

Attachment A

Application

September 7, 2011

Glasscock County ISD  
Mr. Steve Long  
P O Box 9  
Garden City, Texas 79739

**RE: Application for Section 313 – Value Limitation Agreement**

Crosstex Permian LLC is considering plans to build a large gas processing plant inside Glasscock County ISD, which will allow us the ability to process raw natural gas into useable products. The estimated investment for this project will be approximately \$65mm with an expected market value of \$50mm after completion at the end of 2012.

The positive economic impact stretches beyond the investment by providing a number of jobs during the construction phase, and at least 5 full time local jobs once construction is complete.

Crosstex Permian LLC is committed to the growth and welfare of the community. We believe our investment in Glasscock County affirms our dedication to maintaining a considerable presence in the area.

Attached is our application for property tax abatement. We respectfully request this 10 year limitation under The Appraised Value Limitation on Qualified Property (Chapter 313 of the Texas Tax Code).

Please feel free to contact me if you have any questions. I can be reached via telephone 469-298-1594 or by email [mfry@keatax.com](mailto:mfry@keatax.com).

Sincerely,



Mike Fry



# Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Form 50-296  
(Revised May 2010)

**INSTRUCTIONS:** This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application.

This notice must include:

- the date on which the school district received the application;
- the date the school district determined that the application was complete;
- the date the school board decided to consider the application; and
- a request that the comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original completed application to the Comptroller in a three-ring binder with tabs separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its Web site. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules as explained in the Confidentiality Notice below.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, make a recommendation to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

## SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

Date application received by district

9-12-11

### Authorized School District Representative

First Name

Steve

Last Name

Long

Title

Superintendent

School District Name

Glasscock County Independent School District

Street Address

308 West Chambers

Mailing Address

P O Box 9

City

Garden City

State

Texas

ZIP

79739

Phone Number

432-354-2230

Fax Number

432-354-2230

Mobile Number (optional)

E-mail Address

slong@gckats.net

I authorize the consultant to provide and obtain information related to this application.....  Yes  No

Will consultant be primary contact? .....  Yes  No



Application for Appraised Value Limitation on Qualified Property

SCHOOL DISTRICT INFORMATION (CERTIFICATION OF APPLICANT) (continued)

Authorized School District Consultant (If Applicable)

First Name Kevin

Last Name O'Hanlon

Title Attorney

Firm Name O'Hanlon, McCollom & Demerath, PC

Street Address 808 West Avenue

Mailing Address 808 West Avenue

City Austin

State TX ZIP 78701

Phone Number 512-494-9949

Fax Number 512-494-9919

Mobile Number (Optional)

E-mail Address kohanlon@808west.com

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.

Signature (Authorized School District Representative)

Handwritten signature of Steve L. O'Hanlon

Date

9-12-2011

Has the district determined this application complete? [X] Yes [ ] No

If yes, date determined complete. 9/15/11

Have you completed the school finance documents required by TAC 9.1054(c)(3)? [ ] Yes [X] No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	✓
2	Certification page signed and dated by authorized school district representative	2 of 16	✓
3	Date application deemed complete by ISD	2 of 16	✓
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5	Completed company checklist	12 of 16	✓
6	School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	will supplement



APPLICANT INFORMATION (CERTIFICATION OF APPLICATION)

Authorized Business Representative (Applicant)

First Name

Stan

Last Name

Golemon

Title

SVP-Engineering & Operations

Organization

Crosstex Permian, LLC

Street Address

2501 Cedar Springs, Ste 100

Mailing Address

2501 Cedar Springs, Ste 100

City

Dallas

State

Texas

ZIP

75201

Phone Number

214-721-9329

Fax Number

214-953-9500

Mobile Number (optional)

Business e-mail Address

stan.golemon@crosstexenergy.com

Will a company official other than the authorized business representative be responsible for responding to future information requests?  Yes  No

If yes, please fill out contact information for that person.

First Name

Suzie

Last Name

Boyd

Title

V P Commercial Permian

Organization

Crosstex Permian LLC

Street Address

1301 McKinney Street, Ste 2200

Mailing Address

1301 McKinney Street, Ste 2200

City

Houston

State

Texas

ZIP

77010

Phone Number

713-739-3228

Fax Number

713-953-9500

Mobile Number (optional)

E-mail Address

suzie.boyd@crosstexenergy.com

I authorize the consultant to provide and obtain information related to this application...  Yes  No

Will consultant be primary contact?  Yes  No



Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION (CERTIFYING OFFICER: APPLICANT'S COMPANY)

Authorized Company Consultant (if Applicable)

First Name

Mike

Last Name

Fry

Title

Tax Agent

First Name

K E Andrews

Street Address

1900 Dalrock Road

Mailing Address

1900 Dalrock Road

City

Rowlett

State

Texas

ZIP

75088

Phone Number

469-298-1594

Fax Number

469-298-1619

Business email Address

mfry@keatax.com

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 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.

Signature (Authorized Business Representative (Applicant))

Stan Dolan

Date

9/8/11

GIVEN under my hand and seal of office this 8th day of September, 2011



(Notary Seal)

Kathy J. Sitz
Notary Public, State of TEXAS

My commission expires 11-14-14

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 § 37.10.



**FEES/AMOUNTS/MENTIONS**

Enclosed is proof of application fee paid to the school district.

For the purpose of this question, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

Please answer only either A OR B:

A. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code, §13.027(l)?  Yes  No

B. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §13.027(l)?  Yes  No

**BUSINESS/APPLICANT INFORMATION**

Legal Name under which application is made

Crosstex Permian, LLC

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

32041024103

NAICS code

325120

Is the applicant a party to any other Chapter 313 agreements?  Yes  No

If yes, please list name of school district and year of agreement.

N/A

**APPLICANT BUSINESS STRUCTURE**

Registered to do business in Texas with the Texas Secretary of State?  Yes  No

Identify business organization of applicant (corporation, limited liability corporation, etc.)

Limited Liability Corporation

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)?  Yes  No  
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas?  Yes  No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas?  NA  Yes  No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)



# Application for Appraised Value Limitation on Qualified Property

## ELIGIBILITY UNDER TAX CODE CHAPTER 171 (30%)

- Are you an entity to which Tax Code, Chapter 171 applies?  Yes  No
- The property will be used as an Integral part, or as a necessary auxiliary part, in one of the following activities:
- (1) manufacturing  Yes  No
  - (2) research and development  Yes  No
  - (3) a clean coal project, as defined by Section 5.001, Water Code  Yes  No
  - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code  Yes  No
  - (5) renewable energy electric generation  Yes  No
  - (6) electric power generation using integrated gasification combined cycle technology.  Yes  No
  - (7) nuclear electric power generation  Yes  No
  - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)  Yes  No
- Are you requesting that any of the land be classified as qualified investment?  Yes  No
- Will any of the proposed qualified investment be leased under a capitalized lease?  Yes  No
- Will any of the proposed qualified investment be leased under an operating lease?  Yes  No
- Are you including property that is owned by a person other than the applicant?  Yes  No
- Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?  Yes  No

## PROJECT DESCRIPTION

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. (Use attachments as necessary)

# See Attachment

Describe the ability of your company to locate or relocate in another state or another region of the state.

# See Attachment

## PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

- New Jobs
- Relocation from Out-of-State
- Consolidation
- Construct New Facility
- Expansion
- Relocation within Texas
- New Business / Start-up
- Purchase Machinery & Equipment
- Expand Existing Facility

## PROJECT TIMELINE

Begin Construction October, 2011      Begin Hiring New Employees October 2011

Construction Complete April 2013      Fully Operational May 2013

Purchase Machinery & Equipment October 2011

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)?  Yes  No

Note: Improvements made before that time may not be considered qualified property.

When do you anticipate the new buildings or improvements will be placed in service? May 2013



Application for Appraised Value Limitation on Qualified Property

State Programs

Identify state programs the project will apply for:

State Source	Amount
N/A	N/A
Total	

Will other incentives be offered by local units of government?  Yes  No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

N/A

Location

Identify county or counties in which the proposed project will be located Glasscock

Central Appraisal District (CAD) that will be responsible for appraising the property Glasscock

Will this CAD be acting on behalf of another CAD to appraise this property?  Yes  No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: Glasscock -100% City: N/A  
(Name and percent of project) (Name and percent of project)

Hospital District: N/A Water District: N/A  
(Name and percent of project) (Name and percent of project)

Other (describe): N/A Other (describe): N/A  
(Name and percent of project) (Name and percent of project)

Is the project located entirely within this ISD?  Yes  No  
If not, please provide additional information on the project scope and size to assist in the economic analysis.



Application for Appraised Value Limitation on Qualified Property

INVESTMENT

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

At the time of application, what is the estimated minimum qualified investment required for this school district? 30 Million

What is the amount of appraised value limitation for which you are applying? 30 Million

What is your total estimated qualified investment? 65 Million

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? December 15th, 2011

What is the anticipated date of the beginning of the qualifying time period? January 1st, 2012

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? 65 Million

Describe the qualified investment. [See 313.021(1).]

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
(3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? Yes No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time: (1) in or on the new building or other new improvement for which you are applying? Yes No

(2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? Yes No

(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? Yes No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? Yes No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? Yes No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? Yes No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (if qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
(3) a map of the qualified property showing location of new buildings or new improvements - with vicinity map.

Land Is the land on which you propose new construction or improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? November 2011

Will the applicant own the land by the date of agreement execution? Yes No

Will the project be on leased land? Yes No

Application for Appraised Value Limitation on Qualified Property



CELEBRATING 100 YEARS OF TEXAS

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

- 1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

Miscellaneous

Is the proposed project a building or new improvement to an existing facility? Yes No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. 0 (Market Value) 2010 (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313? Yes No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation? Yes No

WAGE AND EMPLOYMENT INFORMATION

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

The last complete calendar quarter before application review start date is the:

- First Quarter Second Quarter Third Quarter Fourth Quarter of 2011 (year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC? Two Hundred Sixty-Two (262)

Note: For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. NA

Total number of new jobs that will have been created when fully operational 5

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement? Yes No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? 5

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(II).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).



