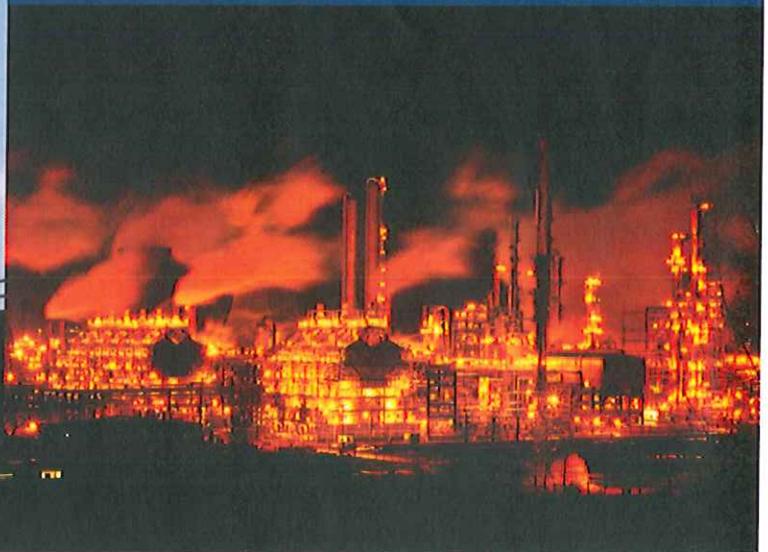
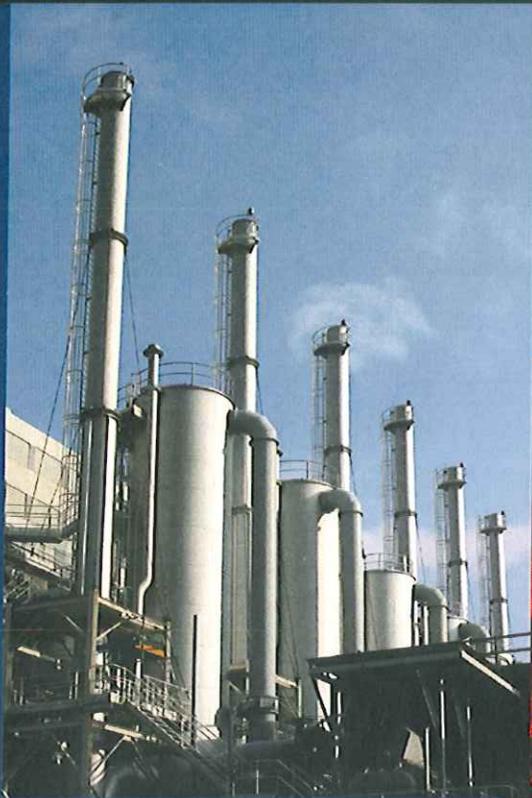


**FINDINGS OF THE BRAZOSPORT
INDEPENDENT SCHOOL DISTRICT BOARD
OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE
APPLICATION SUBMITTED
BY
THE FREEPORT LNG (3) DEVELOPMENT, LP**



February 19, 2013

**FINDINGS
OF THE
BRAZOSPORT INDEPENDENT
SCHOOL DISTRICT BOARD OF TRUSTEES
UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY
THE FREEPORT LNG DEVELOPMENT, L.P.
(APPLICATION #246)**

FEBRUARY 19, 2013

Board Findings of the Brazosport Independent School District

FINDINGS OF THE BRAZOSPORT INDEPENDENT
SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE
TEXAS ECONOMIC DEVELOPMENT ACT
ON THE APPLICATION SUBMITTED BY
THE FREEPORT LNG DEVELOPMENT, L.P.
(APPLICATION #246)

STATE OF TEXAS §

COUNTY OF BRAZORIA §

On the 19th day of February, 2013, a public meeting of the Board of Trustees of the Brazosport Independent School District was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of The Freeport LNG Development, L.P. (Freeport #246) for an Appraised Value Limitation on Qualified Property for its third phase of a new natural gas liquefaction facility, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. After hearing presentations from the District's administrative staff, and from consultants retained by the District to advise the Board in this matter, the Board of Trustees of the Brazosport Independent School District makes the following findings with respect to the application of Freeport #246, and the economic impact of that application:

On September 21, 2012 the Superintendent of Schools of the Brazosport Independent School District, acting as an agent of the Board of Trustees, and the Texas Comptroller of Public Accounts received a completed Application from Freeport #246 for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code for its . A copy of the Application is attached as **Attachment A**.

The Applicant, Freeport LNG Development, L.P. (Texas Taxpayer Id. 12700304111), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be in good standing with the Texas Comptroller of Public Accounts. See **Attachment B**.

Board Findings of the Brazosport Independent School District

The Board of Trustees has acknowledged receipt of the Application, along with the requisite application fee, as established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Texas Comptroller's Office for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Brazoria County Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Texas Comptroller's Office pursuant to Texas Tax Code § 313.026 and a favorable recommendation was issued on December 19, 2012. A copy of the Comptroller's letter is attached to the findings as **Attachment C**.

After receipt of the Application, the Texas Comptroller of Public Accounts caused to be conducted an economic impact evaluation pursuant to Texas Tax Code § 313.026 and the Board of Trustees has carefully considered such evaluation. A copy of the economic impact evaluation is attached to these findings as **Attachment D**.

The Board of Trustees also directed that a specific financial analysis be conducted of the impact of the proposed value limitation on the finances of the Brazosport Independent School District. A copy of a report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment E**.

The Board of Trustees has confirmed that the taxable value of property in the Brazosport Independent School District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment F**.

After receipt of the Application, the District entered into negotiations with Freeport #246, over the specific language to be included in the Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's recommendation, and in consideration of its own economic impact study the Board finds:

Board Finding Number 1.

There is a strong relationship between the Applicant's industry and the types of qualifying jobs to be created by the Applicant and the long-term economic growth plan of this State as described in the strategic plan for economic development (ED Plan) submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Texas Government Code.

In support of Finding 1, the economic impact evaluation states:

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Freeport LNG Development, L.P., project requires appear to be in line with the focus and themes of the plan. Texas identified manufacturing as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the manufacturing industry.

Board Finding Number 2.

The economic condition of Brazoria County, Texas, is in need of long-term improvement.

Based on information provided by the Comptroller's Office, Brazoria County is the 15th largest county in the state in terms of population. Population growth in Brazoria County is positive, although at a relatively modest growth rate. The state population grew by 1.8 percent between 2009 and 2010, while the population of Brazoria County increased by 1.7 percent over the same period.

September 2011 employment for Brazoria County was up 1.8 percent from September 2010, above the state's 0.9 percent increase in total employment during the same period. The unemployment rate in Brazoria County was 9.0 percent in September 2011, above the current state average of 8.5 percent. The Brazoria County unemployment rate increased slightly from 8.9 percent a year ago to the 9.0 percent level in September 2011.

Board Findings of the Brazosport Independent School District

Brazoria County continues to have a slightly lower per capita personal income than the state as a whole. In terms of per capita income, Brazoria County's \$37,523 in 2009 ranked 54th among the 254 counties in Texas, while the Texas average was \$38,609 for the same period.

Brazoria County will benefit from economic activity like that associated with the Freeport #246 project. Major capital investments like this project are beneficial to the community on a number of fronts, including direct and indirect employment, expanded opportunities for existing businesses and increased local tax bases. This should be beneficial, given Brazoria County's relatively high unemployment rate and below-state-average per capita personal income.

Board Finding Number 3.

The average salary level of qualifying jobs is expected to be at least \$65,000 per year. The review of the application by the State Comptroller's Office indicated that this amount—based on Texas Workforce Commission data—complies with the requirement that qualifying jobs must pay 110 percent of the regional average manufacturing wage. Freeport #246 indicates that total employment once the project begins operations will be 23 new jobs, of which 18 will be qualifying jobs.

In support of Finding 3, the economic impact evaluation states:

After construction, the project will create 23 new jobs when fully operational. Eighteen jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Houston-Galveston Area Council of Governments Region, where Brazoria County is located was \$53,711 in 2011. The annual average manufacturing wage for 2011-2012 for Brazoria County is \$91,429. That same year, the county annual average wage for all industries was \$49,374. In addition to a salary of \$65,000, each qualifying position will receive benefits including medical coverage (company pays 80% of employee health insurance premiums), dental plan, group life insurance, paid holidays, paid vacation and 401(k) retirement savings plan.

Board Finding Number 4.

The level of the applicant's average investment per qualifying job over the term of the Agreement is estimated to be approximately \$72.22 million on the basis of the goal of 18 new qualifying positions for the entire Freeport #246 project.

In support of Finding 4, the economic impact evaluation states:

The project's total investment is \$1.3 billion, resulting in a relative level of investment per qualifying job of \$72.22 million.

Board Finding Number 5.

Subsequent economic effects on the local and regional tax bases will be significant. In addition, the impact of the added infrastructure will be significant to the region.

Table 1 depicts Freeport LNG Development, L.P.'s estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 18 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Board Findings of the Brazosport Independent School District

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Freeport LNG Development, L.P.

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2015	500	468	968	\$31,200,000	\$30,800,000	\$62,000,000
2016	1000	950	1950	\$62,400,000	\$69,600,000	\$132,000,000
2017	1203	1151	2354	\$75,064,800	\$94,935,200	\$170,000,000
2018	1016	1008	2024	\$63,385,600	\$97,614,400	\$161,000,000
2019	223	281	504	\$13,896,800	\$49,103,200	\$63,000,000
2020	23	49	72	\$1,416,800	\$28,583,200	\$30,000,000
2021	23	80	103	\$1,416,800	\$25,583,200	\$27,000,000
2022	23	91	114	\$1,416,800	\$23,583,200	\$25,000,000
2023	23	118	141	\$1,416,800	\$23,583,200	\$25,000,000
2024	23	153	176	\$1,416,800	\$25,583,200	\$27,000,000
2025	23	168	191	\$1,416,800	\$26,583,200	\$28,000,000
2026	23	194	217	\$1,416,800	\$29,583,200	\$31,000,000
2027	23	211	234	\$1,416,800	\$30,583,200	\$32,000,000
2028	23	180	203	\$1,416,800	\$29,583,200	\$31,000,000
2029	23	178	201	\$1,416,800	\$29,583,200	\$31,000,000
2030	23	170	193	\$1,416,800	\$29,583,200	\$31,000,000
2031	23	174	197	\$1,416,800	\$30,583,200	\$32,000,000
2032	23	170	193	\$1,416,800	\$31,583,200	\$33,000,000

Source: CPA, REMI, Freeport LNG Development, L.P.

The statewide average ad valorem tax base for school districts in Texas was \$1.7 billion in 2011-2012. Brazosport ISD's ad valorem tax base in 2011-2012 was \$6.3 billion. The statewide average wealth per WADA was estimated at \$347,943 for fiscal 2011-2012. During that same year, Brazosport ISD's estimated wealth per WADA was \$417,778. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Brazoria County, Velasco Drainage District, Port of Freeport, and Brazosport Junior College District, with all property tax incentives sought being granted using estimated market value from Freeport LNG Development, L.P.'s application. Freeport LNG Development, L.P. has applied for both a value limitation under Chapter 313, Tax Code and tax abatements with the county, drainage district, port, and college district.

Board Findings of the Brazosport Independent School District

Table 3 illustrates the estimated tax impact of the Freeport LNG Development, L.P. project on the region if all taxes are assessed.

Table 2 Estimated Direct Ad Valorem Taxes with all property tax incentives sought

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Brazosport ISD I&S Levy	Brazosport ISD M&O Levy	Brazosport ISD M&O and I&S Tax Levies (Before Credit Credited)	Brazosport ISD M&O and I&S Tax Levies (After Credit Credited)	Brazoria County Tax Levy	Velasco Drainage District Tax Levy	Brazosport Junior College District Tax Levy	Port of Freeport Tax Levy	Estimated Total Property Taxes
			0.2015	1.0400				0.4731	0.0942	0.2392	0.0535	
2018	\$361,955,446	\$361,955,446		\$729,340	\$3,764,337	\$4,493,677	\$4,493,677	\$0	\$0	\$0	\$0	\$4,493,677
2019	\$523,105,071	\$523,105,071		\$1,054,057	\$5,440,293	\$6,494,349	\$6,494,349	\$0	\$0	\$0	\$0	\$6,494,349
2020	\$1,276,305,030	\$30,000,000		\$2,571,755	\$312,000	\$2,883,755	\$2,883,755	\$0	\$0	\$0	\$0	\$2,883,755
2021	\$1,231,634,354	\$30,000,000		\$2,481,743	\$312,000	\$2,793,743	\$1,567,939	\$0	\$0	\$0	\$0	\$1,567,939
2022	\$1,188,527,176	\$30,000,000		\$2,394,882	\$312,000	\$2,706,882	\$1,481,078	\$0	\$0	\$0	\$0	\$1,481,078
2023	\$1,146,928,756	\$30,000,000		\$2,311,061	\$312,000	\$2,623,061	\$1,397,257	\$0	\$0	\$0	\$0	\$1,397,257
2024	\$1,078,179,252	\$30,000,000		\$2,172,531	\$312,000	\$2,484,531	\$1,258,727	\$0	\$0	\$0	\$0	\$1,258,727
2025	\$1,024,308,667	\$30,000,000		\$2,063,982	\$312,000	\$2,375,982	\$1,187,991	\$0	\$0	\$0	\$0	\$1,187,991
2026	\$973,130,224	\$30,000,000		\$1,960,857	\$312,000	\$2,272,857	\$1,136,429	\$4,603,889	\$916,825	\$2,327,708	\$520,625	\$9,505,475
2027	\$914,801,993	\$30,000,000		\$1,843,326	\$312,000	\$2,155,326	\$1,077,663	\$4,327,937	\$861,872	\$2,188,188	\$489,419	\$8,945,079
2028	\$859,971,255	\$859,971,255		\$1,732,842	\$8,943,701	\$10,676,543	\$10,401,213	\$4,068,533	\$810,213	\$2,057,034	\$460,085	\$17,797,078
2029	\$808,428,465	\$808,428,465		\$1,628,983	\$8,407,656	\$10,036,639	\$10,036,639	\$3,824,683	\$761,653	\$1,933,745	\$432,509	\$16,989,229
2030	\$759,976,276	\$759,976,276		\$1,531,352	\$7,903,753	\$9,435,105	\$9,435,105	\$3,595,455	\$716,004	\$1,817,848	\$406,587	\$15,971,000
2031	\$714,429,244	\$714,429,244		\$1,439,575	\$7,430,064	\$8,869,639	\$8,869,639	\$3,379,972	\$673,092	\$1,708,900	\$382,220	\$15,013,823
2032	\$671,613,326	\$671,613,326		\$1,353,301	\$6,984,779	\$8,338,079	\$8,338,079	\$3,177,409	\$632,754	\$1,606,486	\$359,313	\$14,114,041
						Total	\$70,059,542	\$26,977,879	\$5,372,413	\$13,639,909	\$3,050,758	\$119,100,500

Assumes School Value Limitation and Tax Abatements with the County, Drainage District, College District, and Port.

Source: CPA, Freeport LNG Development, L.P.

¹Tax Rate per \$100 Valuation

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Brazosport ISD I&S Levy	Brazosport ISD M&O Levy	Brazosport ISD M&O and I&S Tax Levies	Brazoria County Tax Levy	Velasco Drainage District Tax Levy	Brazosport Junior College District Tax Levy	Port of Freeport Tax Levy	Estimated Total Property Taxes	
			0.2015	1.0400			0.4731	0.0942	0.2392	0.0535		
2018	\$361,955,446	\$361,955,446		\$729,340	\$3,764,337	\$4,493,677	\$1,712,415	\$341,013	\$865,790	\$193,646	\$7,606,541	
2019	\$523,105,071	\$523,105,071		\$1,054,057	\$5,440,293	\$6,494,349	\$2,474,815	\$492,838	\$1,251,257	\$279,861	\$10,993,121	
2020	\$1,276,305,030	\$1,276,305,030		\$2,571,755	\$13,273,572	\$15,845,327	\$6,038,212	\$1,202,458	\$3,052,896	\$682,823	\$26,821,716	
2021	\$1,231,634,354	\$1,231,634,354		\$2,481,743	\$12,808,997	\$15,290,741	\$5,826,874	\$1,160,372	\$2,946,045	\$658,924	\$25,882,956	
2022	\$1,188,527,176	\$1,188,527,176		\$2,394,882	\$12,360,683	\$14,755,565	\$5,622,934	\$1,119,759	\$2,842,933	\$635,862	\$24,977,053	
2023	\$1,146,928,756	\$1,146,928,756		\$2,311,061	\$11,928,059	\$14,239,121	\$5,426,131	\$1,080,567	\$2,743,431	\$613,607	\$24,102,857	
2024	\$1,078,179,252	\$1,078,179,252		\$2,172,531	\$11,213,064	\$13,385,595	\$5,100,877	\$1,015,796	\$2,578,983	\$576,826	\$22,658,077	
2025	\$1,024,308,667	\$1,024,308,667		\$2,063,982	\$10,652,810	\$12,716,792	\$4,846,015	\$965,042	\$2,450,126	\$548,005	\$21,525,980	
2026	\$973,130,224	\$973,130,224		\$1,960,857	\$10,120,554	\$12,081,412	\$4,603,889	\$916,825	\$2,327,708	\$520,625	\$20,450,458	
2027	\$914,801,993	\$914,801,993		\$1,843,326	\$9,513,941	\$11,357,267	\$4,327,937	\$861,872	\$2,188,188	\$489,419	\$19,224,683	
2028	\$859,971,255	\$859,971,255		\$1,732,842	\$8,943,701	\$10,676,543	\$4,068,533	\$810,213	\$2,057,034	\$460,085	\$18,072,408	
2029	\$808,428,465	\$808,428,465		\$1,628,983	\$8,407,656	\$10,036,639	\$3,824,683	\$761,653	\$1,933,745	\$432,509	\$16,989,229	
2030	\$759,976,276	\$759,976,276		\$1,531,352	\$7,903,753	\$9,435,105	\$3,595,455	\$716,004	\$1,817,848	\$406,587	\$15,971,000	
2031	\$714,429,244	\$714,429,244		\$1,439,575	\$7,430,064	\$8,869,639	\$3,379,972	\$673,092	\$1,708,900	\$382,220	\$15,013,823	
2032	\$671,613,326	\$671,613,326		\$1,353,301	\$6,984,779	\$8,338,079	\$3,177,409	\$632,754	\$1,606,486	\$359,313	\$14,114,041	
						Total	\$168,015,852	\$64,026,152	\$12,750,258	\$32,371,370	\$7,240,313	\$284,403,944

Source: CPA, Freeport LNG Development, L.P.

¹Tax Rate per \$100 Valuation

Board Finding Number 6.

The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.

The Freeport #246 project remains fully taxable for debt services taxes, with BISD currently levying a \$0.202 per \$100 I&S rate. The value of the project is expected to depreciate over the life of the agreement and beyond, although the gain in taxable value will assist BISD in meeting its debt service obligations.

Board Finding Number 7.

The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the Freeport #246 project.

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will not be a significant impact on school facilities created by the new natural gas liquefaction project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in Brazosport ISD as stated in **Attachment D.**

Board Finding Number 8.

The ability of the applicant to locate the proposed facility in another state or another region of this state is substantial, as a result of the highly competitive marketplace for economic development.

In support of Finding 8, the economic impact evaluation states:

According to Freeport LNG Development, L.P.'s application, "Freeport LNG (FLNG) is keen to invest in LNG liquefaction and export facilities at its Quintana Island terminal because of its pre-existing assets there that would enable such an investment and the generally favorable business environment in Brazoria County and Texas. However, there are no other fundamental advantages to the location and FLNG could seek to invest in such facilities elsewhere. The three existing LNG terminals in Louisiana, which are similar to FLNG's, are all considering developing

Board Findings of the Brazosport Independent School District

liquefaction and export facilities and would enjoy that state's 100% across-the-board 10-year industrial tax abatement. Those facilities enjoy a shipping advantage because they are somewhat closer to both the Atlantic and Pacific Basin markets (the latter, though the expanded Panama Canal, being the world's fastest growing energy markets). FLNG could partner with the owners of one of those terminals to co-develop new facilities with them on their site.

Alternatively, FLNG is aware of several completely undeveloped greenfield sites along the Texas and Louisiana coasts that could be suitable for LNG liquefaction and export facilities. FLNG could seek to acquire and develop on those sites. In any case, competition to develop new LNG liquefaction and export facilities is likely to be intense, especially in light of well advanced plans to do so in Australia, Russia, Africa and Middle East. To maximize its competitiveness, FLNG has selected the most energy-efficient liquefaction technology available, would leverage off its pre-existing assets to the greatest extent practicable, and would endeavor to economize on operations and maintenance costs as much as possible. Any economic development incentives received from Brazosport ISD or other Brazoria County jurisdictions would facilitate FLNG's competitiveness in this global marketplace and could be decisive towards the success of this project. A successful project development on Quintana Island would benefit not just FLNG but the entire Brazoria County economy and the Texas natural gas market, which would deliver very substantial quantities to the new facilities for decades to come."

Board Finding Number 9.

During the past two years, 24 projects in the Houston-Galveston Area Council of Governments Region applied for value limitation agreements under Tax Code, Chapter 313.

Board Finding Number 10.

The Board of Trustees hired consultants to review and verify the information in the Application from Freeport #246. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.

Board Finding Number 11.

The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Thirty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, §§ 313.054(a).

According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2011 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year, Attachment F, the total 2011 taxable value for Brazosport ISD is \$6.3 billion, with industrial property valued at \$4.7 billion. Brazosport ISD is categorized as Subchapter C, rural district. Given that the total amount of taxable industrial property in Brazosport ISD exceeds \$200 million, it is classified as a Category I district which can offer a minimum value limitation of \$30 million.

Board Finding Number 12.

The Applicant (Taxpayer Id. 1270030411) is eligible for the limitation on appraised value of qualified property as specified in the Agreement based on its "good standing" certification as a franchise-tax paying entity.

Board Finding Number 13.

The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District.

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District is not expected to incur a revenue loss in the several years that the value limitation is in effect, based on the current school finance laws. This Agreement is structured in a manner that it protects the District from any negative consequences of granting the value limitation through the revenue protection provisions agreed to by the Applicant and the District. Revenue protection measures are in place for the duration of the Agreement and are designed to adapt to future changes in school finance law.

Board Findings of the Brazosport Independent School District

Board Finding Number 14.

Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the Brazosport Independent School District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the Brazosport Independent School District.

Dated the 19th day of February 2013.

BRAZOSPORT INDEPENDENT SCHOOL DISTRICT

By: 
Ruth Ann Few, President, Board of Trustees

ATTEST:

By: 
Ron Damian, Secretary, Board of Trustees



LYNN M. MOAK, PARTNER

DANIEL T. CASEY, PARTNER

February 15, 2013

President and Members
Board of Trustees
Brazosport Independent School District
301 Brazoswood Drive
Clute, Texas 77531

Re: Recommendations and Findings of the firm Concerning Application of Freeport LNG Development for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Brazosport Independent School District, with respect to the pending Application of Freeport LNG Development for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. Based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate revenue protection provisions to protect the interests of the District.

As a result of the foregoing it is our recommendation that the Board of Trustees approve the Application of Freeport LNG Development for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in blue ink that reads "Daniel T. Casey".

Daniel T. Casey

www.moakcasey.com

O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

LESLIE MCCOLLOM
CERTIFIED, CIVIL APPELLATE
CERTIFIED, LABOR AND EMPLOYMENT
TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

February 15, 2013

Re: Recommendations and Findings of the Firm Concerning Application of Freeport LNG Development for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, first qualifying year 2013

Dear President and Members of the Board of Trustees:

Please accept this letter as formal notification of the completion of due diligence research on behalf of the Brazosport Independent School District, with respect to the pending Application of Freeport LNG Development for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes. Since our engagement on behalf of the District, we have been actively engaged in reviewing the pending Application and verifying its contents. We have also negotiated an Agreement between the District and Freeport LNG based upon our review we have drawn the following conclusions:

1. All statements of current fact contained in the Application are true and correct.
2. The project proposed in the Application meets all applicable eligibility criteria of Chapter 313 of the Texas Tax Code.
3. The Applicant has the current means and ability to complete the proposed project.
4. All applicable school finance implications arising from the contemplated Agreement have been explored.
5. The proposed Agreement contains adequate legal provisions so as to protect the interests of the District.

Letter to Brazosport ISD
February 15, 2012
Page 2 of 2

As a result of the foregoing conclusions it is our recommendation that the Board of Trustees approve the Application of Freeport LNG for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin O'Hanlon", written in a cursive style.

Kevin O'Hanlon
For the Firm

Attachment A

Application

O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

808 WEST AVENUE
AUSTIN, TEXAS 78701
TELEPHONE: (512) 494-9949
FACSIMILE: (512) 494-9919

KEVIN O'HANLON
CERTIFIED, CIVIL APPELLATE
CERTIFIED, CIVIL TRIAL

LESLIE MCCOLLOM
CERTIFIED, CIVIL APPELLATE
CERTIFIED, LABOR AND EMPLOYMENT
TEXAS BOARD OF LEGAL SPECIALIZATION

JUSTIN DEMERATH

October 17, 2012

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
P.O. Box 13528
Austin, Texas 78711-3528

RE: Application to the Brazosport Independent School District from Freeport LNG
Development, L. P.

To the Local Government Assistance & Economic Analysis Division:

In response to the request for further information, the company has prepared a supplemented application for project #246, Brazosport ISD-Freeport LNG. Page 5 and Page 8 of the Application have been updated. The company has also modified Schedule D to outline the details of the abatements from other taxing entities. The affiliate explanation found at Attachment 3 has been slightly modified.

Due to the size of the file, an electronic copy is not attached. We will hand deliver a copy to your office. Please feel free to contact me with questions.

Sincerely,



Kevin O'Hanlon
School District Consultant



**CHAPTER 313 APPLICATION
FOR APPRAISED VALUE LIMITATION
TO BRAZOSPORT I.S.D.**

APPLICATION III

August 31, 2012



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
Karin		8/31/12
First Name	Last Name	
Karin	Holacka	
Title		
Superintendent		
School District Name		
Brazosport ISD		
Street Address		
301 Brazosport Dr		
Mailing Address		
PO Drawer Z		
City	State	ZIP
Freeport	TX	77542
Phone Number	Fax Number	
979-730-7000	979-266-2486	
Mobile Number (optional)	E-mail Address	
	kholacka@brazosportisd.net	

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

Will consultant be primary contact? Yes No

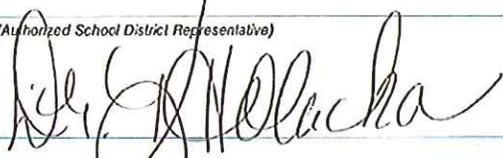


SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name Daniel T.	Last Name Casey
Title Partner	
Firm Name Moak, Casey & Associates LLP	
Street Address 400 W. 15th Street, Suite 1410	
Mailing Address 400 W. 15th Street, Suite 1410	
City Austin	State TX
	ZIP 78701-1648
Phone Number 512-485-7878	Fax Number 512-485-7888
Mobile Number (Optional)	E-mail Address dcasey@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) 	Date 9/4/12
---	-----------------------

Has the district determined this application complete? Yes No

If yes, date determined complete. **9/4/12**

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	✓
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 Hugh		Last Name Urbantke	
Title President			
Organization Freeport LNG Development, L.P.			
Street Address 333 Clay St., Suite 5050			
Mailing Address 333 Clay St., Suite 5050			
City Houston		State TX	ZIP 77002-4173
Phone Number 713-980-2888		Fax Number 713-980-2903	
Mobile Number (optional)		Business e-mail Address HUrbantke@freeportlng.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 Lauren		Last Name Mahood	
Title Commercial Analyst			
Organization Freeport LNG Development, L.P.			
Street Address 333 Clay St., Suite 5050			
Mailing Address 333 Clay St., Suite 5050			
City Houston		State TX	ZIP 77002-4173
Phone Number 713-634-3502		Fax Number 713-980-2903	
Mobile Number (optional)		E-mail Address lmahood@freeportlng.com	

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

Will consultant be primary contact? Yes No



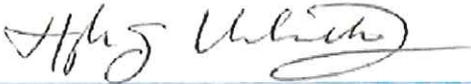
APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name Wes		Last Name Jackson	
Title Partner			
Firm Name Cummings Westlake LLC			
Street Address 12837 Louetta Rd, Suite 201			
Mailing Address 12837 Louetta Rd, Suite 201			
City Cypress		State TX	ZIP 77429
Phone Number 713-266-4456 x1		Fax Number 713-266-2333	
Business email Address wjackson@cwlp.net			

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 8-30-12
---	------------------------

GIVEN under my hand and seal of office this 30 day of August, 2012



(Notary Seal)


Notary Public, State of Texas

My commission expires May 20, 2015

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 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

Freeport LNG Development, L.P. and its affiliates *:

*FLNG Liquefaction 2, LLC TX Tax ID # 32048303864
*FLNG Liquefaction 3, LLC TX Tax ID # 32048642410
*FLIQ Common Facilities, LLC TX Tax ID # 32048786746
*Angler Pipeline, LLC TX Tax ID # 32041445050

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

12700304111

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.

Brazosport ISD - 2011 (Freeport LNG will request Brazosport ISD to cancel this agreement effective 12/31/12)

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 Partnership

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 UNDERTAX CODE CHAPTER 313.024

- Are you an entity to which Tax Code, Chapter 171 applies?
The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:
(1) manufacturing
(2) research and development.
(3) a clean coal project, as defined by Section 5.001, Water Code
(4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code
(5) renewable energy electric generation
(6) electric power generation using integrated gasification combined cycle technology.
(7) nuclear electric power generation
(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)
Are you requesting that any of the land be classified as qualified investment?
Will any of the proposed qualified investment be leased under a capitalized lease?
Will any of the proposed qualified investment be leased under an operating lease?
Are you including property that is owned by a person other than the applicant?
Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?

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 # 4A

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, Relocate on within Texas

PROJECTED TIMELINE

Begin Construction Q2 2015, Begin Hiring New Employees Q4 2017 & Q1 2018, Construction Complete Q2 2019, Fully Operational Q2 2019, Purchase Machinery & Equipment Q2 2015 - Q1 2019

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)?

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? Q2 2019

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source	Amount
Currently evaluating benefits of making application to:	
Texas Enterprise Zone Program	
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.)

We have filed and received approval for a Chapter 312 tax abatement with Brazoria County and are in the process of filing for Chapter 312 tax abatements with Velasco Drainage District, Brazosport College District, and Port Freeport.

THE PROPERTY

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

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

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: Brazoria (100%) City: n/a
(Name and percent of project) (Name and percent of project)

Hospital District: n/a Water District: Velasco Drainage District (100%)
(Name and percent of project) (Name and percent of project)

Other (describe): Port Freeport (100%) Other (describe): Brazosport College District (100%)
(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? \$30,000,000

What is the amount of appraised value limitation for which you are applying? \$30,000,000

What is your total estimated *qualified* investment? \$895,023,100

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 4, 2012

What is the anticipated date of the beginning of the qualifying time period? January 2, 2017

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? \$1,300,000,000

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? _____

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

Will the project be on leased land? Yes No

All new property on Quintana Island is located on land leased from Port Freeport. The proposed new pipelines, with the minor exception of the segments at the Pre-Treatment Facility (PTF), are located on land leased from multiple owners. The PTF is to be located on land owned by Freeport LNG.

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. See Attachment 12 2012
(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)? 65

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) if applicant had in Texas during the most recent quarter reported to the TWC? 95

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. Not applicable

Total number of new jobs that will have been created when fully operational 23 In addition to the 95 jobs above

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? 18

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 TWG 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 \$1,044

110% of the county average weekly wage for manufacturing jobs in the county is \$1,934

110% of the county average weekly wage for manufacturing jobs in the region is \$1,136

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

§313.021(5)(A) or §3-3,021(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? \$59,082

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? \$65,000

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? 2%

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.C001 (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.

Schedule A (Rev. Jan. 2010): Investment

PROPERTY INVESTMENT AMOUNTS

(Estimated Investment in each year. Do not put cumulative totals.)

	Year	School Year (YYYY-YYYY)	Tax Year (if 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 (either qualified property or eligible to become qualified investment)					X			
	Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)								
	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								
	2								
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3							
		4							
		6							
		6							
		7							
		8							
		9							
		10							
Credit Settle-Up Period	Continue to Maintain Value Presence	11							
		12							
		13							
Pre-Settle-Up Period	14								
Post-Settle-Up Period	15								

Schedules A through D are in the Excel file and shown separately as Attachments 17 - 20

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 §313.021(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals. [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.

Column B: 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). For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: 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.

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 _____

Schedule B (Rev. Jan. 2010): Estimated Market and Taxable Value

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	
					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
		pro-year 1								
Complete tax years of qualifying time period		1								
		2								
Tax Credit Period (with 60% cap on credit)	Value Limitation Period	3								
		4								
		5								
		6								
		7								
		8								
		9								
		10								
Credit Settle-Up period	Continue to Maintain Valable Presence	11								
		12								
		13								
Post-Settle-Up Period		14								
Post-Settle-Up Period		15								

Schedules A through D are in the Excel file and shown separately as Attachments 17 - 20

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 _____



Schedule C - Application: Employment Information

Applicant Name

ISD Name

		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 quali- fying jobs appli- cant commits to create meeting all criteria of Sec. 513.021(3) (cumulative)
		pre-year 1							
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	1							
		2							
		3							
		4							
		5							
		6							
		7							
		8							
		9							
		10							
Credit Settle-Up period	Continue to Maintain Value Presence	11							
		12							
		13							
Post- Settle-Up Period		14							
Post- Settle-Up Period		15							

Schedules A through D are in the Excel file and shown separately as Attachments 17 - 20

Notes: For job definitions see TAG §9.1051(14) and Tax Code §313.021(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

DATE



Schedule D: (Rev. Jan. 2010); Other Tax Information

Applicant Name

ISD Name

		Year	School Year (YYYY)	Tax/Calendar Year (YYYY)	Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought			
					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	Column H: Estimate of franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the agreement	Fill in percentage exemption requested or granted in each year of the agreement	Fill in percentage exemption requested or granted in each year of the agreement	Fill in percentage exemption requested or granted in each year of the agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)											
	Complete tax years of qualifying time period	1									
		2									
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	3									
		4									
		5									
		6									
		7									
		8									
		9									
		10									
Credit Settle-Up period	Continue to Maintain Mable Presence	11									
		12									
		13									
Post-Settle-Up Period		14									
Post-Settle-Up Period		15									

Schedules A through D are in the Excel file and shown separately as Attachments 17 - 20

*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

Application III

ATTACHMENT 1

Please see the related application.

*ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION
ON QUALIFIED PROPERTY BY FREEPORT LNG DEVELOPMENT, L.P. AND ITS AFFILIATES
TO BRAZOSPORT ISD*

Application III

ATTACHMENT 2

A copy of the check for \$50,000 per application (totaling \$150,000 for the three separate applications) made payable to Brazosport Independent School District 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)*

Application III

ATTACHMENT 3

Please see the attached documentation.

CUMMINGS WESTLAKE LLC

12837 Louetta Road, Suite 201 Cypress, Texas 77429-5611 713-266-4456 Fax: 713-266-2333

October 9, 2012

REVISED

Mr. Robert Wood
Director, Economic Development & Analysis
Texas Comptroller of Public Accounts
PO Box 13528
Austin, TX 78711-3528

Re: Freeport LNG Development, LP – Chapter 313 Applications to Brazosport ISD

Dear Mr. Wood,

As you are aware, Attachment 3 of the subject applications requires documentation of Combined Group membership under Texas Tax Code 171.0001(7) for applicant members. Accordingly, we have attached the most recent 2012 filing of Freeport LNG Development, LP's Texas Franchise Tax Extension Affiliate List.

Please note that recently created entities, which are affiliates and parties to this application, are not on this list as of yet. However, these new Texas legal entities will become part of this combined group in the next regular filing. The new entities are:

FLNG Liquefaction 2, LLC, Texas Tax ID # 32048303864
FLNG Liquefaction 3, LLC, Texas Tax ID # 32048642410
FLIQ Common Facilities, LLC, Texas Tax ID # 32048786746

Please contact me should you have any questions.

Sincerely,

J. Weston Jackson
Partner

Enclosures

1C5284 5.000
TX2012
Ver. 3.0

05-165
(Rev. 9-11/13)
Tcode 13298

Texas Franchise Tax Extension Affiliate List

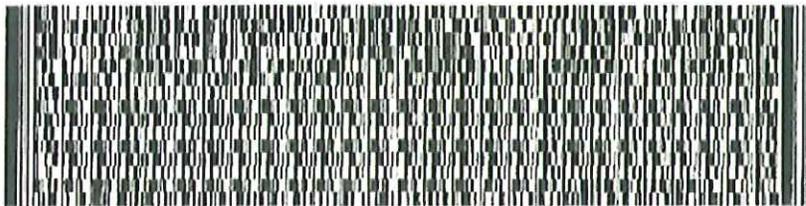
Reporting entity taxpayer number 12700304111	Report year 2012	Reporting entity taxpayer name FREEMONT LNG DEVELOPMENT, LP
--	----------------------------	---

LEGAL NAME OF AFFILIATE	AFFILIATE'S TEXAS TAXPAYER NUMBER (If none, enter FEI number)	CHECK BOX IF AFFILIATE DOES NOT HAVE NEXUS IN TEXAS
1. FING LAND, INC	32014220407	<input type="checkbox"/>
2. FING LAND II, INC	32017307565	<input type="checkbox"/>
3. FREEMONT LNG EXPANSION GP, INC	32018709280	<input type="checkbox"/>
4. FING STORAGE GP, INC	32018709306	<input type="checkbox"/>
5. FREEMONT LNG EXPANSION, L.P.	32035280026	<input type="checkbox"/>
6. FLEX EGL, LLC	32043022220	<input type="checkbox"/>
7. FING LIQUEFACTION, LLC	32043147043	<input type="checkbox"/>
8. ANGLER PIPELINE, LLC	32041445050	<input type="checkbox"/>
9.		<input type="checkbox"/>
10.		<input type="checkbox"/>
11.		<input type="checkbox"/>
12.		<input type="checkbox"/>
13.		<input type="checkbox"/>
14.		<input type="checkbox"/>
15.		<input type="checkbox"/>
16.		<input type="checkbox"/>
17.		<input type="checkbox"/>
18.		<input type="checkbox"/>
19.		<input type="checkbox"/>
20.		<input type="checkbox"/>
21.		<input type="checkbox"/>

Note: To file an extension request for a reporting entity and its affiliates, Form 05-164 (Texas Franchise Tax Extension Request) must be submitted with this affiliate list. The filing of this list by itself does not constitute a properly filed Extension Request.

Do not file this form when requesting a second extension.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	FM	<input type="checkbox"/>
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ATTACHMENT 4

**DETAILED PROJECT DESCRIPTION – Freeport LNG Liquefaction Project
Exhibit #4 to the BISD Ch 313 Application for Limitation of Appraised Value**

- (1) As nations increasingly search for alternative sources of energy besides oil and coal for power generation and other applications, demand for LNG will continue to grow. The U.S. has an opportunity to expand its participation in the global market for natural gas, as the country's more than 100 years of reserves are well positioned to contribute to meeting this growing demand. Freeport LNG's production and export of LNG represents a long-term economic stimulus to the nation's natural gas-producing regions, including Texas and the entire Gulf Coast. Freeport LNG's proposed liquefaction facility and export terminal will take advantage of the huge natural gas reserves that have been unlocked in recent years to provide substantial job creation and economic stimulus to the U.S. at large. New natural gas production and export of LNG represents a long-term economic lift to the nation's natural gas-producing regions and the overall U.S. economy.

Freeport LNG is proposing to add natural gas liquefaction infrastructure at and near the existing terminal to provide export capacity of approximately 4.4 million metric tonnes per annum (mtpa) of LNG per liquefaction train, which equates to processing approximately 670 MMcf/d of pipeline-quality natural gas (feed gas). Described and quantified in this application, the third phase of the project, projected to be in full operations in the second quarter of 2019, will include one liquefaction train capable of producing an export capacity of up to 4.4 mtpa, associated pretreatment system facilities for that train and one full-containment LNG storage tank.

The feed gas will be derived from interconnecting intrastate systems through Freeport LNG's existing Stratton Ridge meter station. The gas will be pretreated along Freeport LNG's existing 42" gas pipeline, about halfway between Freeport LNG's existing facilities on Quintana Island and Freeport LNG's existing metering, compression and underground storage facilities. The pretreated natural gas will then be delivered to the terminal through Freeport LNG's existing 42" gas pipeline. At the terminal, it will be liquefied and then stored in full-containment LNG storage tanks. LNG will be exported from the terminal by LNG carriers arriving via marine transit through the Freeport Harbor Channel.

The added liquefaction capability will not preclude the terminal from operating in vaporization and send-out mode as business conditions dictate. Also, having dual liquefaction and regasification capabilities will not result in any increase in the number of ship transits since the total amount of LNG handled, either by liquefying natural gas or by vaporizing LNG, will not exceed thresholds authorized under the FERC order approving the Phase II regas project.

- (2) A Chapter 313 Value Limitation Agreement is requested on all the proposed new improvements and fixed equipment associated with this project as described below.

Application III

The proposed project primarily consists of property classified by Brazoria CAD as real estate improvements including, but not limiting to, three large refrigerant compressors, one main cryogenic heat exchanger, eight refrigerant vaporizers, two liquid turbines, 250+ fin fan air coolers, multiple heat exchangers and tower reboilers, multiple vessels, numerous compressors, one full-containment LNG storage tank, various pumps and all associated buildings and office expansions. Also included, but not limited to, are all of the associated concrete foundations, pipe supports, piping, instrumentation, power feeds, control loops, safety systems, fire water protection, insulation, and utilities necessary to connect the new facilities to the existing terminal and to safely operate the new equipment.

ATTACHMENT 4A

Freeport LNG ("FLNG") is keen to invest in LNG liquefaction and export facilities at its Quintana Island terminal because of its pre-existing assets there that would enable such an investment and the generally favorable business environment in Brazoria County and Texas. However, there are no other fundamental advantages to the location and FLNG could seek to invest in such facilities elsewhere. The three existing LNG terminals in Louisiana, which are similar to FLNG's, are all considering developing liquefaction and export facilities and would enjoy that state's 100% across-the-board 10-year industrial tax abatement. Those facilities enjoy a shipping advantage because they are somewhat closer to both the Atlantic and Pacific Basin markets (the latter, through the expanded Panama Canal, being the world's fastest growing energy markets). FLNG could partner with the owners of one of those terminals to co-develop new facilities with them on their site. Alternatively, FLNG is aware of several completely undeveloped greenfield sites along the Texas and Louisiana coasts that could be suitable for LNG liquefaction and export facilities. FLNG could seek to acquire and develop on those sites. In any case, competition to develop new LNG liquefaction and export facilities is likely to be intense, especially in light of well advanced plans to do so in Australia, Russia, Africa and the Middle East. To maximize its competitiveness, FLNG has selected the most energy-efficient liquefaction technology available, would leverage off its pre-existing assets to the greatest extent practicable, and would endeavor to economize on operations and maintenance costs as much as possible. Any economic development incentives received from Brazosport ISD or other Brazoria County jurisdictions would facilitate FLNG's competitiveness in this global marketplace and could be decisive towards the success of this project. A successful project development on Quintana Island would benefit not just FLNG but the entire Brazoria County economy and the Texas natural gas market, which would deliver very substantial quantities to the new facilities for decades to come.

Application III

ATTACHMENT 5

The project is located in the following taxing jurisdictions:

- Brazoria County (100%)
- Brazosport ISD (100%)
- Velasco Drainage District (100%)
- Port Freeport (100%)
- Brazosport College District (100%)

ATTACHMENT 6

The proposed project primarily consists of property classified by Brazoria CAD as real estate improvements including, but not limiting to, three large refrigerant compressors, one main cryogenic heat exchanger, eight refrigerant vaporizers, two liquid turbines, 250+ fin fan air coolers, multiple heat exchangers and tower reboilers, multiple vessels, numerous compressors, one full-containment LNG storage tank, various pumps and all associated buildings and office expansions. Also included, but not limited to, are all of the associated concrete foundations, pipe supports, piping, instrumentation, power feeds, control loops, safety systems, fire water protection, insulation, and utilities necessary to connect the new facilities to the existing terminal and to safely operate the new equipment.

Application III

ATTACHMENT 7

Please see attached the maps.

ATTACHMENT 8

The proposed project primarily consists of property classified by Brazoria CAD as real estate improvements including, but not limiting to, three large refrigerant compressors, one main cryogenic heat exchanger, eight refrigerant vaporizers, two liquid turbines, 250+ fin fan air coolers, multiple heat exchangers and tower reboilers, multiple vessels, numerous compressors, one full-containment LNG storage tank, various pumps and all associated buildings and office expansions. Also included, but not limited to, are all of the associated concrete foundations, pipe supports, piping, instrumentation, power feeds, control loops, safety systems, fire water protection, insulation, and utilities necessary to connect the new facilities to the existing terminal and to safely operate the new equipment.

Application III

ATTACHMENT 9

Please see the attached maps.

Application III

ATTACHMENT 10

The legal description of the land is identical to the legal description of the reinvestment zones shown in Attachment 23. Due to the number of pages, and for economy purposes, we are not reproducing those pages. Please see Attachment 23.

The land will not be part of the Qualified Property on this application.

Application III

ATTACHMENT 11

Please see the attached maps.

ATTACHMENT 12

DESCRIPTION OF EXISTING IMPROVEMENTS

- Phase I was completed and came fully online in 2008. The existing Phase I regasification terminal is designed to vaporize and achieve a peak send-out capacity of ~2.0 Bcf per day.
- Phase I includes two full-containment, 160,000 cubic meter LNG storage tanks, one piled marine dock, capable of handling LNG vessels in excess of 200,000 cubic meters, associated double-walled vacuum insulated transfer pipelines, a Boil Off Gas Re-liquefaction unit, an approximately ten mile, 42" natural gas pipeline from the existing terminal to Stratton Ridge, an office building, a control room, a warehouse, an analyzer, shop buildings, a VE Warming Tower, fencing and roads.
- Phase I includes seven vaporization trains and associated equipment, eight water glycol heaters, a water glycol tank, pumps, a drain drum and sump, eight intermediate exchangers and fuel gas heaters.
- All land is leased from Port Freeport on Quintana Island.
- Please see the attached Brazoria County Appraisal District account numbers and the 2011 certified values.

**BRAZORIA COUNTY APPRAISAL DISTRICT
CERTIFICATION OF APPRAISED VALUE OF PROPERTIES
AS OF JANUARY 1, 2011**

TO: BRAZORIA COUNTY

FROM: BRAZORIA COUNTY APPRAISAL DISTRICT

DATE: May 30, 2012

The Brazoria County Appraisal District hereby certifies that the following appraised values as of January 1, 2011, for property of "Various Owners – see attached" described in Exhibit "A" attached hereto are listed in the records of the Brazoria County Appraisal District and indicated by the following account numbers:

<u>PERSONAL PROPERTY ACCOUNT(S)</u>	<u>APPRAISED VALUE(S)</u>
8900-0800-000	\$4,539,150
8900-0800-100	\$782,500

LAND ACCOUNT(S)

SEE ATTACHED

SEE ATTACHED

IMPROVEMENT ACCOUNT(S)

8800-0450-000	\$9,795,330
8800-0450-100	\$3,750,000
ABAT-FLNG-001	\$173,852,900
POLL-FLNG-001	\$57,689,180

Certified this 30th day of May, 2012.

BRAZORIA COUNTY APPRAISAL DISTRICT



Cheryl Evans, Chief Appraiser

Property ID	Acreage	Value	Ag Value
151537	72.9510	\$29,180	
154421	766.0000	\$536,200	\$64,690
166689	97.1000	\$54,970	
191268	108.0350	\$63,020	\$7,420
191273	10.0000	\$3,000	\$700
191355	4.5040	\$1,350	
191386	2.5000	\$750	
191387	2.5000	\$750	
218366	305.6720	\$222,140	\$13,670
240525	75.0318	\$154,100	
240559	1.4155	\$46,260	
240562	0.1592	\$100	
240587	1.5571	\$23,320	
240568	0.5664	\$15,040	
240569	0.0472	\$2,050	
240570	0.0708	\$3,850	
240571	0.0708	\$3,850	
240572	0.4247	\$23,120	
240573	0.1416	\$7,710	
240574	0.8493	\$37,000	
240575	0.2831	\$15,420	
240577	0.2831	\$15,420	
240641	1.4155	\$46,260	
240642	0.1416	\$7,710	
240643	0.1416	\$7,710	
240645	1.5571	\$23,320	
240646	0.0472	\$2,570	
240647	0.0472	\$2,570	
240648	0.0472	\$2,570	
240649	1.4155	\$140	
240651	1.4042	\$140	
240652	0.1592	\$100	
240734	1.5571	\$46,630	
240735	0.1416	\$100	
240736	1.5571	\$46,630	
240737	0.1416	\$100	
240739	1.5571	\$46,630	
240964	1.5571	\$46,630	
240965	0.1416	\$7,710	
240968	0.4247	\$23,120	
240969	0.2831	\$15,420	
240970	0.2831	\$15,420	
240997	0.0118	\$30	
240998	0.8486	\$36,970	
240999	0.0708	\$90	
241000	0.0708	\$90	
241001	0.2713	\$14,770	
241004	1.4332	\$46,820	
241005	0.7431	\$115	
241006	0.0944	\$5,140	
241008	1.5571	\$46,630	
241010	0.1416	\$390	
241012	0.2831	\$15,420	
554896	3.6822	\$90,220	
557126	1.1324	\$43,160	
TOTAL	1,472.5234	\$1,889,906	

* Acreage difference in roads, water, resurvey

Application III

ATTACHMENT 13

Not Applicable

*ATTACHMENT TO APPLICATION FOR APPRAISED VALUE LIMITATION
ON QUALIFIED PROPERTY BY FREEPORT LNG DEVELOPMENT, L.P. AND ITS AFFILIATES
TO BRAZOSPORT ISD*

ATTACHMENT 14

The calculation of the three possible wage requirements with TWC documentation is attached. Freeport LNG has chosen to use \$65,000 as the wage rate for permanent qualified jobs. The most recent four quarters of the regional wage rate calculates an annual equivalent of \$53,711, and Freeport LNG's wage rate exceeds 110% of the current regional wage rate (which equals \$59,082).

FREEPORT LNG DEVELOPMENT, L.P.
ATTACHMENT TO CHAPTER 313 APPLICATION

CHAPTER 313 WAGE CALCULATION - ALL JOBS - ALL INDUSTRIES

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
SECOND	2011	\$ 907	\$ 47,164
THIRD	2011	\$ 931	\$ 48,412
FOURTH	2011	\$ 960	\$ 49,920
FIRST	2012	\$ 1,000	\$ 52,000
AVERAGE		\$ 950	\$ 49,374
		X	
		110%	110%
		\$ 1,044	\$ 54,311

CHAPTER 313 WAGE CALCULATION - MANUFACTURING JOBS

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
SECOND	2011	\$ 1,711	\$ 88,972
THIRD	2011	\$ 1,658	\$ 86,216
FOURTH	2011	\$ 1,699	\$ 88,348
FIRST	2012	\$ 1,965	\$ 102,180
AVERAGE		\$ 1,758	\$ 91,429
		X	
		110%	110%
		\$ 1,934	\$ 100,572

CHAPTER 313 WAGE CALCULATION - REGIONAL WAGE RATE

QUARTER	YEAR	AVG WEEKLY WAGES*	ANNUALIZED
	2011	\$ 1,033	\$ 53,711
		X	
		110%	110%
		\$ 1,136	\$ 59,082

* SEE ATTACHED TWC DOCUMENTATION

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
2011	1st Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$977
2012	1st Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$1,000
2011	2nd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$907
2011	3rd Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$931
2011	4th Qtr	Brazoria County	Private	00	0	10	Total, All Industries	\$930

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
2011	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$2,083
2012	1st Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,965
2011	2nd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,711
2011	3rd Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,658
2011	4th Qtr	Brazoria County	Private	31	2	31-33	Manufacturing	\$1,699

**2011 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$22.89	\$47,610
<u>1. Panhandle Regional Planning Commission</u>	\$19.32	\$40,196
<u>2. South Plains Association of Governments</u>	\$16.45	\$34,210
<u>3. NORTEX Regional Planning Commission</u>	\$18.14	\$37,733
<u>4. North Central Texas Council of Governments</u>	\$24.03	\$49,986
<u>5. Ark-Tex Council of Governments</u>	\$16.52	\$34,366
<u>6. East Texas Council of Governments</u>	\$18.27	\$37,995
<u>7. West Central Texas Council of Governments</u>	\$17.76	\$36,949
<u>8. Rio Grande Council of Governments</u>	\$15.69	\$32,635
<u>9. Permian Basin Regional Planning Commission</u>	\$21.32	\$44,349
<u>10. Concho Valley Council of Governments</u>	\$15.92	\$33,123
<u>11. Heart of Texas Council of Governments</u>	\$18.82	\$39,150
<u>12. Capital Area Council of Governments</u>	\$26.46	\$55,047
<u>13. Brazos Valley Council of Governments</u>	\$15.71	\$33,718
<u>14. Deep East Texas Council of Governments</u>	\$15.48	\$32,207
<u>15. South East Texas Regional Planning Commission</u>	\$28.23	\$58,724
<u>16. Houston-Galveston Area Council</u>	\$25.82	\$53,711
<u>17. Golden Crescent Regional Planning Commission</u>	\$20.38	\$42,391
<u>18. Alamo Area Council of Governments</u>	\$18.00	\$37,439
<u>19. South Texas Development Council</u>	\$13.85	\$28,806
<u>20. Coastal Bend Council of Governments</u>	\$22.35	\$46,489
<u>21. Lower Rio Grande Valley Development Council</u>	\$15.08	\$31,365
<u>22. Texoma Council of Governments</u>	\$20.76	\$43,190
<u>23. Central Texas Council of Governments</u>	\$16.17	\$33,642
<u>24. Middle Rio Grande Development Council</u>	\$13.65	\$28,382

$$110\% \times \$53,711 = \$59,082$$

Source: Texas Occupational Employment and Wages

Data published: July 2012

Data published annually, next update will be summer 2013

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 15

Freeport LNG, L.P. provides its employees with benefits including but not limited to the following:

- Medical Coverage (company pays 80% of employee health insurance premiums)
- Dental Plan
- Group Life Insurance
- Paid Holidays
- Paid Vacation
- 401(k) Retirement Savings Plan

Application III

ATTACHMENT 16

The economic impact study will be performed by the Comptroller at a future date.

Application III

ATTACHMENT 17

Please see the attached Schedule A.

Application III

ATTACHMENT 18

Please see the attached Schedule B.

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

Applicant Name: **Freeport LNG Development, LP and its affiliates** (Applicant)

ISD Name: **Freeport (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	
				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	2015-2016	2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	pre-year 2	2016-2017	2016	\$ -	\$ 92,400	\$ 39,896,200	\$ 332,305	\$ 39,656,295	\$ 39,656,295	\$ 39,656,295
	pre-year 3	2017-2018	2017	\$ -	\$ 467,700	\$ 202,020,800	\$ 1,682,679	\$ 200,305,821	\$ 200,305,821	\$ 200,305,821
Complete tax years of qualifying time period	1	2018-2019	2018	\$ -	\$ 843,100	\$ 364,145,400	\$ 3,033,054	\$ 361,955,446	\$ 361,955,446	\$ 361,955,446
	2	2019-2020	2019	\$ -	\$ 1,218,500	\$ 526,270,000	\$ 4,383,429	\$ 523,105,071	\$ 523,105,071	\$ 523,105,071
	3	2020-2021	2020	\$ -	\$ 2,973,000	\$ 1,284,027,000	\$ 10,694,970	\$ 1,276,305,030	\$ 1,276,305,030	\$ 1,276,305,030
	4	2021-2022	2021	\$ -	\$ 2,868,900	\$ 1,239,086,100	\$ 10,320,646	\$ 1,231,634,354	\$ 1,231,634,354	\$ 1,231,634,354
	5	2022-2023	2022	\$ -	\$ 2,768,500	\$ 1,195,718,100	\$ 9,959,424	\$ 1,188,527,176	\$ 1,188,527,176	\$ 1,188,527,176
	6	2023-2024	2023	\$ -	\$ 2,671,600	\$ 1,153,868,000	\$ 9,610,844	\$ 1,146,928,756	\$ 1,146,928,756	\$ 1,146,928,756
	7	2024-2025	2024	\$ -	\$ 2,578,100	\$ 1,084,635,900	\$ 9,034,748	\$ 1,078,179,252	\$ 1,078,179,252	\$ 1,078,179,252
	8	2025-2026	2025	\$ -	\$ 2,487,900	\$ 1,030,404,100	\$ 8,583,333	\$ 1,024,308,667	\$ 1,024,308,667	\$ 1,024,308,667
	9	2026-2027	2026	\$ -	\$ 2,400,800	\$ 978,883,900	\$ 8,154,476	\$ 973,130,224	\$ 973,130,224	\$ 973,130,224
	10	2027-2028	2027	\$ -	\$ 2,316,800	\$ 920,150,900	\$ 7,665,707	\$ 914,801,993	\$ 914,801,993	\$ 914,801,993
	11	2028-2029	2028	\$ -	\$ 2,235,700	\$ 864,941,800	\$ 7,206,245	\$ 859,971,255	\$ 859,971,255	\$ 859,971,255
	12	2029-2030	2029	\$ -	\$ 2,157,500	\$ 813,045,300	\$ 6,774,335	\$ 808,428,465	\$ 808,428,465	\$ 808,428,465
	13	2030-2031	2030	\$ -	\$ 2,082,000	\$ 764,262,600	\$ 6,368,324	\$ 759,976,276	\$ 759,976,276	\$ 759,976,276
	14	2031-2032	2031	\$ -	\$ 2,009,100	\$ 718,406,800	\$ 5,986,656	\$ 714,429,244	\$ 714,429,244	\$ 714,429,244
	15	2032-2033	2032	\$ -	\$ 1,938,800	\$ 675,302,400	\$ 5,627,874	\$ 671,613,326	\$ 671,613,326	\$ 671,613,326

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.

[Handwritten Signature]

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

8-30-12

Application III

ATTACHMENT 19

Please see the attached Schedule C.

Schedule C- Application: Employment Information

Applicant Name: **Freeport LNG Development, LP and its affiliates (Application 3)**
 ISD Name: **Brazosport ISD**

Form 50-296

	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) [FTE]	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	2015-2016	2015	500 FTE's	\$62,400				
	pre-year 2	2016-2017	2016	1000 FTE's	\$62,400				
	pre-year 3	2017-2018	2017	1200 FTE's	\$62,400	3	\$ 61,600	2	
Complete tax years of qualifying time period	1	2018-2019	2018	1000 FTE's	\$62,400	16	\$ 61,600	13	
	2	2019-2020	2019	200 FTE's	\$62,400	23	\$ 61,600	18	\$ 65,000
	3	2020-2021	2020	-	-	23	\$ 61,600	18	\$ 65,000
	4	2021-2022	2021	-	-	23	\$ 61,600	18	\$ 65,000
	5	2022-2023	2022	-	-	23	\$ 61,600	18	\$ 65,000
Value Limitation Period	6	2023-2024	2023	-	-	23	\$ 61,600	18	\$ 65,000
	7	2024-2025	2024	-	-	23	\$ 61,600	18	\$ 65,000
	8	2025-2026	2025	-	-	23	\$ 61,600	18	\$ 65,000
	9	2026-2027	2026	-	-	23	\$ 61,600	18	\$ 65,000
	10	2027-2028	2027	-	-	23	\$ 61,600	18	\$ 65,000
Credit Settle-Up Period	11	2028-2029	2028	-	-	23	\$ 61,600	18	\$ 65,000
	12	2029-2030	2029	-	-	23	\$ 61,600	18	\$ 65,000
	13	2030-2031	2030	-	-	23	\$ 61,600	18	\$ 65,000
Post-Settle-Up Period	14	2031-2032	2031	-	-	23	\$ 61,600	18	\$ 65,000
	15	2032-2033	2032	-	-	23	\$ 61,600	18	\$ 65,000

Notes: For job definitions see TAC §§.1051(14) and Tax Code §313.021(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]
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

8-30-12
 DATE

Application III

ATTACHMENT 20

Please see the attached Schedule D.

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

Applicant Name

Freeport LNG Development, LP and its affiliates (Application 3) ISD Name Brazosport ISD Form 50-296

Sales Tax Information		Franchise Tax		Other Property Tax Abatements Sought				
Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column G: Estimate of total annual expenditures* made in Texas NOT subject to state sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	County	College	Port	Drainage Dist
	2015-2016	2015	\$ 164,251,010	\$ -				
	2016-2017	2016	\$ 246,376,515	\$ -	100%	100%	100%	100%
	2017-2018	2017						
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	1	2018-2019	\$ 76,750,000	\$ -	100%	100%	100%	100%
		2019-2020	\$ 76,750,000	\$ -	100%	100%	100%	100%
		2020-2021	\$ 86,136,325	\$ 2,050,000	100%	100%	100%	100%
		2021-2022	\$ 31,270,000	\$ 2,070,000	100%	100%	100%	100%
		2022-2023	\$ 32,300,000	\$ 2,090,000	100%	100%	100%	100%
		2023-2024	\$ 33,370,000	\$ 2,120,000	100%	100%	100%	100%
		2024-2025	\$ 34,470,000	\$ 2,170,000	100%	100%	100%	100%
		2025-2026	\$ 35,620,000	\$ 2,240,000	100%	100%	100%	100%
		2026-2027	\$ 36,810,000	\$ 2,250,000	100%	100%	100%	100%
		2027-2028	\$ 38,050,000	\$ 2,270,000	N/A	N/A	N/A	N/A
		2028-2029	\$ 39,330,000	\$ 2,280,000	N/A	N/A	N/A	N/A
		2029-2030	\$ 40,660,000	\$ 2,300,000	N/A	N/A	N/A	N/A
		2030-2031	\$ 42,040,000	\$ 2,320,000	N/A	N/A	N/A	N/A
		2031-2032	\$ 43,480,000	\$ 2,330,000	N/A	N/A	N/A	N/A
		2032-2033	\$ 44,970,000	\$ 2,350,000	N/A	N/A	N/A	N/A
	2	2032-2033	\$ 46,520,000	\$ 2,370,000	N/A	N/A	N/A	N/A

*For planning, construction and operation of the facility.

