

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

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



Attachment A

1) The application lacks a specific and detailed description of the project, including the output capacity for the proposed facility and how it interacts with other adjacent facilities currently in operation.

Maps, surveys, and descriptions should indicate location of facilities needed for the various manufacturing processes described in the property description.

2) The application is lacking a map showing the project is within the school district boundaries.

Note: This letter is not a final list of application deficiencies. Revisions made to address the concerns above may require the revision of other portions of the application, such as Schedules A, B, C, and D.

TAB 01

Application



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

Economic Development
and Analysis
Form 50-296-A

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 hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, 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 website. 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. For more information, see guidelines on Comptroller's website.

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. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. 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, issue a certificate for a limitation on appraised value 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 issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links on this Web page to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

Date Application Received by District

Becky

First Name

McManus

Last Name

Assistant Superintendent of Finance

Title

Barbers Hill Independent School District

School District Name

9600 Eagle Drive

Street Address

P. O. Box 1108

Mailing Address

Mont Belvieu

City

281-576-2221

Phone Number

Texas

State

281-576-5879

Fax Number

BMcManus@bhisd.net

Email Address

77580-1108

ZIP

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application?



Yes



No

The Economic Development and Analysis Division at the Texas Comptroller of Public Accounts provides information and resources for taxpayers and local taxing entities.

For more information, visit our website:
www.TexasAhead.org/tax_programs/chapter313/
50-296-A • 02-14/1

Application for Appraised Value Limitation on Qualified Property

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Kevin	O'Hanlon
First Name	Last Name
Attorney	
Title	
O'Hanlon, McCollom & Demerath, PC	
Firm Name	
512-494-9949	512-494-9919
Phone Number	Fax Number
	kohanlon@808west.com
	Email Address
Mobile Number (optional)	8/13/14

4. On what date did the district determine this application complete? 8/13/14

5. Has the district determined that the electronic copy and hard copy are identical? ☒ Yes ☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Mark	Apostle
First Name	Last Name
Assistant Controller	Energy Transfer Partners, L.P.
Title	Organization
800 E. Sonterra Blvd., Suite 400	
Street Address	
800 E. Sonterra Blvd., Suite 400	
Mailing Address	
San Antonio	Texas
City	State
210-572-0456	210-403-6664
Phone Number	Fax Number
	mark.apostle@energytransfer.com
	Business Email Address
Mobile Number (optional)	78258-3941
	ZIP

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

2a. If yes, please fill out contact information for that person.

Megan	McKavanagh
First Name	Last Name
Property Tax Manager	Energy Transfer Partners, L.P.
Title	Organization
800 E. Sonterra Blvd., Suite 400	
Street Address	
800 E. Sonterra Blvd., Suite 400	
Mailing Address	
San Antonio	Texas
City	State
210-572-0457	210-403-6664
Phone Number	Fax Number
	megan.mckavanagh@energytransfer.com
	Business Email Address
Mobile Number (optional)	78258-3941
	ZIP

3. Does the applicant authorize the consultant to provide and obtain information related to this application? ☒ Yes ☐ No

Application for Appraised Value Limitation on Qualified Property



SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

Mike

Fry

First Name

Last Name

Authorized Agent

Title

K E Andrews 1900 Dalrock Road; Rowlett, Texas 75088

Firm Name

469-298-1594

469-298-1619

Phone Number

Fax Number

mfry@keatax.com

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? ☒ Yes ☐ No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in Tab 2 proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "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.

2. 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 ☐ N/A
3. 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 ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Lone Star NGL Asset Holdings II LLC
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 32044534082
3. List the NAICS code 325120
4. Is the applicant a party to any other pending or active Chapter 313 agreements? ☒ Yes ☐ No
- 4a. If yes, please list application number, name of school district and year of agreement
- #195, Barbers Hill ISD, 2011 - #251, Barbers Hill ISD, 2012 - #339, Barbers Hill ISD, 2013

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Limited Liability Corporation
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? ☒ Yes ☐ No
- 2a. If yes, attach in Tab 3 a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? ☒ Yes ☐ No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? ☒ Yes ☐ No ☐ N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in Tab 3)

Application for Appraised Value Limitation on Qualified Property

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? ☒ Yes ☐ No
2. The property will be used for one of the following activities:
 - (1) manufacturing ☒ Yes ☐ No
 - (2) research and development ☐ Yes ☒ No
 - (3) a clean coal project, as defined by Section 5.001, Water Code ☐ Yes ☒ No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code ☐ Yes ☒ No
 - (5) renewable energy electric generation ☐ Yes ☒ No
 - (6) electric power generation using integrated gasification combined cycle technology ☐ Yes ☒ No
 - (7) nuclear electric power generation ☐ Yes ☒ No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) ☐ Yes ☒ No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 ☐ Yes ☒ No
3. Are you requesting that any of the land be classified as qualified investment? ☐ Yes ☒ No
4. Will any of the proposed qualified investment be leased under a capitalized lease? ☐ Yes ☒ No
5. Will any of the proposed qualified investment be leased under an operating lease? ☐ Yes ☒ No
6. Are you including property that is owned by a person other than the applicant? ☐ Yes ☒ No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? ☐ Yes ☒ No

SECTION 7: Project Description

1. In Tab 4, attach 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.
2. Check the project characteristics that apply to the proposed project:

☒ Land has no existing improvements	☐ Land has existing improvements (complete Section 13)
☐ Expansion of existing operation on the land (complete Section 13)	☐ Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? ☒ Yes ☐ No
2. Has the applicant entered into any agreements or contracts for work to be performed related to the proposed project? ☐ Yes ☒ No
3. Does the applicant have current business activities at the location where the proposed project will occur? ☐ Yes ☒ No
4. Has the applicant made public statements in SEC filings or other official documents regarding its intentions regarding the proposed project location? ☐ Yes ☒ No
5. Has the applicant received any local or state permits for activities on the proposed project site? ☒ Yes ☐ No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? ☐ Yes ☒ No
7. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? ☒ Yes ☐ No
8. Has the applicant considered or is the applicant considering other locations not in Texas for the proposed project? ☒ Yes ☐ No
9. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☒ No
10. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☐ Yes ☒ No

If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

For more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/

Application for Appraised Value Limitation on Qualified Property



SECTION 9: Projected Timeline

1. Application approval by school board October 2014
2. Beginning of qualifying time period January 1, 2015
3. First year of limitation January 1, 2017
4. Begin hiring new employees May 2015
5. Commencement of commercial operations April 2016
6. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? ☐ Yes ☒ No
 Note: Improvements made before that time may not be considered qualified property.
7. When do you anticipate the new buildings or improvements will be placed in service? April 2016

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Chambers County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Chambers County CAD
3. Will this CAD be acting on behalf of another CAD to appraise this property? ☐ Yes ☒ No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

County: Chambers County, .496790, 100% (Name, tax rate and percent of project)	City: Mont Belvieu, .436710, 100% (Name, tax rate and percent of project)
Hospital District: N/A (Name, tax rate and percent of project)	Water District: N/A (Name, tax rate and percent of project)
Other (describe): N/A (Name, tax rate and percent of project)	Other (describe): N/A (Name, tax rate and percent of project)
5. Is the project located entirely within the ISD listed in Section 1? ☒ Yes ☐ No
 5a. If no, attach in Tab 6 additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? ☐ Yes ☒ No
 6a. If yes, attach in Tab 6 supporting documentation from the Office of the Governor.

SECTION 11: 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 Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
 Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? ☒ Yes ☐ No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. 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 (Tab 7);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (Tab 7); and
 - c. a detailed map of the qualified investment showing location of new buildings or new improvements with vicinity map (Tab 11).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? ☒ Yes ☐ No

For more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/

Application for Appraised Value Limitation on Qualified Property

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. 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 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).
2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? ☐ Yes ☒ No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).
3. Is the land on which you propose new construction or new 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
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? _____

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all existing property. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all proposed new property that will not become new improvements as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 0.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 0.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

SECTION 14: Wage and Employment Information

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

☒ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2014

(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 4
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No

6a. If yes, attach evidence in Tab 12 documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in Tab 13 the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. 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(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 1,075.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,736.63
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,149.71
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 59,785.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 59,785.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.024(d-2)? ☐ Yes ☒ No

12a. If yes, attach in Tab 12 supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No

13a. If yes, attach in Tab 6 supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in Tab 14. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in Tab 15. (not required)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in Tab 15.

Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

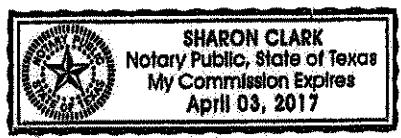
print here Greg Poole Superintendent
sign here [Signature] Title
August 13, 2014
Signature (Authorized School District Representative) Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here Mark Apostle Additional Controller
sign here [Signature] Title
8/11/14
Signature (Authorized Company Representative (Applicant)) Date



(Notary Seal)

GIVEN under my hand and seal of office this, the
11th day of August, 2014
Sharon Clark
Notary Public in and for the State of Texas
My Commission expires: April 3, 2017

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

TAB 02

Proof of Payment of Application Fee

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

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

TAB 03

Documentation of Combined Group Membership

**Documentation of combined
group received by the
Texas Comptroller
of Public Accounts**

TAB 04

Detailed Description of Project

Lone Star NGL II, LLC

Project Description

Detailed Description and Process for Proposed Project

Lone Star NGL Asset Holdings II, LLC is proposing to build a third NGL fractionation unit (Fractionation Plant III). This facility will be constructed within the reinvestment zone that was put in place for Fractionation Plant I and II, but operates independently and is not dependent upon or offer enhancements to the operation of those existing Plants.

Fractionation Plant III will have a production capacity of 100,000 barrels per day of natural gas liquids. The plant will produce industrial gases including ethane, propane, butane, n-butane and natural gasoline (CS+) products from incoming Y-Grade natural gas liquids (NGL's).

The manufacturing process consists of first pre-treating the incoming NGL's with feed filters, coalescers and amine contactors to remove any impurities such as particulates, sulfides and carbon dioxide. Any residual moisture is removed from the treated NGL's by dehydrators. The NGL's are then heated under pressure and fed into the De-Ethanizer Unit where it is separated into an overhead gas phase and an NGL phase. Ethane in the overhead gas phase is further purified and sent to product storage. The remaining NGL's are then heated under pressure and fed into the De-Propanizer Unit where it is separated into an overhead gas phase and an NGL phase. Propane in the overhead gas phase is further purified and sent to product storage.

The remaining NGL's are then heated under pressure and fed into the De-Butanizer Unit where it is separated into an overhead gas phase of mixed Butanes and natural gasolines. The mixed Butane in the overhead gas phase is sent to the Butane Splitter (De-IsoButanizer) where it is separated into n-Butane and Iso-Butane. Natural gasolines are sent off-site for sale via pipeline.

Fractionation Plant III will include the following main processing units and utility systems which are classified as "Qualified Investment"

List of Improvements

Plant Components

- Pre-treatment Systems
- De-Ethanizer Unit
- De-Propanizer Unit
- De-butanizer Unit
- Towers
- Butane Splitter (De-Isobutanizer)
- All appurtenant components
- Heat Medium

- Gasoline Treater
- Compression Equipment
- Additional storage facilities for Y-grade liquids and other components

The fractionation process is accomplished by applying heat and pressure to the mixture of raw NGL hydrocarbons and separating each discrete product at the different boiling points for each NGL component of the mixture. The raw NGL mixture is passed through a specific series of distillation towers: deethanizer, depropanizer, debutanizer, and deisobutanizer. The name of each of these towers corresponds to the NGL component that is separated in that tower. The raw NGL mixture first passes through the deethanizer, where its temperature is increased to the point where ethane (the lightest component) boils off the top of the tower as a gas and is condensed into a purity liquid that is routed to storage. The heavier components in the mixture at the bottom of the tower (i.e., propane, butane, iso butane, and natural gasoline) are routed to the second tower (depropanizer), where the process is repeated and the net lightest component (propane) is separated. This process is repeated until the mixture of liquids has been separated into its purity components. This facility will also be built with the necessary equipment to produce International Grade Propane.

Demand for NGLs

Sources of U.S. NGL demand include petrochemical consumption, gasoline blending, heating and fuel, and exports. Demand is driven primarily by the petrochemical industry, which accounts for 40-50% of total consumption. The U.S. petrochemical industry uses NGL products as feedstock (i.e. raw material) to produce ethylene, propylene, and butadiene (also known as olefins).

The following factors influence demand for each individual NGL component:

- **Ethane.** Essentially all of the ethane extracted from natural gas is consumed by the petrochemical industry as a feedstock for ethylene production. (Ethylene is a building block for polyethylene, which is the most popular plastic in the world.)
- **Propane.** Approximately 25-30% of propane is used as a feedstock by the petrochemical industry to produce ethylene and propylene.
(Like ethylene, propylene is an important building block used in the manufacture of plastics.) The bulk of the remaining demand for propane is primarily as a heating fuel in the residential and commercial markets.
- **Normal butane.** Normal butane is used as a petrochemical feedstock for the production of ethylene and butadiene (used to make synthetic rubber), as a blendstock for motor gasoline, and as a feedstock to create isobutene.
- **Isobutane.** Isobutane has the same molecular formula as normal butane, but a different structural formula (i.e., atoms are rearranged). Isobutane is used in refinery alkylation to enhance the octane content of motor gasoline.
- **Natural gasoline.** Natural gasoline is used primarily as a blendstock.

TAB 05

Limitation as Determining Factor

Limitation is a Determining as a Factor:

Energy Transfer is a leading midstream energy company whose primary activities include gathering, treating, processing and transporting natural gas and natural gas liquids to a variety of markets and states. Energy Transfer currently operates over 17,500 miles of pipeline, 3 gas processing plants, 17 gas treating facilities and 10 gas conditioning plants. Locations for these operations included Arizona, New Mexico, Utah, Colorado, Kansas, Oklahoma, Texas, Arkansas and Louisiana.

Energy Transfer's pipeline footprint provides substantial flexibility in where future facilities or investments may be located. Capital investments are allocated to projects and locations based on expected economic return and property tax liabilities can make up a substantial ongoing cost of operation. See economic model showing business value with and without 313 Limitation Agreement and 312 Abatements.