# Application for Appraised Value Limitation on Qualified Property

## WAGE AND EMPLOYMENT INFORMATION (continued)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7).

110% of the county average weekly wage for all jobs (all industries) in the county is \$637.73

110% of the county average weekly wage for manufacturing jobs in the county is \$637.73 *\* No manufacturing wage, using all industry wage*

110% of the county average weekly wage for manufacturing jobs in the region is \$769.12

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

§313.021(5)(A) or  §313.021(5)(B) or  §313.021(3)(E)(II), or  §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \$39,994.24

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \$56,160.00

- Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)?  Yes  No
- Will each qualifying job require at least 1,600 of work a year?  Yes  No
- Will any of the qualifying jobs be jobs transferred from one area of the state to another?  Yes  No
- Will any of the qualifying jobs be retained jobs?  Yes  No
- Will any of the qualifying jobs be created to replace a previous employee?  Yes  No
- Will any required qualifying jobs be filled by employees of contractors?  Yes  No

If yes, what percent? \_\_\_\_\_

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job?  Yes  No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

# See Attachment

## ECONOMIC IMPACT

- Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)?  Yes  No
- Is Schedule A completed and signed for all years and attached?  Yes  No
- Is Schedule B completed and signed for all years and attached?  Yes  No
- Is Schedule C (Application) completed and signed for all years and attached?  Yes  No
- Is Schedule D completed and signed for all years and attached?  Yes  No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.  
If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

CONFIDENTIAL

**Property Tax Limitation Agreement Applications**  
**Texas Government Code Chapter 313**  
**Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) It describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the Internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the Internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.



# Application for Appraised Value Limitation on Qualified Property

## COMPANY CHECKLIST AND REQUIRED ATTACHMENTS

Checklist	Page X of 16	Check Completed
1 Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	✓
2 Proof of Payment of Application Fee (Attachment)	5 of 16	✓
For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (If Applicable) (Attachment)	5 of 16	N/A
4 Detailed description of the project	6 of 16	✓
5 If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	N/A
6 Description of Qualified Investment (Attachment)	8 of 16	✓
7 Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	✓
8 Description of Qualified Property (Attachment)	8 of 16	✓
9 Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	✓
10 Description of Land (Attachment)	9 of 16	✓
11 A detailed map showing location of the land with vicinity map.	9 of 16	✓
12 A description of all existing (if any) improvements (Attachment)	9 of 16	N/A
13 Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	✓
14 Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	✓
15 Description of Benefits	10 of 16	✓
16 Economic Impact (if applicable)	10 of 16	N/A
17 Schedule A completed and signed	13 of 16	✓
18 Schedule B completed and signed	14 of 16	✓
19 Schedule C (Application) completed and signed	15 of 16	✓
20 Schedule D completed and signed	16 of 16	✓
21 Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	✓
22 Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	✓
23 Legal Description of Reinvestment Zone (Attachment)*	9 of 16	✓
24 Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	N/A / ISO

\*To be submitted with application or before date of final application approval by school board.

Schedule A (Rev. May 2010): Investment

Applicant Name: Crosstex Permian, LLC  
 ISD Name: Glasscock County ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below)	Column A: Tangible Personal Property Investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)			-	-	-	-	-	
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)		2011	\$ 10,000,000	-	-	-	\$ 10,000,000	
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)								
	Complete tax years of qualifying time period	1	2012-2013	2012	\$ 40,000,000	\$ -	\$ 40,000,000	\$ -	\$ 40,000,000
		2	2013-2014	2013	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000
		3	2014-2015	2014	-	-	-	-	-
		4	2015-2016	2015	-	-	-	-	-
		5	2016-2017	2016	-	-	-	-	-
		6	2017-2018	2017	-	-	-	-	-
		7	2018-2019	2018	-	-	-	-	-
		8	2019-2020	2019	-	-	-	-	-
		9	2020-2021	2020	-	-	-	-	-
		10	2021-2022	2021	-	-	-	-	-
	Tax Credit Period (with 50% cap on credit)	11	2022-2023	2022	-	-	-	-	-
		12	2023-2024	2023	-	-	-	-	-
13		2024-2025	2024	-	-	-	-	-	
Credit Settle-Up Period	14	2025-2026	2025	-	-	-	-	-	
	15	2026-2027	2026	-	-	-	-	-	
Post-Settle-Up Period									

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years. This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column A: For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property. Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period. The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

Column B: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings. Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Column C: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

9/10/2011

*Mohanty*

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

**Schedule B (Rev. May 2010): Estimated Market And Taxable Value**  
**Crosstex Permian, LLC**  
**Glasscock County ISD**

Form 50-296

Applicant Name  
 ISD Name

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year YYYY)	Qualified Property			Reductions from Market Value	Estimated Taxable Value	Final taxable value for M&O—after all reductions
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"			
pre-year 1	2011-2012	2011	-	-	-	-	-	-
Complete tax years of qualifying time period	1	2012-2013	-	-	5,000,000	-	5,000,000	5,000,000
	2	2013-2014	-	500,000	50,000,000	-	50,500,000	50,500,000
	3	2014-2015	-	495,000	49,500,000	-	49,995,000	30,000,000
	4	2015-2016	-	490,000	49,000,000	-	49,490,000	30,000,000
	5	2016-2017	-	485,000	48,500,000	-	48,985,000	30,000,000
Value Limitation Period	6	2017-2018	-	480,000	48,000,000	-	48,480,000	30,000,000
	7	2018-2019	-	475,000	47,500,000	-	47,975,000	30,000,000
	8	2019-2020	-	470,000	47,000,000	-	47,470,000	30,000,000
	9	2020-2021	-	465,000	46,500,000	-	46,965,000	30,000,000
	10	2021-2022	-	460,000	46,000,000	-	46,460,000	30,000,000
Credit Settle-Up Period	11	2022-2023	-	455,000	45,500,000	-	45,955,000	45,955,000
	12	2023-2024	-	450,000	45,000,000	-	45,450,000	45,450,000
	13	2024-2025	-	445,000	44,500,000	-	44,945,000	44,945,000
Post- Settle-Up Period	14	2025-2026	-	440,000	44,000,000	-	44,440,000	44,440,000
	15	2026-2027	-	435,000	43,500,000	-	43,935,000	43,935,000

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.  
 This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application,  
 replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed,  
 enter those amounts for future years.

*Nick Ay*

9/8/2011

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE



Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name: Crosstex Permian, LLC Glasscock County ISD Form 50-296  
 Franchise Tax Other Property Tax Abateements Sought

Applicant Name	Sales Tax Information				Franchise Tax	County	City	Hospital	Other	
	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax						Column H: Estimate of Franchise tax due from (or attributable to) the applicant
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2011-2012	2011							
	Complete tax years of qualifying time period	1	2012-2013	2012	\$ 7,072,000	\$ 22,443,000	\$ 34,000			
		2	2013-2014	2013	\$ 6,075,000	\$ 19,514,000	\$ 74,000			
		3	2014-2015	2014	\$ 1,450,000	\$ 4,684,000	\$ 118,000			
		4	2015-2016	2015	\$ 1,573,000	\$ 5,117,000	\$ 155,000			
		5	2016-2017	2016	\$ 1,689,000	\$ 5,519,000	\$ 175,000			
		6	2017-2018	2017	\$ 1,752,000	\$ 5,694,000	\$ 180,000			
		7	2018-2019	2018	\$ 1,805,000	\$ 5,820,000	\$ 182,000			
		8	2019-2020	2019	\$ 1,859,000	\$ 5,949,000	\$ 185,000			
		9	2020-2021	2020	\$ 1,915,000	\$ 6,083,000	\$ 190,000			
		10	2021-2022	2021	\$ 1,972,000	\$ 6,220,000	\$ 189,000			
	Tax Credit Period (with 50% cap on credit)	Value Limitation Period	2022-2023	2022	\$ 1,972,000	\$ 6,220,000	\$ 189,000			
			2023-2024	2023	\$ 1,972,000	\$ 6,220,000	\$ 189,000			
			2024-2025	2024	\$ 1,972,000	\$ 6,220,000	\$ 189,000			
	Credit Settle-Up Period	Continue to Maintain Viable Presence	2025-2026	2025	\$ 1,972,000	\$ 6,220,000	\$ 189,000			
2026-2027			2026	\$ 1,972,000	\$ 6,220,000	\$ 189,000				
Post-Settle-Up Period										

\*For planning, construction and operation of the facility.

SIGNATURE *M. H. [Signature]* AUTHORIZED COMPANY REPRESENTATIVE DATE 9/8/2011

**Attachment**

**A**

Certification pages by Authorized Business Representative



Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION (Name of Applicant/Company)

Authorized Company Consultant (If Applicable)

First Name

Mike

Last Name

Fry

Yes

Tax Agent

Firm Name

K E Andrews

Street Address

1900 Dalrock Road

Meeting Address

1900 Dalrock Road

City

Rowlett

State

Texas

ZIP

75088

Phone Number

469-298-1594

Fax Number

469-298-1619

Business email Address

mfry@keatax.com

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 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.

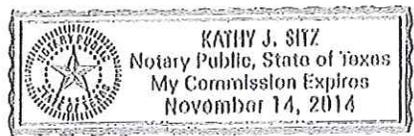
Signature (Authorized Business Representative (Applicant))

Stan Dolan

Date

9/6/11

GIVEN under my hand and seal of office this 6th day of September, 2011



(Notary Seal)

Kathy J. Sitz, Notary Public, State of Texas

My commission expires 11-14-14

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 § 37.10.

**Attachment**

**B**

Proof of Payment of Application Fee

Proof of payment of filing fee received by the  
Comptroller of Public Accounts per TAC Rule  
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public  
Accounts)*

Attachment

C

Documentation of Combined Group Membership

N/A

---

## Attachment

D

Detailed Description of Project

DETAILED DESCRIPTION  
GLASSCOCK COUNTY ISD

Proposed Project Description

Crosstex Permian LLC proposes to build a new Gas Processing Plant in Glasscock County, Texas.

