



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

Authorized School District Representative

Date application received by district

April 16, 2012

First Name Glen		Last Name Conner	
Title Superintendent			
School District Name Woodville Independent School District			
Street Address 505 N Charlton Street			
Mailing Address 505 N Charlton Street			
City Woodville	State TX	ZIP 75979-4504	
Phone Number 409-283-3752	Fax Number 409-283-7962		
Mobile Number (optional)	E-mail Address glen.conner@woodvilleeagles.org		

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

Will consultant be primary contact? ☒ Yes ☐ No



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name Bob		Last Name Popinski	
Title Associate			
Firm Name Moak Casey			
Street Address 400 W. 15th Street, Suite 1410			
Mailing Address 400 W. 15th Street, Suite 1410			
City Austin		State TX	ZIP 78701
Phone Number 512-485-7878		Fax Number 512-485-7888	
Mobile Number (Optional)		E-mail Address bpopinski@moakcasey.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) <i>C. Allen Connor, Superintendent</i>	Date <i>4-16-2012</i>
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Has the district determined this application complete? ☒ Yes ☐ No

If yes, date determined complete. 4.30.2012

Have you completed the school finance documents required by TAC 9.1054(c)(3)? ☐ Yes ☒ No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

	Checklist	Page X of 16	Check Completed
1	Date application received by the ISD	1 of 16	X
2	Certification page signed and dated by authorized school district representative	2 of 16	X
3	Date application deemed complete by ISD	2 of 16	X
4	Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	X
5	Completed company checklist	12 of 16	X
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 Kai		Last Name Becker	
Title Commercial Manager			
Organization German Pellets Texas, LLC			
Street Address Am Torney 2a			
Mailing Address Am Torney 2a			
City 23790 Wismar, Germany		State	ZIP
Phone Number +49 3841 30 30 65 01		Fax Number	
Mobile Number (optional)		Business e-mail Address Kai.Becker@german-pellets.de	

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		Last Name	
Title			
Organization			
Street Address			
Mailing Address			
City		State	ZIP
Phone Number		Fax Number	
Mobile Number (optional)		E-mail Address	

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

Will consultant be primary contact? ☒ Yes ☐ No



Form 50-296

Application for Appraised Value Limitation on Qualified Property

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name

Benjamin J.

Last Name

Brooks

Title

Partner

Firm Name

Smith, Gambrell & Russell, LLP

Street Address

1230 Peachtree Street, Suite 3100

Mailing Address

City

Atlanta

State

GA

ZIP

30309

Phone Number

404-815-3705

Fax Number

404-685-7005

Business email Address

bbrooks@sgrlaw.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))

Date

04-12-2012

GIVEN under my hand and seal of office this _____ day of April, 2012

Notary Public, State of _____

(Notary Seal)

My commission expires _____

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.

Notorial certificate verifying signature

UR-Nr. 599 / 2012

I, the Notary Public

Dr. Kai Woellert,

with the official residence in Wismar, Mecklenburg-Vorpommern, Germany,
(office: Am Markt 23, D-23966 Wismar)

hereby certify the above signature of:

Kai Becker,

born 1961-09-16,

business address: Am Torney 2a, D-23970 Wismar, Germany,

Issued and signed at Wismar, 2012-04-16



(Notar Dr. Kai Woellert, Notary Public)



**FEES AND PAYMENTS**

☒ 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, 313.027(i)? ☐ 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 §313.027(i)? ☐ Yes ☒ No

BUSINESS APPLICANT INFORMATION

Legal Name under which application is made

Texas Pellets, Inc.

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

32046519750

NAICS code

321999

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.)

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.)

**ELIGIBILITY UNDER TAX CODE CHAPTER 313.024**

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 4

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

See Attachment 4

PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)

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

PROJECTED TIMELINE

Begin Construction July, 2012 Begin Hiring New Employees November, 2011

Construction Complete October, 2012 Fully Operational April, 2013

Purchase Machinery & Equipment August, 2012

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? April, 2013

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source

Amount

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.)

Applicant is in negotiations with Tyler County and the Tyler County Hospital District with regard to property tax reductions.

THE PROPERTYIdentify county or counties in which the proposed project will be located Tyler CountyCentral Appraisal District (CAD) that will be responsible for appraising the property Tyler County Appraisal DistrictWill 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: Tyler County - 100% City: None
(Name and percent of project) (Name and percent of project)Hospital District: Tyler County Hospital District - 100% Water District: Southeast Texas Groundwater Conservation District - 100%
(Name and percent of project) (Name and percent of project)Other (describe): Woodville Independent School District - 100% Other (describe): _____
(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.

**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? \$10,000,000

What is the amount of appraised value limitation for which you are applying? \$10,000,000

What is your total estimated *qualified* investment? \$177,770,000

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? June, 2012

What is the anticipated date of the beginning of the qualifying time period? June, 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? \$688,774,000

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? N/A

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

Will the project be on leased land? ☐ Yes ☒ No

See Attachment 4 for further explanation.

QUALIFIED PROPERTY (CONTINUED)

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. \$5,750,000 2011
(Market Value) (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)? 10

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

☒ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2012
(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? 10

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. _____

Total number of new jobs that will have been created when fully operational 10

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? 8

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).

**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 \$588.50

110% of the county average weekly wage for manufacturing jobs in the county is \$829.68

110% of the county average weekly wage for manufacturing jobs in the region is \$691.24

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? \$35,945

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? \$35,945

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? 100% See Attachment 4 for further explanation.

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 15

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.

CONFIDENTIALITY NOTICE

**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.



COMPANY CHECKLIST AND REQUESTED 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	✓
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	
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	
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	✓
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	✓
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	✓

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

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 1 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

See page 4 of the Application for Certification Pages signed and dated by Applicant.

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 2 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

Evidence of payment of application fee is attached.

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)*

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 3 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

See attached.

Texas Pellets, Inc.
386'Eqwpv\ 'Tqcf '3262'"
Y qqf xkng."Vgzcu"97; 9; '"

Texas Taxpayer ID:32046519750

ATTACHMENT 4 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

The Project

Applicant plans to design, acquire, construct and equip certain real and personal property constituting integrated facilities for the production of wood pellets (the "Project") on an approximately 188 acre site (the "Land") located at 164 County Road 1040 in Woodville, Tyler County, Texas. A proposed layout of the Project is attached hereto as Exhibit "A."

Project Components

The Project consists of several distinct sections or divisions, including a greenwood handling and storage section, a wet milling section, a dryer section, a dry milling section, a pelletizing section and a finished product handling section. The greenwood handling section consists of a log yard with a crane to move logs (Project Layout Item 1), de-barker (Project Layout Item 2), truck dump (Project Layout Item 3), chipper (Project Layout Item 4) and stacker-reclaimer (Project Layout Item 6). The wet milling station (Project Layout Item 9) is expected to contain up to seven (7) wet milling machines. The dryer station (Project Layout Item 11) is expected to consist of two separate drying drums. The dry milling section (Project Layout Item 12) will contain dry milling machines. The pelletizing section (Project Layout Item 14) will consist of pelletizing machines capable of applying six different pellet pressures, a conditioner and an air cooler. The finished product handling section consists of storage tanks (Project Layout Item 15), bucket elevators, chain conveyor, catwalk system and towers. In addition, the Project includes approximately 11 tractor-trailers used to transport raw material to the site and to transport finished product to Port Arthur.

Pelletizing Process

In the first step of the process, greenwood is stripped of bark and milled to grind the wood into chips. The wood chips are then wet milled into finer pieces. The wood is then dried to remove moisture and then dry milled again to further refine it into a sawdust-like product. This material is then fed through a pelletizing machine which adds heat and pressure to the wood and extrudes the final pellet product. Once cooled, the pellets are stored and packaged for shipping.

The majority of the pellets are expected to be exported to Europe for consumer and industrial heating uses.

Existing Buildings and Buildings to be Constructed

The Land purchased by the Applicant includes three (3) existing buildings--one approximately 1,000 square foot building, one approximately 5200 square foot building and one approximately 2,000 square foot building (collectively, the “Existing Buildings”). The Existing Buildings are not part of the Applicant’s Application for Appraised Value Limitation. The Applicant will construct new manufacturing buildings and a new office facility (the “New Buildings”) on the site consisting of a total of approximately 40,000 square feet.

Explanation of Values in Schedule A

Pre-application values: truck purchase-\$26,000; Site Prep-\$250,000; site purchase \$5,750,000. The continuing investment reflected in Column D through the remainder of the schedule is the plant's investment in raw materials and the plant's operating costs.

Construction Schedule

Grading for construction of the New Buildings at the Project is expected to begin in May 2012. Construction of the New Buildings is expected to begin, pending approval of the Applicant’s Application for Appraised Value Limitation, in July, 2012, and is to be completed by October, 2012. The Project is expected to be fully completed in the first quarter of 2013.

Project Ownership and Operation

The Project will be owned by the Applicant and is expected to be leased to German Pellets Texas, LLC, a Texas limited liability company unrelated to the Applicant (“GPT, LLC”), in whole or in part, pursuant to the terms of a lease (the “Lease”) to be entered into between GPT, LLC and Applicant.