Lone Star Frac III
As of: 1/1/2014
Year 1 Ending: 12/31/2015

Cost: \$ 308,125,000



Exhibit - A
Page 1

Chambers County														
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Terminal Year	
Revenue	\$ -	-	\$ 45,136,957	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 76,047,480	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	
% Growth				68.02%	0.00%	0.00%	0.27%	-0.27%	0.00%	0.00%	0.00%	0.00%	0.00%	
Operating Expenses	\$ -	-	\$ 2,677,946	\$ 3,272,960	\$ 3,339,022	\$ 3,406,418	\$ 3,475,175	\$ 3,545,319	\$ 3,616,879	\$ 3,689,883	\$ 3,764,419	\$ 3,840,460	\$ 3,689,883	
G&A Expenses	\$ -	-	\$ 803,384	\$ 981,888	\$ 1,001,707	\$ 1,021,925	\$ 1,042,552	\$ 1,063,596	\$ 1,085,064	\$ 1,106,965	\$ 1,129,326	\$ 1,152,138	\$ 1,152,138	
Operating Income	\$ -	-	\$ 41,655,628	\$ 71,584,852	\$ 71,498,971	\$ 71,411,356	\$ 71,529,753	\$ 71,230,786	\$ 71,137,758	\$ 71,042,852	\$ 70,945,956	\$ 70,847,101	\$ 70,997,678	
Margin %			92.39%	94.39%	94.28%	94.16%	94.06%	93.92%	93.80%	93.68%	93.55%	93.42%	93.62%	
Total Taxes w/o Limitations & Abatements	\$ -	\$ 1,148,240	\$ 2,700,380	\$ 6,892,293	\$ 6,411,015	\$ 6,152,988	\$ 5,894,960	\$ 5,636,933	\$ 5,378,905	\$ 5,120,877	\$ 4,862,850	\$ 4,604,822	\$ 4,346,795	
BHISD Supplemental Payment	\$ -	\$ -	\$ 1,399,332	\$ 846,568	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ -	
County Payment in Lieu	\$ 595,000	\$ 223,250	\$ 223,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
City Payment in Lieu	\$ 326,900,000	\$ 326,900,000	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ -	
Growth Capex	\$ 81,085,526	\$ 194,605,263	\$ 32,434,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Free Cash Flow	\$ (82,007,426)	\$ (196,303,653)	\$ 4,680,102	\$ 63,627,638	\$ 64,423,703	\$ 64,594,115	\$ 64,970,540	\$ 64,929,600	\$ 65,094,600	\$ 65,257,722	\$ 65,418,853	\$ 65,578,026	\$ 66,650,883	
Cumulative Free Cash Flow	\$ (82,007,426)	\$ (278,311,679)	\$ (273,630,977)	\$ (210,003,339)	\$ (145,579,636)	\$ (80,985,521)	\$ (16,014,981)	\$ 48,914,619	\$ 114,009,219	\$ 179,266,940	\$ 326,693,219	\$ 588,574,899	\$ 376,914,703	
Partial Period Adjustment	1	1	1	1	1	1	1	1	1	1	1	1	1	
Mid Year Convention	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8.50	9.50	10.50	11.50		
Present Value Factor @ 10.00%	0.95	0.87	0.79	0.72	0.65	0.59	0.54	0.49	0.44	0.40	0.37	0.33		
Present Value of Free Cash Flow	\$ (78,191,013)	\$ (170,152,899)	\$ 3,687,853	\$ 45,579,694	\$ 41,954,505	\$ 38,241,347	\$ 34,967,455	\$ 31,768,564	\$ 28,953,904	\$ 26,387,692	\$ 24,048,042	\$ 21,915,050		
Sum of Present Value of Free Cash Flows	\$ 49,160,194													
Present Value of Terminal Value	\$ 247,484,225													
Operating Business Enterprise Value	\$ 296,644,419													
Working Capital Excess/(Deficit)	\$ -													
Total Business Enterprise Value	\$ 296,644,419													
IRR	13.64%													
MIRR	11.82%													
Total Business Enterprise Value w/o Limitations	\$ 296,644,419													

Terminal Cash Flow	\$ 66,650,883
Discount Rate	10.00%
Long Term Growth Rate	1.00%
Capitalization Rate	9.00%
Terminal Value	\$740,565,372
Present Value Factor	0.33
PV of Terminal Value	\$247,484,225

Lone Star Frac III
As of: 1/1/2014
Year 1 Ending: 12/31/2015

Cost: \$ 308,125,000



Chambers County	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Terminal Year
Revenue	\$ -	\$ -	\$ 45,136,957	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 76,047,480	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700
% Growth				68.07%	0.00%	0.00%	0.27%	-0.27%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Expenses	\$ -	\$ -	\$ 2,677,916	\$ 3,272,960	\$ 3,339,022	\$ 3,406,418	\$ 3,475,175	\$ 3,545,319	\$ 3,616,879	\$ 3,689,883	\$ 3,764,419	\$ 3,840,460	\$ 3,689,883
C&A Expenses	\$ -	\$ -	\$ 803,384	\$ 981,888	\$ 1,001,707	\$ 1,021,925	\$ 1,042,552	\$ 1,063,596	\$ 1,085,064	\$ 1,106,965	\$ 1,129,326	\$ 1,152,138	\$ 1,152,138
Operating Income	\$ -	\$ -	\$ 41,655,628	\$ 71,584,852	\$ 71,498,971	\$ 71,411,356	\$ 71,529,753	\$ 71,230,786	\$ 71,137,758	\$ 71,042,852	\$ 70,945,956	\$ 70,847,101	\$ 70,997,678
Margin %			92.29%	94.39%	94.28%	94.16%	94.66%	93.92%	93.80%	93.68%	93.55%	93.42%	93.62%
Total Taxes with Limitations & Abatements	\$ -	\$ 1,148,240	\$ 2,700,380	\$ 3,494,236	\$ 2,664,811	\$ 2,210,732	\$ 2,157,321	\$ 2,103,910	\$ 2,050,499	\$ 1,997,089	\$ 1,943,678	\$ 3,626,711	\$ 3,452,449
BHISD Supplemental Payment	\$ -	\$ -	\$ 1,399,332	\$ 846,568	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ -
County Payment in Lieu	\$ -	\$ 223,250	\$ 223,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Payment in Lieu	\$ 326,900.00	\$ 326,900.00	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353
Growth Capex	\$ 81,085,526	\$ 194,605,263	\$ 32,434,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Free Cash Flow	\$ (82,007,426)	\$ (196,303,653)	\$ 4,680,102	\$ 67,025,695	\$ 68,169,907	\$ 68,536,371	\$ 68,708,479	\$ 68,462,623	\$ 68,423,006	\$ 68,381,510	\$ 68,339,025	\$ 66,556,137	\$ 67,545,229
Cumulative Free Cash Flow	\$ (82,007,426)	\$ (278,311,079)	\$ (273,630,977)	\$ (206,605,282)	\$ (138,435,375)	\$ (69,899,004)	\$ (1,190,825)	\$ 67,271,798	\$ 135,694,804	\$ 204,076,313	\$ 354,421,764	\$ 617,281,555	\$ 406,515,705
Partial Period Adjustment	1	1	1	1	1	1	1	1	1	1	1	1	1
Mid Year Convention	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8.50	9.50	10.50	11.50	0.37
Present Value Factor @ 9.00%	0.96	0.88	0.81	0.74	0.68	0.62	0.57	0.52	0.48	0.44	0.40	0.37	
Present Value of Free Cash Flow	\$ (78,548,869)	\$ (172,499,815)	\$ 3,773,020	\$ 49,573,366	\$ 46,256,574	\$ 42,665,355	\$ 39,240,651	\$ 35,871,934	\$ 32,890,988	\$ 30,156,918	\$ 27,649,303	\$ 24,704,916	
Sum of Present Value of Free Cash Flows	\$ 81,734,362												
Present Value of Terminal Value	\$ 313,400,704												
Operating Business Enterprise Value	\$ 395,135,066												
Working Capital Excess/(Deficit)	\$ -												
Total Business Enterprise Value	\$ 395,135,066												
IRR	14.69%												
MIRR	11.83%												
Total Business Enterprise Value with Limitations	\$ 395,135,066												

Terminal Cash Flow	\$ 67,545,229
Discount Rate	9.00%
Long Term Growth Rate	1.00%
Capitalization Rate	8.00%
Terminal Value	\$944,315,368
Present Value Factor	0.37
PV of Terminal Value	\$313,400,704

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Projected RCN	\$20,000,000	\$190,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000	\$285,000,000
Taxable Value	\$10,000,000	\$95,000,000	\$285,000,000	\$273,600,000	\$262,200,000	\$250,800,000	\$239,400,000	\$228,000,000	\$216,600,000	\$205,200,000	\$193,800,000	\$182,400,000
BH ISD Tax	<i>no limit</i> \$132,990	\$1,263,405	\$3,290,215	\$3,638,606	\$3,486,998	\$3,335,389	\$3,183,781	\$3,032,172	\$2,880,563	\$2,728,955	\$2,577,346	\$2,425,738
County Tax	<i>no abate</i> \$49,679	\$471,951	\$1,415,852	\$1,359,217	\$1,302,583	\$1,245,949	\$1,189,315	\$1,132,681	\$1,076,047	\$1,019,413	\$962,779	\$906,145
MB City Tax	<i>no abate</i> \$43,671	\$414,875	\$1,244,624	\$1,194,839	\$1,145,054	\$1,095,269	\$1,045,484	\$995,699	\$945,914	\$896,129	\$846,344	\$796,559
Limit App Value	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000
County Abatement	\$0	\$0	\$849,511	\$815,530	\$781,550	\$747,570	\$713,589	\$679,609	\$645,628	\$611,648	\$577,667	\$543,687
MB City Abatement	\$0	\$0	\$1,244,624	\$1,194,839	\$1,145,054	\$1,095,269	\$1,045,484	\$995,699	\$945,914	\$896,129	\$846,344	\$796,559
BH ISD Tax	<i>limited</i> \$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970	\$ 398,970
County Tax	<i>abated</i> \$49,679	\$471,951	\$566,341	\$543,687	\$521,033	\$498,379	\$475,726	\$453,072	\$430,419	\$407,765	\$385,112	\$362,458
MB City Tax	<i>abated</i> \$43,671	\$414,875	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

BH ISD	Tax Rate
County	1.3297%
MB City	0.43671%

TAB 06

N/A

TAB 07

Description of Qualified Investment

Lone Star NGL II, LLC

Project Description

Detailed Description and Process for Proposed Project

Lone Star NGL Asset Holdings II, LLC is proposing to build a third NGL fractionation unit (Fractionation Plant III). This facility will be constructed within the reinvestment zone that was put in place for Fractionation Plant I and II, but operates independently and is not dependent upon or offer enhancements to the operation of those existing Plants.

Fractionation Plant III will have a production capacity of 100,000 barrels per day of natural gas liquids. The plant will produce industrial gases including ethane, propane, butane, n-butane and natural gasoline (CS+) products from incoming Y-Grade natural gas liquids (NGL's).

The manufacturing process consists of first pre-treating the incoming NGL's with feed filters, coalescers and amine contactors to remove any impurities such as particulates, sulfides and carbon dioxide. Any residual moisture is removed from the treated NGL's by dehydrators. The NGL's are then heated under pressure and fed into the De-Ethanizer Unit where it is separated into an overhead gas phase and an NGL phase. Ethane in the overhead gas phase is further purified and sent to product storage. The remaining NGL's are then heated under pressure and fed into the De-Propanizer Unit where it is separated into an overhead gas phase and an NGL phase. Propane in the overhead gas phase is further purified and sent to product storage.

The remaining NGL's are then heated under pressure and fed into the De-Butanizer Unit where it is separated into an overhead gas phase of mixed Butanes and natural gasolines. The mixed Butane in the overhead gas phase is sent to the Butane Splitter (De-IsoButanizer) where it is separated into n-Butane and Iso-Butane. Natural gasolines are sent off-site for sale via pipeline.

Fractionation Plant III will include the following main processing units and utility systems which are classified as "Qualified Investment"

List of Improvements

Plant Components

- Pre-treatment Systems
- De-Ethanizer Unit
- De-Propanizer Unit
- De-butanizer Unit
- Towers
- Butane Splitter (De-Isobutanizer)
- All appurtenant components
- Heat Medium

- Gasoline Treater
- Compression Equipment
- Additional storage facilities for Y-grade liquids and other components

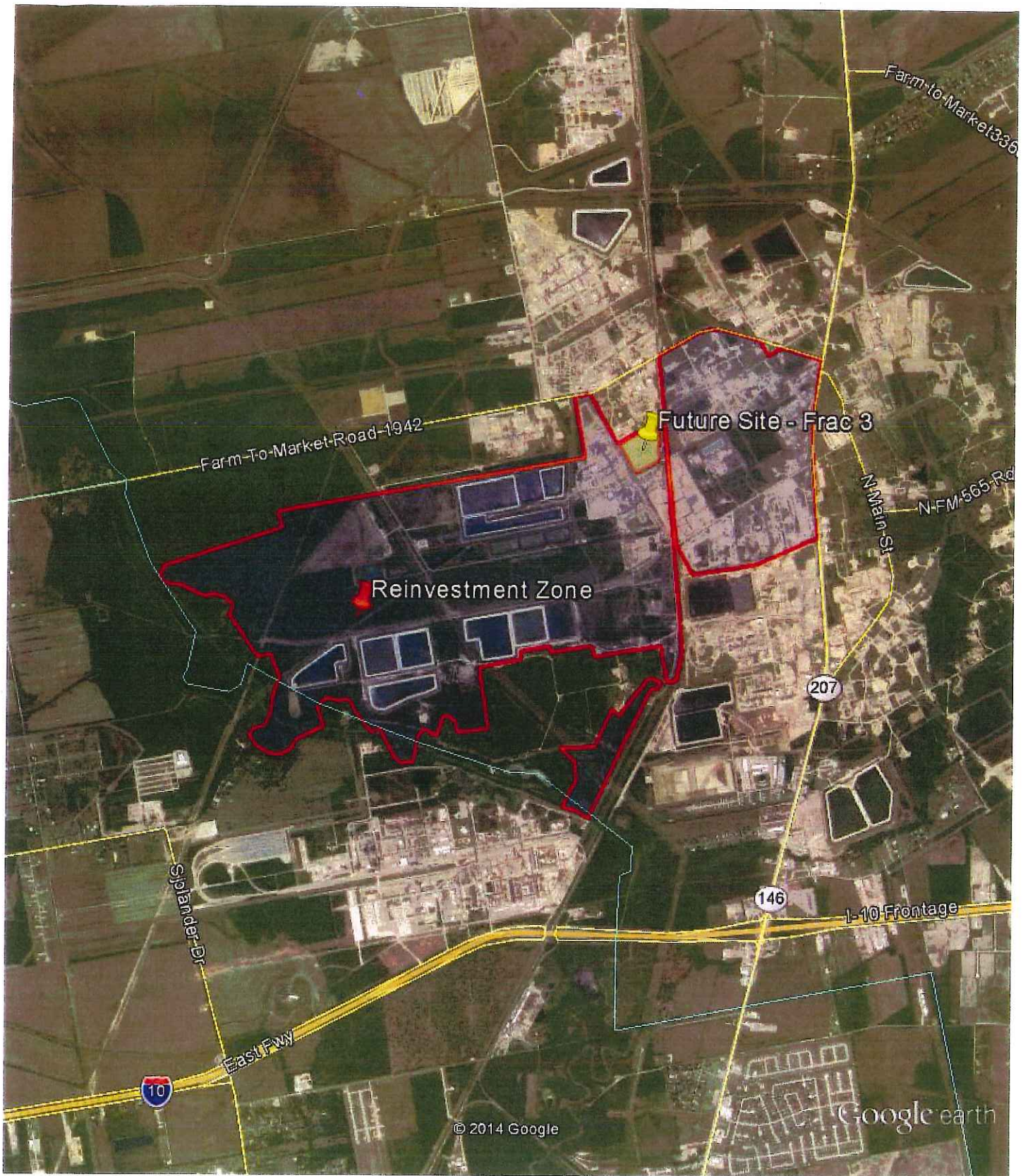
The fractionation process is accomplished by applying heat and pressure to the mixture of raw NGL hydrocarbons and separating each discrete product at the different boiling points for each NGL component of the mixture. The raw NGL mixture is passed through a specific series of distillation towers: deethanizer, depropanizer, debutanizer, and deisobutanizer. The name of each of these towers corresponds to the NGL component that is separated in that tower. The raw NGL mixture first passes through the deethanizer, where its temperature is increased to the point where ethane (the lightest component) boils off the top of the tower as a gas and is condensed into a purity liquid that is routed to storage. The heavier components in the mixture at the bottom of the tower (i.e., propane, butane, iso butane, and natural gasoline) are routed to the second tower (depropanizer), where the process is repeated and the net lightest component (propane) is separated. This process is repeated until the mixture of liquids has been separated into its purity components. This facility will also be built with the necessary equipment to produce International Grade Propane.