Gas Processing Plant

Crosstex will install a 20-MMcfd refrigeration plant for gas processing and handling that will be followed by a 50-MMcfd cryogenic gas processing plant. The project will provide long-term processing, compression, and residue gas takeaway. The Crosstex Permian Gas Processing Plant when completed will be designed to process 70mmscf/d of gas at design inlet conditions of 1000 psig and 70 degrees Fahrenheit. It will operate in both the Ethane Recovery and Ethane Rejection Modes. The Crosstex Permian Gas Processing Plant is also designed to produce Y-Grade NGL Product and Residue Gas.

Crosstex Permian Gas Processing Plant consists of the following main processing units and utility systems:

- Inlet Facilities
- Dehydration
- Residue Recompression & Cooling
- Drains & Flare
- Instrument & Utility Air
- Potable and Utility Water
- Emergency Generator
- Compression Equipment (8 units)
- Propane Refrigeration Plant
- Cryogenic Plant
- Demethanizer
- Expander/Compressor
- Liquid Product Amine Treater
- Pipeline Pumps

**Ability to locate or relocate:**

Crosstex Permian LLC currently operates in two states. They allocate capital investment to projects and locations that create the best economic return. The existence of a limitation on tax value is a significant factor in calculating the economic return and allocation of reserves to the project. However, Crosstex Permian LLC could redirect its expenditures to its plants in:

Sabine Pass – Louisiana  
Eunice, Blue Water, Rayne - Louisiana

**Attachment**

**E**

**District Allocation of Project**

**District Allocation:**

**Crosstex Permlan LLC is located 100% in Glasscock County and Glasscock County ISD.**

Attachment

F

Description of Qualified Investment

DETAILED DESCRIPTION  
GLASSCOCK COUNTY ISD

Proposed Project Description

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- Potable and Utility Water
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- Compression Equipment (8 units)
- Propane Refrigeration Plant
- Cryogenic Plant
- Demethanizer
- Expander/Compressor
- Liquid Product Amine Treater
- Pipeline Pumps

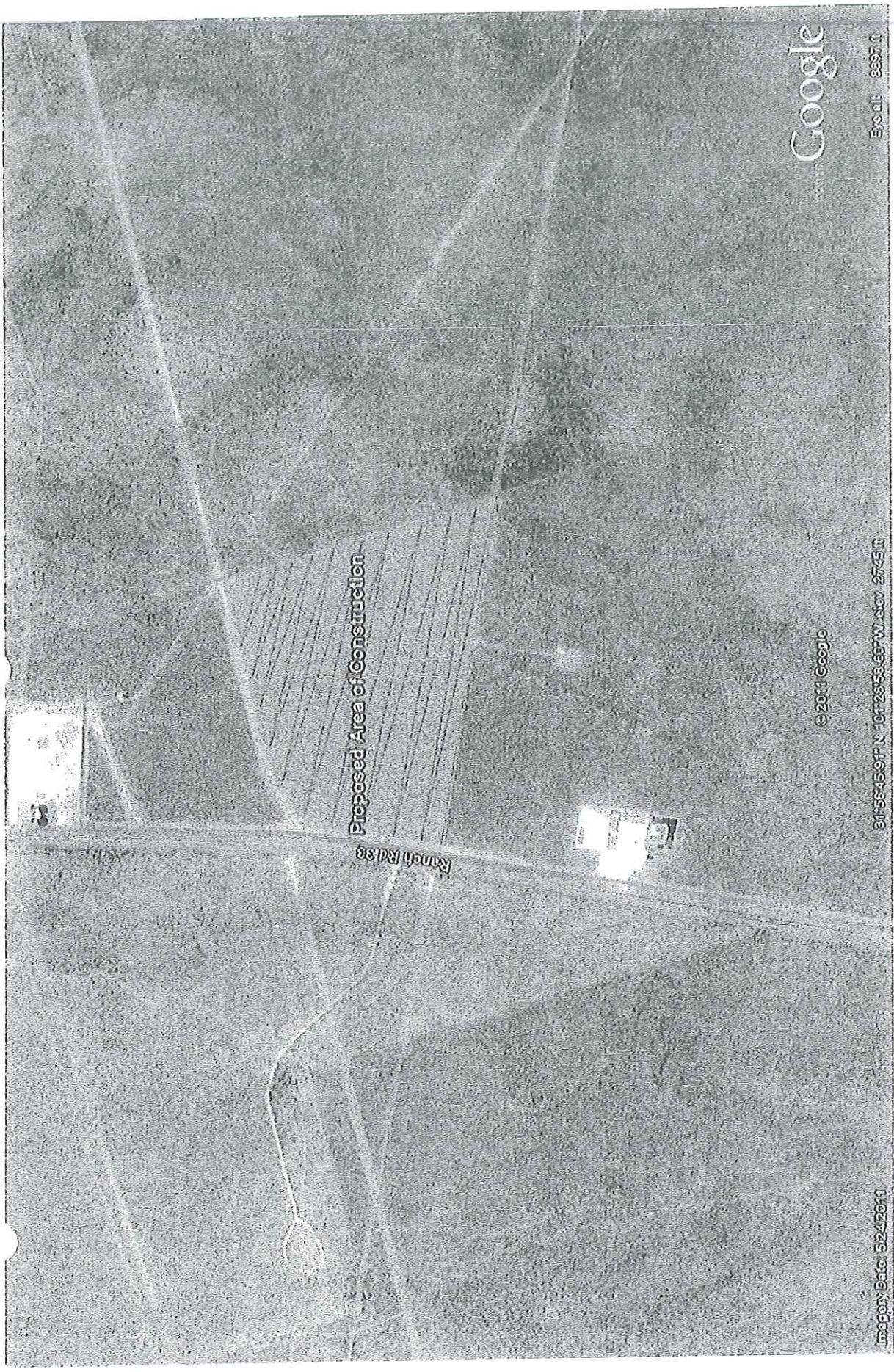
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## Attachment

G

Map of Qualified Investment





Google

Eye alt: 6897 ft

Proposed Area of Construction

Ranch Rd 89

© 2011 Google

31.564597°N 104.295869°W, elev: 2745 ft

Imagery Date: 5/24/2011

---

**Attachment**

**H**

Description of Qualified Property

DETAILED DESCRIPTION  
GLASSCOCK COUNTY ISD

Proposed Project Description

Crosstex Permian LLC proposes to build a new Gas Processing Plant in Glasscock County, Texas.

Gas Processing Plant

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- Drains & Flare
- Instrument & Utility Air
- Potable and Utility Water
- Emergency Generator
- Compression Equipment (8 units)
- Propane Refrigeration Plant
- Cryogenic Plant
- Demethanizer
- Expander/Compressor
- Liquid Product Amine Treater
- Pipeline Pumps

---

**Attachment**

**I**

**Map of Qualified Property**







Proposed Area of Construction

Ranch Rd 158

© 2011 Google

Google

Excal 34921

31°55'49.74" N 101°29'57.15" W elev 2746 ft

Image Date: 5/24/2011



Google

138  
Garden City

© 2011 Google

31°52'11.20" N 101°23'43.53" W elev 2676 ft

Image Date: 5/24/2011

Elev: 52426 ft

---

**Attachment**

**J**

**Description of Land**

GLASSCOCK COUNTY APPRAISAL DISTRICT

Account: 02108-00428-00000-000 (459-112261)  
 Owner: BOJA CINCO RANCH LLC  
 1910 N BIG SPRING  
 MIDLAND TX 79705  
 Situs Address: \_\_\_\_\_ D6  
 Legal Description: \_\_\_\_\_  
 State Exemptions: \_\_\_\_\_  
 Miscellaneous: \_\_\_\_\_  
 Ag Use: 1D71  
 20/05/08/23 - 87/959 79,959

Land	Size	JRS	Market	Class	LJC	D6	Rate	Values		PLU	Rate	Fact	Value
								Value	Fact				
	160,000 ac			R1L			220.00	1.00	35,200	NATP	12.00	1.00	1,920

Value Types	Land	Imps	Market Values	Market Value Adjustments		Assessed Value
				LMI RRS Value	Proof Value	
Homestead	35,200					0
Agri timber						1,920
Other/Other						0
<b>Total</b>	<b>35,200</b>		<b>35,200</b>			<b>1,920</b>

CAD, GLASSCOCK COUNTY, GLASSCOCK GOD, GLASSCOCK COUNTY ISD  
 Jurisdictions: \_\_\_\_\_

SPECIAL WARRANTY DEED

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER."

Date: July 12, 2011

Grantor: Bola Cinco Ranch, LLC, a Texas Limited Liability Company

Grantee: Crosstex Permian, LLC and Apache Midstream LLC

Grantee's Mailing Address (including county):

2501 Cedar Springs Avenue, Suite 100  
Dallas, Dallas County, Texas 75201

Consideration:

Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

136.086 acres of land located in Section 19, Block 33, T-3-S, T&P RR Co. Survey, Glasscock County, Texas, being a portion of "Tract Two" as described in a conveyance to BOLA CINCO RANCH, LLC, recorded in Volume 87, Page 569 Official Public Records of Glasscock County, Texas, being all that part of said Tract Two lying East of State FM Road No. 33 and South of a 400' X 600' Surface Easement tract as described in Volume 136, Page 245 Deed Records of Glasscock County, the boundary of said 136.086 acres being more particularly described by metes and bounds as follows:

Beginning at 1-1/4 inch iron pipe found at the accepted Southeast corner of Section 19, Block 33, T. 3 S., T. & P. RR. Company Survey and this tract;

THENCE S 76°17'25"W with the South line of said Section 19 and generally along and near a wire fence, a distance of 2545.38 feet to a 1-1/4 inch galvanized iron pipe found in a North-South fence and East right of way line of said FM Road at the Southwest corner of this tract;

THENCE N 10°56'53"E with said road r.o.w. and generally along a wire fence, a distance of 2069.73 feet to a 3/4 inch black iron pipe with cap marked "HGS-4931" set at a point of curvature;

THENCE northerly with said road r.o.w. line and curved to the left (concave right), having a computed radius of 5792.36 feet, an arc length of 795.23 feet the chord of which bears N 07°00'56"E, a distance of 794.60 feet to a 3/4 inch black iron pipe with cap marked "HGS-4931" set at the point of tangency;

THENCE continuing with said road r.o.w. N 03° 04'58"E, a distance of 936.08 feet to a 1/2 inch iron pipe found at the Southwest corner of said surface easement tract for the Northwest corner of this tract;

THENCE S 86°51'07"E with the South line and easterly projection thereof of said easement tract, a distance of 1097.96 feet to a 3/4 inch black iron pipe with cap marked "HGS-4931" set at the Northeast corner of this tract;

THENCE S 15°08'02"E with the East line of said Section 19 and generally along a wire fence, a distance of 3203.15 feet to the Place of Beginning.