[Signature]
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

10-11-12
 DATE

Application III

ATTACHMENT 21

A map delineating Freeport LNG Development, L.P. Reinvestment Zones No. 2 and No. 3 is attached.

Application III

ATTACHMENT 22

On September 28, 2010, the Brazoria County Commissioners' Court created Freeport LNG Development, L.P. Reinvestment Zone No. 2.

On July 24th, 2012, the Brazoria County Commissioners' Court created Freeport LNG Development, L.P. Reinvestment Zone No 3.

The resolutions of the Brazoria County Commissioners' Court establishing Freeport LNG Development, L.P. Reinvestment Zone No.2 and Freeport LNG Development, L.P. Reinvestment Zone No. 3 are attached.

Date: 9/28/2010

THE SPECIAL COMMISSIONERS COURT SESSION OF BRAZORIA COUNTY, TEXAS

ORDER NO. VIII.B.1.c.

**RE: Freeport LNG Development, LP Tax Abatement application: Order granting
Tax Abatement**

That the application for tax abatement of Freeport LNG Development, LP attached hereto be granted in accordance with the Guidelines and Criteria for Granting Tax Abatement in a Reinvestment Zone created in Brazoria County for a term of seven (7) years, and at 100% abatement of eligible properties;

It is further determined that the abatement period would better benefit the County and the Applicant by deferring the commencement date effective January 1, 2012;

It is further that the County Judge is authorized to execute a tax abatement with Freeport LNG Development, LP in accordance with the same guidelines and criteria.

Date: 7/24/2012

THE SPECIAL COMMISSIONERS COURT SESSION OF BRAZORIA COUNTY, TEXAS

ORDER NO. VII.B.2.c.

RE: Designation of Freeport LNG Development LP Reinvestment Zone No. 3

Whereas, a request has been received by Brazoria County for the Designation of Freeport LNG Development LP Reinvestment Zone No. 3 which is more particularly identified in the attached Exhibit "A" and incorporated herein by reference; and

Whereas, a public hearing was held on the Designation of Freeport LNG Development LP Reinvestment Zone No. 3 and the public was given an opportunity to speak and present evidence for or against such designation; and

Whereas, notice of the hearing was given in the manner as provided by law;

Therefore, based upon the information presented to the Court and the public hearing, the Court finds that the designation of this zone would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property included in the zone and would contribute to the economic development of the County.

Application III

ATTACHMENT 23

Freeport LNG's proposed new capital investment will be located within the boundaries of Freeport LNG Development, L.P. Reinvestment Zone No. 2 (described as 211.700 acres) and Freeport LNG Development, L.P. Reinvestment Zone No. 3 (described as 1,592.36 acres). Please see the attached acreage, legal descriptions and survey maps for both reinvestment zones.

Total Acreage for Freeport LNG Development, L.P. Reinvestment Zones No. 2 and No. 3
As Created by Brazoria County

	Acreage	Acreage
Freeport LNG Development, L.P. Reinvestment Zone No. 2		
Tract I - Main Facilities - Regas		211.700
Total Freeport LNG Development, L.P. Reinvestment Zone No. 2 Acreage		211.700
Freeport LNG Development, L.P. Reinvestment Zone No. 3		
Lease V		170.051
Lease IV		47.450
Quintana Townsite Lots/Blocks 23 and 10 and Roadway Crossings		
Holly Street Crossing (R.O.W.)		0.1403
Quintana, Block 23, Lot 1		0.1416
Quintana, Block 23, Lot 2		0.1416
Quintana, Block 23, Lot 3		0.1416
Quintana, Block 23, Lot 4		0.1416
Quintana, Block 23, Lot 6		0.1416
Quintana, Block 23, Lot 7		0.1416
Quintana, Block 23, Lot 8		0.1416
Quintana, Block 23, Lot 9		0.1416
Quintana, Block 23, Lot 10		0.1416
Quintana, Block 23, Lot 11-12		0.2831
Second Street Crossing (R.O.W.)		0.1403
Quintana, Block 10, Lot 7		0.1416
Quintana, Block 10, Lot 8		0.1416
Quintana, Block 10, Lot 9		0.1416
Quintana, Block 10, Lot 10		0.1416
Quintana, Block 10, Lot 11		0.1416
Quintana, Block 10, Lot 12		0.1416
Total Quintana Townsite Lots and Road Crossing R.O.W.		2.6876
ROW Tracts for existing 42" pipeline, Proposed NGL Pipeline and Proposed Fiber Optics		
	Temporary Easement	Permanent Easement, Tract or Roadway/Waterway Crossing
2	0.000	2.638
3	0.000	0.240
5	0.000	0.210
6	0.410	0.480
6R	0.000	0.127
5.5R	0.000	0.051
7	0.320	0.660
7R	0.000	0.034
8	1.350	0.640
9	0.370	0.060
10	0.300	0.220
10R	0.300	0.047
11	0.300	0.558
12	8.270	1.380
15	0.800	0.410
1E	0.830	0.420
1ER	0.000	0.507
17	1.240	0.570
18 & 19	0.700	0.790
20	0.560	0.330
21	0.000	0.270
21R	0.000	0.409
22	0.000	0.049
22a	0.000	0.210
22R	0.000	0.037
23a	0.000	0.600
24a	0.000	0.030
25a	0.000	5.000
26a	0.000	5.000
26R	0.000	0.036
26.5a	0.000	0.220
27a	0.000	5.000
28a	0.000	0.720
29a	0.000	0.300
30a	0.000	0.240
31a	0.000	0.340
35	0.000	0.340
35	0.000	5.000
37	0.350	0.000
37.5	4.070	0.510
37.5B	0.000	0.048

**Total Acreage for Freeport LNG Development, L.P. Reinvestment Zones No. 2 and No. 3
As Created by Brazoria County**

28	1.900	0.910
39	11.150	4.550
40	0.990	0.700
41	0.540	0.360
42	0.590	0.360
43	0.540	0.360
44	0.720	0.360
45	0.540	0.380
46	0.460	0.310
47	0.460	0.310
48	0.450	0.310
49	0.610	0.310
50	0.450	0.310
51	0.510	0.370
52	1.220	0.610
52R	0.000	0.075
53	0.000	0.610
55	0.000	0.020
56	0.000	0.911
57	0.000	0.680
57R	0.000	0.139
58	1.840	1.390
59	0.530	0.600
61	4.040	2.650
62.01 and 62.02	0.540	0.450
62.023	0.020	0.030
62a	2.000	1.500
62.03	0.200	0.230
65	0.440	0.500
66	0.890	1.020
67	0.000	21.700
68	0.020	0.020
69	0.180	7.790
Total Calculated Existing 42" Pipeline, Proposed NGL Line and Proposed Fiber Optics ROW Acreage	51.410	25.576
Sorrell Property		136.986
Sorrell - Bid		305.671
Sorrell Tract 136		4.938
Sorrell Tract 140		4.976
Sorrell Tract 154		5.112
Sorrell Tract 156 & 163		10.224
Sorrell Tract 158-161		20.595
Sorrell Tract 156		4.990
Sorrell Tract 157		4.504
Sorrell Tract 168		4.980
Sorrell Tract 170 & 171		10.001
Sorrell Tract 173		5.039
Sorrell Tract 133-135 & 174-180		50.210
Sorrell Tracts 62, 63, 66, 67		20.000
Total Sorrell Property Acreage		451.301
Total Pinto Partners Tract		774.678
Meter Station		9.210
Total Freeport LNG Development, L.P. Reinvestment Zone No. 3 Acreage		1,592.36

LEGAL DESCRIPTION

FLNG Land, Inc.

August 13, 2008

TRACT I

Field notes for a 211.70 acre tract of land out of the Stephen F. Austin 1/3 League, Abstract No. 28, Brazoria County, Texas. Said 211.70 acre tract being recorded in Memorandum of Lease agreements between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. Said 211.70 acre tract of land being described in the following recorded documents:

Memorandum of Lease between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. dated June 30, 2004 Document No. 2004038630 of the Official Records of Brazoria County, Texas

Memorandum of Lease between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. dated June 30, 2004 Document No. 2004038631 of the Official Records of Brazoria County, Texas

Memorandum of Lease between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. dated June 30, 2004 Document No. 2004038632 of the Official Records of Brazoria County, Texas

Said 211.70 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod found on the northwest right of way line of County Road 723 (80-foot wide) for the east corner of a called 212.913 acre tract of land described by Deed to Brazos River Harbor Navigation District of Brazoria County, Texas, filed for record March 28, 1968 in Volume 1340, Page 97 of the Deed Records of Brazoria County, Texas. Said iron rod being a corner of said 211.70 acre lease tract as described in the aforesaid Memorandum of Lease agreements.

1. **THENCE**, with the northwest right of way line of County Road 723, same being the Lease Line of said 211.70 acre tract as described in the aforesaid Memorandum of Lease agreements, S 56°10'39" W, a distance of 846.86 feet to an 5/8-inch iron rod with cap stamped "John Mercer" found for the most southerly corner of the herein described tract of land.
2. **THENCE**, continuing with said Lease Line, N 33°49'26" W, at 1524.01 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all, a total distance of 1574.01 feet to a point on the shoreline of the Gulf Intra-Coastal Waterway for the west corner of the herein described tract.
3. **THENCE**, continuing with said Lease Line, same being the shoreline of the Gulf Intra-Coastal Waterway the following forty courses:

4. N 60°21'17" E, a distance of 40.34 feet;
5. N 56°28'13" E, a distance of 104.62 feet;
6. N 53°02'48" E, a distance of 111.40 feet;
7. N 58°30'57" E, a distance of 131.95 feet;
8. N 58°44'21" E, a distance of 47.64 feet;
9. N 53°13'06" E, a distance of 72.39 feet;
10. N 72°38'26" E, a distance of 41.83 feet;
11. N 56°50'17" E, a distance of 53.99 feet;
12. N 75°24'57" E, a distance of 51.04 feet;
13. N 89°44'23" E, a distance of 34.81 feet;
14. N 59°46'16" E, a distance of 51.51 feet;
15. N 57°01'39" E, a distance of 86.74 feet;
16. N 37°16'17" E, a distance of 36.25 feet;
17. N 09°04'44" W, a distance of 13.59 feet;
18. N 45°16'11" E, a distance of 45.79 feet;
19. N 23°22'10" E, a distance of 83.45 feet;
20. N 43°14'27" E, a distance of 74.16 feet;
21. N 53°45'19" E, a distance of 99.60 feet;
22. N 46°05'26" E, a distance of 130.76 feet;
23. N 68°39'08" E, a distance of 115.00 feet;
24. N 50°16'32" E, a distance of 33.15 feet;
25. N 28°49'35" E, a distance of 78.53 feet;
26. N 08°52'35" E, a distance of 80.20 feet;
27. N 51°21'41" W, a distance of 32.85 feet;
28. N 12°42'49" E, a distance of 52.75 feet;
29. S 79°44'15" E, a distance of 19.16 feet;
30. N 20°24'23" E, a distance of 91.06 feet;
31. N 66°52'32" E, a distance of 51.57 feet;
32. N 50°32'09" E, a distance of 60.22 feet;
33. N 11°45'16" E, a distance of 37.06 feet;
34. N 53°06'17" E, a distance of 209.90 feet;
35. N 47°49'19" E, a distance of 162.10 feet;
36. N 31°25'57" E, a distance of 166.42 feet;
37. N 45°26'22" E, a distance of 143.82 feet;
38. N 32°19'38" E, a distance of 99.32 feet;
39. N 14°57'00" E, a distance of 137.40 feet;
40. N 43°22'58" E, a distance of 150.42 feet;
41. N 40°25'48" E, a distance of 138.98 feet;
42. N 46°58'21" E, a distance of 322.68 feet;
43. N 61°02'09" E, a distance of 69.38 feet;

44. **THENCE**, continuing with said Lease Line, S 44°54'24" E, at a distance of 50.00 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all, a total distance of 1410.02 feet to an iron rod with cap stamped "Mustang, LP" set.

45. **THENCE**, continuing with said Lease Line, N 45°05'50" E, at a distance of 1509.49 feet pass a 5/8-inch iron rod with cap stamped "RPLS 3808" found at the south corner of a called 3.45 acre tract of land described in a document titled "First Amendment to Ground Lease and Development Agreement" filed for record February 15, 2007 in Document No. 2007009294 of the Official Records of Brazoria County, Texas, in all, a distance of 1812.99 feet to a 1/2-inch iron rod found at the west corner of said 3.45 acre tract.
46. **THENCE**, continuing with said Lease Line, same being the northeasterly line of said 3.45 acre tract, N 44°54'32" W, at a distance of 495.00 feet pass a 5/8-inch iron rod with cap stamped "RPLS 3808" found at the north corner said 3.45 acre tract, in all, a distance of 1411.38 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set.
47. **THENCE**, continuing with said Lease Line, N 45°06'26" E, a distance of 1089.40 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set.
48. **THENCE**, continuing with said Lease Line, N 44°48'15" W, at a distance of 76.94 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all a distance of 106.94 feet to a point on the shoreline of the Gulf Intra-Coastal Waterway.
49. **THENCE**, continuing with said Lease Line the following seventeen (17) courses:
50. N 66°09'00" E, a distance of 213.74 feet;
51. N 72°57'30" E, a distance of 161.08 feet;
52. N 80°21'59" E, a distance of 70.35 feet;
53. S 86°59'20" E, a distance of 347.90 feet;
54. N 74°42'06" E, a distance of 19.72 feet;
55. S 86°00'04" E, a distance of 250.47 feet;
56. S 69°42'34" E, a distance of 101.72 feet;
57. S 18°50'12" W, a distance of 674.46 feet;
58. S 44°53'19" E, a distance of 169.08 feet;
59. N 45°03'20" E, a distance of 180.17 feet;
60. S 44°54'24" E, a distance of 111.11 feet;
61. N 45°05'46" E, a distance of 325.67 feet;
62. S 44°56'11" E, a distance of 172.17 feet;
63. N 45°05'50" E, a distance of 187.35 feet;
64. S 68°35'00" E, a distance of 87.92 feet;
65. S 37°00'10" E, a distance of 52.09 feet;
66. S 40°44'21" E, a distance of 90.43 feet to a point on the northwesterly right of way line of Holly Street as recorded on the plat of Quintana Townsite recorded in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas.

67. **THENCE**, continuing with said Lease Line, same being the northwest right of way line of said Holly Street, S 45°05'50" W, at a distance of 400.00 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all, a total distance of 3,930.43 feet to a 5/8-inch iron rod with cap found on the southwesterly right of way line of Eleventh Street as recorded on the plat of said Quintana Townsite.
68. **THENCE**, continuing with said Lease Line, same being the southwesterly right of way line of said Eleventh Street, S 44°53'33" E, a distance of 283.30 feet to a 5/8-inch iron rod with cap found, said iron rod being on the northwesterly right of way line of Lamar Street as recorded on the plat of said Quintana Townsite.
69. **THENCE**, continuing with said Lease Line, same being the northwesterly right of way line of Lamar Street, S 45°05'50" W, a distance of 1,971.45 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set.
70. **THENCE**, leaving said right of way line and continuing with said Lease Line, N 44°54'21" W, a distance of 22.02 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set on the northwesterly right of way line of aforesaid County Road 723.
71. **THENCE**, continuing with said Lease Line and with said northwesterly right of way line, S 56°10'39" W, a distance of 837.55 feet to the **POINT OF BEGINNING** and containing 211.70 acres of land, more or less.

TRACT II

Field notes for a 3.45 acre tract of land out of the Stephen F. Austin 1/3 League, Abstract No. 28, Brazoria County, Texas. Said 3.45 acre tract being that same 3.45 acre tract of land described in a document titled "Fourth Amendment to Ground Lease and Development Agreement" filed for record February 15, 2007 in Document No. 2007009295 of the Official Records of Brazoria County, Texas. Said 3.45 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING for reference at a 5/8-inch iron rod found at the intersection of the northwesterly right of way line of Lamar Street and the southwesterly right of way line of Eleventh Street as recorded on the plat of Quintana Townsite in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas.

THENCE, N 30°44'12" E, a distance of 1934.54 feet to a 1/2 -inch iron rod found for the **POINT OF BEGINNING**, said iron rod being the East corner of said 3.45 acre tract.

THENCE, with the southeasterly line of said 3.45 acre tract, S 45°05'50" W, a distance of 303.50 feet to a 5/8-inch iron rod with cap stamped "RPLS 3808" found for the south corner of said 3.45 acre tract.

THENCE, with the southwesterly line of said 3.45 acre tract, N 44°54'32" W, a distance of 495.00 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set for the west corner of said 3.45 acre tract.

THENCE, with the northwesterly line of said 3.45 acre tract, N 45°05'50" E, a distance of 303.50 feet to a 5/8-inch iron rod with cap stamped "RPLS 3808" found for the north corner of said 3.45 acre tract.

THENCE, with the northeasterly line of said 3.45 acre tract, S 44°54'32" E, a distance of 495.00 feet the POINT OF BEGINNING and containing 3.45 acres of land more or less.

TRACT III

The following described lots are recorded in the name of FLNG Land, Inc. All listed lots are recorded on the plat of Quintana Townsite in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas:

Lot	BLOCK	GRANTEE	DOCUMENT NO.
8	10	FLNG Land, Inc.	2005015941
6	23	FLNG Land, Inc.	2008010715
8	23	FLNG Land, Inc.	2006039985 & 2006039986
9	23	FLNG Land, Inc.	2006024928
10	23	FLNG Land, Inc.	2006008268
11 & 12	23	FLNG Land, Inc.	2006008273
7	46	FLNG Land, Inc.	2006073414 & 2007056630
8	46	FLNG Land, Inc.	2006073646
9	46	FLNG Land, Inc.	2006070380
12	46	FLNG Land, Inc.	2008029563 & 2008029564
11	10	FLNG Land, Inc.	2007056629
1, 2, 3, 4, 7	23	FLNG Land, Inc.	2007056629 (1/3 interest)
7, 8, 9, 10, 11, 12	53	FLNG Land, Inc.	2007056629
3 & 4	70	FLNG Land, Inc.	2007056629
11 & 12	76	FLNG Land, Inc.	2007047138
3, 4, 5, 6, 7, 8, 9, 10, 11, 12	103	FLNG Land, Inc.	2007056629

All documents are recorded in the Official Records of Brazoria County, Texas.

This Field Note description is based on an ALTA/ACSM Land Title Survey of even date made by Archie D. Stout, Registered Professional Land Surveyor, Texas Registration No. 4416.

Archie D. Stout

8-13-08





VELAGO DRAINAGE DISTRICT GRADIENTS

LINE	START	END	GRADE
1	100+00	100+50	1.00
2	100+50	101+00	1.00
3	101+00	101+50	1.00
4	101+50	102+00	1.00
5	102+00	102+50	1.00
6	102+50	103+00	1.00
7	103+00	103+50	1.00
8	103+50	104+00	1.00
9	104+00	104+50	1.00
10	104+50	105+00	1.00
11	105+00	105+50	1.00
12	105+50	106+00	1.00
13	106+00	106+50	1.00
14	106+50	107+00	1.00
15	107+00	107+50	1.00
16	107+50	108+00	1.00
17	108+00	108+50	1.00
18	108+50	109+00	1.00
19	109+00	109+50	1.00
20	109+50	110+00	1.00
21	110+00	110+50	1.00
22	110+50	111+00	1.00
23	111+00	111+50	1.00
24	111+50	112+00	1.00
25	112+00	112+50	1.00
26	112+50	113+00	1.00
27	113+00	113+50	1.00
28	113+50	114+00	1.00
29	114+00	114+50	1.00
30	114+50	115+00	1.00
31	115+00	115+50	1.00
32	115+50	116+00	1.00
33	116+00	116+50	1.00
34	116+50	117+00	1.00
35	117+00	117+50	1.00
36	117+50	118+00	1.00
37	118+00	118+50	1.00
38	118+50	119+00	1.00
39	119+00	119+50	1.00
40	119+50	120+00	1.00
41	120+00	120+50	1.00
42	120+50	121+00	1.00
43	121+00	121+50	1.00
44	121+50	122+00	1.00
45	122+00	122+50	1.00
46	122+50	123+00	1.00
47	123+00	123+50	1.00
48	123+50	124+00	1.00
49	124+00	124+50	1.00
50	124+50	125+00	1.00
51	125+00	125+50	1.00
52	125+50	126+00	1.00
53	126+00	126+50	1.00
54	126+50	127+00	1.00
55	127+00	127+50	1.00
56	127+50	128+00	1.00
57	128+00	128+50	1.00
58	128+50	129+00	1.00
59	129+00	129+50	1.00
60	129+50	130+00	1.00
61	130+00	130+50	1.00
62	130+50	131+00	1.00
63	131+00	131+50	1.00
64	131+50	132+00	1.00
65	132+00	132+50	1.00
66	132+50	133+00	1.00
67	133+00	133+50	1.00
68	133+50	134+00	1.00
69	134+00	134+50	1.00
70	134+50	135+00	1.00
71	135+00	135+50	1.00
72	135+50	136+00	1.00
73	136+00	136+50	1.00
74	136+50	137+00	1.00
75	137+00	137+50	1.00
76	137+50	138+00	1.00
77	138+00	138+50	1.00
78	138+50	139+00	1.00
79	139+00	139+50	1.00
80	139+50	140+00	1.00
81	140+00	140+50	1.00
82	140+50	141+00	1.00
83	141+00	141+50	1.00
84	141+50	142+00	1.00
85	142+00	142+50	1.00
86	142+50	143+00	1.00
87	143+00	143+50	1.00
88	143+50	144+00	1.00
89	144+00	144+50	1.00
90	144+50	145+00	1.00
91	145+00	145+50	1.00
92	145+50	146+00	1.00
93	146+00	146+50	1.00
94	146+50	147+00	1.00
95	147+00	147+50	1.00
96	147+50	148+00	1.00
97	148+00	148+50	1.00
98	148+50	149+00	1.00
99	149+00	149+50	1.00
100	149+50	150+00	1.00

TRACT III - QUINCY TOWNSHIP, ILLINOIS

TRACT	AREA	ACRES
1	100+00	100.00
2	100+50	100.50
3	101+00	101.00
4	101+50	101.50
5	102+00	102.00
6	102+50	102.50
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TRACT III - QUINCY TOWNSHIP



LEGEND

- 1. ALL LOT CORNERS TO BE MARKED WITH IRON PIPES
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TRACT	AREA	ACRES
1	100+00	100.00
2	100+50	100.50
3	101+00	101.00
4	101+50	101.50
5	102+00	102.00
6	102+50	102.50
7	103+00	103.00
8	103+50	103.50
9	104+00	104.00
10	104+50	104.50
11	105+00	105.00
12	105+50	105.50
13	106+00	106.00
14	106+50	106.50
15	107+00	107.00
16	107+50	107.50
17	108+00	108.00
18	108+50	108.50
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23	111+00	111.00
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25	112+00	112.00
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29	114+00	114.00
30	114+50	114.50
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34	116+50	116.50
35	117+00	117.00
36	117+50	117.50
37	118+00	118.00
38	118+50	118.50
39	119+00	119.00
40	119+50	119.50
41	120+00	120.00
42	120+50	120.50
43	121+00	121.00
44	121+50	121.50
45	122+00	122.00
46	122+50	122.50
47	123+00	123.00
48	123+50	123.50
49	124+00	124.00



Doyle & Wachtstetter, Inc

Surveying and Mapping • GPS/GIS

**170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 1 OF 4**

ALL THAT CERTAIN 170.051 ACRES of land out of a called 212.913 acre tract conveyed to Brazos River Harbor Navigation District of Brazoria County, Texas in Volume 1340, Page 97 of the Brazoria County Deed Records and situated in the Stephen F. Austin 1/3 League, Abstract 28 and J. G. McNeel Survey, Abstract 335, Brazoria County, Texas, and more particularly described by metes and bounds using survey terminology which refers to the Texas State Plane Coordinate System, South Central Zone (NAD 83) in which the directions are Lambert grid bearings and the distances are horizontal surface level lengths as follows;

BEGINNING at a found 5/8" iron rod in the Northwest right-of-way line of County Road 723 at position X=3145059.84 and Y=13538911.35, same being the South corner of a called 211.70 acre tract recorded in memorandum of lease agreements between Brazos River Harbor Navigation District and FLNG Land, Inc. in County Clerk's Files 04-038630 through 04-038632 of the Brazoria County Official Records from which a found 5/8" iron rod marking the East corner of the aforementioned 212.913 acre tract bears North 56°10'39" East, a distance of 846.90 feet;

THENCE South 56°08'54" West, coincident with the Northwest right-of-way line of County Road 723, same being the Southeast line of the said 212.913 acre tract, a distance of 4438.83 feet to a found 3/4" iron rod for corner making the East corner of Bryan Beach Subdivision, Section VII, recorded in Volume 10, Page 39 of the Brazoria County Plat Records;

THENCE North 30°05'06" West, coincident with the Southwest line of the said 212.913 acre tract, same being the Northeast line of Bryan Beach Subdivision, Section VII, at 1800.00 feet pass a set 5/8" iron rod and continue to a total distance of 1835.27 feet a point for corner in the top bank of the Intracoastal Waterway;

THENCE along the top bank of the Intracoastal Waterway with the following meanders:

North 61°22'06" East, a distance of 197.22 feet;
North 58°27'34" East, a distance of 95.63 feet;
North 46°09'19" East, a distance of 36.36 feet;
North 71°40'52" East, a distance of 68.21 feet;
North 67°21'32" East, a distance of 92.86 feet;
North 59°05'34" East, a distance of 140.48 feet;
North 10°20'20" East, a distance of 10.93 feet;
North 46°33'45" East, a distance of 109.69 feet;
North 18°44'56" East, a distance of 13.87 feet;
North 63°12'00" East, a distance of 60.27 feet;
North 81°16'59" East, a distance of 61.39 feet;
North 54°47'25" East, a distance of 68.14 feet;
North 88°00'07" East, a distance of 51.07 feet;

170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 2 OF 4

South 71°19'00" East, a distance of 17.14 feet;
North 59°05'31" East, a distance of 63.20 feet;
North 7°49'01" East, a distance of 30.63 feet;
North 62°48'25" East, a distance of 53.26 feet;
North 48°58'11" East, a distance of 42.17 feet;
North 79°44'30" East, a distance of 9.29 feet;
North 19°09'07" East, a distance of 11.25 feet;
North 64°19'17" East, a distance of 55.21 feet;
North 26°45'22" East, a distance of 14.30 feet;
North 55°50'14" East, a distance of 40.42 feet;
South 89°40'30" East, a distance of 15.79 feet;
North 65°20'37" East, a distance of 76.63 feet;
North 60°02'20" East, a distance of 46.05 feet;
North 56°19'13" East, a distance of 72.04 feet;
North 54°32'40" East, a distance of 106.26 feet;
North 71°56'46" East, a distance of 27.23 feet;
North 54°26'38" East, a distance of 24.64 feet;
North 64°00'33" East, a distance of 101.20 feet;
North 53°01'15" East, a distance of 28.67 feet;
North 74°33'35" East, a distance of 38.49 feet;
North 57°36'43" East, a distance of 43.38 feet;
North 52°31'17" East, a distance of 64.92 feet;
North 56°16'47" East, a distance of 70.62 feet;
North 55°35'21" East, a distance of 89.52 feet;
North 54°20'52" East, a distance of 50.73 feet;
North 60°50'46" East, a distance of 57.92 feet;
North 63°05'13" East, a distance of 20.92 feet;
North 64°13'06" East, a distance of 19.19 feet;
North 82°31'53" East, a distance of 15.90 feet;
North 63°30'32" East, a distance of 26.36 feet;
North 73°51'09" East, a distance of 30.22 feet;
North 88°03'47" East, a distance of 51.52 feet;
North 43°35'05" East, a distance of 22.85 feet;
South 68°05'38" East, a distance of 27.24 feet;
North 74°51'17" East, a distance of 41.64 feet;
North 49°53'12" East, a distance of 31.78 feet;
North 60°38'27" East, a distance of 34.83 feet;
North 17°11'45" East, a distance of 21.50 feet;
North 58°27'10" East, a distance of 68.51 feet;
North 44°07'35" East, a distance of 18.61 feet;
North 72°26'27" East, a distance of 14.21 feet;
North 27°37'40" East, a distance of 14.48 feet;

170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 3 OF 4

North 3°51'52" West, a distance of 13.92 feet;
North 53°41'25" East, a distance of 33.88 feet;
North 87°45'31" East, a distance of 9.22 feet;
North 51°15'42" East, a distance of 37.01 feet;
North 41°40'24" East, a distance of 45.34 feet;
North 81°26'04" East, a distance of 16.71 feet;
North 58°07'06" East, a distance of 99.40 feet;
North 15°15'50" East, a distance of 24.19 feet;
North 60°18'11" East, a distance of 16.91 feet;
North 29°16'26" East, a distance of 19.20 feet;
North 74°49'14" East, a distance of 39.54 feet;
North 87°27'08" East, a distance of 31.18 feet;
North 70°54'00" East, a distance of 48.18 feet;
North 56°50'00" East, a distance of 35.21 feet;
North 43°44'23" East, a distance of 46.71 feet;
North 11°58'41" East, a distance of 42.00 feet;
North 48°57'09" East, a distance of 14.26 feet;
North 64°34'34" East, a distance of 35.24 feet;
North 52°10'00" East, a distance of 36.70 feet;
North 32°21'20" East, a distance of 17.97 feet;
North 80°53'08" East, a distance of 18.50 feet;
North 59°56'28" East, a distance of 14.21 feet;
North 31°11'55" East, a distance of 27.05 feet;
North 85°59'17" East, a distance of 19.32 feet;
South 24°16'08" East, a distance of 37.66 feet;
North 84°04'07" East, a distance of 33.71 feet;
North 11°02'44" East, a distance of 12.74 feet;
North 52°05'44" East, a distance of 16.14 feet;
South 71°17'41" East, a distance of 11.47 feet;
North 67°49'48" East, a distance of 23.16 feet;
North 3°03'41" West, a distance of 9.52 feet;
North 40°30'22" East, a distance of 9.29 feet;
South 54°52'05" East, a distance of 12.58 feet;
South 34°57'02" East, a distance of 32.24 feet;
North 63°16'20" East, a distance of 22.86 feet;
South 77°45'24" East, a distance of 12.96 feet;
North 58°03'56" East, a distance of 35.11 feet;
North 7°00'50" West, a distance of 28.40 feet;
North 45°16'14" East, a distance of 55.58 feet;
North 48°16'37" East, a distance of 86.12 feet;
North 61°13'49" East, a distance of 74.25 feet;
North 47°56'51" East, a distance of 25.19 feet;

**170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 4 OF 4**

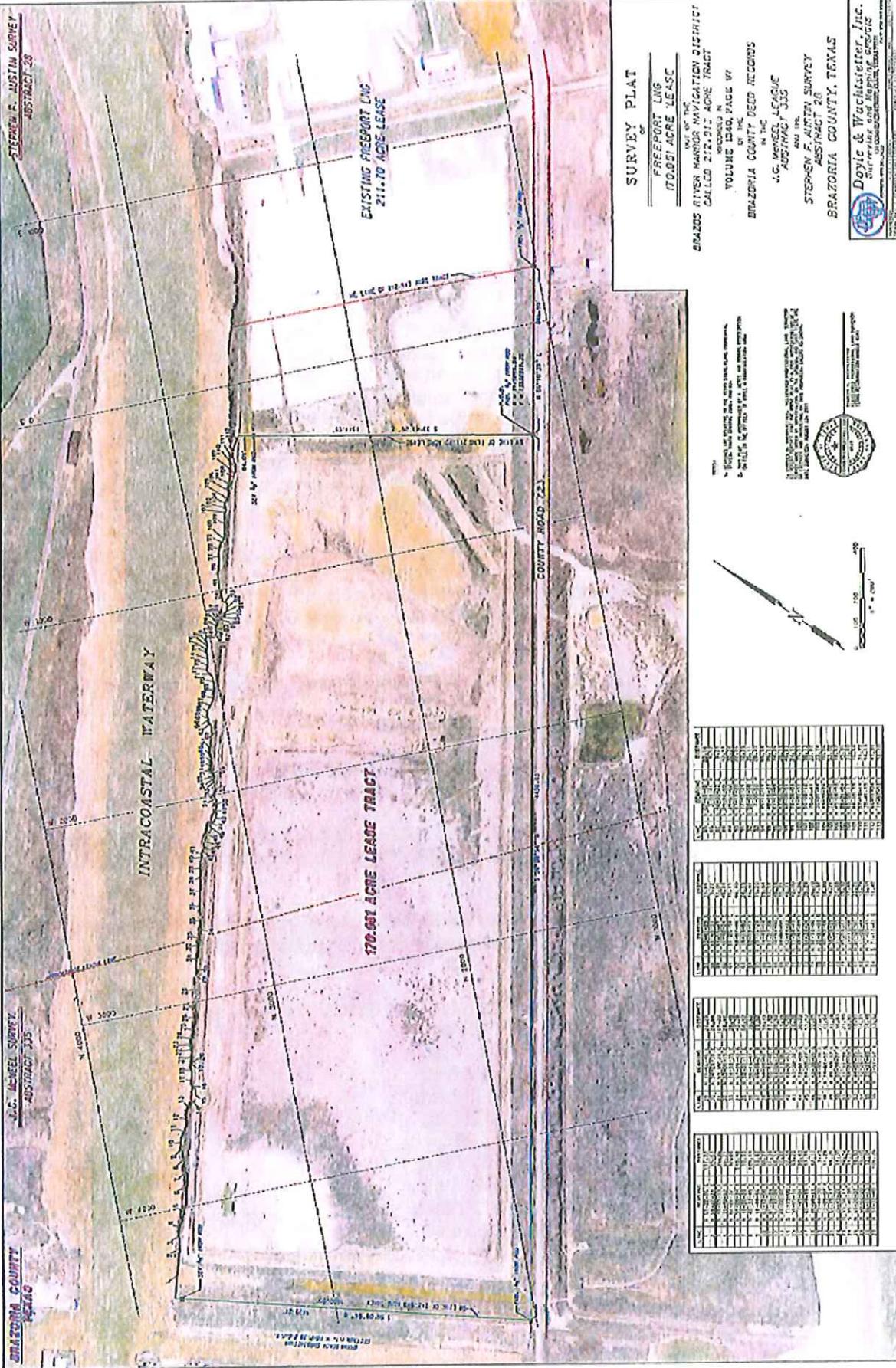
North 68°08'51" East, a distance of 46.83 feet;
South 78°39'04" East, a distance of 24.76 feet;
North 63°31'31" East, a distance of 35.59 feet;
North 56°08'18" East, a distance of 96.73 feet;
North 76°54'41" East, a distance of 22.82 feet;
North 36°31'44" East, a distance of 32.74 feet;
South 69°33'24" East, a distance of 10.56 feet;
North 73°06'47" East, a distance of 53.02 feet;
North 45°08'53" East, a distance of 18.62 feet;
North 86°21'54" East, a distance of 45.91 feet;
North 65°08'11" East, a distance of 31.80 feet;
North 88°09'59" East, a distance of 16.58 feet;
North 57°18'14" East, a distance of 31.72 feet;
North 39°41'15" East, a distance of 54.13 feet;
North 66°11'34" East, a distance of 47.91 feet;
and North 77°57'52" East, a distance of 52.10 feet;

THENCE South 33°49'26" East, coincident with the Southwest line of the aforementioned FLNG Land, Inc. 211.70 acre lease tract, at 84.09 feet pass a set 5/8" iron rod and continue to a total distance of 1514.09 to the **POINT OF BEGINNING**, containing 170.051 acres of land, more or less.

Charles D. Wachtstetter
Registered Professional Land Surveyor
Texas Registration Number 4547
August 23, 2011

This description is based on a survey, a plat of which, dated August 23, 2011 is on file in the office of Doyle & Wachtstetter, Inc.

131 Commerce Street • Clute, Texas 77531-5601
Phone: 979-265-3622 • Fax: 979-265-9940 • Email: DW-Surveyor.com



STEPHEN F. JUSTIN SURVEY
ABSTRACT 20

J.C. MCKEL SURVEY
ABSTRACT 335

BRAZORIA COUNTY
TEXAS

EXISTING FREEPORT LNG
211.70 ACRE LEASE

170.001 ACRE LEASE TRACT

SURVEY PLAT
of
FREEPORT LNG
170.001 ACRE LEASE

AS SHOWN ON THE
FREEPORT LNG
170.001 ACRE LEASE
VOL. 1340, PAGE 87
BY THE
BRAZORIA COUNTY DEED RECORDS
IN THE
J.C. MCKEL LEASE
ABSTRACT 335
STEPHEN F. JUSTIN SURVEY
ABSTRACT 20
BRAZORIA COUNTY, TEXAS

NOTES:
1. BEARING AND DISTANCE TO BE READ AS SHOWN.
2. THIS SURVEY IS SUBJECT TO ALL RIGHTS RESERVED BY THE STATE OF TEXAS.
3. THIS SURVEY IS SUBJECT TO ALL RIGHTS RESERVED BY THE STATE OF TEXAS.

THIS SURVEY WAS MADE BY THE SURVEYOR AND THE RESULTS THEREOF ARE HEREBY CERTIFIED TO BE TRUE AND CORRECT.



TRACT NO.	ACRES	BEARING	DISTANCE	AREA	PERIMETER
1	170.001	N 89° 00' 00" E	1000.00	170.001	1000.00
2	211.70	S 89° 00' 00" E	1000.00	211.70	1000.00
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Doyle & Wachtel, Inc.
SURVEYORS
1000 WEST 10TH STREET
BRAZORIA, TEXAS 77603
PH: 774-221-1111
FAX: 774-221-1112

LEGAL DESCRIPTION

Tract D - 3

47.45 Acres

STATE OF TEXAS §

COUNTY OF BRAZORIA §

Being 47.45 acres of land out of the Stephen F. Austin Survey, Abstract No. 28, Brazoria County, Texas and being a portion of the Quintana Townsite as recorded in Volume 2, Page 130 of the Plat Records of Brazoria County, Texas and a portion of that certain tract of land described in that Final Judgment between Brazos River Harbor Navigation District and Terese Lewis Learned, et al, filed for record in Volume 1679, Page 485 of the Deed Records of Brazoria County, Texas, said 47.45 acres includes a portion of that certain 48.4333 acre tract of land described by Agreement for the Assignment of Ground Lease and Related Assets between Monsanto and FOC, Inc., filed for record May 31, 1994 under Clerk's File No. 94 020517 in the Official Records of Brazoria County, Texas and said 47.45 acre tract being more completely described by metes and bounds as follows:

BEGINNING at the most easterly south corner of said 48.4333 acre tract, being the east corner of that certain 14,3011 acre tract of land described by First Amendment to Ground Lease and Definitive Agreement Regarding Port Facilities between Brazos River Harbor Navigation District of Brazoria County, Texas and ExxonMobil Pipeline Company, filed for record June 27, 2000 under Clerk's File No. 00 026963 in the Official Records of Brazoria County, Texas.

THENCE along the most easterly southeast line of said 48.4333 acre tract, N 45°05'50" E, a distance of 770.10 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found for the most southerly east corner of said 48.4333 acre tract.

THENCE N 44°54'31" W, a distance of 1,411.38 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found on the most easterly northwest line of said 48.4333 acre tract.

THENCE along said northwest line, N 45°06'26" E, a distance of 1,089.40 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found for an interior ell corner of said 48.4333 acre tract.

THENCE N 44°48'15" W, a distance of 76.53 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found on the southeast bank of the Gulf Intra-Coastal Waterway for the most northerly corner of the herein described tract.

THENCE along the southeast bank of the Gulf Intra-Coastal Waterway as follows:

- S 63°18'57" W, a distance of 88.25 feet;
- S 68°10'24" W, a distance of 108.84 feet;
- S 46°55'13" W, a distance of 94.98 feet;
- S 48°34'12" W, a distance of 87.65 feet;
- S 37°39'56" W, a distance of 40.02 feet;
- S 64°41'08" W, a distance of 103.68 feet;
- S 52°41'13" W, a distance of 116.67 feet;
- S 77°42'22" W, a distance of 73.40 feet;
- S 46°05'49" W, a distance of 100.87 feet;
- S 54°10'02" W, a distance of 37.38 feet;

Tract D - 3
47.45 Acres

S 06°48'27" W, a distance of 39.72 feet;
S 41°03'09" W, a distance of 52.39 feet;
S 32°48'20" W, a distance of 147.29 feet;
S 57°15'40" W, a distance of 104.15 feet;
N 69°11'48" W, a distance of 105.98 feet;
S 75°39'43" W, a distance of 30.04 feet;
S 08°40'49" W, a distance of 40.36 feet;
S 33°09'49" W, a distance of 137.32 feet;
S 34°55'41" W, a distance of 70.01 feet;
S 58°24'48" W, a distance of 63.09 feet;
N 89°46'54" W, a distance of 93.86 feet;
S 58°00'57" W, a distance of 31.93 feet;
S 60°57'55" W, a distance of 29.87 feet;
S 40°12'55" W, a distance of 36.71 feet;
S 41°42'45" W, a distance of 82.87 feet;
S 46°50'15" W, a distance of 30.84 feet;
S 32°17'49" W, a distance of 32.59 feet;
S 25°41'43" W, a distance of 27.89 feet;
S 14°34'52" E, a distance of 19.47 feet;
S 37°30'52" E, a distance of 64.67 feet;
S 03°14'21" E, a distance of 45.93 feet;
S 15°32'02" W, a distance of 115.86 feet;
S 44°57'56" W, a distance of 51.24 feet;
S 43°57'14" W, a distance of 76.71 feet;
S 40°28'39" W, a distance of 59.91 feet;
S 35°08'21" W, a distance of 108.92 feet;
S 05°06'52" W, a distance of 86.20 feet;
S 03°44'46" E, a distance of 76.41 feet;
S 38°39'21" E, a distance of 116.00 feet;
S 81°16'10" W, a distance of 52.35 feet;
N 46°07'15" W, a distance of 52.43 feet;
N 64°50'56" W, a distance of 60.41 feet;
N 84°43'49" W, a distance of 69.39 feet;
S 35°04'27" W, a distance of 105.55 feet;
S 37°15'41" W, a distance of 87.39 feet;
S 25°15'21" W, a distance of 53.04 feet;
S 20°48'56" E, a distance of 114.31 feet;
S 76°31'29" W, a distance of 64.18 feet;
N 66°34'25" W, a distance of 28.43 feet; and
S 60°54'58" W, a distance of 12.76 feet to a point for the most westerly corner of the herein
described tract.

Tract D - 3
47.45 Acres

THENCE S 44°54'23" E, passing a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found at 55.00 feet and continuing a total distance of 270.04 feet to the most westerly south corner of the herein described tract.

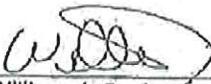
THENCE N 45°05'01" E, a distance of 628.77 feet to the most westerly north corner of said 14.3011 acre tract.

THENCE S 44°53'45" E, a distance of 509.05 feet an interior ell corner of said 14.3011 acre tract, being the most westerly south corner of said 48.4333 acre tract.

THENCE N 45°06'15" E, a distance of 414.46 feet to the most easterly north corner of said 14.3011 acre site, being an interior ell corner of said 48.4333 acre tract.

THENCE S 44°53'45" E, a distance of 631.08 feet to the POINT OF BEGINNING and containing 47.45 acres of land, more or less.

Bearings are derived from GPS observations and based on the Texas State Plane Coordinate System, South Central Zone, NAD 83 grid bearings.


William J. Cash, Jr.
RPLS No. 3808



**Additional Legal Descriptions for Quintana Block 23 (Lots 1-4, 6-12), Quintana
Block 10 (Lots 7-12) and Holly Street and Second Street Crossings**

Holly Street Crossing R.O.W

Approximately 0.1403 acres out of the S.F. Austin Survey, A-28, Brazoria County, Texas, being 61.1 feet in length across Holly Street and 100 feet in width

Quintana Block 23

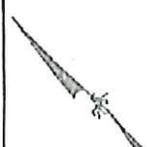
1. Lot 1 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
2. Lot 2 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
3. Lot 3 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
4. Lot 4 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
5. Lot 6 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
6. Lot 7 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
7. Lot 8 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
8. Lot 9 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
9. Lot 10 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
10. Lots 11-12 - Approximately 0.2831 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas

Second Street Crossing R.O.W

Approximately 0.1403 acres out of the S.F. Austin Survey, A-28, Brazoria County, Texas, being 61.1 feet in length across Second Street and 100 feet in width between Block 23 and Block 10

Quintana Block 10

1. Lot 7 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
2. Lot 8 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
3. Lot 9 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
4. Lot 10 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
5. Lot 11 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
6. Lot 12 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas



SCALE IN FEET
0 20 40

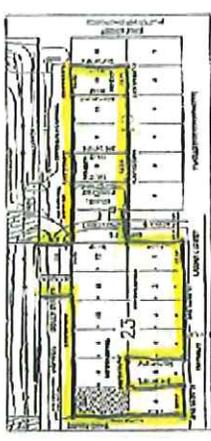
VEHICLE DRIVEWAY DISTINGUISHING EXPEDITES

SYMBOL	DESCRIPTION
(Symbol)	Asphalt Driveway
(Symbol)	Concrete Driveway
(Symbol)	Gravel Driveway
(Symbol)	Grass Driveway
(Symbol)	Other

TRACT 2B - CLUSTERS

CLUSTER	LOT	AREA (SQ. FT.)	AREA (AC.)
CLUSTER 1	1	10,000	0.23
	2	10,000	0.23
	3	10,000	0.23
	4	10,000	0.23
	5	10,000	0.23
	6	10,000	0.23
	7	10,000	0.23
	8	10,000	0.23
	9	10,000	0.23
	10	10,000	0.23
CLUSTER 2	11	10,000	0.23
	12	10,000	0.23
	13	10,000	0.23
	14	10,000	0.23
	15	10,000	0.23
	16	10,000	0.23
	17	10,000	0.23
	18	10,000	0.23
	19	10,000	0.23
	20	10,000	0.23

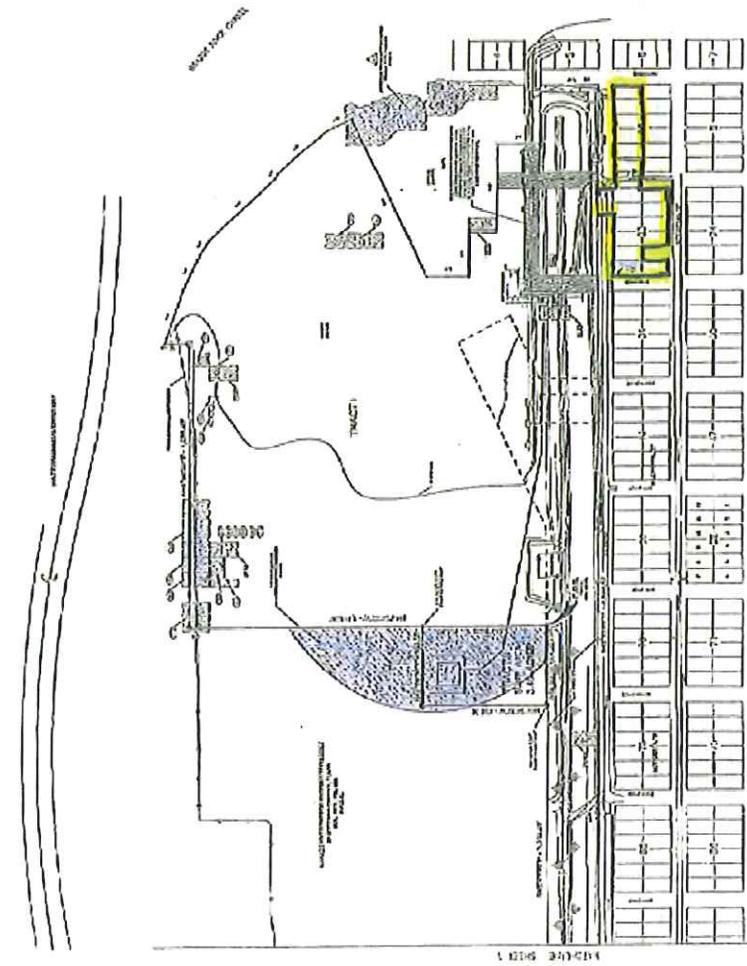
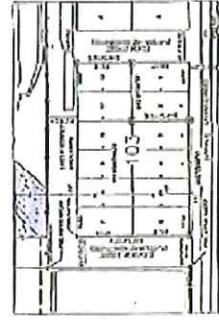
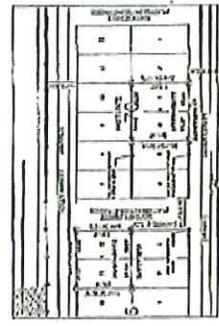
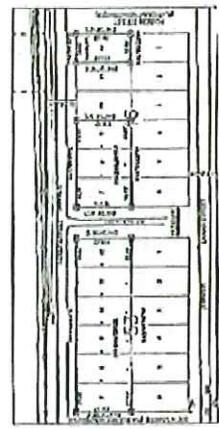
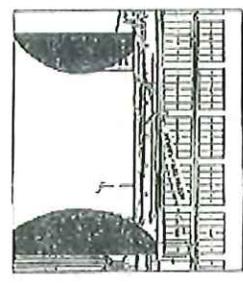
TRACT 2B - CLUSTERS



LEGEND

SYMBOL	DESCRIPTION
(Symbol)	Asphalt Driveway
(Symbol)	Concrete Driveway
(Symbol)	Gravel Driveway
(Symbol)	Grass Driveway
(Symbol)	Other

TRACT	CLUSTER	LOT	AREA (SQ. FT.)	AREA (AC.)
TRACT 2A	CLUSTER 1	1	10,000	0.23
		2	10,000	0.23
		3	10,000	0.23
		4	10,000	0.23
		5	10,000	0.23
		6	10,000	0.23
		7	10,000	0.23
		8	10,000	0.23
		9	10,000	0.23
		10	10,000	0.23
TRACT 2B	CLUSTER 1	11	10,000	0.23
		12	10,000	0.23
		13	10,000	0.23
		14	10,000	0.23
		15	10,000	0.23
		16	10,000	0.23
		17	10,000	0.23
		18	10,000	0.23
		19	10,000	0.23
		20	10,000	0.23



WINDY TREE DEVELOPMENT, L.P.
 PROJECT: WINDY TREE DEVELOPMENT
 ADDRESS: 11111 WINDY TREE DRIVE
 CITY: HOUSTON, TEXAS 77036
 COUNTY: HARRIS COUNTY, TEXAS
 DATE: 11/11/2011
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 SCALE: AS SHOWN
 SHEET NO. 1 OF 1

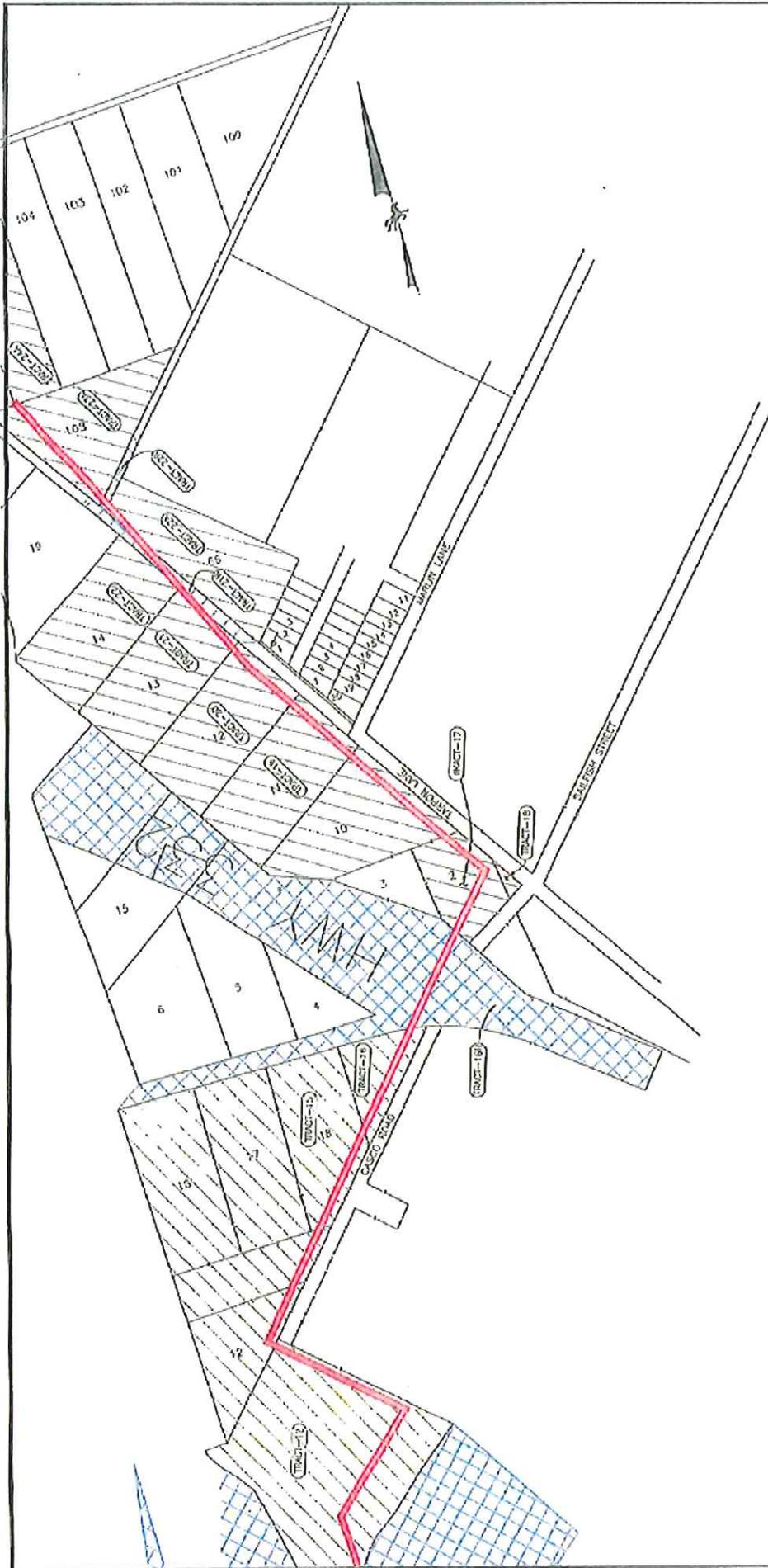
Right of Way Tract Description Index for 42" Pipeline, Proposed NGL Pipeline and Proposed Fiber Optics Please see the electronic copy of the application for additional individual tract documents and information.					
Tract No.	Legal Land Description	Approximate Area Description	Approx. ROW Feet	File Name (PDF)	Page No. of file that Legal Land Description and Map are on (of electronic files)
2	S.F. Austin Survey, A-28 & A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "g"	Land located across State-owned land in Brazoria County, Brazos River/Freepport Harbor Channel (09.6 rods in length), being 50 feet wide on either side of the centerline of the 42" pipeline, being approximately 2.638 acres	1149.00	Tracts 2 and 5G	5
3	Part Lot(s) 13A & 14, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	0.24 acres out of Part Lot(s) 13A & 14, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98.	239.70	Tract 3	2
5	Part Lot 19, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	A 0.21 acre permanent Easement Parcel out of the Mitchell Labor, Abstract 98, Brazoria County, Texas and being Lot 13 of the B.C.I.C. Subdivision, Division 3	297.99	Tract 5	2
6	Lot 22, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	A 0.48 permanent easement Parcel and a 0.41 acre temporary easement out of Lot 22, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98	655.99	Tract 6	2
6R	A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Thunder Road), being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.127 acres	110.28	Tracts 6R, 6SR, 7R, 10R	2,3
6JR	A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Coast Guard Road), being 25 feet on either side of the centerline, being approximately 0.051 acres	44.385	Tracts 6R, 6SR, 7R, 10R	4
7	Lot 12, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	A 0.65 acre permanent easement Parcel and a 0.82 acre temporary easement parcel out of the 5.00 acre parent tract (Lot 12)	713.63	Tract 7	2
7R	A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Unnamed Road), being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.034 acres	30.03	Tracts 6R, 6SR, 7R, 10R	5
8	Lot 1, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.54 acre tract or parcel of land and a 1.39 acre temporary easement parcel of land out of the A. Mitchell Labor, Abstract 98, Lot 1, Brazoria County, Texas	745.58	Tract 8	2
9	Lot 12, B.C.I.C. Division 2 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.06 acre tract or parcel of land and a 0.070 acre temporary easement parcel of land out of the F.J. Calvit League, Abstract 51, Lot 12, Brazoria County, Texas	90.87	Tract 9	2
10	Lot 11, B.C.I.C. Division 2 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.22 acre tract or parcel of land out of the F.J. Calvit League, Abstract 51, Lot 11, Brazoria County, Texas	321.49	Tract 10	3
10R	A. Mitchell Survey, A-98 & F.J. Calvit Survey, A-51, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Canal St.), being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.047 acres	40.59	Tracts 6R, 6SR, 7R, 10R	7
11	A. Mitchell Survey, A-98 & F.J. Calvit Survey, A-51, Brazoria County, Texas, Exhibit "B"	Across the Intercoastal Waterway (Total Length: 810.54' = 49.12 Rods) (Permanent Easement: 0.558 acres)	810.54	Tract 11 - Intercoastal Waterway Crossing	2
12	Lots 8, 9, 10, 11 & 12, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A tract or parcel of land (Permanent Easement: 2.38 acres, Temporary Easement: 8.270) out of Lots 8, 9, 10, 11 & 12, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, Brazoria County Texas	2000.01	Tract 12	3
15	Lot 10, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.41 acre tract or parcel of land and a 0.80 acre temporary easement parcel of land out of Lot 10, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51	446.31	Tract 15	2
16	Lot A, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.42 acre tract or parcel of land and a 0.83 acre temporary easement parcel of land out of Lot A, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51	458.51	Tract 16	2

16R	F.J. Calvit Survey, A-51, Brazoria County, Texas, Lot 2, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	The pipeline(s) is installed by conventional lay under the ground under the asphalt feeder roads servicing SH 332, within the TX DOT right of way, approximately 1060 feet northwest of where the SH 332 bridge begins to cross the Intracoastal Waterway. The approximate distance of the easement is 442 feet and the described width is 25 feet on either side of the centerline of the 42" pipeline, being 0.507 acres.	442.00	Tract 16R	2
17	Same as Tract 19	A 0.57 acre tract or parcel of land and a 1.24 acre temporary easement parcel out of Lot 2, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51	491.28	Tract 17	2
18	Same as Tract 19	Same as Tract 19	0.00	Tract 19	Same as Tract 19
19	Lots 10 & 11, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.79 acre tract or parcel of land and a 0.70 acre temporary easement parcel of land out of Lots 10 and 11 of the Brazos Coast Investment Company, Division 7 Subdivision of the F.J. Calvit League, Abstract Number 51	847.54	Tract 19	2
20	Lot 12, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.33 acre tract or parcel of land and a 0.56 acre temporary easement parcel of land out of Lot 12, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, (5.00 acres)	331.15	Tract 20	4
21	Lot 13, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.27 acre easement tract or parcel of land out of Lot 13, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51 (14.95 rods in length)	246.81	Tracts 21, 50, 67	6
21R	A. Mitchell Survey, A-98, Brazoria County, Texas	Land under, over or along a certain County Road (Tarpon Lane) - Approx. ROW feet = 356.235', being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.409 acres	356.24	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	2
22	Lot 14, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.049 acre tract or parcel of land out of Lot 14 of the Brazos Coast Investment Company Division 7 Subdivision of the F.J. Calvit League, Abstract Number 51	0.00	Tract 22	2
22a	Lot 66, B.I.C.I. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas,	A 0.21 acre tract or parcel of Lot 66, B.I.C.I. Division 8 Subdivision, F.J. Calvit League, A-51, (10.00 acres)	182.55	Tract 22A	5
22R	F.J. Calvit Survey, A-51, Brazoria County, Texas	Land under, over or along a certain County Road (Unnamed Road, Brazoria County), being approximately 0.037 acres - Approx. ROW feet = 32.34', Approx. width = 25 feet on either side of the centerline of the 42" pipeline.	32.34	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	3
23a	Lot 108, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.60 acres out of Lot 108, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	521.07	Tract 23A	2
24a	Lot 105, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.03 acres out of Lot 105, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	18.37	Tract 24A	2
25a	Lot 106, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, "Exhibit A"	5.00 acres, owned by FLNG, being Lot 106, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, (5.00 acres), Brazoria County, Texas	566.78	Tract 25A	4
26a	Lot 107, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FLNG, being Lot 107, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, (5.00 acres), Brazoria County, Texas	498.17	Tract 26A	4
26R	F.J. Calvit Survey, A-51, Brazoria County, Texas, Brazoria County, Texas	Land under, over or along a certain County Road, being approximately 0.036 acres (Unnamed Road, Brazoria County) - Approx. ROW feet = 31.35', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	31.35	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	4
26.5a	Lot 116, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.22 acres out of Lot 116, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	187.32	Tract 26.5A	2
27a	Lot 117, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FLNG, being Lot 117, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51 (5.00 acres)	437.37	Tract 27A	4
28a	Lot 118, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.72 acres out of Lot 118, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	627.18	Tract 28A	2
29a	Lot 119, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.30 acres out of Lot 119, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	260.91	Tract 29A	2
30a	Lot 120, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.24 acres out of Lot 120, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	208.97	Tract 30A	2