Demand for NGLs

Sources of U.S. NGL demand include petrochemical consumption, gasoline blending, heating and fuel, and exports. Demand is driven primarily by the petrochemical industry, which accounts for 40-50% of total consumption. The U.S. petrochemical industry uses NGL products as feedstock (i.e. raw material) to produce ethylene, propylene, and butadiene (also known as olefins).

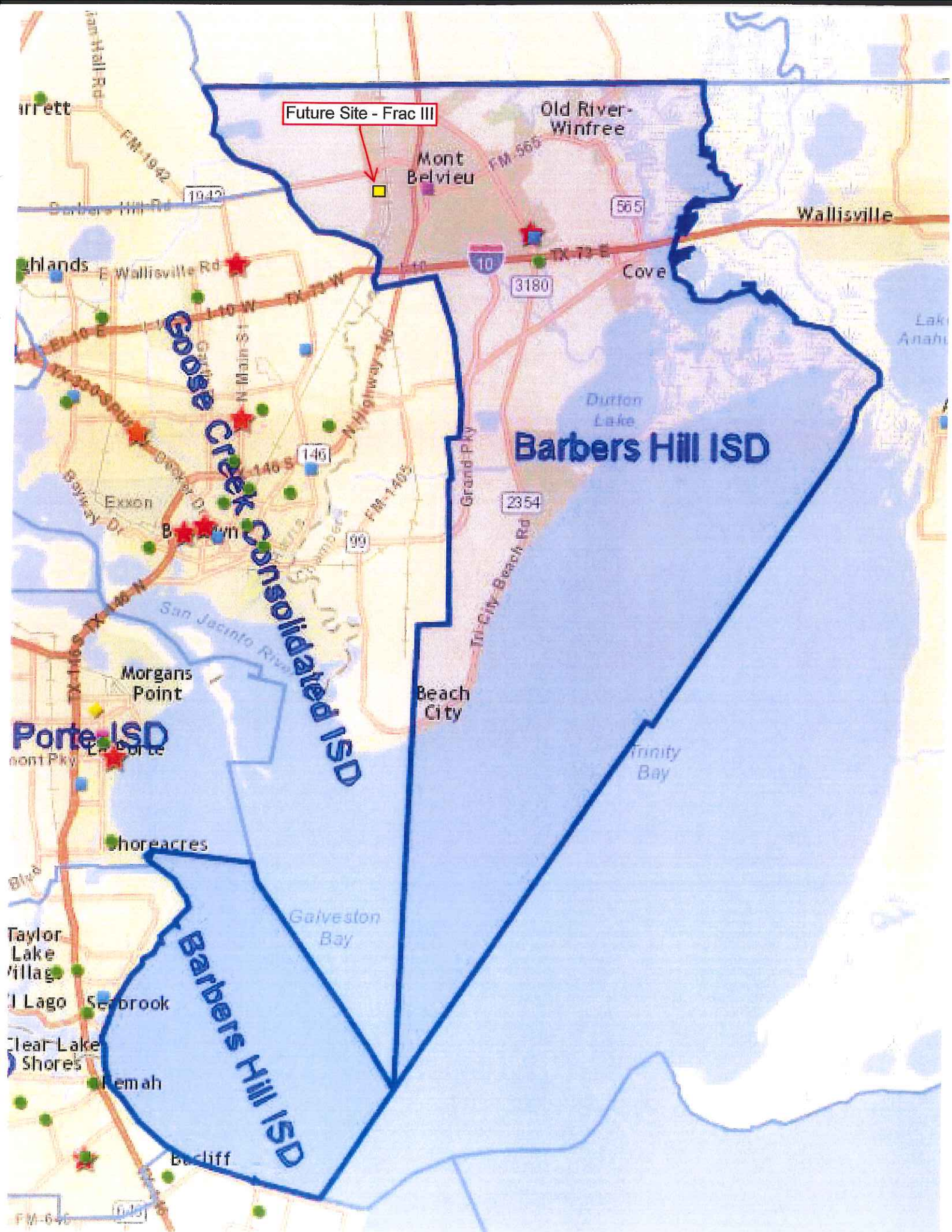
The following factors influence demand for each individual NGL component:

- **Ethane.** Essentially all of the ethane extracted from natural gas is consumed by the petrochemical industry as a feedstock for ethylene production. (Ethylene is a building block for polyethylene, which is the most popular plastic in the world.)
- **Propane.** Approximately 25-30% of propane is used as a feedstock by the petrochemical industry to produce ethylene and propylene.
(Like ethylene, propylene is an important building block used in the manufacture of plastics.) The bulk of the remaining demand for propane is primarily as a heating fuel in the residential and commercial markets.
- **Normal butane.** Normal butane is used as a petrochemical feedstock for the production of ethylene and butadiene (used to make synthetic rubber), as a blendstock for motor gasoline, and as a feedstock to create isobutene.
- **Isobutane.** Isobutane has the same molecular formula as normal butane, but a different structural formula (i.e., atoms are rearranged). Isobutane is used in refinery alkylation to enhance the octane content of motor gasoline.
- **Natural gasoline.** Natural gasoline is used primarily as a blendstock.



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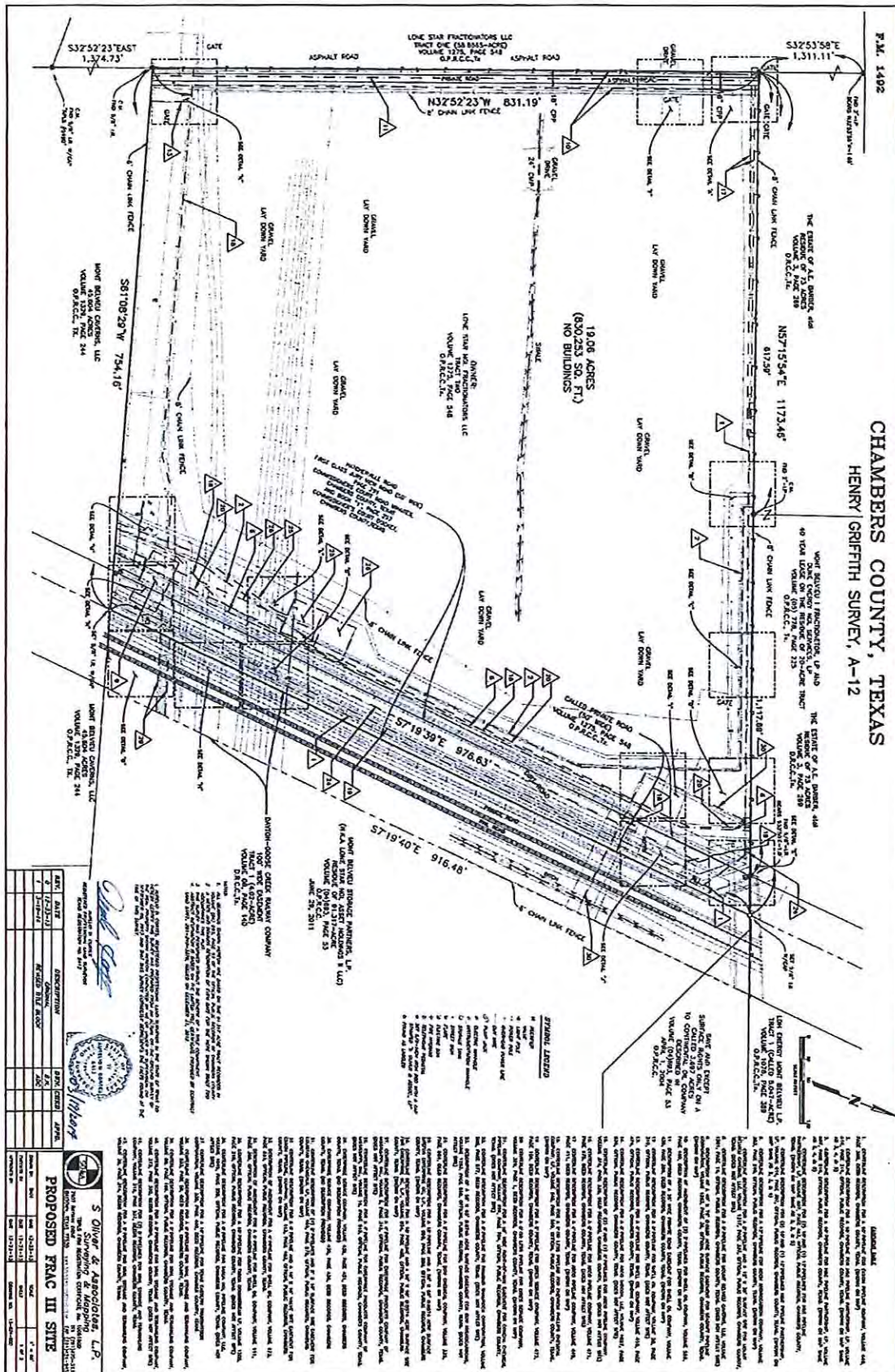


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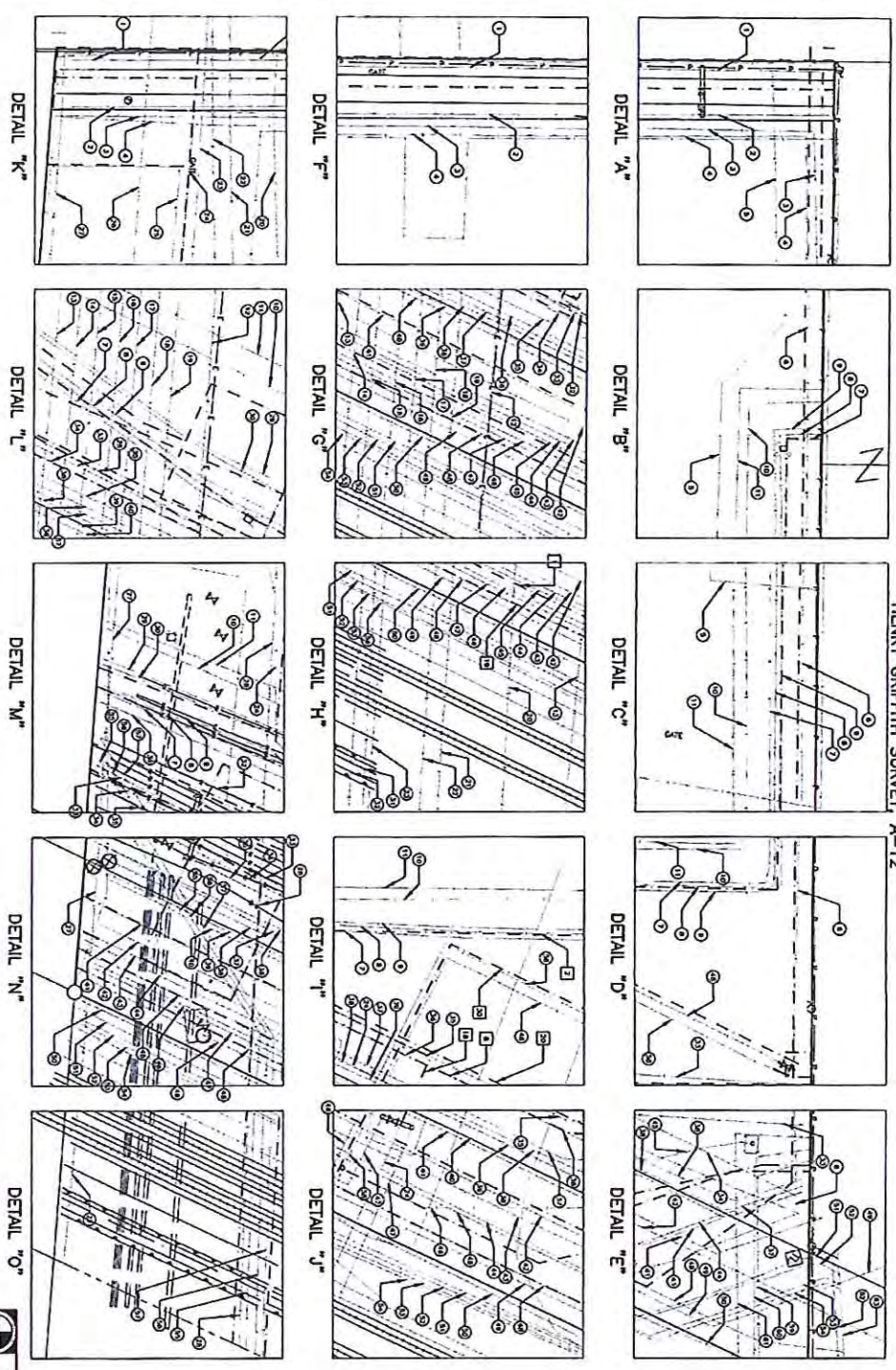
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CHAMBERS COUNTY, TEXAS HENRY GRIFFITH SURVEY, A-12



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3	12-12-12	ADDED NEW ROAD	AK	AK	
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59	12-12-12	ADDED NEW ROAD	AK	AK	
60	12-12-12	ADDED NEW ROAD	AK	AK	
61	12-12-12	ADDED NEW ROAD	AK	AK	
62	12-12-12	ADDED NEW ROAD	AK	AK	
63	12-12-12	ADDED NEW ROAD	AK	AK	

PROPOSED FRAC III SITE

S. O'NEAL & ASSOCIATES, L.P.
SURVEYING & MAPPING
1000 WEST 10TH STREET, SUITE 100
DALLAS, TEXAS 75203-1000
PHONE: 214-760-1000
FAX: 214-760-1001
WWW.SONEAL.COM

TAB 08

Lone Star NGL II, LLC
Project Description

Detailed Description and Process for Proposed Project

Lone Star NGL Asset Holdings II, LLC is proposing to build a third NGL fractionation unit (Fractionation Plant III). This facility will be constructed within the reinvestment zone that was put in place for Fractionation Plant I and II, but operates independently and is not dependent upon or offer enhancements to the operation of those existing Plants.