Note: Bearings are relative to the Texas State Plane Coordinate System, Central Zone NAD 1983 as applied to the south line of said Section 19. Distances are Horizontal (surface) values in U.S. Survey Feet.

#### Reservations from Conveyance

All oil, gas and other minerals in, on or under said land reserved by prior grantors.

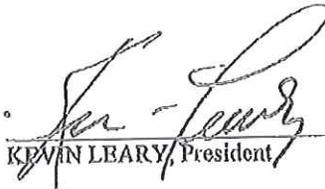
#### Exceptions to Conveyance and Warranty

Those items shown on Exhibit A attached hereto and taxes for 2011, which Grantee assumes and agrees to pay and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights improvements and appurtenances thereto in any way belonging, including without limitation, all right, title and interest of Grantor in and to all streets, alleys, stripes gores or rights of way adjacent to the Property, any utility rights, license, and any permits related to the Property, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns forever against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

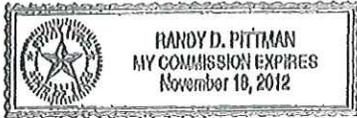
BOLA CINCO RANCH, LLC,  
a Texas Limited Liability Company

  
\_\_\_\_\_  
KEVIN LEARY, President

STATE OF TEXAS )

COUNTY OF MIDLAND )

This instrument was acknowledged before me on July <sup>14<sup>th</sup></sup> 2011, by KEVIN LEARY, President of BOLA CINCO RANCH, LLC, a Texas Limited Liability Company on behalf of said limited liability company.



*Randy Pittman*  
\_\_\_\_\_  
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

West Texas Abstract & Title Company, LLC  
3700 N. Big Spring Street  
Midland, Texas 79705

PREPARED IN THE LAW OFFICE OF:

G. Lance Holland  
3700 N. Big Spring Street  
Midland, Texas 79705

EXHIBIT "A"

Mineral and/or royalty interest, as described in instrument recorded in Volume 139, Pages 67, 71 and 73, Deed Records and Volume 34, Page 752, Official Public Records of Glasscock County, Texas, including but not limited to the right to use the surface of the land. Company makes no representation as to the present ownership of this interest.

Right of Way to Atlantic Pipeline Company, recorded in Volume 32, Page 476, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Right of Way Easement to the State of Texas, recorded in Volume 56, Pages 257 and 259, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest. (Ranch Road 33)

Right of Way to El Paso Natural Gas Company, recorded in Volume 85, Page 439 and Volume 263, Page 376, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Easement Agreement to Lo-Vaca Gathering Company, recorded in Volume 161, Page 557, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Easement and Right of Way to Cap Rock Energy Corporation, recorded in Volume 87, Page 293, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Right of Way and Easement to Mariner Energy, Inc., recorded in Volume 148, Page 401 and Volume 152, Page 82, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated January 3, 1936, recorded in Volume 44, Page 485, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated March 2, 1943, recorded in Volume 52, Page 163, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 6, 1964, recorded in Volume 114, Page 261, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 8, 1977, recorded in Volume 163, Page 147, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded in Volume 187, Pages 746, 781 and 784 and Volume 188 Pages 673, 676 and 679, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded in Volume 14, Page 482, Volume 24, Page 485 and Volume 117, Page 734, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Rights of parties in possession.

Rights of parties in possession under any unrecorded, written or oral lease agreement.

No liability is assumed by reason of the location of Apache Corp. Grouse 19 # 1, Drill Site, Tank Battery and Pits, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

No liability is assumed by reason of the location of Dry Hole, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

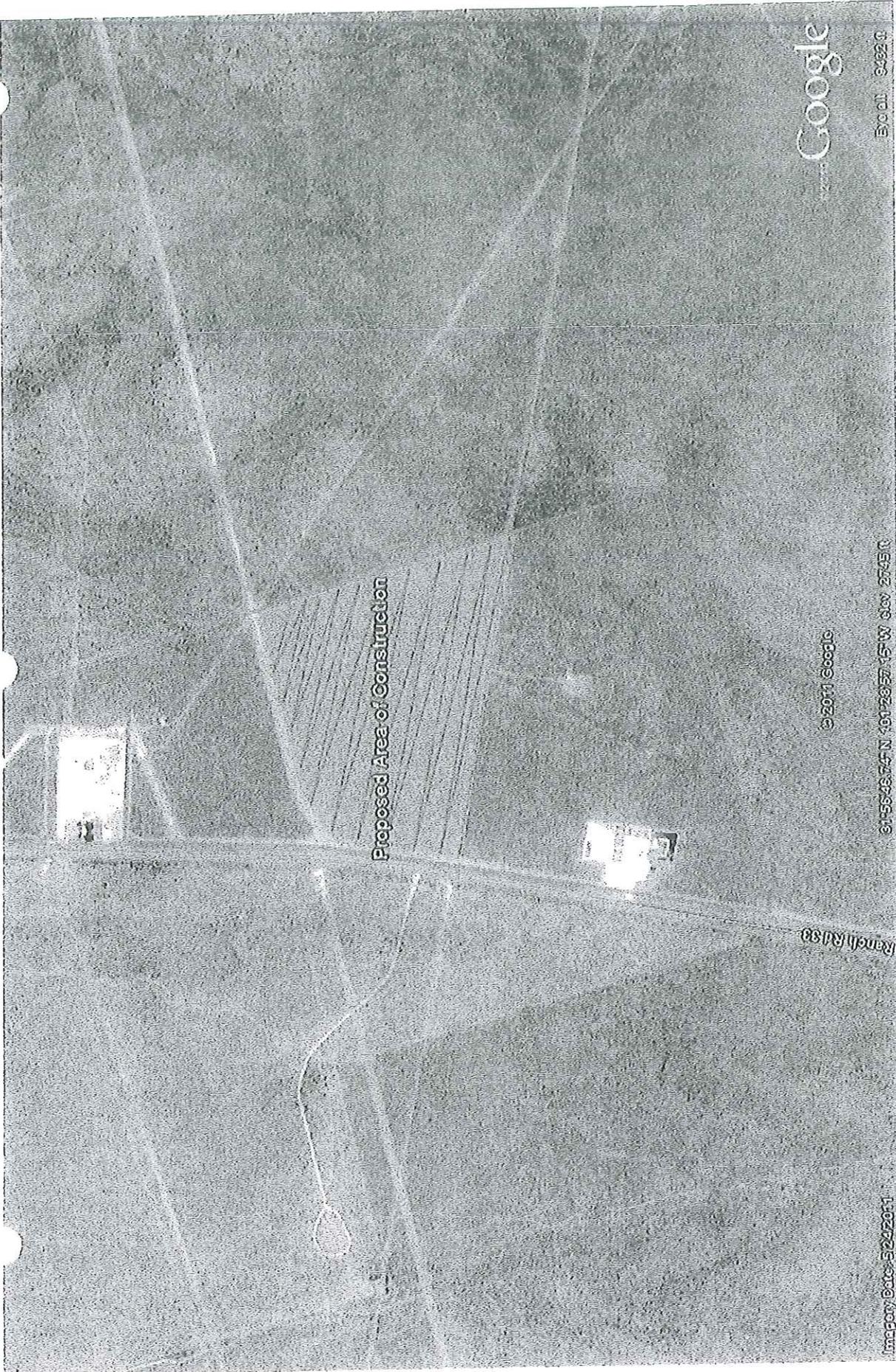
No liability is assumed by reason of the location of 6" PVC Well Casing, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

**Attachment**

**K**

Detailed Map Showing Location of Land





Proposed Area of Construction

Ranch Rd 130

Google

Excal 34820

© 2011 Google

31°56'46.74" N 101°26'37.15" W City 27450

Image Date: 5/2/2011



Google

Eye Alt: 52428 ft

152 Garden City  
© 2011 Google

33°57'11.23"N 101°29'43.58"W elev 2376 ft

Map Data © 2011 Google

## Attachment

L

Description of Existing Improvements

**No Pre-existing Improvements**

---

**Attachment**

**M**

Request for Waiver of Job Creation Requirement

September 7th, 2011

Mr. Steve Long  
Superintendent  
Glasscock County ISD  
P O Box 9  
Garden City, Texas 79739

Dear Mr. Long

For our application for Appraised Value Limitation on Qualified Property to Glasscock County ISD under Chapter 313 of the Texas Tax Code, Crosstex Permian LLC is requesting a contemporaneous waiver of the requirement to create ten full-time jobs.

Key to a waiver under Tex. Tax Code Section 313.025 (f-1) is a finding by the Board that the job yield exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility that the property owner described in the application. Based on the universal industry standard and background information included in our application, we have demonstrated that the nature and scope of this project will require less than ten permanent jobs. In total, the new manufacturing facility will create five (5) new full-time employees. Crosstex Permian LLC would kindly request that the Glasscock County ISD grant the waiver request.