Ability to Relocate in Another State or Another Region of Texas

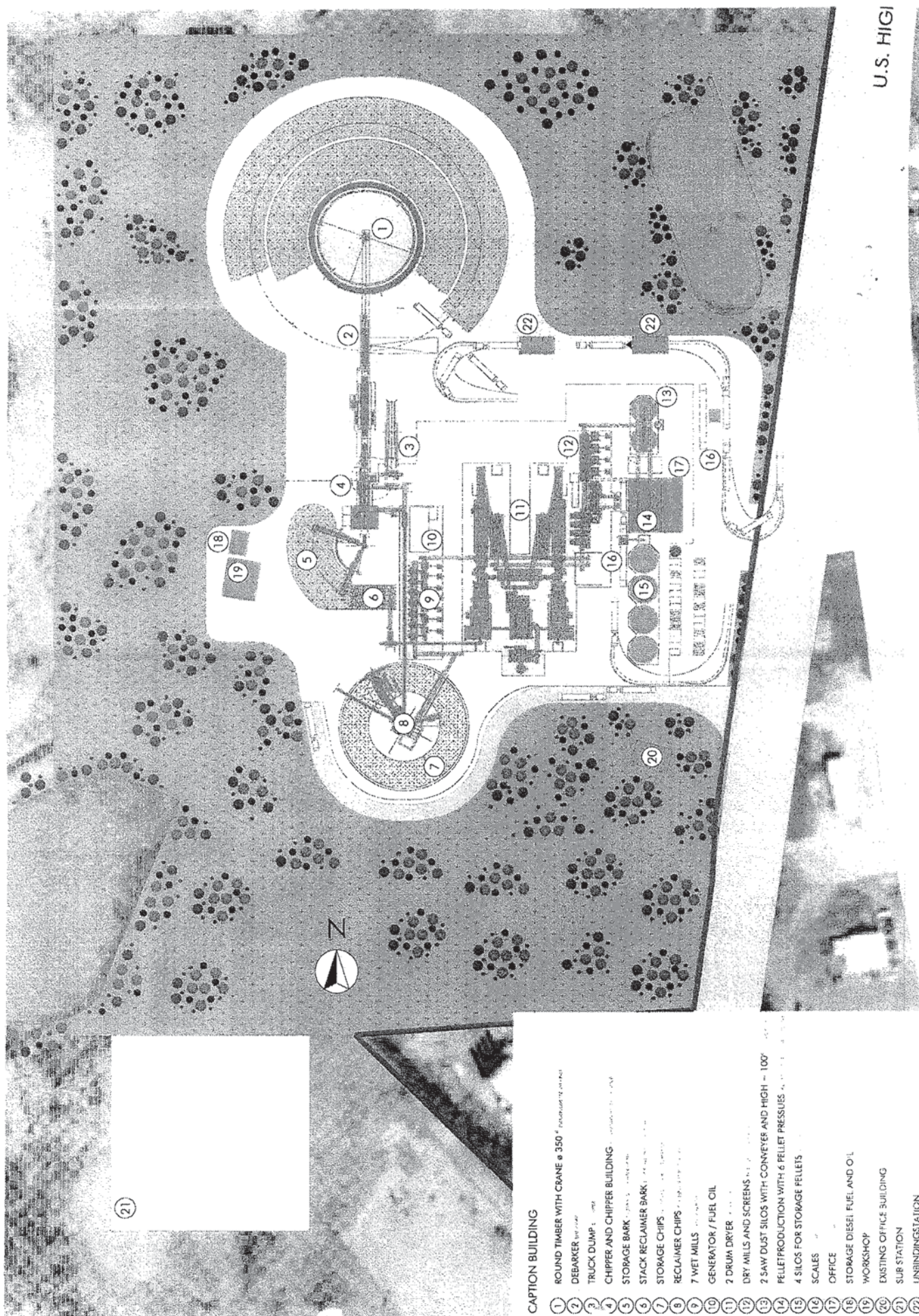
The location of Applicant’s Project depends largely on the proximity to raw wood supply. The Applicant has evaluated prime locations in Mississippi and Louisiana, and most states in the Southeastern United States have sites which would fully support the Project.

Job Creation/Benefits to Community

GPT, LLC will serve as a contractor to the Applicant for the purpose of hiring employees to work at the Project. The Applicant expects GPT, LLC to hire at least 10 full-time permanent employees. In addition, the Applicant estimates that the Project will create an additional one hundred and ninety-four (194) indirect jobs consisting of approximately one hundred and fifty (150) full time jobs in logging and other support industries and forty-four (44) full time jobs related to the transportation of the Applicant’s finished project to Port Arthur. The Applicant expects significant economic impact to the local timber industry, and expects to spend approximately \$20 million on raw timber materials in 2013 and between \$25-27 million on raw timber materials in each year between 2014 and 2027.

EXHIBIT “A”

Layout of the Project



CAPTION BUILDING

- 1 ROUND TIMBER WITH CRANE - 350' x 100'
- 2 DEBARKER
- 3 TRUCK DUMP
- 4 CHIPPER AND CHIPPER BUILDING
- 5 STORAGE BARK
- 6 STACK RECLAIMER BARK
- 7 STORAGE CHIPS
- 8 RECLAIMER CHIPS
- 9 WET MILLS
- 10 GENERATOR / FUEL OIL
- 11 DRUM DRYER
- 12 DRY MILLS AND SCREENS
- 13 2 SAW DUST SILOS WITH CONVEYER AND HIGH - 100'
- 14 PELLET PRODUCTION WITH 6 PELLET PRESSURES
- 15 4 SILOS FOR STORAGE PELLETS
- 16 SCALES
- 17 OFFICE
- 18 STORAGE DIESEL FUEL AND OIL
- 19 WORKSHOP
- 20 EXISTING OFFICE BUILDING
- 21 SUB STATION
- 22 UNBINDING STATION

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 5 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

Not applicable.

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 6 TO FORM 50-296

Application for Appraised Value Limitation on Qualified Property

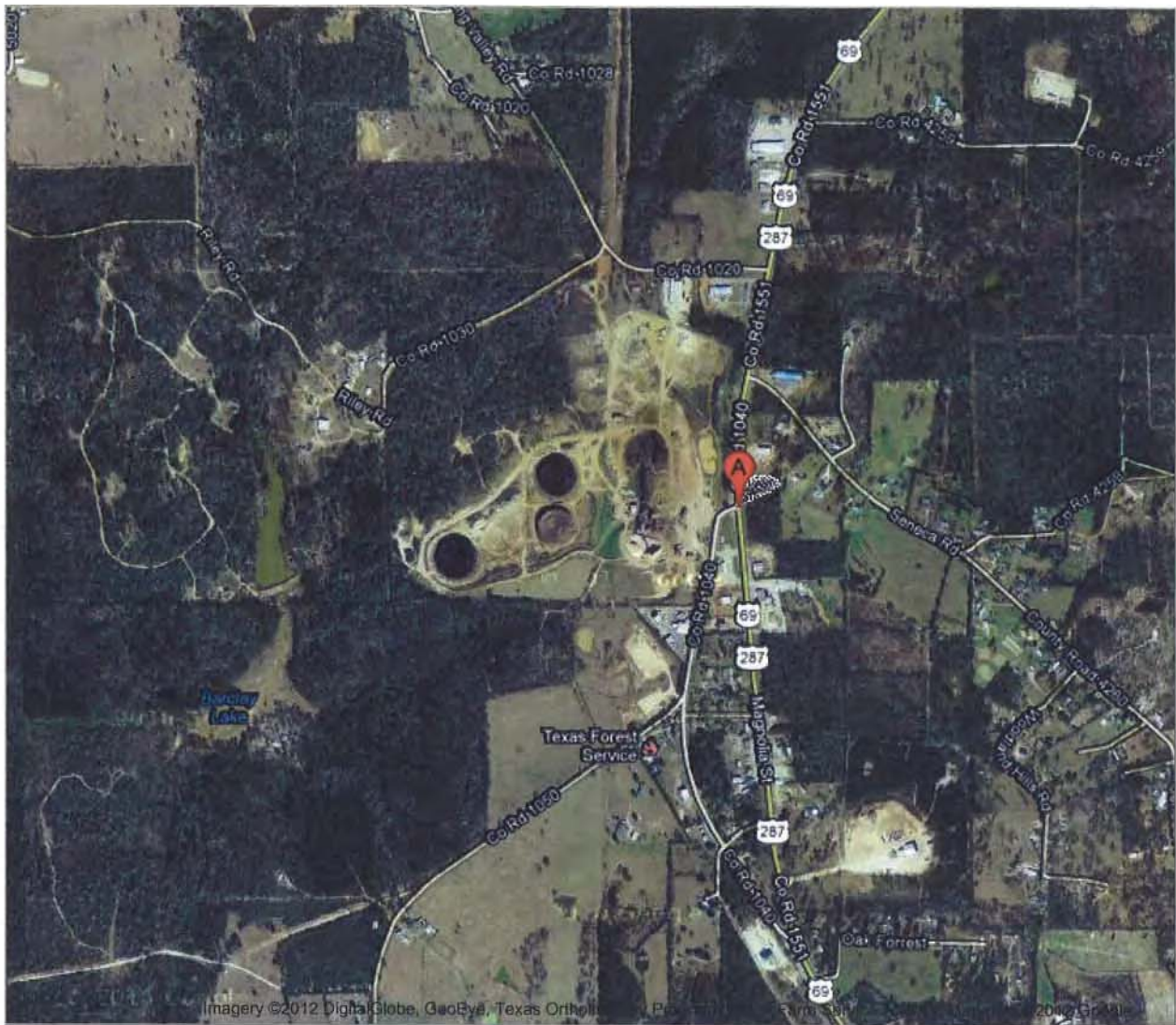
The qualified investment will consist of the construction of the buildings and the installation of the equipment for the Project, as described in more detail on Attachment 4. The Project consists of several distinct sections or divisions, including a greenwood handling and storage section, a wet milling section, a dryer section, a dry milling section, a pelletizing section and a finished product handling section. The greenwood handling section consists of a log yard with a crane to move logs (Project Layout Item 1), de-barker (Project Layout Item 2), truck dump (Project Layout Item 3), chipper (Project Layout Item 4) and stacker-reclaimer (Project Layout Item 6). The wet milling station (Project Layout Item 9) is expected to contain up to seven (7) wet milling machines. The dryer station (Project Layout Item 11) is expected to consist of two separate drying drums. The dry milling section (Project Layout Item 12) will contain dry milling machines. The pelletizing section (Project Layout Item 14) will consist of pelletizing machines capable of applying six different pellet pressures, a conditioner and an air cooler. The finished product handling section consists of storage tanks (Project Layout Item 15), bucket elevators, chain conveyor, catwalk system and towers.