34a	Lot 123, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.34 acres out of Lot 123, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	284.43	Tract 32A	2
35	Lot 122, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.34 acre tract or parcel of land out of Lot 122, out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	282.37	Tract 35	2
36	Lot 123, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FUNE, being Lot 123, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas	224.20	Tract 36	6
37	Lot 124, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A-2"	0.00 acres of permanent easement and a 0.39 acre temporary easement parcel out of Lot 124, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas	0.00	Tracts 37, 41, 43, 45, 47, 52	4
37.5	Lot 125, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.51 acres and a 4.070 acre temporary easement parcel of land out of Lot 125, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	388.19	Tracts 37.5, 38	2
37.5R	F.J. Calvit Survey, A-51, Brazoria County, Texas	land under, over or along a certain County Road (Co. RD. 891, Brazoria County), being approximately 0.048 acres - Approx. ROW feet = 42.075' - Approx. width = 25 feet on either side of the centerline of the 42" pipeline	42.075	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	5
38	104.52 Acres, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.91 acre tract or parcel of land and a 1.90 acre temporary easement parcel of land out of the F.J. Calvit League, Abstract Number 51, Brazoria County, Texas	789.52	Tracts 37.5, 38	3
39	345.909 acres, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 4.53 acre tract of land and a 11.150 acre temporary easement parcel of land out of 345.909 acres, F.J. Calvit League, A-51, Brazoria County, Texas	3946.00	Tract 39	2
40	Lots 158 & 159, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 1	A 0.70 acre tract and a 0.99 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	614.12	Tracts 40, 42, 44, 49, 55	2
41	Lot 157, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 3"	A 0.36 acre tract and a 0.54 acre temporary easement parcel of land out of Lot 157, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	312.24	Tracts 37, 41, 43, 45, 47, 52	5
42	Lot 156, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 2	A 0.36 acre tract and a 0.50 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	312.24	Tracts 40, 42, 44, 49, 55	3
43	Lot 155, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 4"	0.36 acres and a 0.54 acre temporary easement parcel of land out of Lot 155, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	312.24	Tracts 37, 41, 43, 45, 47, 52	5
44	Lot 154, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 3	0.36 acres and a 0.72 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	312.24	Tracts 40, 42, 44, 49, 55	6
45	Lot 153, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 5"	0.36 acres and a 0.46 acre temporary easement parcel of land out of Lot 137, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	313.73	Tracts 37, 41, 43, 45, 47, 52	7
46	Lot 157, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.31 acres and a 0.46 acre temporary easement parcel of land out of Lot 137, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51 (5.00 acres)	268.54	Tract 46	4
47	Lot 138, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A-A-5"	0.31 acres and a 0.46 acre temporary easement parcel of land out of Lot 138, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	267.82	Tracts 37, 41, 43, 45, 47, 52	3
48	Lot 139, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.31 acres and a 0.61 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	267.41	Tract 48	4
49	Lot 140, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 4	A 0.31 acre easement tract or parcel of land and a 0.46 acre temporary easement parcel of land out of Lot 140, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51 (16.21 rods in length)	267.41	Tracts 40, 42, 44, 49, 55	5
50	Lot 144, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.31 acre easement tract or parcel of land and a 0.46 acre temporary easement parcel of land out of Lot 144, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51 (16.21 rods in length)	267.41	Tracts 21, 50, 57	7

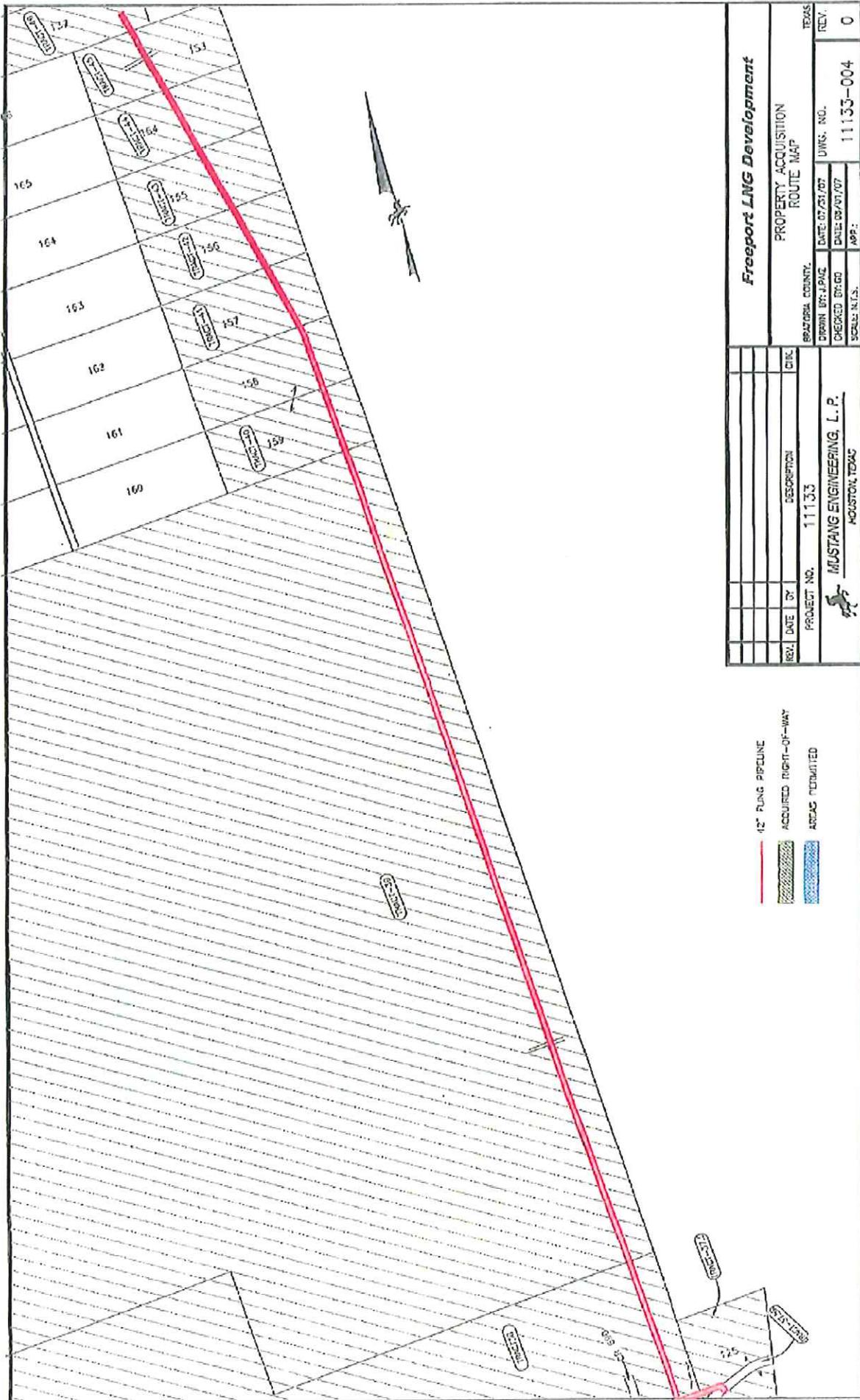
51	Lot 142, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.37 acre tract of land, a 0.27 acre tract of land and a 0.61 acre temporary easement parcel of land out of Lot 142, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51.	267.41	Tract 51	2
52	Lot 143 & 144, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"; A-1"	0.61 acres and a 1.22 acre temporary easement parcel of land out of Lot 143 & 144, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51	888.15	Tracts 37, 41, 43, 45, 47, 52	3
52R	F.J. Calvit Survey, A-51 & B.T. Archer Survey, A-9, Brazoria County, Texas	Land under, over or along a certain County Road (Co. RD. 690A - Galley Way Rd., Brazoria County), being approximately 0.075 acres - Approx. ROW feet = 65.01', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	65.01	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	5
53	Lot 125, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.61 acres out of Lot 125, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51	888.10	Tract 53	2
55	Lot 126, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 5	0.02 acres out of a part of 102.5 acres, more or less, being Tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	0.00	Tracts 40, 42, 44, 49, 53	5
56	F.J. Calvit Survey, A-51 & B.T. Archer Survey, A-9, Brazoria County, Texas, Exhibit "B"	Land located across State-owned land in Brazoria County: Oyster Creek (20.04' feet in length), East Union Slough (11.5' feet in length), being 50' feet wide on either side of the centerline of the 42" pipeline, being approximately 0.911 acres	395.66	Tracts 2 and 3b	6,7
57	Lot 121, B.T. Archer League, A-9, Brazoria County, Texas, Exhibit "A"	0.68 acres out of Lot 121, B.T. Archer League, A-9, Brazoria County, Texas (a 62.5637 acre tract of land)	989.23	Tract 57	2
57R	F.J. Calvit Survey, A-51 & B.T. Archer Survey, A-9, Brazoria County, Texas, Exhibit "B"	Land under, over or along a certain County Road (Unnamed Road and Co. Rd. 792, Brazoria County), being approximately 0.139 acres - Approx. ROW feet = 120.945', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	395.66	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	7,8
58	B.T. Archer Survey, A-9; Brazoria County, Texas	1.39 acres and a 1.94 acre temporary easement parcel of land out of Lots 1C, 1C2, 1C3, 1C4, 1C5, 1C6, 1C7 & 1C8; B.T. Archer League, A-9 Brazoria County, Texas (a 504.445' tract of land)	1309.46	Tract 5K	2,3
59	B.T. Archer League, A-9, Brazoria County, Texas, Exhibit "A"	A 0.60 acre tract or parcel of land and a 0.53 acre temporary easement parcel of land out of the B.T. Archer League, Abstract 9, Brazoria County, Texas	658.00	Tract 59	2
61	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A strip of land (2.69 acre tract of land) and a 4.04 acre temporary easement parcel of land out of Tract 2 and Tract 3, being 500 acres, more or less, out of the John Lightfoot Survey, Abstract No. 316, Brazoria County, Texas	2984.72	Tract 61	2,3
62, 01 and 62, 02	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A 0.46 acre tract or parcel of land and a 0.54 acre temporary easement parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	496.71	Tract 62, 01, 62, 02	2,3
62, 023	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A 0.03 acre tract or parcel of land and a 0.02 acre temporary easement parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	29.66	Tract 62, 023	2
62a	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A forty (40) foot wide strip of land (approx. 1.50 acres) and a 2.00 acre temporary easement parcel of land across a certain 206.67' acre tract or parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	1610.92	Tract 62A	2,3
62, 03	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A forty (40) foot wide strip of land (approx. 0.23 acres) and a 0.20 acre temporary easement parcel of land across a certain called 11.004' acre tract or parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	248.01	Tract 62, 03	2
65	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A 0.50 acre tract or parcel of land and a 0.44 acre temporary easement parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	515.316	Tract 65	2
66	Lot 10, Jared E. Grece 5 Leagues Grant, A-66, Brazoria County, Texas, Exhibit "A"	A 1.02 acre tract and a 0.89 acre temporary easement parcel of land out of Lot 10, Jared E. Grece 5 Leagues Grant, A-66, Brazoria County, Texas (115.00 acres)	1112.26	Tract 66	2

57	<p>Jared E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas, Exhibit "A", approximately 20.55 acres out of a 5,782.72-acre tract.</p>	<p>(1) Approximately 542.7 mds, being 8,950.63 feet in length and 50 feet in width on either side of the centerline of the existing 42" pipeline, being approximately 20.55 acres of a 5,782.72 acre tract or parcel of land out of the Jared E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas (owned by Dow Chemical Company); and (2) Approximately 500 feet in length and 100 feet in width, being approximately 1.15 acres of a 5,782.72 acre tract or parcel of land out of the Jared E. Groce 5 Leagues Grant Survey, A-66, Brazoria County, Texas (owned by Dow Chemical Company), for the NGL line split-off to Ineos.</p>	<p>8950.63 ÷ 500 = 9450.63</p>	<p>Tracts 21, 50, 67</p>	3, 4, 5
68	<p>J. E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas, Exhibit "A"</p>	<p>(1) Approximately 1.81 acres and a 0.18 acre temporary easement parcel of land out of a 474.77 acre tract out of the Jared E. Groce 5 League Survey, A-66, Brazoria County, Texas; and (2) Approximately 2,600 feet in length and 100 feet in width, being approximately 5.97 acres out of a 474.77 acre tract out of the Jared E. Groce 5 League Survey A-66, Brazoria County, Texas, for the NGL line split off to Ineos.</p>	<p>20.09</p>	<p>Tract 68</p>	2
69	<p>Jared E. Groce 5 League, A-66, Brazoria County, Texas, approximately 1.31 acres</p>	<p>(1) Approximately 1,81 acres and a 0.18 acre temporary easement parcel of land out of a 474.77 acre tract out of the Jared E. Groce 5 League Survey, A-66, Brazoria County, Texas; and (2) Approximately 2,600 feet in length and 100 feet in width, being approximately 5.97 acres out of a 474.77 acre tract out of the Jared E. Groce 5 League Survey A-66, Brazoria County, Texas, for the NGL line split off to Ineos.</p>	<p>1058.94 ÷ 2600 = 3658.94</p>	<p>Tract 09</p>	3

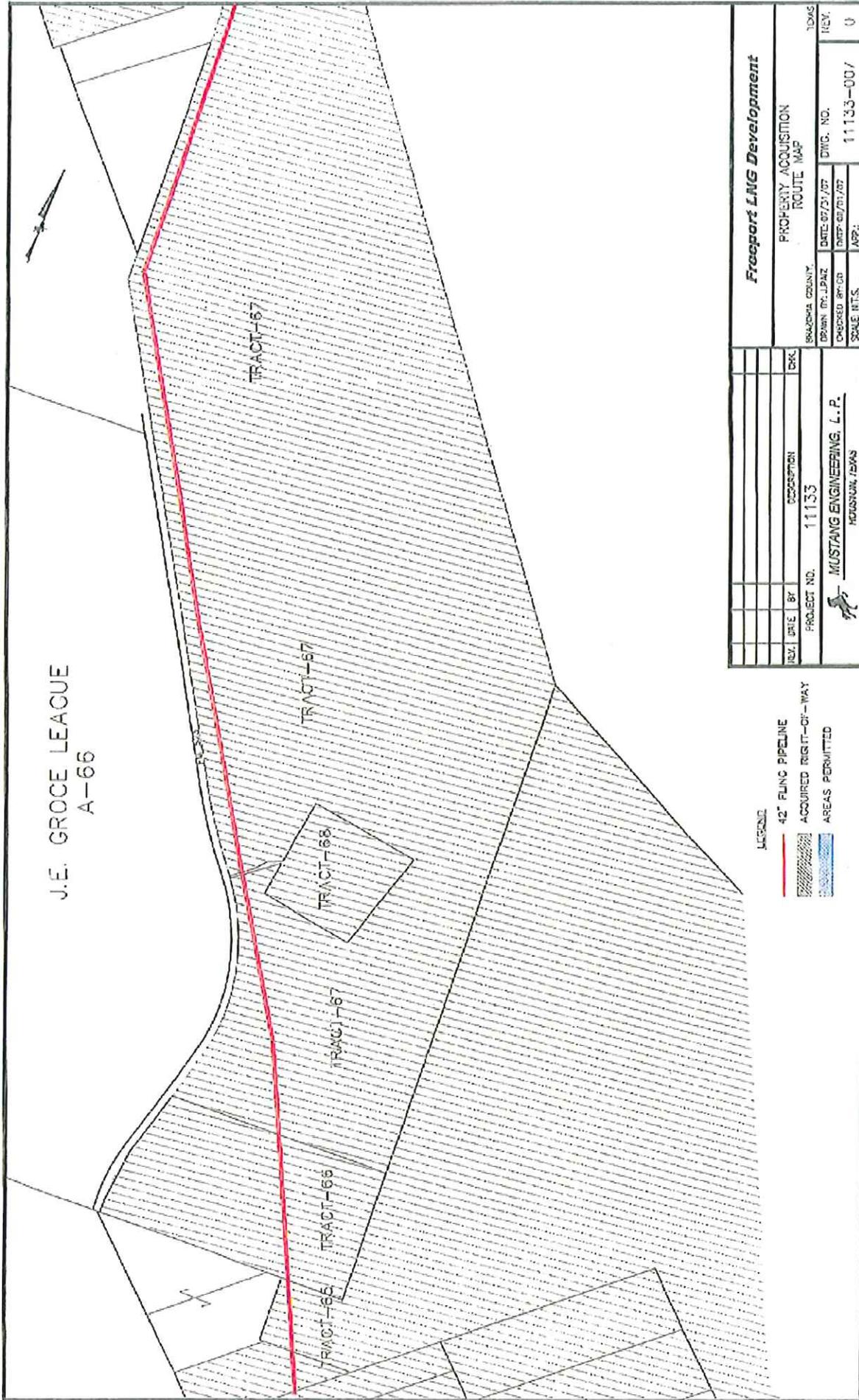


- 42" LNG PIPELINE
- ▨ ACQUIRED RIGHT-OF-WAY
- ▤ AREAS PERMITTED

Freeport LNG Development		PROPERTY ACQUISITION ROUTE MAP		TEXAS	
DATE:	01/07	DATE:	07/01/07	DATE:	01/07
BY:	J.P.H.	BY:	D.W.C.	BY:	D
PROJECT NO.:	11133	SCALE:	1" = 111.33'	SCALE:	1" = 111.33'
MUSTANG ENGINEERING, L.P.		HOUSTON, TEXAS			



J.E. GROCE LEAGUE
A-66



LEGEND

-  42" FLUNG PIPELINE
-  ACQUIRED RIGHT-OF-WAY
-  AREAS PERMITTED

Freeport LNG Development

PROPERTY ACQUISITION
ROUTE MAP

BRADDOCK COUNTY	DATE: 07/21/07	DWG. NO.	1133-001
DRAWN BY: LPK/CR	CHECKED BY: CR	DATE: 02/01/07	REV.
SCALE: N.T.S.	APP:		0

PROJECT NO. 11133
MUSTANG ENGINEERING, L.P.
HOUSTON, TEXAS



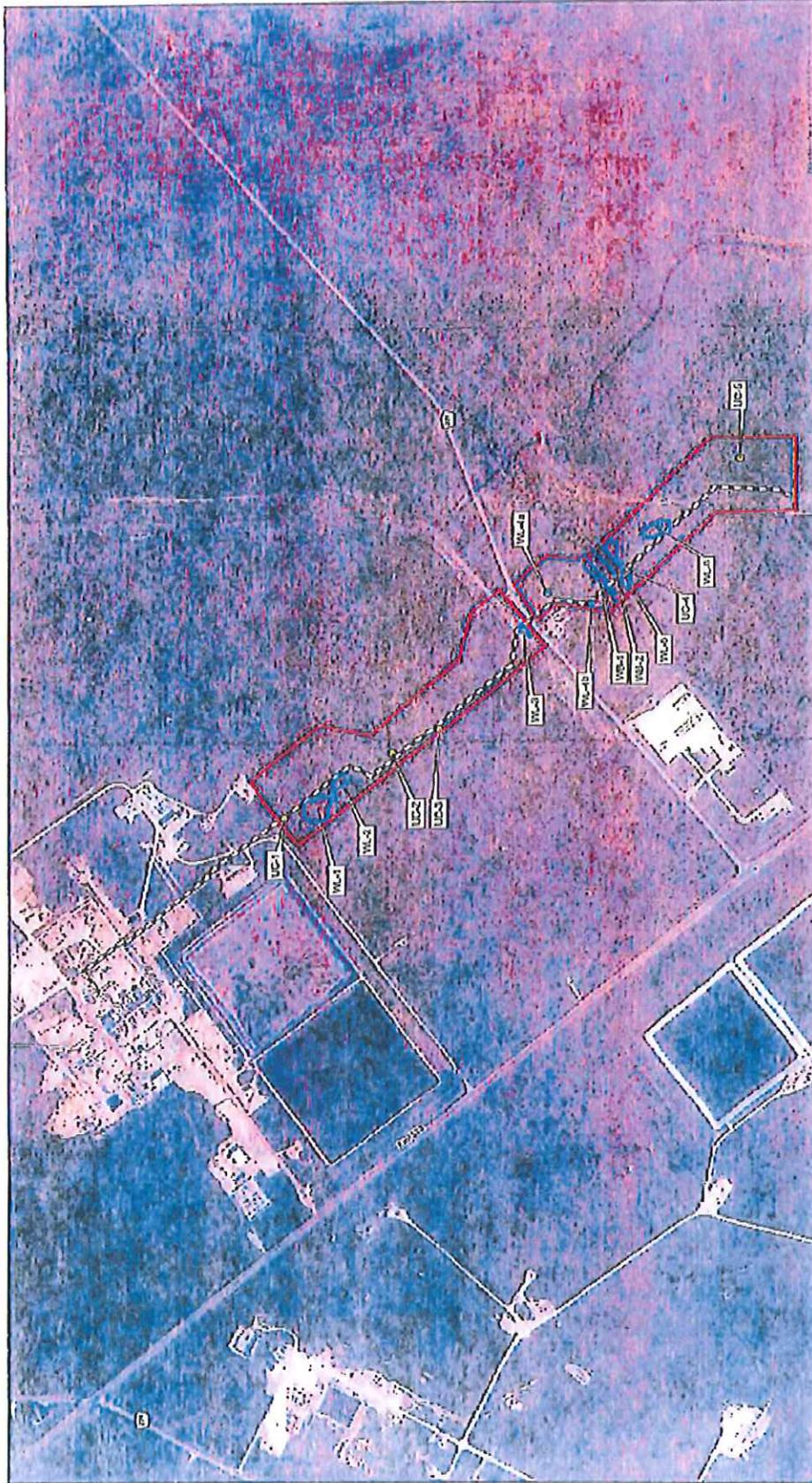


Figure 4
Field Delineated Wetlands/Waterbodies Map
NGL Pipeline Route (North Segment)
Brazoria County, Texas

DATE: 03/15/18 | DRAWN BY: ROBERTA BROWN | CHECKED BY: ROBERTA BROWN

- GPS Wetland Control Point
- GPS Wetland Sampling Point
- Delineated Wetland / Waterbody
- Water/Waterbody Point to Survey Area (red dot)
- Proposed Pipeline Corridor
- Survey Control Point
- Utility Corridor
- Wetland
- Waterbody
- Utility Corridor

0 250 500
 Feet
 1:5,000

Bid Sorrell



BEING A 305.672 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 305.672 ACRE TRACT BEING A PART OF THE FOLLOWING TWO TRACTS: (1) A 346.909 ACRE TRACT OF LAND CONVEYED TO MICHAEL J. SORRELL AND WIFE, LORIE, SORRELL FROM KATHBRINE CULLEN BURTON, ET AL, TRUSTEES OF THE ROY G. CULLEN TRUST FOR THE BENEFIT OF ROY HENRY CULLEN, THE ROY G. CULLEN TRUST FOR THE BENEFIT OF HARRY HOLMES CULLEN AND THE ROY G. CULLEN TRUST FOR THE BENEFIT OF CORNELIA CULLEN LONG RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 01-011002 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); AND (2) A 9.495 ACRE TRACT OF LAND CONVEYED TO MICHAEL J. SORRELL FROM J. T. SUGGS, JR. BY DEED DATED AUGUST 28, 1986 AND RECORDED IN VOLUME (86)320, PAGE 391 OF THE O.R.B.C.T.; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 305.672 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a three-eighths inch iron rod with cap found at the southwest corner of said 346.909 acre tract and on the east line of the Brazos Coast Investment Company (B.C.I.C.) Subdivision (S/D) No. 10 recorded in Volume 2, Page 141 of the Plat Records of Brazoria County, Texas (P.R.B.C.T.); same being the northwest corner of a 105.52 acre tract conveyed to Zim Exploration & Production Co, from Buccancer Land Partnership by deed dated December 16, 1989 and recorded in Volume (90)756, Page 702 of the O.R.B.C.T.; from which a one and one-half inch iron pipe found at the southwest corner of said 105.52 acre tract bears South $09^{\circ} 44' 50''$ East, 1,309.41 feet (called South $09^{\circ} 45' 00''$ East, 1,308.5 feet);

THENCE North $09^{\circ} 44' 50''$ West (called North $09^{\circ} 45' 00''$ West), along the common line of said 346.909 acre tract and said B.C.I.C. S/D No. 10, a distance of 834.38 feet to a five-eighths inch iron rod set for corner;

THENCE North $86^{\circ} 48' 42''$ East a distance of 40.85 feet to a five-eighths inch iron rod set for corner;

THENCE North $53^{\circ} 05' 23''$ East a distance of 102.73 feet to a five-eighths inch iron rod set for corner;

THENCE North $37^{\circ} 28' 56''$ East a distance of 97.87 feet to a five-eighths inch iron rod set for corner;

THENCE North $19^{\circ} 44' 43''$ East a distance of 104.60 feet to a five-eighths inch iron rod set for corner;

DESCRIPTION OF 305.672 ACRES
PAGE 2 OF 4 PAGES

THENCE North 12° 33' 00" East a distance of 323.47 feet to a five-eighths inch iron rod set for corner;

THENCE North 19° 08' 27" East a distance of 111.23 feet to a five-eighths inch iron rod set for corner;

THENCE North 33° 56' 34" East a distance of 109.84 feet to a five-eighths inch iron rod set for corner;

THENCE North 49° 13' 02" East a distance of 109.35 feet to a five-eighths inch iron rod set for corner;

THENCE North 49° 45' 48" East a distance of 223.28 feet to a five-eighths inch iron rod set for corner;

THENCE South 09° 57' 26" East a distance of 46.57 feet to a five-eighths inch iron rod set for corner;

THENCE North 71° 06' 16" East a distance of 90.18 feet to a five-eighths inch iron rod set for corner;

THENCE North 82° 11' 52" East a distance of 118.26 feet to a five-eighths inch iron rod set for corner;

THENCE North 63° 32' 46" East a distance of 102.96 feet to a five-eighths inch iron rod set for corner;

THENCE North 74° 53' 41" East a distance of 100.36 feet to a five-eighths inch iron rod set for corner;

THENCE North 78° 01' 29" East a distance of 318.85 feet to a five-eighths inch iron rod set for corner;

THENCE North 86° 22' 03" East a distance of 237.67 feet to a five-eighths inch iron rod set for corner;

THENCE South 82° 49' 08" East a distance of 136.31 feet to a five-eighths inch iron rod set for corner;

THENCE North 03° 12' 38" West a distance of 1,659.52 feet to a five-eighths inch iron rod set for corner on the most northerly north line of said 346.909 acre tract and the south line of Tract 180 of the B.C.L.C. S/D No. 9, also recorded in Volume 2, Page 141 of the P.R.B.C.T.;

DESCRIPTION OF 305.672 ACRES
PAGE 3 OF 4 PAGES

THENCE North $86^{\circ} 47' 22''$ East (called North $86^{\circ} 48' 00''$ East), along the most northerly north line of said 346.909 acre tract and the south line of said Tract 180, a distance of 545.01 feet to a five-eighths inch iron rod found in concrete at the most northerly northeast corner of said 346.909 acre tract; same being the southeast corner of said Tract 180;

THENCE South $03^{\circ} 00' 11''$ East, along the most northerly east line of said 346.909 acre tract and a west line of said B.C.I.C. S/D No. 9, a distance of 140.30 feet (called South $03^{\circ} 00' 00''$ East, 140.08 feet) to a three-eighths inch iron rod found in concrete at an interior ell corner of said 346.909 acre tract and a southwest corner of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 59' 22''$ East (called North $87^{\circ} 00' 00''$ East), along the north line of said 346.909 acre tract and a northerly south line of said B.C.I.C. S/D No. 9, at 1,728.87 feet (called 1,728.70 feet) pass a three-eighths inch iron rod found on line, at 1,933.20 feet (called 1,933.00 feet) pass a railroad bridge bolt found on line, and continuing for a total distance of 2,246.40 feet to a five-eighths inch iron rod set at the northeast corner of said 346.909 acre tract; same being an interior ell corner of said B.C.I.C. S/D No. 9;

THENCE South $02^{\circ} 44' 33''$ East along the east line of said 346.909 acre tract and a west line of said B.C.I.C. S/D No. 9, a distance of 3,944.26 feet (called South $03^{\circ} 44' 30''$ East, 3,945.41 feet) to a point in water at the southeast corner of said 346.909 acre tract; same being the northeast corner of said 105.52 acre tract; from which a one-half inch iron rod with cap found at the southeast corner of said 105.52 acre tract bears South $02^{\circ} 44' 33''$ East, 701.23 feet (called South $02^{\circ} 44'$ East, 700.0 feet);

THENCE South $86^{\circ} 45' 14''$ West, along the most easterly south line of said 346.909 acre tract and the most easterly north line of said 105.52 acre tract, at 147.78 feet (called 148.0 feet) pass a one-half inch iron pipe found on line, at 592.38 feet (called 592.43 feet) pass a three-eighths inch iron rod with cap found 1.15 feet south of this line, and continuing for a total distance of 1,897.21 feet (called South $86^{\circ} 47' 33''$ West, 1,897.10 feet) to a three-fourths inch iron pipe found at the most southerly southwest corner of said 346.909 acre tract and an interior ell corner of said 105.52 acre tract;

THENCE North $03^{\circ} 13' 55''$ West, along the most southerly west line of said 346.909 acre tract and a northerly east line of said 105.52 acre tract, a distance of 600.13 feet (called North $03^{\circ} 14' 14''$ West, 600.34 feet), to a one-half inch iron pipe found at an interior ell corner of said 346.909 acre tract and a northerly northeast corner of said 105.52 acre tract;

THENCE South $86^{\circ} 44' 09''$ West, along a south line of said 346.909 acre tract and a north line of said 105.52 acre tract, a distance of 1,249.82 feet (called South $86^{\circ} 44' 37''$ West, 1,249.80 feet) to a five-eighths inch iron rod found for corner;

DESCRIPTION OF 305.672 ACRES
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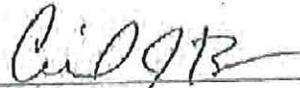
THENCE North 03° 46' 27" East, along a west line of said 346.909 acre tract and an east line of said 105.52 acre tract, a distance of 88.61 feet (called North 04° 01' 00" East, 88.56 feet) to a five-eighths inch iron rod found for corner;

THENCE North 85° 19' 09" West, along a south line of said 346.909 acre tract and a north line of said 105.52 acre tract, a distance of 379.91 feet (called North 85° 14' 23" West, 380.60 feet) to a five-eighths inch iron rod found for corner;

THENCE South 47° 42' 38" West, along a southeast line of said 346.909 acre tract and a northwest line of said 105.52 acre tract, a distance of 221.91 feet (called South 47° 19' 09" West, 221.27 feet) to a five-eighths inch iron rod found for corner;

THENCE South 86° 50' 46" West, along the most westerly south line of said 346.909 acre tract and the most westerly north line of said 105.52 acre tract, a distance of 760.83 feet (called South 86° 51' 33" West, 761.31 feet) to the POINT OF BEGINNING and containing 305.672 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 136



BEING A 4.998 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.998 ACRE TRACT BEING TRACT 136 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 136 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.998 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a one-half inch iron rod found at the southeast corner of Tract 135 and on the north line of Tract 167 of said B.C.I.C. S/D No. 9; same being at the intersection of the south and west lines of a 30 feet wide platted, unimproved road; thence as follows:

North $03^{\circ} 06' 52''$ West along the east line of said Tract 135 and the west line of said 30 feet wide road, a distance of 27.97 feet and North $87^{\circ} 11' 05''$ East a distance of 30.00 feet to a five-eighths inch iron rod set for the southwest corner of said Tract 136 and POINT OF BEGINNING of the herein described tract; same being the intersection of the north and east lines of said 30 feet wide road;

THENCE North $03^{\circ} 06' 52''$ West, along the east line of said Tract 136 and the east line of said 30 feet wide road, a distance of 672.39 feet to a five-eighths inch iron rod set for the northwest corner of said Tract 136 and on the south line of Tract 132 of said B.C.I.C. S/D No. 9;

THENCE North $87^{\circ} 11' 05''$ East, along the common line of said Tracts 136 and 132, a distance of 323.33 feet (called 324.1 feet) to a five-eighths inch iron rod set at the northeast corner of said Tract 136 and on the west line of a 30 feet wide platted, unimproved road;

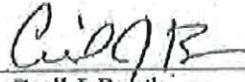
THENCE South $03^{\circ} 11' 51''$ East, along the east line of said Tract 136 and the west line of said 30 feet wide road, a distance of 672.40 feet to a five-eighths inch iron rod set at the southeast corner of said Tract 136 and at the intersection of the north and west lines of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACT 136

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THENCE South 87° 11' 05" West, along the south line of said Tract 136 and the north line of said 30 feet wide road, a distance of 324.31 feet (called 324.1 feet) to the POINT OF BEGINNING and containing 4.998 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061



Date: 18 May 12
Job No. 10858

Tract 140



BEING A 4.976 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.976 ACRE TRACT BEING TRACT 140 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 140 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.976 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a one and one-fourth inch iron pipe found at the northwest corner of Tract 166 of said B.C.I.C. S/D No. 9; same being at the intersection of the south and east lines of a 30 feet wide platted, unimproved road; thence as follows:

North 87° 11' 05" East along the north line of said Tract 166 and the south line of said 30 feet wide road, a distance of 311.59 feet to a five-eighths inch iron rod set at an interior ell corner of said Tract 166 and at the intersection with the east line of another 30 feet wide platted, unimproved road;

North 03° 11' 51" West along the east line of said 30 feet wide road and along the west lines of Tracts 137 through 139 of said B.C.I.C. S/D No. 9, a distance of 814.11 feet to a five-eighths inch iron rod set for the common west corner of said Tracts 139 and 140 and the POINT OF BEGINNING of the herein described tract;

THENCE North 03° 11' 51" West along the west line of said Tract 140 and the east line of said 30 feet wide road, a distance of 262.09 feet (called 262.1 feet) to a five-eighths inch iron rod set for the common west corner of Tracts 140 and 141 of said B.C.I.C. S/D No. 9;

THENCE North 87° 11' 05" East along the common line of said Tracts 140 and 141, a distance of 827.00 feet to a concrete monument with a brass disk stamped SE 141 SUBD 9 found at the common corner of Tracts 140, 141, 148 and 149 of said B.C.I.C. S/D No. 9;

THENCE South 03° 11' 51" East along the common line of said Tracts 140 and 149, a distance of 262.09 feet (called 262.1 feet) to a five-eighths inch iron rod with cap found at the common corner of Tracts 139, 140, 149 and 150 of said B.C.I.C. S/D No. 9;

DESCRIPTION OF TRACT 140
PAGE 2 OF 2 PAGES

THENCE South 87° 11' 05" West along the common line of said Tracts 139 and 140, a distance of 827.00 feet to the POINT OF BEGINNING and containing 4.976 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:

Cecil J. Booth

Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 154



BEING A 5.112 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 5.112 ACRE TRACT BEING TRACT 154 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 154 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 5.112 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a five-eighths inch iron rod with cap found at the southeast corner of said Tract 154, at the northeast corner of 155 of said B.C.I.C. S/D No. 9 and on the west line of a 30 feet wide platted, unimproved road;

THENCE South $86^{\circ} 45' 39''$ West along the common line of said Tracts 154 and 155, a distance of 729.96 feet (called 730 feet) to a one-half inch iron rod found at the common corner of 154, 155, 164 and 165 of said B.C.I.C. S/D No. 9; from which a one and one-fourth inch iron pipe found at the common west corner of said Tracts 164 and 165 bears South $86^{\circ} 50' 14''$ West, 733.02 feet;

THENCE North $03^{\circ} 10' 52''$ West along the common line of said Tracts 154 and 165, a distance of 305.31 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common corner of Tracts 153, 154, 165 and 166 of said B.C.I.C. S/D No. 9;

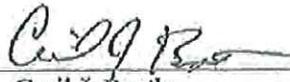
THENCE North $86^{\circ} 47' 59''$ East along the common line of said Tracts 153 and 154, a distance of 729.97 feet (called 730 feet) to a five-eighths inch iron rod with cap found at the common east corner of said Tracts 153 and 154 and on the west line of said 30 feet wide road;

DESCRIPTION OF TRACT 154

PAGE 2 OF 2 PAGES

THENCE South 03° 10' 44" East along the east line of said Tract 154 and the west line of said 30 feet wide road, a distance of 304.81 feet (called 304.75 feet) to the POINT OF BEGINNING and containing 5.112 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 156 + 163



BEING A 10.224 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 10.224 ACRE TRACT BEING TRACTS 156 AND 163 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 156 AND 163 BEING CONVEYED TO MIKE SORRELL FROM DAVID MBLASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 10.224 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METRES AND BOUNDS AS FOLLOWS:

BEGINNING at a one inch iron pipe found at the common west corner of Tracts 163 and 162 of said B.C.I.C. S/D No. 9 and on the east line of a 30 feet wide platted, unimproved road;

THENCE North $03^{\circ} 13' 20''$ West along the west line of said Tract 163 and the east line of said 30 feet wide road, a distance of 304.67 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common west corner of Tracts 163 and 164 of said B.C.I.C. S/D No. 9; from which a one and one-quarter inch iron pipe found at the common west corner of Tracts 164 and 165 of said B.C.I.C. S/D No. 9 bears North $03^{\circ} 13' 20''$ West, 304.67 feet;

THENCE North $86^{\circ} 50' 21''$ East along the common line of said Tracts 163 and 164, a distance of 732.71 feet (called 732 feet) to a one-half inch iron rod found at the common corner of Tracts 155, 156, 163 and 164 of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 46' 44''$ East along the common line of said Tracts 155 and 156, a distance of 730.04 feet (called 730 feet) to a five-eighths inch iron rod with cap found at the common east corner of said Tracts 155 and 156 and on the west line of a 30 feet wide platted, unimproved road;

THENCE South $03^{\circ} 10' 44''$ East along the east line of said Tract 156 and the west line of said 30 feet wide road, a distance of 304.84 feet (called 304.75 feet) to a five-eighths inch iron rod found at the common east corner of Tracts 156 and 157 of said B.C.I.C. S/D No. 9;

THENCE South $86^{\circ} 49' 33''$ West along the common line of said Tracts 156 and 157, a distance of 729.86 feet (called 730 feet) to a two inch iron pipe found at the common corner of said Tracts 155, 156, 162 and 163;

DESCRIPTION OF TRACTS 156 & 163

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THENCE South 86° 48' 21" West along the common line of said Tracts 162 and 163, a distance of 732.67 feet (called 732 feet) to the POINT OF BEGINNING and containing 10.224 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061



Date: 18 MAY 12

Job No. 10858

Tract 158-161



BEING A 20.595 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 20.595 ACRE TRACT BEING TRACTS 158, 159, 160, AND 161 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 158, 159, 160, AND 161 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 20.595 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a one-half inch iron pipe found at the common west corner of Tracts 161 and 162 of said B.C.I.C. S/D No. 9 and on the east line of a 30 feet wide platted, unimproved road;

THENCE North $86^{\circ} 50' 02''$ East along the common line of said Tracts 161 and 162, a distance of 732.52 feet (called 732 feet) to a three inch iron pipe found at the common corner of Tracts 157, 158, 161 and 162 of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 47' 59''$ East along the common line of said Tracts 157 and 158, a distance of 729.78 feet (called 730 feet) to a five-eighths inch iron rod with cap found at the common east corner of said Tracts 157 and 158 and on the west line of a platted, unimproved road;

THENCE South $03^{\circ} 10' 44''$ East along the east line of said Tracts 158 and 159 and the west line of said 30 feet wide road, at 609.04 feet (called 609.5 feet) pass a five-eighths inch iron rod with cap found at the monumented southeast corner of said Tract 159, and continuing for a total distance of 615.92 feet to a five-eighths inch iron rod set for the southeast corner of said Tract 159 and on the north line of a 30 feet wide platted, unimproved road; said set five-eighths inch iron rod being situated 30 feet north of and at right angles to the north line of that 346.909 acre tract conveyed to Michael J. Sorrell and Wife, Lori B. Sorrell from Katherine Cullen Burton, et al, Trustees of the Roy G. Cullen Trust for the Benefit of Roy Henry Cullen, the Roy G. Cullen Trust for the Benefit of Harry Holmes Cullen and the Roy G. Cullen Trust for the Benefit of Cornelia Cullen Long recorded under C.C.F. No. 01-011002 of the O.R.B.C.T.; from said set five-eighths inch iron rod a five-eighths inch iron rod set at the northeast corner of said 346.909 acre tract bears South $03^{\circ} 10' 44''$ East, 30.00 feet and North $86^{\circ} 59' 22''$ East, 7.79 feet;

DESCRIPTION OF TRACTS 158, 159, 160, AND 161
PAGE 2 OF 2 PAGES

THENCE South $86^{\circ} 59' 22''$ West along the south line of said Tract 159, the north line of said 30 feet wide road, and 30 feet north of and parallel to the north line of said 346.909 acre tract, a distance of 729.30 feet (called 730 feet) to a five-eighths inch iron rod set for the common south corner of said Tracts 159 and 160; from which a found one inch iron pipe (laid over) bears North $03^{\circ} 13' 21''$ West, 4.15 feet;

THENCE South $86^{\circ} 59' 22''$ West along the south line of said Tract 160, the north line of said 30 feet wide road, and 30 feet north of and parallel to the north line of said 346.909 acre tract, a distance of 732.54 feet (called 732 feet) to a five-eighths inch iron rod set for the southwest corner of said Tract 160; same being at the intersection with the east line of another 30 feet wide platted, unimproved road;

THENCE North $03^{\circ} 13' 20''$ West along the west line of said Tracts 160 and 161 and the east line of said 30 feet wide road, a distance of 611.52 feet (called 609.5 feet) to the POINT OF BEGINNING and containing 20.595 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:

C. J. Booth

Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 166



BEING A 4.900 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.900 ACRE TRACT BEING TRACT 166 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 166 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.900 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a one and one-fourth inch iron pipe found at the northwest corner of said Tract 166 and the intersection of the south and east lines of two 30 feet wide platted, unimproved roads;

THENCE North $87^{\circ} 11' 05''$ East along the north line of said Tract 166 and the south line of said 30 feet wide road, a distance of 311.59 feet (called 317.6 feet) to a five-eighths inch iron rod set at an interior ell corner of said Tract 166 and at the intersection with the east line of another 30 feet wide platted, unimproved road;

North $03^{\circ} 11' 51''$ West along the northern west line of said Tract 166 and the east line of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the common west corner of Tracts 137 and 166 of said B.C.I.C. S/D No. 9;

THENCE North $87^{\circ} 11' 05''$ East along the common line of said Tracts 137 and 166, a distance of 421.88 feet (called 440.1 feet) to a point in water at the common north corner of Tracts 153 and 166 of said B.C.I.C. S/D No. 9;

THENCE South $03^{\circ} 10' 52''$ East along the common line of said Tracts 153 and 166, a distance of 301.34 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common corner of Tracts 153, 154, 164, and 165 of said B.C.I.C. S/D No. 9; from which a five-eighths inch iron rod with cap found at the common east corner of said Tracts 153 and 154 bears North $86^{\circ} 47' 59''$ East, 729.97 feet;

THENCE South $86^{\circ} 47' 59''$ West along the common line of said Tracts 165 and 166, a distance of 733.24 feet to a five-eighths inch iron rod set for the common west corner of said Tracts 165 and 166 and on the east line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACT 166

PAGE 2 OF 2 PAGES

THENCE North 03° 13' 20" West along the west line of said Tract 166 and the east line of said 30 feet wide road, a distance of 276.27 feet (called 276.2 feet) to the POINT OF BEGINNING and containing 4.900 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT: Cecil J. Booth
Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858





BEING A 4.504 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.504 ACRE TRACT BEING TRACT 167 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 167 BEING CONVEYED TO SORRELL FAMILY LIMITED PARTNERSHIP #2, LTD. FROM TAMARA ANN FOLLETT WEIKBLAND KALYNDA FOLLETT, AS DEVISEES UNDER THE WILL OF MARTIN DEWEY FOLLETT, JR. BY DEED DATED JANUARY 10, 2008 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2008003493 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; A 37.5% INTEREST IN SAID TRACT 167 BEING CONVEYED TO DOW CHEMICAL COMPANY FROM HOUSTON BANK AND TRUST COMPANY BY DEED DATED JULY 15, 1969 AND RECORDED IN VOLUME 1037, PAGE 901 OF THE DEED RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.504 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a five-eighths inch iron rod found at the northeast corner of Tract 174, on the south line of Tract 135 said B.C.I.C. S/D No. 9, and on the west line of a 30 feet wide platted, unimproved road; thence as follows:

North 87° 18' 51" East along the south line of said Tract 135 and across the end of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the northwest corner of said Tract 167 and the POINT OF BEGINNING of the herein described tract of land on the east line of said 30 feet wide road;

THENCE North 87° 18' 51" East along the common line of said Tracts 135 and 167, at 665.87 feet pass a one-half inch iron rod found at the southeast corner of said Tract 135 and on the south line of a 30 feet wide platted, unimproved road, at 702.37 feet pass a one-half inch iron rod found on line, and continuing for a total distance of 708.63 feet (called 723.4 feet) to a five-eighths inch iron rod set for the northeast corner of said Tract 167 and at the intersection with the west line of a 30 feet wide platted, unimproved road;

THENCE South 03° 13' 20" East along the east line of said Tract 167 and the west line of said 30 feet wide road, a distance of 276.14 feet (called 276.2 feet) to a five-eighths inch iron rod set for the common east corner of Tracts 167 and 168 of said B.C.I.C. S/D No. 9;

DESCRIPTION OF TRACT 167
PAGE 2 OF 2 PAGES

THENCE South 87° 13' 39" West along the common line of said Tracts 167 and 168, at 6.13 feet pass a one-half inch iron rod found on line, and continuing for a total distance of 709.68 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 167 and 168 and on the east line of a 30 feet wide platted, unimproved road;

THENCE North 03° 00' 11" East along the west line of said Tract 167 and the east line of said 30 feet wide road, a distance of 277.21 feet (called 276.2 feet) to the POINT OF BEGINNING and containing 4.504 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT: Ce 2972
Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858





BEING A 4.980 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.980 ACRE TRACT BEING TRACT 168 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 168 BEING CONVEYED TO MIKE SORRELL FROM DAVID MBLASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.980 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a five-eighths inch iron rod found at the northeast corner of Tract 174, on the south line of Tract 135 of said B.C.I.C. S/D No. 9, and on the west line of a 30 feet wide platted, unimproved road; thence as follows:

North $87^{\circ} 18' 51''$ East along the south line of said Tract 135 and across the end of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the northwest corner of Tract 167 of said B.C.I.C. S/D No. 9, and on the east line of said 30 feet wide road;

South $03^{\circ} 00' 11''$ East along the west line of said Tract 167 and the east line of said 30 feet wide road, a distance of 277.21 feet (called 276.2 feet) to a five-eighth inch iron rod set for the common west corner of said Tracts 167 and 168 and the POINT OF BEGINNING of the herein described tract of land;

THENCE North $87^{\circ} 13' 39''$ East along the common line of said Tracts 167 and 168, at 703.55 feet pass a one-half inch iron rod found one line, and continuing for a total distance of 709.68 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common east corner of said Tracts 167 and 168 on the west line of a 30 feet wide platted, unimproved road;

THENCE South $03^{\circ} 13' 20''$ East along the east line of said Tract 168 and the west line of said 30 feet wide road, a distance of 305.00 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common east corner of Tracts 168 and 169 of said B.C.I.C. S/D No. 9;

THENCE South $87^{\circ} 09' 27''$ West along the common line of said Tracts 168 and 169, a distance of 710.84 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 168 and 169 and on the east line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACT 168
PAGE 2 OF 2 PAGES

THENCE North 03° 00' 11" West along the west line of said Tract 168 and the east line of said 30 feet wide road, a distance of 305.87 feet (called 304.75 feet) to the POINT OF BEGINNING and containing 4.980 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT: Cecil J. Booth
Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 170 + 171



BEING A 10.001 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 10.001 ACRE TRACT BEING TRACTS 170 AND 171 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 170 AND 171 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 10.001 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a five-eighths inch iron rod found at the northeast corner of Tract 174, on the south line of Tract 135 of said B.C.I.C. S/D No. 9, and on the west line of a 30 feet wide platted, unimproved road; thence as follows:

North 87° 18' 51" East along the south line of said Tract 135 and across the end of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the northwest corner of Tract 167 of said B.C.I.C. S/D No. 9 and on the east line of said 30 feet wide road;

South 03° 00' 11" East along the west line of said Tracts 167, 168 and 169 of said B.C.I.C. S/D No. 9 and the east line of said 30 feet wide road, at 277.21 feet pass a five-eighths inch iron rod set for the common west corner of said Tracts 167 and 168, at 583.08 feet pass a five-eighths inch iron rod set for the common west corner of said Tracts 168 and 169, and continuing for a total distance of 888.95 feet to a five-eighths inch iron rod set for the common west corner of said Tracts 169 and 170 and the POINT OF BEGINNING of the herein described tract of land;

THENCE North 87° 05' 16" East along the common line of said Tracts 169 and 170, a distance of 712.01 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common east corner of said Tracts 169 and 170 on the west line of a 30 feet wide platted, unimproved road;

THENCE South 03° 13' 20" East along the east line of said Tracts 170 and 171 and the west line of said 30 feet wide road, a distance of 610.00 feet (called 609.50 feet) to a five-eighths inch iron rod set for the common east corner of Tracts 171 and 172 of said B.C.I.C. S/D No. 9;

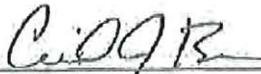
THENCE South 86° 56' 56" West along the common line of said Tracts 171 and 172, a distance of 714.34 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 171 and 172 and on the east line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACTS 170 & 171

PAGE 2 OF 2 PAGES

THENCE North 03° 00' 11" West along the west line of said Tracts 170 and 171 and the east line of said 30 feet wide road, a distance of 611.74 feet (called 609.50 feet) to the POINT OF BEGINNING and containing 10.001 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 173



BEING A 5.039 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 5.039 ACRE TRACT BEING TRACT 173 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 173 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 5.039 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a three-eighths inch iron rod found in concrete at a southwest corner of said B.C.I.C. S/D No. 9 and at an interior ell corner of a 346.909 acre tract of land conveyed to Michael J. Sorrell and wife, Lori E. Sorrell from Katherine Cullen Burton, et al, Trustees of the Roy G. Cullen Trust for the benefit of Roy Henry Cullen, the Roy G. Cullen Trust for the benefit of Harry Holmes Cullen and the Roy G. Cullen Trust for the benefit of Cornelia Cullen Long recorded under C.C.F. No. 01-011002 of the O.R.B.C.T.; same being at the intersection of the west and south lines of two 30 feet wide platted, unimproved roads; thence as follows:

North $03^{\circ} 00' 11''$ West along a west line of said B.C.I.C. S/D No. 9 and a northerly east line of said 346.909 acre tract, a distance of 30.00 feet and North $86^{\circ} 59' 22''$ East across said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the southwest corner of said Tract 173 and the POINT OF BEGINNING of the herein described tract of land and on east line of said 30 feet wide road;

THENCE North $03^{\circ} 00' 11''$ West along the west line of said Tract 173 and the east line of said 30 feet wide road, a distance of 305.87 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common west corner of Tracts 172 and 173 of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 52' 47''$ East along the common line of said Tracts 172 and 173, a distance of 715.51 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common east corner of said Tracts 172 and 173 on the west line of a 30 feet wide platted, unimproved road;

THENCE South $03^{\circ} 13' 20''$ East along the east line of said Tract 173 and the west line of said 30 feet wide road, a distance of 307.24 feet (called 304.75 feet) to a five-eighths inch iron rod set for the southeast corner of said Tract 173 and at the intersection of the west line of said 30 feet wide road with the north line of another 30 feet wide platted, unimproved road; said corner being situated 30 feet north of and at right angles to the north line said 346.909 acre tract;

DESCRIPTION OF TRACT 173

PAGE 2 OF 2 PAGES

THENCE South 86° 59' 22" West along the south line of said Tract 173, the north line of said 30 feet wide road, and 30 feet north of and parallel to the north line of said 346.909 acre tract, a distance of 716.68 feet (called 723.4 feet) to the POINT OF BEGINNING and containing 5.039 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061



Date: 18 May 12
Job No. 10858

Tracts 133-135
+174-180



BEING A 50.210 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 50.210 ACRE TRACT BEING TRACTS 133 THROUGH 135 AND TRACTS 174 THROUGH 180 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 133 AND 134 BEING CONVEYED TO MIKE SORRELL TRUCKING AND MATERIALS, INC. FROM THE CITY OF FREEPORT BY DEED DATED SEPTEMBER 4, 2007 AND RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 2012014068 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); SAID TRACT 135 BEING CONVEYED TO MICHAEL J. SORRELL FROM JAMES B. THOMPSON AND WIFE, DELTA H. THOMPSON BY DEED DATED NOVEMBER 6, 2007 AND RECORDED UNDER C.C.F. NO. 2008000500 OF THE O.R.B.C.T.; A ONE-HALF INTEREST IN SAID TRACT 174 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER C.C.F. NO. 2006024870 OF THE O.R.B.C.T.; AND TRACTS 175 THROUGH 180 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER C.C.F. NO. 2006024870 OF THE O.R.B.C.T.; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 50.210 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a five-eighths inch iron rod found in concrete at the southeast corner of said Tract 180 and at the most northerly northeast corner of a 346.909 acre tract of land conveyed to Michael J. Sorrell and wife, Lori B. Sorrell from Katherine Cullen Burton, et al, Trustees of the Roy G. Cullen Trust for the benefit of Roy Henry Cullen, the Roy G. Cullen Trust for the benefit of Harry Holmes Cullen and the Roy G. Cullen Trust for the benefit of Cornelia Cullen Long recorded under C.C.F. No. 01-011002 of the O.R.B.C.T.; same being on the west line of a 30 feet wide platted, unimproved road;

THENCE South 86° 47' 22" West, along the south line of said Tract 180 and the north line of said 346.909 acre tract, at 545.01 feet pass a five-eighths inch iron rod set on line, at 892.16 feet pass a five-eighths inch iron rod set on the right descending bank of the cut off portion of Oyster Creek, and continuing for a total distance of 907.16 feet to a point for corner at the right descending water's edge of the cut off portion of Oyster Creek;

THENCE in a northerly direction along the right descending water's edge of the cut off portion of Oyster Creek and the west lines of said Tracts 133 through 135 and said Tracts 174 through 180 with the following thirteen (13) meanders:

1. North 14° 44' 30" East a distance of 12.11 feet;

DESCRIPTION OF TRACTS 133 - 135 AND 174 - 180
PAGE 2 OF 3 PAGES

2. North 03° 02' 56" East a distance of 234.93 feet;
3. North 01° 59' 52" East a distance of 250.25 feet;
4. North 03° 16' 02" West a distance of 270.32 feet;
5. North 02° 28' 36" West a distance of 255.61 feet;
6. North 06° 20' 35" East a distance of 199.04 feet;
7. North 17° 18' 51" East a distance of 75.18 feet;
8. North 22° 31' 49" East a distance of 333.02 feet;
9. North 27° 19' 06" East a distance of 164.54 feet;
10. North 29° 18' 41" East a distance of 319.57 feet;
11. North 25° 14' 24" East a distance of 235.12 feet;
12. North 22° 43' 36" East a distance of 248.80 feet; and
13. North 18° 39' 51" East a distance of 294.24 feet to a point for the common west corner of Tracts 132 and 133 of said B.C.I.C. S/D No. 9;

THENCE North 87° 11' 05" East along the common line of said Tracts 132 and 133, at 15.00 feet pass a five-eighths inch iron rod set on the set on the right descending bank of the cut off portion of Oyster Creek, and continuing for a total distance of 766.50 feet to a five-eighths inch iron rod set for the east corner of said Tract 133 and on the west line of a 30 feet wide platted, unimproved road;

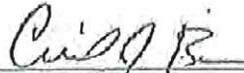
THENCE South 03° 06' 52" East along the east line of said Tracts 133 through 135 and the west line of said 30 feet wide road, 268.62 feet a five-eighths inch iron rod set at the common east corner of said Tracts 133 and 134, at 490.82 feet pass a one-half inch iron rod found at the common east corner of said Tracts 134 and 135, and continuing for a total distance of 700.36 feet to a one-half inch iron rod found at the southeast corner of said Tract 135 and on the north line of Tract 167 of said B.C.I.C. S/D No. 9;

THENCE South 87° 18' 51" West along the common line of said Tracts 135 and 167, at 665.87 feet pass a five-eighths inch iron rod set at the northwest corner of said Tract 167, and continuing for a total distance of 695.87 feet to a five-eighths inch iron rod found at the northeast corner of said Tract 174 on the west line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACTS 133 - 135 AND 174 - 180
PAGE 3 OF 3 PAGES

THENCE South 03° 00' 11" East along the east lines of said Tracts 174 through 180 and the west line of said 30 feet wide road, at 414.99 feet (called 415 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 174 and 175, at 715.35 feet (called 715.4 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 175 and 176, at 985.20 feet (called 980.6 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 176 and 177, at 1,240.80 feet (called 1,236.2 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 177 and 178, at 1,491.46 feet (called 1,505.2 feet) pass a five-eighths inch iron rod set to replace the rusty remains of an iron rod found at the common east corner of said Tracts 178 and 179, at 1,760.42 feet (called 1,755.9 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 179 and 180, and continuing for a total distance of 2,002.27 feet (called 1,997.9 feet) to the POINT OF BEGINNING and containing 50.210 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 MAY 12
Job No. 10858



Additional Legal Descriptions for Sorrell Tracts 62, 63, 66 and 67

Tract 62

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 62, beginning to the east of a 30 feet wide platted, unimproved road

Tract 63

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 63

Tract 66

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 66

Tract 67

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 67

EXHIBIT "A"

Being the same land conveyed by Deed deemed effective as of January 3, 1975, from The Dow Chemical Company, as grantor, to Ernest H. Cockrell, et al, as grantees, filed for record in the Office of the County Clerk of Brazoria County, Texas, in Volume 1231, page 859.