Sincerely,



Mike Fry  
Tax Consultant

# Attachment

N

## Calculation of Wage Requirements

Calculation of Wage Information - Based on Most Recent Data Available

110% of County Average Weekly Wage for all Jobs

2010	2Q	\$	513
2010	3Q	\$	537
2010	4Q	\$	691
2011	1Q	\$	578

$$\begin{aligned} & \$ 2,319 /4 = && \$580 \text{ average weekly salary} \\ & && \underline{\times 1.1 (110\%)} \\ & && \$ 637.73 \end{aligned}$$

110% of County Average Weekly Wage for Manufacturing Jobs in County

2010	2Q	\$	513
2010	3Q	\$	537
2010	4Q	\$	691
2011	1Q	\$	578

$$\begin{aligned} & \$ 2,319 /4 = && \$580 \text{ average weekly salary} \\ & && \underline{\times 1.1 (110\%)} \\ & && \$ 637.73 \end{aligned}$$

110% of County Average Weekly Wage for Manufacturing Jobs in Region

\$17.48 per hour

X 40 hr per week

\$699 average weekly salary

X1.10 (110%)

\$769.12

X 52 weeks

\$39,994.24

# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

 2011	 1st Qtr	 Glasscock County	 Private	 00	 0	 10	 Total, All Industries	 \$578
--	---	--	---	--	---	--	--	---

# Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	County	Industry	00	0	10	Industry	Avg Weekly Wage
2010	2nd Qtr	Glasscock County	Private	00	0	10	Total, All Industries	\$513
2010	3rd Qtr	Glasscock County	Private	00	0	10	Total, All Industries	\$537
2010	4th Qtr	Glasscock County	Private	00	0	10	Total, All Industries	\$691

**2010 Manufacturing Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>		
1. Panhandle Regional Planning Commission	\$18.60	\$38,683
2. South Plains Association of Governments	\$16.21	\$33,717
3. NORTEX Regional Planning Commission	\$18.34	\$38,153
4. North Central Texas Council of Governments	\$23.45	\$48,777
5. Ark-Tex Council of Governments	\$15.49	\$32,224
6. East Texas Council of Governments	\$17.63	\$36,672
7. West Central Texas Council of Governments	\$17.48	\$36,352
8. Rio Grande Council of Governments	\$15.71	\$32,683
9. Permian Basin Regional Planning Commission	\$19.90	\$41,398
10. Concho Valley Council of Governments	\$15.33	\$31,891
11. Heart of Texas Council of Governments	\$17.91	\$37,257
12. Capital Area Council of Governments	\$25.37	\$52,778
13. Brazos Valley Council of Governments	\$15.24	\$31,705
14. Deep East Texas Council of Governments	\$15.71	\$32,682
15. South East Texas Regional Planning Commission	\$27.56	\$57,333
16. Houston-Galveston Area Council	\$24.52	\$51,002
17. Golden Crescent Regional Planning Commission	\$20.07	\$41,738
18. Alamo Area Council of Governments	\$17.28	\$35,952
19. South Texas Development Council	\$13.27	\$27,601
20. Coastal Bend Council of Governments	\$21.55	\$44,822
21. Lower Rio Grande Valley Development Council	\$14.35	\$29,846
22. Texoma Council of Governments	\$18.10	\$37,651
23. Central Texas Council of Governments	\$17.21	\$35,788
24. Middle Rio Grande Development Council	\$13.21	\$27,471

Source: Texas Occupational Employment and Wages

Data published: June 2011

Data published annually, next update will be June 2012.

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.

## Attachment

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### Description of Benefits

Crosstex Permian LLC offers the following benefits to employees:

Health Care & Disability

Paid Sick Leave

Education

Retirement Benefits & Profit Sharing

Attachment

P

Economic Impact

N/A

Attachment

Q

Schedule A

Schedule A (Rev. May 2010): Investment

Applicant Name: Crosstex Permian, LLC  
 ISD Name: Glasscock County ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)								
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)		2011	\$ 10,000,000				\$ 10,000,000	
	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)		2011-2012						
	Complete tax years of qualifying time period	1	2012-2013	2012	\$ 40,000,000	\$	\$ 40,000,000	\$	\$ 40,000,000
		2	2013-2014	2013	\$ 15,000,000	\$	\$ 15,000,000	\$	\$ 15,000,000
		3	2014-2015	2014					
		4	2015-2016	2015					
		5	2016-2017	2016					
		6	2017-2018	2017					
		7	2018-2019	2018					
		8	2019-2020	2019					
		9	2020-2021	2020					
		10	2021-2022	2021					
	Value Limitation Period	11	2022-2023	2022					
		12	2023-2024	2023					
13		2024-2025	2024						
14		2025-2026	2025						
15		2026-2027	2026						
Credit Settle-Up Period	Continue to Maintain Viable Presence								
	Post-Settle-Up Period								

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §13.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period. The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §13.021(1)(E).

Column C: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings. Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Column D: Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: *[Signature]* DATE: 9/7/2011

Attachment

R

Schedule B

**Schedule B (Rev. May 2010): Estimated Market And Taxable Value**  
**Crosstex Permian, LLC**  
**Glasscock County ISD**

Form 50-296

Applicant Name  
 ISD Name

Year	School Year (YYYY-YYYY)	Tax Year (File in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	Final taxable value for M&O--after all reductions
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"			
pre-year 1	2011-2012	2011	-	-	-	-	-	-
1	2012-2013	2012	-	-	5,000,000	-	5,000,000	5,000,000
2	2013-2014	2013	-	500,000	50,000,000	-	50,500,000	50,500,000
3	2014-2015	2014	-	495,000	49,500,000	-	49,995,000	30,000,000
4	2015-2016	2015	-	490,000	49,000,000	-	49,490,000	30,000,000
5	2016-2017	2016	-	485,000	48,500,000	-	48,985,000	30,000,000
6	2017-2018	2017	-	480,000	48,000,000	-	48,480,000	30,000,000
7	2018-2019	2018	-	475,000	47,500,000	-	47,975,000	30,000,000
8	2019-2020	2019	-	470,000	47,000,000	-	47,470,000	30,000,000
9	2020-2021	2020	-	465,000	46,500,000	-	46,965,000	30,000,000
10	2021-2022	2021	-	460,000	46,000,000	-	46,460,000	30,000,000
11	2022-2023	2022	-	455,000	45,500,000	-	45,955,000	45,955,000
12	2023-2024	2023	-	450,000	45,000,000	-	45,450,000	45,450,000
13	2024-2025	2024	-	445,000	44,500,000	-	44,945,000	44,945,000
14	2025-2026	2025	-	440,000	44,000,000	-	44,440,000	44,440,000
15	2026-2027	2026	-	435,000	43,500,000	-	43,935,000	43,935,000

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

*Mich Ay*

9/8/2011

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

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**Attachment**

**S**

**Schedule C**

**Schedule C- Application: Employment Information**

Cresstex Permian, LLC  
Glasscock County ISD

Applicant Name  
ISD Name

Form 50-298

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTE's or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2011-2012	2011	100 FTE	\$ 52,000.00	1	\$ 56,160.00	1	\$ 56,160.00
	1	2012-2013	2012	100 FTE	\$ 52,000.00	5	\$ 56,160.00	5	\$ 56,160.00
	2	2013-2014	2013			5	\$ 56,160.00	5	\$ 56,160.00
	3	2014-2015	2014			5	\$ 56,160.00	5	\$ 56,160.00
	4	2015-2016	2015			5	\$ 56,160.00	5	\$ 56,160.00
	5	2016-2017	2016			5	\$ 56,160.00	5	\$ 56,160.00
	6	2017-2018	2017			5	\$ 56,160.00	5	\$ 56,160.00
	7	2018-2019	2018			5	\$ 56,160.00	5	\$ 56,160.00
	8	2019-2020	2019			5	\$ 56,160.00	5	\$ 56,160.00
	9	2020-2021	2020			5	\$ 56,160.00	5	\$ 56,160.00
	10	2021-2022	2021			5	\$ 56,160.00	5	\$ 56,160.00
	11	2022-2023	2022			5	\$ 56,160.00	5	\$ 56,160.00
	12	2023-2024	2023			5	\$ 56,160.00	5	\$ 56,160.00
	13	2024-2025	2024			5	\$ 56,160.00	5	\$ 56,160.00
	14	2025-2026	2025			5	\$ 56,160.00	5	\$ 56,160.00
	15	2026-2027	2026			5	\$ 56,160.00	5	\$ 56,160.00
Complete tax years of qualifying time period									
Value Limitation Period									
Tax Credit Period (with 50% cap on credit)									
Credit Settle-Up Period	Continue to Maintain Viable Presence								
Post-Settle-Up Period									
Post-Settle-Up Period									

Notes: For job definitions see TAC §§.1051(1-4) and Tax Code §§13.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

  
SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

9/8/2011  
DATE

Attachment

T

Schedule D

Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name

Crosstex Permian, LLC

Sales Tax Information

Franchise Tax

Glasscock County ISD  
Other Property Tax Abateements Sought

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax/ Calendar Year YYYY	Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other
				Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax					
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2011-2012	2011							
Tax Credit Period (with 50% cap on credit)	1	2012-2013	2012	\$ 7,072,000	\$ 22,443,000	\$ 34,000				
	2	2013-2014	2013	\$ 6,075,000	\$ 19,514,000	\$ 74,000				
	3	2014-2015	2014	\$ 1,450,000	\$ 4,684,000	\$ 118,000				
	4	2015-2016	2015	\$ 1,573,000	\$ 5,117,000	\$ 155,000				
	5	2016-2017	2016	\$ 1,689,000	\$ 5,519,000	\$ 175,000				
	6	2017-2018	2017	\$ 1,752,000	\$ 5,694,000	\$ 180,000				
	7	2018-2019	2018	\$ 1,805,000	\$ 5,820,000	\$ 182,000				
	8	2019-2020	2019	\$ 1,859,000	\$ 5,949,000	\$ 185,000				
	9	2020-2021	2020	\$ 1,915,000	\$ 6,083,000	\$ 190,000				
	10	2021-2022	2021	\$ 1,972,000	\$ 6,220,000	\$ 189,000				
	11	2022-2023	2022	\$ 1,972,000	\$ 6,220,000	\$ 189,000				
	12	2023-2024	2023	\$ 1,972,000	\$ 6,220,000	\$ 189,000				
	13	2024-2025	2024	\$ 1,972,000	\$ 6,220,000	\$ 189,000				
	14	2025-2026	2025	\$ 1,972,000	\$ 6,220,000	\$ 189,000				
	15	2026-2027	2026	\$ 1,972,000	\$ 6,220,000	\$ 189,000				