Fractionation Plant III will have a production capacity of 100,000 barrels per day of natural gas liquids. The plant will produce industrial gases including ethane, propane, butane, n-butane and natural gasoline (CS+) products from incoming Y-Grade natural gas liquids (NGL's).

The manufacturing process consists of first pre-treating the incoming NGL's with feed filters, coalescers and amine contactors to remove any impurities such as particulates, sulfides and carbon dioxide. Any residual moisture is removed from the treated NGL's by dehydrators. The NGL's are then heated under pressure and fed into the De-Ethanizer Unit where it is separated into an overhead gas phase and an NGL phase. Ethane in the overhead gas phase is further purified and sent to product storage. The remaining NGL's are then heated under pressure and fed into the De-Propanizer Unit where it is separated into an overhead gas phase and an NGL phase. Propane in the overhead gas phase is further purified and sent to product storage.

The remaining NGL's are then heated under pressure and fed into the De-Butanizer Unit where it is separated into an overhead gas phase of mixed Butanes and natural gasolines. The mixed Butane in the overhead gas phase is sent to the Butane Splitter (De-IsoButanizer) where it is separated into n-Butane and Iso-Butane. Natural gasolines are sent off-site for sale via pipeline.

Fractionation Plant III will include the following main processing units and utility systems which are classified as "Qualified Investment"

List of Improvements

Plant Components

- Pre-treatment Systems
- De-Ethanizer Unit
- De-Propanizer Unit
- De-butanizer Unit
- Towers
- Butane Splitter (De-Isobutanizer)
- All appurtenant components
- Heat Medium

- Gasoline Treater
- Compression Equipment
- Additional storage facilities for Y-grade liquids and other components

The fractionation process is accomplished by applying heat and pressure to the mixture of raw NGL hydrocarbons and separating each discrete product at the different boiling points for each NGL component of the mixture. The raw NGL mixture is passed through a specific series of distillation towers: deethanizer, depropanizer, debutanizer, and deisobutanizer. The name of each of these towers corresponds to the NGL component that is separated in that tower. The raw NGL mixture first passes through the deethanizer, where its temperature is increased to the point where ethane (the lightest component) boils off the top of the tower as a gas and is condensed into a purity liquid that is routed to storage. The heavier components in the mixture at the bottom of the tower (i.e., propane, butane, iso butane, and natural gasoline) are routed to the second tower (depropanizer), where the process is repeated and the net lightest component (propane) is separated. This process is repeated until the mixture of liquids has been separated into its purity components. This facility will also be built with the necessary equipment to produce International Grade Propane.

Demand for NGLs

Sources of U.S. NGL demand include petrochemical consumption, gasoline blending, heating and fuel, and exports. Demand is driven primarily by the petrochemical industry, which accounts for 40-50% of total consumption. The U.S. petrochemical industry uses NGL products as feedstock (i.e. raw material) to produce ethylene, propylene, and butadiene (also known as olefins).

The following factors influence demand for each individual NGL component:

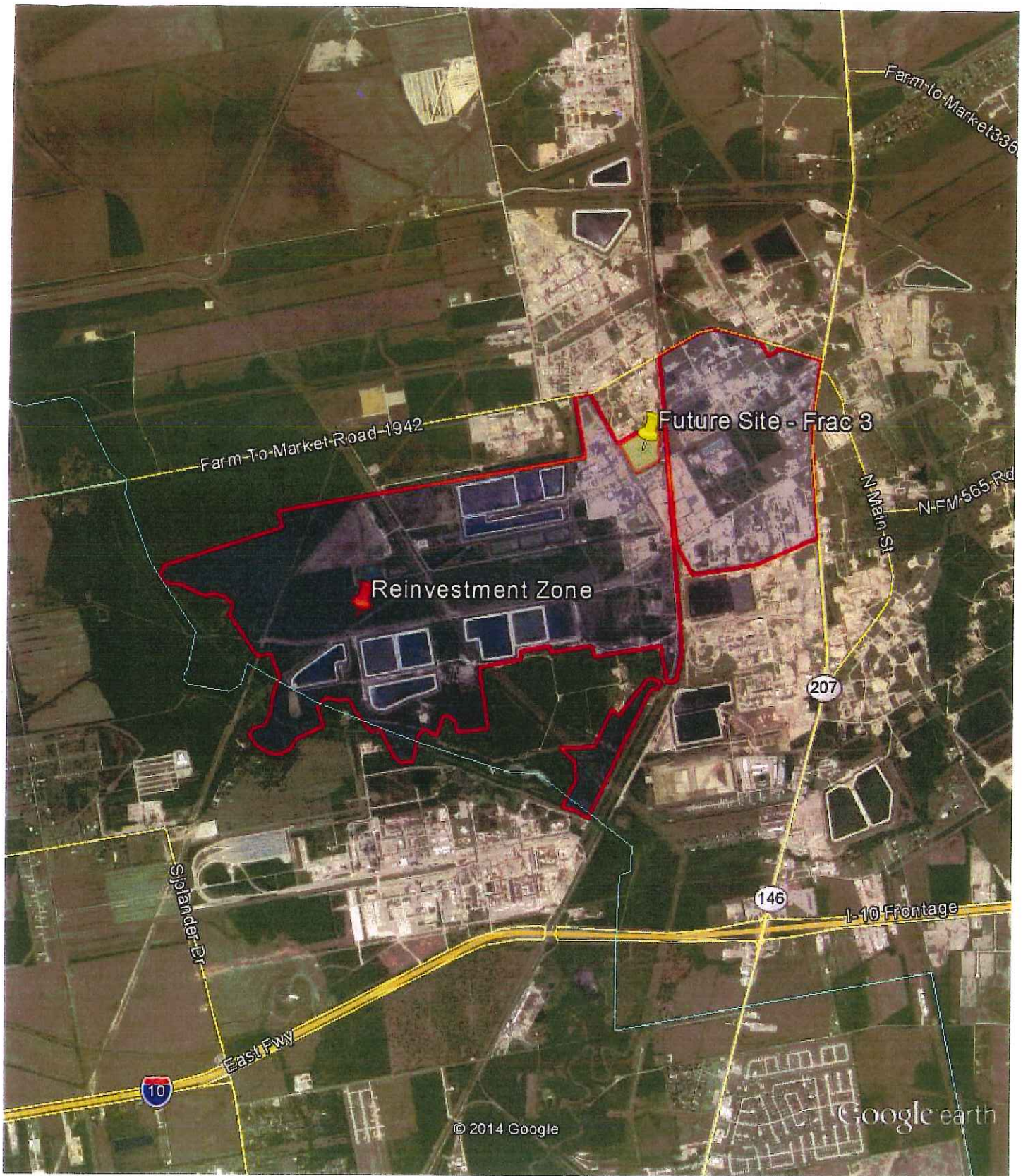
- **Ethane.** Essentially all of the ethane extracted from natural gas is consumed by the petrochemical industry as a feedstock for ethylene production. (Ethylene is a building block for polyethylene, which is the most popular plastic in the world.)
- **Propane.** Approximately 25-30% of propane is used as a feedstock by the petrochemical industry to produce ethylene and propylene.
(Like ethylene, propylene is an important building block used in the manufacture of plastics.) The bulk of the remaining demand for propane is primarily as a heating fuel in the residential and commercial markets.
- **Normal butane.** Normal butane is used as a petrochemical feedstock for the production of ethylene and butadiene (used to make synthetic rubber), as a blendstock for motor gasoline, and as a feedstock to create isobutene.
- **Isobutane.** Isobutane has the same molecular formula as normal butane, but a different structural formula (i.e., atoms are rearranged). Isobutane is used in refinery alkylation to enhance the octane content of motor gasoline.
- **Natural gasoline.** Natural gasoline is used primarily as a blendstock.



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km

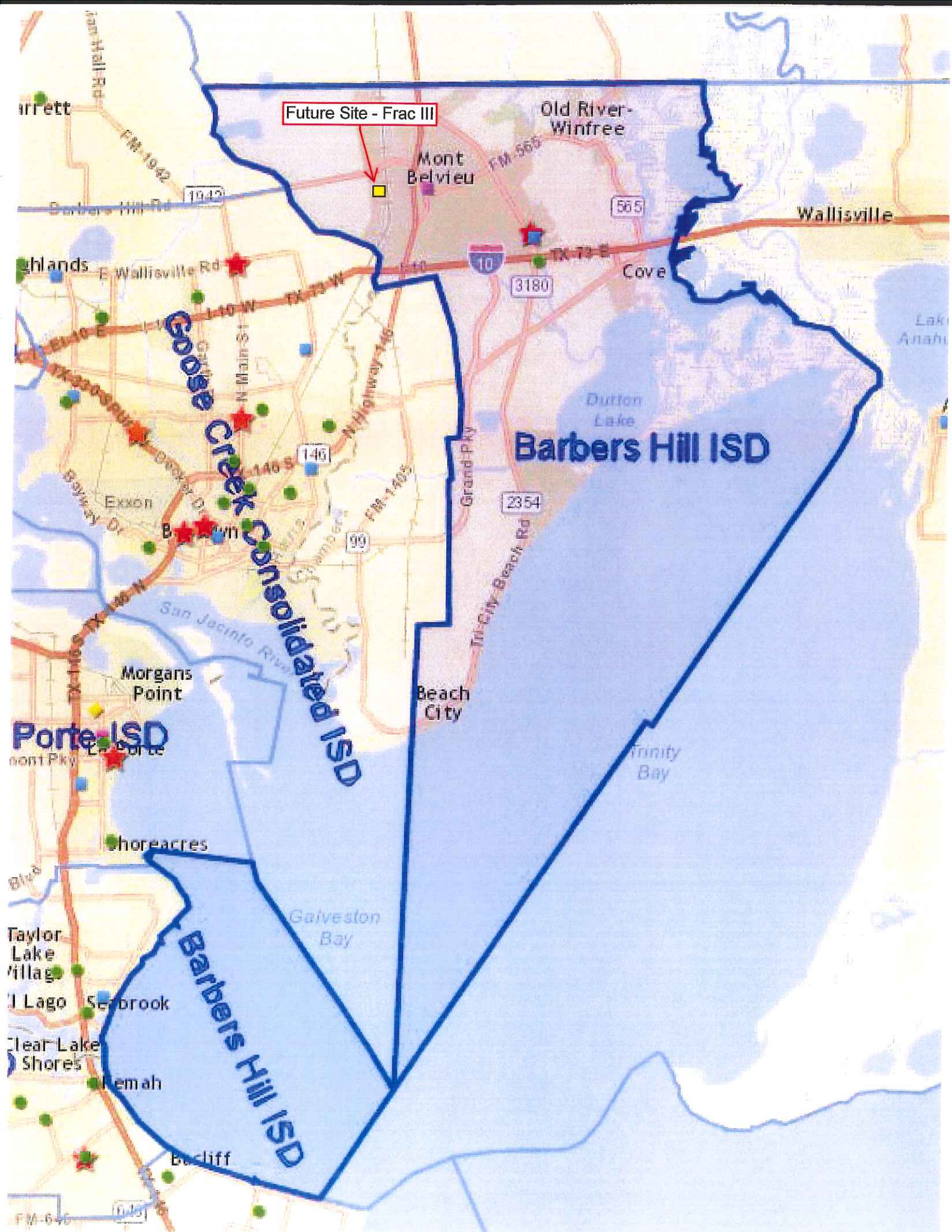




Google earth

miles 2
km 3





SECTION 14: Wage and Employment Information

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

☒ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of 2014

(year)
3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 0

Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).
4. What is the number of new qualifying jobs you are committing to create? 4
5. What is the number of new non-qualifying jobs you are estimating you will create? 0
6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? ☒ Yes ☐ No

6a. If yes, attach evidence in Tab 12 documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.
7. Attach in Tab 13 the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. 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(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 1,075.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 1,736.63
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,149.71
8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? ☐ §313.021(5)(A) or ☒ §313.021(5)(B)
9. What is the minimum required annual wage for each qualifying job based on the qualified property? 59,785.00
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 59,785.00
11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? ☒ Yes ☐ No
12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.024(d-2)? ☐ Yes ☒ No

12a. If yes, attach in Tab 12 supporting documentation from the TWC, pursuant to §313.021(3)(F).
13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? ☐ Yes ☒ No

13a. If yes, attach in Tab 6 supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in Tab 14. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in Tab 15. (not required)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in Tab 15.

Calculation of Wage Information - Based on Most Recent Data Available

110% of County Average Weekly Wage for all Jobs

2014	1Q	\$ 1,018
2013	2Q	\$ 1,059
2013	3Q	\$ 1,069
2013	4Q	\$ 1,155

$$\begin{array}{rcl} \$ 4,301 & /4 = & \$1,075 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 1,182.78 \end{array}$$

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

2014	1Q	\$ 1,422
2013	2Q	\$ 1,725
2013	3Q	\$ 1,436
2013	4Q	\$ 1,732

$$\begin{array}{rcl} \$ 6,315 & /4 = & \$1,579 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 1,736.63 \end{array}$$

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

\$54,350.00 per year

X1.10 (110%)

\$59,785.00

\$1,149.71 Average weekly

2013 Manufacturing Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$23.73	\$49,363
<u>1. Panhandle Regional Planning Commission</u>	\$20.43	\$42,499
<u>2. South Plains Association of Governments</u>	\$16.53	\$34,380
<u>3. NORTEX Regional Planning Commission</u>	\$19.15	\$39,838
<u>4. North Central Texas Council of Governments</u>	\$25.00	\$51,997
<u>5. Ark-Tex Council of Governments</u>	\$17.45	\$36,298
<u>6. East Texas Council of Governments</u>	\$19.50	\$40,565
<u>7. West Central Texas Council of Governments</u>	\$18.64	\$38,779
<u>8. Rio Grande Council of Governments</u>	\$16.27	\$33,848
<u>9. Permian Basin Regional Planning Commission</u>	\$22.89	\$47,604
<u>10. Concho Valley Council of Governments</u>	\$17.20	\$35,777
<u>11. Heart of Texas Council of Governments</u>	\$19.44	\$40,444
<u>12. Capital Area Council of Governments</u>	\$27.31	\$56,805
<u>13. Brazos Valley Council of Governments</u>	\$17.20	\$35,770
<u>14. Deep East Texas Council of Governments</u>	\$16.48	\$34,287
<u>15. South East Texas Regional Planning Commission</u>	\$29.09	\$60,501
<u>16. Houston-Galveston Area Council</u>	\$26.13	\$54,350
<u>17. Golden Crescent Regional Planning Commission</u>	\$22.23	\$46,242
<u>18. Alamo Area Council of Governments</u>	\$18.91	\$39,329
<u>19. South Texas Development Council</u>	\$13.94	\$28,990
<u>20. Coastal Bend Council of Governments</u>	\$23.78	\$49,454
<u>21. Lower Rio Grande Valley Development Council</u>	\$15.82	\$32,907
<u>22. Texoma Council of Governments</u>	\$20.93	\$43,529
<u>23. Central Texas Council of Governments</u>	\$17.33	\$36,042
<u>24. Middle Rio Grande Development Council</u>	\$19.07	\$39,666

Source: Texas Occupational Employment and Wages

Data published: July 2014

Data published annually, next update will be July 31, 2015

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.