774.67812 acres of land out of Tract No. 2 of the R. Seaburn Estate, described in Deed dated July 12, 1883, recorded in Vol. V, page 305, Deed Records, Brazoria County, Texas, in the J. E. Groce 5 Leagues Grant, Abstract No. 66, Brazoria County, Texas, described in match and bounds, using survey terminology which refers to the Texas Coordinate System, South Central Zone, except the distances which are the horizontal ground level lengths, as follows:

BEGINNING at the position $x = 3,173,246.629$ and $y = 450,893.487$, for the southeast corner, which is the point of intersection of the center line of right-of-way of Texas State Highway F.M. No. 523 with the south line of J. E. Groce 5 Leagues, Abstract No. 66, from which the underground portion of an old broken concrete monument situated in said south line, at the position $x = 3,173,189.626$ and $y = 450,885.783$, bears N. $87^{\circ} 27' 41.55''$ E, a distance of 51.854 feet and in turn an old concrete monument situated at the position $x = 3,173,209.59$ and $y = 450,975.17$, which marks the southeast corner of said J. E. Groce 5 Leagues, bears N. $87^{\circ} 17' 13.04''$ E, a distance of 3014.197 feet; said south line and southeast corner of the J. E. Groce 5 Leagues as located by the above monuments or markers in the ground location which has been consistently and prominently maintained for the identical as described in the original grant of July 29, 1824, and no physical evidence contrary can be found on the premises;

THENCE, with said south line, S. $87^{\circ} 27' 41.55''$ W., at a distance of 60.003 feet to the position $x = 3,173,086.632$ and $y = 450,880.630$ which is the point of intersection with the west right-of-way line of said Highway F.M. No. 523, set a concrete monument with 1/2" lag screw, center punched, to mark said point, continue in all a distance of 749.891 feet to the position $x = 3,172,338.123$ and $y = 450,850.284$, at which was found a capped 3/4" G.I.P. set in 6" of concrete, a marker in good condition with the appearance indicating its age to be approximately 15 years in the identical location, situated on the east bank of the eastern part of Stubblofield Lake, for a slight angle point in said south line;

THENCE, continue with said south line, S. $87^{\circ} 25' 43.98''$ W., traversing the marshy bed of Stubblofield Lake, in all a distance

THENCE, continue with said north line, S. 87° 27' 14.78" W., crossing the west bank of the eastern part of Stubbiefield Lake, at 1037 feet cross the east bank of the western part of said lake, cross the lake, at 1410 feet cross the west bank of said western part of said lake, cross a private road, continue S. 87° 27' 14.78" W. crossing Houston Lighting and Power Company's power line right-of-way, crossing a pipeline corridor, cross a private road, at 3184.059 feet to the position $x = 3,160,781.480$ and $y = 450,487.741$ and set a concrete monument with 1/2" lag screw, central punched, for the offset marker for the south southwest corner, in air a distance of 3316.956 feet to the position $x = 3,160,756.489$ and $y = 450,689.280$, which is the point of intersection of said north line with the right ascending waters edge of Oyster Creek, for the south southwest corner;

THENCE, with and along the right ascending waters edge of Oyster Creek, upstream, the following bearings:

- N. 21° 40' 30.84" N. a distance of 110.076 feet
- N. 21° 13' 45.05" N. a distance of 100.847 feet
- N. 11° 32' 11.39" N. a distance of 100.041 feet
- N. 10° 40' 39.62" N. a distance of 100.401 feet
- N. 8° 58' 47.01" E. a distance of 100.727 feet
- N. 2° 33' 37.35" W. a distance of 69.950 feet
- N. 30° 27' 25.7" W. a distance of 67.333 feet
- N. 32° 42' 23.63" W. a distance of 81.225 feet
- N. 64° 50' 48.08" W. a distance of 23.601 feet
- N. 27° 19' 33.64" W. a distance of 100.023 feet
- N. 18° 56' 06.63" W. a distance of 101.110 feet
- N. 26° 43' 07.32" W. a distance of 100.050 feet
- N. 37° 54' 42.84" W. a distance of 127.758 feet
- N. 33° 24' 47.02" W. a distance of 76.350 feet
- N. 46° 52' 45.6" W. a distance of 101.602 feet
- N. 56° 47' 16.55" W. a distance of 100.078 feet
- N. 59° 38' 42.88" W. a distance of 100.287 feet
- N. 64° 23' 15.97" W. a distance of 100.403 feet
- N. 63° 39' 25.89" W. a distance of 100.319 feet
- N. 46° 18' 12.41" W. a distance of 49.626 feet
- N. 74° 24' 07.24" W. a distance of 91.440 feet
- N. 73° 41' 40.98" W. a distance of 100.171 feet
- N. 74° 50' 39.03" W. a distance of 100.045 feet
- N. 80° 33' 55.82" W. a distance of 100.177 feet
- N. 81° 44' 34.15" W. a distance of 61.359 feet
- N. 81° 28' 17.71" W. a distance of 86.605 feet
- N. 81° 16' 24.31" W. a distance of 100.249 feet
- N. 84° 59' 10.81" W. a distance of 100.050 feet
- N. 77° 52' 07.43" W. a distance of 100.844 feet
- N. 84° 42' 46.31" W. a distance of 100.176 feet
- N. 87° 53' 26.47" W. a distance of 100.812 feet
- N. 85° 27' 08.01" W. a distance of 100.152 feet
- N. 81° 57' 16.44" W. a distance of 100.348 feet
- N. 88° 27' 05.83" W. a distance of 100.245 feet
- N. 83° 43' 31.93" W. a distance of 100.700 feet
- N. 82° 43' 44.77" W. a distance of 100.001 feet
- E. 82° 26' 50.52" W. a distance of 148.783 feet
- S. 79° 50' 47" W. a distance of 189.43 feet
- S. 65° 39' 26" W. a distance of 36.90 feet

THENCE N. 2° 54' 18.11" W., at 59.000 feet to the position
x = 3,169,676.101 and y = 452,301.337 and set a concrete monument
with 1/2" lag screw, center punched, for the off-set marker for
the west southwest corner, cross a private road, in all a distance
of 3085.000 feet to the position x = 3,169,521.042 and y = 455,323.644
and set a 1/2" x 6" galvanized lag bolt in shot base of 40" dia. Live
Oak tree for the west northwest corner;

THENCE N. 87° 03' 41.88" E. in all a distance of 2095.000 feet to
the position x = 3,167,611.029 and y = 455,431.024 and set a concrete
monument with 1/2" lag screw, center punched, for the interior
northwest corner;

THENCE N. 2° 56' 19.11" W. in all a distance of 885.619 feet to
the position x = 3,167,567.615 and y = 456,315.379 and set a
concrete monument with 1/2" lag screw, center punched, for the
north northwest corner;

THENCE N. 87° 03' 41.88" E., crossing Houston Lighting and Power
Company's power line right-of-way, crossing a pipeline corridor,
at 3635.955 feet to the position x = 3,171,199.361 and y = 456,301.741,
which is the point of intersection with the westerly right-of-way line
of Texas State Highway F.M. No. 523, set a concrete monument with
1/2" lag screw, center punched, to mark said point, continue in all
a distance of 3704.164 feet to the position x = 3,171,266.472 and
y = 456,505.237, which is the point of intersection with the center
line of right-of-way of said highway, for the northeast corner, from
which triangulation station Mark 2, 1956 (U.S.C. and G.S.) bears
N. 13° 41' 59.57" W. a distance of 264.232 feet;

THENCE, with and along the center line of the right-of-way, which
is 120 feet in width, of Texas State Highway F.M. No. 523, S. 31°
20' 19.28" W. in all a distance of 2816.547 feet to the position
x = 3,172,731.165 and y = 454,089.900 which is the point of a
curve to the left and southeasterly in said center line;

THENCE, continue with said center line along a curve to the left
and southeasterly, which curve has a central angle of 8° 43' 31.85",
a radius of 2854.914 feet and its radius point fixed at the position
x = 3,175,177.623 and y = 455,569.757, in all a distance of 436.298
feet, arc length, to the position x = 3,172,985.494 and y = 453,745.903
which is the point of tangency of said curve;

THENCE, continue with said center line; S. 40° 03' 51.13" E. in
all a distance of 216.464 feet to the position x = 3,173,128.412
and y = 459,578.426 which is the point of a curve to the right and
southerly in said center line;

THENCE, continue with said center line along a curve to the right
and southerly, which curve has a central angle of 54° 42' 26.33",
a radius of 1432.685 feet and its radius point fixed at the position
x = 3,172,030.080 and y = 452,656.399, in all a distance of 1367.961
feet, arc length, to the position x = 3,173,416.059 and y = 452,294.264
which is the point of tangency of said curve;

feet, arc length, to the position $x = 3,173,141.860$ and $y = 450,973$, which is the point of tangency of said curve,

THENCE, continue with said center line, $S. 30^{\circ} 09' 07.14'' W.$ in all a distance of 60.360 feet to the position $x = 3,173,146.839$ and $y = 450,803.487$, which is the point of beginning, lineating and enclosing 774.67812 acres of land of which 3.67812 acres is situated in the western one-half of the right-of-way of Texas State Highway F.M. No. 533.

EXHIBIT A

INOVENC U.S.A., L.L.C.
9.21 Acres of Land

Being 9.21 acres of land a cut of the Jared B. Green S League, Abstract No. 66, Brazoria County, Texas, and being a portion of that certain 474.77 acre-tract described by Warranty Deed to AMOCO Pipeline Company now known as BP Pipelines (North America), Inc. in Volume 1124 on Page 425 of the Official Records of Brazoria County, Texas dated June 6, 1973. Said 474.77 acre-tract was transferred to O & D U.S.A., L.L.C., a Delaware Limited Liability Company by Quit Claim Deed With Out Warranty recorded under Document Number 2005057911 in the Official Records of Brazoria County, Texas on April 1, 2005. The name of O & D U.S.A., L.L.C. was then changed by Document Number 2005055955 to Inovenc U.S.A., L.L.C. and recorded in the Official Records of Brazoria County, Texas on May 24, 2005. The above-mentioned 9.21 acre-tract is more particularly described by metes and bounds as follows:

COMMENCING at a 2 inch iron pipe found for the southeast corner of the above mentioned 474.77 acre-tract of land.

THENCE N 59°02'18" W for a distance of 3,012.55 feet to a 5/8 inch iron rod with cap stamped "RPLS 5006" set on the northwest line of the Missouri-Pacific Railroad right-of-way for the east corner of the herein described 9.21 acre-tract and the POINT OF BEGINNING.

THENCE S 45°34'15" W along said northwest line of the Missouri-Pacific Railroad for a distance of 1,032.09 feet to a 5/8 inch iron rod stamped "RPLS 5006" set at the intersection of said northwest line and a fence on the northeast line of State P.M. Highway 323 as described in Volume 653 on Page 291 of the Official Records of Brazoria County, Texas for the South corner of the herein described 9.21 acre-tract.

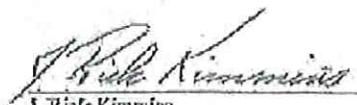
THENCE N 40°42'51" W along a fence for the northeast line of State P.M. Highway 323 for a distance of 389.75 feet to a 5/8 inch iron rod with cap stamped "RPLS 5006" set at the base and on the west side of a damaged fence corner post for the intersection of said northeast line and the southeast line of County Road 227, as maintained for public use, for the west corner of the herein described 9.21 acre-tract.

THENCE N 45°03'06" E along a fence for the southeast line of County Road 227 for a distance of 1,006.91 feet to a 5/8 inch iron rod with cap stamped "RPLS 5006" set on said southeast line for the North corner of the herein described 9.21 acre-tract.

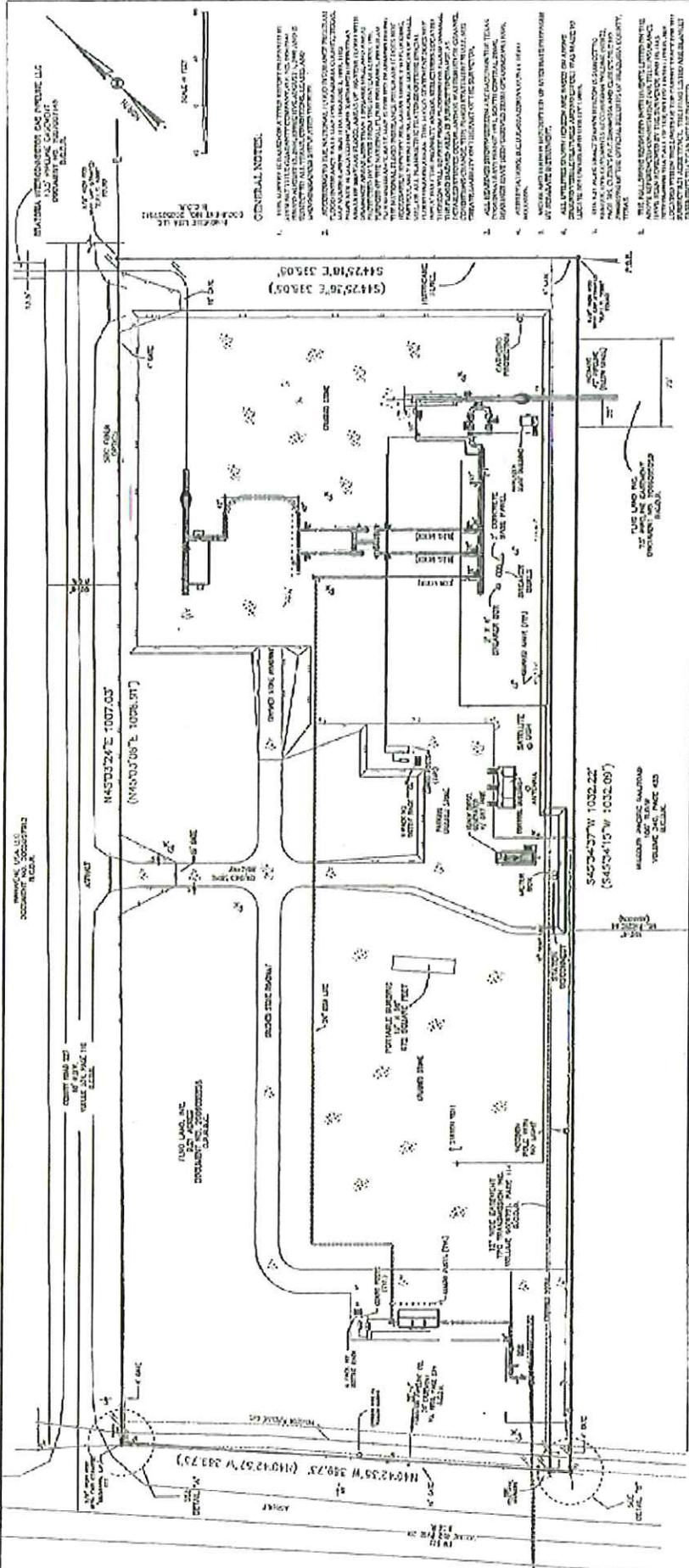
THENCE S 44°23'36" E along the northeast line of the herein described 9.21 acre-tract for a distance of 398.05 feet to the POINT OF BEGINNING and containing 9.21 acres of land, more or less.

Bearings described herein are based on the Texas State Plane Coordinate System, NAD 83, South Central Zone, derived from GPS observations.

This description is based on the Land Title Survey, and plat made by J. Rick Kimmins, Registered Professional Surveyor No. 5006 on November 05, 2005.

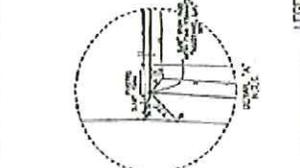
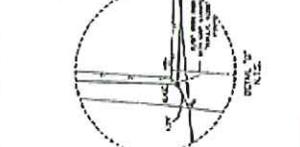

J. Rick Kimmins
RPLS No. 5006
Date: December 14, 2005





GENERAL NOTES:

1. THIS PLAN IS BASED ON A FIELD SURVEY CONDUCTED BY THE ENGINEER AND HIS STAFF ON THE DATE INDICATED ON THE TITLE SHEET. THE ENGINEER HAS NOT CONDUCTED A VISUAL INSPECTION OF THE PROPERTY OR THE SURROUNDING AREA. THE ENGINEER HAS NOT CONDUCTED A VISUAL INSPECTION OF THE PROPERTY OR THE SURROUNDING AREA.
2. THE ENGINEER HAS NOT CONDUCTED A VISUAL INSPECTION OF THE PROPERTY OR THE SURROUNDING AREA.
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5. THE ENGINEER HAS NOT CONDUCTED A VISUAL INSPECTION OF THE PROPERTY OR THE SURROUNDING AREA.
6. THE ENGINEER HAS NOT CONDUCTED A VISUAL INSPECTION OF THE PROPERTY OR THE SURROUNDING AREA.



THE ENGINEER'S CERTIFICATE:

I, the undersigned, being a duly licensed Professional Engineer in the State of Virginia, do hereby certify that I am the author of the foregoing plan and that I am a duly licensed Professional Engineer in the State of Virginia.

THE ENGINEER'S CERTIFICATE:

I, the undersigned, being a duly licensed Professional Engineer in the State of Virginia, do hereby certify that I am the author of the foregoing plan and that I am a duly licensed Professional Engineer in the State of Virginia.

Freepoint LNG Development

MUSTANG ENGINEERING, L.P.

PROJECT NO. 2015-001

DATE: 08/11/2015

SCALE: AS SHOWN

PROJECT LOCATION: FREEMANTON, VIRGINIA

CLIENT: FREEMANTON LNG DEVELOPMENT, L.P.

PROJECT DESCRIPTION: LAYOUT OF LNG STORAGE TANKS AND PROCESSING BUILDINGS.

PROJECT NO. 2015-001

DATE: 08/11/2015

SCALE: AS SHOWN

PROJECT LOCATION: FREEMANTON, VIRGINIA

CLIENT: FREEMANTON LNG DEVELOPMENT, L.P.

PROJECT DESCRIPTION: LAYOUT OF LNG STORAGE TANKS AND PROCESSING BUILDINGS.

Application III

ATTACHMENT 24

The Brazoria County guidelines and criteria for the creation of a reinvestment zone are attached.

Date: 5/22/2012

THE SPECIAL COMMISSIONERS COURT SESSION OF BRAZORIA COUNTY, TEXAS

ORDER NO. VII.B.1.a.

RE: Adoption of Tax Abatement Guidelines and Criteria

- 1. The Court approves adopting the Guidelines and Criteria for granting tax abatement attached hereto.**

- 2. The Tax Abatement Guidelines and Criteria are effective beginning this date.**

**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT
IN A REINVESTMENT ZONE CREATED IN BRAZORIA COUNTY**

WHEREAS, the creation, retention and diversification of job opportunities that bring new wealth are among the highest civic priority; and

WHEREAS, the purpose of tax abatement is to provide an incentive offered by the taxpayers, i.e. citizens of Brazoria County, to attract investments, that lead to better quality of life and better services. The wealth created by these enterprises leads to more service and retail businesses, which in addition to improving quality of life, increases the tax base. In summary, by giving incentive in terms of tax abatement, the citizens agree to give up short term tax benefits, for long term benefits; and

WHEREAS, new jobs, investment and industrial diversification will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services; and

WHEREAS, the communities within Brazoria County must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects; and

WHEREAS, any tax incentives offered in Brazoria County would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community; and

WHEREAS, the abatement of property taxes, when offered to attract capital investment and primary jobs in industries which bring in money from outside a community instead of merely recirculating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area of economy; and

WHEREAS, Texas law requires any eligible taxing jurisdiction to establish Guidelines and Criteria as to eligibility for tax abatement agreements prior to granting of any future tax abatement, and said Guidelines and Criteria to be unchanged for a two year period unless amended by a three-quarters vote;

Now, therefore, be it resolved that Brazoria County does hereby adopt these Guidelines and Criteria for granting tax abatement in reinvestment zones in Brazoria County.

DEFINITIONS Section 1

- (a) "Abatement" means the full or partial exemption from ad valorem taxes on certain real property in a reinvestment zone designated by Brazoria County for economic development purposes.

- (b) "Abatement Period" means the period during which all or a portion of the value of real property or tangible personal property that is the subject of a tax abatement agreement is exempt from taxation.
- (c) "Abated Facility Site" (or "proposed abated facility site") means the tract(s) or area of land underlying the proposed improvements to be abated.
- (d) "Agreement" means a contractual agreement between a property owner and/or lessee and Brazoria County for the purpose of tax abatement.
- (e) "Base year value" means the assessed value of eligible property January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- (f) "Brazoria County Vendor and Services" means a company that employs Brazoria County residents and pays Brazoria County taxes.
- (g) "Deferred maintenance" means the improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (h) "Distribution Center Facility" means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility operator where seventy percent (70%) of the goods or services are distributed outside of Brazoria County.
- (i) "Economic Development" means participation in or support of an organized program or entity which for the purpose of its mission, engages in activities designed to encourage employment opportunities development/commercial and manufacturing business/industry to locate and/or expand in Brazoria County, thus expanding and diversifying the tax base as well as increasing the economic strength and stability of Brazoria County.
- (j) "Eligible jurisdiction" means Brazoria County and any municipality or other local taxing jurisdictions eligible to abate taxes according to Texas law, the majority of which is located in Brazoria County that levies ad valorem taxes upon and provides services to reinvestment zone designated by Brazoria County.
- (k) "Employee" for the purposes of the economic qualifications of Section 2(h)(2) of these Guidelines and Criteria shall include all persons directly employed by the owner of the planned improvement at the abated facility site/reinvestment zone together with any independent contractor or employee of independent contractors employed on a full-time (40 hours per week equivalent) basis at the facility site/reinvestment zone continuously for the duration of the abatement agreement.
- (l) "Existing facility" is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufactur-

ing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2 (h) (2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if an existing facility has 100 employees, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized "existing facility" in order for the facility improvements to qualify for abatement.

- (m) "Expansion" means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (n) "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- (o) "Manufacturing Facility" means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (p) "Modernization" means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, or repairing.
- (q) "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (r) "Other Basic Industry" means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside Brazoria County.
- (s) "Productive Life" means the number of years a property improvement is expected to be in service. After a cessation of production, the productive life of property improvements may be deemed to end, at County's election, on the date of cessation of production either upon (1) a determination by the County that it is unlikely the improvement(s) will be re-activated as an integral part of a producing facility, and/or (2) the expiration of eighteen (18) continuous or non-consecutive months of non-production in any twenty-four (24) month period following the date the property improvement(s) cease to be in active service as part of a facility operating in a producing capacity. Upon cessation of production and for calculation of the recapture amount of taxes, the "productive life" will be determined to begin on the effective date of the tax abatement as set forth in the Agreement.
- (t) "Qualified Vendors and Services" means those vendors and services that meet the company's individual stated requirements, which can include but are not limited to: safety,

financial condition, environmental record, quality or ability to perform.

- (ii) "Regional Entertainment Facility" means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where seventy percent (70%) of users reside at least 50 miles from its location in Brazoria County.
- (v) "Research Facility" means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (w) "Regional Service Facility" means buildings and structures, including machinery and equipment, used or to be used to service goods where seventy percent (70%) of the goods being serviced originate outside of Brazoria County.
- (x) "Tangible personal property" means tangible personal property classified as such under state law, but excludes inventory and/or supplies, ineligible property as defined herein, and tangible personal property that was located in the investment zone at any time before the period covered by the agreement with the County.

ABATEMENT AUTHORIZED Section 2

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a: Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, Regional Entertainment Facility, Other Basic Industry, or a facility that Commissioners Court determines would enhance job creation and the economic future of Brazoria County.
- (b) **Creation of New Value.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between Brazoria County and the real property owner, tangible personal property owner, leasehold interest, and/or lessee, subject to such limitations as Brazoria County may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value of buildings, structures, tangible personal property as defined in the Tax Code including fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.

Tangible Personal Property: Abatement may be granted with the owner of tangible personal property located on real property in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the real property, (2) all or a portion of the value of the

tangible personal property located on the real property, or (3) all or a portion of the value of both.

An abatement may be granted with the owner of tangible personal property or an improvement located on tax-exempt real property that is located in a designated reinvestment zone to exempt all or a portion of the value of the tangible personal property or improvement located on the real property.

- (e) **Ineligible Property.** The following type of property shall be fully taxable and ineligible for tax abatement: land, existing improvements, tangible personal property that the Brazoria County Appraisal District classifies as inventory or supplies, tools, furnishings, and other forms of movable personal property; vehicles, watercraft, aircraft, housing, hotel accommodations, retail facilities, deferred maintenance investments, property to be rented or leased except as provided in Section 2(f), tangible personal property located in the reinvestment zone prior to the effective date of the tax abatement agreement, real property with a productive life of less than 10 years, property owned or used by the State of Texas or its political subdivisions or by any organizations owned, operated or directed by a political subdivision of the State of Texas, or any other property for which abatement is not allowed by state law.

- (f) **Leased Facilities. Leasehold Interest:** Abatement may be granted with the owner of a leasehold interest in tax-exempt real property located in a reinvestment zone designated to exempt all or a portion of the value of the leasehold interest in the real property.

Lessee Interest: Abatement may be granted with a lessee of taxable real property located in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the fixtures, improvements, or other real property owned by the lessee and located on the property that is subject to the lease, (2) all or a portion of the value of tangible personal property owned by the lessee and located on the real property that is the subject of the lease, or (3) all or a portion of the value of both the fixtures, improvements, or other real property and the tangible personal property defined herein.

Leasehold Interest/Lessee shall be required to submit with its application a copy of the executed lease agreement between lessor/lessee demonstrating a minimum lease term double the abatement term granted.

- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of the Commissioners Court Order granting the abatement and approving the abatement application. One hundred percent of the value (or such percentage of value that shall be set by Commissioners' Court order) of new eligible properties shall be abated for up to seven years or one-half (1/2) the productive life of the improvement whichever is less. The "productive life" will be calculated from the effective date of the tax abatement and the date the equipment ceased to be in service. The abatement may be extended through an initial agreement and a subsequent agreement may be required to comply with state law regarding the term of the reinvestment zone.

If it is determined that the abatement period would better benefit the County and the Applicant by deferring the commencement date beyond the January 1st following the Commissioners Court Order granting the abatement and approving the abatement application, the County may defer the commencement date of the abatement period to a future date certain. The deferral of the commencement date will not allow the duration of the abatement period to extend beyond seven (7) years. However, in no event shall the abatement begin later than the January 1 following the commencement of construction.

If a modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).

New eligible properties must be in active service and operation as part of a facility operating in a producing capacity for a period equal to double the abatement period (*i.e.* seven year abatement, then in producing capacity for 14 years) in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions.

(h) Economic Qualification. In order to be eligible for designation as a reinvestment zone and to qualify for tax abatement the planned improvement:

- (1) must be reasonably expected to increase and must actually increase the value of the property in the amount of \$1 million or more;
- (2) must create employment for at least 10 people on a full-time (40 hours per week equivalent) basis in Brazoria County for the duration of the abatement period at the abated facility site described in the tax abatement application; or alternatively, must retain and prevent the loss of employment of 10 employees or fifty percent (50%) of the existing number of employees, at the time of application, employed at or in connection with the existing facility containing the abated facility site described in the tax abatement application, whichever is greater, for the duration of the abatement period. The following is applicable to the employment retention/preventing loss of employment requirement:

a. "Existing facility" is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2(h)(2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if a large plant complex has a sub-unit that produces chlorine and 100 employees are employed at or in connection with that unit, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the

expanded or modernized "existing facility" in order for the facility improvements to qualify for abatement.

b. Employees of a larger plant unit transferred or assigned to and employed at or in connection with a new sub-unit containing the planned improvements, constructed on undeveloped land constituting the proposed abated facility site/reinvestment zone shall be considered "created" employment for purposes of this sub-section.

The proposed number of employees to be employed at the abated facility as stated in the abatement application for the property that is the subject of the tax abatement agreement (including the projected creation or retention of employment) must be maintained for the duration of the abatement period at the abated facility site. For purposes of this sub-section, in order for a planned improvement to be considered as preventing the loss of employment or retaining employment, the abated facility/project must be necessary in order to retain or keep employment at levels as indicated in the application and in order to retain the proposed number of employees at the abated facility as indicated in the application. The owner/Applicant seeking to qualify on the basis of retention or preventing loss of employment must provide a detailed statement as an attachment to its application affirmatively representing compliance with this sub-section and explaining the necessity of this project to prevent loss of employment. Any variance from the requirements of this sub-section is subject to approval of Commissioners Court in accordance with the variance section of these Guidelines & Criteria.

- (3) must be not expected to solely or primarily have the effect of transferring employment from one part of the county to another part of the county. A variance may be requested relative to this provision which approval shall be at the sole discretion of the County.
- (4) must be necessary because capacity cannot be provided efficiently utilizing existing improved property;

Additionally, the owner of the project:

- (5) must provide for and pay, at the time of filing an application for tax abatement, a non-refundable application fee of \$1,000. A part of the application fee will be dedicated by Brazoria County to economic development programs authorized by Local Government Code, Section 381.004.
- (6) must file a plan statement with application demonstrating willingness and planned efforts to use qualified Brazoria County vendors and services where applicable in the construction and operations of the facility. Brazoria County vendors and services must be competitive with non-county vendors and services regarding price, quality, safety, availability and ability perform. It is preferred that applicant seek qualified workers who are United States citizens and veterans and also legal resi-

- dents prior to seeking workers from other countries.
- (7) will annually, for the term of the abatement, contribute .000165 of the value reported in "Part IV Section F" of the abatement application (estimated value of abated improvements at the conclusion of the abatement period). Air carriers receiving abatement will contribute an amount equal to .000165 of the estimated value of the personal property of the air carrier indicated in its Application. Each project will contribute no more than \$15,000 nor less than \$1,000 annually to be used specifically to fund economic development in Brazoria County as authorized by Local Government Code, Section 381.004. The annual contribution shall be paid to Brazoria County through the County Auditor's Office on or before January 1 of each year of the tax abatement contract term.
 - (8) must not file with the Brazoria County Appraisal District a valuation or taxpayer protest or notice of protest pursuant to the Texas Property Tax Code during the abatement period legally protesting the valuation of the abated improvements of a manufacturing facility pursuant to an appraisal method that produces a valuation of improvements based on each improvement's value as a separate item of personal property rather than the improvements' value as integral fixtures of a producing manufacturing facility. An owner's legal protest the improvements' value pursuant to the Texas Property Tax Code must be based on and use accepted appraisal methods and techniques allowed by law (Texas Property Tax Code) and uniform standards of professional appraisal practice. The filing of a valuation protest or notice of protest contrary to this standard shall cause the tax abatement agreement to be subject to termination and recapture of all previously abated taxes.
 - (9) must not be a defendant in any litigation by the County seeking recovery or recapture of previously abated taxes.
- (i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section 2(e) shall be fully taxable;
 - (2) the base year value of existing eligible property as determined each year shall be fully taxable; and
 - (3) the additional value of new eligible property shall be taxable in the manner described in Section 2(g).

APPLICATION Section 3

- (a) The Application for tax abatement may be obtained from the County Judge's Office or on the Brazoria County website at www.brazoria-county.com. Applicant may contact the Judge's Office at (979) 864-1200 or (281) 756-1200.

- (b) Any present or potential owner of taxable property in Brazoria County may request the creation of a reinvestment zone and tax abatement by filing a tax abatement application with Brazoria County. The application shall be filed with the County Judge by providing twelve (12) copies or an electronic version and five (5) copies. The additional copies provided will be furnished to each member of Commissioners Court and the Tax Abatement Review Committee (TARC). After filing the application, the Applicant shall provide an economic impact analysis report, in a format comparable to the Texas Governor's economic impact analysis report, to the County Judge's Office prior to the TARC meeting on the Applicant's tax abatement application.
- (c) The application shall consist of a completed application form accompanied by: a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements which will be a part of the facility; a map and property description; a time schedule for undertaking and completing the planned improvements. In the case of modernizing, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form shall require such financial and other information as Brazoria County deems appropriate for evaluating the financial capacity and other factors of the Applicant. Applicant should not submit confidential information as part of the application. If doing so cannot be avoided, a general description in non-confidential terms should be included on the application, along with a sealed document containing the confidential information as an attachment and clearly marked "CONFIDENTIAL".
- (d) Upon receipt of a completed application, the County Judge shall notify in writing the presiding officer of the legislative body of each eligible jurisdiction. Before acting upon the application, Brazoria County Commissioners' Court shall hold a public hearing at which interested parties shall be entitled to speak and present written materials for or against the approval of the tax abatement. The public hearing shall also afford the Applicant and the designated representative of any eligible jurisdiction opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on a Brazoria County notice to be posted at least 30 days prior to the hearing.
- (e) After receipt of an application for creation of a reinvestment zone and application for abatement, the Tax Abatement Review Committee (TARC) shall prepare a feasibility study setting out the impact of the proposed reinvestment zone and tax abatement. The feasibility study shall include, but not be limited to, an estimate of the economic effect of the creation of the zone and the abatement of taxes and the benefit to the eligible jurisdiction and the property to be included in the zone. The economic impact analysis report provided by the Applicant shall be attached to the feasibility study and included as part of the feasibility study report.
- (f) If upon written request for a legal opinion or interpretation from the Commissioners' Court or its members, the legal counsel for Brazoria County determines that the application does not appear to comply with the written language of the Guidelines and Criteria, a public hearing on said application if already set, shall be postponed for a period of at least

thirty days from the scheduled date of public hearing to allow time for further review by the Commissioners' Court or any duly appointed review committee, or if an initial setting has not been made, the hearing on such application shall be set on the Commissioners' Court agenda no sooner than sixty (60) days from the time the Court enters an order to set the public hearing date.

The Applicant shall file a supplement or addendum to its application to show cause why the application should be approved and shall present reasons at the public hearing on the same.

Provided that any final decision or interpretation as to the intent and meaning or policy of any provision or its written language; any final decision as to whether or not an application complies or does not comply with the guidelines and criteria; and any final decision as to whether to grant or deny tax abatement shall be made by the Commissioners' Court at its sole discretion.

- (g) Brazoria County shall not establish a reinvestment zone for the purpose of abatement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.
- (h) Variance. Requests for variance from the provisions of Subsections (a) (b) (c) (g), (h) (1), (h) (2) and/or (h) (3) of Section 2 may be made in written form to the County Judge with a copy forwarded to the TARC. Such requests shall include a complete description of the circumstances explaining why the Applicant should be granted a variance. Approval of a request requires a four-fifths (4/5) vote of the Commissioners Court.
- (i) Special Variance: Air Carriers. A special variance from all applicable provisions of these guidelines and criteria, with the exception of Section 2 (h) (5) and (h) (7) may be granted allowing abatement or partial abatement of ad valorem taxes on the personal property of a certificated or non-certificated air carrier that owns or leases taxable real property in Brazoria County provided that the personal property has a value of at least \$10,000,000. Approval of a request for this variance requires a three-fourth (3/4) vote of the Commissioners Court.

PUBLIC HEARING Section 4

- (a) Neither a reinvestment zone nor abatement agreement shall be authorized if it is determined that:
 - (1) there would be a substantial adverse affect on the provision of government service or tax base;
 - (2) the Applicant has insufficient financial capacity;

- (3) planned or potential use of the property would constitute hazard to public safety, health or morals; or,
- (4) violation of other codes or laws.

AGREEMENT Section 5

- (a) After approval, Brazoria County Commissioners' Court shall formally pass a resolution and execute an agreement with the Applicant as required which shall include:
 - (1) estimated value to be abated and the base year value;
 - (2) percent of value to be abated each year as provided in Section 2(g);
 - (3) the commencement date and the termination date of abatement;
 - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in Application, Sections II and III;
 - (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 2(a), 2(f), 2(g), 2(h) 6, 7, and 8;
 - (6) size of investment and average number of jobs involved for the period of abatement; and
 - (7) provision that Applicant shall annually furnish information necessary for Brazoria County's evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria (in the form of an annual report/statement of compliance), together with an additional provision that Brazoria County may, at its election, request and obtain information from Applicant as is necessary for the County's evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria. See Attachment A.
 - (8) provision that, upon expiration of the tax abatement agreement, Applicant shall begin annually reporting the status of the abated improvements regarding active service and operation as part of a facility operating in a producing capacity. Reporting will be for the same amount of years as the tax abatement period (*i.e.* seven year abatement, then follow-up reporting for seven more years). See Attachment B.
- (b) Such agreement shall be executed within sixty (60) days after the Applicant has for-

warded all necessary information and documentation to Brazoria County.

RECAPTURE Section 6

- (a) In the event the facility contemplated herein is completed and begins producing product or service, but the company fails to maintain the level of employment (including the projected creation or retention of employment) stated in the abatement application for the property that is the subject of the abatement agreement, the county may elect to: (1) Declare a default and terminate the abatement agreement without recapturing prior years' abated taxes; (2) Declare a default, terminate the agreement and order a recapture of all or part of the previous years' abated taxes; or (3) Set specific terms and conditions for the continuation of the abatement exemption for the duration of the term of the agreement under its present terms or alter the amount of the abatement for the remaining term of the agreement.
- (b) Should Brazoria County determine that the company or individual is in default according to the terms and conditions of its agreement, Brazoria County shall notify the company or individual in writing at the address stated in the agreement and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement may be terminated.
- (c) In the event that the company or individual (1) allows its ad valorem taxes owed the County to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.
- (d) Failure to provide any requested statement or information pursuant to the provisions described in Section 5(a)(7) without just cause within sixty (60) days of the request for the information or the presentation of any false or misleading statement may, at the County's option, be construed as a default by the company or individual and cause for immediate termination of the tax abatement agreement and recapture of all previously abated taxes, if after written notice of default, the company or individual has not cured such default prior to the expiration of thirty (30) days from such written notice. The Cure Period provisions of sub-sections (b) and (c) above are not applicable to a default and termination under this paragraph.

ADMINISTRATION Section 7

- (a) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify

the eligible jurisdictions which levies taxes on the amount of the assessment.

- (b) The agreement shall stipulate that TARC of Brazoria County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with their safety standards.
- (c) Tax Abatement Review Committee:

The Commissioners' Court shall appoint a standing Tax Abatement Review Committee (TARC) for purposes of (i) reviewing the tax abatement application and preparing the feasibility study report required by Section 3(d) of these guidelines; (ii) conducting annual inspections and/or evaluations of the abated facilities to insure compliance with the terms/conditions of the tax abatement agreement.
- (d) The Tax Abatement Review Committee shall be comprised of, but not limited to, a representative appointed by each Commissioners' Court member. The County Auditor, County Treasurer, District Attorney representative, and County Tax Assessor Collector shall serve as ex-officio members of the Committee to advise on abatement qualifications and procedures. The County Judge and the Commissioner of the Precinct in which a proposed abated facility will be located will serve on the Committee during the period when the Committee is preparing the feasibility study report and conducting the annual inspection and/or evaluation of the facility.
- (e) Upon completion of construction, the owner of an abated facility must submit a written report/statement of compliance annually during the life of the abatement to the Brazoria County Commissioners' Court and the Tax Abatement Review Committee clearly detailing the status of the facility and how it is complying with the abatement guidelines. The Committee shall annually evaluate each abated facility and report possible violations to the contract and agreement to the Brazoria County Commissioners' Court. A form of annual report that may be used by the owner is attached as Attachment A to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment A form.
- (f) Upon expiration of the Tax Abatement term, the owner of the abated improvements must submit a written report/statement of compliance annually, beginning January 1 after the expiration of the tax abatement term, documenting that the abated improvements remain in active service and operation as part of a facility operating in a producing capacity for an additional period equal to the abatement period granted and completed (*i.e.* seven year abatement, then in producing capacity for an additional 7 years after expiration of the tax abatement agreement) in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions. The Report shall be delivered to the County Judge. The Committee shall annually evaluate each

abated facility and report possible violations to the contract and agreement to the Brazoria County Commissioners' Court. A form of annual report that may be used by the owner is attached as Attachment B to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment B form.

- (g) The County shall timely file with the Texas Department of Commerce and the Property Tax Division of the State Comptroller's office all information required by the Tax Code.

ASSIGNMENT Section 8

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of Brazoria County subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with Brazoria County. No assignment or transfer shall be approved if the new parties to the existing agreement, the new owner or new lessee are liable to Brazoria County or any eligible jurisdiction for delinquent taxes or other obligations. Approval shall not be unreasonably withheld.

PROVISIONS REGARDING CITY-INITIATED ABATEMENTS Section 9

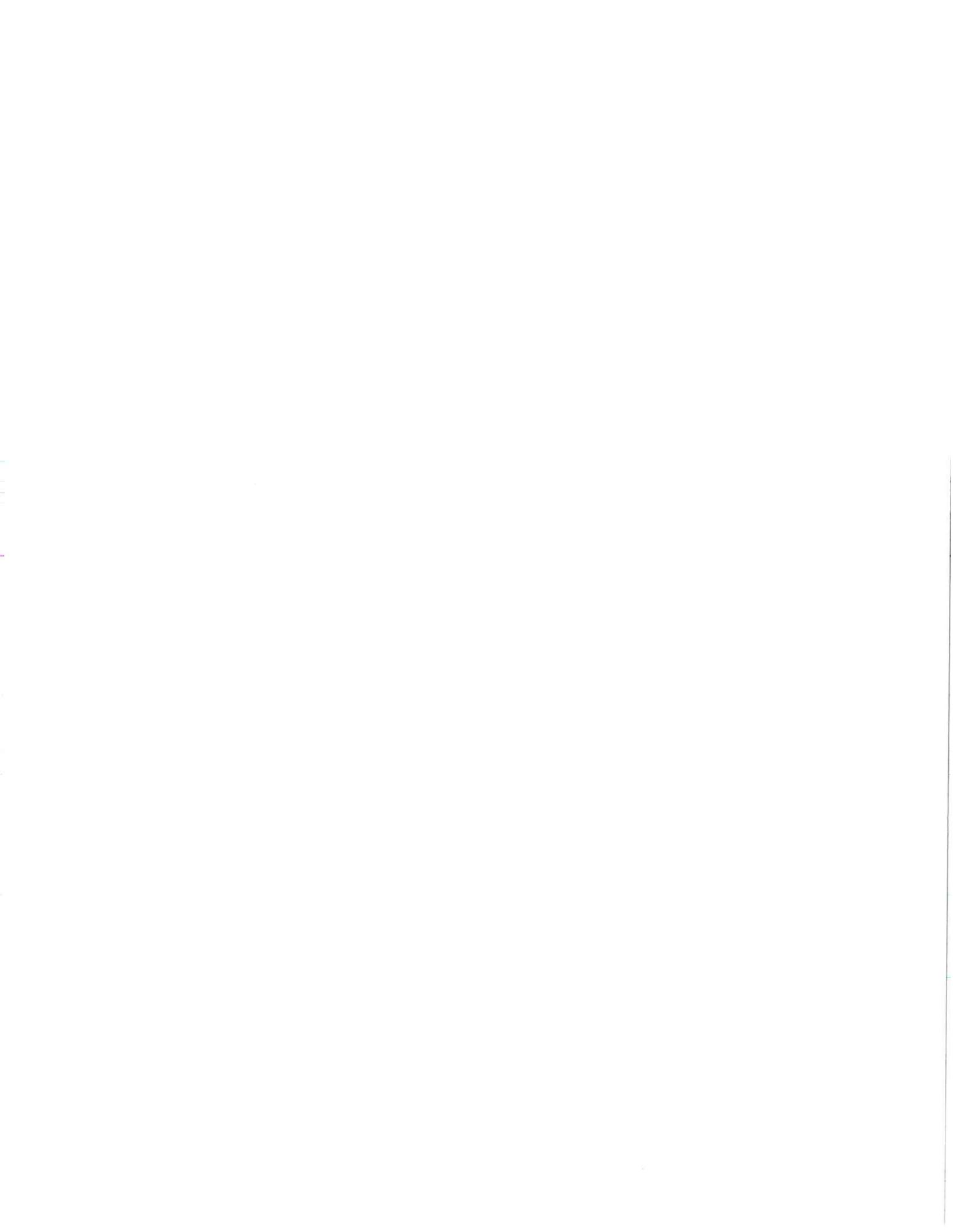
- (a) This section is applicable to tax abatement applications for property located in a reinvestment zone designated by a city and applications by Applicants who have previously entered into a tax abatement agreement with a city regarding that property.
- (b) All provisions of these Guidelines & Criteria are applicable to city-initiated reinvestment zones and abated areas within a city's territorial limits unless otherwise stated herein or provided by law.
- (c) An Applicant shall file a tax abatement application on the County's application form together with all attachments and statements described in the application instructions and in subsection (d) herein below.
- (d) Upon receipt of a tax abatement application applicable to property within a city-designated reinvestment zone subject to a city's tax abatement agreement, the application shall be reviewed for approval as to (a) correct application form, (b) represented compliance with economic value estimates and employment criteria of Section 2(h) of the Guidelines & Criteria, (c) legal description requirements, (d) attachment of a correct copy of the city's ordinance designating the area as a reinvestment zone and granting abatement and (e) attachment of a correct copy of the fully executed tax abatement agreement between the city and the Applicant.
- (e) After review (and subject to approval of the matters in (d) above), the public hearing on the tax abatement shall be scheduled at the Commissioners Court meeting that next follows the one at which the Order Setting Hearing Date is entered, unless otherwise or-

dered by Commissioners Court. If there are any compliance problems with the application (including any problems to be resolved or amendments to the application to be made prior to the public hearing), the County Judge and Precinct Commissioners shall be advised of these compliance problems/matters to be resolved in a memo from the Civil Division-District Attorney's Office transmitting the Order Setting Hearing Date. No hearing shall be set on any application that fails to attach both the ordinance designating reinvestment zone and the copy of the fully executed tax abatement agreement between the city and the Applicant, or which is deficient as to application form or legal description. In such case the Applicant shall be informed of the necessity of attaching those documents or making necessary corrections, and there will be no further processing of the application until the same are received.

- (f) The notice provisions of Section 3 (c) are not applicable to an application under this section.
- (g) The percentage of property value abated and the term of abatement shall be the same as that stated in the city's tax abatement agreement unless otherwise specifically ordered in the Commissioners Court order granting abatement.

SUNSET PROVISION Section 10

- (a) These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by Brazoria County to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed or eliminated, provided that such actions shall not affect existing contracts or applications for tax abatement filed prior to the expiration of said Guidelines and Criteria. Applications for abatement filed prior to the expiration of the Guidelines and Criteria shall be governed by the provisions of these Guidelines and Criteria regardless of any subsequent modification or amendment.
- (b) This policy is mutually exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention as agreed by the eligible jurisdictions.
- (c) These guidelines and policies for Tax Abatement shall be effective May 11, 2012, and shall remain in force until May 11, 2014, unless amended or superseded, modified, renewed, or eliminated by Commissioners' Court prior to that date.



Attachment B

Certificate of Account Status



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

February 13, 2013

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

FREEMONT LNG DEVELOPMENT, L.P.

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

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

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

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 13th day of
February 2013 A.D.

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

Susan Combs
Texas Comptroller

Taxpayer number: 12700304111
File number: 0800125153

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

Attachment C

State Comptroller's Recommendation

S U S A N
C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



December 19, 2012

Karin Holacka
Superintendent
Brazosport ISD
P. O. Drawer Z
Freeport, Texas 77542

Dear Superintendent Holacka:

On September 21, 2012, the Comptroller received the completed application (Application #246) for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted on August 31, 2012 to the Brazosport Independent School District (Brazosport ISD) by Freeport LNG Development, L.P. This letter presents the results of the comptroller's review of the application:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to make a recommendation to the governing body of the school district as to whether the application should be approved or disapproved using the criteria set out by Section 313.026.

Brazosport ISD is currently classified as a rural school district in Category I according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$895 million) is consistent with the proposed appraised value limitation sought (\$30 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement. Freeport LNG Development, L.P. is proposing the construction of a manufacturing facility in Brazoria County. Freeport LNG Development, L.P. is an active franchise taxpayer in good standing, as required by Tax Code Section 313.024(a).

As required by Section 313.024(h), the Comptroller has determined that the property, as described by the application, meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

After reviewing the application using the criteria listed in Section 313.026, and the information provided by Freeport LNG Development, L.P., the Comptroller's recommendation is that Freeport LNG Development, L.P.'s application under Tax Code Chapter 313 be approved.

Our review of the application assumes the truth and accuracy of the statements in the application and that, if the application is approved, the applicant would perform according to the provisions of the agreement reached with the school district. Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements. The school district is responsible for verifying that all requirements of the statute have been fulfilled. Additionally, Section 313.025 requires the school district

¹ All statutory references are to the Texas Tax Code, unless otherwise noted.

to determine if the evidence supports making specific findings that the information in the application is true and correct, the applicant is eligible for a limitation and that granting the application is in the best interest of the school district and state. As stated above, we prepared the recommendation by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria.

Note that any new building or other improvement existing as of the application review start date of September 21, 2012, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2).

The Comptroller's recommendation is based on the application that has been submitted and reviewed by the Comptroller. The recommendation may not be used by the ISD to support its approval of the property value limitation agreement if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this recommendation is contingent on future compliance with the Chapter 313 and the Texas Administrative Code, with particular reference to the following requirements related to the execution of the agreement:

1. The applicant must provide the Comptroller a copy of the proposed limitation on appraised value agreement no later than 10 days prior to the meeting scheduled by the district to consider approving the agreement, so that the Comptroller may review it for compliance with the statutes and the Comptroller's rules as well as consistency with the application;
2. The Comptroller providing written confirmation that it received and reviewed the draft agreement and affirming the recommendation made in this letter;
3. The district must approve and execute a limitation agreement that has been reviewed by this office within a year from the date of this letter; and
4. Section 313.025 requires the district to provide to the Comptroller a copy of the signed limitation agreement within 7 days after execution.

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-3973, or direct in Austin at 512-463-3973.

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Attachment D

Economic Analysis

Economic Impact for Chapter 313 Project

Applicant	Freeport LNG Development, L.P., 2018
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Brazosport
2010-11 Enrollment in School District	12,671
County	Brazoria
Total Investment in District	\$1,300,000,000
Qualified Investment	\$895,023,100
Limitation Amount	\$30,000,000
Number of total jobs committed to by applicant	23
Number of qualifying jobs committed to by applicant	18
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$1,250.00
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$1,033.00
Minimum Annual Wage committed to by applicant for qualified jobs	\$65,000
Investment per Qualifying Job	\$72,222,222
Estimated 15 year M&O levy without any limit or credit:	\$140,715,063
Estimated gross 15 year M&O tax benefit	\$97,956,310
Estimated 15 year M&O tax benefit (<i>after</i> deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$87,332,446
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$8,580,629
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$53,382,617
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	62.1%
Percentage of tax benefit due to the limitation	91.2%
Percentage of tax benefit due to the credit	8.8%

This presents the Comptroller's economic impact evaluation of Freeport LNG Development, L.P. (the project) applying to Brazosport Independent School District (the district), as required by Tax Code, 313.026. This evaluation is based on information provided by the applicant and examines the following criteria:

- (1) the recommendations of the comptroller;
- (2) the name of the school district;
- (3) the name of the applicant;
- (4) the general nature of the applicant's investment;
- (5) the relationship between the applicant's industry and the types of qualifying jobs to be created by the applicant to the long-term economic growth plans of this state as described in the strategic plan for economic development submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Government Code, as that section existed before February 1, 1999;
- (6) the relative level of the applicant's investment per qualifying job to be created by the applicant;
- (7) the number of qualifying jobs to be created by the applicant;
- (8) the wages, salaries, and benefits to be offered by the applicant to qualifying job holders;
- (9) the ability of the applicant to locate or relocate in another state or another region of this state;
- (10) the impact the project will have on this state and individual local units of government, including:
 - (A) tax and other revenue gains, direct or indirect, that would be realized during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller; and
 - (B) economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller;
- (11) the economic condition of the region of the state at the time the person's application is being considered;
- (12) the number of new facilities built or expanded in the region during the two years preceding the date of the application that were eligible to apply for a limitation on appraised value under this subchapter;
- (13) the effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code;
- (14) the projected market value of the qualified property of the applicant as determined by the comptroller;
- (15) the proposed limitation on appraised value for the qualified property of the applicant;
- (16) the projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the agreement, if the property does not receive a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment and projected tax rates clearly stated;
- (17) the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the agreement, if the property receives a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment clearly stated;
- (18) the projected effect on the Foundation School Program of payments to the district for each year of the agreement;
- (19) the projected future tax credits if the applicant also applies for school tax credits under Section 313.103; and
- (20) the total amount of taxes projected to be lost or gained by the district over the life of the agreement computed by subtracting the projected taxes stated in Subdivision (17) from the projected taxes stated in Subdivision (16).

Wages, salaries and benefits [313.026(6-8)]

After construction, the project will create 23 new jobs when fully operational. Eighteen jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Houston-Galveston Area Council of Governments Region, where Brazoria County is located was \$53,711 in 2011. The annual average manufacturing wage for 2011-2012 for Brazoria County is \$91,429. That same year, the county annual average wage for all industries was \$49,374. In addition to a salary of \$65,000, each qualifying position will receive benefits including medical coverage (company pays 80% of employee health insurance premiums), dental plan, group life insurance, paid holidays, paid vacation and 401(k) retirement savings plan. The project's total investment is \$1.3 billion, resulting in a relative level of investment per qualifying job of \$72.2 million.

Ability of applicant to locate to another state and [313.026(9)]

According to Freeport LNG Development, L.P.'s application, "Freeport LNG (FLNG) is keen to invest in LNG liquefaction and export facilities at its Quintana Island terminal because of its pre-existing assets there that would enable such an investment and the generally favorable business environment in Brazoria County and Texas. However, there are no other fundamental advantages to the location and FLNG could seek to invest in such facilities elsewhere. The three existing LNG terminals in Louisiana, which are similar to FLNG's, are all considering developing liquefaction and export facilities and would enjoy that state's 100% across-the-board 10-year industrial tax abatement. Those facilities enjoy a shipping advantage because they are somewhat closer to both the Atlantic and Pacific Basin markets (the latter, though the expanded Panama Canal, being the world's fastest growing energy markets). FLNG could partner with the owners of one of those terminals to co-develop new facilities with them on their site.

Alternatively, FLNG is aware of several completely undeveloped greenfield sites along the Texas and Louisiana coasts that could be suitable for LNG liquefaction and export facilities. FLNG could seek to acquire and develop on those sites. In any case, competition to develop new LNG liquefaction and export facilities is likely to be intense, especially in light of well advanced plans to do so in Australia, Russia, Africa and Middle East. To maximize its competitiveness, FLNG has selected the most energy-efficient liquefaction technology available, would leverage off its pre-existing assets to the greatest extent practicable, and would endeavor to economize on operations and maintenance costs as much as possible. Any economic development incentives received from Brazosport ISD or other Brazoria County jurisdictions would facilitate FLNG's competitiveness in this global marketplace and could be decisive towards the success of this project. A successful project development on Quintana Island would benefit not just FLNG but the entire Brazoria County economy and the Texas natural gas market, which would deliver very substantial quantities to the new facilities for decades to come."

Number of new facilities in region [313.026(12)]

During the past two years, 24 projects in the Houston-Galveston Area Council of Governments Region applied for value limitation agreements under Tax Code, Chapter 313.

Relationship of applicant's industry and jobs and Texas's economic growth plans [313.026(5)]

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Freeport LNG Development, L.P., project requires appear to be in line with the focus and themes of the plan. Texas identified manufacturing as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the manufacturing industry.

Economic Impact [313.026(10)(A), (10)(B), (11), (13-20)]

Table 1 depicts Freeport LNG Development, L.P.'s estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office

calculated the economic impact based on 18 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Freeport LNG Development, L.P.

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2015	500	468	968	\$31,200,000	\$30,800,000	\$62,000,000
2016	1000	950	1950	\$62,400,000	\$69,600,000	\$132,000,000
2017	1203	1151	2354	\$75,064,800	\$94,935,200	\$170,000,000
2018	1016	1008	2024	\$63,385,600	\$97,614,400	\$161,000,000
2019	223	281	504	\$13,896,800	\$49,103,200	\$63,000,000
2020	23	49	72	\$1,416,800	\$28,583,200	\$30,000,000
2021	23	80	103	\$1,416,800	\$25,583,200	\$27,000,000
2022	23	91	114	\$1,416,800	\$23,583,200	\$25,000,000
2023	23	118	141	\$1,416,800	\$23,583,200	\$25,000,000
2024	23	153	176	\$1,416,800	\$25,583,200	\$27,000,000
2025	23	168	191	\$1,416,800	\$26,583,200	\$28,000,000
2026	23	194	217	\$1,416,800	\$29,583,200	\$31,000,000
2027	23	211	234	\$1,416,800	\$30,583,200	\$32,000,000
2028	23	180	203	\$1,416,800	\$29,583,200	\$31,000,000
2029	23	178	201	\$1,416,800	\$29,583,200	\$31,000,000
2030	23	170	193	\$1,416,800	\$29,583,200	\$31,000,000
2031	23	174	197	\$1,416,800	\$30,583,200	\$32,000,000
2032	23	170	193	\$1,416,800	\$31,583,200	\$33,000,000

Source: CPA, REMI, Freeport LNG Development, L.P.

The statewide average ad valorem tax base for school districts in Texas was \$1.7 billion in 2011-2012. Brazosport ISD's ad valorem tax base in 2011-2012 was \$6.3 billion. The statewide average wealth per WADA was estimated at \$347,943 for fiscal 2011-2012. During that same year, Brazosport ISD's estimated wealth per WADA was \$417,778. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Brazoria County, Velasco Drainage District, Port of Freeport, and Brazosport Junior College District, with all property tax incentives sought being granted using estimated market value from Freeport LNG Development, L.P.'s application. Freeport LNG Development, L.P. has applied for both a value limitation under Chapter 313, Tax Code and tax abatements with the county, drainage district, port, and college district. Table 3 illustrates the estimated tax impact of the Freeport LNG Development, L.P. project on the region if all taxes are assessed.

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Brazosport ISD I&S Levy	Brazosport ISD M&O Levy	Brazosport ISD M&O and I&S Tax Levies (Before Credit Credited)	Brazosport ISD M&O and I&S Tax Levies (After Credit Credited)	Brazoria County Tax Levy	Velasco Drainage District Tax Levy	Brazosport Junior College District Tax Levy	Port of Freeport Tax Levy	Estimated Total Property Taxes
			0.2015	1.0400				0.4731	0.0942	0.2392	0.0535	
2018	\$361,955,446	\$361,955,446		\$729,340	\$3,764,337	\$4,493,677	\$4,493,677	\$0	\$0	\$0	\$0	\$4,493,677
2019	\$523,105,071	\$523,105,071		\$1,054,057	\$5,440,293	\$6,494,349	\$6,494,349	\$0	\$0	\$0	\$0	\$6,494,349
2020	\$1,276,305,030	\$30,000,000		\$2,571,755	\$312,000	\$2,883,755	\$2,883,755	\$0	\$0	\$0	\$0	\$2,883,755
2021	\$1,231,634,354	\$30,000,000		\$2,481,743	\$312,000	\$2,793,743	\$1,567,939	\$0	\$0	\$0	\$0	\$1,567,939
2022	\$1,188,527,176	\$30,000,000		\$2,394,882	\$312,000	\$2,706,882	\$1,481,078	\$0	\$0	\$0	\$0	\$1,481,078
2023	\$1,146,928,756	\$30,000,000		\$2,311,061	\$312,000	\$2,623,061	\$1,397,257	\$0	\$0	\$0	\$0	\$1,397,257
2024	\$1,078,179,252	\$30,000,000		\$2,172,531	\$312,000	\$2,484,531	\$1,258,727	\$0	\$0	\$0	\$0	\$1,258,727
2025	\$1,024,308,667	\$30,000,000		\$2,063,982	\$312,000	\$2,375,982	\$1,187,991	\$0	\$0	\$0	\$0	\$1,187,991
2026	\$973,130,224	\$30,000,000		\$1,960,857	\$312,000	\$2,272,857	\$1,136,429	\$4,603,889	\$916,825	\$2,327,708	\$520,625	\$9,505,475
2027	\$914,801,993	\$30,000,000		\$1,843,326	\$312,000	\$2,155,326	\$1,077,663	\$4,327,937	\$861,872	\$2,188,188	\$489,419	\$8,945,079
2028	\$859,971,255	\$859,971,255		\$1,732,842	\$8,943,701	\$10,676,543	\$10,401,213	\$4,068,533	\$810,213	\$2,057,034	\$460,085	\$17,797,078
2029	\$808,428,465	\$808,428,465		\$1,628,983	\$8,407,656	\$10,036,639	\$10,036,639	\$3,824,683	\$761,653	\$1,933,745	\$432,509	\$16,989,229
2030	\$759,976,276	\$759,976,276		\$1,531,352	\$7,903,733	\$9,435,105	\$9,435,105	\$3,595,455	\$716,004	\$1,817,848	\$406,587	\$15,971,000
2031	\$714,429,244	\$714,429,244		\$1,439,575	\$7,430,064	\$8,869,639	\$8,869,639	\$3,379,972	\$673,092	\$1,708,900	\$382,220	\$15,013,823
2032	\$671,613,326	\$671,613,326		\$1,353,301	\$6,984,779	\$8,338,079	\$8,338,079	\$3,177,409	\$632,754	\$1,606,486	\$359,313	\$14,114,041
						Total	\$70,059,542	\$26,977,879	\$5,372,413	\$13,639,909	\$3,050,758	\$119,100,500

Assumes School Value Limitation and Tax Abatements with the County, Drainage District, College District, and Port

Source: CPA, Freeport LNG Development, L.P.

¹Tax Rate per \$100 Valuation

Year	Estimated Taxable Value for I&S	Estimated Taxable Value for M&O	Tax Rate ¹	Brazosport ISD I&S Levy	Brazosport ISD M&O Levy	Brazosport ISD M&O and I&S Tax Levies	Brazoria County Tax Levy	Velasco Drainage District Tax Levy	Brazosport Junior College District Tax Levy	Port of Freeport Tax Levy	Estimated Total Property Taxes	
			0.2015	1.0400			0.4731	0.0942	0.2392	0.0535		
2018	\$361,955,446	\$361,955,446		\$729,340	\$3,764,337	\$4,493,677	\$1,712,415	\$341,013	\$865,790	\$193,646	\$7,606,541	
2019	\$523,105,071	\$523,105,071		\$1,054,057	\$5,440,293	\$6,494,349	\$2,474,815	\$492,838	\$1,251,257	\$279,861	\$10,993,121	
2020	\$1,276,305,030	\$1,276,305,030		\$2,571,755	\$13,273,572	\$15,845,327	\$6,038,212	\$1,202,458	\$3,052,896	\$682,823	\$26,821,716	
2021	\$1,231,634,354	\$1,231,634,354		\$2,481,743	\$12,808,997	\$15,290,741	\$5,826,874	\$1,160,372	\$2,946,045	\$658,924	\$25,882,956	
2022	\$1,188,527,176	\$1,188,527,176		\$2,394,882	\$12,360,683	\$14,755,565	\$5,622,934	\$1,119,759	\$2,842,933	\$635,862	\$24,977,053	
2023	\$1,146,928,756	\$1,146,928,756		\$2,311,061	\$11,928,059	\$14,239,121	\$5,426,131	\$1,080,567	\$2,743,431	\$613,607	\$24,102,857	
2024	\$1,078,179,252	\$1,078,179,252		\$2,172,531	\$11,213,064	\$13,385,595	\$5,100,877	\$1,015,796	\$2,578,983	\$576,826	\$22,658,077	
2025	\$1,024,308,667	\$1,024,308,667		\$2,063,982	\$10,652,810	\$12,716,792	\$4,846,015	\$965,042	\$2,450,126	\$548,005	\$21,525,980	
2026	\$973,130,224	\$973,130,224		\$1,960,857	\$10,120,554	\$12,081,412	\$4,603,889	\$916,825	\$2,327,708	\$520,625	\$20,450,458	
2027	\$914,801,993	\$914,801,993		\$1,843,326	\$9,513,941	\$11,357,267	\$4,327,937	\$861,872	\$2,188,188	\$489,419	\$19,224,683	
2028	\$859,971,255	\$859,971,255		\$1,732,842	\$8,943,701	\$10,676,543	\$4,068,533	\$810,213	\$2,057,034	\$460,085	\$18,072,408	
2029	\$808,428,465	\$808,428,465		\$1,628,983	\$8,407,656	\$10,036,639	\$3,824,683	\$761,653	\$1,933,745	\$432,509	\$16,989,229	
2030	\$759,976,276	\$759,976,276		\$1,531,352	\$7,903,733	\$9,435,105	\$3,595,455	\$716,004	\$1,817,848	\$406,587	\$15,971,000	
2031	\$714,429,244	\$714,429,244		\$1,439,575	\$7,430,064	\$8,869,639	\$3,379,972	\$673,092	\$1,708,900	\$382,220	\$15,013,823	
2032	\$671,613,326	\$671,613,326		\$1,353,301	\$6,984,779	\$8,338,079	\$3,177,409	\$632,754	\$1,606,486	\$359,313	\$14,114,041	
						Total	\$168,015,852	\$64,026,152	\$12,750,258	\$32,371,370	\$7,240,313	\$284,403,944

Source: CPA, Freeport LNG Development, L.P.

¹Tax Rate per \$100 Valuation

Attachment 1 includes schedules A, B, C, and D provided by the applicant in the application. Schedule A shows proposed investment. Schedule B is the projected market value of the qualified property. Schedule C contains employment information, and Schedule D contains tax expenditures and other tax abatement information.

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. "Table 5" in this attachment shows the estimated 15 year M&O tax levy without the value limitation agreement would be \$140,715,063. The estimated gross 15 year M&O tax benefit, or levy loss, is \$97,956,310.

Attachment 3 is an economic overview of Brazoria County.

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.