\*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

*[Signature]*

DATE

9/8/2011

**Attachment**

**U**

Map of Reinvestment Zone

EXHIBIT B

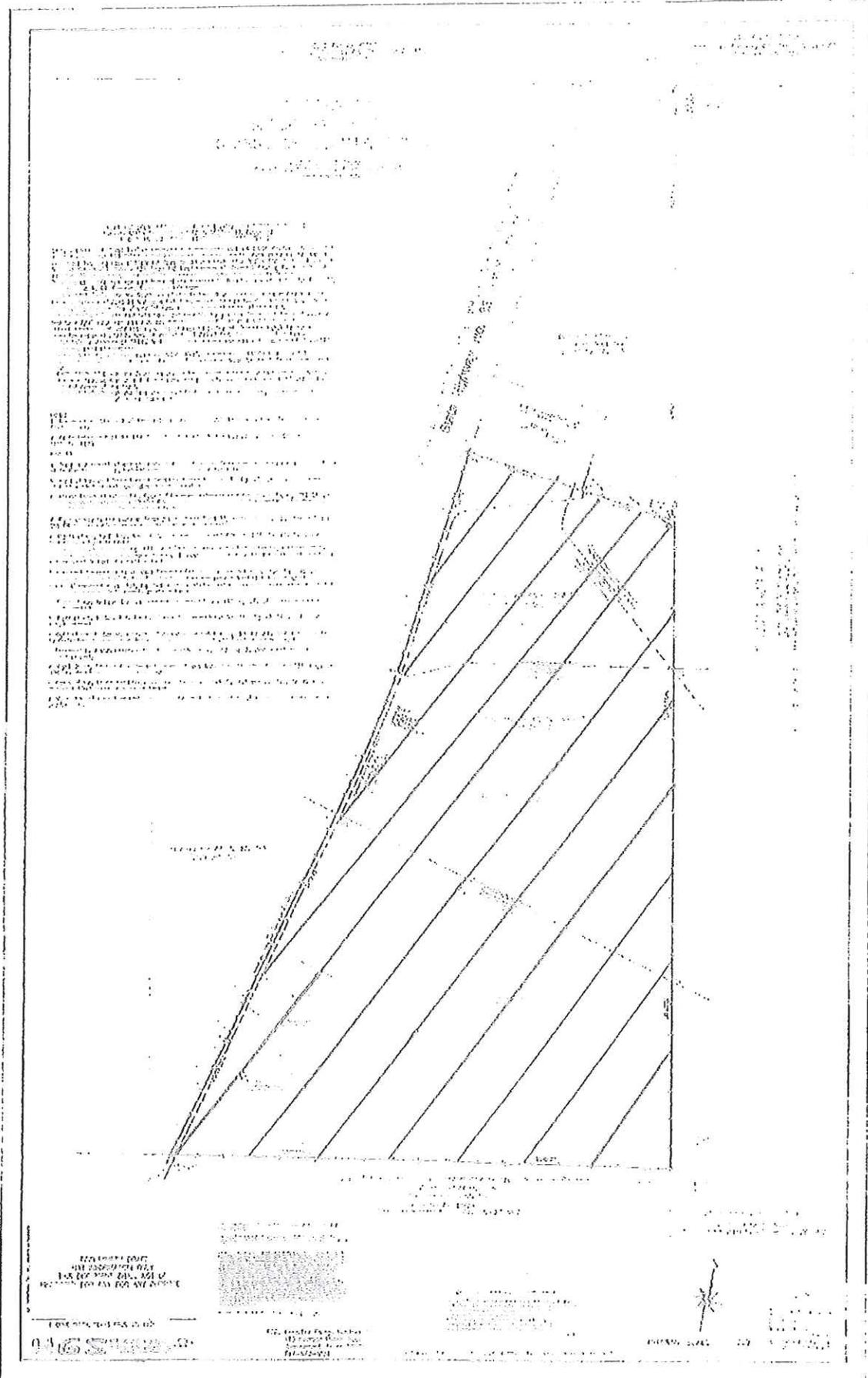


EXHIBIT A

OFF 1105-211-300

SPECIAL WARRANTY DEED

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER."

Date: July 12, 2011

Grantor: Boka Cinco Ranch, LLC, a Texas Limited Liability Company

Grantee: Crosstex Permian, LLC and Apache Midstream, LLC

Grantee's Mailing Address (including county):

2501 Cedar Springs Avenue, Suite 100  
Dallas, Dallas County, Texas 75201

Consideration:

Cash and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

136.086 acres of land located in Section 19, Block 33, T-3-S, T&P RR Co. Survey, Glasscock County, Texas, being a portion of "Tract Two" as described in a conveyance to BOLA CINCO RANCH, LLC, recorded in Volume 87, Page 569 Official Public Records of Glasscock County, Texas, being all that part of said Tract Two lying East of State FM Road No. 33 and South of a 400' X 600' Surface Easement tract as described in Volume 136, Page 245 Deed Records of Glasscock County, the boundary of said 136.086 acres being more particularly described by metes and bounds as follows:

Beginning at 1-1/4 inch iron pipe found at the accepted Southeast corner of Section 19, Block 33, T. 3 S., T. & P. RR. Company Survey and this tract;

THENCE S 76°17'25"W with the South line of said Section 19 and generally along and near a wire fence, a distance of 2545.38 feet to a 1-1/4 inch galvanized iron pipe found in a North-South fence and East right of way line of said FM Road at the Southwest corner of this tract;

THENCE N 10°56'53"E with said road r.o.w. and generally along a wire fence, a distance of 2069.73 feet to a 3/4 inch black iron pipe with cap marked "1035-4931" set at a point of curvature;

THENCE northerly with said road r.o.w. line and curved to the left (concave right), having a computed radius of 5792.36 feet, an arc length of 793.25 feet the chord of which bears N 07°00'56"E, a distance of 794.60 feet to a 3/4 inch black iron pipe with cap marked "1035-4931" set at the point of tangency;

THENCE continuing with said tape east to 0.0" 6458 54, a distance of 936.08 feet to a 1/2 inch iron pipe found at the Southwest corner of said surface easement tract for the Northwest corner of this tract;

THENCE S 86°51'07" E with the South line and easterly projection thereof of said easement tract, a distance of 1097.96 feet to a 3/4 inch black iron pipe with cap marked "TIGR-4931" set at the Northeast corner of this tract;

THENCE S 15°08'02" E with the East line of said Section 19 and generally along a wire fence, a distance of 3203.15 feet to the Place of Beginning.

Note: Bearings are relative to the Texas State Plane Coordinate System, Central Zone NAD 1983 as applied to the south line of said Section 19. Distances are Horizontal (surface) values in U.S. Survey Feet.

**Reservations from Conveyance**

All oil, gas and other minerals in, on or under said land reserved by prior grantors

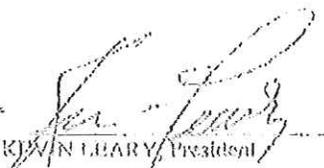
**Exceptions to Conveyance and Warranty**

Those items shown on Exhibit A attached hereto and taxes for 2011, which Grantee assumes and agrees to pay and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights, improvements and appurtenances thereto in any way belonging, including without limitation, all right, title and interest of Grantor in and to all streets, alleys, stripes gores or rights of way adjacent to the Property, any utility rights, license, and any permits related to the Property, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns forever against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

BOJA CHECO RANCH, L.L.C.,  
a Texas Limited Liability Company

  
KEVIN LEARY, President

STATE OF TEXAS

}

COUNTY OF MIDLAND

}

This instrument was acknowledged before me on July 14<sup>th</sup>, 2011, by KEVIN LEARY, President of DOLA CINCO RANCH, L.L.C, a Texas Limited Liability Company on behalf of said limited liability company.



*Randy Pittman*  
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

West Texas Abstract & Title Company, LLC  
3700 N. Big Spring Street  
Midland, Texas 79703

PREPARED BY THE LAW OFFICE OF:

G. Lucas Holland  
3700 N. Big Spring Street  
Midland, Texas 79703

EXHIBIT "A"

Mineral and/or royalty interest, as described in instrument recorded in Volume 139, Pages 67-71 and 73, Deed Records and Volume 34, Page 752, Official Public Records of Glasscock County, Texas, including but not limited to the right to use the surface of the land. Company makes no representation as to the present ownership of this interest.

Right of Way to Atlantic Pipeline Company, recorded in Volume 32, Page 476, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by B. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Right of Way Easement to the State of Texas, recorded in Volume 56, Pages 257 and 259, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest. (Ranch Road 33)

Right of Way to El Paso Natural Gas Company, recorded in Volume 83, Page 439 and Volume 263, Page 376, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Easement Agreement to La-Vaca Gathering Company, recorded in Volume 161, Page 557, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Easement and Right of Way to Cap Rock Energy Corporation, recorded in Volume 87, Page 293, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Right of Way and Easement to Mariner Energy, Inc., recorded in Volume 148, Page 401 and Volume 152, Page 82, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by B. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated January 3, 1936, recorded in Volume 44, Page 483, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated March 2, 1943, recorded in Volume 52, Page 163, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 6, 1963, recorded in Volume 114, Page 261, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 8, 1977, recorded in Volume 163, Page 147, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded in Volume 187, Pages 746, 781 and 784 and Volume 188 Pages 673, 676 and 679, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded by Volume 14, Page 482, Volume 24, Page 483 and Volume 117, Page 734, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Rights of parties in possession.

Rights of parties in possession under any unrecorded, written or oral lease agreement.