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 7 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

See attached map of Project and vicinity map.



Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 8 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

The qualified property will consist of the qualified investment more fully described on Attachment 6 above, together with the real property on which the Project will be developed. The legal description of the Project site is attached at Attachment 10 below.

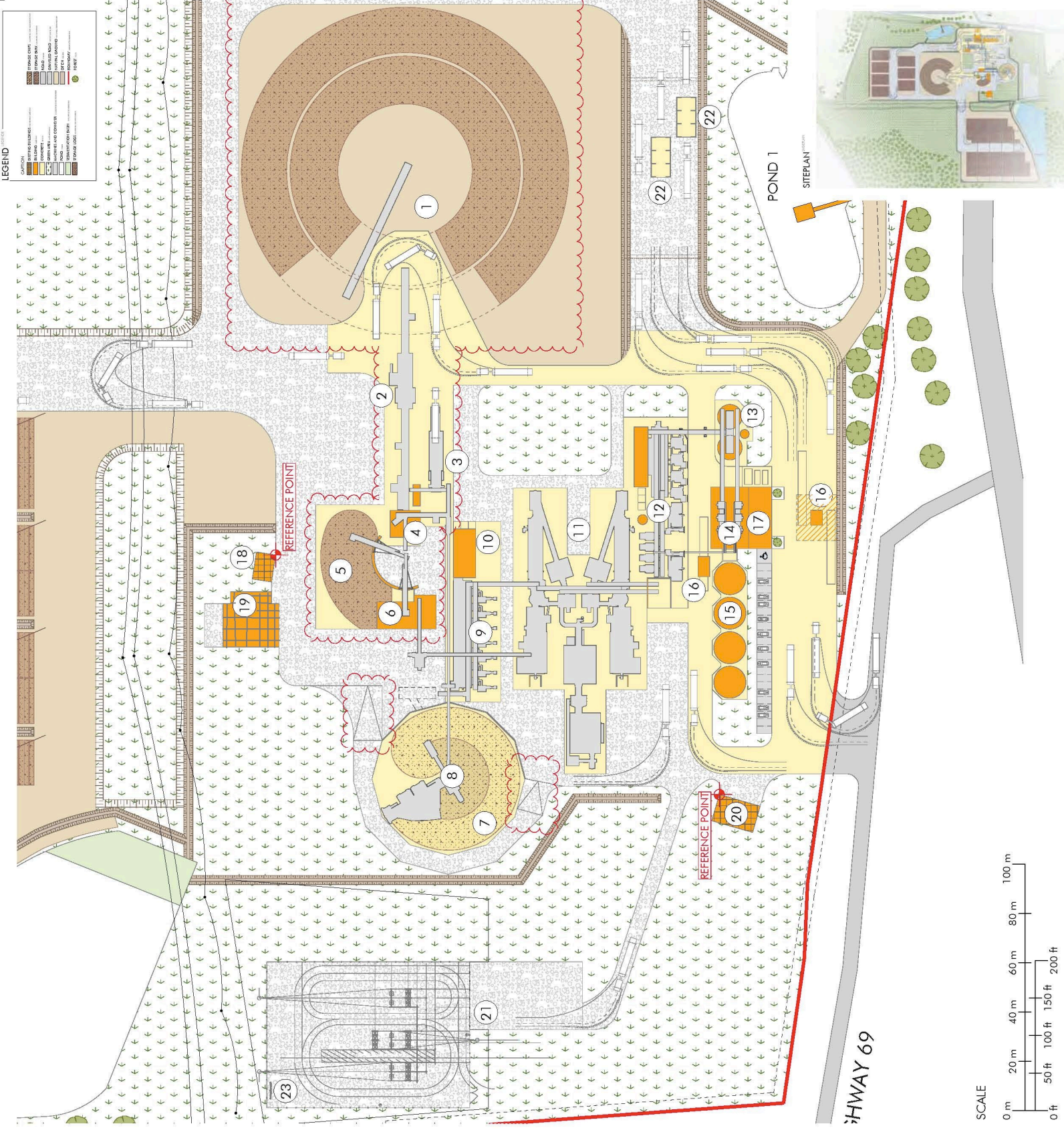
Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 9 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

See attached map with vicinity map.





Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 10 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

See attached.

AREA SURVEYING & MAPPING
418 N. PINE
WOODVILLE, TEXAS 75979
(409) 283-8197

FIELDNOTE DESCRIPTION

FIELDNOTES TO A 188.675 ACRE TRACT OF LAND AS SITUATED IN THE WM. CHAMBLISS SURVEY, A-189, THE E.L. JENNINGS SURVEY, A-405, AND THE JOHN NOWLIN SURVEY, A-487, TYLER COUNTY, TEXAS AND BEING OUT OF AND A PART OF THAT SAME CERTAIN 262.127 ACRE TRACT AS CONVEYED TO NORTH AMERICAN PROCUREMENT COMPANY, HEREAFTER REFERRED TO AS "NAPCO", BY DEED RECORDED IN VOLUME 878, PAGE 601 OF THE OFFICIAL PUBLIC RECORDS OF TYLER COUNTY. SAID 188.675 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD SET FOR THE MOST WESTERLY SOUTHWEST CORNER OF THE NAPCO 262.127 ACRES AND OF THIS TRACT, SAME BEING THE SOUTHWEST CORNER OF THE WM. CHAMBLISS SURVEY, A-189, AND THE SOUTHEAST CORNER OF THE G.M. BUCHANAN SURVEY, A-94, LOCATED ON THE NORTH LINE OF SAID JOHN NOWLIN SURVEY AND THE NORTH LINE OF THE ALAN BELL ESTATE 114.33 ACRE TRACT RECORDED IN VOLUME 618, PAGE 769 OF SAID OFFICIAL PUBLIC RECORDS;

THENCE N 04°02'37"W 1934.60 FT., WITH THE WEST LINE OF THE CHAMBLISS SURVEY, TO A 1/2" IRON ROD SET ON THE NORTHWEST RIGHT OF WAY OF COUNTY ROAD 1030 FOR THE NORTHWEST CORNER OF THIS TRACT, SAME BEING THE MOST SOUTHERLY SOUTHWEST CORNER OF THE EAST TEXAS ELECTRIC COOPERATIVE INC. 63.608 ACRE TRACT RECORDED IN VOLUME 973, PAGE 796 OF THE OFFICIAL PUBLIC RECORDS;

THENCE ALONG AND WITH THE NORTH RIGHT OF WAY OF COUNTY ROAD 1030 AND THE SOUTH BOUNDARY OF THE EAST TEXAS ELECTRIC COOPERATIVE 63.608 ACRE TRACT AS FOLLOWS:

- 1) N 64°49'51"E 391.16 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 2) N 62°33'31"E 407.71 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 3) N 60°34'33"E 368.27 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 4) N 57°17'48"E 151.63 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 5) N 53°27'26"E 410.17 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 6) N 58°15'57"E 90.51 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 7) N 68°03'42"E 76.31 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 8) N 75°28'24"E 92.96 FT. TO A 1/2" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF THE ELECTRIC COOPERATIVE 63.608 ACRE TRACT AND THE MOST NORTHERLY CORNER OF THIS TRACT LOCATED AT THE INTERSECTION OF THE NORTH RIGHT OF WAY OF COUNTY ROAD 1030 WITH THE SOUTHWEST RIGHT OF WAY OF COUNTY ROAD 1020;

THENCE ALONG AND WITH THE SOUTHWEST RIGHT OF WAY OF SAID COUNTY ROAD 1020 AS FOLLOWS:

- 1) S 48°30'09"E 136.33 FT. TO A POINT FOR CORNER;
- 2) S 69°25'26"E 26.88 FT. TO A 1/2" IRON ROD SET FOR CORNER ON THE EAST LINE OF THE JENNINGS SURVEY AND THE WEST LINE OF THE E.T. NOLIN SURVEY, A-489, AND THE WEST LINE OF THE NORTH AMERICAN PROCUREMENT COMPANY 6.007 ACRE TRACT;