TEXAS EDUCATION AGENCY

1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Matthew C. Williams
Comptroller

December 14, 2012

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Freeport LNG Development (Phase 3) project on the number and size of school facilities in Brazosport Independent School District (BISD). Based on the analysis prepared by Moak, Casey and Associates for the school district and a conversation with the BISD superintendent, Dr. Karin Holacka, the TEA has found that the Freeport LNG Development (Phase 3) project would not have a significant impact on the number or size of school facilities in BISD.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Al McKenzie", with a long horizontal flourish extending to the right.

Al McKenzie, Manager
Foundation School Program Support

AM/bd



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1301 211 Williams
www.tea.state.tx.us

December 14, 2012

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

The Texas Education Agency (TEA) has analyzed the revenue gains that would be realized by the proposed Freeport LNG Development (Phase 3) project for the Brazosport Independent School District (BISD). Projections prepared by the TEA State Funding Division confirm the analysis that was prepared by Moak, Casey and Associates and provided to us by your division. We believe the firm's assumptions regarding the potential revenue gain are valid, and its estimates of the impact of the Freeport LNG Development (Phase 3) project on BISD are correct.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'Al McKenzie', is written over a horizontal line.

Al McKenzie, Manager
Foundation School Program Support

AM/bd

Brazoria County

Population

- Total county population in 2010 for Brazoria County: 314,407 , up 1.7 percent from 2009. State population increased 1.8 percent in the same time period.
- Brazoria County was the state's 15th largest county in population in 2010 and the 50 th fastest growing county from 2009 to 2010.
- Brazoria County's population in 2009 was 56.0 percent Anglo (above the state average of 46.7 percent), 10.9 percent African-American (below the state average of 11.3 percent) and 26.6 percent Hispanic (below the state average of 36.9 percent).
- 2009 population of the largest cities and places in Brazoria County:

Pearland:	86,341	Lake Jackson:	28,980
Alvin:	23,284	Angleton:	19,123
Freeport:	12,618	Clute:	10,915
Manvel:	6,375	West Columbia:	4,203
Sweeny:	3,663	Richwood:	3,594

Economy and Income

Employment

- September 2011 total employment in Brazoria County: 137,947 , up 1.8 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Brazoria County unemployment rate: 9.0 percent, up from 8.9 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

Pearland:	7.3 percent, up from 6.5 percent in September 2010.
Lake Jackson:	7.5 percent, down from 8.0 percent in September 2010.

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Brazoria County's ranking in per capita personal income in 2009: 54th with an average per capita income of \$37,523, down 1.3 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Brazoria County averaged \$97.62 million annually from 2007 to 2010. County total agricultural values in 2010 were up 14.7 percent from 2009. Major agriculture related commodities in Brazoria County during 2010 included:
 - Sorghum • Horses • Nursery • Rice • Other Beef
- 2011 oil and gas production in Brazoria County: 898,558.0 barrels of oil and 14.3 million Mcf of gas. In September 2011, there were 297 producing oil wells and 161 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011).
Quarterly (September 2010 through December 2010)

- Taxable sales in Brazoria County during the fourth quarter 2010: \$670.47 million, up 7.2 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Pearland:	\$288.28 million, up 5.3 percent from the same quarter in 2009.
Lake Jackson:	\$113.83 million, up 2.5 percent from the same quarter in 2009.
Alvin:	\$77.36 million, up 6.0 percent from the same quarter in 2009.
Angleton:	\$36.45 million, up 0.1 percent from the same quarter in 2009.
Freeport:	\$18.95 million, up 9.5 percent from the same quarter in 2009.
Clute:	\$25.55 million, up 14.8 percent from the same quarter in 2009.
Manvel:	\$10.76 million, up 19.8 percent from the same quarter in 2009.
West Columbia:	\$10.48 million, up 13.2 percent from the same quarter in 2009.
Sweeny:	\$2.59 million, down 73.4 percent from the same quarter in 2009.
Richwood:	\$3.81 million, up 3.2 percent from the same quarter in 2009.
Brazoria:	\$9.22 million, up 14.4 percent from the same quarter in 2009.
Jones Creek:	\$273,198.00, up 2.9 percent from the same quarter in 2009.
Brookside Village:	\$1.08 million, up 118.1 percent from the same quarter in 2009.

Danbury:	\$662,540.00, up 13.5 percent from the same quarter in 2009.
Oyster Creek:	\$2.25 million, up 12.1 percent from the same quarter in 2009.
Holiday Lakes:	\$150,524.00, down 8.5 percent from the same quarter in 2009.
Iowa Colony:	\$13.50 million, down 1.7 percent from the same quarter in 2009.
Surfside Beach:	\$818,623.00, up 16.3 percent from the same quarter in 2009.
Bailey's Prairie:	\$34,200.00, down 2.7 percent from the same quarter in 2009.
Liverpool:	\$165,407.00, up 61.6 percent from the same quarter in 2009.
Quintana:	\$7,038.00

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Brazoria County through the fourth quarter of 2010: \$2.46 billion, up 1.4 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Pearland:	\$1.04 billion, up 0.3 percent from the same period in 2009.
Lake Jackson:	\$402.67 million, down 0.2 percent from the same period in 2009.
Alvin:	\$289.95 million, up 0.3 percent from the same period in 2009.
Angleton:	\$145.19 million, up 0.8 percent from the same period in 2009.
Freeport:	\$74.78 million, up 10.4 percent from the same period in 2009.
Clute:	\$96.86 million, down 1.1 percent from the same period in 2009.
Manvel:	\$47.09 million, up 10.7 percent from the same period in 2009.
West Columbia:	\$39.73 million, up 14.0 percent from the same period in 2009.
Sweeny:	\$21.41 million, down 21.8 percent from the same period in 2009.
Richwood:	\$15.80 million, down 19.4 percent from the same period in 2009.
Brazoria:	\$34.75 million, down 1.6 percent from the same period in 2009.
Jones Creek:	\$1.08 million, down 4.4 percent from the same period in 2009.
Brookside Village:	\$3.79 million, up 78.2 percent from the same period in 2009.
Danbury:	\$2.53 million, up 26.1 percent from the same period in 2009.
Oyster Creek:	\$9.25 million, up 7.1 percent from the same period in 2009.
Holiday Lakes:	\$636,130.00, down 7.0 percent from the same period in 2009.
Iowa Colony:	\$52.04 million, down 18.0 percent from the same period in 2009.
Surfside Beach:	\$4.57 million, up 11.3 percent from the same period in 2009.
Bailey's Prairie:	\$87,007.00, down 37.8 percent from the same period in 2009.
Liverpool:	\$554,661.00, up 32.8 percent from the same period in 2009.
Quintana:	\$18,815.00

Annual (2010)

- Taxable sales in Brazoria County during 2010: \$2.46 billion, up 1.4 percent from 2009.
- Brazoria County sent an estimated \$153.68 million (or 0.90 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Pearland:	\$1.04 billion, up 0.3 percent from 2009.
Lake Jackson:	\$402.67 million, down 0.2 percent from 2009.
Alvin:	\$289.95 million, up 0.3 percent from 2009.
Angleton:	\$145.19 million, up 0.8 percent from 2009.
Freeport:	\$74.78 million, up 10.4 percent from 2009.
Clute:	\$96.86 million, down 1.1 percent from 2009.
Manvel:	\$47.09 million, up 10.7 percent from 2009.
West Columbia:	\$39.73 million, up 14.0 percent from 2009.
Sweeny:	\$21.41 million, down 21.8 percent from 2009.
Richwood:	\$15.80 million, down 19.4 percent from 2009.
Brazoria:	\$34.75 million, down 1.6 percent from 2009.
Jones Creek:	\$1.08 million, down 4.4 percent from 2009.
Brookside Village:	\$3.79 million, up 78.2 percent from 2009.
Danbury:	\$2.53 million, up 26.1 percent from 2009.
Oyster Creek:	\$9.25 million, up 7.1 percent from 2009.
Holiday Lakes:	\$636,130.00, down 7.0 percent from 2009.
Iowa Colony:	\$52.04 million, down 18.0 percent from 2009.
Surfside Beach:	\$4.57 million, up 11.3 percent from 2009.

Bailey's Prairie:	\$87,007.00, down 37.8 percent from 2009.
Liverpool:	\$554,661.00, up 32.8 percent from 2009.
Quintana:	\$18,815.00

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of September 2011 is currently scheduled for November 9, 2011.)

Monthly

- Statewide payments based on the sales activity month of August 2011: \$505.22 million, up 13.9 percent from August 2010.
- Payments to all cities in Brazoria County based on the sales activity month of August 2011: \$3.57 million, up 9.2 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:

Pearland*:	\$1.62 million, up 5.1 percent from August 2010.
Lake Jackson:	\$568,565.83, up 9.2 percent from August 2010.
Alvin:	\$486,410.35, up 16.2 percent from August 2010.
Angleton:	\$249,880.72, up 9.9 percent from August 2010.
Freeport:	\$173,510.53, up 18.7 percent from August 2010.
Clute:	\$154,235.75, up 22.5 percent from August 2010.
Manvel:	\$93,103.54, up 23.3 percent from August 2010.
West Columbia:	\$63,572.59, up 26.9 percent from August 2010.
Sweeny:	\$23,337.23, down 23.8 percent from August 2010.
Richwood:	\$25,511.08, up 10.0 percent from August 2010.
Brazoria:	\$62,718.11, up 13.0 percent from August 2010.
Jones Creek:	\$3,295.75, down 3.4 percent from August 2010.
Brookside Village:	\$2,387.38, down 20.5 percent from August 2010.
Danbury:	\$6,606.86, up 48.8 percent from August 2010.
Oyster Creek:	\$13,907.07, down 21.7 percent from August 2010.
Holiday Lakes:	\$573.54, down 13.3 percent from August 2010.
Iowa Colony:	\$10,575.40, down 15.9 percent from August 2010.
Surfside Beach:	\$7,278.22, up 18.4 percent from August 2010.
Bailey's Prairie:	\$396.90, down 1.6 percent from August 2010.
Liverpool:	\$1,835.61, down 63.3 percent from August 2010.
Quintana:	\$2,563.69, up 78.1 percent from August 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2010 through August 2011: \$6.08 billion, up 8.0 percent from the same period in 2010.
- Payments to all cities in Brazoria County based on sales activity months from September 2010 through August 2011: \$42.66 million, up 4.7 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:

Pearland*:	\$19.83 million, up 2.3 percent from fiscal 2010.
Lake Jackson:	\$7.00 million, up 3.4 percent from fiscal 2010.
Alvin:	\$5.45 million, up 7.5 percent from fiscal 2010.
Angleton:	\$3.03 million, up 3.1 percent from fiscal 2010.
Freeport:	\$1.96 million, up 20.0 percent from fiscal 2010.
Clute:	\$1.82 million, up 9.9 percent from fiscal 2010.
Manvel:	\$983,643.45, up 11.2 percent from fiscal 2010.
West Columbia:	\$685,356.40, up 2.2 percent from fiscal 2010.
Sweeny:	\$302,452.77, down 0.4 percent from fiscal 2010.
Richwood:	\$274,954.27, up 10.7 percent from fiscal 2010.
Brazoria:	\$719,283.78, up 6.9 percent from fiscal 2010.
Jones Creek:	\$42,124.74, up 2.8 percent from fiscal 2010.
Brookside Village:	\$35,875.21, down 9.7 percent from fiscal 2010.
Danbury:	\$81,357.57, up 37.2 percent from fiscal 2010.
Oyster Creek:	\$158,682.12, down 2.0 percent from fiscal 2010.
Holiday Lakes:	\$7,727.20, up 5.9 percent from fiscal 2010.
Iowa Colony:	\$165,247.97, up 50.5 percent from fiscal 2010.
Surfside Beach:	\$62,657.63, up 21.0 percent from fiscal 2010.

Bailey's Prairie:	\$5,454.70, down 28.7 percent from fiscal 2010.
Liverpool:	\$25,085.09, up 17.9 percent from fiscal 2010.
Quintana:	\$20,775.61, down 36.4 percent from fiscal 2010.

January 2011 through August 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through August 2011: \$3.99 billion, up 8.3 percent from the same period in 2010.
- Payments to all cities in Brazoria County based on sales activity months through August 2011: \$27.60 million, up 3.4 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:

Pearland*:	\$12.68 million, up 0.2 percent from the same period in 2010.
Lake Jackson:	\$4.49 million, up 2.8 percent from the same period in 2010.
Alvin:	\$3.58 million, up 8.2 percent from the same period in 2010.
Angleton:	\$1.95 million, up 2.0 percent from the same period in 2010.
Freeport:	\$1.32 million, up 14.3 percent from the same period in 2010.
Clute:	\$1.20 million, up 12.0 percent from the same period in 2010.
Manvel:	\$675,446.20, up 9.0 percent from the same period in 2010.
West Columbia:	\$439,718.95, up 0.5 percent from the same period in 2010.
Sweeny:	\$197,504.78, down 2.5 percent from the same period in 2010.
Richwood:	\$184,879.84, up 8.9 percent from the same period in 2010.
Brazoria:	\$474,043.43, up 6.3 percent from the same period in 2010.
Jones Creek:	\$27,593.02, up 2.8 percent from the same period in 2010.
Brookside Village:	\$22,157.56, down 23.2 percent from the same period in 2010.
Danbury:	\$48,106.28, up 22.6 percent from the same period in 2010.
Oyster Creek:	\$101,462.63, down 10.3 percent from the same period in 2010.
Holiday Lakes:	\$5,340.78, up 10.7 percent from the same period in 2010.
Iowa Colony:	\$118,301.95, up 50.3 percent from the same period in 2010.
Surfside Beach:	\$47,156.99, up 23.1 percent from the same period in 2010.
Bailey's Prairie:	\$3,774.23, up 7.4 percent from the same period in 2010.
Liverpool:	\$18,583.44, up 25.7 percent from the same period in 2010.
Quintana:	\$16,036.10, up 29.4 percent from the same period in 2010.

12 months ending in August 2011

- Statewide payments based on sales activity in the 12 months ending in August 2011: \$6.08 billion, up 8.0 percent from the previous 12-month period.
- Payments to all cities in Brazoria County based on sales activity in the 12 months ending in August 2011: \$42.66 million, up 4.7 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:

Pearland*:	\$19.83 million, up 2.3 percent from the previous 12-month period.
Lake Jackson:	\$7.00 million, up 3.4 percent from the previous 12-month period.
Alvin:	\$5.45 million, up 7.5 percent from the previous 12-month period.
Angleton:	\$3.03 million, up 3.1 percent from the previous 12-month period.
Freeport:	\$1.96 million, up 20.0 percent from the previous 12-month period.
Clute:	\$1.82 million, up 9.9 percent from the previous 12-month period.
Manvel:	\$983,543.45, up 11.2 percent from the previous 12-month period.
West Columbia:	\$685,356.40, up 2.2 percent from the previous 12-month period.
Sweeny:	\$302,452.77, down 0.4 percent from the previous 12-month period.
Richwood:	\$274,954.27, up 10.7 percent from the previous 12-month period.
Brazoria:	\$719,283.78, up 6.9 percent from the previous 12-month period.
Jones Creek:	\$42,124.74, up 2.8 percent from the previous 12-month period.
Brookside Village:	\$35,875.21, down 9.7 percent from the previous 12-month period.
Danbury:	\$81,357.57, up 37.2 percent from the previous 12-month period.
Oyster Creek:	\$158,682.12, down 2.0 percent from the previous 12-month period.
Holiday Lakes:	\$7,727.20, up 5.9 percent from the previous 12-month period.
Iowa Colony:	\$165,247.97, up 50.5 percent from the previous 12-month period.
Surfside Beach:	\$62,657.63, up 21.0 percent from the previous 12-month period.
Bailey's Prairie:	\$5,454.70, down 28.7 percent from the previous 12-month period.

Liverpool:	\$25,085.09, up 17.9 percent from the previous 12-month period.
Quintana:	\$20,775.61, down 36.4 percent from the previous 12-month period.

■ **City Calendar Year-To-Date (RJ 2011)**

■ **Payment to the cities from January 2011 through October 2011:**

Pearland*:	\$16.53 million, up 1.7 percent from the same period in 2010.
Lake Jackson:	\$5.92 million, up 3.2 percent from the same period in 2010.
Alvin:	\$4.51 million, up 6.7 percent from the same period in 2010.
Angleton:	\$2.51 million, up 3.6 percent from the same period in 2010.
Freeport:	\$1.61 million, up 18.0 percent from the same period in 2010.
Clute:	\$1.51 million, up 12.8 percent from the same period in 2010.
Manvel:	\$822,290.83, up 11.4 percent from the same period in 2010.
West Columbia:	\$573,559.55, up 2.7 percent from the same period in 2010.
Sweeny:	\$249,336.88, down 0.9 percent from the same period in 2010.
Richwood:	\$229,245.62, up 14.6 percent from the same period in 2010.
Brazoria:	\$600,072.15, up 6.1 percent from the same period in 2010.
Jones Creek:	\$34,177.91, up 2.0 percent from the same period in 2010.
Brookside Village:	\$27,813.93, down 19.0 percent from the same period in 2010.
Danbury:	\$59,717.24, up 20.6 percent from the same period in 2010.
Oyster Creek:	\$129,141.24, down 5.6 percent from the same period in 2010.
Holiday Lakes:	\$6,525.94, up 9.2 percent from the same period in 2010.
Iowa Colony:	\$142,860.27, up 52.1 percent from the same period in 2010.
Surfside Beach:	\$53,230.26, up 21.4 percent from the same period in 2010.
Bailey's Prairie:	\$4,661.08, down 33.1 percent from the same period in 2010.
Liverpool:	\$21,746.84, up 20.5 percent from the same period in 2010.
Quintana:	\$18,275.03, down 42.7 percent from the same period in 2010.

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Brazoria County based on sales activity months in 2010: \$41.77 million, up 0.9 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:

Pearland*:	\$19.80 million, up 2.2 percent from 2009.
Lake Jackson:	\$6.88 million, down 0.9 percent from 2009.
Alvin:	\$5.18 million, down 1.0 percent from 2009.
Angleton:	\$2.99 million, down 0.7 percent from 2009.
Freeport:	\$1.80 million, up 11.9 percent from 2009.
Clute:	\$1.69 million, down 3.6 percent from 2009.
Manvel:	\$928,016.24, up 5.5 percent from 2009.
West Columbia:	\$683,003.60, down 1.5 percent from 2009.
Sweeny:	\$307,562.66, down 5.1 percent from 2009.
Richwood:	\$259,772.39, down 8.8 percent from 2009.
Brazoria:	\$691,277.98, down 7.0 percent from 2009.
Jones Creek:	\$41,386.13, down 8.1 percent from 2009.
Brookside Village:	\$42,556.62, up 35.3 percent from 2009.
Danbury:	\$72,498.57, up 12.8 percent from 2009.
Oyster Creek:	\$170,345.11, up 5.4 percent from 2009.
Holiday Lakes:	\$7,212.68, down 10.7 percent from 2009.
Iowa Colony:	\$125,637.22, up 5.9 percent from 2009.
Surfside Beach:	\$53,802.40, up 10.0 percent from 2009.
Bailey's Prairie:	\$5,194.29, down 45.8 percent from 2009.
Liverpool:	\$21,280.04, up 15.2 percent from 2009.
Quintana:	\$17,136.83, down 54.6 percent from 2009.

*On 1/1/2009, the city of Pearland's local sales tax rate increased by 0.00 from 1.500 percent to 1.500 percent.

Property Tax

- As of January 2009, property values in Brazoria County: \$26.70 billion, down 1.7 percent from January 2008 values. The property

tax base per person in Brazoria County is \$86,351, above the statewide average of \$85,809. About 2.4 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Brazoria County's ranking in state expenditures by county in fiscal year 2010: 21st. State expenditures in the county for FY2010: \$996.28 million, up 0.5 percent from FY2009.
- In Brazoria County, 19 state agencies provide a total of 2,892 jobs and \$26.88 million in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):
 - Department of Criminal Justice
 - Department of Family and Protective Services
 - Department of Transportation
 - Department of Public Safety

Higher Education

- Community colleges in Brazoria County fall 2010 enrollment:
 - Brazosport College, a Public Community College, had 4,174 students.
 - Alvin Community College, a Public Community College, had 5,721 students.
- Brazoria County is in the service area of the following:
 - Alvin Community College with a fall 2010 enrollment of 5,721. Counties in the service area include: Brazoria County
 - Brazosport College with a fall 2010 enrollment of 4,174. Counties in the service area include: Brazoria County
- Institutions of higher education in Brazoria County fall 2010 enrollment:
 - None.

School Districts

- Brazoria County had 8 school districts with 93 schools and 59,838 students in the 2009-10 school year. (Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)
 - Alvin ISD had 16,591 students in the 2009-10 school year. The average teacher salary was \$49,031. The percentage of students meeting the 2010 TAKS passing standard for all tests was 81 percent.
 - Angleton ISD had 6,282 students in the 2009-10 school year. The average teacher salary was \$50,412. The percentage of students meeting the 2010 TAKS passing standard for all tests was 87 percent.
 - Brazosport ISD had 12,822 students in the 2009-10 school year. The average teacher salary was \$49,929. The percentage of students meeting the 2010 TAKS passing standard for all tests was 78 percent.
 - Columbia-Brazoria ISD had 3,070 students in the 2009-10 school year. The average teacher salary was \$46,937. The percentage of students meeting the 2010 TAKS passing standard for all tests was 78 percent.
 - Damon ISD had 168 students in the 2009-10 school year. The average teacher salary was \$41,023. The percentage of students meeting the 2010 TAKS passing standard for all tests was 75 percent.
 - Danbury ISD had 773 students in the 2009-10 school year. The average teacher salary was \$47,625. The percentage of students meeting the 2010 TAKS passing standard for all tests was 86 percent.
 - Pearland ISD had 18,198 students in the 2009-10 school year. The average teacher salary was \$48,294. The percentage of students meeting the 2010 TAKS passing standard for all tests was 87 percent.
 - Sweeny ISD had 1,934 students in the 2009-10 school year. The average teacher salary was \$49,272. The percentage of students meeting the 2010 TAKS passing standard for all tests was 86 percent.

Attachment E

Summary of Financial Impact

**SUMMARY OF FINANCIAL IMPACT OF THE PROPOSED
FREEPORT LNG DEVELOPMENT, L.P. (PHASE 3) PROJECT ON
THE FINANCES OF THE BRAZOSPORT INDEPENDENT SCHOOL
DISTRICT UNDER A REQUESTED CHAPTER 313 PROPERTY
VALUE LIMITATION**

October 17, 2012

Final Report

PREPARED BY



Estimated Impact of the Proposed Freeport LNG Development, L.P. (Phase 3) Project on the Finances of the Brazosport Independent School District under a Requested Chapter 313 Property Value Limitation

Introduction

Freeport LNG Development, L.P. (Freeport LNG) has requested that the Brazosport Independent School District (BISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to BISD on August 31, 2012, the third phase of the Freeport LNG project calls for an investment of \$1.3 billion to construct a new natural gas liquefaction project in BISD. The entire three-phase project is expected to result in a total investment of \$4.8 billion.

The Freeport LNG project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, BISD may offer a minimum value limitation of \$30 million. The provisions of Chapter 313 call for the project to be fully taxable in the 2018-19 and 2019-20 school years, anticipating that the District and the Company will agree to an extension of the start of the two-year qualifying time period. For the purpose of this analysis, it is assumed that the qualifying time period will be the 2018-19 and 2019-20 school years. Beginning in the 2020-21 school year, the project would go on the local tax roll at \$30 million and remain at that level of taxable value for eight years for maintenance and operations (M&O) taxes.

The full taxable value of the project can be assessed for debt service taxes on voter-approved bond issues throughout the limitation period and after, with BISD currently levying a \$0.202 I&S tax rate. The full taxable value of the first phase of this investment is expected to reach \$1.3 billion in the 2020-21 school year, with depreciation expected to reduce the taxable value of the project over the course of the value limitation agreement.

In the case of the Freeport LNG project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. BISD would experience a revenue loss as a result of the implementation of the value limitation in the 2020-21 school year (-\$9.5 million), with smaller additional revenue losses in subsequent years that result in a formula-loss total of -\$10.6 million for the eight value-limitation years.

Under the assumptions outlined below, the potential tax benefits under a Chapter 313 agreement could reach an estimated \$87.3 million over the course of the agreement. This amount is net of any anticipated revenue losses for the District.

School Finance Mechanics

Under the current school finance system, the property values established by the Comptroller's Office that are used to calculate state aid and recapture lag by one year, a practical consequence of the fact that the Comptroller's Office needs this time to conduct its property value study and now the planned audits of appraisal district operations in alternating years. A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 3-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter). The school funding formulas use the Comptroller's property values that reflect a reduction due to the property value limitation in years 4-11 as a result of the one-year lag in property values.

The third year is often problematical financially for a school district that approves a Chapter 313 value limitation. The implementation of the value limitation often results in a revenue loss to the school district in the third year of the agreement that would not be reimbursed by the state, but require some type of compensation from the applicant under the revenue protection provisions of the agreement. In years 4-10, smaller revenue losses would be anticipated when the state property values are aligned at the minimum value established by the Board on both the local tax roll and the corresponding state property value study.

Under the HB 1 system adopted in 2006, most school districts received additional state aid for tax reduction (ASATR) that was used to maintain their target revenue amounts established at the revenue levels under old law for the 2005-06 or 2006-07 school years, whichever was highest. In terms of new Chapter 313 property value limitation agreements, adjustments to ASATR funding often moderated the impact of the reduced M&O collections as a result of the limitation, in contrast with the earlier formula-driven finance system.

House Bill 3646 as enacted in 2009 created more "formula" school districts that were less dependent on ASATR state aid than had been the case previously. The formula reductions enacted under Senate Bill 1 (SB 1) as approved in the First Called Session in 2011 are designed to make \$4 billion in reductions to the existing school funding formulas for the 2011-12 and 2012-13 school years. For the 2011-12 school year, across-the-board reductions were made that reduced each district's WADA count and resulted in an estimated 815 school districts still receiving ASATR to maintain their target revenue funding levels, while an estimated 209 districts operating directly on the state formulas.

For the 2012-13 school year, the SB 1 changes called for smaller across-the-board reductions and funding ASATR-receiving target revenue districts at 92.35 percent of the level provided for under the existing funding formula. The result of these changes is that the number of ASATR districts is expected to be 421, with 603 formula districts.

For the 2013-14 school year and beyond, the ASATR reduction percentage will be set in the General Appropriations Act. The recent legislative session also saw the adoption of a statement of legislative intent to no longer fund target revenue (through ASATR) by the 2017-18 school year. It is likely that ASATR state funding will be reduced in future years and eliminated by the 2017-18 school year, based on current state policy.

One key element in any analysis of the school finance implications is the provision for revenue protection in the agreement between the school district and the applicant. In the case of the Freeport LNG project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. This meets the statutory requirement under Section 313.027(f)(1) of the Tax Code to provide school district revenue protection language in the agreement.

Underlying Assumptions

There are several approaches that can be used to analyze the future revenue stream of a school district under a value limitation. Whatever method is used, a reasonable analysis requires the use of a multi-year forecasting model that covers the years in which the agreement is in effect. The Chapter 313 application now requires 15 years of data and analysis on the project being considered for a property value limitation.

The general approach used here is to maintain static enrollment and property values in order to isolate the effects of the value limitation under the school finance system. The current SB 1 reductions are reflected in the underlying models. With regard to ASATR funding the 92.35 percent reduction enacted for the 2012-13 school year and thereafter, until the 2017-18 school year. A statement of legislative intent adopted in 2011 to no longer fund target revenue by the 2017-18 school year, so that change is reflected in the estimates presented below, to the extent this provision has any impact on the estimates presented. The projected taxable values of the Freeport LNG project are factored into the base model used here, as are the effects of previously approved Chapter 313 value limitation agreements. The impact of the limitation value for the proposed Freeport LNG project (Phase 3) is isolated separately and the focus of this analysis.

Student enrollment counts are held constant at 11,570 students in average daily attendance (ADA) in analyzing the effects of the Freeport LNG project on the finances of BISD. The District's local tax base reached \$6.2 billion for the 2011 tax year and is maintained for the forecast period in order to isolate the effects of the property value limitation. An M&O tax rate of \$1.04 is used throughout this analysis. BISD has estimated state property wealth per weighted ADA or WADA of approximately \$459,322 for the 2011-12 school year. It is estimated that BISD will be subject to recapture at the current equalized wealth level for several years under the agreement, although the amount owed for the project is reduced as a result of the value limitation agreement. The enrollment and property value assumptions for the 15 years that are the subject of this analysis are summarized in Table 1.

School Finance Impact

School finance models were prepared for BISD under the assumptions outlined above through the 2031-32 school year. Beyond the 2012-13 school year, no attempt was made to forecast the 88th percentile or Austin yield that influence future state funding beyond the projected level for that school year. In the analyses for other districts and applicants on earlier projects, these changes appeared to have little impact on the revenue associated with the implementation of the property value limitation, since the baseline and other models incorporate the same underlying assumptions.

Under the proposed agreement, a model is established to make a calculation of the "Baseline Revenue" by adding the value of the proposed Freeport LNG facility to the model, but without assuming that a value limitation is approved. The results of the model are shown in Table 2.

A second model is developed which adds the Freeport LNG value but imposes the proposed property value limitation effective in the third year, which in this case is the 2020-21 school year. The results of this model are identified as “Value Limitation Revenue Model” under the revenue protection provisions of the proposed agreement (see Table 3).

A summary of the differences between these models is shown in Table 4. Under these assumptions, BISD would experience a revenue loss as a result of the implementation of the value limitation in the 2020-21 school year (-\$9.5 million). The revenue reduction results from the mechanics of the up to six cents beyond the compressed M&O tax rate equalized to the Austin yield or not subject to recapture, which reflect the one-year lag in value associated with the state property value study. Smaller revenue losses are expected in several subsequent school years under the value limitation.

As noted previously, no attempt was made to forecast further reductions in ASATR funding beyond the 92.35 percent adjustment adopted for the 2012-13 school year, although it is assumed that ASATR will be eliminated beginning in the 2017-18 school year, based on the 2011 statement of legislative intent. ASATR funding does not have an impact on the estimates presented here.

Future school funding formula changes could have a potential impact on these estimates. For example, when the \$30 million value limitation takes effect in the 2020-21 school year, Freeport LNG would be expected to see initial tax savings of \$13 million. Recapture costs would be expected to be reduced by about \$3.5 million, but there are few other offsets, resulting in the hold-harmless loss amount of \$9.5 million. In the 2021-22 school year, state formula changes reflecting the lower state property value reduce recapture by \$8.5 million, as well as \$4.4 million in formula state aid, offsetting all of the \$12.5 million in tax savings anticipated for the Company.

The Comptroller’s state property value study influences these calculations, as noted previously. At the school-district level, a taxpayer benefiting from a property value limitation has two property values assigned by the local appraisal district for their property covered by the limitation: (1) a reduced value for M&O taxes, and (2) the full taxable value for I&S taxes. This situation exists for the eight years that the value limitation is in effect. The Comptroller’s Property Tax Assistance Division makes two value determinations for school districts granting Chapter 313 agreements, consistent with local practice.

Impact on the Taxpayer

Table 5 summarizes the impact of the proposed property value limitation in terms of the potential tax savings under the property value limitation agreement. The focus of this table is on the M&O tax rate only. As noted previously, the property is fully taxable prior to the start of the eight-year value limitation period. A \$1.04 per \$100 of taxable value M&O rate is assumed in 2012-13 and thereafter.

Under the assumptions used here, the potential gross tax savings from the value limitation total \$89.4 million over the life of the agreement. In addition, Freeport LNG would be eligible for a tax credit for M&O taxes paid on value in excess of the value limitation in each of the two qualifying years. The credit amount is paid out slowly through years 4-10 due to statutory limits on the scale of these payments over these seven years, with catch-up payments permitted in years 11-13. The tax credits are expected to total approximately \$8.6 million over the life of the agreement, with no

unpaid tax credits anticipated. The school district is to be reimbursed by the Texas Education Agency for the cost of these credits.

The key BISD revenue losses are expected to total approximately -\$10.6 million over the course of the agreement. In total, the potential net tax benefits (inclusive of tax credits but after hold-harmless payments are made) are estimated to total \$87.3 million. While future legislative changes could affect the level of hold-harmless payments, the state property value study reflecting the reduced value reflected in the limitation agreement is expected to continue to offset most local revenue losses after the initial \$30 million limitation year.

Facilities Funding Impact

The Freeport LNG project remains fully taxable for debt services taxes, with BISD currently levying a \$0.202 I&S rate. The value of the Freeport LNG project is expected to depreciate over the life of the agreement and beyond, but full access to the additional value is expected to assist BISD in meeting its I&S tax obligations.

The Freeport LNG project is not expected to affect BISD in terms of enrollment. Continued expansion of the project through its three phases and related development could result in additional employment in the area and an increase in the school-age population, but a variety of housing options exist in the Brazosport ISD area so it is difficult to determine if the workforce expected at the Freeport LNG site will have much impact on BISD's enrollment.

Conclusion

The proposed Freeport LNG natural gas liquefaction project enhances the tax base of BISD. It reflects continued capital investment in keeping with the goals of Chapter 313 of the Tax Code.

Under the assumptions outlined above, the potential tax savings for the applicant under a Chapter 313 agreement could reach an estimated \$87.3 million. (This amount is net of any anticipated revenue losses for the District.) The additional taxable value also enhances the tax base of BISD in meeting its future debt service obligations.

Table 1 – Base District Information with Freeport LNG Development, L.P. Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
Pre-Year 1	2017-18	11,569.85	15,136.61	\$1.0400	\$0.2015	\$7,527,065,119	\$7,527,065,119	\$7,650,832,578	\$7,650,832,578	\$505,452	\$505,452
1	2018-19	11,569.85	15,136.61	\$1.0400	\$0.2015	\$9,883,539,051	\$9,883,539,051	\$7,617,065,119	\$7,617,065,119	\$503,221	\$503,221
2	2019-20	11,569.85	15,136.61	\$1.0400	\$0.2015	\$9,933,477,046	\$9,933,477,046	\$9,973,539,051	\$9,973,539,051	\$658,902	\$658,902
3	2020-21	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,047,873,509	\$6,801,568,479	\$10,023,477,046	\$10,023,477,046	\$662,201	\$662,201
4	2021-22	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,003,407,342	\$6,801,772,988	\$8,137,873,509	\$6,891,568,479	\$537,629	\$455,292
5	2022-23	11,569.85	15,136.61	\$1.0400	\$0.2015	\$7,960,612,586	\$6,802,085,410	\$8,093,407,342	\$6,891,772,988	\$534,691	\$455,305
6	2023-24	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,088,191,393	\$6,971,262,637	\$8,050,612,586	\$6,892,085,410	\$531,864	\$455,326
7	2024-25	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,460,202,489	\$7,412,023,237	\$8,178,191,393	\$7,061,262,637	\$540,292	\$466,502
8	2025-26	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,378,316,713	\$7,384,008,046	\$8,550,202,489	\$7,502,023,237	\$564,869	\$495,621
9	2026-27	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,848,819,494	\$7,905,689,270	\$8,468,316,713	\$7,474,008,046	\$559,459	\$493,770
10	2027-28	11,569.85	15,136.61	\$1.0400	\$0.2015	\$8,741,774,301	\$7,856,972,308	\$8,938,819,494	\$7,995,689,270	\$590,543	\$528,235
11	2028-29	11,569.85	15,136.61	\$1.0400	\$0.2015	\$10,455,638,058	\$10,455,638,058	\$8,831,774,301	\$7,946,972,308	\$583,471	\$525,017
12	2029-30	11,569.85	15,136.61	\$1.0400	\$0.2015	\$10,288,527,138	\$10,288,527,138	\$10,545,638,058	\$10,545,638,058	\$696,698	\$696,698
13	2030-31	11,569.85	15,136.61	\$1.0400	\$0.2015	\$10,126,381,498	\$10,126,381,498	\$10,378,527,138	\$10,378,527,138	\$685,658	\$685,658
14	2031-32	11,569.85	15,136.61	\$1.0400	\$0.2015	\$9,971,834,364	\$9,971,834,364	\$10,216,381,498	\$10,216,381,498	\$674,945	\$674,945
15	2032-33	11,569.85	15,136.61	\$1.0400	\$0.2015	\$9,824,526,099	\$9,824,526,099	\$10,061,834,364	\$10,061,834,364	\$664,735	\$664,735

*Tier II Yield: \$47.65; AISD Yield: \$59.97; Equalized Wealth: \$476,500 per WADA

Table 2-- "Baseline Revenue Model"--Project Value Added with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2017-18	\$66,589,603	\$4,136,235	\$0	\$0	-\$3,623,543	\$9,643,031	\$820,067	-\$1,833,116	\$75,732,277
1	2018-19	\$87,568,737	\$4,946,125	\$0	\$0	-\$4,417,475	\$12,681,079	\$1,108,850	-\$2,392,280	\$99,495,037
2	2019-20	\$88,013,324	\$4,136,235	\$0	\$0	-\$23,146,255	\$12,745,461	\$0	-\$3,392,377	\$78,356,388
3	2020-21	\$71,452,678	\$4,946,125	\$0	\$0	-\$19,035,607	\$10,347,267	\$0	-\$2,766,982	\$64,943,481
4	2021-22	\$71,048,690	\$4,136,235	\$0	\$0	-\$7,674,364	\$10,288,764	\$541,772	-\$2,156,993	\$76,184,106
5	2022-23	\$70,659,866	\$4,946,125	\$0	\$0	-\$7,305,495	\$10,232,457	\$567,408	-\$2,127,925	\$76,972,437
6	2023-24	\$71,788,112	\$4,136,235	\$0	\$0	-\$7,099,073	\$10,395,842	\$604,736	-\$2,144,839	\$77,681,014
7	2024-25	\$75,087,549	\$4,946,125	\$0	\$0	-\$8,422,306	\$10,873,643	\$545,298	-\$2,296,071	\$80,734,239
8	2025-26	\$74,348,751	\$4,946,125	\$0	\$0	-\$11,049,697	\$10,766,655	\$302,790	-\$2,416,618	\$76,898,006
9	2026-27	\$78,528,229	\$4,946,125	\$0	\$0	-\$11,062,329	\$11,371,897	\$373,056	-\$2,520,329	\$81,636,649
10	2027-28	\$77,564,633	\$4,946,125	\$0	\$0	-\$14,230,006	\$11,232,356	\$79,434	-\$2,663,869	\$76,928,675
11	2028-29	\$92,662,000	\$4,946,125	\$0	\$0	-\$16,138,863	\$13,418,649	\$170,223	-\$3,136,903	\$91,921,233
12	2029-30	\$91,174,251	\$4,946,125	\$0	\$0	-\$27,375,635	\$13,203,204	\$0	-\$3,693,678	\$78,254,268
13	2030-31	\$89,730,707	\$4,946,125	\$0	\$0	-\$26,003,446	\$12,994,160	\$0	-\$3,585,618	\$78,081,928
14	2031-32	\$88,354,810	\$4,946,125	\$0	\$0	-\$24,678,918	\$12,794,913	\$0	-\$3,481,742	\$77,935,187
15	2032-33	\$87,043,359	\$4,946,125	\$0	\$0	-\$23,415,929	\$12,604,998	\$0	-\$3,382,706	\$77,795,847

Table 3-- "Value Limitation Revenue Model"--Project Value Added with Value Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2017-18	\$66,589,603	\$4,136,235	\$0	\$0	-\$3,623,543	\$9,643,031	\$820,067	-\$1,833,116	\$75,732,277
1	2018-19	\$87,568,737	\$4,946,125	\$0	\$0	-\$4,417,475	\$12,681,079	\$1,108,850	-\$2,392,280	\$99,495,037
2	2019-20	\$88,013,324	\$4,136,235	\$0	\$0	-\$23,146,255	\$12,745,461	\$0	-\$3,392,377	\$78,356,388
3	2020-21	\$60,130,677	\$4,946,125	\$0	\$0	-\$16,019,328	\$8,707,695	\$0	-\$2,328,541	\$55,436,628
4	2021-22	\$60,132,498	\$7,789,297	\$0	\$0	\$0	\$8,707,959	\$1,259,693	-\$1,342,006	\$76,547,441
5	2022-23	\$60,135,279	\$7,787,439	\$0	\$0	\$0	\$8,708,362	\$1,259,596	-\$1,342,162	\$76,548,514
6	2023-24	\$61,641,424	\$7,784,601	\$0	\$0	\$0	\$8,926,471	\$1,290,901	-\$1,375,925	\$78,267,473
7	2024-25	\$65,565,413	\$6,247,718	\$0	\$0	\$0	\$9,494,715	\$1,236,431	-\$1,545,993	\$80,998,284
8	2025-26	\$65,316,000	\$4,946,125	\$0	\$0	-\$2,393,919	\$9,458,597	\$905,908	-\$1,736,775	\$76,495,936
9	2026-27	\$69,960,405	\$4,946,125	\$0	\$0	-\$2,324,629	\$10,131,166	\$991,281	-\$1,847,622	\$81,856,727
10	2027-28	\$69,526,690	\$4,946,125	\$0	\$0	-\$6,468,963	\$10,068,359	\$621,253	-\$2,055,806	\$76,637,657
11	2028-29	\$92,662,000	\$4,946,125	\$0	\$0	-\$8,134,752	\$13,418,649	\$870,570	-\$2,714,176	\$101,048,418
12	2029-30	\$91,174,251	\$4,946,125	\$0	\$0	-\$27,375,635	\$13,203,204	\$0	-\$3,693,678	\$78,254,268
13	2030-31	\$89,730,707	\$4,946,125	\$0	\$0	-\$26,003,446	\$12,994,160	\$0	-\$3,585,618	\$78,081,928
14	2031-32	\$88,354,810	\$4,946,125	\$0	\$0	-\$24,678,918	\$12,794,913	\$0	-\$3,481,742	\$77,935,187
15	2032-33	\$87,043,359	\$4,946,125	\$0	\$0	-\$23,415,929	\$12,604,998	\$0	-\$3,382,706	\$77,795,847

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2017-18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2018-19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	2019-20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	2020-21	-\$11,322,001	\$0	\$0	\$0	\$3,016,278	-\$1,639,571	\$0	\$438,441	-\$9,506,853
4	2021-22	-\$10,916,192	\$3,653,062	\$0	\$0	\$7,674,364	-\$1,580,805	\$717,921	\$814,986	\$363,335
5	2022-23	-\$10,524,586	\$2,841,314	\$0	\$0	\$7,305,495	-\$1,524,095	\$692,188	\$785,763	-\$423,923
6	2023-24	-\$10,146,688	\$3,648,366	\$0	\$0	\$7,099,073	-\$1,469,371	\$686,164	\$768,915	\$586,459
7	2024-25	-\$9,522,136	\$1,301,593	\$0	\$0	\$8,422,306	-\$1,378,928	\$691,132	\$750,078	\$264,045
8	2025-26	-\$9,032,751	\$0	\$0	\$0	\$8,655,779	-\$1,308,059	\$603,118	\$679,843	-\$402,070
9	2026-27	-\$8,567,823	\$0	\$0	\$0	\$8,737,700	-\$1,240,731	\$618,226	\$672,707	\$220,078
10	2027-28	-\$8,037,943	\$0	\$0	\$0	\$7,761,043	-\$1,163,998	\$541,818	\$608,062	-\$291,018
11	2028-29	\$0	\$0	\$0	\$0	\$8,004,111	\$0	\$700,347	\$422,727	\$9,127,184
12	2029-30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	2030-31	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	2031-32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	2032-33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table 5 - Estimated Financial impact of the Freeport LNG Development, L.P. Project Property Value Limitation Request Submitted to BISD at \$1.04 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	Tax Credits for First Two Years Above Limit	Tax Benefit to Company Before Revenue Protection	School District Revenue Losses	Estimated Net Tax Benefits
Pre-Year 1	2017-18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2018-19	\$361,955,446	\$361,955,446	\$0	\$3,764,337	\$3,764,337	\$0	\$0	\$0	\$0	\$0
2	2019-20	\$523,105,071	\$523,105,071	\$0	\$5,440,293	\$5,440,293	\$0	\$0	\$0	\$0	\$0
3	2020-21	\$1,276,305,030	\$30,000,000	\$1,246,305,030	\$13,273,572	\$312,000	\$12,961,572	\$0	\$12,961,572	-\$9,506,853	\$3,454,719
4	2021-22	\$1,231,634,354	\$30,000,000	\$1,201,634,354	\$12,808,997	\$312,000	\$12,496,997	\$1,225,804	\$13,722,801	\$0	\$13,722,801
5	2022-23	\$1,188,527,176	\$30,000,000	\$1,158,527,176	\$12,360,683	\$312,000	\$12,048,683	\$1,225,804	\$13,274,487	-\$423,923	\$12,850,564
6	2023-24	\$1,146,928,756	\$30,000,000	\$1,116,928,756	\$11,928,059	\$312,000	\$11,616,059	\$1,225,804	\$12,841,863	\$0	\$12,841,863
7	2024-25	\$1,078,179,252	\$30,000,000	\$1,048,179,252	\$11,213,064	\$312,000	\$10,901,064	\$1,225,804	\$12,126,868	\$0	\$12,126,868
8	2025-26	\$1,024,308,667	\$30,000,000	\$994,308,667	\$10,652,810	\$312,000	\$10,340,810	\$1,187,991	\$11,528,801	-\$402,070	\$11,126,731
9	2026-27	\$973,130,224	\$30,000,000	\$943,130,224	\$10,120,554	\$312,000	\$9,808,554	\$1,136,429	\$10,944,983	\$0	\$10,944,983
10	2027-28	\$914,801,993	\$30,000,000	\$884,801,993	\$9,513,941	\$312,000	\$9,201,941	\$1,077,663	\$10,279,604	-\$291,018	\$9,988,586
11	2028-29	\$856,971,255	\$856,971,255	\$0	\$8,912,501	\$8,912,501	\$0	\$275,330	\$275,330	\$0	\$275,330
12	2029-30	\$808,428,465	\$808,428,465	\$0	\$8,407,656	\$8,407,656	\$0	\$0	\$0	\$0	\$0
13	2030-31	\$759,976,276	\$759,976,276	\$0	\$7,903,753	\$7,903,753	\$0	\$0	\$0	\$0	\$0
14	2031-32	\$714,429,244	\$714,429,244	\$0	\$7,430,064	\$7,430,064	\$0	\$0	\$0	\$0	\$0
15	2032-33	\$671,613,326	\$671,613,326	\$0	\$6,984,779	\$6,984,779	\$0	\$0	\$0	\$0	\$0
Totals					\$140,715,063	\$51,339,382	\$89,375,681	\$8,580,629	\$97,956,310	-\$10,623,864	\$87,332,446
Tax Credit for Value Over Limit in First 2 Years								Year 1	Year 2	Max Credits	
								\$3,452,337	\$5,128,293	\$8,580,629	
								Credits Earned		\$8,580,629	
								Credits Paid		<u>\$8,580,629</u>	
								Excess Credits Unpaid		\$0	

***Note:** School District Revenue-Loss estimates are subject to change based on numerous factors, including legislative and Texas Education Agency administrative changes to school finance formulas, year-to-year appraisals of project values, and changes in school district tax rates. One of the most substantial changes to the school finance formulas related to Chapter 313 revenue-loss projections could be the treatment of Additional State Aid for Tax Reduction (ASATR). Legislative intent is to end ASATR in 2017-18 school year. Additional information on the assumptions used in preparing these estimates is provided in the narrative of this Report.

Attachment F

Taxable Value of Property

DATE: 06/26/2012
 TIME: 10:06:45

COMPTROLLER OF PUBLIC ACCOUNTS - PROPERTY TAX ASSISTANCE DIVISION
 2011 ISD SUMMARY WORKSHEET
 020/Brazoria
 020-905/Brazesport ISD

PAGE: 001
 REPT: PTS265
 VRSN: F

CATEGORY	LOCAL TAX ROLL VALUE	2011 WTD MEAN RATIO	2011 PTAD VALUE ESTIMATE	2011 VALUE ASSIGNED
A. SINGLE-FAMILY RESIDENCES	2,042,998,142	N/A	2,042,998,142	2,042,998,142
B. MULTIFAMILY RESIDENCES	108,139,127	N/A	108,139,127	108,139,127
C. VACANT LOTS	82,226,940	N/A	82,226,940	82,226,940
D. RURAL REAL (TAXABLE)	47,424,074	N/A	47,424,074	47,424,074
F1. COMMERCIAL REAL	415,933,004	N/A	415,933,004	415,933,004
F2. INDUSTRIAL REAL	4,026,773,400	N/A	4,026,773,400	4,026,773,400
G. OIL, GAS, MINERALS	14,456,619	N/A	14,456,619	14,456,619
J. UTILITIES	136,336,280	N/A	136,336,280	136,336,280
L1. COMMERCIAL PERSONAL	270,430,460	N/A	270,430,460	270,430,460
L2. INDUSTRIAL PERSONAL	708,659,460	N/A	708,659,460	708,659,460
M. MOBILE HOMES	3,058,780	N/A	3,058,780	3,058,780
N. INTANGIBLE PERS/UNCERT	0	N/A	0	0
O. RESIDENTIAL INVENTORY	20,945,920	N/A	20,945,920	20,945,920
S. SPECIAL INVENTORY	8,631,960	N/A	8,631,960	8,631,960
SUBTOTAL	7,886,014,166		7,886,014,166	7,886,014,166
LESS TOTAL DEDUCTIONS	1,584,426,986		1,584,426,986	1,584,426,986
TOTAL TAXABLE VALUE	6,301,587,180		6,301,587,180	6,301,587,180 T2

CATEGORY D DETAIL	LOCAL TAX ROLL	RATIO	PTAD VALUE
MARKET VALUE NON-QUALIFIED ACRES & FARM/RANCH IMP	45,160,645	N/A	45,160,645
PROD VALUE QUALIFIED ACRES	2,263,429	N/A	2,263,429
TAXABLE VALUE	47,424,074		47,424,074

THE TAXABLE VALUES SHOWN HERE WILL NOT MATCH THE VALUES REPORTED BY YOUR APPRAISAL DISTRICT
 SEE THE ISD DEDUCTION REPORT FOR A BREAKDOWN OF DEDUCTION VALUES

DATE: 06/26/2012
 TIME: 10:06:45

COMPTROLLER OF PUBLIC ACCOUNTS - PROPERTY TAX ASSISTANCE DIVISION
 2011 FINAL VALUES WORKSHEET
 020/Brazoria
 020-905/Brazosport ISD

PAGE: 002
 REPT: PTS265
 VRSN: F

GOVERNMENT CODE SUBSECTIONS 403.302 (J) AND (K) REQUIRE THE COMPTROLLER TO CERTIFY ALTERNATIVE MEASURES OF SCHOOL DISTRICT WEALTH. THESE MEASURES ARE REPORTED FOR TAXABLE VALUES FOR MAINTENANCE AND OPERATIONS (M&O) TAX PURPOSES AND FOR INTEREST AND SINKING FUND (I&S) TAX PURPOSES. FOR DISTRICTS THAT HAVE NOT ENTERED INTO VALUE LIMITATION AGREEMENTS, T1 THROUGH T6 WILL BE THE SAME AS T7 THROUGH T12.

VALUE TAXABLE FOR M&O PURPOSES

T1	T2	T3	T4	T5	T6
6,432,782,969	6,301,587,180	6,352,993,828	6,221,798,039	6,307,536,999	6,227,747,858

LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION

131,195,789

50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION

79,789,141

T1 = SCHOOL DISTRICT TAXABLE VALUE FOR M&O PURPOSES BEFORE THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION
 T2 = SCHOOL DISTRICT TAXABLE VALUE FOR M&O PURPOSES AFTER THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION AND THE TAX CEILING REDUCTION
 T3 = T1 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T4 = T2 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T5 = T2 BEFORE THE LOSS TO THE TAX CEILING REDUCTION
 T6 = T5 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION

VALUE TAXABLE FOR I&S PURPOSES

T7	T8	T9	T10	T11	T12
6,722,679,659	6,591,483,870	6,642,890,518	6,511,694,729	6,597,433,689	6,517,644,548

T7 = SCHOOL DISTRICT TAXABLE VALUE FOR I&S PURPOSES BEFORE THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION AND THE TAX CEILING REDUCTION
 T8 = SCHOOL DISTRICT TAXABLE VALUE FOR I&S PURPOSES AFTER THE LOSS TO THE ADDITIONAL \$10,000 HOMESTEAD EXEMPTION AND THE TAX CEILING REDUCTION
 T9 = T7 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T10 = T8 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION
 T11 = T8 BEFORE THE LOSS TO THE TAX CEILING REDUCTION
 T12 = T11 MINUS 50% OF THE LOSS TO THE LOCAL OPTIONAL PERCENTAGE HOMESTEAD EXEMPTION

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

**** END OF REPORT ****

Attachment G

Participation Agreement

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE
OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES**

by and between

BRAZOSPORT INDEPENDENT SCHOOL DISTRICT

and

FREEPORT LNG DEVELOPMENT, L.P.
(Texas Taxpayer ID # 12700304111)

and its affiliates

FLNG LIQUEFACTION 2, LLC
(Texas Taxpayer ID # 32048303864)

FLNG LIQUEFACTION 3, LLC
(Texas Taxpayer ID # 32048642410)

FLIQ COMMON FACILITIES, LLC
(Texas Taxpayer ID # 32048786746)

ANGLER PIPELINE, LLC
(Texas Taxpayer ID # 32041445050)

TEXAS COMPTROLLER APPLICATION NO. 246

Dated

February 19, 2013

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

STATE OF TEXAS §

COUNTY OF BRAZORIA §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between the **BRAZOSPORT INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the “District,” a lawfully created independent school district within the State of Texas operating under and subject to the Texas Education Code, and **FREEPORT LNG DEVELOPMENT, L.P.**, (*Texas Taxpayer ID #12700304111*) together with its affiliates: **FLNG LIQUEFACTION 2, LLC**, (*Texas Taxpayer ID #32048303864*); **FLNG LIQUEFACTION 3, LLC**, (*Texas Taxpayer ID #32048642410*); **FLIQ COMMON FACILITIES, LLC**, (*Texas Taxpayer ID #32048786746*); and, **ANGLER PIPELINE, LLC**, (*Texas Taxpayer ID #32041445050*), hereinafter collectively referred to as the “Applicant.” The Applicant and the District are each hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.” Certain capitalized and other terms used in this Agreement shall have the meanings ascribed to them in Section 1.3.

RECITALS

WHEREAS, on August 31, 2012, the Superintendent of Schools of the Brazosport Independent School District, acting as agent of the Board of Trustees of the District (the “Board of Trustees”), received from the Applicant an Application for Appraised Value Limitation on Qualified Property (“Application”), pursuant to Chapter 313 of the Texas Tax Code; and,

WHEREAS, on September 4, 2012, the Board of Trustees authorized the Superintendent to accept, on behalf of the District, the Application from Freeport LNG Development, L.P., (*Texas Taxpayer ID #12700304111*) and its affiliates: FLNG Liquefaction 2, LLC, (*Texas Taxpayer ID #32048303864*); FLNG Liquefaction 3, LLC (*Texas Taxpayer ID # 32048642410*); FLIQ Common Facilities, LLC, (*Texas Taxpayer ID # 32048786746*); and, Angler Pipeline, LLC, (*Texas Taxpayer ID # 32041445050*), and on September 4, 2012, the Superintendent acknowledged receipt of the Application and the requisite application fee as established pursuant to Texas Tax Code §313.025(a)(1) and Local District Policy CCG (Local); and,

WHEREAS, on or about October 17, 2012, the Superintendent of Schools of the Brazosport Independent School District, acting as agent of the Board of Trustees, received supplemental Application materials from the Applicant concerning the previously submitted Application, pursuant to Chapter 313 of the Texas Tax Code; and,

WHEREAS, the Application, together with the supplemental materials, were delivered to the Texas Comptroller’s Office for review pursuant to Texas Tax Code §313.025(d); and,

WHEREAS, the Comptroller has established September 21, 2012 as the completed Application date; and,

WHEREAS, pursuant to 34 Texas Administrative Code §9.1054, the Application was delivered for review to the Brazoria County Appraisal District established in Brazoria County, Texas (the "Brazoria County Appraisal District"), pursuant to Texas Tax Code §6.01; and,

WHEREAS, on February 5, 2013, at a duly called and noticed Board meeting, the Board of Trustees hereby granted an extension of time to Freeport LNG Development, L.P., and its affiliates, in accordance with Tex. Tax Code § 313.025(b) for final action upon the pending application until April 30, 2013; and,

WHEREAS, the Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.025(d), and, on December 19, 2012, the Comptroller, via letter, recommended that the Application be approved; and,

WHEREAS, the Comptroller conducted an economic impact evaluation pursuant to Chapter 313 of the Texas Tax Code which was presented to the Board of Trustees at the February 19, 2013 public hearing held in connection with the Board of Trustee's consideration of the Application; and,

WHEREAS, the Board of Trustees has carefully reviewed the economic impact evaluation pursuant to Texas Tax Code §313.026 and has carefully considered such The Comptroller's positive recommendation for the project; and,

WHEREAS, the Applicant has requested, pursuant to the authority created by Texas Tax Code §313.027(h), that the date upon which the Qualifying Time Period for the project begins, *i.e.* the "Commencement Date," be deferred until January 2, 2017.

WHEREAS, on February 19, 2013, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District; and,

WHEREAS, on February 19, 2013, the Board of Trustees made factual findings pursuant to Texas Tax Code §313.025(f), including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) this Agreement is in the best interest of the District and the State of Texas; (iii) the Applicant is eligible for the Limitation on Appraised Value of the Applicant's Qualified Property; and, (iv) each criterion listed in Texas Tax Code §313.025(e) has been met; and,

WHEREAS, the Brazosport Independent School District was within an area that qualified as a strategic investment area under Chapter 171 of the Texas Tax Code, Subchapter O immediately before that Subchapter expired; and because of that fact, the District qualifies as a rural school district under the provisions of Texas Tax Code §313.051(a)(1); and,

WHEREAS, on February 19, 2013, the Board of Trustees determined that the Tax Limitation Amount requested by the Applicant, and as defined in Sections 1.2 and 1.3, below, is consistent with the minimum values set out by Texas Tax Code, §§313.022(b) and 313.052, as such Tax Limitation Amount was computed as of the date of this Agreement; and,

WHEREAS, on February 19, 2013, the District received written notification, pursuant to 34 Texas Administrative Code §9.1055(e)(2)(A), that the Texas Comptroller of Public Accounts reviewed this Agreement and reaffirmed the recommendation previously made on December 19, 2012 that the Application be approved: and,

WHEREAS, on February 12, 2013, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary to execute and deliver such Agreement to the Applicant;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

ARTICLE I

AUTHORITY, TERM, DEFINITIONS, AND GENERAL PROVISIONS

Section 1.1. AUTHORITY

This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Texas Tax Code §313.027.

Section 1.2. TERM OF THE AGREEMENT

This Agreement shall commence and first become effective on the Commencement Date, as defined in Section 1.3, below. In the event that the Applicant makes a Qualified Investment in the amount defined in Section 2.6 below, between the Commencement Date and the end of the Qualifying Time Period, the Applicant will be entitled to the Tax Limitation Amount defined in Section 1.3 below, for the following Tax Years: 2020, 2021, 2022, 2023, 2024, 2025, 2026, and 2027. The limitation on the local ad valorem property values for Maintenance and Operations purposes shall commence with the property valuations made as of January 1, 2020, the appraisal date for the third full Tax Year following the Commencement Date.

The period beginning with the Commencement Date of January 2, 2017 and ending on December 31, 2019 will be referred to herein as the "Qualifying Time Period," as that term is defined in Texas Tax Code §313.021(4). The Applicant shall not be entitled to a tax limitation during the Qualifying Time Period.

Unless sooner terminated as provided herein, the limitation on the local ad valorem property values shall terminate on December 31, 2027. Except as otherwise provided herein, this Agreement will terminate in full on the Final Termination Date. The termination of this

Agreement shall not (i) release any obligations, liabilities, rights and remedies arising out of any breach of, or failure to comply with, this Agreement occurring prior to such termination, or (ii) affect the right of a Party to enforce the payment of any amount to which such Party was entitled before such termination or to which such Party became entitled as a result of an event that occurred before such termination, so long as the right to such payment survives said termination.

Except as otherwise provided herein, the Tax Years for which this Agreement is effective are as set forth below and set forth opposite each such Tax Year are the corresponding year in the term of this Agreement, the date of the Appraised Value determination for such Tax Year, and a summary description of certain provisions of this Agreement corresponding to such Tax Year (it being understood and agreed that such summary descriptions are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement):

Full Tax Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary Description of Provisions
Partial Year Commencing on date of Board approval (2/19/13)	January 1, 2013	2013-14	2013	Deferral Period
Pre-year	January 1, 2014	2014-15	2014	Deferral Period
Pre-year	January 1, 2015	2015-16	2015	Deferral Period
Pre-year	January 1, 2016	2016-17	2016	Deferral Period
Partial Year January 1, 2017 to January 2, 2017	January 1, 2017	2017-18	2017	Deferral Period
Partial Year (Commencing January 2, 2017)	January 1, 2017	2017-18	2017	Start of Qualifying Time Period beginning with Commencement Date. No limitation on value. First year for computation of Annual Limit.
1	January 1, 2018	2018-19	2018	Qualifying Time Period. No limitation on value. Possible tax credit in future years.
2	January 1, 2019	2019-20	2019	Qualifying Time Period. No limitation on value. Possible tax credit in future years.

