 9, 2013

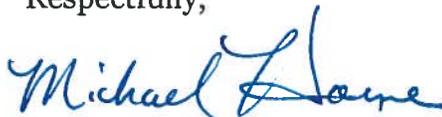
Mr. Ralph S. Traynham
Superintendent of Schools
Fort Stockton Independent School District
101 West Division Street
Fort Stockton, Texas 79735

Re: Notice of Transfer of Care, Custody, and Control of the Century Facility

Sir:

In reference to the Construction Management Agreement "CMA" between Oxy USA Inc., a Delaware corporation, as "Owner", and SandRidge Exploration and Production, LLC, a Delaware limited liability company, as "Construction Manager", dated as of June 29, 2008 (as amended from time to time, the "CMA"), the Construction Manager has transferred care, custody, and control of the Century Plant, a gas treatment facility in Pecos County to Owner. Notice is hereby given to Fort Stockton Independent School District of the transfer. Please forward any future correspondence relating to the Limitation on Appraised Value Agreement, dated December 22, 2008 to my attention. Thank you.

Respectfully,



Michael Horne
Director of Property & Excise Tax



Chapter 313 Annual Eligibility Report Form

Form 50-772
(May 2010)

2012
Tax Year covered in this report

Fort Stockton Independent School District
School district name

0.15
I&S Tax Rate

1.04
M&O Tax Rate

Century Plant
Project Name

Oxy USA Inc.
Company Name

P. O. Box 27570 Houston, TX 77227
Company Address

Michael Horne Director P & E Tax 713-840-3022
Company Contact Information

NOTE: This form must be completed by an authorized representative of each approved applicant and each entity with property subject to the limitation agreement. It must be submitted to the school district by May 15th of every year using information from the previous tax (calendar) year. For limitation agreements where there are multiple company entities that receive a part of the limitation provided by the agreement: 1) each business entity not having a full interest in the agreement should complete a separate form for their proportionate share of required employment and investment information; and, 2) separately, the school district is required to complete an Annual Eligibility Report that provides for each question in this form a sum of the individual answers from reports submitted by each entity so that there is a cumulative Annual Eligibility Report reflecting the entire agreement.

17311668804
Texas Taxpayer ID of Applicant

N/A
Texas Taxpayer ID Reporting Entity (if appropriate)

December 22, 2008
Date of Agreement Approval

SandRidge Energy, Inc.
Original Applicant Name

2009
First complete tax year of the qualifying time period

2010
Last tax year of the qualifying time period

2011
First tax year of the limitation

\$20,000,000
Amount of the limitation at the time of application approval

QUALIFIED PROPERTY INFORMATION

\$361,438,550
Market Value

\$361,438,550
I&S Taxable Value

\$20,000,000
M&O Taxable Value

- Is the business entity in good standing with respect to Tax Code, Chapter 171?
(Attach printout from Comptroller Web site: <http://www.window.state.tx.us/taxinfo/coasintr.html>) Yes No
- Is the business entity current on all taxes due to the State of Texas? Yes No
- Is the business activity of the project an eligible business activity under Section 313.024(b)? Yes No
Please identify business activity: Manufacturing
- What was the application review start date for your application (the date your application was determined to be complete)? N/A
(This question must only be answered for projects with applications approved after June 1, 2010.)
- How many new jobs were based on the qualified property in the year covered by this report? (See note on page 3.) 19
- What is the number of new jobs required for a project in this school district according to 313.021(2)(A)(iv)(b), 313.051(b), as appropriate? 10
- If the applicant requested a waiver of minimum jobs requirement, how many new jobs must the approved applicant create under the waiver? N/A
- 80 percent of New Jobs (0.80 x number of new jobs based on the qualified property in the year covered by this report.) 15

NOTE: For job definitions see TAC §9.1051(14) and Tax Code, §313.021(3). If the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), then please provide the definition "new job" as used in the agreement.