THENCE S 03°10'17"E 49.58 FT., WITH THE EAST LINE OF THE JENNINGS SURVEY AND THE WEST LINE OF THE NOLIN SURVEY AND WEST LINE OF THE NAPCO 6.007 ACRE TRACT, TO A CONCRETE MONUMENT FOUND FOR THE SOUTHWEST CORNER OF SAME AND OF THE NOLIN SURVEY AND SOUTHEAST CORNER OF THE JENNINGS SURVEY LOCATED ON THE NORTH LINE OF THE WM. CHAMBLISS SURVEY AND THE NORTH LINE OF A 0.943 ACRE TRACT, PREVIOUSLY A PART OF THE NAPCO 262.127 ACRE TRACT;

Exhibit " A "

Page 1 of 3 pages

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PAGE 3
188.675 ACRES

THENCE S 08°10'49"W 102.29 FT., WITH THE WEST RIGHT OF OLD HIGHWAY 69, TO A CONCRETE R.O.W. MARKER FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT IN SAME;

THENCE SOUTHWESTERLY 187.07 FT. ALONG THE ARC OF THE CURVE IN SAID RIGHT OF WAY, HAVING A CENTRAL ANGLE OF 06°03'31", A RADIUS OF 1769.10 FT. AND A CHORD BEARING S 05°07'26"W 186.98 FT. TO A 1/2" IRON ROD SET FOR THE SOUTHEAST CORNER OF THE NAPCO 262.127 ACRE TRACT AND OF THIS TRACT AND OF THIS TRACT LOCATED AT THE INTERSECTION OF THE WEST RIGHT OF WAY OF OLD HIGHWAY 69 WITH THE NORTH RIGHT OF WAY OF COUNTY ROAD NO. 1050;

THENCE ALONG AND WITH THE MEANDERS OF THE NORTH RIGHT OF WAY OF COUNTY ROAD NO. 1050 AS FOLLOWS:

- 1) S 47°24'08"W 229.27 FT. TO A POINT FOR CORNER;
- 2) S 50°25'30"W 291.56 FT. TO A POINT FOR CORNER;
- 3) S 51°22'02"W 415.72 FT. TO A POINT FOR CORNER;
- 4) S 51°35'40"W 258.87 FT. TO A POINT FOR CORNER;
- 5) S 51°32'14"W 439.00 FT. TO A POINT FOR CORNER;
- 6) S 52°38'50"W 267.65 FT. TO A 1/2" IRON ROD SET FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF THE NAPCO 262.127 ACRES AND OF THIS TRACT AND THE SOUTHEAST CORNER OF THE PREVIOUSLY MENTIONED ALAN BELL ESTATE 114.33 ACRE TRACT;

THENCE N 03°28'48"W 1863.49 FT., WITH THE EAST LINE OF THE BELL 114.33 ACRES AND THE WEST LINE OF THE NAPCO 262.127 ACRE TRACT, TO A PINE KNOT STAKE FOUND FOR AN INTERIOR ANGLE CORNER OF SAME AND THE NORTHEAST CORNER OF SAID BELL TRACT LOCATED ON THE NORTH LINE OF THE NOWLIN SURVEY AND THE SOUTH LINE OF THE WM. CHAMBLISS SURVEY;

THENCE S 87°04'37"W 739.36 FT., WITH THE NORTH LINE OF THE NORTH LINE OF THE BELL 114.33 ACRES AND SAID NOWLIN SURVEY AND THE SOUTH LINE OF WM. CHAMBLISS SURVEY, TO THE PLACE OF BEGINNING AND CONTAINING WITHIN THESE BOUNDS 188.675 ACRES OF LAND.

THE BEARINGS RECITED HEREIN ARE BASED AND/OR ROTATED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE 4203, NAD 83.

SURVEYED JUNE 29, 2011

I, LYLE RAINEY, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4800, DO HEREBY CERTIFY THAT THE FIELDNOTE DESCRIPTION OF THE ABOVE DESCRIBED TRACT WAS PREPARED FROM AN ACTUAL AND ACCURATE ON THE GROUND SURVEY AND THAT SAME IS TRUE AND CORRECT.



LYLE RAINEY
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 4800



Exhibit " A "
Page 3 of 3 pages



THENCE S 86°24'03"W 71.95 FT., WITH THE SOUTH LINE OF THE JENNINGS SURVEY AND THE NORTH LINE OF THE CHAMBLISS SURVEY, TO A 1/2" IRON ROD FOUND FOR THE NORTHWEST CORNER OF THE 0.943 ACRE TRACT AND AN INTERIOR ANGLE CORNER OF THIS TRACT;

THENCE S 04°47'00"E 173.37 FT., WITH THE WEST LINE OF THE 0.943 ACRE TRACT, TO A 1/2" IRON ROD FOUND SOUTHWEST CORNER OF SAME AND ANOTHER INTERIOR ANGLE CORNER OF THIS TRACT;

THENCE S 69°05'36"E, AT 210.11 FT. PASS THE SOUTHEAST CORNER OF THE 0.943 ACRE TRACT AND THE SOUTHWEST CORNER OF A 2.21 ACRE TRACT, ALSO A PART OF THE NAPCO 262.127 ACRES, AND AT 643.07 FT. PASS THE SOUTHEAST CORNER OF SAME AND THE SOUTHWEST CORNER OF THE E. & R. ALLISON FAMILY PROPERTIES, LTD. 5.016 ACRE TRACT RECORDED IN VOLUME 825, PAGE 739 OF THE OFFICIAL PUBLIC RECORDS, IN ALL A TOTAL DISTANCE OF 826.96 FT. TO A 1/2" IRON ROD FOUND FOR THE MOST SOUTHERLY SOUTHEAST CORNER OF SAME AND AN INTERIOR ANGLE CORNER OF THE NAPCO 262.127 ACRES AND OF IS TRACT;

THENCE N 08°11'50"E 149.59 FT., WITH A WEST LINE OF THE NAPCO TRACT, TO A 1/2" IRON ROD FOUND FOR A NORTHWEST CORNER OF SAME AND AN INTERIOR ANGLE CORNER OF THE ALLISON 5.016 ACRE TRACT;

THENCE S 81°44'25"E 279.94 FT., WITH A NORTH LINE OF SAID NAPCO 262.127 ACRES TRACT, TO A 1/2" IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAME AND THE MOST EASTERLY NORTHEAST CORNER OF THIS TRACT AND MOST EASTERLY SOUTHEAST CORNER OF THE ALLISON TRACT LOCATED ON THE WEST RIGHT OF WAY OF U.S. HIGHWAY 69;

THENCE ALONG AND WITH THE MEANDERS OF THE WEST RIGHT OF WAY OF U.S. HIGHWAY 69 AS FOLLOWS:

- 1) S 08°08'09"W 148.18 FT. TO A R.O.W. MARKER FOUND FOR CORNER;
- 2) S 22°12'56"W 60.92 FT. TO A R.O.W. MARKER FOUND FOR CORNER;
- 3) S 08°07'36"W 259.54 FT. TO A R.O.W. MARKER FOUND FOR CORNER;
- 4) N 82°30'01"E 15.60 FT. TO A 1/2" IRON ROD SET FOR CORNER;
- 5) S 08°08'09"W 1506.51 FT., TO A 1/2" IRON ROD SET FOR AN ANGLE CORNER ON THE WEST RIGHT OF WAY OF OLD HIGHWAY 69;

THENCE ALONG AND WITH THE WEST RIGHT OF WAY OF OLD HIGHWAY 69 AS FOLLOWS:

- 1) S 02°25'58"W 100.00 FT. TO A 1/2", IRON ROD SET FOR CORNER;
- 2) S 08°10'19"W 194.96 FT. TO A 1/2" IRON ROD FOUND AT THE INTERSECTION OF THE WEST RIGHT OF WAY OF THE OLD HIGHWAY WITH THE SOUTH LINE OF THE WM. CHAMBLISS SURVEY AND THE NORTH LINE OF THE JOHN NOWLIN SURVEY FOR A SOUTHEAST CORNER OF THE NAPCO 262.127 ACRES AND OF THIS TRACT, SAME BEING THE NORTHEAST CORNER OF THE ALAN W. BELL 2.756 ACRE TRACT DESCRIBED IN VOLUME 593, PAGE 960 OF THE OFFICIAL PUBLIC RECORDS;

THENCE S 85°48'12"W 514.74 FT., WITH THE COMMON LINE BETWEEN THE CHAMBLISS SURVEY AND SAID NOWLIN SURVEY AND THE NORTH LINE OF THE BELL 2.756 ACRE TRACT, TO A CONCRETE MONUMENT FOUND FOR THE NORTHWEST CORNER OF SAME AND AN INTERIOR ANGLE CORNER OF THE NAPCO TRACT AND OF THIS TRACT;

THENCE S 45°41'17"E 622.62 FT., WITH THE SOUTHWEST LINE OF THE BELL 2.756 ACRE TRACT, TO A 1/2" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF SAME AND AN EXTERIOR ANGLE CORNER OF THIS TRACT LOCATED ON THE WEST RIGHT OF WAY OF OLD HIGHWAY 69;

Ownership Information

GERMAN PELLETS TEXAS LLC
AM TORNEY ZA
WISMAR GERMANY

Property Information

A0189 W. CHAMBLISS
ALSO A0405 E. L. JENNINGS
SITUS: 104 CR1040 ACRES: 189.6750

R065432

Undivided Interest: 1.00000000

Identification Information

PCL: R065432 Impr : \$0 Juris : SA G229 HOS GSP
GEO: R065432 Land : \$603,760 Exempt :
EXT: Mkt : \$603,760 Vol : 1032
ALT: PLoss : \$0 Page : 912
Cap : \$0 Inst :
Agent Xfer : 11/13/2011 WARRANTY DEED
Map :