No liability is assumed by reason of the location of Apache Corp. Gause 19 # 1, Drill Site, Tank Battery and Pits, as shown on a survey, by HOS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

No liability is assumed by reason of the location of Dry Hole, as shown on a survey, by HOS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

No liability is assumed by reason of the location of 6" PVC Well Casing, as shown on a survey, by HOS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

**Attachment**

**V**

Order, Resolution or Ordinance Establishing Zone

**RESOLUTION OF THE  
GLASSCOCK INDEPENDENT SCHOOL DISTRICT  
BOARD OF TRUSTEES**

**A RESOLUTION DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR TEXAS TAX CODE CHAPTER 313 APPRAISED VALUE LIMITATION IN THE GLASSCOCK INDEPENDENT SCHOOL DISTRICT, IN PORTIONS OF GLASSCOCK COUNTY TEXAS, TO BE KNOWN AS *THE CROSSTEX PERMIAN REINVESTMENT ZONE*; ESTABLISHING THE BOUNDARIES THEREOF; AND PROVIDING FOR AN EFFECTIVE DATE.**

*WHEREAS*, the Board of Trustees of the Glasscock Independent School District desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone as authorized by the Property Redevelopment and Tax Abatement Act, as amended (V.T.C.A. Texas Tax Code § 312.0025), for the purpose of authorizing an *Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes*, as authorized by Chapter 313 of the Texas Tax Code; and,

*WHEREAS*, on \_\_\_\_\_, 2011, a hearing before the Board of Trustees of the Glasscock Independent School District was held, such date being at least seven (7) days after the date of publication of the notice of such public hearing, and the delivery of written notice to the respective presiding officers of each taxing entity which includes within its boundaries real property that is to be included in the proposed reinvestment zone; and,

*WHEREAS*, the Board of Trustees of the Glasscock Independent School District at such public hearing invited any interested person to appear and speak for or against the creation of the reinvestment zone, and whether all or part of the territory described should be included in the proposed reinvestment zone; and,

*WHEREAS*, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone and opponents, if any, of the reinvestment zone appeared to contest the creation of the reinvestment zone.

***BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE GLASSCOCK INDEPENDENT SCHOOL DISTRICT:***

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Board of Trustees of the Glasscock Independent School District, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on the adoption of *The Crosstex Permian Reinvestment Zone* has been properly called, held and conducted, and that notices of such hearing have been published as required by law and mailed to the respective presiding officers of the governing bodies of all taxing units overlapping the territory inside the proposed reinvestment zone; and,
- (b) That the boundaries of *The Crosstex Permian Reinvestment Zone* be and, by the adoption of this Resolution, is declared and certified to be, the area as described in the description attached hereto as "EXHIBIT A"; and,
- (c) That the map attached hereto as "EXHIBIT B" is declared to be and, by the adoption of this Resolution is certified to accurately depict and show the boundaries of *The Crosstex Permian Reinvestment Zone* which is normatively described in EXHIBIT A; and further certifies that the property described in EXHIBIT A is inside the boundaries shown on EXHIBIT B; and,
- (d) That creation of *The Crosstex Permian Reinvestment Zone* with boundaries as described in EXHIBIT A and EXHIBIT B will result in benefits to the Glasscock Independent School District and to land included in the zone, and that the improvements sought are feasible and practical; and,
- (e) *The Crosstex Permian Reinvestment Zone* described in EXHIBIT A and EXHIBIT B meets the criteria set forth in Texas Tax Code §312.0025 for the creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it is reasonably likely that the designation will contribute to the retention or expansion of primary employment, and/or will attract investment in the zone that will be a benefit to the property, and would contribute to economic development within the Glasscock Independent School District.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the Glasscock Independent School District, hereby creates a reinvestment zone under the provisions of Tex. Tax Code § 312.0025, encompassing the area described by the descriptions in EXHIBIT A and EXHIBIT B, and such reinvestment zone is hereby designated and shall hereafter be referred to as *The Crosstex Permian Reinvestment Zone*.

SECTION 4. That *The Crosstex Permian Reinvestment Zone* shall take effect upon adoption by the Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for a period of five (5) years from such date of such designation.

SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. That it is hereby found, determined and declared that a sufficient notice of the date, hour, place and subject of the meeting of the Glasscock Independent School District Board of Trustees, at which this Resolution was adopted, was posted at a place convenient and readily accessible at all times, as required by the Texas Open Government Act, Texas Government Code, Chapter 551, as amended; and that a public hearing was held prior to the designation of such reinvestment zone, and that proper notice of the hearing was published in newspapers of general circulation in Glasscock County of the State of Texas, and furthermore, such notice was, in fact, delivered to the presiding officer of any effected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act.

PASSED, APPROVED AND ADOPTED on this \_\_\_\_ day of \_\_\_\_\_, 2011.

**GLASSCOCK INDEPENDENT SCHOOL  
DISTRICT**

By: \_\_\_\_\_  
ANDREW WHEELER  
President  
Board of Trustees

**ATTEST:**

\_\_\_\_\_  
CARL HOELSCHER  
Secretary  
Board of Trustees

EXHIBIT A

OP# 1105-211-RDP

SPECIAL WARRANTY DEED

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER."

Date: July 12, 2011

Grantor: Bola Cinco Ranch, LLC, a Texas Limited Liability Company

Grantee: Crosstex Permian, LLC and Apache Midstream LLC

Grantee's Mailing Address (including county):

2501 Cedar Springs Avenue, Suite 100  
Dallas, Dallas County, Texas 75201

Consideration:

Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

136.086 acres of land located in Section 19, Block 33, T-3-S, T&P RR Co. Survey, Glasscock County, Texas, being a portion of "Tract Two" as described in a conveyance to BOLA CINCO RANCH, LLC, recorded in Volume 87, Page 569 Official Public Records of Glasscock County, Texas, being all that part of said Tract Two lying East of State FM Road No. 33 and South of a 400' X 600' Surface Easement tract as described in Volume 136, Page 245 Deed Records of Glasscock County, the boundary of said 136.086 acres being more particularly described by metes and bounds as follows:

Beginning at 1-1/4 inch iron pipe found at the accepted Southeast corner of Section 19, Block 33, T. 3 S., T. & P. RR. Company Survey and this tract;

THENCE S 76°17'25"W with the South line of said Section 19 and generally along and near a wire fence, a distance of 2545.38 feet to a 1-1/4 inch galvanized iron pipe found in a North-South fence and East right of way line of said FM Road at the Southwest corner of this tract;

THENCE N 10°56'53"E with said road r.o.w. and generally along a wire fence, a distance of 2069.73 feet to a 3/4 inch black iron pipe with cap marked "HGS-4931" set at a point of curvature;

THENCE northerly with said road r.o.w. line and curved to the left (concave right), having a computed radius of 5792.36 feet, an arc length of 795.23 feet the chord of which bears N 07°00'36"E, a distance of 794.60 feet to a 3/4 inch black iron pipe with cap marked "HGS-4931" set at the point of tangency;

THENCE continuing with said road r.o.w. N 03° 04'38"E, a distance of 936.08 feet to a 1/2 inch iron pipe found at the Southwest corner of said surface easement tract for the Northwest corner of this tract;

THENCE S 86°51'07"E with the South line and easterly projection thereof of said easement tract, a distance of 1097.96 feet to a 3/4 inch black iron pipe with cap marked "TIGS-4931" set at the Northeast corner of this tract;

THENCE S 15°08'02"E with the East line of said Section 19 and generally along a wire fence, a distance of 3203.15 feet to the Place of Beginning.

Note: Bearings are relative to the Texas State Plane Coordinate System, Central Zone NAD 1983 as applied to the south line of said Section 19. Distances are Horizontal (surface) values in U.S. Survey Feet.

**Reservations from Conveyance**

All oil, gas and other minerals in, on or under said land reserved by prior grantors.

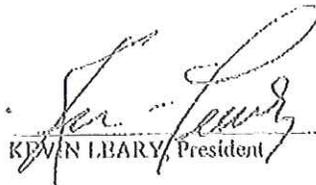
**Exceptions to Conveyance and Warranty**

Those items shown on Exhibit A attached hereto and taxes for 2011, which Grantee assumes and agrees to pay and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights improvements and appurtenances thereto in any way belonging, including without limitation, all right, title and interest of Grantor in and to all streets, alleys, stripes gores or rights of way adjacent to the Property, any utility rights, license, and any permits related to the Property, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns forever against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

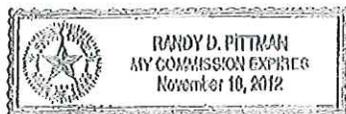
BOLA CINCO RANCHO, L.L.C.,  
a Texas Limited Liability Company

  
KEVIN LEARY, President

STATE OF TEXAS )

COUNTY OF MIDLAND )

This instrument was acknowledged before me on July 14<sup>th</sup>, 2011, by KEVIN LBARY, President of BOLA CINCO RANCHO, LLC, a Texas Limited Liability Company on behalf of said limited liability company.



*Randy Pittman*  
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

West Texas Abstract & Title Company, LLC  
3700 N. Big Spring Street  
Midland, Texas 79705

PREPARED IN THE LAW OFFICE OF:

G. Lance Holland  
3700 N. Big Spring Street  
Midland, Texas 79705

EXHIBIT "A"

Mineral and/or royalty interest, as described in instrument recorded in Volume 139, Pages 67, 71 and 73, Deed Records and Volume 34, Page 752, Official Public Records of Glasscock County, Texas, including but not limited to the right to use the surface of the land. Company makes no representation as to the present ownership of this interest.

Right of Way to Atlantic Pipeline Company, recorded in Volume 32, Page 476, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Right of Way Easement to the State of Texas, recorded in Volume 56, Pages 257 and 259, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest. (Ranch Road 33)

Right of Way to El Paso Natural Gas Company, recorded in Volume 85, Page 439 and Volume 263, Page 376, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Easement Agreement to Lo-Vaca Gathering Company, recorded in Volume 161, Page 557, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Easement and Right of Way to Cap Rock Energy Corporation, recorded in Volume 87, Page 293, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Right of Way and Easement to Marlner Energy, Inc., recorded in Volume 148, Page 401 and Volume 152, Page 82, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated January 3, 1936, recorded in Volume 44, Page 485, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated March 2, 1943, recorded in Volume 52, Page 163, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 6, 1964, recorded in Volume 114, Page 261, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 8, 1977, recorded in Volume 163, Page 147, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded in Volume 187, Pages 746, 781 and 784 and Volume 188 Pages 673, 676 and 679, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded in Volume 14, Page 482, Volume 24, Page 485 and Volume 117, Page 734, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Rights of parties in possession.