Full Tax Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary Description of Provisions
3	January 1, 2020	2020-21	2020	\$ 30 million property value limitation.
4	January 1, 2021	2021-22	2021	\$ 30 million property value limitation. Possible tax credit due to Applicant.
5	January 1, 2022	2022-23	2022	\$ 30 million property value limitation. Possible tax credit due to Applicant.
6	January 1, 2023	2023-24	2023	\$ 30 million property value limitation. Possible tax credit due to Applicant.
7	January 1, 2024	2024-25	2024	\$ 30 million property value limitation. Possible tax credit due to Applicant.
8	January 1, 2025	2025-26	2025	\$ 30 million property value limitation. Possible tax credit due to Applicant.
9	January 1, 2026	2026-27	2026	\$ 30 million property value limitation. Possible tax credit due to Applicant.
10	January 1, 2027	2027-28	2027	\$ 30 million property value limitation. Possible tax credit due to Applicant.
11	January 1, 2028	2028-29	2028	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.
12	January 1, 2029	2029-30	2029	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early

Full Tax Year of Agreement	Date of Appraisal	School Year	Tax Year	Summary Description of Provisions
				termination.
13	January 1, 2030	2030-31	2030	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.

Section 1.3. DEFINITIONS

Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning, to-wit:

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the Texas Tax Code, as amended.

“Affiliate” means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Applicant. For purposes of this definition, control of an entity means (i) the ownership, directly or indirectly, of fifty (50) percent or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.

“Affiliated Group” means a group of one or more entities in which a controlling interest is owned by a common owner or owners, either corporate or non-corporate, or by one or more of the member entities.

“Aggregate Limit” means, for any year of this Agreement, the cumulative total of the Annual Limit for the current year and all previous years of the Agreement, less all amounts paid by the Applicant to or on behalf of the District under Article IV, below.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented from time to time in accordance with Section 6.3.

“Annual Limit” means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Texas Tax Code §313.027(i). For purposes of this Agreement, the amount of the Annual Limit shall be One Million One Hundred Fifty Thousand Seven Hundred Nine Dollars and Thirty Cents (\$1,157,309.30) based upon the District’s 2011-12 Average Daily Attendance of 11,573.093. The Annual Limit shall first be computed for tax year 2017, which, by virtue of the Commencement Date is the first year of the Qualifying Time Period under this Agreement.

“Applicant” means Freeport LNG Development, L.P., (Texas Taxpayer ID #12700304111) and its affiliates: FLNG Liquefaction 2, LLC, (Texas Taxpayer ID #32048303864); FLNG Liquefaction 3, LLC (Texas Taxpayer ID # 32048642410); FLIQ Common Facilities, LLC, (Texas Taxpayer ID #32048786746); and, Angler Pipeline, LLC, (Texas Taxpayer ID #32041445050), the companies listed in the Preamble of this Agreement who, on September 4, 2012, filed the Original Application; and on October 17, 2012, filed supplemental Application materials with the District for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The term “Applicant” shall also include the Applicants’ assigns and successors-in-interest and their direct and indirect subsidiaries.

“Applicable School Finance Law” means Chapters 41 and 42 of the Texas Education Code, the Texas Economic Development Act (Chapter 313 of the Texas Tax Code), Chapter 403, Subchapter M, of the Texas Government Code applicable to the District, and the Constitution and general laws of the State applicable to the independent school districts of the State, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of the Applicant’s ad valorem tax obligation to the District, either with or without the limitation of property values made pursuant to this Agreement.

“Application” means the Original Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, of the Texas Tax Code) filed with the District by the Applicant on September 4, 2012, together with the October 17, 2012 supplemental Application materials, which have been certified by the Comptroller to collectively constitute a complete final Application as of the date of September 21, 2012. The term includes all forms required by the Comptroller; the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the Texas Tax Code.

“Appraisal District” means the Brazoria County Appraisal District.

“Board of Trustees” means the Board of Trustees of the Brazosport Independent School District.

“Commencement Date” means January 2, 2017. By agreement of the Parties pursuant to Texas Tax Code §313.027(h), the Commencement Date has been deferred, at the request of the Applicant, from the date upon which this Agreement was approved by the District’s Board of Trustees.

"Comptroller" means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

"Comptroller's Rules" means the applicable rules and regulations of the Comptroller set forth at Chapter 34 of the Texas Administrative Code, Chapter 9, Subchapter D, together with any court or administrative decisions interpreting same.

"County" means Brazoria County, Texas.

"Determination of Breach" shall have the meaning assigned to such term in Section 7.8 of the Agreement.

"District" or "School District" means the Brazosport Independent School District, being a duly authorized and operating independent school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant's Qualified Property or the Applicant's Qualified Investment.

"Final Termination Date" means December 31, 2030.

"Force Majeure" means a failure caused by (a) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over the Applicant, the Applicant's Qualified Property or the Applicant's Qualified Investment or any upstream, intermediate or downstream equipment or support facilities as are necessary to the operation of the Applicant's Qualified Property or the Applicant's Qualified Investment; (b) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (c) the action, judgment or decree of any court; (d) floods, storms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this Agreement shall require the Applicant to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend franchises, licenses or permits, loss, interruption, curtailment or failure to obtain electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers to deliver equipment, parts or material, or inability of the Applicant to ship or failure of carriers to transport electricity from the Applicant's facilities; or (e) any other cause (except financial), whether similar or dissimilar, over which the Applicant has no reasonable control and which forbids or prevents performance.

"Land" shall have the meaning assigned to such term in Section 2.2.

"Maintain Viable Presence" means after the development and construction of the project described in the Application and in the description of Qualified Investment/Qualified Property as set forth in Section 2.3, below, (i) the operation over the term of this Agreement of the facility or facilities for which the tax limitation is granted, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured, and/or reengineered: (ii) the retention over the term of this Agreement of the number of New Jobs and Qualifying Jobs set forth in its Application by the Applicant, and the retention of the highest number of New Jobs and Qualifying Jobs set forth in its Application through the Final Termination Date of this Agreement.

"M&O Amount" shall have the meaning assigned to such term in Section 3.2 of the Agreement.

"Maintenance and Operations Revenue" or "M&O Revenue" means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Texas Education Code §45.002 and Article VII §3 of the Texas Constitution, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the Texas Education Code or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace District M&O Revenue lost as a result of such similar agreements, less (iv) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the Texas Education Code.

"Market Value" shall have the meaning assigned to such term in Section 1.04(7) of the Texas Tax Code.

"Net Tax Benefit" means, (i) the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for all Tax Years if this Agreement had not been entered into by the Parties, (ii) adding to the amount determined under clause (i) all Tax Credits received by the Applicant under Chapter 313 of the Texas Tax Code, and (iii) subtracting from the sum of the amounts determined under clauses (i) and (ii) the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas, for all Tax Years of this Agreement, plus (B) any payments due to the District under Article III under this Agreement.

"New Jobs" means the total number of jobs, defined by 34 Texas Administrative Code §9.1051, which the Applicant will create in connection with the project that is the subject of its Application. In accordance with the requirements of Texas Tax Code §313.024(d), Eighty Percent (80%) of all New Jobs created by the Applicant on the project shall also be Qualifying Jobs, as defined below.

"Qualified Investment" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"Qualifying Jobs" means the number of New Jobs Applicant will create in connection with the project which is the subject of its Application that meet the requirements of Texas Tax Code §313.021(3).

"Qualified Property" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules and the Texas Attorney General, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"Qualifying Time Period" means, after a deferral period as permitted by Texas Tax Code §313.027(h), the period that begins on the Commencement Date of January 2, 2017 and ends on December 31, 2017.

"Revenue Protection Amount" means the amount calculated pursuant to Section 3.2 of this Agreement.

"State" means the State of Texas.

"Substantive Document" means a document or other information or data in electronic media determined by the Comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the agreement or implementation of an agreement for limitation of appraised value pursuant to Chapter 313 of the Texas Tax Code. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements, any economic impact evaluation made in connection with an application, any agreement between the Applicant and the District and any subsequent amendments or assignments, any school district written finding or report filed with the comptroller as required under this subchapter, and any application requesting school tax credits under Tax Code, §313.103.

"Tax Credit" means the tax credit, either to be paid by the District to the Applicant or to be applied against any taxes that the District imposes on Qualified Property, as computed under the provisions of Subchapter D of the Act, and rules adopted by the Comptroller and/or the Texas Education Agency, provided that the Applicant complies with the requirements under such provisions, including the timely filing of a completed application under Texas Tax Code §313.103 and the duly adopted administrative rules.

"Tax Limitation Amount" means the maximum amount which may be placed as the Appraised Value on Qualified Property/Qualified Investment for years three (3) through ten (10) of this Agreement pursuant to Texas Tax Code §313.054. That is, for each of the eight (8) Tax Years 2020, 2021, 2022, 2023, 2024, 2025, 2026, and 2027, the Appraised Value of the Applicant's Qualified Investment for the District's maintenance and operations ad valorem tax purposes shall not exceed, and the Tax Limitation Amount shall be, the lesser of:

- (a) the Market Value of the Applicant's Qualified Investment; or

(b) Thirty Million Dollars (\$30,000,000.00).

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Texas Tax Code, §313.022(b) or §313.052.

"*Tax Year*" shall have the meaning assigned to such term in Section 1.04(13) of the Texas Tax Code (*i.e.*, the calendar year).

"*Taxable Value*" shall have the meaning assigned to such term in Section 1.04(10) of the Texas Tax Code.

"*Texas Education Agency Rules*" means the applicable rules and regulations adopted by the Texas Commissioner of Education in relation to the administration of Chapter 313 of the Texas Tax Code, which are set forth at Title 19 – Part 2, Texas Administrative Code, together with any court or administrative decisions interpreting same.

ARTICLE II

PROPERTY DESCRIPTION

Section 2.1. LOCATION WITHIN A QUALIFIED REINVESTMENT OR ENTERPRISE ZONE

The Applicant's Qualified Property upon which the Applicant's Qualified Investment will be located is within an area designated as a reinvestment zone under Chapter 311 or 312 of the Texas Tax Code. The legal description of the reinvestment zones in which the Applicant's Qualified Property is located is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 2.2. LOCATION OF QUALIFIED PROPERTY

The location of the Applicant's Qualified Property upon which the Applicant's Qualified Investment will be located is described in the legal description which is attached to this Agreement as **EXHIBIT 2** and is incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** without the express authorization of each of the Parties.

Section 2.3. DESCRIPTION OF QUALIFIED INVESTMENT AND QUALIFIED PROPERTY

The Qualified Investment and/or Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 3**, which is attached hereto and incorporated herein by reference for all purposes ("Applicant's Qualified Investment"). Qualified Investment shall be that property, described in **EXHIBIT 3** which is placed in service under the terms of the Application, during the Qualifying Time Period described in both Section 1.2, above, and the definition of Qualifying Time Period set forth in Section 1.3, above. Qualified Property shall be all property,

described in **EXHIBIT 3**, including, but not limited to the Applicant's Qualified Investment, together with the land described in **EXHIBIT 2** which: 1) is owned by the Applicant; 2) was first placed in service after September 21, 2012, the completed Application date established by the Comptroller; and 3) is used in connection with the activities described in the Application. Property which is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Investment or Qualified Property for purposes of this Agreement, unless pursuant to Texas Tax Code §313.027(e) and Section 8.3 of this Agreement, the Board of Trustees, by official action, provides that such other property is a part of the Applicant's Qualified Investment for purposes of this Agreement.

Property owned by the Applicant which is not described on **EXHIBIT 3** may not be considered to be Qualified Property unless the Applicant:

- (a) submits to the District and the Comptroller a written request to add property to the limitation agreement, which request shall include a specific description of the additional property to which the Applicant requests that the limitation apply;
- (b) notifies the District and the Comptroller of any other changes to the information that was provided in the Application approved by the District; and,
- (c) provides any additional information reasonably requested by the District or the Comptroller necessary to re-evaluate the economic impact analysis for the new or changed conditions.

Section 2.4. APPLICANT'S OBLIGATIONS TO PROVIDE CURRENT INVENTORY OF QUALIFIED PROPERTY

At the end of the Qualifying Time Period, or at any other time when there is a material change in the Qualified Property located on the land described in **EXHIBIT 2**; upon a reasonable request of the District, the Comptroller, or the Appraisal District, the Applicant shall provide to the District, the Comptroller, and the Appraisal District a specific and detailed description of the tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Qualified Property to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property within the boundaries of the real property which is subject to the Agreement.

Section 2.5. QUALIFYING USE

The Applicant's Qualified Investment described above in Section 2.3 qualifies for a tax limitation agreement under Texas Tax Code §313.024(b)(1) as a manufacturing facility.

Section 2.6. LIMITATION ON APPRAISED VALUE

So long as the Applicant makes a Qualified Investment in the amount Thirty Million Dollars (\$30,000,000.00), or greater, during the Qualifying Time Period; and unless this

Agreement has been terminated as provided herein before such Tax Year, for each of the eight (8) Tax Years 2020, 2021, 2022, 2023, 2024, 2025, 2026, and 2027, the Appraised Value of the Applicant's Qualified Investment for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- (a) the Market Value of the Applicant's Qualified Investment; or
- (b) Thirty Million Dollars (\$30,000,000.00).

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Texas Tax Code §313.052.

ARTICLE III

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 3.1. INTENT OF THE PARTIES

Subject to the limitations contained in this Agreement (including Section 5.1), it is the intent of the Parties that the District shall, in accordance with the provisions of Texas Tax Code §313.027(f)(1), be compensated by the Applicant for any loss that the District incurs in its Maintenance and Operations Revenue as a result of, or on account of, entering into this Agreement, after taking into account any payments to be made under this Agreement. Such payments shall be independent of, and in addition to, all such other payments as are set forth in Article IV. Subject only to the limitations contained in this Agreement (including Section 5.1), it is the intent of the Parties that the risk of any negative financial consequence to the District in making the decision to enter into this Agreement will be borne by the Applicant and not by the District, and paid by the Applicant to the District in addition to any and all payments due under Article IV.

Section 3.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT

Subject to the provisions of Sections 5.1 and 5.2, the amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the "M&O Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formulae:

For each of Tax Years 2020 through 2027, the M&O Amount owed by the Applicant to District means the Original M&O Revenue *minus* the New M&O Revenue;

Where:

- i. "*Original M&O Revenue*" means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance

Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified Investment been subject to the ad valorem maintenance & operations tax at the tax rate set by the District for the applicable year.

- ii. "*New M&O Revenue*" means the total State and local Maintenance & Operations Revenue that the District actually received for such school year, after all adjustments have been made to Maintenance and Operations Revenue because of any portion of this Agreement.

In making all of the calculations required by this Section 3.2 and for purposes of this Agreement only:

- i. the Taxable Value of Qualified Property, for each school year will be determined under the Applicable School Finance Law.
- ii. The tax collection rate on the Applicant's Qualified Property and/or the Applicant's Qualified Investment will be presumed to be one hundred percent (100%).
- iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue, as calculated under this Section 3.2 results in a negative number, the negative number will be considered to be zero.
- iv. All calculations made for years three (3) through ten (10) of this Agreement under Section 3.2 will reflect the Tax Limitation Amount for such year.
- v. All calculations made under this Section 3.2 shall be made by a methodology which isolates the full M & O Revenue impact caused by this Agreement.
- vi. The Applicant shall not be responsible under this Agreement to reimburse the District for other revenue losses created by other agreements, on account of any other factors not contained in or described by this Agreement.

Section 3.3. COMPENSATION FOR LOSS OF OTHER REVENUES

In addition to the amounts determined pursuant to Section 3.2 above, and to the extent provided in Section 6.3, the Applicant, on an annual basis, shall also indemnify and reimburse the District for the following:

- (a) all non-reimbursed costs incurred by the District in paying or otherwise crediting to the account of the Applicant, any applicable tax credit to which the Applicant

may be entitled pursuant to Chapter 313, Subchapter D of the Texas Tax Code, and for which the District does not receive reimbursement from the State pursuant to Texas Education Code §42.2515, or other similar or successor statute.

- (b) all non-reimbursed costs, certified by the District's external auditor to have been incurred by the District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project.
- (c) any other loss of District revenues which are, or may be attributable to the payment by the Applicant to or on behalf of any other third party beneficiary.

Section 3.4. CALCULATIONS TO BE MADE BY THIRD PARTY

All calculations under this Agreement shall be made annually by an independent third party (the "Third Party") jointly approved each year by the District and the Applicant. If the Parties cannot agree on the Third Party, then the Third Party shall be selected by the mediator provided in Section 7.9 of this Agreement.

Section 3.5. DATA USED FOR CALCULATIONS

The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Brazoria County Appraisal District in its annual certified tax roll submitted to the District pursuant to Texas Tax Code §26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected under Section 3.4. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third Party to reflect actual amounts, subsequent adjustments by the Brazoria County Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 3.6. DELIVERY OF CALCULATIONS

On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 3.4 of this Agreement shall forward to the Parties a certification containing the calculations required under Sections 3.2 and/or 3.3 and Article IV, or under Section 5.1 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's offices, personnel, books, records, and correspondence

pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculation and fee for a period of five (5) years after payment. The Applicant shall not be liable for any of Third Party's costs resulting from an audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement or the fee paid by the Applicant to the Third Party pursuant to Section 3.7, if such fee is timely paid.

Section 3.7. PAYMENT BY APPLICANT

The Applicant shall pay any amount determined to be due and owing to the District under this Agreement on or before the January 31 of the year next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party for all calculations under this Agreement under Section 3.6, above, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or tax credit or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement. In no year shall the Applicant be responsible for the payment of any total expenses under this Section and Section 3.6, above, in excess of Ten Thousand Dollars (\$10,000.00).

Section 3.8. RESOLUTION OF DISPUTES

Pursuant to Section 3.4 and Section 3.6, should the Applicant disagree with the certification containing the calculations, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days of receipt of the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Third Party will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the District's Board of Trustees within thirty (30) days of the final determination of certification containing the calculations.

Section 3.9. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT

In the event that, at the time the Third Party selected under Section 3.4 makes its calculations under this Agreement, the Applicant has appealed the taxable values placed by the County Appraisal District on the Qualified Property, and the appeal of the appraised values are unresolved, the Third Party shall base its calculations upon the values placed upon the Qualified Property by the County Appraisal District.

In the event that the result of an appraisal appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of a new value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations for the applicable year or

years. In the event the new calculations result in the change of any amount payable by the Applicant under this Agreement, the party from whom the adjustment is payable shall remit such amounts to the counter-party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 3.10. EFFECT OF STATUTORY CHANGES

Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 5.1, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by the Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, the Applicant shall make payments to the District, up to the revenue protection amount limit set forth in Section 5.1, that are necessary to offset any negative impact on the District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

ARTICLE IV

Section 4.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS

In interpreting the provisions of Article IV, the Parties agree as follows:

(a) **Amounts Exclusive of Indemnity Amounts**

In addition to undertaking the responsibility for the payment of all of the amounts set forth under Article III, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for the Supplemental Payments set forth in this Article IV. The Applicant shall not be responsible to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the Texas Tax Code, unless it is explicitly set forth in this Agreement. It is the express intent of the Parties that the obligation for Supplemental Payments under this Article IV are separate and independent of the obligation of the Applicant to pay the amounts described in Article III; provided, however, that all payments under Articles III and IV are subject to the limitations contained in Section 5.1, and that all payments under Article IV are subject to the separate limitations contained in Section 4.4.

(b) **Adherence to Statutory Limits on Supplemental Payments**

It is the express intent of the Parties that any Supplemental Payments made to or on behalf of the District by the Applicant, under this Article IV, shall not exceed

the limit imposed by the provisions of Texas Tax Code §313.027(i) unless that limit is increased by the Legislature at a future date.

Section 4.2. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO AGGREGATE LIMIT

During the term of this Agreement, the District shall not be entitled to receive Supplemental Payments that exceed the least amount which would be due to the District under any of the following three Subsections:

- (a) the Applicant’s Stipulated Supplemental Payment Amount, defined as ten percent (10%) of the Applicant’s Net Tax Benefit, as the term is defined in Section 1.3, above; or,
- (b) the Aggregate Limit, as the term is defined in Section 1.3, above; or,
- (c) on an annual basis, the amounts listed below:

<u>APPLICABLE TAX YEAR</u>	<u>PAYMENT DUE DATE</u>	<u>PAYMENT AMOUNT</u>
2020	January 31, 2021	\$1,050,000
2021	January 31, 2022	\$1,050,000
2022	January 31, 2023	\$1,050,000
2023	January 31, 2024	\$1,050,000
2024	January 31, 2025	\$1,050,000
2025	January 31, 2026	\$1,050,000
2026	January 31, 2027	\$1,050,000
2027	January 31, 2028	\$1,050,000
2028	January 31, 2029	\$1,050,000
2029	January 31, 2030	\$1,050,000

Section 4.3. ANNUAL CALCULATION OF STIPULATED SUPPLEMENTAL PAYMENT AMOUNT

The Parties agree that for each Tax Year of this Agreement, beginning with the third full year (Tax Year 2020), the Stipulated Supplemental Payment amount, described in Section 4.2 will annually be calculated based upon the then most current estimate of tax savings to the Applicant, which will be made, based upon assumptions of student counts, tax collections, and other applicable data, in accordance with the following formula:

Taxable Value of the Applicant's Qualified Property for such Tax Year had this Agreement not been entered into by the Parties (i.e., the Taxable Value of the Applicant's Qualified Property used for the District's interest and sinking fund tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Minus,

The Taxable Value of the Applicant's Qualified Property for such Tax Year after giving effect to this Agreement (i.e., the Taxable Value of the Applicant's Qualified Property used for the District's maintenance and operations tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Multiplied by,

The District's maintenance and operations tax rate for such Tax Year, or the school tax rate of any other governmental entity, including the State of Texas, for such Tax Year;

Plus,

Any Tax Credit received by the Applicant with respect to such Tax Year;

Minus,

Any amounts previously paid to the District under Article III;

Multiplied by,

The number 0.1;

Minus,

Any amounts previously paid to the District under Sections 4.2 and 4.3 with respect to such Tax Year.

In the event that there are changes in the data upon which the calculations set forth herein are made, the Third Party described in Section 3.4, above, shall adjust the Stipulated Supplemental Payment amount calculation to reflect any changes in the data.

Section 4.4. CALCULATION OF ANNUAL SUPPLEMENTAL PAYMENTS TO THE DISTRICT AND APPLICATION OF AGGREGATE LIMIT

For each year of this Agreement, beginning with year three (Tax Year 2020) and continuing thereafter through year thirteen (Tax Year 2030), the District, or its Successor Beneficiary, should one be designated under Section 4.6 below, shall not be entitled to receive Supplemental Payments, computed under Sections 4.2 and 4.3, above, that exceed the Aggregate Limit, defined in Section 1.3, above.

If, for any year of this Agreement the payment of the Applicant's Stipulated Supplemental Payment amount, calculated under sections 4.2 and 4.3 above, exceeds the Aggregate Limit for that year, the difference between the Stipulated Supplemental Payment amount and the Aggregate Limit, shall be carried forward from year-to-year into subsequent years of this Agreement, and to the extent not limited by the Aggregate Limit in any subsequent year of this Agreement, shall be paid to the District.

Any Stipulated Supplemental Payment amount, which cannot be made to the District prior to the end of year thirteen (Tax Year 2030), because such payment would exceed the Aggregate Limit, will be deemed to have been cancelled by operation of law.

Section 4.5. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

- (a) All calculations required by this Article, including but not limited to: (i) the calculation of the Stipulated Supplemental Payment amount; (ii) the determination of both the Annual Limit and the Aggregate Limit; (iii) the effect, if any, of the Aggregate Limit upon the actual amount of Supplemental Payments eligible to be paid to the District by the Applicant; and, (iv) the carry forward and accumulation of any Stipulated Supplemental Payment amounts unpaid by the Applicant due to the Aggregate Limit in previous years, shall be calculated by the Third Party selected pursuant to Section 3.4.
- (b) The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 3.6.
- (c) The payment of all amounts due under this Article shall be made at the time set forth in Section 3.7.

Section 4.6. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY

At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under this Article IV be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 6.1, below. Such designation may be rescinded by the District's Board of Trustees, by Board action, at any time.

Any designation of a successor beneficiary under this Section shall not alter the Aggregate Limitation on Supplemental payments described in Section 4.4, above.

ARTICLE V

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

SECTION 5.1. ANNUAL LIMITATION AFTER FIRST THREE YEARS

Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year during the term of this Agreement after the 2020 Tax Year, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles III and IV with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Section 3.4, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from the Applicant to the District under Articles III and IV shall be reduced until such excess is eliminated.

Section 5.2. OPTION TO CANCEL AGREEMENT

In the event that any payment otherwise due from the Applicant to the District under Article III and/or Section 4.2 with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 5.1 above, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to cancel this Agreement by notifying the District of its election in writing not later than the July 31 of the year next following the Tax Year with respect to which a reduction under Section 5.1 is applicable. Any cancellation of this Agreement under the foregoing provisions of this Section 5.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to

Agreement for Limitation on Appraised Value

Between Brazosport Independent School District and Freeport LNG Development, L.P. and its affiliates

February 19, 2013

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the option occurred. Upon such termination this Agreement shall terminate and be of no further force or effect; provided, however, that the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged.

ARTICLE VI

TAX CREDITS

Section 6.1. APPLICANT'S ENTITLEMENT TO TAX CREDITS

The Applicant shall be entitled to tax credits from the District under and in accordance with the provisions of Subchapter D of the Act and Comptroller Rules, provided that the Applicant complies with the requirements under such provisions, including the filing of a completed Application under Section 313.103 of the Texas Tax Code and Comptroller Rules.

Section 6.2. DISTRICT'S OBLIGATIONS WITH RESPECT TO TAX CREDITS

The District shall timely comply and shall cause the District's collector of taxes to timely comply with their obligations under Subchapter D of the Act and Comptroller Rules, including, but not limited to, such obligations set forth in Section 313.104 of the Texas Tax Code, and either Comptroller and/or Texas Education Agency Rules.

Section 6.3. COMPENSATION FOR LOSS OF TAX CREDIT PROTECTION REVENUES

If after the Applicant has actually received the benefit of a tax credit under Section 6.1, the District does not receive aid from the State pursuant to Texas Education Code §42.2515 or other similar or successor statute with respect to all or any portion of such tax credit for reasons other than the District's failure to comply with the requirements for obtaining such aid, then the District shall notify the Applicant in writing thereof and the circumstances surrounding the State's failure to provide such aid to the District. The Applicant shall pay to the District the amount of such tax credit for which the District did not receive such aid within thirty (30) calendar days after receipt of such notice, and such payment shall be subject to the same provisions for late payment as are set forth in Section 7.4 and 7.5. If the District receives aid from the State for all or any portion of a tax credit with respect to which the Applicant has made a payment to the District under this Section 6.3, then the District shall pay to the Applicant the amount of such aid within thirty (30) calendar days after the District's receipt thereof.

ARTICLE VII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 7.1. DATA REQUESTS

During the term of this Agreement, and upon the written request of one Party or by the Comptroller (the "Requesting Party"), the other Party shall provide the Requesting Party with all information reasonably necessary for the Requesting Party to determine whether the other Party is in compliance with its obligations, including any employment obligations which may arise under this Agreement. The Applicant shall allow authorized employees of the District, the Comptroller, and/or the Brazoria County Appraisal District to have access to the Applicant's Qualified Property and/or business records, in accordance with Texas Tax Code §22.07, during the term of this Agreement, in order to inspect the project to determine compliance with the terms hereof. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Brazoria County Appraisal District with any technical or business information that is private personnel data, proprietary, a trade secret or confidential in nature or is subject to a confidentiality agreement with any third party.

Section 7.2. REPORTS TO OTHER GOVERNMENTAL AGENCIES

The Applicant shall timely make any and all reports that are or may be required under the provisions of law or administrative regulation, including but not limited to the annual report or certifications that may be required to be submitted by the Applicant to the Comptroller under the provisions of Texas Tax Code §313.032. Applicant shall forward a copy of all such required reports or certifications to the District contemporaneously with the filing thereof. The obligation to make all such required filings shall be a material obligation under this Agreement.

Section 7.3. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE

By entering into this Agreement, the Applicant warrants that:

- (a) it will abide by all of the terms of the Agreement;
- (b) it will Maintain Viable Presence in the District through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure (as hereinafter defined), provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure; and,

- (c) it will meet minimum eligibility requirements under Chapter 313 of the Texas Tax Code throughout the value limitation and tax-credit settle-up periods.

Section 7.4. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT

(a) In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 5.2, or in the event that the Applicant or its successor-in-interest fails to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, after the notice and cure period provided by Section 7.8, then the District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of interest, as calculated in accordance with Section 7.5, on that recaptured ad valorem tax revenue. For purposes of this recapture calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Article III. The Applicant shall also be entitled to a credit for any amounts paid to the District pursuant to Article IV.

(b) Notwithstanding Section 7.4(a), in the event that the District determines that the Applicant has failed to Maintain Viable Presence and provides written notice of termination of the Agreement, then the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of such termination notice. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a Tax Limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including interest, as calculated in accordance with Section 7.5. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Article III. The Applicant shall also be entitled to a credit for any amounts paid to the District pursuant to Article IV. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

Section 7.5. CALCULATION OF PENALTY AND INTEREST

In determining the amount of interest due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes owed less all credits under Section 7.4 for each Tax Year during the term of this Agreement since the Commencement Date. The District shall calculate interest for each Tax Year during the term of this Agreement since the Commencement Date in accordance with the methodology set forth in Chapter 33 of the Texas Tax Code, as if the base amount calculated for such Tax Year less all credits under Section 7.4 had become due and payable on February 1 of the calendar year following such Tax Year. Interest on said amounts shall be calculated in accordance with the methodology set forth in Texas Tax Code §33.01(c), or its successor statute.

In the event the liquidated damages are not paid by February 1 of the calendar year following the Tax Year where the breach occurred, penalties on said amounts shall be calculated

in accordance with the methodology set forth in Texas Tax Code §33.01(a), or its successor statute.

Section 7.6 MATERIAL BREACH OF AGREEMENT

The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions:

- (a) Applicant is determined to have failed to meet its obligations to have made accurate representations of fact in submission of its Application as is required by Section 8.13, below.
- (b) Applicant fails to Maintain Viable Presence in the District, as required by Section 7.3 of this Agreement, through the Final Termination Date of this Agreement.
- (c) Applicant fails to make any payment required under Articles III or IV of this Agreement on or before its due date.
- (d) Applicant fails to create and maintain at least the number of New Jobs set forth it committed to create and maintain on Schedule C, Column C of its Application.
- (e) Applicant fails to create and maintain at least the number of Qualifying Jobs set forth it committed to create and maintain on Schedule C, Column E of its Application.
- (f) Applicant fails to create and maintain at least Eighty Percent (80%) of all New Jobs created by the Applicant on the project as Qualifying Jobs.
- (g) Applicant makes any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the Texas Tax Code, in excess of the amounts set forth in Articles III and IV, above. Voluntary donations made by the Applicant to the District after the date of execution of this Agreement, and not mandated by this Agreement or made in recognition of or in consideration of this Agreement for limitation on appraised value made pursuant to Chapter 313 of the Texas Tax Code are not barred by this provision.
- (h) Applicant fails to comply with any other term of this Agreement, or the Applicant fails to meet its obligations under the applicable Comptroller's Rules, and under the Texas Economic Development Act.

Section 7.7 LIMITED STATUTORY CURE OF MATERIAL BREACH

In accordance with the provisions of Texas Tax Code §313.0275, for any full tax year which commences after the project has become operational, the Applicant may cure the Material Breaches of this Agreement, defined in Sections 7.6(d) and 7.6(e) or 7.6(f), above, without the termination of the remaining term of this Agreement. In order to cure its non-compliance with Sections 7.6(d) and 7.6(e) or 7.6(f) for the particular Tax Year of non-compliance only, the Applicant may make the liquidated damages payment required by Texas Tax Code §313.0275(b), in accordance with the provisions of Texas Tax Code §313.0275(c).

Section 7.8. DETERMINATION OF MATERIAL BREACH AND TERMINATION OF AGREEMENT

Prior to making a determination that the Applicant has committed a material breach of this Agreement, such as making a misrepresentation in the Application, failing to Maintain Viable Presence in the District as required by Section 7.3 of this Agreement, failing to make any payment required under this Agreement when due, or has otherwise committed a material breach of this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the material breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in material breach of its obligations under the Agreement, or that it has cured or undertaken to cure any such material breach.

If the Board of Trustees is not satisfied with such response and/or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to whether or not a material breach of this Agreement has occurred, the date such breach occurred, if any, and whether or not any such breach has been cured. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall also terminate the Agreement and determine the amount of recaptured taxes under Section 7.4 (net of all credits under Section 7.4), and the amount of any interest under Section 7.5 that are owed to the District.

After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination.").

Section 7.9. DISPUTE RESOLUTION

After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 7.8, the Applicant shall have ninety (90) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to

make a good faith effort to resolve, without resort to litigation and within ninety (90) days after the Applicant's receipt of notice of the Board of Trustee's determination of breach under Section 7.8, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Brazoria County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the Texas Civil Practice and Remedies Code and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such ninety (90) days, the District shall have the remedies for the collection of the amounts determined under Section 7.8 as are set forth in Texas Tax Code Chapter 33, Subchapters B and C, for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees and a tax lien on the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Texas Tax Code §33.07 to the attorneys representing the District pursuant to Texas Tax Code §6.30.

In any event where a dispute between the District and the Applicant under this Agreement cannot be resolved by the Parties, after completing the procedures required above in this Section, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any covenant, agreement or undertaking made by a Party pursuant to this Agreement.

Section 7.10. LIMITATION OF OTHER DAMAGES

Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the greater of either any amounts calculated under Sections 7.4 and 7.5 above, or the monetary sum of the difference between the payments and credits due and owing to the Applicant at the time of such default and the District taxes that would have been lawfully payable to the District had this Agreement not been executed. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement.

The Parties further agree that the limitation of damages and remedies set forth in this Section 7.10 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 7.11. BINDING ON SUCCESSORS

In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

Section 7.12. ADDITIONAL APPLICANT OBLIGATIONS PRIOR TO END OF DEFERRAL PERIOD

As set forth in section 1.2, above, the Parties have agreed to the deferral of the Commencement Date for this Agreement until January 2, 2017. The Applicant must, therefore comply with the following additional requirements in conformance with the provisions of 34 Texas Administrative Code §9.1054(h)(13).

Not earlier than July 7, 2016, nor later than October 4, 2016, the Applicant shall provide the District with an update on the project status. If there have been no material changes in the project schedule, cost projections, taxable value projections, or employment projections made in the Application, the Applicant shall notify the District and the Comptroller that no change in status has occurred. In the event that there has been any material change any data or projection submitted as a part of the Application, then the Applicant shall within the time aforesaid time period deliver to the District and the Comptroller an Application amendment and/or supplement Application materials informing them of any material change in the Application materials. Additionally, prior to the Commencement Date, the Applicant shall diligently comply with any written request from the District or the Comptroller to provide additional information necessary to evaluate the economic impact analysis for the conditions prior to the start of the Qualifying Time Period.

In the event that any information submitted pursuant to this Section results in the Comptroller's recommendation in favor of the project being changed to a negative recommendation by the Comptroller, then the District's Board of Trustees may, in its sole discretion immediately terminate this Agreement by giving Notice of said termination in accordance with the provisions of Section 8.1, below. After receiving such Notice, the Applicant shall be entitled to invoke the Dispute resolution provisions set forth at section 7.9, above.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.1. INFORMATION AND NOTICES

Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (e.g., by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile transmission, with "answer back" or other "advice of receipt" obtained, in each case to the

appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

Notices to the District shall be addressed to the District's Authorized Representative as follows:

Dr. Karin Holacka, Superintendent
BRAZOSPORT INDEPENDENT SCHOOL DISTRICT
P.O. Drawer Z
Freeport, Texas 77542
Fax: (979) 266-2409
Email: kholacka@brazosportisd.net

or at such other address or to such other facsimile transmission number and to the attention of such other person as the District may designate by written notice to the Applicant.

Notices to the Applicant shall be addressed to:

Attn: Controller
FREPORT LNG DEVELOPMENT, L.P. AND ITS AFFILIATES
333 Clay Street, Suite 5050
Houston, Texas 77002
Fax: 713-980-2903
Email: GHeck@freportlng.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as the Applicant may designate by written notice to the District.

Section 8.2. EFFECTIVE DATE, TERMINATION OF AGREEMENT

- (a) This Agreement shall be and become effective on the date of final approval of this Agreement by the District's Board of Trustees.
- (b) The obligation to Maintain Viable Presence under this Agreement shall remain in full force and effect through the termination in full date established in Section 1.2 of this Agreement.
- (c) In the event that Applicant fails to make a Qualified Investment in the amount of Thirty Million Dollars (\$30,000,000.00), or greater, during the Qualifying Time Period, this Agreement shall become null and void on December 31, 2019.

Section 8.3. AMENDMENTS TO AGREEMENT; WAIVERS

This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties. Waiver of any term, condition or provision of this

Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this Agreement. By official action of the Board of Trustees, this Agreement may be amended to include, in the Applicant's Qualified Investment, additional or replacement Qualified Property not specified in **EXHIBIT 3**, provided that the Applicant reports to the District, the Comptroller, and the Appraisal District, in the same format, style, and presentation as the Application, all relevant investment, value, and employment information that is related to the additional property. Any amendment of the Agreement adding additional or replacement Qualified Property pursuant to this Section 8.3 shall, (1) require that all property added by amendment be eligible property as defined by Texas Tax Code, §313.024; (2) clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and (3) define minimum eligibility requirements for the recipient of limited value. This Agreement may not be amended to extend the value limitation time period beyond its eight year statutory term.

Section 8.4. ASSIGNMENT

The Applicant may assign this Agreement, or a portion of this Agreement, to an Affiliate or a new owner or lessee of all or a portion of the Applicant's Qualified Property and/or the Applicant's Qualified Investment, provided that the Applicant shall provide written notice of such assignment to the District. Upon such assignment, the Applicant's assignee will be liable to the District for outstanding taxes or other obligations arising under this Agreement. A recipient of limited value under Chapter 313 of the Texas Tax Code shall notify immediately the District, the Comptroller, and the Appraisal District in writing of any change in address or other contact information for the owner of the property subject to the limitation agreement for the purposes of Texas Tax Code §313.032. The assignee's or its reporting entity's Texas Taxpayer Identification Number shall be included in the notification.

Section 8.5. MERGER

This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 8.6. MAINTENANCE OF COUNTY APPRAISAL DISTRICT RECORDS

When appraising the Applicant's Qualified Property and the Applicant's Qualified Investment subject to a limitation on Appraised Value under this Agreement, the Chief Appraiser of the Brazoria County Appraisal District shall determine the Market Value thereof and include both such Market Value and the appropriate value thereof under this Agreement in its appraisal records.

Section 8.7. GOVERNING LAW

This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in Brazoria County, Texas.

Section 8.8. AUTHORITY TO EXECUTE AGREEMENT

Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 8.9. SEVERABILITY

If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions contained herein (and any other application such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 8.9, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 8.10. PAYMENT OF EXPENSES

Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 8.11. INTERPRETATION

When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words "include," "includes" and "including" when used in this Agreement shall be deemed in such case to be

followed by the phrase “but not limited to” words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

Section 8.12. EXECUTION OF COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 8.13. ACCURACY OF REPRESENTATIONS CONTAINED IN APPLICATION

The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application. The Applicant warrants that all information, facts, and representations contained therein are true and correct. The Parties further agree that the Application and all the attachments thereto are included by reference into this Agreement as if set forth herein in full.

In the event that the Board of Trustees, after completing the procedures required by Sections 7.8 and 7.9 of this Agreement, makes a written determination that the Application was either incomplete or inaccurate as to any material representation, information, or fact, the Agreement shall be invalid and void except for the enforcement of the provisions required by 34 Texas Administrative Code §9.1053(f)(2)(K).

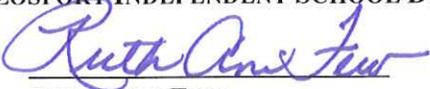
Section 8.14. PUBLICATION OF DOCUMENTS

The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; the approved and executed copy of this Agreement or any amendment thereto; and each application requesting tax credits under Texas Tax Code §313.103, as follows:

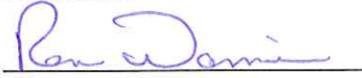
- a. Within seven days of such document, the school district shall submit a copy to the Comptroller for Publication on the Comptroller's Internet website.
- b. District shall provide on its website a link to the location of those documents posted on the Comptroller's website.
- c. This Section does not require the Publication of information that is confidential under Texas Tax Code §313.028.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 19 day of February 2013.

BRAZOSPORT INDEPENDENT SCHOOL DISTRICT

By: 
RUTH ANN FEW
President
Board of Trustees

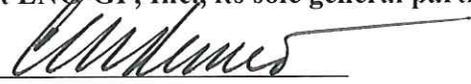
ATTEST:

By: 
RON DAMIAN
Secretary
Board of Trustees

THE APPLICANT:

FREEPORT LNG DEVELOPMENT, L.P.

By: **Freeport LNG GP, Inc., its sole general partner**

By: 
Name: Charles Reimer
Title: President

Date signed: 02/21/2013

FLNG LIQUEFACTION 2, LLC

By: **Freeport LNG Expansion, L.P., its sole member**

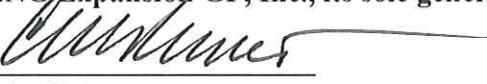
By: **Freeport LNG Expansion GP, Inc., its sole general partner**

By: 
Name: Charles Reimer
Title: President

Date signed: 02/21/2013

FLNG LIQUEFACTION 3, LLC

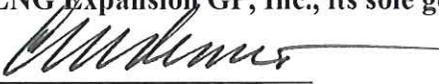
By: Freeport LNG Expansion, L.P., its sole member
By: Freeport LNG Expansion GP, Inc., its sole general partner

By: 
Name: Charles Reimer
Title: President

Date signed: 02/21/2013

FLIQ COMMON FACILITIES, LLC

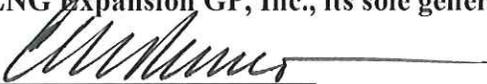
By: FLNG Liquefaction, LLC and FLNG Liquefaction 2, LLC, its sole members
By: Freeport LNG Expansion, L.P., the sole member of each
By: Freeport LNG Expansion GP, Inc., its sole general partner

By: 
Name: Charles Reimer
Title: President

Date signed: 02/21/2013

ANGLER PIPELINE, LLC

By: FLEX NGL, LLC, its sole member
By: Freeport LNG Expansion, L.P., its sole member
By: Freeport LNG Expansion GP, Inc., its sole general partner

By: 
Name: Charles Reimer
Title: President

Date signed: 02/21/2013

EXHIBIT 1

DESCRIPTION OF QUALIFIED REINVESTMENT ZONE

The *Freeport LNG Development, L.P. Reinvestment Zone Number 2* was originally created on September 28, 2010 by action of the Brazoria County Commissioners Court. A map of *The Freeport LNG Development, L.P. Reinvestment Zone Number 2* is attached below to this **EXHIBIT 1**.

The *Freeport LNG Development, L.P. Reinvestment Zone Number 3* was originally created on July 24, 2012 by action of the Brazoria County Commissioners Court. A map of *The Freeport LNG Development, L.P. Reinvestment Zone Number 3* is attached below to this **EXHIBIT 1**.

As a result of the action of the Brazoria County Commissioners Court, *Freeport LNG Development, L.P. Reinvestment Zones Number 2 and Number 3* include real property within Brazoria County, Texas, more specifically the property tracts listed on the chart also attached to this **EXHIBIT 1**.

Total Acreage for Freeport LNG Development, L.P. Reinvestment Zones No. 2 and No. 3
As Created by Brazoria County

	Acreage	Acreage
Freeport LNG Development, L.P. Reinvestment Zone No. 2		
Tract I - Main Facilities - Regas		211.700
Total Freeport LNG Development, L.P. Reinvestment Zone No. 2 Acreage		211.700
Freeport LNG Development, L.P. Reinvestment Zone No. 3		
Lease V		170.051
Lease IV		47.450
Quintana Townsite Lots/Blocks 23 and 10 and Roadway Crossings		
Holly Street Crossing (R.O.W.)		0.1403
Quintana, Block 23, Lot 1		0.1416
Quintana, Block 23, Lot 2		0.1416
Quintana, Block 23, Lot 3		0.1416
Quintana, Block 23, Lot 4		0.1416
Quintana, Block 23, Lot 5		0.1416
Quintana, Block 23, Lot 7		0.1416
Quintana, Block 23, Lot 8		0.1416
Quintana, Block 23, Lot 9		0.1416
Quintana, Block 23, Lot 10		0.1416
Quintana, Block 23, Lot 11-12		0.2831
Second Street Crossing (R.O.W.)		0.1403
Quintana, Block 10, Lot 7		0.1416
Quintana, Block 10, Lot 8		0.1416
Quintana, Block 10, Lot 9		0.1416
Quintana, Block 10, Lot 10		0.1416
Quintana, Block 10, Lot 11		0.1416
Quintana, Block 10, Lot 12		0.1416
Total Quintana Townsite Lots and Road Crossing R.O.W.		2.6876
ROW Tracts for existing 42" pipeline, Proposed NGL Pipeline and Proposed Fiber Optics		
	Temporary Easement	Permanent Easement, Tract or Roadway/Waterway Crossing
2	0.000	2.638
3	0.000	0.240
5	0.000	0.210
6	0.410	0.480
6R	0.000	0.127
5.5R	0.000	0.051
7	0.320	0.660
7R	0.000	0.034
8	1.350	0.640
9	0.370	0.060
10	0.300	0.220
10R	0.300	0.047
11	0.300	0.558
12	8.270	1.380
15	0.800	0.410
1E	0.830	0.420
1ER	0.000	0.507
17	1.240	0.570
18 & 19	0.700	0.790
20	0.560	0.330
21	0.000	0.270
21R	0.000	0.403
22	0.000	0.043
22a	0.000	0.210
22R	0.000	0.037
23a	0.000	0.600
24a	0.000	0.030
25a	0.000	5.000
26a	0.000	5.000
26R	0.000	0.036
26.5a	0.000	0.220
27a	0.000	5.000
28a	0.000	0.720
29a	0.000	0.300
30a	0.000	0.240
31a	0.000	0.340
35	0.000	0.340
35	0.000	5.000
37	0.350	0.000
37.5	4.070	0.510
37.5R	0.000	0.048

Total Acreage for Freeport LNG Development, L.P. Reinvestment Zones No. 2 and No. 3
As Created by Brazoria County

38	1.900	0.910
39	11.150	4.550
40	0.950	0.700
41	0.540	0.360
42	0.500	0.360
43	0.540	0.360
44	0.720	0.360
45	0.540	0.380
46	0.460	0.310
47	0.460	0.310
48	0.450	0.310
49	0.610	0.310
50	0.450	0.310
51	0.540	0.370
52	1.220	0.610
52R	0.000	0.075
53	0.000	0.610
55	0.000	0.020
56	0.000	0.911
57	0.000	0.680
57R	0.000	0.139
58	1.840	1.390
59	0.530	0.600
61	4.040	2.650
62.01 and 62.02	0.540	0.450
62.023	0.020	0.030
62a	2.000	1.500
62.03	0.200	0.230
65	0.440	0.500
66	0.890	1.020
67	0.000	21.700
68	0.020	0.020
69	0.180	7.790
Total Calculated Existing 42" Pipeline, Proposed NGL Line and Proposed Fiber Optics ROW Acreage	51.410	85.576
Sorrell Property		
Sorrell - Bld		505.672
Sorrell Tract 136		4.998
Sorrell Tract 140		4.976
Sorrell Tract 134		5.112
Sorrell Tract 156 & 163		10.224
Sorrell Tract 158-161		20.595
Sorrell Tract 156		4.990
Sorrell Tract 157		4.504
Sorrell Tract 168		4.580
Sorrell Tract 170 & 171		10.001
Sorrell Tract 173		5.039
Sorrell Tract 133-135 & 174-180		50.210
Sorrell Tracts 62, 63, 66, 67		20.000
Total Sorrell Property Acreage		451.301
Total Pinto Partners Tract		774.678
Meter Station		9.210
Total Freeport LNG Development, L.P. Reinvestment Zone No. 3 Acreage		1,592.36

LEGAL DESCRIPTION

FLNG Land, Inc.

August 13, 2008

TRACT I

Field notes for a 211.70 acre tract of land out of the Stephen F. Austin 1/3 League, Abstract No. 28, Brazoria County, Texas. Said 211.70 acre tract being recorded in Memorandum of Lease agreements between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. Said 211.70 acre tract of land being described in the following recorded documents:

Memorandum of Lease between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. dated June 30, 2004 Document No. 2004038630 of the Official Records of Brazoria County, Texas

Memorandum of Lease between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. dated June 30, 2004 Document No. 2004038631 of the Official Records of Brazoria County, Texas

Memorandum of Lease between Brazos River Harbor Navigation District of Brazoria County, Texas and FLNG Land, Inc. dated June 30, 2004 Document No. 2004038632 of the Official Records of Brazoria County, Texas

Said 211.70 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod found on the northwest right of way line of County Road 723 (80-foot wide) for the east corner of a called 212.913 acre tract of land described by Deed to Brazos River Harbor Navigation District of Brazoria County, Texas, filed for record March 28, 1968 in Volume 1340, Page 97 of the Deed Records of Brazoria County, Texas. Said iron rod being a corner of said 211.70 acre lease tract as described in the aforesaid Memorandum of Lease agreements.

1. **THENCE**, with the northwest right of way line of County Road 723, same being the Lease Line of said 211.70 acre tract as described in the aforesaid Memorandum of Lease agreements, S 56°10'39" W, a distance of 846.86 feet to an 5/8-inch iron rod with cap stamped "John Mercer" found for the most southerly corner of the herein described tract of land.
2. **THENCE**, continuing with said Lease Line, N 33°49'26" W, at 1524.01 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all, a total distance of 1574.01 feet to a point on the shoreline of the Gulf Intra-Coastal Waterway for the west corner of the herein described tract.
3. **THENCE**, continuing with said Lease Line, same being the shoreline of the Gulf Intra-Coastal Waterway the following forty courses:

4. N 60°21'17" E, a distance of 40.34 feet;
 5. N 56°28'13" E, a distance of 104.62 feet;
 6. N 53°02'48" E, a distance of 111.40 feet;
 7. N 58°30'57" E, a distance of 131.95 feet;
 8. N 58°44'21" E, a distance of 47.64 feet;
 9. N 53°13'06" E, a distance of 72.39 feet;
 10. N 72°38'26" E, a distance of 41.83 feet;
 11. N 56°50'17" E, a distance of 53.99 feet;
 12. N 75°24'57" E, a distance of 51.04 feet;
 13. N 89°44'23" E, a distance of 34.81 feet;
 14. N 59°46'16" E, a distance of 51.51 feet;
 15. N 57°01'39" E, a distance of 86.74 feet;
 16. N 37°16'17" E, a distance of 36.25 feet;
 17. N 09°04'44" W, a distance of 13.59 feet;
 18. N 45°16'11" E, a distance of 45.79 feet;
 19. N 23°22'10" E, a distance of 83.45 feet;
 20. N 43°14'27" E, a distance of 74.16 feet;
 21. N 53°45'19" E, a distance of 99.60 feet;
 22. N 46°05'26" E, a distance of 130.76 feet;
 23. N 68°39'08" E, a distance of 115.00 feet;
 24. N 50°16'32" E, a distance of 33.15 feet;
 25. N 28°49'35" E, a distance of 78.53 feet;
 26. N 08°52'35" E, a distance of 80.20 feet;
 27. N 51°21'41" W, a distance of 32.85 feet;
 28. N 12°42'49" E, a distance of 52.75 feet;
 29. S 79°44'15" E, a distance of 19.16 feet;
 30. N 20°24'23" E, a distance of 91.06 feet;
 31. N 66°52'32" E, a distance of 51.57 feet;
 32. N 50°32'09" E, a distance of 60.22 feet;
 33. N 11°45'16" E, a distance of 37.06 feet;
 34. N 53°06'17" E, a distance of 209.90 feet;
 35. N 47°49'19" E, a distance of 162.10 feet;
 36. N 31°25'57" E, a distance of 166.42 feet;
 37. N 45°26'22" E, a distance of 143.82 feet;
 38. N 32°19'38" E, a distance of 99.32 feet;
 39. N 14°57'00" E, a distance of 137.40 feet;
 40. N 43°22'58" E, a distance of 150.42 feet;
 41. N 40°25'48" E, a distance of 138.98 feet;
 42. N 46°58'21" E, a distance of 322.68 feet;
 43. N 61°02'09" E, a distance of 69.38 feet;
44. **THENCE**, continuing with said Lease Line, S 44°54'24" E, at a distance of 50.00 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all, a total distance of 1410.02 feet to an iron rod with cap stamped "Mustang, LP" set.

45. **THENCE**, continuing with said Lease Line, N 45°05'50" E, at a distance of 1509.49 feet pass a 5/8-inch iron rod with cap stamped "RPLS 3808" found at the south corner of a called 3.45 acre tract of land described in a document titled "First Amendment to Ground Lease and Development Agreement" filed for record February 15, 2007 in Document No. 2007009294 of the Official Records of Brazoria County, Texas, in all, a distance of 1812.99 feet to a 1/2-inch iron rod found at the west corner of said 3.45 acre tract.
46. **THENCE**, continuing with said Lease Line, same being the northeasterly line of said 3.45 acre tract, N 44°54'32" W, at a distance of 495.00 feet pass a 5/8-inch iron rod with cap stamped "RPLS 3808" found at the north corner said 3.45 acre tract, in all, a distance of 1411.38 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set.
47. **THENCE**, continuing with said Lease Line, N 45°06'26" E, a distance of 1089.40 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set.
48. **THENCE**, continuing with said Lease Line, N 44°48'15" W, at a distance of 76.94 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all a distance of 106.94 feet to a point on the shoreline of the Gulf Intra-Coastal Waterway.
49. **THENCE**, continuing with said Lease Line the following seventeen (17) courses:
50. N 66°09'00" E, a distance of 213.74 feet;
51. N 72°57'30" E, a distance of 161.08 feet;
52. N 80°21'59" E, a distance of 70.35 feet;
53. S 86°59'20" E, a distance of 347.90 feet;
54. N 74°42'06" E, a distance of 19.72 feet;
55. S 86°00'04" E, a distance of 250.47 feet;
56. S 69°42'34" E, a distance of 101.72 feet;
57. S 18°50'12" W, a distance of 674.46 feet;
58. S 44°53'19" E, a distance of 169.08 feet;
59. N 45°03'20" E, a distance of 180.17 feet;
60. S 44°54'24" E, a distance of 111.11 feet;
61. N 45°05'46" E, a distance of 325.67 feet;
62. S 44°56'11" E, a distance of 172.17 feet;
63. N 45°05'50" E, a distance of 187.35 feet;
64. S 68°35'00" E, a distance of 87.92 feet;
65. S 37°00'10" E, a distance of 52.09 feet;
66. S 40°44'21" E, a distance of 90.43 feet to a point on the northwesterly right of way line of Holly Street as recorded on the plat of Quintana Townsite recorded in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas.

67. **THENCE**, continuing with said Lease Line, same being the northwest right of way line of said Holly Street, S 45°05'50" W, at a distance of 400.00 feet pass a 5/8-inch iron rod with cap stamped "Mustang, LP" set for a witness corner, in all, a total distance of 3,930.43 feet to a 5/8-inch iron rod with cap found on the southwesterly right of way line of Eleventh Street as recorded on the plat of said Quintana Townsite.
68. **THENCE**, continuing with said Lease Line, same being the southwesterly right of way line of said Eleventh Street, S 44°53'33" E, a distance of 283.30 feet to a 5/8-inch iron rod with cap found, said iron rod being on the northwesterly right of way line of Lamar Street as recorded on the plat of said Quintana Townsite.
69. **THENCE**, continuing with said Lease Line, same being the northwesterly right of way line of Lamar Street, S 45°05'50" W, a distance of 1,971.45 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set.
70. **THENCE**, leaving said right of way line and continuing with said Lease Line, N 44°54'21" W, a distance of 22.02 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set on the northwesterly right of way line of aforesaid County Road 723.
71. **THENCE**, continuing with said Lease Line and with said northwesterly right of way line, S 56°10'39" W, a distance of 837.55 feet to the **POINT OF BEGINNING** and containing 211.70 acres of land, more or less.

TRACT II

Field notes for a 3.45 acre tract of land out of the Stephen F. Austin 1/3 League, Abstract No. 28, Brazoria County, Texas. Said 3.45 acre tract being that same 3.45 acre tract of land described in a document titled "Fourth Amendment to Ground Lease and Development Agreement" filed for record February 15, 2007 in Document No. 2007009295 of the Official Records of Brazoria County, Texas. Said 3.45 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING for reference at a 5/8-inch iron rod found at the intersection of the northwesterly right of way line of Lamar Street and the southwesterly right of way line of Eleventh Street as recorded on the plat of Quintana Townsite in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas.

THENCE, N 30°44'12" E, a distance of 1934.54 feet to a 1/2 -inch iron rod found for the **POINT OF BEGINNING**, said iron rod being the East corner of said 3.45 acre tract.

THENCE, with the southeasterly line of said 3.45 acre tract, S 45°05'50" W, a distance of 303.50 feet to a 5/8-inch iron rod with cap stamped "RPLS 3808" found for the south corner of said 3.45 acre tract.

THENCE, with the southwesterly line of said 3.45 acre tract, N 44°54'32" W, a distance of 495.00 feet to a 5/8-inch iron rod with cap stamped "Mustang, LP" set for the west corner of said 3.45 acre tract.

THENCE, with the northwesterly line of said 3.45 acre tract, N 45°05'50" E, a distance of 303.50 feet to a 5/8-inch iron rod with cap stamped "RPLS 3808" found for the north corner of said 3.45 acre tract.

THENCE, with the northeasterly line of said 3.45 acre tract, S 44°54'32" E, a distance of 495.00 feet the POINT OF BEGINNING and containing 3.45 acres of land more or less.

TRACT III

The following described lots are recorded in the name of FLNG Land, Inc. All listed lots are recorded on the plat of Quintana Townsite in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas:

Lot	BLOCK	GRANTEE	DOCUMENT NO.
8	10	FLNG Land, Inc.	2005015941
6	23	FLNG Land, Inc.	2008010715
8	23	FLNG Land, Inc.	2006039985 & 2006039986
9	23	FLNG Land, Inc.	2006024928
10	23	FLNG Land, Inc.	2006008268
11 & 12	23	FLNG Land, Inc.	2006008273
7	46	FLNG Land, Inc.	2006073414 & 2007056630
8	46	FLNG Land, Inc.	2006073646
9	46	FLNG Land, Inc.	2006070380
12	46	FLNG Land, Inc.	2008029563 & 2008029564
11	10	FLNG Land, Inc.	2007056629
1, 2, 3, 4, 7	23	FLNG Land, Inc.	2007056629 (1/3 interest)
7, 8, 9, 10, 11, 12	53	FLNG Land, Inc.	2007056629
3 & 4	70	FLNG Land, Inc.	2007056629
11 & 12	76	FLNG Land, Inc.	2007047138
3, 4, 5, 6, 7, 8, 9, 10, 11, 12	103	FLNG Land, Inc.	2007056629

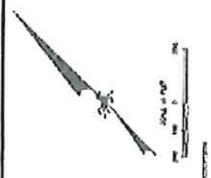
All documents are recorded in the Official Records of Brazoria County, Texas.

This Field Note description is based on an ALTA/ACSM Land Title Survey of even date made by Archie D. Stout, Registered Professional Land Surveyor, Texas Registration No. 4416.

Archie D. Stout

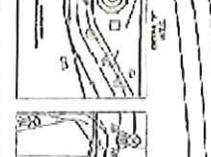
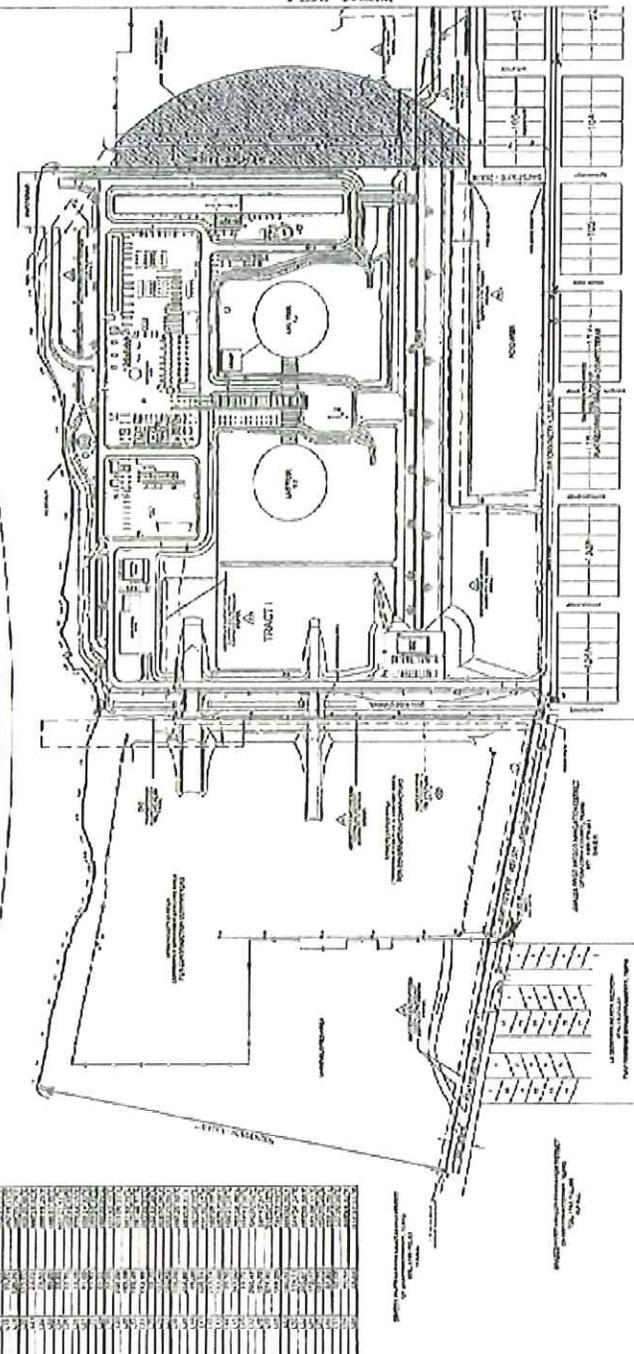
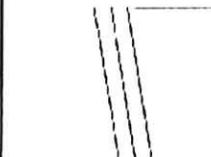
8-13-08





PROJECT
 The purpose of this plan is to show the layout of the proposed development, including the location of the buildings, parking areas, and other facilities. The plan is based on the information provided in the application and is subject to the approval of the relevant authorities.