Appraisal Appr : \$603,760

11/28/2011 TEC

Neighborhood

A0189 W. CHAMBLISS

Notes

Acct Codes:

Links:

Next Inspect:

PTD Tbl	HS	Ag/R	Acres	SqFt	FF	Front	Rear	Depth	Meth	CPU	Adj%	CPU Adj	Base Val	Adj Val	UDI	Total Val	Class	CPU	Prod Val
F1	C3		189.6750	8,218,883.000															
Total Acres			189.6750		EFF Acres	189.6750			A	3,200.00		3,200.00	603,760	603,760	1.00	603,760			
PTD Bldg Class			YR Bldg	EFF Bldg	Main SF				Loc Fcfr	1.00		Totals	603,760	603,760		603,760			
									Cpst Adj				Total Price	w/Features		Value	UDI Impr Total		

N/A

Ext	Wall	Fnd	Roofing	Floor	HVAC	FirePl	Misc	Baths	Wet Bars	Wall Ht	Sprinkler	Spa	Comp Code	Phys Insp Date			
Impr	Description	Bit	Eff	Cond	Qual	Cnstr	Floor Ext	Misc	HS	M	SqFt	Type	Cpst Adj	Tot Price w/Features	Amen Cond	Phys Funic Econ	Comp% Value

1.00

Texas Pellets, Inc.
164 County Road 1040
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Texas Taxpayer ID:32046519750

ATTACHMENT 11 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

See map and vicinity map at Attachment 9.

Texas Pellets, Inc.
164 County Road 1040
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Texas Taxpayer ID:32046519750

ATTACHMENT 12 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

At present, there are three (3) small buildings on the land (the "Existing Buildings"). They are shown as items 18, 19 and 20 on the Project Layout attached at Attachment 4. The building identified as item 18 is a diesel fuel storage shed. The building identified as item 19 is a maintenance shed and workshop. The final building shown as item 20 is a wooden storage building. The Applicant has the option of demolishing all buildings, but at present plans to refurbish the buildings identified as items 18 and 19 and to include them in the Project. The third building identified as item 20 is expected to be demolished. The Existing Buildings are not part of the Applicant's Application for Appraised Value Limitation.

Texas Pellets, Inc.
164 County Road 1040
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ATTACHMENT 13 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

Not applicable.

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

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ATTACHMENT 14 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

110% of County Weekly Wage for All Jobs

Quarter*	Avg. Weekly Wage
4 th Quarter 2010	\$550
1 st Quarter 2011	\$552
2 nd Quarter 2011	\$512
3 rd Quarter 2011	\$526

*—Most recent available data.

Average wage for All Jobs over last 4 quarters= \$2,140 / 4= \$535

110% of County Weekly Wage for All Jobs= \$535 x 1.10=\$588.50

110% of County Weekly Wage for Manufacturing Jobs

Quarter*	Avg. Weekly Wage
4 th Quarter 2010	\$765
1 st Quarter 2011	\$724
2 nd Quarter 2011	\$743
3 rd Quarter 2011	\$785

*—Most recent available data.

Average wage for Manufacturing Jobs over last 4 quarters= \$3,017 / 4= \$754.25

110% of County Weekly Wage for Manufacturing Jobs= \$754.25 x 1.10=\$829.68

110% of County Weekly Wage for Manufacturing Jobs in Region (Deep East Texas)

\$15.71 per hour	\$628.40 (average weekly salary)
x 40 hours per week	x 1.10
\$628.40 per week	\$691.24=110% of average weekly salary in Region

\$691.24 per week

x 52 weeks

\$35,944.48 = 110% of average annual wage for Manufacturing Jobs in Region

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year
 Period
 Area
 Ownership
 Division
 Level
 Ind Code
 Industry
 Avg Weekly Wages

2010	4th Qtr	Tyler County	Private	00	0	10	Total, All Industries	\$550
2011	1st Qtr	Tyler County	Private	00	0	10	Total, All Industries	\$502
2011	2nd Qtr	Tyler County	Private	00	0	10	Total, All Industries	\$512
2011	3rd Qtr	Tyler County	Private	00	0	10	Total, All Industries	\$526
2011	3rd Qtr	Tyler County	Private	31	2	31-33	Manufacturing	\$785
2011	2nd Qtr	Tyler County	Private	31	2	31-33	Manufacturing	\$743
2011	1st Qtr	Tyler County	Private	31	2	31-33	Manufacturing	\$724
2010	4th Qtr	Tyler County	Private	31	2	31-33	Manufacturing	\$765

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

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

Texas Pellets, Inc.
164 County Road 1040
Texas Pellets, Inc. 75979
Woodville, Texas
Texas Taxpayer Id No. 32046519750
Texas Taxpayer ID:32046519750

ATTACHMENT 15 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

In addition to wages, Applicant or its contractor will pay at least 80% of the cost of medical, dental and vision insurance for at least 80% of new employees. Disability insurance will also be provided.

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENT 16 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

Not applicable.

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENTS 17, 18, 19 AND 20 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

Please see items 17 through 20 attached.

Schedule A (Rev. May 2010): Investment

Form 50-286

Applicant Name
ISD Name

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
			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 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)	2012-2013	56,000	250,000		5,750,000	6,056,000	
				0	0		200,000	200,000	
				140,584,000	2,000,000	142,584,000	1,160,000	143,744,000	
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	Complete tax years of qualifying time period	1	2013-2014	32,000,000	0	32,000,000	35,562,000	67,562,000
		2	2014-2015	2,000,000	29,000	2,029,000	47,886,000	49,915,000	
		3	2015-2016	2,000,000	29,000		48,464,000	50,463,000	
		4	2016-2017	2,000,000	29,000		48,116,000	51,145,000	
		5	2017-2018	2,000,000	29,000		48,654,000	51,683,000	
		6	2018-2019	3,000,000	29,000		50,265,000	53,294,000	
		7	2019-2020	3,000,000	29,000		50,898,000	53,918,000	
		8	2020-2021	3,000,000	29,000		51,594,000	54,823,000	
		9	2021-2022	3,000,000	29,000		52,175,000	55,202,000	
		10	2022-2023	3,000,000	29,000		52,833,000	55,862,000	
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-2024	4,000,000	29,000		53,507,000	57,536,000	
		12	2024-2025	4,000,000	29,000		54,268,000	58,297,000	
		13	2025-2026	4,000,000	29,000		54,895,000	58,924,000	
		14	2026-2027	4,000,000	29,000		55,100,000	59,129,000	
		15	2027-2028	4,000,000	29,000		55,100,000	59,129,000	

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 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  DATE 04/16/2012

Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Applicant Name

ISD Name

Form 50-296

ISD Name					Qualified Property			Reductions from Market Value	Estimated Taxable Value	
		Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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"	Exempted Value	Final taxable value for I&S - after all reductions	Final taxable value for M&O—after all reductions
		pre- year 1	2012-2013	2012	5,750,000	0	0	0	5,750,000	5,750,000
	Complete tax years of qualifying time period	1	2013-2014	2013	5,750,000	2,250,000	172,640,000	0	180,640,000	180,640,000
		2	2014-2015	2014	5,750,000	2,221,000	160,892,000	0	168,863,000	168,863,000
	Tax Credit Period (with 50% cap on credit)	3	2015-2016	2015	5,750,000	2,192,000	148,902,000	0	156,844,000	10,000,000
		4	2016-2017	2016	5,750,000	2,163,000	136,912,000	0	144,825,000	10,000,000
		5	2017-2018	2017	5,750,000	2,134,000	124,922,000	0	132,806,000	10,000,000
		6	2018-2019	2018	5,750,000	2,105,000	113,932,000	0	121,787,000	10,000,000
		7	2019-2020	2019	5,750,000	2,076,000	102,942,000	0	110,768,000	10,000,000
		8	2020-2021	2020	5,750,000	2,047,000	91,952,000	0	99,749,000	10,000,000
		9	2021-2022	2021	5,750,000	2,018,000	87,509,000	0	95,277,000	10,000,000
		10	2022-2023	2022	5,750,000	1,989,000	89,613,000	0	97,352,000	10,000,000
Credit Settle-Up Period	Continue to Maintain Viable Presence	11	2023-2024	2023	5,750,000	1,960,000	92,717,000	0	100,427,000	100,427,000
		12	2024-2025	2024	5,750,000	1,931,000	95,821,000	0	103,502,000	103,502,000
		13	2025-2026	2025	5,750,000	1,902,000	98,925,000	0	106,577,000	106,577,000
Post- Settle-Up Period		14	2027-2028	2026	5,750,000	1,873,000	102,029,000	0	109,652,000	109,652,000
Post- Settle-Up Period		15	2026-2027	2027	5,750,000	1,844,000	105,133,000	0	112,727,000	112,727,000

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.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

04/16/2012

Applicant Name
ISD Name

[illegible]