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wage
2013	1st Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,055
2013	1st Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,532
2013	2nd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,059
2013	2nd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,725
2013	3rd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,069
2013	3rd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,436
2013	4th Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,155
2013	4th Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,732
2014	1st Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,018
2014	1st Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,422

Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

print
here →

Print Name (Authorized School District Representative)

Title

sign
here →

Signature (Authorized School District Representative)

Date

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print
here →

Print Name (Authorized Company Representative (Applicant))

Title

sign
here →

Signature (Authorized Company Representative (Applicant))

Date



(Notary Seal)

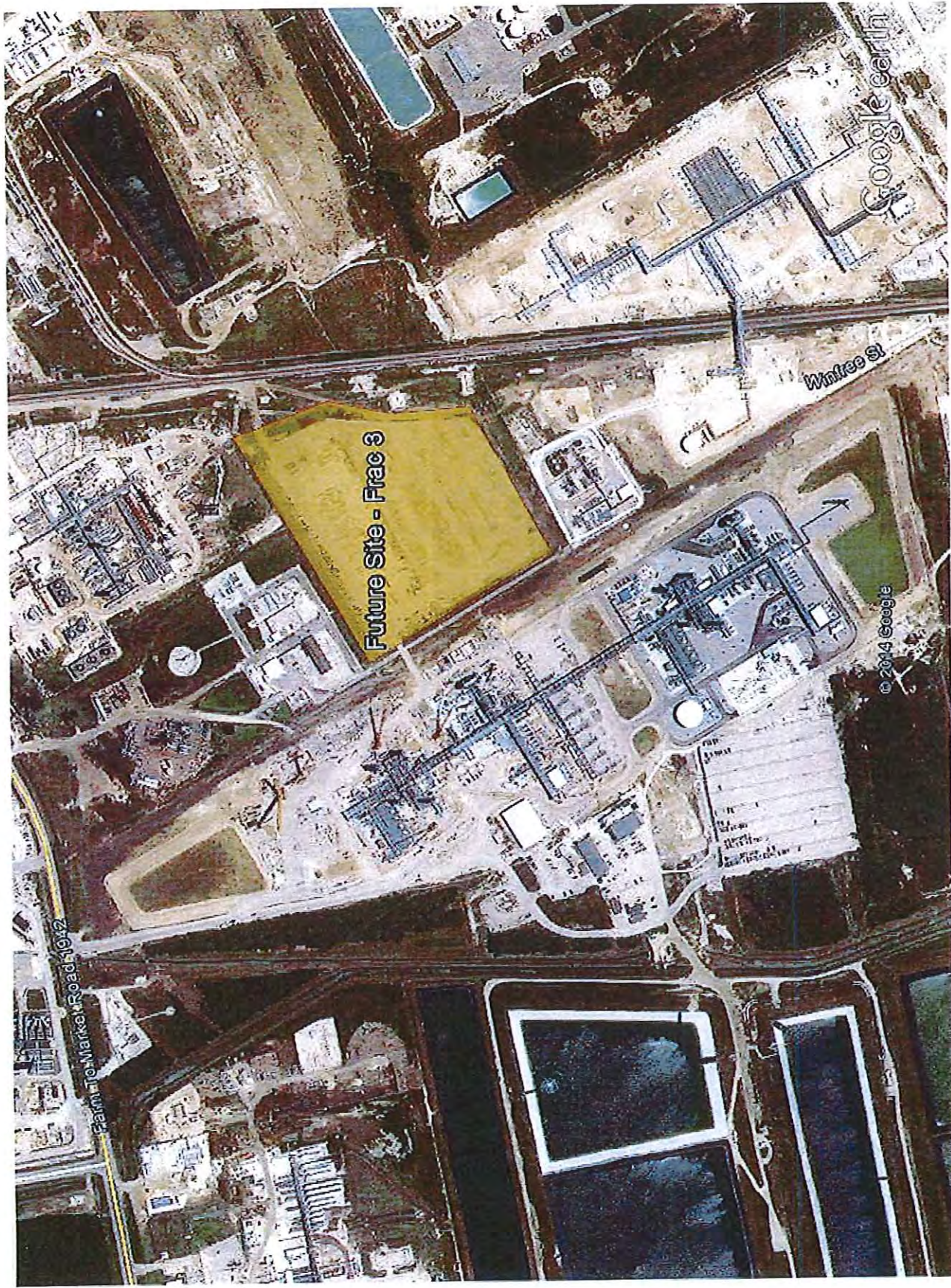
GIVEN under my hand and seal of office this, the

11th day of August, 2014

Sharon Clark
Notary Public in and for the State of Texas

My Commission expires: April 3, 2017

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

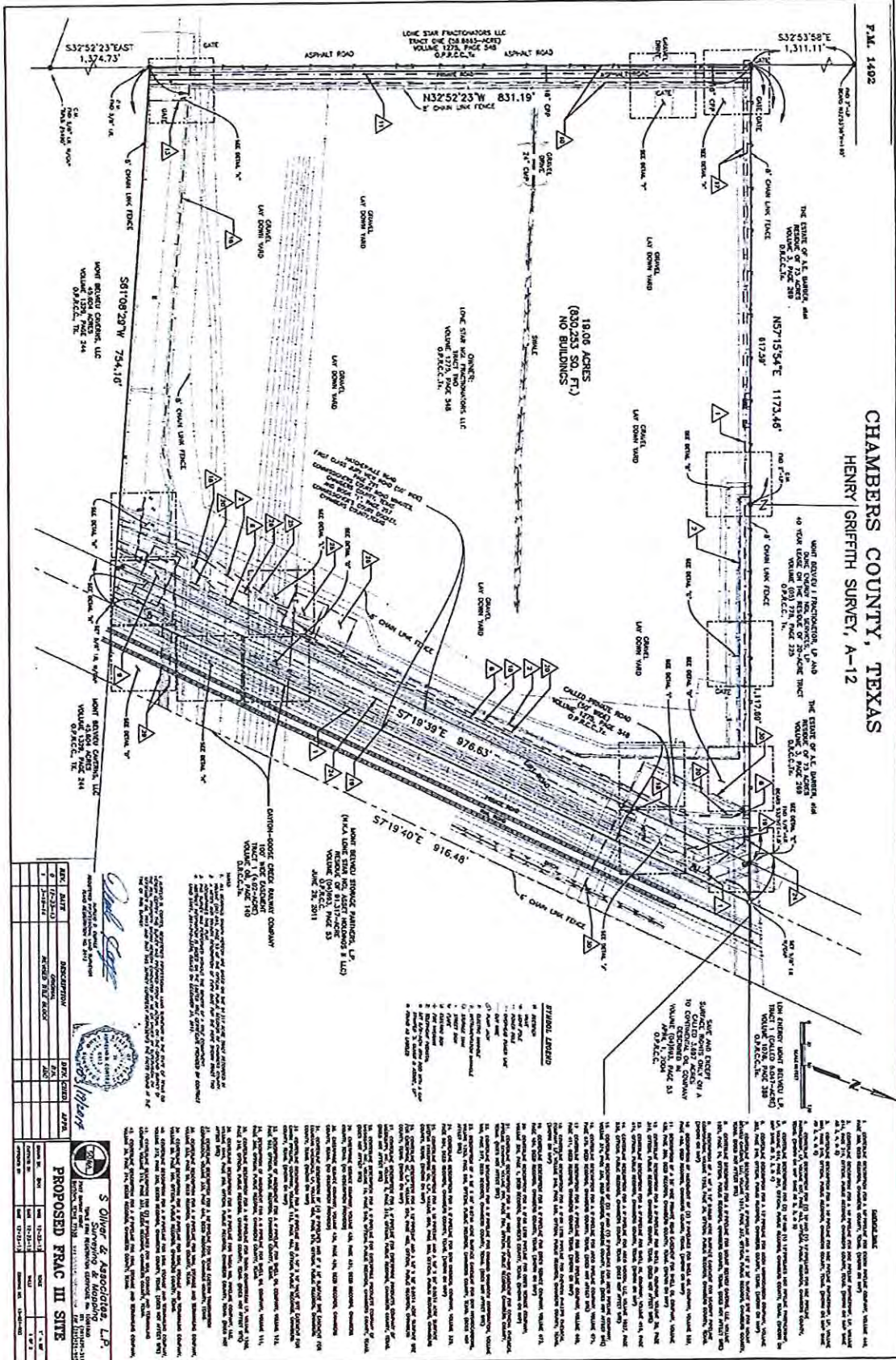


Google earth

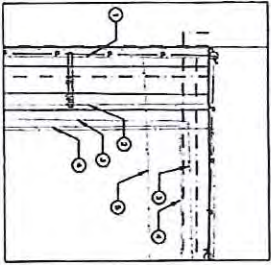
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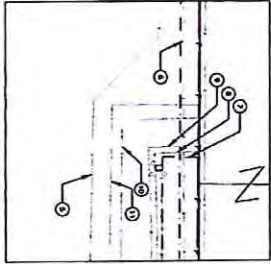




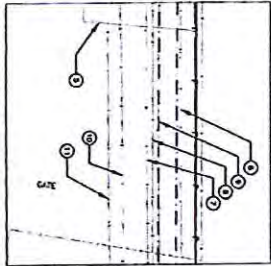
CHAMBERS COUNTY, TEXAS HENRY GRIFFITH SURVEY, A-12



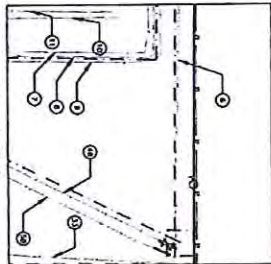
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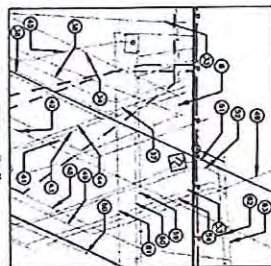
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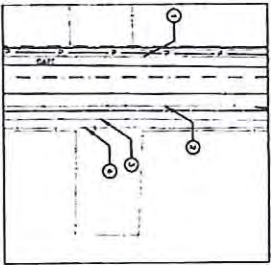
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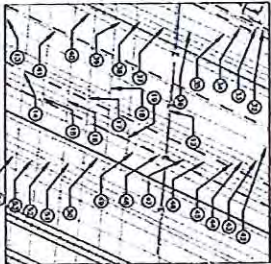
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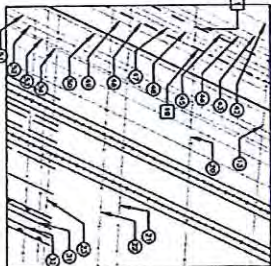
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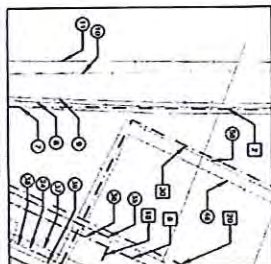
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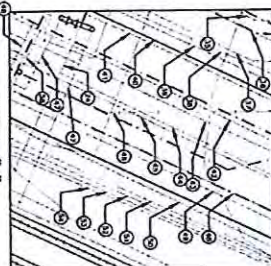
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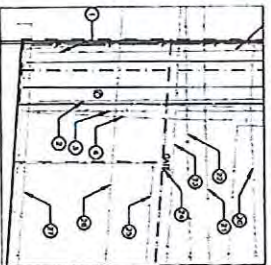
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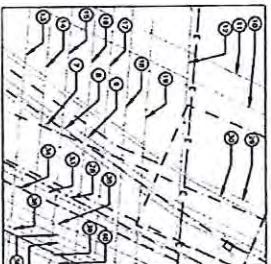
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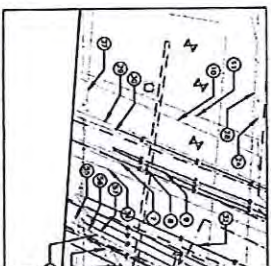
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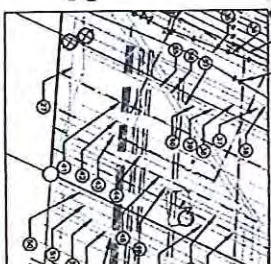
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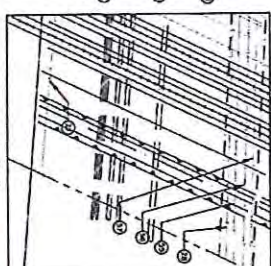
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DETAIL "N"



DETAIL "O"



DETAIL "J"

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63. 1/4 SECTION 1/4

DATE	DESCRIPTION	APPROVED	DATE
1/1/11	PROPOSED FRAO III SITE		
2/1/11			
3/1/11			
4/1/11			
5/1/11			
6/1/11			
7/1/11			
8/1/11			
9/1/11			
10/1/11			
11/1/11			
12/1/11			

S. Oliver & Associates, L.P.
Surveyors
1100 West 11th Street, Suite 100
Houston, Texas 77003
713.555.1100

TAB 09

Description of Land

LGH Tract	Chambers PID #	Chambers CAD Legal
1	16241	12 TR 67-1 H GRIFFITH
2	16242	12 TR 86-1 H GRIFFITH
3	16241	12 TR 67-1 H GRIFFITH
4	N/A	N/A
5	20620	4 TR 6A-0 WM BLOODGOOD
6A	20620	4 TR 6A-0 WM BLOODGOOD
6B	29968	4 TR 6A-0-1 WM BLOODGOOOD
7	16241	12 TR 67-1 H GRIFFITH
8	20620	4 TR 6A-0 WM BLOODGOOD
9	16241	12 TR 67-1 H GRIFFITH
10	20620	4 TR 6A-0 WM BLOODGOOD
11	20620	4 TR 6A-0 WM BLOODGOOD
12	20620	4 TR 6A-0 WM BLOODGOOD
13	29968	4 TR 6A-0-1 WM BLOODGOOOD
14	29968	4 TR 6A-0-1 WM BLOODGOOOD
15	16242	12 TR 86-1 H GRIFFITH
16	16242	12 TR 86-1 H GRIFFITH
17	29968	4 TR 6A-0-1 WM BLOODGOOOD
18	29968	4 TR 6A-0-1 WM BLOODGOOOD
19	29968	4 TR 6A-0-1 WM BLOODGOOOD
20	29968	4 TR 6A-0-1 WM BLOODGOOOD
21	20620	4 TR 6A-0 WM BLOODGOOD
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23	40368	4 TR 69B-0-1 WM BLOODGOOD
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26	35521	12 TR 103-2-1 H GRIFFITH
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29	16240	12 TR 12-0 H GRIFFITH
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33	16240	12 TR 12-0 H GRIFFITH
34	16240	12 TR 12-0 H GRIFFITH
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	49012	12 TR 12-0-2 H GRIFFITH
37	N/A	N/A
38	16240	12 TR 12-0 H GRIFFITH
39	40885	4 TR 56-0-2 WM BLOODGOOD
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44	16241	12 TR 67-1 H GRIFFITH	
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47	3101	12 TR 74-5 H GRIFFITH	
48	3100	24 7-1 W D SMITH	
49	3099	24 6-1 W D SMITH	
50			
	3098	24 6-0 W D SMITH	
	22676	24 6-2 W D SMITH	part of 48-50
51	24544	24 8-1 W D SMITH	Part of 52
52			
	22668	24 8-5 WM D SMITH	
	20522	24 8-2 W D SMITH	
	24545	24 8-4 W D SMITH	
	24544	24 8-1 W D SMITH	
53	49400	12 TR 12-0-6 H GRIFFITH	
54	49351	24 1-2-4 W D SMITH	

Non LGH Parcels

55	9831	24 11-1 WM D SMITH
56	50539	24 1-5-1 WM D SMITH
57	50538	24 1-3-1 W D SMITH
58	508	24 9-2 W D SMITH
59	18943	12 TR 74-0 H GRIFFITH
60	17620	12 TR 91-1 H GRIFFITH
61	4729	12 TR 82-0 H GRIFFITH
62	19145	12 TR 78-0 H GRIFFITH
63	5084	4 TR 4-0 WM BLOODGOOD
64	1863	4 TR 5-0 WM BLOODGOOD

TAB 10

Description of Existing Improvements

There are no existing improvements related to the proposed project at this site.