GENERAL NOTES
 1. The proposed development is shown in green on the plan.
 2. The existing buildings and other structures are shown in black.
 3. The proposed parking areas are shown in yellow.
 4. The proposed access roads are shown in red.
 5. The proposed landscaping is shown in blue.



LINE	DESCRIPTION	DATE
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NO.	DATE	DESCRIPTION	BY	CHKD.
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GENERAL NOTES
 1. The proposed development is shown in green on the plan.
 2. The existing buildings and other structures are shown in black.
 3. The proposed parking areas are shown in yellow.
 4. The proposed access roads are shown in red.
 5. The proposed landscaping is shown in blue.

ENGINEER'S CERTIFICATE
 I, the undersigned, being a duly qualified and licensed Professional Engineer, do hereby certify that the above is a true and correct copy of the original plan as submitted to me by the applicant, and that the same complies with the provisions of the relevant laws and regulations governing the development of the site.

GENERAL NOTES
 1. The proposed development is shown in green on the plan.
 2. The existing buildings and other structures are shown in black.
 3. The proposed parking areas are shown in yellow.
 4. The proposed access roads are shown in red.
 5. The proposed landscaping is shown in blue.

GENERAL NOTES
 1. The proposed development is shown in green on the plan.
 2. The existing buildings and other structures are shown in black.
 3. The proposed parking areas are shown in yellow.
 4. The proposed access roads are shown in red.
 5. The proposed landscaping is shown in blue.



Signature
 [Name]
 Professional Engineer

Freemont LNG Development
 ALUMACOR LNG TILL TOWN
 TILL TOWN, ALASKA
 U.S. DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 RANG PLANT COUNTRY SHEET 1 OF 7



Doyle & Wachtstetter, Inc

Surveying and Mapping • GPS/GIS

**170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 1 OF 4**

ALL THAT CERTAIN 170.051 ACRES of land out of a called 212.913 acre tract conveyed to Brazos River Harbor Navigation District of Brazoria County, Texas in Volume 1340, Page 97 of the Brazoria County Deed Records and situated in the Stephen F. Austin 1/3 League, Abstract 28 and J. G. McNeel Survey, Abstract 335, Brazoria County, Texas, and more particularly described by metes and bounds using survey terminology which refers to the Texas State Plane Coordinate System, South Central Zone (NAD 83) in which the directions are Lambert grid bearings and the distances are horizontal surface level lengths as follows;

BEGINNING at a found 5/8" iron rod in the Northwest right-of-way line of County Road 723 at position X=3145059.84 and Y=13538911.35, same being the South corner of a called 211.70 acre tract recorded in memorandum of lease agreements between Brazos River Harbor Navigation District and FLNG Land, Inc. in County Clerk's Files 04-038630 through 04-038632 of the Brazoria County Official Records from which a found 5/8" iron rod marking the East corner of the aforementioned 212.913 acre tract bears North 56°10'39" East, a distance of 846.90 feet;

THENCE South 56°08'54" West, coincident with the Northwest right-of-way line of County Road 723, same being the Southeast line of the said 212.913 acre tract, a distance of 4438.83 feet to a found 3/4" iron rod for corner making the East corner of Bryan Beach Subdivision, Section VII, recorded in Volume 10, Page 39 of the Brazoria County Plat Records;

THENCE North 30°05'06" West, coincident with the Southwest line of the said 212.913 acre tract, same being the Northeast line of Bryan Beach Subdivision, Section VII, at 1800.00 feet pass a set 5/8" iron rod and continue to a total distance of 1835.27 feet a point for corner in the top bank of the Intracoastal Waterway;

THENCE along the top bank of the Intracoastal Waterway with the following meanders:

North 61°22'06" East, a distance of 197.22 feet;
North 58°27'34" East, a distance of 95.63 feet;
North 46°09'19" East, a distance of 36.36 feet;
North 71°40'52" East, a distance of 68.21 feet;
North 67°21'32" East, a distance of 92.86 feet;
North 59°05'34" East, a distance of 140.48 feet;
North 10°20'20" East, a distance of 10.93 feet;
North 46°33'45" East, a distance of 109.69 feet;
North 18°44'56" East, a distance of 13.87 feet;
North 63°12'00" East, a distance of 60.27 feet;
North 81°16'59" East, a distance of 61.39 feet;
North 54°47'25" East, a distance of 68.14 feet;
North 88°00'07" East, a distance of 51.07 feet;

170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 2 OF 4

South 71°19'00" East, a distance of 17.14 feet;
North 59°05'31" East, a distance of 63.20 feet;
North 7°49'01" East, a distance of 30.63 feet;
North 62°48'25" East, a distance of 53.26 feet;
North 48°58'11" East, a distance of 42.17 feet;
North 79°44'30" East, a distance of 9.29 feet;
North 19°09'07" East, a distance of 11.25 feet;
North 64°19'17" East, a distance of 55.21 feet;
North 26°45'22" East, a distance of 14.30 feet;
North 55°50'14" East, a distance of 40.42 feet;
South 89°40'30" East, a distance of 15.79 feet;
North 65°20'37" East, a distance of 76.63 feet;
North 60°02'20" East, a distance of 46.05 feet;
North 56°19'13" East, a distance of 72.04 feet;
North 54°32'40" East, a distance of 106.26 feet;
North 71°56'46" East, a distance of 27.23 feet;
North 54°26'38" East, a distance of 24.64 feet;
North 64°00'33" East, a distance of 101.20 feet;
North 53°01'15" East, a distance of 28.67 feet;
North 74°33'35" East, a distance of 38.49 feet;
North 57°36'43" East, a distance of 43.38 feet;
North 52°31'17" East, a distance of 64.92 feet;
North 56°16'47" East, a distance of 70.62 feet;
North 55°35'21" East, a distance of 89.52 feet;
North 54°20'52" East, a distance of 50.73 feet;
North 60°50'46" East, a distance of 57.92 feet;
North 63°05'13" East, a distance of 20.92 feet;
North 64°13'06" East, a distance of 19.19 feet;
North 82°31'53" East, a distance of 15.90 feet;
North 63°30'32" East, a distance of 26.36 feet;
North 73°51'09" East, a distance of 30.22 feet;
North 88°03'47" East, a distance of 51.52 feet;
North 43°35'05" East, a distance of 22.85 feet;
South 68°05'38" East, a distance of 27.24 feet;
North 74°51'17" East, a distance of 41.64 feet;
North 49°53'12" East, a distance of 31.78 feet;
North 60°38'27" East, a distance of 34.83 feet;
North 17°11'45" East, a distance of 21.50 feet;
North 58°27'10" East, a distance of 68.51 feet;
North 44°07'35" East, a distance of 18.61 feet;
North 72°26'27" East, a distance of 14.21 feet;
North 27°37'40" East, a distance of 14.48 feet;

**170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 3 OF 4**

North 3°51'52" West, a distance of 13.92 feet;
North 53°41'25" East, a distance of 33.88 feet;
North 87°45'31" East, a distance of 9.22 feet;
North 51°15'42" East, a distance of 37.01 feet;
North 41°40'24" East, a distance of 45.34 feet;
North 81°26'04" East, a distance of 16.71 feet;
North 58°07'06" East, a distance of 99.40 feet;
North 15°15'50" East, a distance of 24.19 feet;
North 60°18'11" East, a distance of 16.91 feet;
North 29°16'26" East, a distance of 19.20 feet;
North 74°49'14" East, a distance of 39.54 feet;
North 87°27'08" East, a distance of 31.18 feet;
North 70°54'00" East, a distance of 48.18 feet;
North 56°50'00" East, a distance of 35.21 feet;
North 43°44'23" East, a distance of 46.71 feet;
North 11°58'41" East, a distance of 42.00 feet;
North 48°57'09" East, a distance of 14.26 feet;
North 64°34'34" East, a distance of 35.24 feet;
North 52°10'00" East, a distance of 36.70 feet;
North 32°21'20" East, a distance of 17.97 feet;
North 80°53'08" East, a distance of 18.50 feet;
North 59°56'28" East, a distance of 14.21 feet;
North 31°11'55" East, a distance of 27.05 feet;
North 85°59'17" East, a distance of 19.32 feet;
South 24°16'08" East, a distance of 37.66 feet;
North 84°04'07" East, a distance of 33.71 feet;
North 11°02'44" East, a distance of 12.74 feet;
North 52°05'44" East, a distance of 16.14 feet;
South 71°17'41" East, a distance of 11.47 feet;
North 67°49'48" East, a distance of 23.16 feet;
North 3°03'41" West, a distance of 9.52 feet;
North 40°30'22" East, a distance of 9.29 feet;
South 54°52'05" East, a distance of 12.58 feet;
South 34°57'02" East, a distance of 32.24 feet;
North 63°16'20" East, a distance of 22.86 feet;
South 77°45'24" East, a distance of 12.96 feet;
North 58°03'56" East, a distance of 35.11 feet;
North 7°00'50" West, a distance of 28.40 feet;
North 45°16'14" East, a distance of 55.58 feet;
North 48°16'37" East, a distance of 86.12 feet;
North 61°13'49" East, a distance of 74.25 feet;
North 47°56'51" East, a distance of 25.19 feet;

170.051 ACRES
S. F. AUSTIN 1/3 LEAGUE, ABSTRACT 28
J. G. McNEEL SURVEY, ABSTRACT 335
BRAZORIA COUNTY, TEXAS
PAGE 4 OF 4

North 68°08'51" East, a distance of 46.83 feet;
South 78°39'04" East, a distance of 24.76 feet;
North 63°31'31" East, a distance of 35.59 feet;
North 56°08'18" East, a distance of 96.73 feet;
North 76°54'41" East, a distance of 22.82 feet;
North 36°31'44" East, a distance of 32.74 feet;
South 69°33'24" East, a distance of 10.56 feet;
North 73°06'47" East, a distance of 53.02 feet;
North 45°08'53" East, a distance of 18.62 feet;
North 86°21'54" East, a distance of 45.91 feet;
North 65°08'11" East, a distance of 31.80 feet;
North 88°09'59" East, a distance of 16.58 feet;
North 57°18'14" East, a distance of 31.72 feet;
North 39°41'15" East, a distance of 54.13 feet;
North 66°11'34" East, a distance of 47.91 feet;
and North 77°57'52" East, a distance of 52.10 feet;

THENCE South 33°49'26" East, coincident with the Southwest line of the aforementioned FLNG Land, Inc. 211.70 acre lease tract, at 84.09 feet pass a set 5/8" iron rod and continue to a total distance of 1514.09 to the POINT OF BEGINNING, containing 170.051 acres of land, more or less.

Charles D. Wachtstetter
Registered Professional Land Surveyor
Texas Registration Number 4547
August 23, 2011

This description is based on a survey, a plat of which, dated August 23, 2011 is on file in the office of Doyle & Wachtstetter, Inc.

131 Commerce Street • Clute, Texas 77531-5601
Phone: 979-265-3622 • Fax: 979-265-9940 • Email: DW-Surveyor.com

BRAZORIA COUNTY
SECTION 28

J.C. McNEEL SURVEY
ABSTRACT 335

STEPHEN F. JUSTIN SURVEY
ABSTRACT 28

INTRACOASTAL WATERWAY

EXISTING FREEPORT LAGOON
211.70 ACRE LEASE

170.001 ACRE LEASE TRACT

COURTY ROAD 7243



SURVEY PLAT
OF
FREEPORT LAG
170.001 ACRE LEASE

FILE NO. THE
504005 RIVER MARSHES NAVIGATION DISTRICT
CALLED 212,012 ACRE TRACT
LOCATED IN
TOWNSHIP 1340, RANGE 07
BY THE
BRAZORIA COUNTY DEED RECORDS
IN THE
J.C. McNEEL LEASE
ABSTRACT 335
STEPHEN F. JUSTIN SURVEY
ABSTRACT 28
BRAZORIA COUNTY, TEXAS

NOTES:
1. THIS SURVEY PLAT WAS MADE FROM THE ORIGINAL FIELD NOTES.
2. THE SURVEY PLAT IS SUBJECT TO THE SURVEY PLAT RECORDS.

THIS SURVEY PLAT WAS MADE FROM THE ORIGINAL FIELD NOTES AND THE SURVEY PLAT RECORDS.



TRACT NO.	ACRES	FRAC.	TOTAL ACRES
1	170.001	1/1	170.001
2	211.70	1/1	211.70
3	170.001	1/1	170.001
4	211.70	1/1	211.70
5	170.001	1/1	170.001
6	211.70	1/1	211.70
7	170.001	1/1	170.001
8	211.70	1/1	211.70
9	170.001	1/1	170.001
10	211.70	1/1	211.70
11	170.001	1/1	170.001
12	211.70	1/1	211.70
13	170.001	1/1	170.001
14	211.70	1/1	211.70
15	170.001	1/1	170.001
16	211.70	1/1	211.70
17	170.001	1/1	170.001
18	211.70	1/1	211.70
19	170.001	1/1	170.001
20	211.70	1/1	211.70
21	170.001	1/1	170.001
22	211.70	1/1	211.70
23	170.001	1/1	170.001
24	211.70	1/1	211.70
25	170.001	1/1	170.001
26	211.70	1/1	211.70
27	170.001	1/1	170.001
28	211.70	1/1	211.70
29	170.001	1/1	170.001
30	211.70	1/1	211.70
31	170.001	1/1	170.001
32	211.70	1/1	211.70
33	170.001	1/1	170.001
34	211.70	1/1	211.70
35	170.001	1/1	170.001
36	211.70	1/1	211.70
37	170.001	1/1	170.001
38	211.70	1/1	211.70
39	170.001	1/1	170.001
40	211.70	1/1	211.70
41	170.001	1/1	170.001
42	211.70	1/1	211.70
43	170.001	1/1	170.001
44	211.70	1/1	211.70
45	170.001	1/1	170.001
46	211.70	1/1	211.70
47	170.001	1/1	170.001
48	211.70	1/1	211.70
49	170.001	1/1	170.001
50	211.70	1/1	211.70

TRACT NO.	ACRES	FRAC.	TOTAL ACRES
1	170.001	1/1	170.001
2	211.70	1/1	211.70
3	170.001	1/1	170.001
4	211.70	1/1	211.70
5	170.001	1/1	170.001
6	211.70	1/1	211.70
7	170.001	1/1	170.001
8	211.70	1/1	211.70
9	170.001	1/1	170.001
10	211.70	1/1	211.70
11	170.001	1/1	170.001
12	211.70	1/1	211.70
13	170.001	1/1	170.001
14	211.70	1/1	211.70
15	170.001	1/1	170.001
16	211.70	1/1	211.70
17	170.001	1/1	170.001
18	211.70	1/1	211.70
19	170.001	1/1	170.001
20	211.70	1/1	211.70
21	170.001	1/1	170.001
22	211.70	1/1	211.70
23	170.001	1/1	170.001
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32	211.70	1/1	211.70
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36	211.70	1/1	211.70
37	170.001	1/1	170.001
38	211.70	1/1	211.70
39	170.001	1/1	170.001
40	211.70	1/1	211.70
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42	211.70	1/1	211.70
43	170.001	1/1	170.001
44	211.70	1/1	211.70
45	170.001	1/1	170.001
46	211.70	1/1	211.70
47	170.001	1/1	170.001
48	211.70	1/1	211.70
49	170.001	1/1	170.001
50	211.70	1/1	211.70

TRACT NO.	ACRES	FRAC.	TOTAL ACRES
1	170.001	1/1	170.001
2	211.70	1/1	211.70
3	170.001	1/1	170.001
4	211.70	1/1	211.70
5	170.001	1/1	170.001
6	211.70	1/1	211.70
7	170.001	1/1	170.001
8	211.70	1/1	211.70
9	170.001	1/1	170.001
10	211.70	1/1	211.70
11	170.001	1/1	170.001
12	211.70	1/1	211.70
13	170.001	1/1	170.001
14	211.70	1/1	211.70
15	170.001	1/1	170.001
16	211.70	1/1	211.70
17	170.001	1/1	170.001
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20	211.70	1/1	211.70
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27	170.001	1/1	170.001
28	211.70	1/1	211.70
29	170.001	1/1	170.001
30	211.70	1/1	211.70
31	170.001	1/1	170.001
32	211.70	1/1	211.70
33	170.001	1/1	170.001
34	211.70	1/1	211.70
35	170.001	1/1	170.001
36	211.70	1/1	211.70
37	170.001	1/1	170.001
38	211.70	1/1	211.70
39	170.001	1/1	170.001
40	211.70	1/1	211.70
41	170.001	1/1	170.001
42	211.70	1/1	211.70
43	170.001	1/1	170.001
44	211.70	1/1	211.70
45	170.001	1/1	170.001
46	211.70	1/1	211.70
47	170.001	1/1	170.001
48	211.70	1/1	211.70
49	170.001	1/1	170.001
50	211.70	1/1	211.70

TRACT NO.	ACRES	FRAC.	TOTAL ACRES
1	170.001	1/1	170.001
2	211.70	1/1	211.70
3	170.001	1/1	170.001
4	211.70	1/1	211.70
5	170.001	1/1	170.001
6	211.70	1/1	211.70
7	170.001	1/1	170.001
8	211.70	1/1	211.70
9	170.001	1/1	170.001
10	211.70	1/1	211.70
11	170.001	1/1	170.001
12	211.70	1/1	211.70
13	170.001	1/1	170.001
14	211.70	1/1	211.70
15	170.001	1/1	170.001
16	211.70	1/1	211.70
17	170.001	1/1	170.001
18	211.70	1/1	211.70
19	170.001	1/1	170.001
20	211.70	1/1	211.70
21	170.001	1/1	170.001
22	211.70	1/1	211.70
23	170.001	1/1	170.001
24	211.70	1/1	211.70
25	170.001	1/1	170.001
26	211.70	1/1	211.70
27	170.001	1/1	170.001
28	211.70	1/1	211.70
29	170.001	1/1	170.001
30	211.70	1/1	211.70
31	170.001	1/1	170.001
32	211.70	1/1	211.70
33	170.001	1/1	170.001
34	211.70	1/1	211.70
35	170.001	1/1	170.001
36	211.70	1/1	211.70
37	170.001	1/1	170.001
38	211.70	1/1	211.70
39	170.001	1/1	170.001
40	211.70	1/1	211.70
41	170.001	1/1	170.001
42	211.70	1/1	211.70
43	170.001	1/1	170.001
44	211.70	1/1	211.70
45	170.001	1/1	170.001
46	211.70	1/1	211.70
47	170.001	1/1	170.001
48	211.70	1/1	211.70
49	170.001	1/1	170.001
50	211.70	1/1	211.70

Doyle & Winkler, Inc.
Surveyors and Engineers
Brazoria County, Texas

LEGAL DESCRIPTION

Tract D - 3

47.45 Acres

STATE OF TEXAS §

COUNTY OF BRAZORIA §

Being 47.45 acres of land out of the Stephen F. Austin Survey, Abstract No. 28, Brazoria County, Texas and being a portion of the Quintana Townsite as recorded in Volume 2, Page 139 of the Plat Records of Brazoria County, Texas and a portion of that certain tract of land described in that Final Judgment between Brazos River Harbor Navigation District and Terese Lewis Learned, et al, filed for record in Volume 1679, Page 485 of the Deed Records of Brazoria County, Texas, said 47.45 acres includes a portion of that certain 48.4333 acre tract of land described by Agreement for the Assignment of Ground Lease and Related Assets between Monsanto and FOC, Inc., filed for record May 31, 1994 under Clerk's File No. 94 020517 in the Official Records of Brazoria County, Texas and said 47.45 acre tract being more completely described by metes and bounds as follows:

BEGINNING at the most easterly south corner of said 48.4333 acre tract, being the east corner of that certain 14.3011 acre tract of land described by First Amendment to Ground Lease and Definitive Agreement Regarding Port Facilities between Brazos River Harbor Navigation District of Brazoria County, Texas and ExxonMobil Pipeline Company, filed for record June 27, 2000 under Clerk's File No. 00 026963 in the Official Records of Brazoria County, Texas.

THENCE along the most easterly southeast line of said 48.4333 acre tract, N 45°05'50" E, a distance of 770.10 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found for the most southerly east corner of said 48.4333 acre tract.

THENCE N 44°54'31" W, a distance of 1,411.38 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found on the most easterly northwest line of said 48.4333 acre tract.

THENCE along said northwest line, N 45°06'26" E, a distance of 1,089.40 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found for an interior ell corner of said 48.4333 acre tract.

THENCE N 44°48'15" W, a distance of 76.53 feet to a 5/8" iron rod with cap stamped "John D. Mercer, RPLS #1924" found on the southeast bank of the Gulf Intra-Coastal Waterway for the most northerly corner of the herein described tract.

THENCE along the southeast bank of the Gulf Intra-Coastal Waterway as follows:

- S 63°18'57" W, a distance of 88.25 feet;
- S 58°10'24" W, a distance of 108.84 feet;
- S 48°55'13" W, a distance of 94.98 feet;
- S 48°34'12" W, a distance of 87.65 feet;
- S 37°39'58" W, a distance of 40.02 feet;
- S 64°41'08" W, a distance of 103.68 feet;
- S 52°41'13" W, a distance of 116.67 feet;
- S 77°42'22" W, a distance of 73.40 feet;
- S 46°05'49" W, a distance of 100.87 feet;
- S 54°10'02" W, a distance of 87.38 feet;

Tract D - 3
47.45 Acres

S 06°48'27" W, a distance of 39.72 feet;
S 41°03'09" W, a distance of 52.39 feet;
S 32°48'20" W, a distance of 147.29 feet;
S 57°15'40" W, a distance of 104.15 feet;
N 69°11'46" W, a distance of 105.98 feet;
S 75°39'43" W, a distance of 30.04 feet;
S 08°40'49" W, a distance of 40.36 feet;
S 33°09'49" W, a distance of 137.32 feet;
S 34°55'41" W, a distance of 70.01 feet;
S 58°24'46" W, a distance of 63.09 feet;
N 89°46'54" W, a distance of 93.86 feet;
S 58°00'57" W, a distance of 31.93 feet;
S 60°57'55" W, a distance of 29.87 feet;
S 40°12'55" W, a distance of 36.71 feet;
S 41°42'45" W, a distance of 82.87 feet;
S 46°50'15" W, a distance of 30.84 feet;
S 32°17'49" W, a distance of 32.59 feet;
S 25°41'43" W, a distance of 27.89 feet;
S 14°34'52" E, a distance of 19.47 feet;
S 37°30'52" E, a distance of 64.67 feet;
S 03°14'21" E, a distance of 45.93 feet;
S 15°32'02" W, a distance of 115.86 feet;
S 44°57'56" W, a distance of 51.24 feet;
S 43°57'14" W, a distance of 76.71 feet;
S 40°28'39" W, a distance of 59.91 feet;
S 35°08'21" W, a distance of 108.92 feet;
S 05°06'52" W, a distance of 86.20 feet;
S 03°44'46" E, a distance of 76.41 feet;
S 38°39'21" E, a distance of 116.00 feet;
S 81°16'10" W, a distance of 52.35 feet;
N 46°07'15" W, a distance of 52.43 feet;
N 64°50'56" W, a distance of 60.41 feet;
N 84°43'49" W, a distance of 69.39 feet;
S 35°04'27" W, a distance of 105.55 feet;
S 37°15'41" W, a distance of 87.39 feet;
S 25°15'21" W, a distance of 53.04 feet;
S 20°48'56" E, a distance of 114.31 feet;
S 76°31'29" W, a distance of 64.16 feet;
N 66°34'25" W, a distance of 28.43 feet; and
S 60°54'58" W, a distance of 12.78 feet to a point for the most westerly corner of the herein
described tract.

Tract D - 3
47.45 Acres

THENCE S 44°54'23" E, passing a 5/8" Iron rod with cap stamped "John D. Mercer, RPLS #1924" found at 55.00 feet and continuing a total distance of 270.04 feet to the most westerly south corner of the hereby described tract.

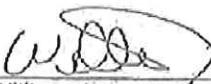
THENCE N. 45°05'01" E, a distance of 628.77 feet to the most westerly north corner of said 14.3011 acre tract.

THENCE S 44°53'45" E, a distance of 509.06 feet an interior ell corner of said 14.3011 acre tract, being the most westerly south corner of said 48.4333 acre tract.

THENCE N 45°06'15" E, a distance of 414.48 feet to the most easterly north corner of said 14.3011 acre site, being an interior ell corner of said 48.4333 acre tract.

THENCE S 44°53'45" E, a distance of 631.08 feet to the POINT OF BEGINNING and containing 47.45 acres of land, more or less.

Bearings are derived from GPS observations and based on the Texas State Plane Coordinate System, South Central Zone, NAD 83 grid bearings.


William J. Cash Jr.
RPLS No. 3808



**Additional Legal Descriptions for Quintana Block 23 (Lots 1-4, 6-12), Quintana
Block 10 (Lots 7-12) and Holly Street and Second Street Crossings**

Holly Street Crossing R.O.W

Approximately 0.1403 acres out of the S.F. Austin Survey, A-28, Brazoria County, Texas, being 61.1 feet in length across Holly Street and 100 feet in width

Quintana Block 23

1. Lot 1 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
2. Lot 2 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
3. Lot 3 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
4. Lot 4 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
5. Lot 6 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
6. Lot 7 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
7. Lot 8 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
8. Lot 9 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
9. Lot 10 - Approximately 0.1416 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
10. Lots 11-12 - Approximately 0.2831 acres out of Block 23 out of the S.F. Austin Survey, A-28, Brazoria County, Texas

Second Street Crossing R.O.W

Approximately 0.1403 acres out of the S.F. Austin Survey, A-28, Brazoria County, Texas, being 61.1 feet in length across Second Street and 100 feet in width between Block 23 and Block 10

Quintana Block 10

1. Lot 7 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
2. Lot 8 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
3. Lot 9 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
4. Lot 10 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
5. Lot 11 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas
6. Lot 12 - Approximately 0.1416 acres out of Block 10 out of the S.F. Austin Survey, A-28, Brazoria County, Texas

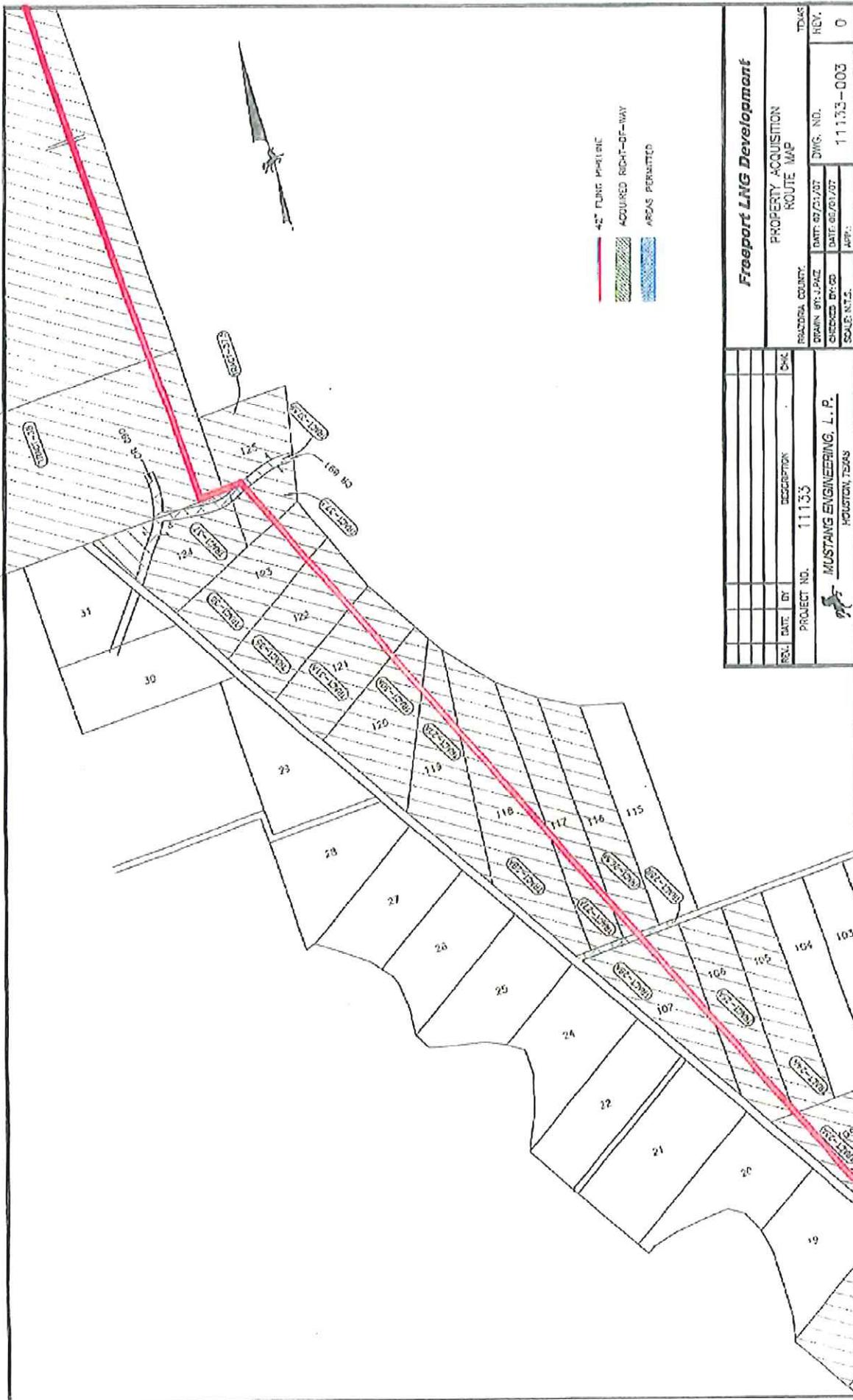
Right of Way Tract Description Index for 42" Pipeline, Proposed NGL Pipeline and Proposed Fiber Optics Please see the electronic copy of the application for additional individual tract documents and information.					
Tract No.	Legal Land Description	Approximate Area Description	Approx. ROW Feet	File Name (PDF)	Page No. of file that Legal Land Description and Map are on (of electronic files)
2	S.F. Austin Survey, A-28 & A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "B"	Land located across State-owned land in Brazoria County, States River/Freeport Harbor Channel (08.6 rods in length), being 50 feet wide on either side of the centerline of the 42" pipeline, being approximately 2.638 acres	1149.00	Tracts 2 and 56	5
3	Part Lots 13A & 14, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	0.24 acres out of Part Lot(s) 13A & 14, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98.	239.70	Tract 3	2
5	Part Lot 13, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	A 0.24 acre permanent Easement Parcel out of the Mitchell Labor, Abstract 98, Brazoria County, Texas and being Lot 13 of the B.C.I.C. Subdivision, Division 3	297.99	Tract 5	2
6	Lot 22, B.C.I.C. Division 3 Subdivision, a. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	A 0.48 permanent easement parcel and a 0.42 acre temporary easement out of Lot 22, B.C.I.C. Division 3 Subdivision, a. Mitchell Labor, A-98	655.59	Tract 6	2
6R	A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Thunder Road), being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.127 acres	110.88	Tracts 6R, 6.5R, 7R, 10R	2,3
6JR	A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Coast Guard Road), being 25 feet on either side of the centerline, being approximately 0.051 acres	44.385	Tracts 6R, 6.5R, 7R, 10R	4
7	Lot 12, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, Brazoria County, Texas, Exhibit "A"	A 0.66 acre permanent Easement Parcel and a 0.82 acre temporary easement parcel out of the 5.00 acre parent tract (Lot 12)	743.63	Tract 7	2
7R	A. Mitchell Survey, A-98, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Unnamed Road), being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.034 acres	30.03	Tracts 6R, 6.5R, 7R, 10R	5
8	Lot 1, B.C.I.C. Division 3 Subdivision, A. Mitchell Labor, A-98, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.64 acre tract or parcel of land and a 1.30 acre temporary easement parcel of land out of the A. Mitchell Labor, Abstract 98, Lot 1, Brazoria County, Texas	745.58	Tract 8	2
9	Lot 12, B.C.I.C. Division 2 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.06 acre tract or parcel of land and a 0.070 acre temporary easement parcel of land out of the F.J. Calvit League, Abstract 51, Lot 12, Brazoria County, Texas	90.87	Tract 9	2
10	Lot 11, B.C.I.C. Division 2 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.22 acre tract or parcel of land out of the F.J. Calvit League, Abstract 51, Lot 11, Brazoria County, Texas	321.49	Tract 10	3
10R	A. Mitchell Survey, A-98 & F.J. Calvit Survey, A-51, Brazoria County, Texas, Exhibit "A"	Across defined roadway in Village of Surfside Beach (Canal St.), being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.047 acres	40.59	Tracts 6R, 6.5R, 7R, 10R	7
11	A. Mitchell Survey, A-98 & F.J. Calvit Survey, A-51, Brazoria County, Texas, Exhibit "B"	Across the Intercoastal Waterway (Total Length: 810.54' = 49.12 Rods) (Permanent Easement: 0.558 acres)	810.54	Tract 11 - Intercoastal Waterway Crossing	2
12	Lots 8, 9, 10, 11 & 12, B.C.I.C. Division 4 Subdivisions, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A tract or parcel of land (Permanent Easement: 1.39 acres, Temporary Easement: 8.270) out of Lots 8, 9, 10, 11 & 12, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, Brazoria County Texas	2000.01	Tract 12	3
15	Lot 10, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.41 acre tract or parcel of land and a 0.80 acre temporary easement parcel of land out of Lot 10, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51	445.31	Tract 15	2
16	Lot A, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.42 acre tract or parcel of land and a 0.83 acre temporary easement parcel of land out of Lot A, B.C.I.C. Division 4 Subdivision, F.J. Calvit League, A-51	458.51	Tract 16	2

16R	F.J. Calvit Survey, A-51, Brazoria County, Texas, Lot 2, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	The pipeline(s) is installed by conventional lay under the ground under the asphalt feeder roads servicing SH 332, within the TX DOT right of way, approximately 1060 feet northwest of where the SH 332 bridge begins to cross the Intracoastal Waterway. The approximate distance of the easement is 442 feet and the described width is 25 feet on either side of the centerline of the 42" pipeline, being 0.507 acres.	442.00	Tract 16R	2
17	Same as Tract 19	A 0.57 acre tract or parcel of land and a 1.24 acre temporary easement parcel out of Lot 2, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51	491.28	Tract 17	2
18	Same as Tract 19	Same as Tract 19	0.00	Tract 19	Same as Tract 19
19	Lots 10 & 11, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.79 acre tract or parcel of land and a 0.70 acre temporary easement parcel of land out of Lots 10 and 11 of the Brazos Coast Investment Company, Division 7 Subdivision of the F.J. Calvit League, Abstract Number 51	847.54	Tract 19	2
20	Lot 12, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.93 acre tract or parcel of land and a 0.56 acre temporary easement parcel of land out of Lot 12, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, (5.00 acres)	331.15	Tract 20	4
21	Lot 13, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.27 acre easement tract or parcel of land out of Lot 13, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51 (14.95 rods in length)	246.81	Tracts 21-50, 67	6
21R	A. Mitchell Survey, A-98, Brazoria County, Texas	Land under, over or along a certain County Road (Tarpon Lane) - Approx. ROW feet = 356.235', being 25 feet on either side of the centerline of the 42" pipeline, being approximately 0.409 acres	356.24	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	2
22	Lot 14, B.C.I.C. Division 7 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.049 acre tract or parcel of land out of Lot 14 of the Brazos Coast Investment Company Division 7 Subdivision of the F.J. Calvit League, Abstract Number 51	0.00	Tract 22	2
22a	Lot 66, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas	A 0.21 acre tract or parcel of Lot 66, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, (10.00 acres)	182.55	Tract 22A	5
22R	F.J. Calvit Survey, A-51, Brazoria County, Texas	Land under, over or along a certain County Road (Unnamed Road, Brazoria County), being approximately 0.037 acres - Approx. ROW feet = 32.34', Approx. width = 25 feet on either side of the centerline of the 42" pipeline.	32.34	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	3
23a	Lot 108, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.60 acres out of Lot 108, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	521.07	Tract 23A	2
24a	Lot 105, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.03 acres out of Lot 105, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	18.37	Tract 24A	2
25a	Lot 106, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FLNG, being Lot 106, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, (5.00 acres), Brazoria County, Texas	566.78	Tract 25A	4
26a	Lot 107, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FLNG, being Lot 107, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, (5.00 acres), Brazoria County, Texas	498.17	Tract 26A	4
26R	F.J. Calvit Survey, A-51, Brazoria County, Texas, Brazoria County, Texas	Land under, over or along a certain County Road, being approximately 0.036 acres (Unnamed Road, Brazoria County) - Approx. ROW feet = 31.35', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	31.35	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	4
26.5a	Lot 116, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.22 acres out of Lot 116, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	187.32	Tract 26.5A	2
27a	Lot 117, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FLNG, being Lot 117, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, (5.00 acres)	437.37	Tract 27A	4
28a	Lot 118, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.72 acres out of Lot 118, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	627.18	Tract 28A	2
29a	Lot 119, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.30 acres out of Lot 119, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	260.91	Tract 29A	2
30a	Lot 120, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.24 acres out of Lot 120, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	208.97	Tract 30A	2

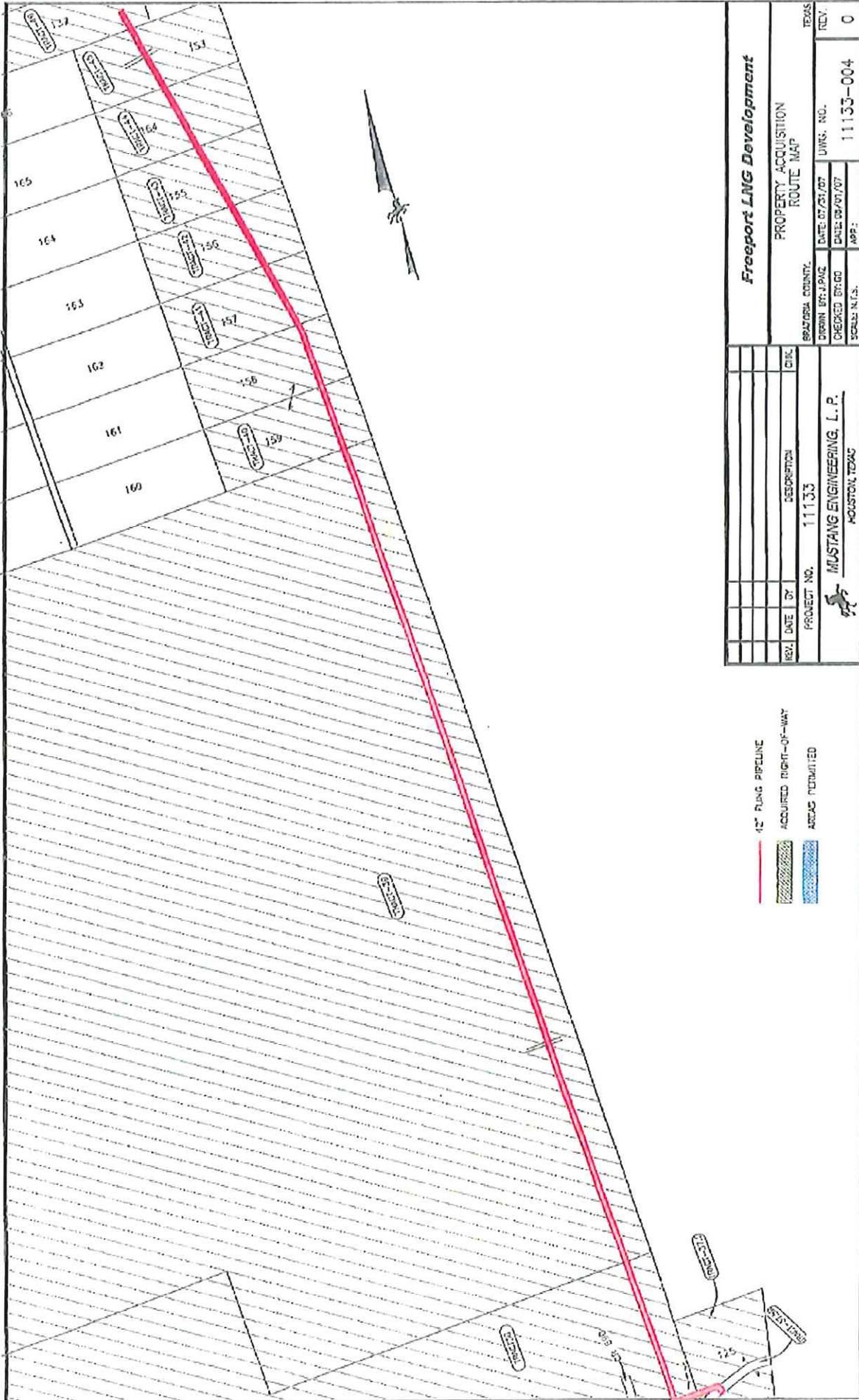
31a	Lot 121, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.34 acres out of Lot 121, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51.	294.43	Tract 35A	2
35	Lot 122, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.34-acre tract or parcel of land out of Lot 122, out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	292.37	Tract 35	2
36	Lot 123, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	5.00 acres, owned by FJNE, being Lot 123, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas	294.20	Tract 36	6
37	Lot 124, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A-2"	0.00 acres of permanent easement and a 0.39 acre temporary easement parcel out of Lot 124, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas	0.00	Tracts 37, 41, 43, 45, 47, 52	4
37.5	Lot 125, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.51 acres and a 0.070 acre temporary easement parcel of land out of Lot 125, B.C.I.C. Division 8 Subdivision, F.J. Calvit League, A-51	388.19	Tracts 37.5, 38	2
37.5R	F.J. Calvit Survey, A-51, Brazoria County, Texas	land under, over or along a certain County Road (Co. RD. 891, Brazoria County), being approximately 0.043 acres - Approx. ROW feet = 42.075', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	42.075	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	5
38	100.57 Acres, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.94 acre tract or parcel of land and a 1.90 acre temporary easement parcel of land out of the F.J. Calvit League, Abstract Number 51, Brazoria County, Texas	798.52	Tracts 37.5, 38	3
39	345.909 acres, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.53 acre tract of land and a 11.150 acre temporary easement parcel of land out of 345.909 acres, F.J. Calvit League, A-51, Brazoria County, Texas.	3946.00	Tract 39	2
40	Lots 158 & 159, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 1	A 0.70 acre tract and a 0.99 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	614.12	Tracts 40, 42, 44, 49, 55	2
41	Lot 157, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 3"	A 0.36 acre tract and a 0.54 acre temporary easement parcel of land out of Lot 157, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	312.24	Tracts 37, 41, 43, 45, 47, 52	3
42	Lot 156, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 2	A 0.36 acre tract and a 0.50 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	312.24	Tracts 40, 42, 44, 49, 55	3
43	Lot 155, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 4"	0.36 acres and a 0.54 acre temporary easement parcel of land out of Lot 155, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	312.24	Tracts 37, 41, 43, 45, 47, 52	6
44	Lot 154, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 3	0.36 acres and a 0.72 acre temporary easement parcel of land out of a part of 102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	312.24	Tracts 40, 42, 44, 49, 55	6
45	Lot 153, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 5"	0.31 acres and a 0.46 acre temporary easement parcel of land out of Lot 137, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	313.73	Tracts 37, 41, 43, 45, 47, 52	7
46	Lot 137, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.31 acres and a 0.46 acre temporary easement parcel of land out of Lot 137, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51 (5.00 acres)	268.54	Tract 46	4
47	Lot 136, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 6"	0.31 acres and a 0.46 acre temporary easement parcel of land out of Lot 136, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51	267.82	Tracts 37, 41, 43, 45, 47, 52	8
48	Lot 135, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.31 acres and a 0.61 acre temporary easement parcel of land out of Lot 135, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51 (5.00 acres)	267.41	Tract 48	4
49	Lot 140, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A" - 4	102.5 acres, more or less, being tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	267.41	Tracts 40, 42, 44, 49, 55	5
50	Lot 144, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	A 0.31 acre easement tract or parcel of land and a 0.45 acre temporary easement parcel of land out of Lot 144, B.C.I.C. Division 9 Subdivision, F.J. Calvit League, A-51 (35.21 rods in length)	267.41	Tracts 21, 50, 57	7

51	Lot 142, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "g"	A 0.37 acre tract of land, a 0.27 acre tract of land and a 0.61 acre temporary easement parcel of land out of Lot 142, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51.	267.41	Tract 51	Z
52	Lot 143 & 144, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "k, A-1"	0.61 acres and a 0.22 acre temporary easement parcel of land out of Lot 143 & 144, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51	898.15	Tracts 37, 41, 43, 45, 47, 52	3
52R	F.J. Calvit Survey, A-51 & B.T. Archer Survey, A-9, Brazoria County, Texas	Land under, over or along a certain County Road (Co. RD. 690A - Galley Way Rd., Brazoria County), being approximately 0.075 acres - Approx. ROW feet = 65.04', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	65.01	Tracts 21R, 22R, 25R, 37.5R, 52R, 57R	5
53	Lot 125, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A"	0.63 acres out of Lot 125, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51	898.10	Tract 53	Z
55	Lot 126, B.C.L.C. Division 9 Subdivision, F.J. Calvit League, A-51, Brazoria County, Texas, Exhibit "A", 5	0.02 acres out of a part of 102.5 acres, more or less, being Tracts 126, 140, 154, 156, and 159, Brazos Coast Investment Company Subdivision #9 out of the F.J. Calvit League, Abstract 51, Brazoria County, Texas	0.00	Tracts 40, 42, 44, 46, 55	5
56	F.J. Calvit Survey, A-51 & B.T. Archer Survey, A-9, Brazoria County, Texas, Exhibit "g"	Land located across State-owned land in Brazoria County: Oyster Creek (20.04 rods in length), East Union Slough (1.5 rods in length), being 50 feet wide on either side of the centerline of the 42" pipeline, being approximately 0.931 acres	396.66	Tracts 2 and 36	6,7
57	Lot 121, B.T. Archer League, A-9, Brazoria County, Texas, Exhibit "A"	0.66 acres out of Lot 121, B.T. Archer League, A-9, Brazoria County, Texas (a 62.5637 acre tract of land)	898.23	Tract 57	Z
57R	B.T. Archer Survey, A-9, Brazoria County, Texas	Land under, over or along a certain County Road (Unnamed Road and Co. Rd. 792, Brazoria County), being approximately 0.139 acres - Approx. ROW feet = 120.945', Approx. width = 25 feet on either side of the centerline of the 42" pipeline	396.66	Tracts 21R, 22R, 26R, 37.5R, 52R, 57R	7,8
58	Lot 122, 123, 124, 125, 126, 127 & 128, B.T. Archer League, A-9, Brazoria County, Texas, Exhibit "A"	1.39 acres and a 1.36 acre temporary easement parcel of land out of Lots 122, 123, 124, 125, 126, 127 & 128, B.T. Archer League, A-9, Brazoria County, Texas (a 504.445 tract of land)	1300.95	Tract 58	2,3
59	B.T. Archer League, A-2, Brazoria County, Texas, Exhibit "A"	A 0.60 acre tract of land and a 0.53 acre temporary easement parcel of land out of the B.T. Archer League, Abstract 9, Brazoria County, Texas	658.00	Tract 59	2
61	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A strip of land (2.60 acre tract of land) and a 4.04 acre temporary easement parcel of land out of Tract 2 and Tract 3, being 500 acres, more or less, out of the John Lightfoot Survey, Abstract No. 316, Brazoria County, Texas	2991.72	Tract 61	2,3
62.01 and 62.02	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A 0.46 acre tract of land and a 0.54 acre temporary easement parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	496.71	Tract 62.01, 62.02	3,8
62.023	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A 0.02 acre tract of land and a 0.02 acre temporary easement parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	29.66	Tract 62.023	2
62A	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A forty (40) foot wide strip of land (approx. 1.50 acres) and a 2.00 acre temporary easement parcel of land across a certain 206.67 acre tract or parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	1610.92	Tract 62A	2,3
62.03	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A forty (40) foot wide strip of land (approx. 0.23 acres) and a 0.20 acre temporary easement parcel of land across a certain called 11.004 acre tract or parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	248.01	Tract 62.03	Z
65	John W. Lightfoot Survey, A-316, Brazoria County, Texas, Exhibit "A"	A 0.50 acre tract of land and a 0.44 acre temporary easement parcel of land out of the John W. Lightfoot Survey, Abstract 316, Brazoria County, Texas	545.36	Tract 65	Z
66	Lot 10, Jared E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas, Exhibit "A"	A 1.02 acre tract and a 0.89 acre temporary easement parcel of land out of Lot 10, Jared E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas (145.00 acres)	1112.26	Tract 66	Z

67	Jared E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas, Exhibit "A", approximately 20.55 acres out of a 5,782.72 acre tract	<p>(1) Approximately 542.7 rods, being 8,950.63 feet in length and 50 feet in width on either side of the centerline of the existing 42" pipeline, being approximately 20.55 acres of a 5,782.72 acre tract or parcel of land out of the Jared E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas (owned by Dow Chemical Company); and (2) Approximately 500 feet in length and 100 feet in width, being approximately 1.15 acres of a 5,782.72 acre tract or parcel of land out of the Jared E. Groce 5 Leagues Grant Survey, A-66, Brazoria County, Texas (owned by Dow Chemical Company), for the NGL line split-off to Ineos</p>	8950.63 ÷ 500 = 9450.63	3,4,5
68	J. E. Groce 5 Leagues Grant, A-66, Brazoria County, Texas, Exhibit "A"	A 0.02 acre tract or parcel of land and a 0.02 acre temporary easement parcel of land out of the J.E. Groce 5 Leagues Grant Survey, Abstract 66, Brazoria County, Texas.	20.09	2
69	Jared E. Groce 5 Leagues, A-66, Brazoria County, Texas, approximately 1.81 acres	<p>(1) Approximately 1.81 acres and a 0.28 acre temporary easement parcel of land out of a 474.77 acre tract out of the Jared E. Groce 5 Leagues Survey, A-66, Brazoria County, Texas; and (2) Approximately 2,600 feet in length and 100 feet in width, being approximately 5.37 acres out of a 474.77 acre tract out of the Jared E. Groce 5 Leagues Survey A-66, Brazoria County, Texas, for the NGL line split off to Ineos</p>	1058.54 ÷ 3600 = 3658.94	3



Freepart LNG Development	
REL. DATE	DESCRIPTION
PROJECT NO. 11133	11133
MUSTANG ENGINEERING, L.P. HOUSTON, TEXAS	
RAZORBACK COUNTY	PROPERTY ACQUISITION ROUTE MAP
DRAWN BY: LPAZ	DATE: 07/21/07
CHECKED BY: CB	DATE: 05/01/07
SCALE: N.T.S.	APP.:
DWG. NO. 11133-003	Texas
	REV. 0



PROJECT NO.		DESCRIPTION		DATE	BY	DATE	BY
11133		PROPERTY ACQUISITION ROUTE MAP		07/25/07	J.P.M.C.	08/01/07	J.P.M.C.
PROJECT NO.		DESCRIPTION		DATE	BY	DATE	BY
11133		PROPERTY ACQUISITION ROUTE MAP		07/25/07	J.P.M.C.	08/01/07	J.P.M.C.
PROJECT NO.		DESCRIPTION		DATE	BY	DATE	BY
11133		PROPERTY ACQUISITION ROUTE MAP		07/25/07	J.P.M.C.	08/01/07	J.P.M.C.

Freeport LNG Development

PROPERTY ACQUISITION ROUTE MAP

BRADSHAW COUNTY, TEXAS	DATE: 07/25/07	DWNS. NO.	11133-004
CHECKED BY: J.P.M.C.	DATE: 08/01/07	APPR.:	
SCALE: N.T.S.			

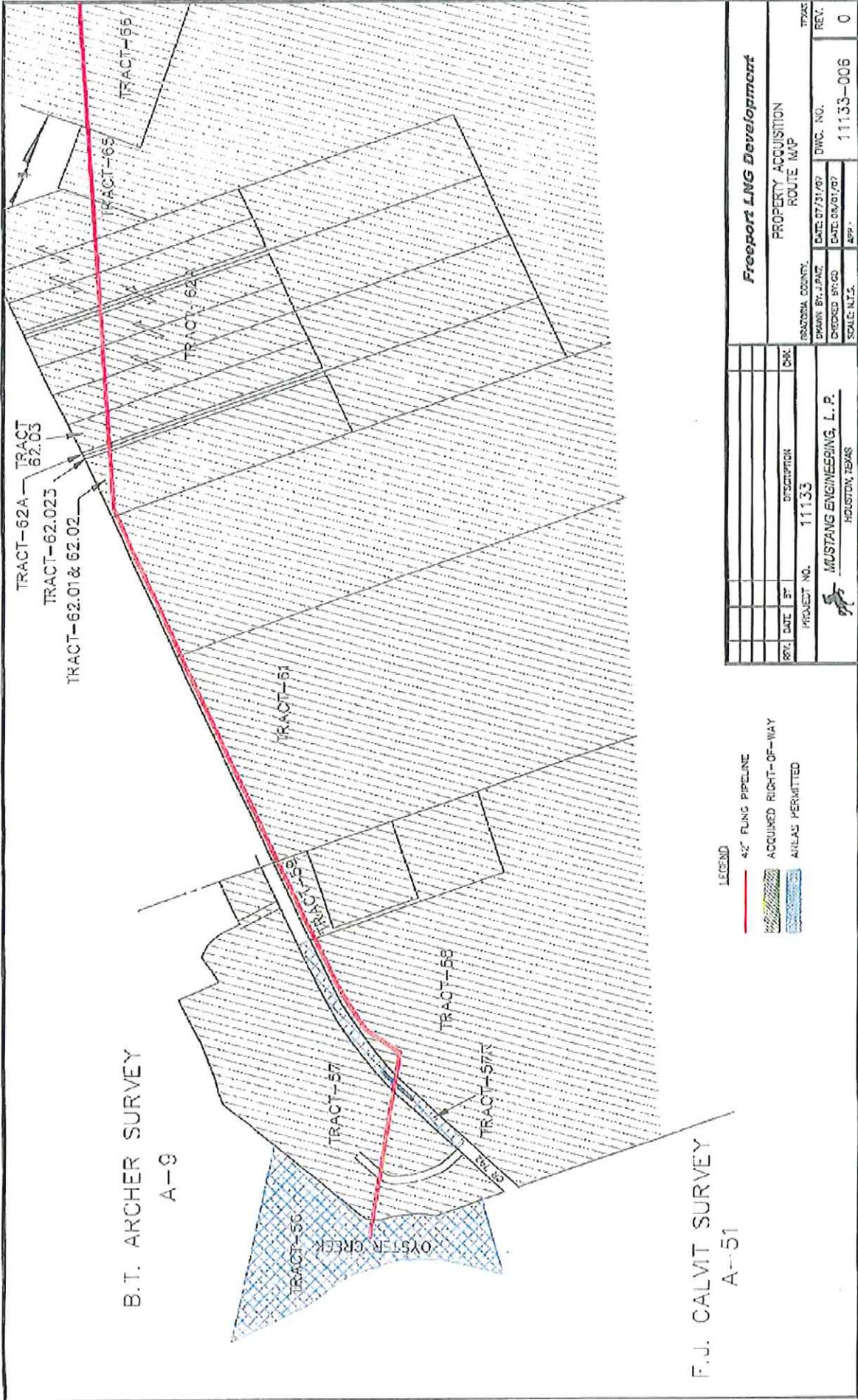
MUSTANG ENGINEERING, L.P.
HOUSTON, TEXAS





- 42" MAIN PIPELINE
- ▨ ACQUIRED RIGHT-OF-WAY
- ▨ AREAS PERMITTED

		Freeport LNG Development	
		PROPERTY ACQUISITION	
		ROUTE MAP	
		BRACORA COUNTY, TEXAS	
REV.	DATE	BY	CHK.
PROJECT NO. 11133		MUSTANG ENGINEERING, L. P.	
		HOUSTON, TEXAS	
DRAWN BY: JPAZ		DATE: 07/31/97	DWG. NO. 11133-005
CHECKED BY: CD		DATE: 08/01/97	REV. 0
SCALE: N.T.S.		APP.	



B.T. ARCHER SURVEY
A-9

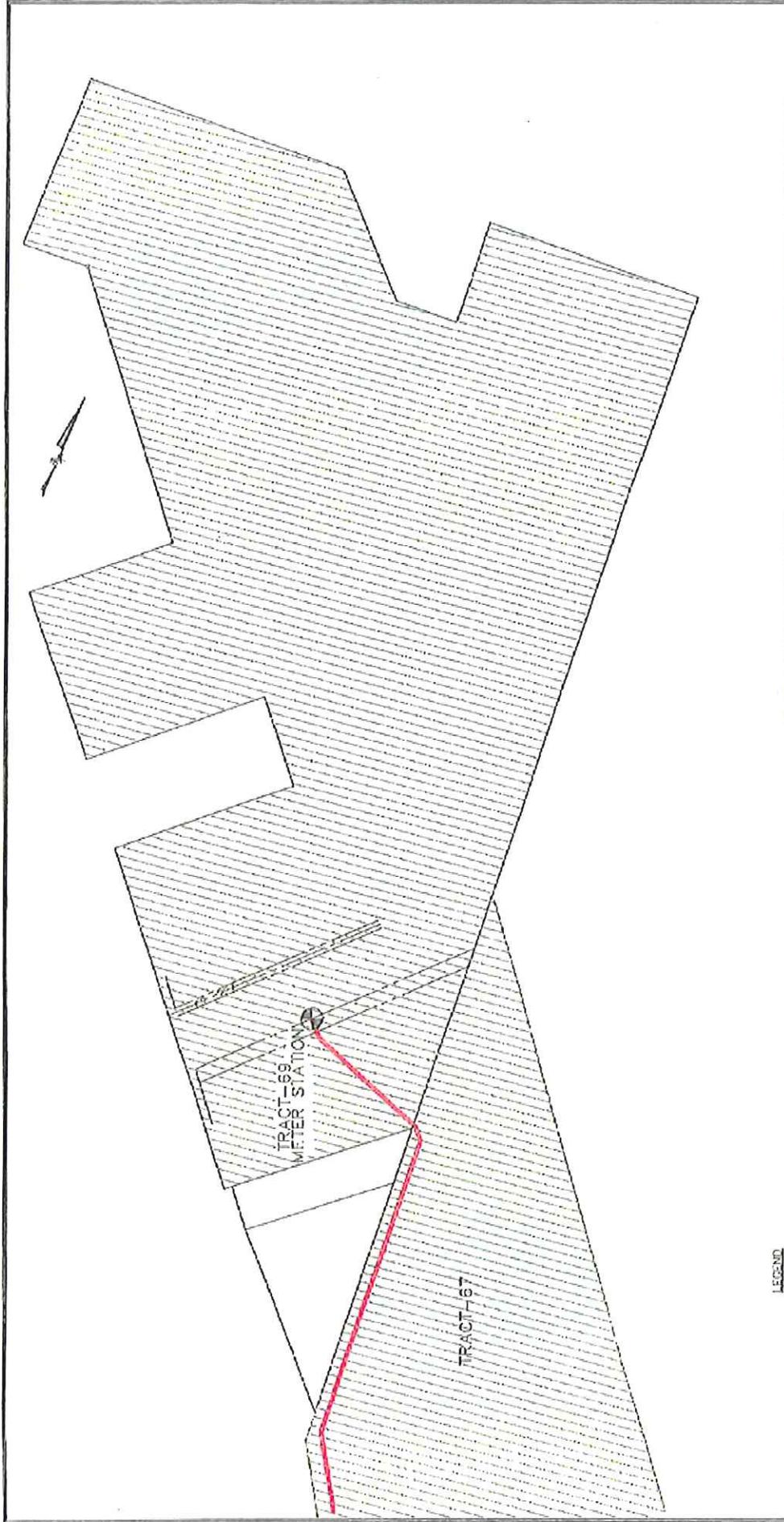
F.J. CALMIT SURVEY
A-51

- LEGEND
- 42" FLUNG PIPELINE
 - ACQUIRED RIGHT-OF-WAY
 - AIRLIS PERMITTED

Freeport LNG Development

PROPERTY ACQUISITION
ROUTE MAP

PROJECT NO.	11133	TRACT	
DATE		DATE 07/31/97	DWC. NO.
DESCRIPTION		DATE 08/01/97	REV.
CHK.		SCALE: N.T.S.	11133-006
PROJECT NO. 11133		DWC. NO. 11133-006	
MUSTANG ENGINEERING, L.P.		REV. 0	
HOUSTON, TEXAS			



- LEGEND
- 42" FLNG PIPELINE
 - - - ACQUIRED RIGHT-OF-WAY
 - ▨ AREAS PERMITTED

		Freepport LNG Development	
		PROPERTY ACQUISITION ROUTE MAP	
REV.	DATE	BY	DESCRIPTION
			CHK.
PROJECT NO. 11133		MUSTANG ENGINEERING, L.P. HOUSTON, TEXAS	
ISADORA COUNTY.		DATE: 07/23/07	DWG. NO. 11133-008
DESIGNED BY: JPMKZ	CHECKED BY: GD	DATE: 08/01/07	REV. 0
SCALE: N.T.S.	APP.		