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

DATE _____

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

Applicant Name

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax/ Calendar Year YYYY	Sales Tax Information		ISD Name		Other Property Tax Abatements Sought			
				Sales Taxable Expenditures	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column F: Estimate of total annual expenditures* subject to state sales tax	Column H: Estimate of Franchise tax due from (or) attributable to) the applicant	County	City	Hospital	Other
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	0	2012-2013	2012	240,000	1,220,000	0	N/A	N/A	N/A	N/A	N/A
	1	2013-2014	2013	10,304,000	29,943,000	114,000	100%	N/A	N/A	100%	N/A
Complete tax years of qualifying time period	2	2014-2015	2014	14,006,000	40,239,000	155,000	100%	N/A	N/A	100%	N/A
	3	2015-2016	2015	14,432,000	40,616,000	158,000	90%	N/A	N/A	90%	N/A
Value Limitation Period	4	2016-2017	2016	14,727,000	41,035,000	162,000	80%	N/A	N/A	80%	N/A
	5	2017-2018	2017	15,040,000	41,389,000	165,000	70%	N/A	N/A	70%	N/A
Tax Credit Period (with 50% cap on credit)	6	2018-2019	2018	15,501,000	41,783,000	172,000	60%	N/A	N/A	60%	N/A
	7	2019-2020	2019	15,905,000	42,184,000	177,000	50%	N/A	N/A	50%	N/A
Credit Settle-Up Period	8	2020-2021	2020	16,221,000	42,630,000	178,000	40%	N/A	N/A	40%	N/A
	9	2021-2022	2021	16,454,000	43,006,000	177,000	30%	N/A	N/A	30%	N/A
Continue to Maintain Viable Presence	10	2022-2023	2022	16,738,000	43,426,000	177,000	20%	N/A	N/A	20%	N/A
	11	2023-2024	2023	17,030,000	43,854,000	177,000	10%	N/A	N/A	10%	N/A
Post-Settle-Up Period	12	2024-2025	2024	17,378,000	44,327,000	178,000	0%	N/A	N/A	0%	N/A
	13	2025-2026	2025	17,637,000	44,729,000	177,000	0%	N/A	N/A	0%	N/A
Post-Settle-Up Period	14	2027-2028	2026	17,700,000	45,000,000	180,000	0%	N/A	N/A	0%	N/A
	15	2026-2027	2027	17,700,000	45,000,000	180,000	0%	N/A	N/A	0%	N/A

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

04/16/2012

Texas Pellets, Inc.
164 County Road 1040
Woodville, Texas 75979

Texas Taxpayer ID:32046519750

ATTACHMENTS 21, 22, 23 AND 24 TO FORM 50-296
Application for Appraised Value Limitation on Qualified Property

Materials relating to the Reinvestment Zone within which the Project is being developed are attached hereto. These materials include items requested in 21 through 23. Please note that these materials will be supplemented with additional items to be received from the School District with respect to the creation of the Reinvestment Zone. Item 24 is inapplicable.

E.L. JENNINGS SURVEY, A-405

COUNTY ROAD 1020
(SPRING VALLEY DRIVE)LINE TABLE
COUNTY ROAD 1030

LINE	BEARING	DISTANCE
L1	N 64°49'51" E	391.16'
L2	N 62°33'31" E	407.71'
L3	N 60°34'33" E	368.27'
L4	N 57°17'48" E	151.63'
L5	N 53°27'26" E	410.17'
L6	N 58°15'57" E	90.51'
L7	N 68°03'42" E	76.31'
L8	N 75°28'24" E	92.96'

Springfield Pipeline, LLC
30 Ft. Pipeline R.O.W. Easement
Vol. 835, Pg. 662
Vol. 848, Pg. 310Robert E. Allison, Jr.
11.359 Acre Tract
Vol. 401, Pg. 159Kenneth P. Bond
6.00 Acre Tract
Vol. 678, Pg. 783

E.T. NOLIN SURVEY, A-489

AREA SURVEYING & MAPPING
418 N. PINE
WOODVILLE, TEXAS 75979
(409) 283-8197 OFFICEReference Pt. No. 1
N 3402369.648
E 363068.983
Ortho Hgt. 78.767 (M)

JOHN NOWLIN SURVEY, A-487

LINE TABLE

LINE	BEARING	DISTANCE
L1	S 48°30'09" E	136.33'
L2	S 69°25'26" E	26.88'
L3	S 03°10'17" E	49.58'
L4	S 86°24'03" W	71.95'
L5	S 04°47'00" E	173.37'
L6	N 08°11'50" E	149.59'

LINE TABLE

U.S. HIGHWAY 69

LINE	BEARING	DISTANCE
1	S 08°08'09" W	148.18'
2	S 22°12'56" W	60.92'
3	S 08°07'36" W	259.54'
4	N 82°30'01" E	15.60'

CURVE TABLE

CURVE	RADIUS	ARC LENGTH
C1	1769.10'	187.07'

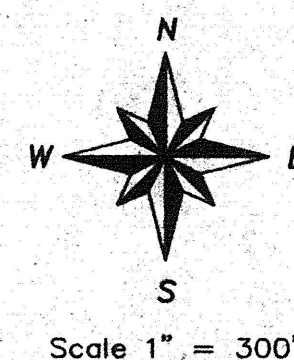
LINE TABLE

OLD HIGHWAY 69

LINE	BEARING	DISTANCE
L1	S 02°25'58" W	100.00'
L2	S 08°10'19" W	194.96'

ADJOINER TABLE

ADJOINER	ADJOINER
(A)	Alan W. Bell 2.756 Acre Tract Vol. 593, Pg. 960



~ LEGEND ~

- = Found Concrete Monument
- = Found 1/2" Iron Rod
- △ = Found 5/8" Iron Rod
- ◊ = Set 1/2" Iron Rod
- = Point for Corner
- ⊗ = Found Concrete R.O.W. Marker
- ⊙ = Found 1/2" Iron Pipe
- ◇ = Found Pine Knot Stake

NOTE: ALL BEARINGS SHOWN HEREON ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE 4203, NAD 83.

NOTE: REFERENCE POINTS ARE IN UTM CODE 15, THE COORDINATES AND ELEVATIONS ARE SHOWN IN METERS.

NOTE: SUBJECT PROPERTY DOES NOT LIE WITHIN THE 100 YEAR FLOOD PLANE ACCORDING TO THE H.U.D. FLOOD HAZARD BOUNDARY MAP COMMUNITY PANEL NO. 481034 0008 B

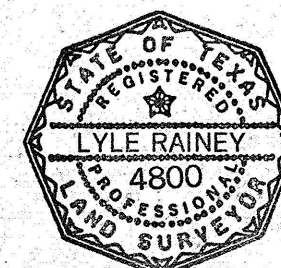
SURVEY PLAT SHOWING

A 188.675 ACRE TRACT OF LAND AS SITUATED IN THE E.L. JENNINGS SURVEY, A-405, THE WM. CHAMBLISS SURVEY, A-189, AND THE JOHN NOWLIN SURVEY, A-487, TYLER COUNTY, TEXAS AND BEING OUT OF AND A PART OF THAT SAME 262.127 ACRE TRACT AS CONVEYED BY DEED TO NORTH AMERICAN CHIP RESOURCES, INC. BY DEED RECORDED IN VOLUME 992, PAGE 56 OF THE OFFICIAL PUBLIC RECORDS OF TYLER COUNTY.

I, LYLE RAINY, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4800, DO HEREBY CERTIFY THAT THIS SURVEY, OF THE PROPERTY LEGALLY SHOWN HEREON, IS CORRECT AND THAT THERE ARE NO APPARENT DISCREPANCIES, CONFLICTS, SHORTAGES OF AREA, BOUNDARY LINE CONFLICTS, ENCROACHMENTS, OVERLAPPING OF IMPROVEMENTS, EASEMENTS OR RIGHTS OF WAY, EXCEPT AS SHOWN HEREON, AND THAT SAID PROPERTY HAS ACCESS TO AND FROM A DEDICATED ROADWAY.

SURVEYED: JUNE 29, 2011

LYLE RAINY
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 4800



**Woodville Independent School District
Resolution for Designation of Reinvestment Zone**

WHEREAS, Section 312.0025 of the Texas Tax Code permits a school district to designate a reinvestment zone if that designation is reasonably likely to contribute to the expansion of primary employment in the reinvestment zone, or attract major investment in the reinvestment zone that would be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located; and,

WHEREAS, the Woodville Independent School District (the "District") desires to encourage the development of primary employment and to attract major investment in the District that would be a benefit to property in a reinvestment zone created by the District and to the school district and contribute to the economic development of the region in which the school district is located; and,

WHEREAS, the District has received an application for limitation on appraised value of property for school district maintenance and operations taxes (the "Application") by Texas Pellets, Inc.; and,

WHEREAS, a public hearing is required by Chapter 312 of the Texas Tax Code prior to approval of a reinvestment zone; and

WHEREAS, the District published notice of a public hearing to be held on _____, 2012, regarding the designation of the area described in the attached **Exhibit A** as a reinvestment zone for the purposes of Chapter 313 of the Texas Tax Code; and

WHEREAS, the improvements set forth in the Application by Texas Pellets, Inc. are feasible and of benefit to the reinvestment zone after expiration of an agreement for limitation on appraised value; and

WHEREAS, the District wishes to create a reinvestment zone within the boundaries of the school district in Tyler County as shown on the map attached as **Exhibit B**; and

WHEREAS, all interested members of the public were given an opportunity to make comments at the public hearing.

**BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE WOODVILLE
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 Woodville 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 *Texas Pellets, Inc. 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 *Texas Pellets, Inc. 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 *Texas Pellets, Inc. 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 *Texas Pellets, Inc. Reinvestment Zone* with boundaries as described in **Exhibit A** and **Exhibit B** will result in benefits to the Woodville Independent School District and to land included in the zone, and that the improvements sought are feasible and practical; and,
- (e) *Texas Pellets, Inc. 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 Woodville Independent School District.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the Woodville 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 *Texas Pellets, Inc. Reinvestment Zone*.

SECTION 4. That *Texas Pellets, Inc. 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 beheld 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 Woodville 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 Woodville 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 June, 2012.

Woodville Independent School District

By: _____
Trey Allison
President
Board of Trustees

ATTEST: _____
Ted Watts
Secretary
Board of Trustees

AREA SURVEYING & MAPPING
418 N. PINE
WOODVILLE, TEXAS 75979
(409) 283-8197

FIELDNOTE DESCRIPTION

FIELDNOTES TO A 188.675 ACRE TRACT OF LAND AS SITUATED IN THE WM. CHAMBLISS SURVEY, A-189, THE E.L. JENNINGS SURVEY, A-405, AND THE JOHN NOWLIN SURVEY, A-487, TYLER COUNTY, TEXAS AND BEING OUT OF AND A PART OF THAT SAME CERTAIN 262.127 ACRE TRACT AS CONVEYED TO NORTH AMERICAN PROCUREMENT COMPANY, HEREAFTER REFERRED TO AS "NAPCO", BY DEED RECORDED IN VOLUME 878, PAGE 601 OF THE OFFICIAL PUBLIC RECORDS OF TYLER COUNTY. SAID 188.675 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD SET FOR THE MOST WESTERLY SOUTHWEST CORNER OF THE NAPCO 262.127 ACRES AND OF THIS TRACT, SAME BEING THE SOUTHWEST CORNER OF THE WM. CHAMBLISS SURVEY, A-189, AND THE SOUTHEAST CORNER OF THE G.M. BUCHANAN SURVEY, A-94, LOCATED ON THE NORTH LINE OF SAID JOHN NOWLIN SURVEY AND THE NORTH LINE OF THE ALAN BELL ESTATE 114.33 ACRE TRACT RECORDED IN VOLUME 618, PAGE 769 OF SAID OFFICIAL PUBLIC RECORDS;

THENCE N 04°02'37"W 1934.60 FT., WITH THE WEST LINE OF THE CHAMBLISS SURVEY, TO A 1/2" IRON ROD SET ON THE NORTHWEST RIGHT OF WAY OF COUNTY ROAD 1030 FOR THE NORTHWEST CORNER OF THIS TRACT, SAME BEING THE MOST SOUTHERLY SOUTHWEST CORNER OF THE EAST TEXAS ELECTRIC COOPERATIVE INC. 63.608 ACRE TRACT RECORDED IN VOLUME 973, PAGE 796 OF THE OFFICIAL PUBLIC RECORDS;

THENCE ALONG AND WITH THE NORTH RIGHT OF WAY OF COUNTY ROAD 1030 AND THE SOUTH BOUNDARY OF THE EAST TEXAS ELECTRIC COOPERATIVE 63.608 ACRE TRACT AS FOLLOWS:

- 1) N 64°49'51"E 391.16 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 2) N 62°33'31"E 407.71 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 3) N 60°34'33"E 368.27 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 4) N 57°17'48"E 151.63 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 5) N 53°27'26"E 410.17 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 6) N 58°15'57"E 90.51 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 7) N 68°03'42"E 76.31 FT. TO A 1/2" IRON ROD FOUND FOR CORNER;
- 8) N 75°28'24"E 92.96 FT. TO A 1/2" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF THE ELECTRIC COOPERATIVE 63.608 ACRE TRACT AND THE MOST NORTHERLY CORNER OF THIS TRACT LOCATED AT THE INTERSECTION OF THE NORTH RIGHT OF WAY OF COUNTY ROAD 1030 WITH THE SOUTHWEST RIGHT OF WAY OF COUNTY ROAD 1020;

THENCE ALONG AND WITH THE SOUTHWEST RIGHT OF WAY OF SAID COUNTY ROAD 1020 AS FOLLOWS:

- 1) S 48°30'09"E 136.33 FT. TO A POINT FOR CORNER;
- 2) S 69°25'26"E 26.88 FT. TO A 1/2" IRON ROD SET FOR CORNER ON THE EAST LINE OF THE JENNINGS SURVEY AND THE WEST LINE OF THE E.T. NOLIN SURVEY, A-489, AND THE WEST LINE OF THE NORTH AMERICAN PROCUREMENT COMPANY 6.007 ACRE TRACT;

THENCE S 03°10'17"E 49.58 FT., WITH THE EAST LINE OF THE JENNINGS SURVEY AND THE WEST LINE OF THE NOLIN SURVEY AND WEST LINE OF THE NAPCO 6.007 ACRE TRACT, TO A CONCRETE MONUMENT FOUND FOR THE SOUTHWEST CORNER OF SAME AND OF THE NOLIN SURVEY AND SOUTHEAST CORNER OF THE JENNINGS SURVEY LOCATED ON THE NORTH LINE OF THE WM. CHAMBLISS SURVEY AND THE NORTH LINE OF A 0.943 ACRE TRACT, PREVIOUSLY A PART OF THE NAPCO 262.127 ACRE TRACT;

Exhibit " A "

Page 1 of 3 pages

220

PAGE 3
188.675 ACRES

THENCE S 08°10'49"W 102.29 FT., WITH THE WEST RIGHT OF OLD HIGHWAY 69, TO A CONCRETE R.O.W. MARKER FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE LEFT IN SAME;

THENCE SOUTHWESTERLY 187.07 FT. ALONG THE ARC OF THE CURVE IN SAID RIGHT OF WAY, HAVING A CENTRAL ANGLE OF 06°03'31", A RADIUS OF 1769.10 FT. AND A CHORD BEARING S 05°07'26"W 186.98 FT. TO A 1/2" IRON ROD SET FOR THE SOUTHEAST CORNER OF THE NAPCO 262.127 ACRE TRACT AND OF THIS TRACT AND OF THIS TRACT LOCATED AT THE INTERSECTION OF THE WEST RIGHT OF WAY OF OLD HIGHWAY 69 WITH THE NORTH RIGHT OF WAY OF COUNTY ROAD NO. 1050;

THENCE ALONG AND WITH THE MEANDERS OF THE NORTH RIGHT OF WAY OF COUNTY ROAD NO. 1050 AS FOLLOWS:

- 1) S 47°24'08"W 229.27 FT. TO A POINT FOR CORNER;
- 2) S 50°25'30"W 291.56 FT. TO A POINT FOR CORNER;
- 3) S 51°22'02"W 415.72 FT. TO A POINT FOR CORNER;
- 4) S 51°35'40"W 258.87 FT. TO A POINT FOR CORNER;
- 5) S 51°32'14"W 439.00 FT. TO A POINT FOR CORNER;
- 6) S 52°38'50"W 267.65 FT. TO A 1/2" IRON ROD SET FOR THE MOST SOUTHERLY SOUTHWEST CORNER OF THE NAPCO 262.127 ACRES AND OF THIS TRACT AND THE SOUTHEAST CORNER OF THE PREVIOUSLY MENTIONED ALAN BELL ESTATE 114.33 ACRE TRACT;


THENCE N 03°28'48"W 1863.49 FT., WITH THE EAST LINE OF THE BELL 114.33 ACRES AND THE WEST LINE OF THE NAPCO 262.127 ACRE TRACT, TO A PINE KNOT STAKE FOUND FOR AN INTERIOR ANGLE CORNER OF SAME AND THE NORTHEAST CORNER OF SAID BELL TRACT LOCATED ON THE NORTH LINE OF THE NOWLIN SURVEY AND THE SOUTH LINE OF THE WM. CHAMBLISS SURVEY;

THENCE S 87°04'37"W 739.36 FT., WITH THE NORTH LINE OF THE NORTH LINE OF THE BELL 114.33 ACRES AND SAID NOWLIN SURVEY AND THE SOUTH LINE OF WM. CHAMBLISS SURVEY, TO THE PLACE OF BEGINNING AND CONTAINING WITHIN THESE BOUNDS 188.675 ACRES OF LAND.

THE BEARINGS RECITED HEREIN ARE BASED AND/OR ROTATED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE 4203, NAD 83.

SURVEYED JUNE 29, 2011

I, LYLE RAINEY, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4800, DO HEREBY CERTIFY THAT THE FIELDNOTE DESCRIPTION OF THE ABOVE DESCRIBED TRACT WAS PREPARED FROM AN ACTUAL AND ACCURATE ON THE GROUND SURVEY AND THAT SAME IS TRUE AND CORRECT.