Notwithstanding any waiver by the district of the requirement for the creation of a minimum number of new jobs, or any other job commitment in the agreement, Tax Code 313.024(d) requires that 80 percent of all new jobs be qualifying jobs.

APPROVAL.

"I am the authorized representative for the Company submitting this Annual Eligibility Report. I understand that this Report is a government record as defined in Chapter 37 of the Texas Penal Code. The information I am providing on this Report is true and correct to the best of my knowledge and belief."


Signature

Michael Horne

Printed name of authorized company representative

Director Property & Excise Tax

Title

May 9, 2013

Date

CONTACT INFORMATION FOR AUTHORIZED REPRESENTATIVE

P. O. Box 27570, Houston, Texas 77227-7570

Address

713-840-3022

Phone

michael_horne@oxy.com

E-mail

**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS**

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

April 22, 2013

CERTIFICATE OF ACCOUNT STATUSTHE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO HEREBY CERTIFY that according to the records of this office

OXY USA INC.

is, as of this date, in good standing with this office having no franchise tax reports or payments due at this time. This certificate is valid through the date that the next franchise tax report will be due May 15, 2013.

This certificate does not make a representation as to the status of the entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted entity is subject to franchise tax as required by law. This certificate is not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 22nd day of
April 2013 A.D.

Handwritten signature of Susan Combs in black ink.

Susan Combs
Texas ComptrollerTaxpayer number: 17311668804
File number: 0005673906

Form 05-304 (Rev. 12-07/17)

2007 Manufacturing Wages by Council of Government Region
Wages for All Occupations

<u>COG</u>	<u>Hourly</u>	<u>Annual</u>
<u>Texas</u>	\$19.80	\$41,184
<u>1. Panhandle Regional Planning Commission</u>	\$17.49	\$36,379
<u>2. South Plains Association of Governments</u>	\$14.48	\$30,118
<u>3. NORTEX Regional Planning Commission</u>	\$16.97	\$35,298
<u>4. North Central Texas Council of Governments</u>	\$21.72	\$45,178
<u>5. Ark-Tex Council of Governments</u>	\$15.05	\$31,304
<u>6. East Texas Council of Governments</u>	\$15.40	\$32,032
<u>7. West Central Texas Council of Governments</u>	\$15.35	\$31,928
<u>8. Rio Grande Council of Governments</u>	\$14.41	\$29,973
<u>9. Fortlan Basin Regional Planning Commission</u>	\$16.36	\$34,029
<u>10. Concho Valley Council of Governments</u>	\$13.49	\$28,059
<u>11. Heart of Texas Council of Governments</u>	\$15.65	\$32,552
<u>12. Capital Area Council of Governments</u>	\$23.66	\$49,213
<u>13. Brazos Valley Council of Governments</u>	\$14.86	\$30,909
<u>14. Deep East Texas Council of Governments</u>	\$14.86	\$30,909
<u>15. South East Texas Regional Planning Commission</u>	\$22.73	\$47,278
<u>16. Houston-Galveston Area Council</u>	\$21.06	\$43,805
<u>17. Golden Crescent Regional Planning Commission</u>	\$17.91	\$37,253
<u>18. Alamo Area Council of Governments</u>	\$16.09	\$33,467
<u>19. South Texas Development Council</u>	\$12.37	\$25,730
<u>20. Coastal Bend Council of Governments</u>	\$21.78	\$45,302
<u>21. Lower Rio Grande Valley Development Council</u>	\$12.66	\$26,393
<u>22. Texoma Council of Governments</u>	\$18.23	\$37,918
<u>23. Central Texas Council of Governments</u>	\$15.94	\$33,155
<u>24. Middle Rio Grande Development Council</u>	\$12.91	\$26,853

\$34,029.00
x 110%
\$37,431.90

Source: Texas Occupational Employment and Wages
Data published: 9 June 2008
Data published annually, next update will be June 2009.

Note: Data is not supported by the Bureau of Labor Statistics (BLS).
Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.
Data intended for TAC 313 purposes only.