TAB 11

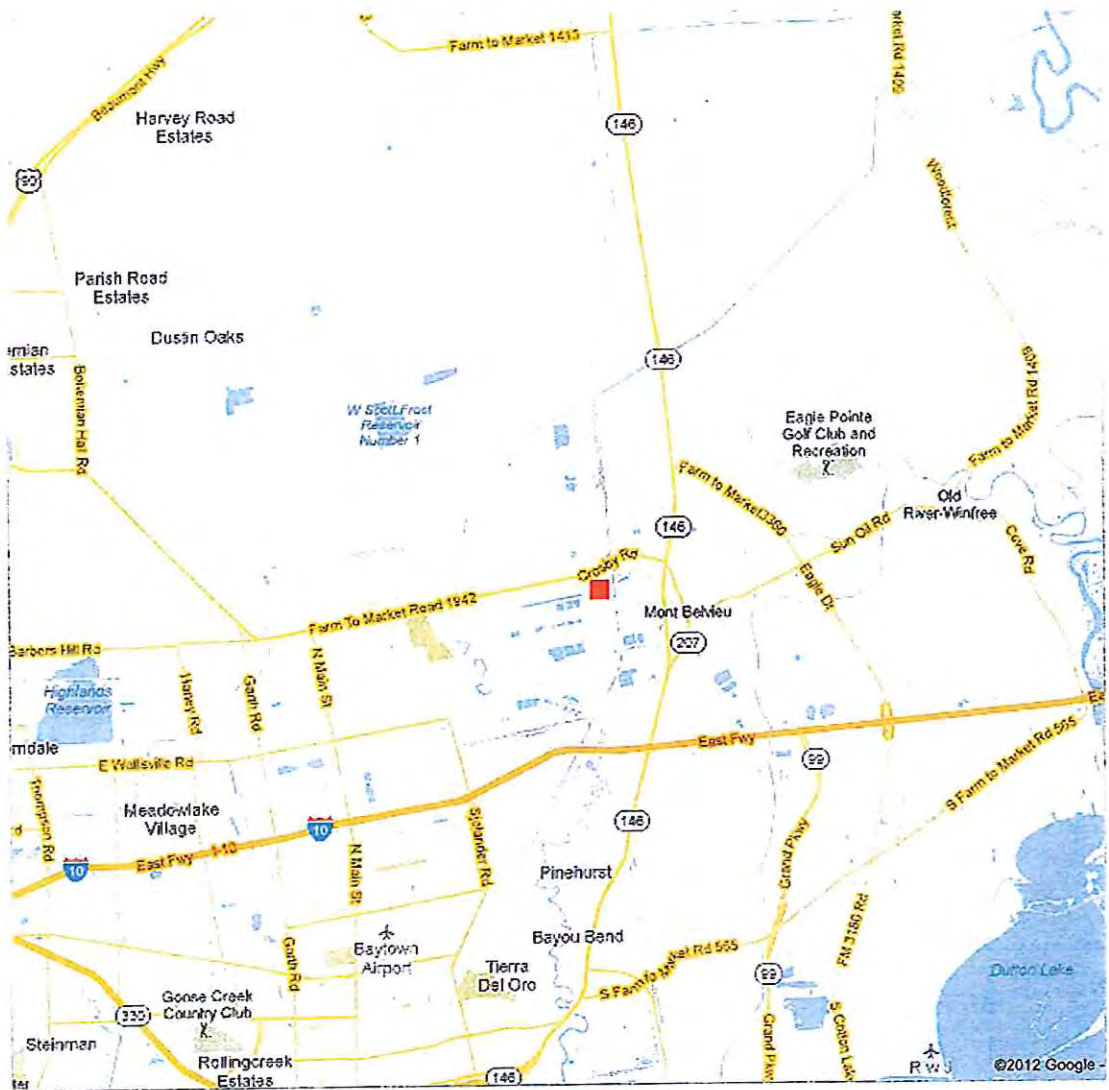
Maps

FM 1941
Mont Belvieu, TX

[illegible]