LYLE RAINEY
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 4800

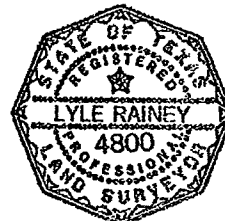


Exhibit " A "
Page 3 of 3 pages



PAGE 2
188.675 ACRES

THENCE S 86°24'03"W 71.95 FT., WITH THE SOUTH LINE OF THE JENNINGS SURVEY AND THE NORTH LINE OF THE CHAMBLISS SURVEY, TO A 1/2" IRON ROD FOUND FOR THE NORTHWEST CORNER OF THE 0.943 ACRE TRACT AND AN INTERIOR ANGLE CORNER OF THIS TRACT;

THENCE S 04°47'00"E 173.37 FT., WITH THE WEST LINE OF THE 0.943 ACRE TRACT, TO A 1/2" IRON ROD FOUND SOUTHWEST CORNER OF SAME AND ANOTHER INTERIOR ANGLE CORNER OF THIS TRACT;

THENCE S 69°05'36"E, AT 210.11 FT. PASS THE SOUTHEAST CORNER OF THE 0.943 ACRE TRACT AND THE SOUTHWEST CORNER OF A 2.21 ACRE TRACT, ALSO A PART OF THE NAPCO 262.127 ACRES, AND AT 643.07 FT. PASS THE SOUTHEAST CORNER OF SAME AND THE SOUTHWEST CORNER OF THE E. & R. ALLISON FAMILY PROPERTIES, LTD. 5.016 ACRE TRACT RECORDED IN VOLUME 825, PAGE 739 OF THE OFFICIAL PUBLIC RECORDS, IN ALL A TOTAL DISTANCE OF 826.96 FT. TO A 1/2" IRON ROD FOUND FOR THE MOST SOUTHERLY SOUTHEAST CORNER OF SAME AND AN INTERIOR ANGLE CORNER OF THE NAPCO 262.127 ACRES AND OF IS TRACT;

THENCE N 08°11'50"E 149.59 FT., WITH A WEST LINE OF THE NAPCO TRACT, TO A 1/2" IRON ROD FOUND FOR A NORTHWEST CORNER OF SAME AND AN INTERIOR ANGLE CORNER OF THE ALLISON 5.016 ACRE TRACT;

THENCE S 81°44'25"E 279.94 FT., WITH A NORTH LINE OF SAID NAPCO 262.127 ACRES TRACT, TO A 1/2" IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAME AND THE MOST EASTERLY NORTHEAST CORNER OF THIS TRACT AND MOST EASTERLY SOUTHEAST CORNER OF THE ALLISON TRACT LOCATED ON THE WEST RIGHT OF WAY OF U.S. HIGHWAY 69;

THENCE ALONG AND WITH THE MEANDERS OF THE WEST RIGHT OF WAY OF U.S. HIGHWAY 69 AS FOLLOWS:

- 1) S 08°08'09"W 148.18 FT. TO A R.O.W. MARKER FOUND FOR CORNER;
- 2) S 22°12'56"W 60.92 FT. TO A R.O.W. MARKER FOUND FOR CORNER;
- 3) S 08°07'36"W 259.54 FT. TO A R.O.W. MARKER FOUND FOR CORNER;
- 4) N 82°30'01"E 15.60 FT. TO A 1/2" IRON ROD SET FOR CORNER;
- 5) S 08°08'09"W 1506.51 FT., TO A 1/2" IRON ROD SET FOR AN ANGLE CORNER ON THE WEST RIGHT OF WAY OF OLD HIGHWAY 69;

THENCE ALONG AND WITH THE WEST RIGHT OF WAY OF OLD HIGHWAY 69 AS FOLLOWS:

- 1) S 02°25'58"W 100.00 FT. TO A 1/2", IRON ROD SET FOR CORNER;
- 2) S 08°10'19"W 194.96 FT. TO A 1/2" IRON ROD FOUND AT THE INTERSECTION OF THE WEST RIGHT OF WAY OF THE OLD HIGHWAY WITH THE SOUTH LINE OF THE WM. CHAMBLISS SURVEY AND THE NORTH LINE OF THE JOHN NOWLIN SURVEY FOR A SOUTHEAST CORNER OF THE NAPCO 262.127 ACRES AND OF THIS TRACT, SAME BEING THE NORTHEAST CORNER OF THE ALAN W. BELL 2.756 ACRE TRACT DESCRIBED IN VOLUME 593, PAGE 960 OF THE OFFICIAL PUBLIC RECORDS;

THENCE S 85°48'12"W 514.74 FT., WITH THE COMMON LINE BETWEEN THE CHAMBLISS SURVEY AND SAID NOWLIN SURVEY AND THE NORTH LINE OF THE BELL 2.756 ACRE TRACT, TO A CONCRETE MONUMENT FOUND FOR THE NORTHWEST CORNER OF SAME AND AN INTERIOR ANGLE CORNER OF THE NAPCO TRACT AND OF THIS TRACT;

THENCE S 45°41'17"E 622.62 FT., WITH THE SOUTHWEST LINE OF THE BELL 2.756 ACRE TRACT, TO A 1/2" IRON ROD FOUND FOR THE SOUTHEAST CORNER OF SAME AND AN EXTERIOR ANGLE CORNER OF THIS TRACT LOCATED ON THE WEST RIGHT OF WAY OF OLD HIGHWAY 69;

E.L. JENNINGS SURVEY, A-405

COUNTY ROAD 1020
(SPRING VALLEY DRIVE)

LINE TABLE
COUNTY ROAD 1030

LINE	BEARING	DISTANCE
L1	N 64°49'51" E	391.16'
L2	N 62°33'31" E	407.71'
L3	N 60°34'33" E	368.27'
L4	N 57°17'48" E	151.63'
L5	N 53°27'26" E	410.17'
L6	N 58°15'57" E	90.51'
L7	N 68°03'42" E	76.31'
L8	N 75°28'24" E	92.96'

Springfield Pipeline, LLC
30 Ft. Pipeline R.O.W. Easement
Vol. 835, Pg. 662
Vol. 848, Pg. 310

Robert E. Allison, Jr.
11.359 Acre Tract
Vol. 401, Pg. 159

Kenneth P. Bond
6.00 Acre Tract
Vol. 678, Pg. 783

E. & R. Allison Family
Properties, LTD.
5.016 Acre Tract
Vol. 825, Pg. 739

Reference Pt. No. 1
N 3402369.648
E 363068.983
Ortho Hgt. 78.767 (M)

E.T. NOLIN SURVEY, A-489

JOHN NOWLIN SURVEY, A-487

LINE TABLE

LINE	BEARING	DISTANCE
L1	S 48°30'09" E	136.33'
L2	S 69°25'26" E	26.88'
L3	S 03°10'17" E	49.58'
L4	S 86°24'03" W	71.95'
L5	S 04°47'00" E	173.37'
L6	N 08°11'50" E	149.59'

LINE TABLE

U.S. HIGHWAY 69

LINE	BEARING	DISTANCE
1	S 08°08'09" W	148.18'
2	S 22°12'56" W	60.92'
3	S 08°07'36" W	259.54'
4	N 82°30'01" E	15.60'

CURVE TABLE

CURVE	RADIUS	ARC LENGTH
C1	1769.10'	187.07'

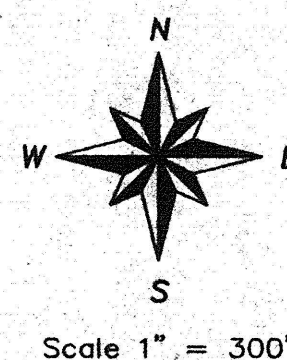
LINE TABLE

OLD HIGHWAY 69

LINE	BEARING	DISTANCE
L1	S 02°25'58" W	100.00'
L2	S 08°10'19" W	194.96'

ADJOINER TABLE

(A)	Alan W. Bell 2.756 Acre Tract Vol. 593, Pg. 960
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~ LEGEND ~

- = Found Concrete Monument
- = Found 1/2" Iron Rod
- △ = Found 5/8" Iron Rod
- = Set 1/2" Iron Rod
- = Point for Corner
- ⊗ = Found Concrete R.O.W. Marker
- ⊙ = Found 1/2" Iron Pipe
- ◇ = Found Pine Knot Stake

NOTE: ALL BEARINGS SHOWN HEREON ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE 4203, NAD 83.

NOTE: REFERENCE POINTS ARE IN UTM CODE 15, THE COORDINATES AND ELEVATIONS ARE SHOWN IN METERS.

NOTE: SUBJECT PROPERTY DOES NOT LIE WITHIN THE 100 YEAR FLOOD PLANE ACCORDING TO THE H.U.D. FLOOD HAZARD BOUNDARY MAP COMMUNITY PANEL NO. 481034 0008 B

SURVEY PLAT SHOWING

A 188.675 ACRE TRACT OF LAND AS SITUATED IN THE E.L. JENNINGS SURVEY, A-405, THE WM. CHAMBLISS SURVEY, A-189, AND THE JOHN NOWLIN SURVEY, A-487, TYLER COUNTY, TEXAS AND BEING OUT OF AND A PART OF THAT SAME 262.127 ACRE TRACT AS CONVEYED BY DEED TO NORTH AMERICAN CHIP RESOURCES, INC. BY DEED RECORDED IN VOLUME 992, PAGE 56 OF THE OFFICIAL PUBLIC RECORDS OF TYLER COUNTY.

I, LYLE RAINY, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4800, DO HEREBY CERTIFY THAT THIS SURVEY, OF THE PROPERTY LEGALLY SHOWN HEREON, IS CORRECT AND THAT THERE ARE NO APPARENT DISCREPANCIES, CONFLICTS, SHORTAGES OF AREA, BOUNDARY LINE CONFLICTS, ENCROACHMENTS, OVERLAPPING OF IMPROVEMENTS, EASEMENTS OR RIGHTS OF WAY, EXCEPT AS SHOWN HEREON, AND THAT SAID PROPERTY HAS ACCESS TO AND FROM A DEDICATED ROADWAY.

SURVEYED JUNE 29, 2011

LYLE RAINY
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 4800