Rights of parties in possession under any unrecorded, written or oral lease agreement.

No liability is assumed by reason of the location of Apache Corp. Grouse 19 # 1, Drill Site, Tank Battery and Pits, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

No liability is assumed by reason of the location of Dry Hole, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

No liability is assumed by reason of the location of 6" PVC Well Casing, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.



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**Attachment**

**W**

**Legal Description of Reinvestment Zone**

EXHIBIT A

OP# 1105-211-RDP

SPECIAL WARRANTY INSTRUMENT

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER."

Date: July 12, 2011

Grantor: Bola Cinco Ranch, LLC, a Texas Limited Liability Company

Grantee: Crosstex Permian, LLC and Apache Midstream, LLC

Grantee's Mailing Address (including county):

2501 Caesar Springs Avenue, Suite 160  
Dallas, Dallas County, Texas 75201

Consideration:

Cash and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

136.086 acres of land located in Section 19, Block 33, T-3-S, T&P RR Co. Survey, Glasscock County, Texas, being a portion of "Tract Two" as described in a conveyance to BOLA CINCO RANCH, LLC, recorded in Volume 87, Page 569 Official Public Records of Glasscock County, Texas, being all that part of said Tract Two lying East of State PM Road No. 33 and South of a 400' X 600' Surface Easement tract as described in Volume 136, Page 245 Deed Records of Glasscock County, the boundary of said 136.086 acres being more particularly described by metes and bounds as follows:

Beginning at 1-1/4 inch iron pipe found at the accepted Southeast corner of Section 19, Block 33, T. 3 S., T. & P. RR. Company Survey and this tract;

THENCE S 76°17'25"W with the South line of said Section 19 and generally along and near a wire fence, a distance of 2545.35 feet to a 1-1/4 inch galvanized iron pipe found in a North-South fence and East right of way line of said PM Road at the Southwest corner of this tract;

THENCE N 10°56'53"E with said road r.o.w. and generally along a wire fence, a distance of 2069.73 feet to a 3/4 inch black iron pipe with cap marked "UGS-4931" set at a point of no value;

THENCE northerly with said road r.o.w. line and curved to the left (concave right), having a computed radius of 3792.36 feet, an arc length of 793.23 feet the chord of which bears N 07°00'56"E, a distance of 791.60 feet to a 3/4 inch black iron pipe with cap marked "UGS-4931" set at the point of tangency;

THENCE continuing with said course, N 01° 02' 33" W, a distance of 936.08 feet to a 1/2 inch iron pipe found at the Southeast corner of said surface easement tract for the Northwest corner of this tract;

THENCE S 86° 51' 07" E with the South line and easterly projection thereof of said easement tract, a distance of 1097.96 feet to a 3/4 inch black iron pipe with cap marked "TR 88-4931" set at the Northeast corner of this tract;

THENCE S 15° 03' 02" E with the East line of said Section 19 and generally along a wire fence, a distance of 3203.15 feet to the Place of Beginning.

Note: Bearings are relative to the Texas State Plane Coordinate System, Central Zone NAD 1983 as applied to the north line of said Section 19. Distances are Horizontal (surface) values in U.S. Survey Feet.

**Reservations from Conveyance**

All oil, gas and other minerals in, on or under said land reserved by prior grantors.

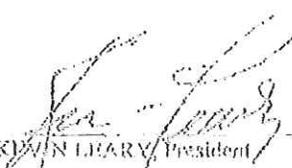
**Exceptions to Conveyance and Warranty**

Those items shown on Exhibit A attached hereto and taxes for 2011, which Grantor assumes and agrees to pay and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantor assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights, improvements and appurtenances thereto in any way belonging, including without limitation, all right, title and interest of Grantor in and to all streets, alleys, stripes, gores or rights of way adjacent to the Property, any utility rights, license, and any permits related to the Property, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns forever against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

BOJA CINCO RANCHO, L.L.C.,  
a Texas Limited Liability Company

  
KEVIN LEARY, President

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on July 18<sup>th</sup>, 2011, by KEVIN LIBARY, President of OCV A CINCO RANCH, L.L.C, a Texas Limited Liability Company on behalf of said limited liability company.



*Randy Pittman*  
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

West Texas Abstract & Title Company, LLC  
3700 N. Big Spring Street  
Midland, Texas 79705

PREPARED IN THE LAW OFFICE OF:

G. Lance Holland  
3700 N. Big Spring Street  
Midland, Texas 79705

CONTINUED PAGE

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Right of Way to El Paso Natural Gas Company, recorded in Volume 25, Page 439 and Volume 263, Page 376, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

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Right of Way and Easement to Mariner Energy, Inc., recorded in Volume 148, Page 401 and Volume 152, Page 82, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest, as shown on a survey, by HGS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

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Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated March 2, 1943, recorded in Volume 52, Page 163, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 6, 1964, recorded in Volume 114, Page 261, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease dated August 8, 1977, recorded in Volume 163, Page 147, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded in Volume 187, Pages 746, 781 and 784 and Volume 188 Pages 673, 576 and 679, Deed Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Terms, conditions and stipulations contained in Oil, Gas or Mineral Leases, recorded by Volume 14, Page 482, Volume 26, Page 485 and Volume 117, Page 714, Official Public Records of Glasscock County, Texas. Company makes no representation as to the present ownership of this interest.

Rights of parties in possession.

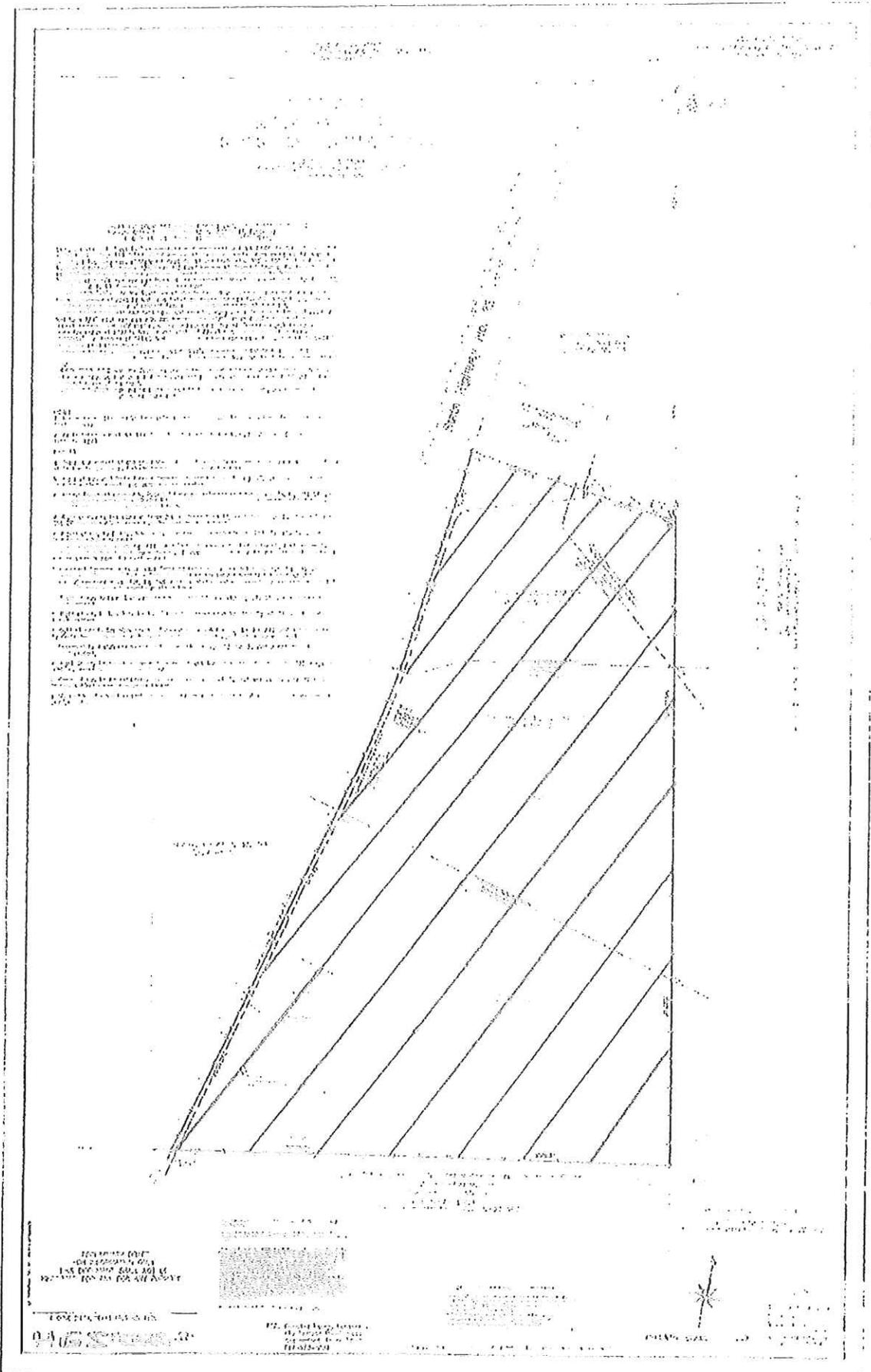
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No liability is assumed by reason of the location of Apache Corp. Chouse 19 # 1, Drill Site, Tank Battery and Pits, as shown on a survey, by HOS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

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No liability is assumed by reason of the location of 6" PVC Well Casing, as shown on a survey, by HOS Surveying Co., dated July 8, 2011, certified by H. Gene Smith, Texas Registered Professional Land Surveyor # 4931.

EXHIBIT B



**Attachment**

**X**

**Guidelines and Criteria for Reinvestment Zone**

**Attachment**

**Y**

**Certificate of Account Status**



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

September 1, 2011

CERTIFICATE OF ACCOUNT STATUS

THE 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

CROSSTEX PERMIAN, LLC

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, 2012.

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 1st day of  
September 2011 A.D.

A handwritten signature in cursive script that reads "Susan Combs".

Susan Combs  
Texas Comptroller

Taxpayer number: 32041024103  
File number: 0801217810

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