FM 1462
Mont Belieu, TX

■ Proposed Site





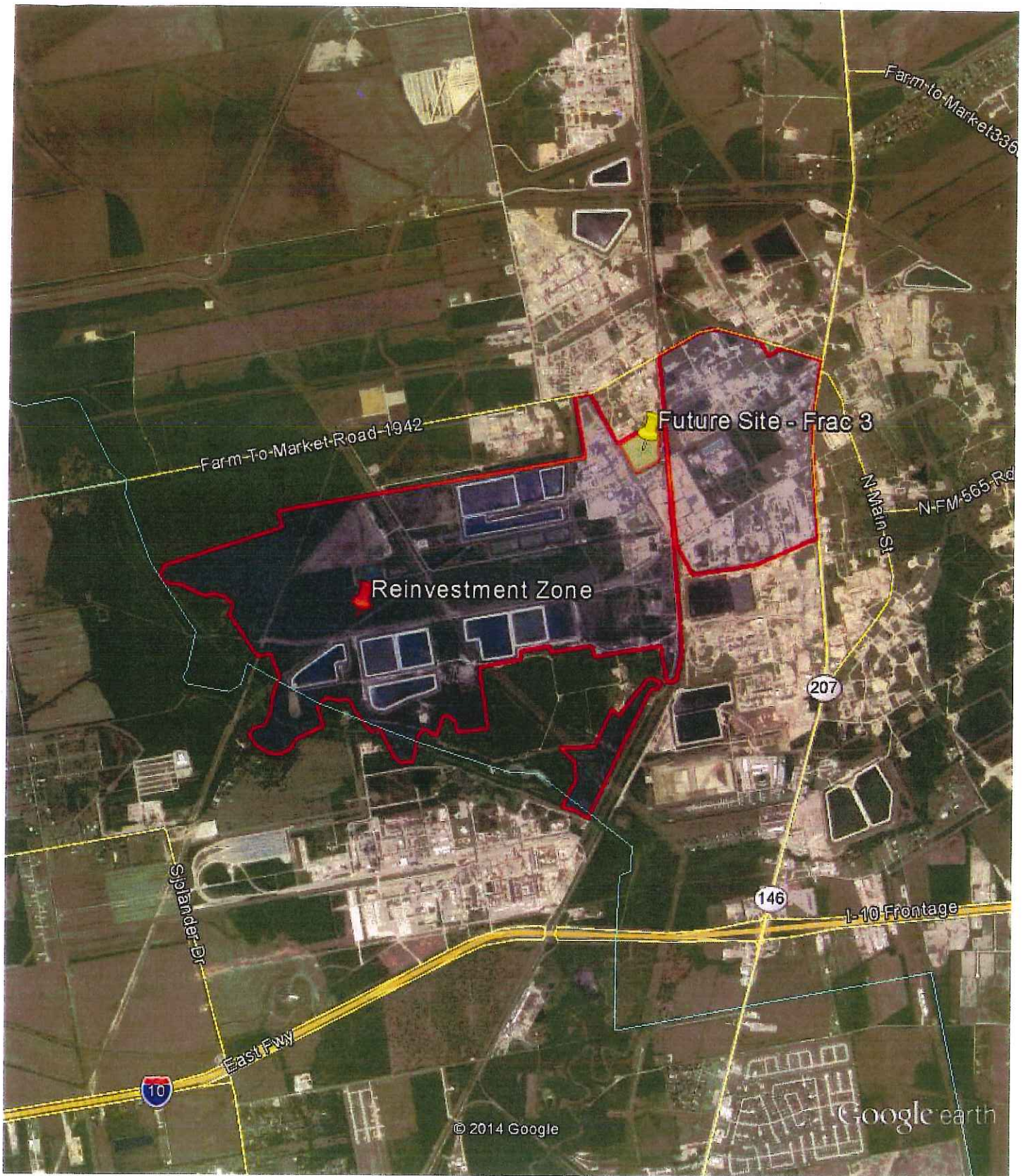
Google earth

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km

2

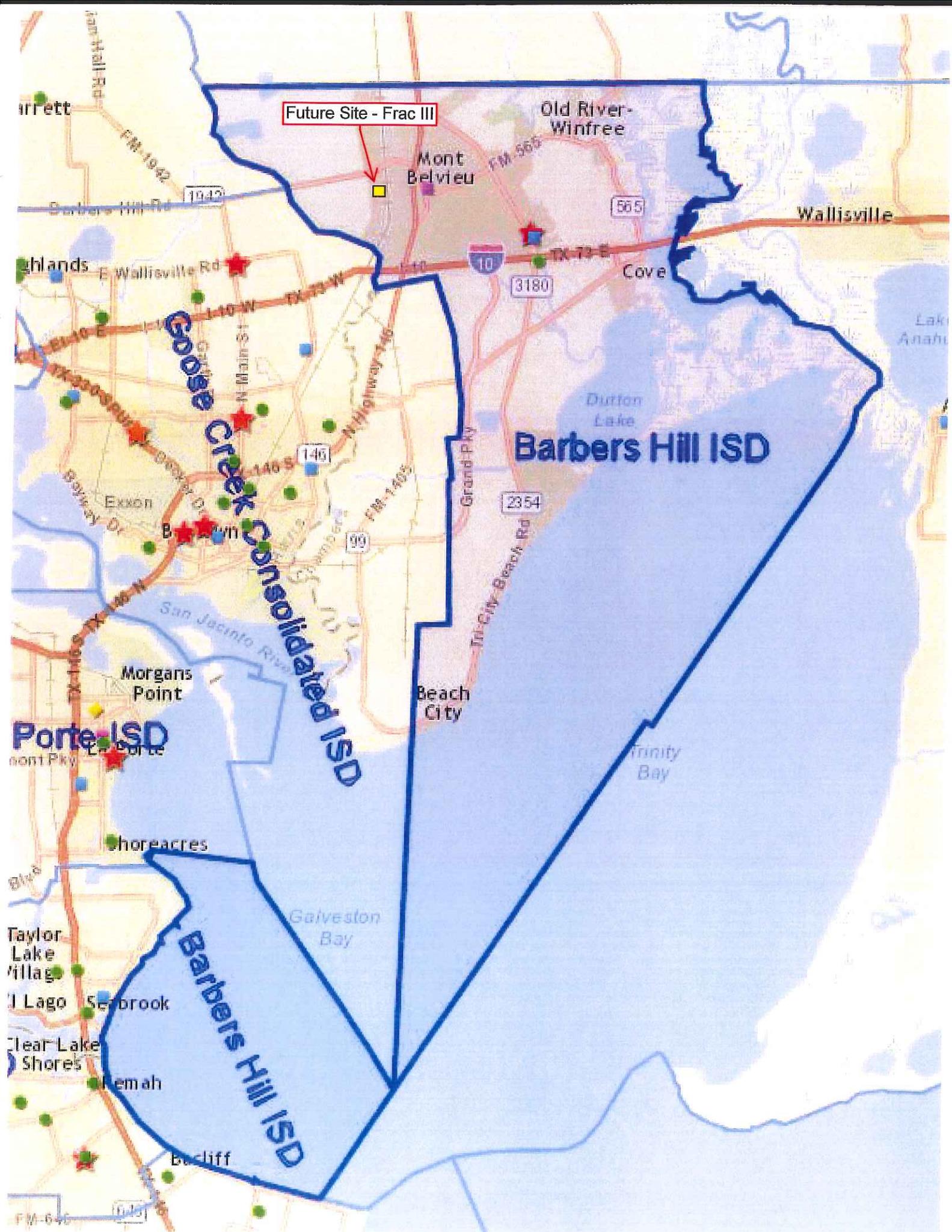
4

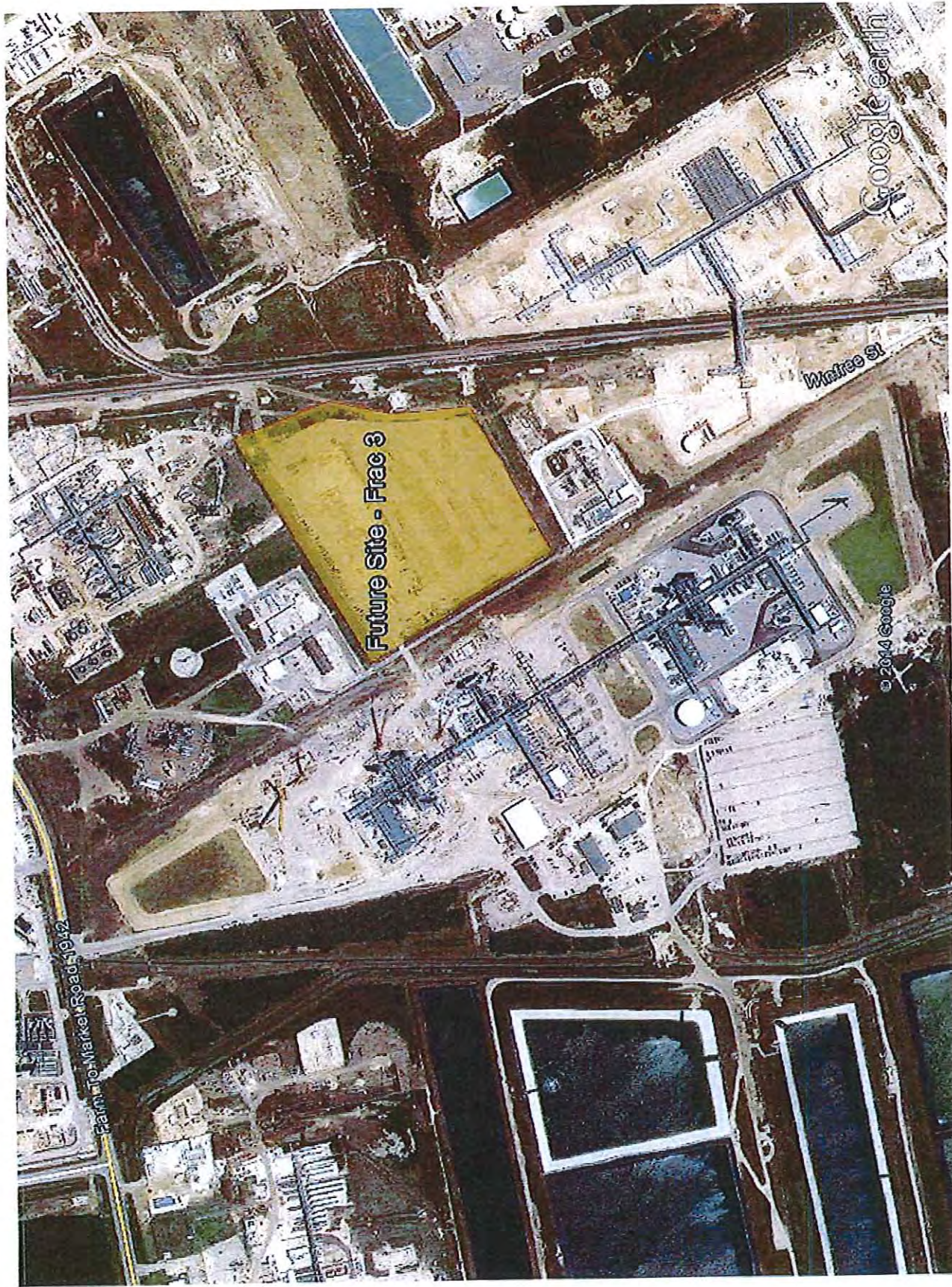




Google earth





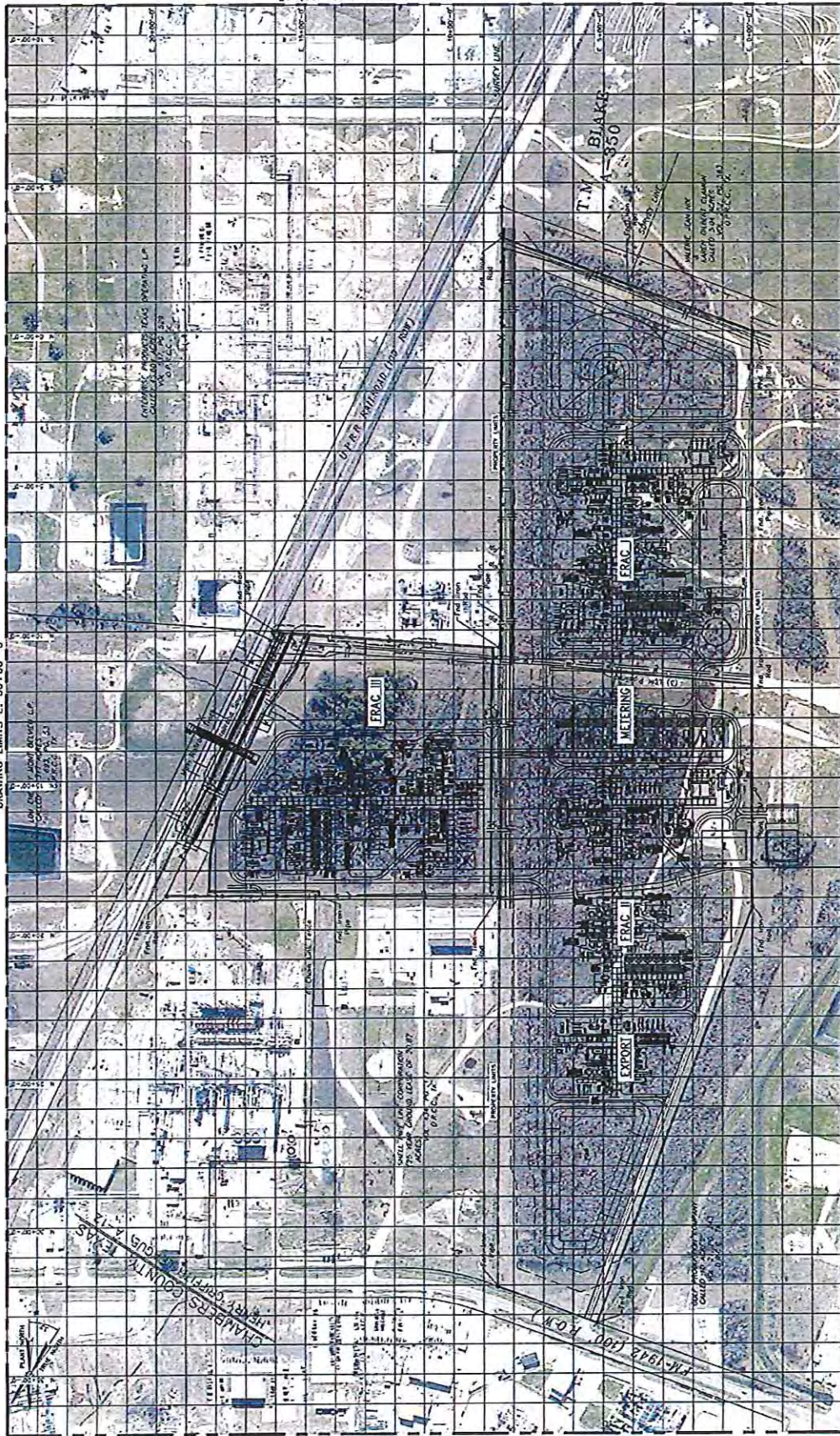


3000
900

feet
meters

Google earth

DRAWING LIMITS E. 30+00'-0"



DRAWING LIMITS N. 37+00'-0"

DRAWING LIMITS S. 11+00'-0"

DRAWING LIMITS W. -3+00'-0"

NOTES:

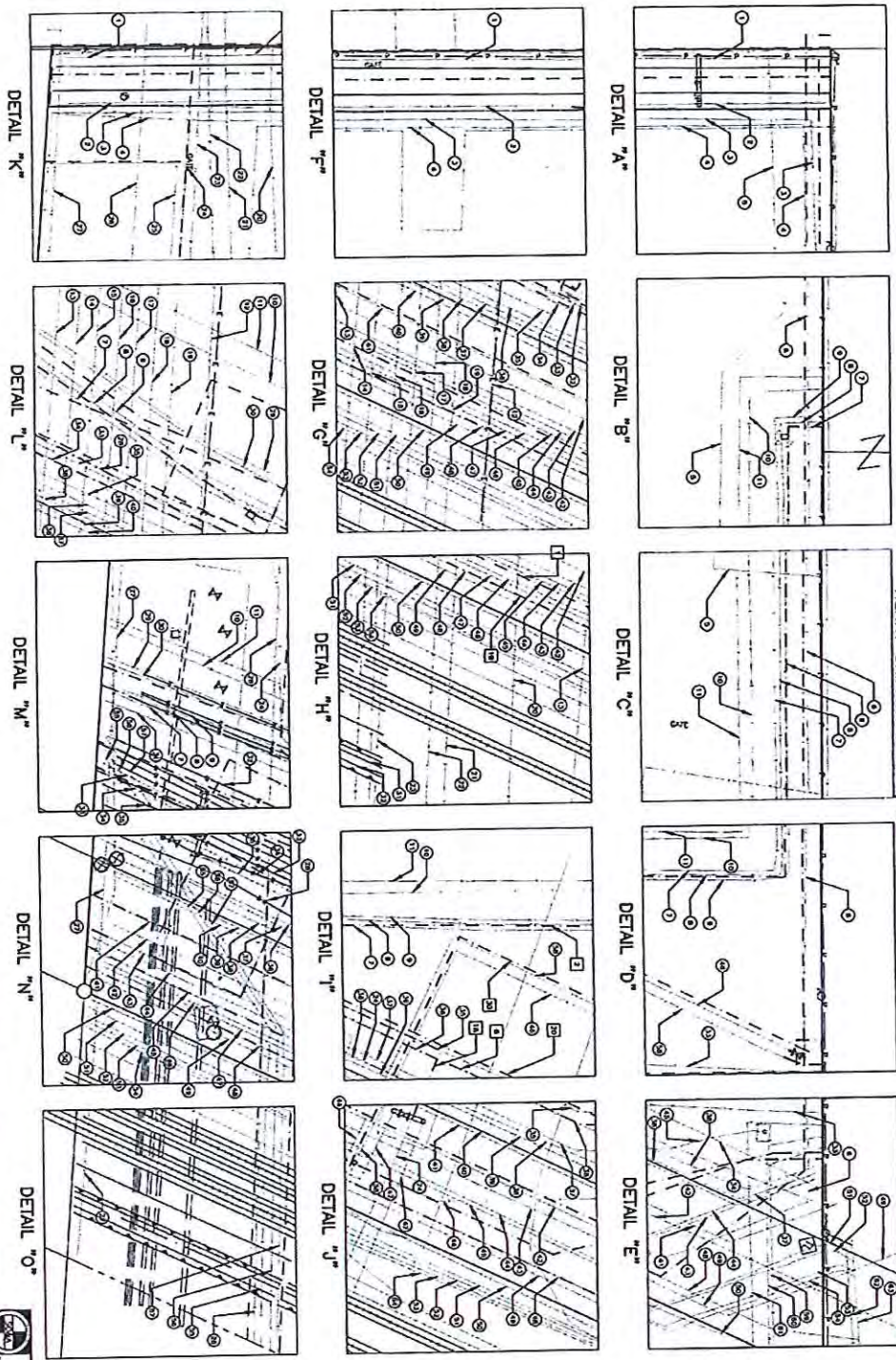
FOR ESTIMATING
PURPOSES ONLY

JOB NO. C-1008		LAW OFFICE CONSTRUCTORS, LTD. MOBILE, ALA.		LAW OFFICE CONSTRUCTORS, LTD. MOBILE, ALA.	
DATE: 11/14/2013		DATE: 11/14/2013		DATE: 11/14/2013	
BY: J.E.		BY: J.E.		BY: J.E.	
CHECKED: J.E.		CHECKED: J.E.		CHECKED: J.E.	
APPROVED: J.E.		APPROVED: J.E.		APPROVED: J.E.	
PROJECT: Y-GRADE FRACTIONATION PLANT		PROJECT: Y-GRADE FRACTIONATION PLANT		PROJECT: Y-GRADE FRACTIONATION PLANT	
SHEET: 1 OF 1		SHEET: 1 OF 1		SHEET: 1 OF 1	
DRAWING NUMBER: 100-0280-0001		DRAWING NUMBER: 100-0280-0001		DRAWING NUMBER: 100-0280-0001	

P.M. 1402



CHAMBERS COUNTY, TEXAS HENRY GRIFFITH SURVEY, A-12



DETAILED MAP

1. 1/4 SECTION 1/4
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61. 1/4 SECTION 1/4
62. 1/4 SECTION 1/4

DATE	REVISION	BY	DATE	REVISION	BY
12-11-11	1	W. J. KNOX	12-11-11	1	W. J. KNOX
12-11-11	2	W. J. KNOX	12-11-11	2	W. J. KNOX
12-11-11	3	W. J. KNOX	12-11-11	3	W. J. KNOX
12-11-11	4	W. J. KNOX	12-11-11	4	W. J. KNOX
12-11-11	5	W. J. KNOX	12-11-11	5	W. J. KNOX
12-11-11	6	W. J. KNOX	12-11-11	6	W. J. KNOX
12-11-11	7	W. J. KNOX	12-11-11	7	W. J. KNOX
12-11-11	8	W. J. KNOX	12-11-11	8	W. J. KNOX
12-11-11	9	W. J. KNOX	12-11-11	9	W. J. KNOX
12-11-11	10	W. J. KNOX	12-11-11	10	W. J. KNOX
12-11-11	11	W. J. KNOX	12-11-11	11	W. J. KNOX
12-11-11	12	W. J. KNOX	12-11-11	12	W. J. KNOX
12-11-11	13	W. J. KNOX	12-11-11	13	W. J. KNOX
12-11-11	14	W. J. KNOX	12-11-11	14	W. J. KNOX
12-11-11	15	W. J. KNOX	12-11-11	15	W. J. KNOX
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12-11-11	17	W. J. KNOX	12-11-11	17	W. J. KNOX
12-11-11	18	W. J. KNOX	12-11-11	18	W. J. KNOX
12-11-11	19	W. J. KNOX	12-11-11	19	W. J. KNOX
12-11-11	20	W. J. KNOX	12-11-11	20	W. J. KNOX
12-11-11	21	W. J. KNOX	12-11-11	21	W. J. KNOX
12-11-11	22	W. J. KNOX	12-11-11	22	W. J. KNOX
12-11-11	23	W. J. KNOX	12-11-11	23	W. J. KNOX
12-11-11	24	W. J. KNOX	12-11-11	24	W. J. KNOX
12-11-11	25	W. J. KNOX	12-11-11	25	W. J. KNOX
12-11-11	26	W. J. KNOX	12-11-11	26	W. J. KNOX
12-11-11	27	W. J. KNOX	12-11-11	27	W. J. KNOX
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12-11-11	51	W. J. KNOX	12-11-11	51	W. J. KNOX
12-11-11	52	W. J. KNOX	12-11-11	52	W. J. KNOX
12-11-11	53	W. J. KNOX	12-11-11	53	W. J. KNOX
12-11-11	54	W. J. KNOX	12-11-11	54	W. J. KNOX
12-11-11	55	W. J. KNOX	12-11-11	55	W. J. KNOX
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12-11-11	61	W. J. KNOX	12-11-11	61	W. J. KNOX
12-11-11	62	W. J. KNOX	12-11-11	62	W. J. KNOX

S. Oliver & Associates, L.P.
Surveying & Mapping
1000 West 10th Street, Suite 100
Fort Worth, Texas 76102
Phone: 817-339-1111
Fax: 817-339-1112
Email: info@soliver.com

PROPOSED FRAC III SITE
1000 West 10th Street, Suite 100
Fort Worth, Texas 76102
Phone: 817-339-1111
Fax: 817-339-1112
Email: info@soliver.com

TAB 12

Request for Job Waiver

REQUEST FOR WAIVER OF JOB CREATION REQUIREMENT

The new Mariner South Export Fractionator manufacturing facility will create four new, full-time Qualifying Jobs for operators, which is the industry standard for the number of employees reasonably necessary for the operation of the facility. Moreover, the facility will be located on the same parcel as Lone Star's two fractionator projects ("Frac I" and "Frac II"). These fractionators will create an additional 35 Qualifying Jobs, 25 for Frac I and 10 for Frac II. These positions will also be utilized to operate, maintain and support the Mariner South Export Fractionator. Thus the three projects cumulatively will create 39 new jobs, all of which are Qualifying Jobs.