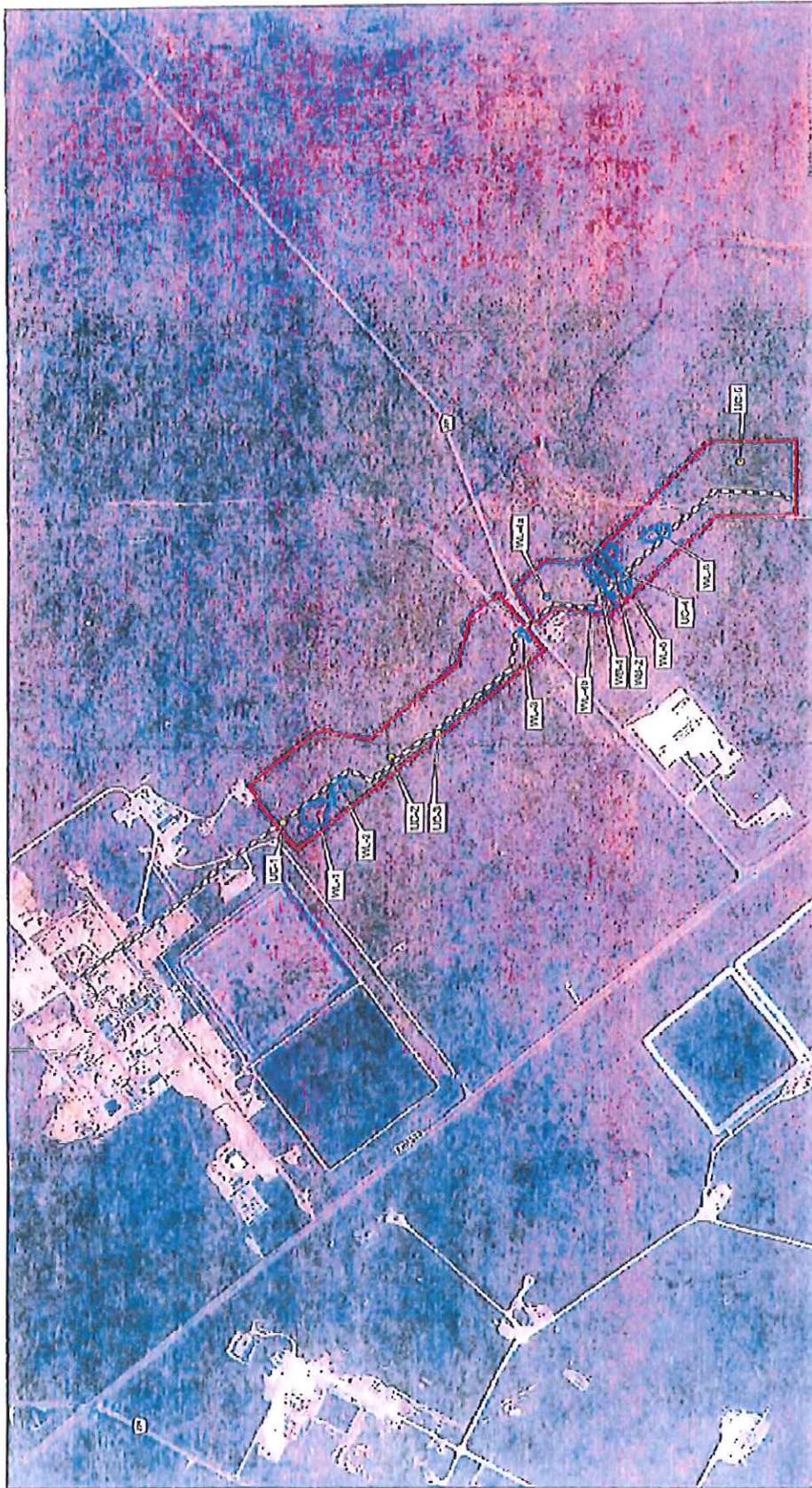


Figure 4
Field Dolomite Wetlands/Waterbodies Map
 NGL Pipeline Route (North Segment)
 Brazoria County, Texas

Proposed Pipeline Corridor
 Survey Control Points
 GPS Wetland Sampling Pits
 Delimited Wetland / Waterbody
 Wetland/Waterbody Present in Survey Area (Waterbody)

Survey Control Points
 Label Control Point
 WL = Waterbody
 W = Wetland
 UC = Upland Control

Wetland/Waterbody Present in Survey Area (Waterbody)

0 200 400 Feet
 1:5,000

Gulf of Mexico
 TEXAS

DATE: 08/20/18 | REVISED: 08/22/18 | DRAWN BY: GOCUMING

Bid Sorrell



BEING A 305.672 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 305.672 ACRE TRACT BEING A PART OF THE FOLLOWING TWO TRACTS: (1) A 346.909 ACRE TRACT OF LAND CONVEYED TO MICHAEL J. SORRELL AND WIFE, LORIE, SORRELL FROM KATHRINE CULLEN BURTON, ET AL, TRUSTEES OF THE ROY G. CULLEN TRUST FOR THE BENEFIT OF ROY HENRY CULLEN, THE ROY G. CULLEN TRUST FOR THE BENEFIT OF HARRY HOLMES CULLEN AND THE ROY G. CULLEN TRUST FOR THE BENEFIT OF CORNELIA CULLEN LONG RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 01-011602 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); AND (2) A 9.495 ACRE TRACT OF LAND CONVEYED TO MICHAEL J. SORRELL FROM J. T. SUGGS, JR. BY DEED DATED AUGUST 28, 1986 AND RECORDED IN VOLUME (86)320, PAGE 391 OF THE O.R.B.C.T.; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 305.672 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a three-eighths inch iron rod with cap found at the southwest corner of said 346.909 acre tract and on the east line of the Brazos Coast Investment Company (B.C.I.C.) Subdivision (S/D) No. 10 recorded in Volume 2, Page 141 of the Plat Records of Brazoria County, Texas (P.R.B.C.T.); same being the northwest corner of a 105.52 acre tract conveyed to Zim Exploration & Production Co. from Buccancer Land Partnership by deed dated December 16, 1989 and recorded in Volume (90)756, Page 702 of the O.R.B.C.T.; from which a one and one-half inch iron pipe found at the southwest corner of said 105.52 acre tract bears South $09^{\circ} 44' 50''$ East, 1,309.41 feet (called South $09^{\circ} 45' 00''$ East, 1,308.5 feet);

THENCE North $09^{\circ} 44' 50''$ West (called North $09^{\circ} 45' 00''$ West), along the common line of said 346.909 acre tract and said B.C.I.C. S/D No. 10, a distance of 834.38 feet to a five-eighths inch iron rod set for corner;

THENCE North $86^{\circ} 48' 42''$ East a distance of 40.85 feet to a five-eighths inch iron rod set for corner;

THENCE North $53^{\circ} 05' 23''$ East a distance of 102.73 feet to a five-eighths inch iron rod set for corner;

THENCE North $37^{\circ} 28' 56''$ East a distance of 97.87 feet to a five-eighths inch iron rod set for corner;

THENCE North $19^{\circ} 44' 43''$ East a distance of 104.60 feet to a five-eighths inch iron rod set for corner;

DESCRIPTION OF 305.672 ACRES
PAGE 2 OF 4 PAGES

THENCE North 12° 33' 00" East a distance of 323.47 feet to a five-eighths inch iron rod set for corner;

THENCE North 19° 08' 27" East a distance of 111.23 feet to a five-eighths inch iron rod set for corner;

THENCE North 33° 56' 34" East a distance of 109.84 feet to a five-eighths inch iron rod set for corner;

THENCE North 49° 13' 02" East a distance of 109.35 feet to a five-eighths inch iron rod set for corner;

THENCE North 49° 45' 48" East a distance of 223.28 feet to a five-eighths inch iron rod set for corner;

THENCE South 09° 57' 26" East a distance of 46.57 feet to a five-eighths inch iron rod set for corner;

THENCE North 71° 06' 16" East a distance of 90.18 feet to a five-eighths inch iron rod set for corner;

THENCE North 82° 11' 52" East a distance of 118.26 feet to a five-eighths inch iron rod set for corner;

THENCE North 63° 32' 46" East a distance of 102.96 feet to a five-eighths inch iron rod set for corner;

THENCE North 74° 53' 41" East a distance of 100.36 feet to a five-eighths inch iron rod set for corner;

THENCE North 78° 01' 29" East a distance of 318.85 feet to a five-eighths inch iron rod set for corner;

THENCE North 86° 22' 03" East a distance of 237.67 feet to a five-eighths inch iron rod set for corner;

THENCE South 82° 49' 08" East a distance of 136.31 feet to a five-eighths inch iron rod set for corner;

THENCE North 03° 12' 38" West a distance of 1,659.52 feet to a five-eighths inch iron rod set for corner on the most northerly north line of said 346.909 acre tract and the south line of Tract 180 of the B.C.L.C. S/D No. 9, also recorded in Volume 2, Page 141 of the P.R.B.C.T.;

DESCRIPTION OF 305.672 ACRES

PAGE 3 OF 4 PAGES

THENCE North $86^{\circ} 47' 22''$ East (called North $86^{\circ} 48' 00''$ East), along the most northerly north line of said 346.909 acre tract and the south line of said Tract 180, a distance of 545.01 feet to a five-eighths inch iron rod found in concrete at the most northerly northeast corner of said 346.909 acre tract; same being the southeast corner of said Tract 180;

THENCE South $03^{\circ} 00' 11''$ East, along the most northerly east line of said 346.909 acre tract and a west line of said B.C.I.C. S/D No. 9, a distance of 140.30 feet (called South $03^{\circ} 00' 00''$ East, 140.08 feet) to a three-eighths inch iron rod found in concrete at an interior ell corner of said 346.909 acre tract and a southwest corner of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 59' 22''$ East (called North $87^{\circ} 00' 00''$ East), along the north line of said 346.909 acre tract and a northerly south line of said B.C.I.C. S/D No. 9, at 1,728.87 feet (called 1,728.70 feet) pass a three-eighths inch iron rod found on line, at 1,933.20 feet (called 1,933.00 feet) pass a railroad bridge bolt found on line, and continuing for a total distance of 2,246.40 feet to a five-eighths inch iron rod set at the northeast corner of said 346.909 acre tract; same being an interior ell corner of said B.C.I.C. S/D No. 9;

THENCE South $02^{\circ} 44' 33''$ East along the east line of said 346.909 acre tract and a west line of said B.C.I.C. S/D No. 9, a distance of 3,944.26 feet (called South $03^{\circ} 44' 30''$ East, 3,945.41 feet) to a point in water at the southeast corner of said 346.909 acre tract; same being the northeast corner of said 105.52 acre tract; from which a one-half inch iron rod with cap found at the southeast corner of said 105.52 acre tract bears South $02^{\circ} 44' 33''$ East, 701.23 feet (called South $02^{\circ} 44'$ East, 700.0 feet);

THENCE South $86^{\circ} 45' 14''$ West, along the most easterly south line of said 346.909 acre tract and the most easterly north line of said 105.52 acre tract, at 147.78 feet (called 148.0 feet) pass a one-half inch iron pipe found on line, at 592.38 feet (called 592.43 feet) pass a three-eighths inch iron rod with cap found 1.15 feet south of this line, and continuing for a total distance of 1,897.21 feet (called South $86^{\circ} 47' 33''$ West, 1,897.10 feet) to a three-fourths inch iron pipe found at the most southerly southwest corner of said 346.909 acre tract and an interior ell corner of said 105.52 acre tract;

THENCE North $03^{\circ} 13' 55''$ West, along the most southerly west line of said 346.909 acre tract and a northerly east line of said 105.52 acre tract, a distance of 600.13 feet (called North $03^{\circ} 14' 14''$ West, 600.34 feet), to a one-half inch iron pipe found at an interior ell corner of said 346.909 acre tract and a northerly northeast corner of said 105.52 acre tract;

THENCE South $86^{\circ} 44' 09''$ West, along a south line of said 346.909 acre tract and a north line of said 105.52 acre tract, a distance of 1,249.82 feet (called South $86^{\circ} 44' 37''$ West, 1,249.80 feet) to a five-eighths inch iron rod found for corner;

DESCRIPTION OF 305.672 ACRES
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THENCE North 03° 46' 27" East, along a west line of said 346.909 acre tract and an east line of said 105.52 acre tract, a distance of 88.61 feet (called North 04° 01' 00" East, 88.56 feet) to a five-eighths inch iron rod found for corner;

THENCE North 85° 19' 09" West, along a south line of said 346.909 acre tract and a north line of said 105.52 acre tract, a distance of 379.91 feet (called North 85° 14' 23" West, 380.60 feet) to a five-eighths inch iron rod found for corner;

THENCE South 47° 42' 38" West, along a southeast line of said 346.909 acre tract and a northwest line of said 105.52 acre tract, a distance of 221.91 feet (called South 47° 19' 09" West, 221.27 feet) to a five-eighths inch iron rod found for corner;

THENCE South 86° 50' 46" West, along the most westerly south line of said 346.909 acre tract and the most westerly north line of said 105.52 acre tract, a distance of 760.83 feet (called South 86° 51' 33" West, 761.31 feet) to the POINT OF BEGINNING and containing 305.672 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858





BEING A 4.998 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.998 ACRE TRACT BEING TRACT 136 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 136 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.998 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a one-half inch iron rod found at the southeast corner of Tract 135 and on the north line of Tract 167 of said B.C.I.C. S/D No. 9; same being at the intersection of the south and west lines of a 30 feet wide platted, unimproved road; thence as follows:

North 03° 06' 52" West along the east line of said Tract 135 and the west line of said 30 feet wide road, a distance of 27.97 feet and North 87° 11' 05" East a distance of 30.00 feet to a five-eighths inch iron rod set for the southwest corner of said Tract 136 and POINT OF BEGINNING of the herein described tract; same being the intersection of the north and east lines of said 30 feet wide road;

THENCE North 03° 06' 52" West, along the east line of said Tract 136 and the east line of said 30 feet wide road, a distance of 672.39 feet to a five-eighths inch iron rod set for the northwest corner of said Tract 136 and on the south line of Tract 132 of said B.C.I.C. S/D No. 9;

THENCE North 87° 11' 05" East, along the common line of said Tracts 136 and 132, a distance of 323.33 feet (called 324.1 feet) to a five-eighths inch iron rod set at the northeast corner of said Tract 136 and on the west line of a 30 feet wide platted, unimproved road;

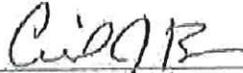
THENCE South 03° 11' 51" East, along the east line of said Tract 136 and the west line of said 30 feet wide road, a distance of 672.40 feet to a five-eighths inch iron rod set at the southeast corner of said Tract 136 and at the intersection of the north and west lines of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACT 136

PAGE 2 OF 2 PAGES

THENCE South $87^{\circ} 11' 05''$ West, along the south line of said Tract 136 and the north line of said 30 feet wide road, a distance of 324.31 feet (called 324.1 feet) to the POINT OF BEGINNING and containing 4.998 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061



Date: 13 MAY 12
Job No. 10858

Tract 140



BEING A 4.976 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.976 ACRE TRACT BEING TRACT 140 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 140 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.976 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a one and one-fourth inch iron pipe found at the northwest corner of Tract 166 of said B.C.I.C. S/D No. 9; same being at the intersection of the south and east lines of a 30 feet wide platted, unimproved road; thence as follows:

North 87° 11' 05" East along the north line of said Tract 166 and the south line of said 30 feet wide road, a distance of 311.59 feet to a five-eighths inch iron rod set at an interior ell corner of said Tract 166 and at the intersection with the east line of another 30 feet wide platted, unimproved road;

North 03° 11' 51" West along the east line of said 30 feet wide road and along the west lines of Tracts 137 through 139 of said B.C.I.C. S/D No. 9, a distance of 814.11 feet to a five-eighths inch iron rod set for the common west corner of said Tracts 139 and 140 and the POINT OF BEGINNING of the herein described tract;

THENCE North 03° 11' 51" West along the west line of said Tract 140 and the east line of said 30 feet wide road, a distance of 262.09 feet (called 262.1 feet) to a five-eighths inch iron rod set for the common west corner of Tracts 140 and 141 of said B.C.I.C. S/D No. 9;

THENCE North 87° 11' 05" East along the common line of said Tracts 140 and 141, a distance of 827.00 feet to a concrete monument with a brass disk stamped SE 141 SUBD 9 found at the common corner of Tracts 140, 141, 148 and 149 of said B.C.I.C. S/D No. 9;

THENCE South 03° 11' 51" East along the common line of said Tracts 140 and 149, a distance of 262.09 feet (called 262.1 feet) to a five-eighths inch iron rod with cap found at the common corner of Tracts 139, 140, 149 and 150 of said B.C.I.C. S/D No. 9;

DESCRIPTION OF TRACT 140

PAGE 2 OF 2 PAGES

THENCE South 87° 11' 05" West along the common line of said Tracts 139 and 140, a distance of 327.00 feet to the POINT OF BEGINNING and containing 4.976 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:

C. Booth

Cecil J. Booth

Registered Professional Land Surveyor

Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 154



BEING A 5.112 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 5.112 ACRE TRACT BEING TRACT 154 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 154 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 5.112 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a five-eighths inch iron rod with cap found at the southeast corner of said Tract 154, at the northeast corner of 155 of said B.C.I.C. S/D No. 9 and on the west line of a 30 feet wide platted, unimproved road;

THENCE South $86^{\circ} 45' 39''$ West along the common line of said Tracts 154 and 155, a distance of 729.96 feet (called 730 feet) to a one-half inch iron rod found at the common corner of 154, 155, 164 and 165 of said B.C.I.C. S/D No. 9; from which a one and one-fourth inch iron pipe found at the common west corner of said Tracts 164 and 165 bears South $86^{\circ} 50' 14''$ West, 733.02 feet;

THENCE North $03^{\circ} 10' 52''$ West along the common line of said Tracts 154 and 165, a distance of 305.31 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common corner of Tracts 153, 154, 165 and 166 of said B.C.I.C. S/D No. 9;

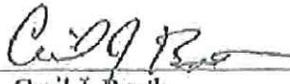
THENCE North $86^{\circ} 47' 59''$ East along the common line of said Tracts 153 and 154, a distance of 729.97 feet (called 730 feet) to a five-eighths inch iron rod with cap found at the common east corner of said Tracts 153 and 154 and on the west line of said 30 feet wide road;

DESCRIPTION OF TRACT 154

PAGE 2 OF 2 PAGES

THENCE South 03° 10' 44" East along the east line of said Tract 154 and the west line of said 30 feet wide road, a distance of 304.81 feet (called 304.75 feet) to the POINT OF BEGINNING and containing 5.112 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 156 + 163



BEING A 10.224 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 10.224 ACRE TRACT BEING TRACTS 156 AND 163 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 156 AND 163 BEING CONVEYED TO MIKE SORRELL FROM DAVID MBLASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 10.224 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a one inch iron pipe found at the common west corner of Tracts 163 and 162 of said B.C.I.C. S/D No. 9 and on the east line of a 30 feet wide platted, unimproved road;

THENCE North $03^{\circ} 13' 20''$ West along the west line of said Tract 163 and the east line of said 30 feet wide road, a distance of 304.67 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common west corner of Tracts 163 and 164 of said B.C.I.C. S/D No. 9; from which a one and one-quarter inch iron pipe found at the common west corner of Tracts 164 and 165 of said B.C.I.C. S/D No. 9 bears North $03^{\circ} 13' 20''$ West, 304.67 feet;

THENCE North $86^{\circ} 50' 21''$ East along the common line of said Tracts 163 and 164, a distance of 732.71 feet (called 732 feet) to a one-half inch iron rod found at the common corner of Tracts 155, 156, 163 and 164 of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 46' 44''$ East along the common line of said Tracts 155 and 156, a distance of 730.04 feet (called 730 feet) to a five-eighths inch iron rod with cap found at the common east corner of said Tracts 155 and 156 and on the west line of a 30 feet wide platted, unimproved road;

THENCE South $03^{\circ} 10' 44''$ East along the east line of said Tract 156 and the west line of said 30 feet wide road, a distance of 304.84 feet (called 304.75 feet) to a five-eighths inch iron rod found at the common east corner of Tracts 156 and 157 of said B.C.I.C. S/D No. 9;

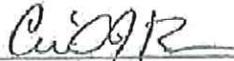
THENCE South $86^{\circ} 49' 33''$ West along the common line of said Tracts 156 and 157, a distance of 729.86 feet (called 730 feet) to a two inch iron pipe found at the common corner of said Tracts 155, 156, 162 and 163;

DESCRIPTION OF TRACTS 156 & 163

PAGE 2 OF 2 PAGES

THENCE South 86° 48' 21" West along the common line of said Tracts 162 and 163, a distance of 732.67 feet (called 732 feet) to the POINT OF BEGINNING and containing 10.224 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 MAY 12

Job No. 10858



Tract 158-161



BEING A 20.595 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 20.595 ACRE TRACT BEING TRACTS 158, 159, 160, AND 161 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 158, 159, 160, AND 161 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 20.595 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a one-half inch iron pipe found at the common west corner of Tracts 161 and 162 of said B.C.I.C. S/D No. 9 and on the east line of a 30 feet wide platted, unimproved road;

THENCE North $86^{\circ} 50' 02''$ East along the common line of said Tracts 161 and 162, a distance of 732.52 feet (called 732 feet) to a three inch iron pipe found at the common corner of Tracts 157, 158, 161 and 162 of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 47' 59''$ East along the common line of said Tracts 157 and 158, a distance of 729.78 feet (called 730 feet) to a five-eighths inch iron rod with cap found at the common east corner of said Tracts 157 and 158 and on the west line of a platted, unimproved road;

THENCE South $03^{\circ} 10' 44''$ East along the east line of said Tracts 158 and 159 and the west line of said 30 feet wide road, at 609.04 feet (called 609.5 feet) pass a five-eighths inch iron rod with cap found at the monumented southeast corner of said Tract 159, and continuing for a total distance of 615.92 feet to a five-eighths inch iron rod set for the southeast corner of said Tract 159 and on the north line of a 30 feet wide platted, unimproved road; said set five-eighths inch iron rod being situated 30 feet north of and at right angles to the north line of that 346.909 acre tract conveyed to Michael J. Sorrell and Wife, Lori E. Sorrell from Katherine Cullen Burton, et al, Trustees of the Roy G. Cullen Trust for the Benefit of Roy Henry Cullen, the Roy G. Cullen Trust for the Benefit of Harry Holmes Cullen and the Roy G. Cullen Trust for the Benefit of Cornelia Cullen Long recorded under C.C.F. No. 01-011002 of the O.R.B.C.T.; from said set five-eighths inch iron rod a five-eighths inch iron rod set at the northeast corner of said 346.909 acre tract bears South $03^{\circ} 10' 44''$ East, 30.00 feet and North $86^{\circ} 59' 22''$ East, 7.79 feet;

DESCRIPTION OF TRACTS 158, 159, 160, AND 161
PAGE 2 OF 2 PAGES

THENCE South $86^{\circ} 59' 22''$ West along the south line of said Tract 159, the north line of said 30 feet wide road, and 30 feet north of and parallel to the north line of said 346,909 acre tract, a distance of 729.30 feet (called 730 feet) to a five-eighths inch iron rod set for the common south corner of said Tracts 159 and 160; from which a found one inch iron pipe (laid over) bears North $03^{\circ} 13' 21''$ West, 4.15 feet;

THENCE South $86^{\circ} 59' 22''$ West along the south line of said Tract 160, the north line of said 30 feet wide road, and 30 feet north of and parallel to the north line of said 346,909 acre tract, a distance of 732.54 feet (called 732 feet) to a five-eighths inch iron rod set for the southwest corner of said Tract 160; same being at the intersection with the east line of another 30 feet wide platted, unimproved road;

THENCE North $03^{\circ} 13' 20''$ West along the west line of said Tracts 160 and 161 and the east line of said 30 feet wide road, a distance of 611.52 feet (called 609.5 feet) to the POINT OF BEGINNING and containing 20.595 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:

C. J. Booth

Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 166



BEING A 4.900 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.900 ACRE TRACT BEING TRACT 166 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 166 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.900 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a one and one-fourth inch iron pipe found at the northwest corner of said Tract 166 and the intersection of the south and east lines of two 30 feet wide platted, unimproved roads;

THENCE North $87^{\circ} 11' 05''$ East along the north line of said Tract 166 and the south line of said 30 feet wide road, a distance of 311.59 feet (called 317.6 feet) to a five-eighths inch iron rod set at an interior ell corner of said Tract 166 and at the intersection with the east line of another 30 feet wide platted, unimproved road;

North $03^{\circ} 11' 51''$ West along the northern west line of said Tract 166 and the east line of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the common west corner of Tracts 137 and 166 of said B.C.I.C. S/D No. 9;

THENCE North $87^{\circ} 11' 05''$ East along the common line of said Tracts 137 and 166, a distance of 421.88 feet (called 440.1 feet) to a point in water at the common north corner of Tracts 153 and 166 of said B.C.I.C. S/D No. 9;

THENCE South $03^{\circ} 10' 52''$ East along the common line of said Tracts 153 and 166, a distance of 301.34 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common corner of Tracts 153, 154, 164, and 165 of said B.C.I.C. S/D No. 9; from which a five-eighths inch iron rod with cap found at the common east corner of said Tracts 153 and 154 bears North $86^{\circ} 47' 59''$ East, 729.97 feet;

THENCE South $86^{\circ} 47' 59''$ West along the common line of said Tracts 165 and 166, a distance of 733.24 feet to a five-eighths inch iron rod set for the common west corner of said Tracts 165 and 166 and on the east line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACT 166

PAGE 2 OF 2 PAGES

THENCE North 03° 13' 20" West along the west line of said Tract 166 and the east line of said 30 feet wide road, a distance of 276.27 feet (called 276.2 feet) to the POINT OF BEGINNING and containing 4.900 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT: Cecil J. Booth
Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858





BEING A 4.504 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.504 ACRE TRACT BEING TRACT 167 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 167 BEING CONVEYED TO SORRELL FAMILY LIMITED PARTNERSHIP #2, LTD. FROM TAMARA ANN FOLLETT WEIKBLAND KALYNDA FOLLETT, AS DEVISEES UNDER THE WILL OF MARTIN DEWEY FOLLETT, JR. BY DEED DATED JANUARY 10, 2008 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2008003493 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; A 37.5% INTEREST IN SAID TRACT 167 BEING CONVEYED TO DOW CHEMICAL COMPANY FROM HOUSTON BANK AND TRUST COMPANY BY DEED DATED JULY 15, 1969 AND RECORDED IN VOLUME 1037, PAGE 901 OF THE DEED RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.504 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a five-eighths inch iron rod found at the northeast corner of Tract 174, on the south line of Tract 135 said B.C.I.C. S/D No. 9, and on the west line of a 30 feet wide platted, unimproved road; thence as follows:

North 87° 18' 51" East along the south line of said Tract 135 and across the end of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the northwest corner of said Tract 167 and the POINT OF BEGINNING of the herein described tract of land on the east line of said 30 feet wide road;

THENCE North 87° 18' 51" East along the common line of said Tracts 135 and 167, at 665.87 feet pass a one-half inch iron rod found at the southeast corner of said Tract 135 and on the south line of a 30 feet wide platted, unimproved road, at 702.37 feet pass a one-half inch iron rod found on line, and continuing for a total distance of 708.63 feet (called 723.4 feet) to a five-eighths inch iron rod set for the northeast corner of said Tract 167 and at the intersection with the west line of a 30 feet wide platted, unimproved road;

THENCE South 03° 13' 20" East along the east line of said Tract 167 and the west line of said 30 feet wide road, a distance of 276.14 feet (called 276.2 feet) to a five-eighths inch iron rod set for the common east corner of Tracts 167 and 168 of said B.C.I.C. S/D No. 9;

DESCRIPTION OF TRACT 167
PAGE 2 OF 2 PAGES

THENCE South $87^{\circ} 13' 39''$ West along the common line of said Tracts 167 and 168, at 6.13 feet pass a one-half inch iron rod found on line, and continuing for a total distance of 709.68 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 167 and 168 and on the east line of a 30 feet wide platted, unimproved road;

THENCE North $03^{\circ} 00' 11''$ East along the west line of said Tract 167 and the east line of said 30 feet wide road, a distance of 277.21 feet (called 276.2 feet) to the POINT OF BEGINNING and containing 4.504 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT: Ce J Booth
Ceil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858





BEING A 4.980 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 4.980 ACRE TRACT BEING TRACT 168 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 168 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 4.980 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a five-eighths inch iron rod found at the northeast corner of Tract 174, on the south line of Tract 135 of said B.C.I.C. S/D No. 9, and on the west line of a 30 feet wide platted, unimproved road; thence as follows:

North $87^{\circ} 18' 51''$ East along the south line of said Tract 135 and across the end of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the northwest corner of Tract 167 of said B.C.I.C. S/D No. 9, and on the east line of said 30 feet wide road;

South $03^{\circ} 00' 11''$ East along the west line of said Tract 167 and the east line of said 30 feet wide road, a distance of 277.21 feet (called 276.2 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 167 and 168 and the POINT OF BEGINNING of the herein described tract of land;

THENCE North $87^{\circ} 13' 39''$ East along the common line of said Tracts 167 and 168, at 703.55 feet pass a one-half inch iron rod found one line, and continuing for a total distance of 709.68 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common east corner of said Tracts 167 and 168 on the west line of a 30 feet wide platted, unimproved road;

THENCE South $03^{\circ} 13' 20''$ East along the east line of said Tract 168 and the west line of said 30 feet wide road, a distance of 305.00 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common east corner of Tracts 168 and 169 of said B.C.I.C. S/D No. 9;

THENCE South $87^{\circ} 09' 27''$ West along the common line of said Tracts 168 and 169, a distance of 710.84 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 168 and 169 and on the east line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACT 168
PAGE 2 OF 2 PAGES

THENCE North 03° 00' 11" West along the west line of said Tract 168 and the east line of said 30 feet wide road, a distance of 305.87 feet (called 304.75 feet) to the POINT OF BEGINNING and containing 4.980 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT: Cecil J. Booth
Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 170+171



BEING A 10.001 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 10.001 ACRE TRACT BEING TRACTS 170 AND 171 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 170 AND 171 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 10.001 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a five-eighths inch iron rod found at the northeast corner of Tract 174, on the south line of Tract 135 of said B.C.I.C. S/D No. 9, and on the west line of a 30 feet wide platted, unimproved road; thence as follows:

North 87° 18' 51" East along the south line of said Tract 135 and across the end of said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the northwest corner of Tract 167 of said B.C.I.C. S/D No. 9 and on the east line of said 30 feet wide road;

South 03° 00' 11" East along the west line of said Tracts 167, 168 and 169 of said B.C.I.C. S/D No. 9 and the east line of said 30 feet wide road, at 277.21 feet pass a five-eighths inch iron rod set for the common west corner of said Tracts 167 and 168, at 583.08 feet pass a five-eighths inch iron rod set for the common west corner of said Tracts 168 and 169, and continuing for a total distance of 888.95 feet to a five-eighths inch iron rod set for the common west corner of said Tracts 169 and 170 and the POINT OF BEGINNING of the herein described tract of land;

THENCE North 87° 05' 16" East along the common line of said Tracts 169 and 170, a distance of 712.01 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common east corner of said Tracts 169 and 170 on the west line of a 30 feet wide platted, unimproved road;

THENCE South 03° 13' 20" East along the east line of said Tracts 170 and 171 and the west line of said 30 feet wide road, a distance of 610.00 feet (called 609.50 feet) to a five-eighths inch iron rod set for the common east corner of Tracts 171 and 172 of said B.C.I.C. S/D No. 9;

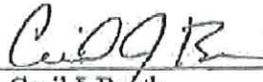
THENCE South 86° 56' 56" West along the common line of said Tracts 171 and 172, a distance of 714.34 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common west corner of said Tracts 171 and 172 and on the east line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACTS 170 & 171

PAGE 2 OF 2 PAGES

THENCE North 03° 00' 11" West along the west line of said Tracts 170 and 171 and the east line of said 30 feet wide road, a distance of 611.74 feet (called 609.50 feet) to the POINT OF BEGINNING and containing 10.001 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tract 173



BEING A 5.039 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 5.039 ACRE TRACT BEING TRACT 173 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACT 173 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 2006024870 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 5.039 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a three-eighths inch iron rod found in concrete at a southwest corner of said B.C.I.C. S/D No. 9 and at an interior ell corner of a 346,909 acre tract of land conveyed to Michael J. Sorrell and wife, Lori E. Sorrell from Katherine Cullen Burton, et al, Trustees of the Roy G. Cullen Trust for the benefit of Roy Henry Cullen, the Roy G. Cullen Trust for the benefit of Harry Holmes Cullen and the Roy G. Cullen Trust for the benefit of Cornelia Cullen Long recorded under C.C.F. No. 01-011002 of the O.R.B.C.T.; same being at the intersection of the west and south lines of two 30 feet wide platted, unimproved roads; thence as follows:

North $03^{\circ} 00' 11''$ West along a west line of said B.C.I.C. S/D No. 9 and a northerly east line of said 346,909 acre tract, a distance of 30.00 feet and North $86^{\circ} 59' 22''$ East across said 30 feet wide road, a distance of 30.00 feet to a five-eighths inch iron rod set for the southwest corner of said Tract 173 and the POINT OF BEGINNING of the herein described tract of land and on east line of said 30 feet wide road;

THENCE North $03^{\circ} 00' 11''$ West along the west line of said Tract 173 and the east line of said 30 feet wide road, a distance of 305.87 feet (called 304.75 feet) to a five-eighths inch iron rod set for the common west corner of Tracts 172 and 173 of said B.C.I.C. S/D No. 9;

THENCE North $86^{\circ} 52' 47''$ East along the common line of said Tracts 172 and 173, a distance of 715.51 feet (called 723.4 feet) to a five-eighths inch iron rod set for the common east corner of said Tracts 172 and 173 on the west line of a 30 feet wide platted, unimproved road;

THENCE South $03^{\circ} 13' 20''$ East along the east line of said Tract 173 and the west line of said 30 feet wide road, a distance of 307.24 feet (called 304.75 feet) to a five-eighths inch iron rod set for the southeast corner of said Tract 173 and at the intersection of the west line of said 30 feet wide road with the north line of another 30 feet wide platted, unimproved road; said corner being situated 30 feet north of and at right angles to the north line said 346,909 acre tract;

DESCRIPTION OF TRACT 173
PAGE 2 OF 2 PAGES

THENCE South $86^{\circ}59'22''$ West along the south line of said Tract 173, the north line of said 30 feet wide road, and 30 feet north of and parallel to the north line of said 346.909 acre tract, a distance of 716.68 feet (called 723.4 feet) to the POINT OF BEGINNING and containing 5.039 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 May 12
Job No. 10858



Tracts 133-135
+174-180



BEING A 50.210 ACRE TRACT OF LAND IN THE FREDERICK J. CALVIT LEAGUE, ABSTRACT NO. 51, BRAZORIA COUNTY, TEXAS; SAID 50.210 ACRE TRACT BEING TRACTS 133 THROUGH 135 AND TRACTS 174 THROUGH 180 OF THE BRAZOS COAST INVESTMENT COMPANY SUBDIVISION (B.C.I.C.) SUBDIVISION (S/D) NO. 9 RECORDED IN VOLUME 2, PAGE 141 OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS; SAID TRACTS 133 AND 134 BEING CONVEYED TO MIKE SORRELL TRUCKING AND MATERIALS, INC. FROM THE CITY OF FREEPORT BY DEED DATED SEPTEMBER 4, 2007 AND RECORDED UNDER COUNTY CLERK'S FILE (C.C.F.) NO. 2012014068 OF THE OFFICIAL RECORDS OF BRAZORIA COUNTY, TEXAS (O.R.B.C.T.); SAID TRACT 135 BEING CONVEYED TO MICHAEL J. SORRELL FROM JAMES E. THOMPSON AND WIFE, DELTA H. THOMPSON BY DEED DATED NOVEMBER 6, 2007 AND RECORDED UNDER C.C.F. NO. 2008000500 OF THE O.R.B.C.T.; A ONE-HALF INTEREST IN SAID TRACT 174 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL 24, 2006 AND RECORDED UNDER C.C.F. NO. 2006024870 OF THE O.R.B.C.T.; AND TRACTS 175 THROUGH 180 BEING CONVEYED TO MIKE SORRELL FROM DAVID MELASS BY DEED DATED APRIL, 24, 2006 AND RECORDED UNDER C.C.F. NO. 2006024870 OF THE O.R.B.C.T.; THE BEARINGS STATED IN THIS DESCRIPTION ARE GRID BEARINGS AND ARE BASED ON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983; DISTANCES ARE HORIZONTAL GROUND LEVEL LENGTHS AND MAY BE CONVERTED TO GRID DISTANCES USING THE COMBINED FACTOR OF 0.9998819; SAID 50.210 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a five-eighths inch iron rod found in concrete at the southeast corner of said Tract 180 and at the most northerly northeast corner of a 346.909 acre tract of land conveyed to Michael J. Sorrell and wife, Lori B. Sorrell from Katherine Cullen Burton, et al, Trustees of the Roy G. Cullen Trust for the benefit of Roy Femy Cullen, the Roy G. Cullen Trust for the benefit of Harry Holmes Cullen and the Roy G. Cullen Trust for the benefit of Cornelia Cullen Long recorded under C.C.F. No. 01-011002 of the O.R.B.C.T.; same being on the west line of a 30 feet wide platted, unimproved road;

THENCE South 86° 47' 22" West, along the south line of said Tract 180 and the north line of said 346.909 acre tract, at 545.01 feet pass a five-eighths inch iron rod set on line, at 892.16 feet pass a five-eighths inch iron rod set on the right descending bank of the cut off portion of Oyster Creek, and continuing for a total distance of 907.16 feet to a point for corner at the right descending water's edge of the cut off portion of Oyster Creek;

THENCE in a northerly direction along the right descending water's edge of the cut off portion of Oyster Creek and the west lines of said Tracts 133 through 135 and said Tracts 174 through 180 with the following thirteen (13) meanders:

1. North 14° 44' 30" East a distance of 12.11 feet;

DESCRIPTION OF TRACTS 133 - 135 AND 174 - 180

PAGE 2 OF 3 PAGES

2. North 03° 02' 56" East a distance of 234.93 feet;
3. North 01° 59' 52" East a distance of 250.25 feet;
4. North 03° 16' 02" West a distance of 270.32 feet;
5. North 02° 28' 36" West a distance of 255.61 feet;
6. North 06° 20' 35" East a distance of 199.04 feet;
7. North 17° 18' 51" East a distance of 75.18 feet;
8. North 22° 31' 49" East a distance of 333.02 feet;
9. North 27° 19' 06" East a distance of 164.54 feet;
10. North 29° 18' 41" East a distance of 319.57 feet;
11. North 25° 14' 24" East a distance of 235.12 feet;
12. North 22° 43' 36" East a distance of 248.80 feet; and
13. North 18° 39' 51" East a distance of 294.24 feet to a point for the common west corner of Tracts 132 and 133 of said B.C.I.C. S/D No. 9;

THENCE North 87° 11' 05" East along the common line of said Tracts 132 and 133, at 15.00 feet pass a five-eighths inch iron rod set on the set on the right descending bank of the cut off portion of Oyster Creek, and continuing for a total distance of 766.50 feet to a five-eighths inch iron rod set for the east corner of said Tract 133 and on the west line of a 30 feet wide platted, unimproved road;

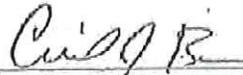
THENCE South 03° 06' 52" East along the east line of said Tracts 133 through 135 and the west line of said 30 feet wide road, 268.62 feet a five-eighths inch iron rod set at the common east corner of said Tracts 133 and 134, at 490.82 feet pass a one-half inch iron rod found at the common east corner of said Tracts 134 and 135, and continuing for a total distance of 700.36 feet to a one-half inch iron rod found at the southeast corner of said Tract 135 and on the north line of Tract 167 of said B.C.I.C. S/D No. 9;

THENCE South 87° 18' 51" West along the common line of said Tracts 135 and 167, at 665.87 feet pass a five-eighths inch iron rod set at the northwest corner of said Tract 167, and continuing for a total distance of 695.87 feet to a five-eighths inch iron rod found at the northeast corner of said Tract 174 on the west line of a 30 feet wide platted, unimproved road;

DESCRIPTION OF TRACTS 133 - 135 AND 174 - 180
PAGE 3 OF 3 PAGES

THENCE South 03° 00' 11" East along the east lines of said Tracts 174 through 180 and the west line of said 30 feet wide road, at 414.99 feet (called 415 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 174 and 175, at 715.35 feet (called 715.4 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 175 and 176, at 985.20 feet (called 980.6 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 176 and 177, at 1,240.80 feet (called 1,236.2 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 177 and 178, at 1,491.46 feet (called 1,505.2 feet) pass a five-eighths inch iron rod set to replace the rusty remains of an iron rod found at the common east corner of said Tracts 178 and 179, at 1,760.42 feet (called 1,755.9 feet) pass a five-eighths inch iron rod found at the common east corner of said Tracts 179 and 180, and continuing for a total distance of 2,002.27 feet (called 1,997.9 feet) to the POINT OF BEGINNING and containing 50.210 acres of land. Each five-eighths inch iron rod described as set in this description has a plastic cap marked "Baker & Lawson". The description herein is based on a survey made in March, April, and May, 2012 by Baker & Lawson, Inc.

CERTIFIED CORRECT:



Cecil J. Booth
Registered Professional Land Surveyor
Registration No. 2061

Date: 18 MAY 12
Job No. 10858



Additional Legal Descriptions for Sorrell Tracts 62, 63, 66 and 67

Tract 62

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 62, beginning to the east of a 30 feet wide platted, unimproved road

Tract 63

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 63

Tract 66

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 66

Tract 67

Approximately 5.00 acres out of the Frederick J. Calvit League, Abstract No. 51, Brazoria County, Texas, being Lot 67

EXHIBIT "A"

Being the same land conveyed by Deed deemed effective as of January 3, 1975, from The Dow Chemical Company, as grantor, to Ernest H. Cockrell, et al, as grantees, filed for record in the Office of the County Clerk of Brazoria County, Texas, in Volume 1231, page 859.

774.67812 acres of land out of Tract No. 2 of the H. Seaburn Estate, described in Deed dated July 12, 1883, recorded in Vol. V, page 305, Deed Records, Brazoria County, Texas, in the J. E. Groce 5 Leagues Grant, Abstract No. 66, Brazoria County, Texas, described in match and bounds, using survey terminology which refers to the Texas Coordinate System, South Central Zone, except the distances which are the horizontal ground level lengths, as follows:

BEARING at the position $x = 3,173,346.629$ and $y = 450,893.487$, for the southeast corner, which is the point of intersection of the center line of right-of-way of Texas State Highway F.M. No. 523 with the south line of J. E. Groce 5 Leagues, Abstract No. 66, from which the underground portion of an old broken concrete monument situated in said south line, at the position $x = 3,173,189.626$ and $y = 450,885.783$, bears N. $87^{\circ} 27' 41.55''$ E. a distance of 51.854 feet and in turn an old concrete monument situated at the position $x = 3,173,209.59$ and $y = 450,975.17$, which marks the southeast corner of said J. E. Groce 5 Leagues, bears N. $87^{\circ} 27' 13.04''$ E. a distance of 3017.197 feet; said south line and southeast corner of the J. E. Groce 5 Leagues as located by the above monuments or markers is the ground location which has been consistently and prominently maintained for the identical as described in the original grant of July 29, 1874, and no physical evidence contrary can be found on the premises;

THENCE, with said south line, N. $87^{\circ} 27' 41.55''$ W., at a distance of 60.003 feet to the position $x = 3,173,086.692$ and $y = 450,880.630$ which is the point of intersection with the west right-of-way line of said Highway F.M. No. 523, set a concrete monument with $1/2''$ lag screw, center punched, to mark said point, continue in all a distance of 749.831 feet to the position $x = 3,172,398.125$ and $y = 450,859.284$, at which was found a capped $3/4''$ G.I.P. set in 6" of concrete, a marker in good condition with the appearance indicating its age to be approximately 15 years in the identical location, situated on the east bank of the eastern part of Stubblefield Lake, for a slight angle point in said south line;

THENCE, continue with said south line, N. $87^{\circ} 25' 43.98''$ W., traversing the marshy bed of Stubblefield Lake, in all a distance

THENCE, continue with said north line, S. 87° 37' 14.78" W., crossing the west bank of the eastern part of Stubbiefield Lake, at 1057 feet cross the east bank of the western part of said lake, cross the lake, at 1419 feet cross the west bank of said western part of said lake, cross a private road, continue S. 87° 37' 14.78" W. crossing Houston Lighting and Power Company's power line right-of-way, crossing a pipeline corridor, cross a private road, at 2184.055 feet to the position X = 3,169,701.480 and Y = 450,497.741 and set a concrete monument with 1/2" lag screw, central located, for the offset marker for the south southwest corner. In all a distance of 3316.956 feet to the position X = 3,189,758.489 and Y = 450,689.280, which is the point of intersection of said north line with the right ascending waters edge of Oyster Creek, for the south southwest corner.

THENCE, with and along the right ascending waters edge of Oyster Creek, upstream, the following monuments:

- N. 21° 40' 30.84" N. a distance of 110.076 feet
- N. 21° 13' 45.03" N. a distance of 100.847 feet
- N. 17° 32' 11.37" N. a distance of 100.841 feet
- N. 16° 40' 39.82" N. a distance of 100.401 feet
- N. 8° 58' 47.01" E. a distance of 109.727 feet
- N. 3° 33' 37.36" W. a distance of 69.950 feet
- N. 30° 27' 27.7" W. a distance of 67.333 feet
- N. 32° 42' 23.68" W. a distance of 81.225 feet
- N. 64° 50' 49.08" W. a distance of 23.601 feet
- N. 27° 18' 33.64" W. a distance of 100.033 feet
- N. 18° 58' 06.63" W. a distance of 101.110 feet
- N. 26° 43' 07.32" W. a distance of 100.050 feet
- N. 37° 51' 42.64" W. a distance of 127.758 feet
- N. 33° 24' 47.08" W. a distance of 76.320 feet
- N. 46° 52' 49.6" W. a distance of 101.602 feet
- N. 56° 47' 16.55" W. a distance of 100.078 feet
- N. 59° 38' 42.85" W. a distance of 100.287 feet
- N. 64° 23' 15.97" W. a distance of 100.403 feet
- N. 63° 38' 25.88" W. a distance of 100.319 feet
- N. 66° 18' 12.41" W. a distance of 49.626 feet
- N. 74° 14' 07.24" W. a distance of 81.440 feet
- N. 73° 41' 40.98" W. a distance of 100.171 feet
- N. 74° 50' 35.03" W. a distance of 109.045 feet
- N. 80° 33' 55.83" W. a distance of 100.177 feet
- N. 83° 44' 34.15" W. a distance of 61.359 feet
- N. 83° 28' 17.71" W. a distance of 84.608 feet
- N. 89° 16' 16.33" W. a distance of 100.240 feet
- N. 84° 58' 10.81" W. a distance of 100.050 feet
- N. 77° 53' 07.48" W. a distance of 100.544 feet
- N. 86° 42' 46.32" W. a distance of 100.170 feet
- N. 87° 53' 26.47" W. a distance of 100.811 feet
- N. 85° 27' 08.01" W. a distance of 100.152 feet
- N. 81° 57' 16.44" W. a distance of 100.345 feet
- N. 89° 27' 07.83" W. a distance of 100.145 feet
- N. 83° 43' 31.83" W. a distance of 100.780 feet
- N. 88° 43' 44.77" W. a distance of 100.001 feet
- S. 22° 26' 50.52" W. a distance of 148.783 feet
- S. 79° 50' 47" W. a distance of 189.43 feet
- S. 65° 39' 26" W. a distance of 36.90 feet

THENCE N. 2° 56' 18.11" W., at 59.600 feet to the position
 $x = 3,169,676.191$ and $y = 452,301.887$ and set a concrete monument
with 1/2" lag screw, center punched, for the off-set marker for
the west southwest corner, cross a private road, in all a distance
of 3085.000 feet to the position $x = 3,165,521.042$ and $y = 455,323.644$
and set a 1/2" x 6" galvanized lag bolt in east base of 40" dia. Live
Oak tree for the west northwest corner;

THENCE N. 87° 03' 41.88" E. in all a distance of 2095.600 feet to
the position $x = 3,167,621.029$ and $y = 455,431.024$ and set a concrete
monument with 1/2" lag screw, center punched, for the interior
northwest corner;

THENCE N. 2° 56' 18.11" W. in all a distance of 885.619 feet to
the position $x = 3,167,867.635$ and $y = 456,315.379$ and set a
concrete monument with 1/2" lag screw, center punched, for the
north northwest corner;

THENCE N. 87° 03' 41.88" E., crossing Houston Lighting and Power
Company's power line right-of-way, crossing a pipeline corridor,
at 3635.955 feet to the position $x = 3,171,199.361$ and $y = 456,301.741$,
which is the point of intersection with the westerly right-of-way line
of Texas State Highway F.M. No. 523, set a concrete monument with
1/2" lag screw, center punched, to mark said point, continue in all
a distance of 3704.164 feet to the position $x = 3,171,266.472$ and
 $y = 456,505.237$, which is the point of intersection with the center
line of right-of-way of said highway, for the northeast corner, from
which triangulation station Marx 2, 1956 (U.S.C. and G.S.) bears
N. 13° 41' 59.57" W. a distance of 264.232 feet;

THENCE, with and along the center line of the right-of-way, which
is 120 feet in width, of Texas State Highway F.M. No. 523, S. 31°
30' 19.28" W. in all a distance of 2616.547 feet to the position
 $x = 3,172,731.165$ and $y = 454,089.900$ which is the point of a
curve to the left and southeasterly in said center line;

THENCE, continue with said center line along a curve to the left
and southeasterly, which curve has a central angle of 89° 43' 31.85",
a radius of 2864.934 feet and its radius point fixed at the position
 $x = 3,175,177.625$ and $y = 455,569.757$, in all a distance of 436.298
feet, arc length, to the position $x = 3,172,985.494$ and $y = 453,745.893$
which is the point of tangency of said curve;

THENCE, continue with said center line; S. 40° 03' 51.13" E. in
all a distance of 216.164 feet to the position $x = 3,173,126.412$
and $y = 453,578.426$ which is the point of a curve to the right and
southerly in said center line;

THENCE, continue with said center line along a curve to the right
and southerly, which curve has a central angle of 54° 42' 26.33",
a radius of 1432.685 feet and its radius point fixed at the position
 $x = 3,172,030.090$ and $y = 452,656.399$, in all a distance of 1367.961
feet, arc length, to the position $x = 3,173,416.059$ and $y = 452,294.264$
which is the point of tangency of said curve;

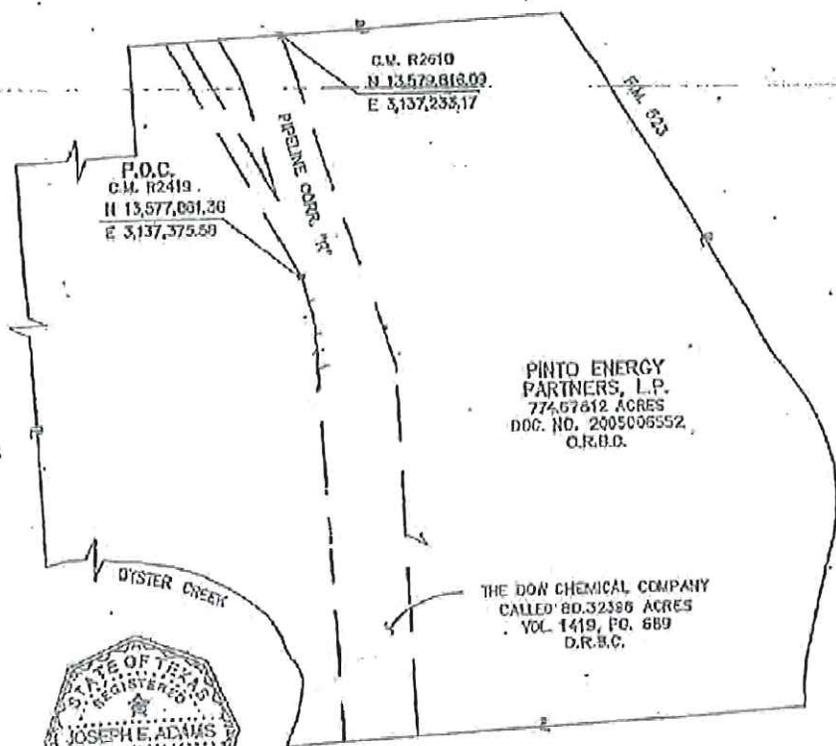
East, arc length, to the position $x = 3,173,141.860$ and $y = 450,973$, which is the point of tangency of said curve,

THENCE, continue with said center line, $S. 30^{\circ} 05' 07.14'' W.$ in all a distance of 90.360 feet to the position $x = 3,173,146.839$ and $y = 450,803.487$, which is the point of beginning, lineating and enclosing 774.67812 acres of land of which 8.67812 acres is situated in the western one-half of the right-of-way of Texas State Highway F.M. No. 523.

107 Republic Street - Houston, Texas 77002-3333 - Telephone 713-260-0000 - Fax 713-260-0001

BRAZORIA COUNTY, TEXAS
JARED E. GRODE 5 LEAGUES GRANT, A-66

THE DOW CHEMICAL COMPANY
 6,782.72 ACRES
 VOL. 1231, PG. 674
 D.R.B.C.



1-13-10

Joseph E. Adams
 JOSEPH E. ADAMS
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5162

BEARINGS BASED ON TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83, SOUTH CENTRAL ZONE, DERIVED FROM GPS OBSERVATIONS

REFERENCE DRAWING: 13096-3007
 EXHIBIT B-2. LICENSES UNDER SECTION 25 OF THE LEASE AGREEMENT

REV.	DATE	BY	ISSUED TO CLIENT	DESCRIPTION	AT	CHK.
0						
PROJECT NO. 13096						
MUSTANG ENGINEERING, L. P. HOUSTON, TEXAS						
Freeport LNG Development						
DOW PIPELINE CORRIDOR TO LNG STORAGE FACILITY, BRAZORIA COUNTY, TEXAS						
DRAWN BY: J.E.A.		DATE: 11/29/09		DWR. NO.		REV.
CHECKED BY: J.E.A.		DATE: 12/19/09		13096-9411		0
SCALE: 1"=100'		APP.:				

EXHIBIT A

INOVENE U.S.A., L.L.C.
9.21 Acres of Land

Being 9.21 acres of land a part of the Jared B. Groce 5 Leagues, Abstract No. 66, Brazoria County, Texas, and being a portion of that certain 474.77 acre-tract described by Warranty Deed to AMOCO Pipeline Company now known as BP Pipelines (North America), Inc. in Volume 1124 on Page 425 of the Official Records of Brazoria County, Texas dated June 6, 1973. Said 474.77 acre-tract was transferred to O & D U.S.A., L.L.C., a Delaware Limited Liability Company by Quit Claim Deed With Out Warranty recorded under Document Number 2005057911 in the Official Records of Brazoria County, Texas on April 1, 2005. The name of O & D U.S.A., L.L.C. was then changed by Document Number 2005055955 to Inovene U.S.A., L.L.C. and recorded in the Official Records of Brazoria County, Texas on May 24, 2005. The above-mentioned 9.21 acre-tract is more particularly described by metes and bounds as follows:

COMMENCING at a 2 inch iron pipe found for the southeast corner of the above mentioned 474.77 acre-tract of land.

THENCE N 59°02'18" W for a distance of 1,012.55 feet to a 5/8 inch iron rod with cap stamped "RPLS 5006" set on the northwest line of the Missouri-Pacific Railroad right-of-way for the east corner of the herein described 9.21 acre-tract and the POINT OF BEGINNING.

THENCE S 45°34'15" W along said northwest line of the Missouri-Pacific Railroad for a distance of 1,032.09 feet to a 5/8 inch iron rod stamped "RPLS 5006" set at the intersection of said northwest line and a fence on the northeast line of State P.M. Highway 523 as described in Volume 653 on Page 291 of the Official Records of Brazoria County, Texas for the South corner of the herein described 9.21 acre-tract.

THENCE N 40°42'57" W along a fence for the northeast line of State P.M. Highway 523 for a distance of 389.75 feet to a 5/8 inch iron rod with cap stamped "RPLS 5006" set at the base and on the west side of a damaged fence corner post for the intersection of said northeast line and the southeast line of County Road 227, as maintained for public use, for the west corner of the herein described 9.21 acre-tract.

THENCE N 45°03'06" E along a fence for the southeast line of County Road 227 for a distance of 1,026.91 feet to a 5/8 inch iron rod with cap stamped "RPLS 5006" set on said southeast line for the North corner of the herein described 9.21 acre-tract.

THENCE S 44°25'36" E along the northeast line of the herein described 9.21 acre-tract for a distance of 398.05 feet to the POINT OF BEGINNING and containing 9.21 acres of land, more or less.

Bearings described herein are based on the Texas State Plane Coordinate System, NAD 83, South Central Zone, derived from GPS observations.

This description is based on the Land Title Survey, and plat made by J. Rick Kimmins, Registered Professional Surveyor No. 5006 on November 06, 2005.

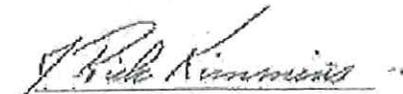

J. Rick Kimmins
RPLS No. 5006
Date: December 14, 2005



EXHIBIT 2

LOCATION OF QUALIFIED INVESTMENT/QUALIFIED PROPERTY

All Qualified Property owned by the Applicant and located within the boundaries of Brazosport Independent School District and *Freeport LNG Development, L.P. Reinvestment Zones Number 2 and Number 3*, except that property which is specifically excluded in **EXHIBIT 3**, will be included in and subject to this Agreement. Specifically, all Qualified Property of the Applicant located within the boundaries on the maps and/or charts attached to **EXHIBIT 1** are included.

EXHIBIT 3

DESCRIPTION OF THE APPLICANT'S QUALIFIED INVESTMENT/QUALIFIED PROPERTY

TEXAS COMPTROLLER APPLICATION NO. 246

The Applicant's new Train 3 natural gas liquefaction infrastructure will be installed at an existing terminal to provide export capacity of approximately 4.4 million metric tons per annum (mtpa) of LNG per liquefaction train, which equates to processing approximately 670 MMcf/d of pipeline-quality natural gas (feed gas). The infrastructure and improvements required to operate liquefaction Train 3 are described and quantified in the Application contained in Texas Comptroller file Number 246. Liquefaction Train 3 is projected to be in full operation in the second quarter of 2019. It will include one liquefaction train capable of producing an export capacity of up to 4.4 mtpa, associated pretreatment system facilities for that train, and one full-containment LNG storage tank.

The feed gas will be derived from interconnecting intrastate systems through Freeport LNG's existing Stratton Ridge meter station. The gas will be pretreated along Freeport LNG's existing forty-two inch (42") natural gas pipeline, about halfway between Freeport LNG's existing facilities on Quintana Island and Freeport LNG's existing metering, compression, and underground storage facilities. The pretreated natural gas will then be delivered to the terminal through Freeport LNG's existing forty-two inch (42") natural gas pipeline. At the terminal, it will be liquefied and then stored in full-containment LNG storage tanks. LNG will be exported from the terminal by LNG carriers arriving via marine transit through the Freeport Harbor Channel.

The added liquefaction capability will not preclude the terminal from operating in vaporization and send-out mode as business conditions dictate. Also, having dual liquefaction and regasification capabilities will not result in any increase in the number of ship transits since the total amount of LNG handled, either by liquefying natural gas or by vaporizing LNG, will not exceed thresholds authorized under the FERC order approving the Phase II regas project.

The Applicant's Qualified Investment/Qualified Property will include property classified by Brazoria CAD as real estate improvements for one liquefaction train, capable of producing a LNG export capacity of approximately 4.4 mtpa, and associated pretreatment facilities for that train. This equipment typically includes, but is not limited to; three large refrigerant compressors, one main cryogenic heat exchanger, eight refrigerant vaporizers, two liquid turbines, 250+ fin fan air coolers, multiple heat exchangers and tower reboilers, multiple vessels, numerous

compressors, various pumps, and all of the associated concrete foundations, pipe supports, piping, instrumentation, power feeds, control loops, safety systems, fire water protection, insulation, and utilities necessary to connect the new facilities to the existing terminal, safely operate the new equipment, and pretreat and liquefy approximately 670 MMcf/d of pipeline-quality natural gas.

In addition to the property described above, the Applicant's Qualified Investment/Qualified Property, unique to this Agreement, also includes, but is not limited to; one full-containment, 160,000 cubic meter, LNG storage tank.

The Applicant's Qualified Investment/Qualified Property will also include some personal property necessary for the Applicant to conduct the activities described above.

The specific locations of the Applicant's facilities developed in conjunction with Texas Comptroller Application Number 246 are shown on the map of such improvements attached as the page next following this **EXHIBIT 3**.

Excluded Property

The Applicant's Qualified Property/Qualified Investment shall not include the following improvements which were located within the Reinvestment Zones described in **EXHIBIT 1** prior to the Completed Application Date:

- The Phase I regasification terminal designed to vaporize and achieve a peak send-out capacity of ~2.0 Bcf per day.
- Two (2) full-containment, 160,000 cubic meter, LNG storage tanks.
- Piled marine dock, capable of handling LNG vessels in excess of 200,000 cubic meters, with associated double-walled vacuum insulated transfer pipelines.
- Seven vaporization trains and associated equipment, eight water glycol heaters, a water glycol tank, associated pumps, a drain drum and sump, eight intermediate exchangers and fuel gas heaters.
- Boil Off Gas Re-liquefaction unit.
- Approximately ten miles of forty-two inch (42") natural gas pipeline from the existing terminal to Stratton Ridge.

- Office building.
- Control room.
- Warehouse.
- Analyzer.
- Shop buildings.
- VE Warming Tower.
- Existing fencing and roads.

The foregoing items have, at the time of this Agreement, been assigned the following account numbers by the Brazoria county Appraisal District:

PERSONAL PROPERTY ACCOUNT NUMBERS

- 8900-0800-000
- 8900-0800-100

IMPROVEMENT ACCOUNT NUMBERS

- 8800-0450-000
- 8800-04 50-100
- ABAT-FLNG-00 1
- POLL-FLNG-00 1