A survey of other companies' fractionators, many of which are unassociated with such additional job creation and economies of scale, provides the following comparison of FTE operator positions:

Barbers Hill, Mont Belvieu	4
Barbers Hill, Mont Belvieu	4
Seminole, Mont Belvieu	5
West Texas, Mont Belvieu	5
Port Allen, Louisiana	7*
Promix, Louisiana	5
Tebone, Louisiana	8*
Norco, Louisiana	8*

*These facilities are older and require more manpower to sustain operations. Technological advances have limited the need for full time employees as evidenced by the declining number of operators reasonably necessary for the operation of the facility.

TAB 13

Calculation of Wage Requirements

Calculation of Wage Information - Based on Most Recent Data Available

110% of County Average Weekly Wage for all Jobs

2014	1Q	\$ 1,018
2013	2Q	\$ 1,059
2013	3Q	\$ 1,069
2013	4Q	\$ 1,155

$$\begin{array}{rcl} \$ 4,301 & /4 = & \$1,075 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 1,182.78 \end{array}$$

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

2014	1Q	\$ 1,422
2013	2Q	\$ 1,725
2013	3Q	\$ 1,436
2013	4Q	\$ 1,732

$$\begin{array}{rcl} \$ 6,315 & /4 = & \$1,579 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 1,736.63 \end{array}$$

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

\$54,350.00 per year

X1.10 (110%)

\$59,785.00

\$1,149.71 Average weekly

2013 Manufacturing Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$23.73	\$49,363
<u>1. Panhandle Regional Planning Commission</u>	\$20.43	\$42,499
<u>2. South Plains Association of Governments</u>	\$16.53	\$34,380
<u>3. NORTEX Regional Planning Commission</u>	\$19.15	\$39,838
<u>4. North Central Texas Council of Governments</u>	\$25.00	\$51,997
<u>5. Ark-Tex Council of Governments</u>	\$17.45	\$36,298
<u>6. East Texas Council of Governments</u>	\$19.50	\$40,565
<u>7. West Central Texas Council of Governments</u>	\$18.64	\$38,779
<u>8. Rio Grande Council of Governments</u>	\$16.27	\$33,848
<u>9. Permian Basin Regional Planning Commission</u>	\$22.89	\$47,604
<u>10. Concho Valley Council of Governments</u>	\$17.20	\$35,777
<u>11. Heart of Texas Council of Governments</u>	\$19.44	\$40,444
<u>12. Capital Area Council of Governments</u>	\$27.31	\$56,805
<u>13. Brazos Valley Council of Governments</u>	\$17.20	\$35,770
<u>14. Deep East Texas Council of Governments</u>	\$16.48	\$34,287
<u>15. South East Texas Regional Planning Commission</u>	\$29.09	\$60,501
<u>16. Houston-Galveston Area Council</u>	\$26.13	\$54,350
<u>17. Golden Crescent Regional Planning Commission</u>	\$22.23	\$46,242
<u>18. Alamo Area Council of Governments</u>	\$18.91	\$39,329
<u>19. South Texas Development Council</u>	\$13.94	\$28,990
<u>20. Coastal Bend Council of Governments</u>	\$23.78	\$49,454
<u>21. Lower Rio Grande Valley Development Council</u>	\$15.82	\$32,907
<u>22. Texoma Council of Governments</u>	\$20.93	\$43,529
<u>23. Central Texas Council of Governments</u>	\$17.33	\$36,042
<u>24. Middle Rio Grande Development Council</u>	\$19.07	\$39,666

Source: Texas Occupational Employment and Wages

Data published: July 2014

Data published annually, next update will be July 31, 2015

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.

Quarterly Employment and Wages (QCEW)

[Back](#)

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wage
2013	1st Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,055
2013	1st Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,532
2013	2nd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,059
2013	2nd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,725
2013	3rd Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,069
2013	3rd Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,436
2013	4th Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,155
2013	4th Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,732
2014	1st Qtr	Chambers County	Total All	00	0	10	Total, All Industries	\$1,018
2014	1st Qtr	Chambers County	Total All	31	2	31-33	Manufacturing	\$1,422

TAB 14

Schedules A1 - D

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Form 50-290A
Revised Feb 2014

Applicant Name Lone Star NGL Asset Holdings II LLC
ISD Name Barbers Hill ISD

PROPERTY INVESTMENT AMOUNTS									
(Estimated investment in each year. Do not put cumulative totals.)									
	Year	School Year (YYYY-YYYY)	Tax Year (fill in actual tax year below) YYYY	Column A New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	Column B New investment made during this year in buildings or permanent nonresidential components of buildings that will become Qualified Property	Column C Other new investment made during this year that will not become Qualified Property (SEE NOTE)	Column D Other new investment made during this year that may become Qualified Property (SEE NOTE)	Column E Total Investment (Sum of Columns A+D+C+D)	
Investment made before filing complete application with district	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2014-2015	2014						
Investment made after filing complete application with district but before final board approval of application									
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period									
Complete tax years of qualifying time period	QTP1	2015-2016	2015	\$ 69,962,500.00	\$ -	\$ -	\$ -	\$	69,962,500.00
				\$ 127,165,000.00	\$ -	\$ -	\$ -	\$	127,165,000.00
	QTP2	2016-2017	2016	\$ 110,997,500.00	\$ -	\$ -	\$ -	\$	110,997,500.00
				\$ 308,125,000.00	\$ -	\$ -	\$ -	\$	308,125,000.00
Total investment through Qualifying Time Period [ENTER this row in Schedule A2]				Enter amounts from TOTAL row above in Schedule A2					
Total Qualified Investment (sum of green cells)				\$ 308,125,000.00					

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application.

Column B: Only tangible personal property that is specifically described in the application can become qualified property.

Column C: The total dollar amount of planned investment each year in buildings or nonresidential components of buildings.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.02(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property—described in SECTION 13, question #5 of the application.

Column E: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

[illegible]

* All investments made through the qualifying time period are captured and totaled on Schedule A1 (blue box) and incorporated into this schedule in the first row.
 ** Only investment made during deferrals of the start of the limitation (after the end of qualifying time period but before the start of the Value Limitation Period) should be included in the "year prior to start of value limitation period" row(s). If the limitation starts at the end of the qualifying time period or the qualifying time period overlaps the limitation, no investment should be included on this line. Only include investments/years that were not captured on Schedule A1.

** If your qualification time period will overlap your value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments made during the qualifying time period in years 1 and/or 2 of the value limitation period, do not also include investment made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap. Only include investments made during the qualifying time period in years 1 and/or 2 of the value limitation period, depending on the overlap.

Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1. If your qualifying time period will exceed one year, include amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

Line 13a: This represents the total dollar amount of planned investment in tangible personal property. Only include estimated

Only tangible personal property that is specifically described in the application can become qualified property.

3: The total dollar amount of planned investment meeting the definition of 313.021(1) but not creating a new improvement as defined by TAC 9.1051. This is proposed property that functionally

10. Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not exhaust the property already invested in are:

replaces existing property; is used to maintain, refurbish, renovate, modify or upgrade existing property, or is added to existing property—acquired in the effort to acquire or improve property; or is added to existing property—acquired in the effort to acquire or improve property.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Lone Star NGL Asset Holdings II LLC

Barbers Hill ISD

Form 50-296A

Revised Feb 2014

Applicant Name
ISD Name

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year)	Qualified Property			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 buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>(Insert as many rows as necessary)</i>	2014-2015	2014						
	0 2015-2016	2015	\$ -	-	\$ 10,000,000.00	\$ 10,000,000.00	\$ 10,000,000.00	\$ 10,000,000.00
Value Limitation Period	0 2016-2017	2016	\$ -	-	\$ 95,000,000.00	\$ 95,000,000.00	\$ 95,000,000.00	\$ 95,000,000.00
	1 2017-2018	2017	\$ -	-	\$ 285,000,000.00	\$ 285,000,000.00	\$ 285,000,000.00	\$ 30,000,000.00
	2 2018-2019	2018	\$ -	-	\$ 273,600,000.00	\$ 273,600,000.00	\$ 273,600,000.00	\$ 30,000,000.00
	3 2019-2020	2019	\$ -	-	\$ 262,200,000.00	\$ 262,200,000.00	\$ 262,200,000.00	\$ 30,000,000.00
	4 2020-2021	2020	\$ -	-	\$ 250,800,000.00	\$ 250,800,000.00	\$ 250,800,000.00	\$ 30,000,000.00
	5 2021-2022	2021	\$ -	-	\$ 239,400,000.00	\$ 239,400,000.00	\$ 239,400,000.00	\$ 30,000,000.00
	6 2022-2023	2022	\$ -	-	\$ 228,000,000.00	\$ 228,000,000.00	\$ 228,000,000.00	\$ 30,000,000.00
	7 2023-2024	2023	\$ -	-	\$ 216,600,000.00	\$ 216,600,000.00	\$ 216,600,000.00	\$ 30,000,000.00
	8 2024-2025	2024	\$ -	-	\$ 205,200,000.00	\$ 205,200,000.00	\$ 205,200,000.00	\$ 30,000,000.00
	9 2025-2026	2025	\$ -	-	\$ 193,800,000.00	\$ 193,800,000.00	\$ 193,800,000.00	\$ 30,000,000.00
Continue to maintain viable presence	10 2026-2027	2026	\$ -	-	\$ 182,400,000.00	\$ 182,400,000.00	\$ 182,400,000.00	\$ 30,000,000.00
	11 2027-2028	2027	\$ -	-	\$ 171,000,000.00	\$ 171,000,000.00	\$ 171,000,000.00	\$ 171,000,000.00
	12 2028-2029	2030	\$ -	-	\$ 159,600,000.00	\$ 159,600,000.00	\$ 159,600,000.00	\$ 159,600,000.00
	13 2029-2030	2031	\$ -	-	\$ 148,200,000.00	\$ 148,200,000.00	\$ 148,200,000.00	\$ 148,200,000.00
	14 2030-2031	2030	\$ -	-	\$ 136,800,000.00	\$ 136,800,000.00	\$ 136,800,000.00	\$ 136,800,000.00
	15 2031-2032	2031	\$ -	-	\$ 125,400,000.00	\$ 125,400,000.00	\$ 125,400,000.00	\$ 125,400,000.00
	16 2032-2033	2032	\$ -	-	\$ 114,000,000.00	\$ 114,000,000.00	\$ 114,000,000.00	\$ 114,000,000.00
	17 2033-2034	2033	\$ -	-	\$ 102,600,000.00	\$ 102,600,000.00	\$ 102,600,000.00	\$ 102,600,000.00
	18 2034-2035	2034	\$ -	-	\$ 91,200,000.00	\$ 91,200,000.00	\$ 91,200,000.00	\$ 91,200,000.00
	19 2035-2036	2035	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	20 2036-2037	2036	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
	21 2037-2038	2037	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
	22 2038-2039	2038	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
	23 2039-2040	2039	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
	24 2040-2041	2040	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
	25 2041-2042	2041	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00
	25 2041-2042	2041	\$ -	-	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation.

Only include market value for eligible property on this schedule.

c1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Schedule D: Other Incentives (Estimated)

Lone Star NGL Asset Holdings II LLC
Barbers Hill ISD

Applicant Name
ISD Name

State and Local Incentives for which the Applicant intends to apply (Estimated)						
Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County:					
	City:					
	Other:					
Tax Code Chapter 312	County: Chambers (Application Pending)	2017	2026	\$ 1,160,998.00	Avg 60% Per Yr	\$ 464,399.00
	City: Mont Belvieu (Application Pending)	2017	2026	\$ 1,020,591.00	Avg 88% Per Yr	\$ 218,353.00
	Other:					
Local Government Code Chapters 380/381	County:					
	City:					
	Other:					
Freeport Exemptions						
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 1,160,998.00		\$ 464,399.00

Additional information on incentives for this project:

TAB 15

Economic Impact Study

Lone Star Frac III
As of: 1/1/2014
Year 1 Ending: 12/31/2015

Cost: \$ 308,125,000



Chambers County	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Terminal Year
Revenue	\$ -	\$ -	\$ 45,136,957	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 76,047,480	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700
% Growth			68.02%	0.00%	0.00%	0.00%	0.27%	-0.27%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Expenses	\$ -	\$ -	\$ 2,677,946	\$ 3,272,960	\$ 3,339,022	\$ 3,406,418	\$ 3,475,175	\$ 3,545,319	\$ 3,616,879	\$ 3,689,883	\$ 3,764,419	\$ 3,840,460	\$ 3,689,883
G&A Expenses	\$ -	\$ -	\$ 803,394	\$ 981,888	\$ 1,001,707	\$ 1,021,925	\$ 1,042,552	\$ 1,063,596	\$ 1,085,064	\$ 1,106,965	\$ 1,129,326	\$ 1,152,138	\$ 1,152,138
Operating Income	\$ -	\$ -	\$ 41,655,628	\$ 71,584,852	\$ 71,498,671	\$ 71,411,356	\$ 71,529,753	\$ 71,230,786	\$ 71,137,758	\$ 71,042,852	\$ 70,945,956	\$ 70,847,101	\$ 70,997,678
Margin %			92.39%	94.39%	94.28%	94.16%	94.00%	93.97%	93.80%	93.68%	93.55%	93.47%	93.62%
Total Taxes w/o Limitations & Abatements	\$ -	\$ 1,148,240	\$ 2,700,380	\$ 6,892,293	\$ 6,411,015	\$ 6,152,288	\$ 5,894,960	\$ 5,636,933	\$ 5,378,905	\$ 5,120,877	\$ 4,862,850	\$ 4,604,822	\$ 4,346,795
BHISD Supplemental Payment	\$ -	\$ -	\$ 1,399,332	\$ 846,568	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ -
County Payment in Lieu	\$ 595,000	\$ 223,250	\$ 223,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Payment in Lieu	\$ 326,900.00	\$ 326,900.00	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ -
Growth Capex	\$ 81,085,526	\$ 194,605,263	\$ 32,434,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Free Cash Flow	\$ (82,007,426)	\$ (196,303,653)	\$ 4,680,102	\$ 63,627,638	\$ 64,423,703	\$ 64,594,115	\$ 64,970,540	\$ 64,929,600	\$ 65,094,600	\$ 65,257,722	\$ 65,418,853	\$ 65,579,026	\$ 66,650,883
Cumulative Free Cash Flow	\$ (82,007,426)	\$ (278,311,079)	\$ (273,630,977)	\$ (210,003,339)	\$ (145,579,636)	\$ (80,985,521)	\$ (16,014,981)	\$ 48,914,619	\$ 114,009,219	\$ 179,266,940	\$ 326,693,219	\$ 588,574,899	\$ 376,914,703
Partial Period Adjustment	1	1	1	1	1	1	1	1	1	1	1	1	1
Mid Year Convention	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8.50	9.50	10.50	11.50	
Present Value Factor @ 10.00%	0.95	0.87	0.79	0.72	0.65	0.59	0.54	0.49	0.44	0.40	0.37	0.33	
Present Value of Free Cash Flow	\$ (78,191,013)	\$ (170,152,899)	\$ 3,687,853	\$ 45,579,694	\$ 41,954,505	\$ 38,241,347	\$ 34,967,455	\$ 31,768,564	\$ 28,953,904	\$ 26,387,692	\$ 24,048,042	\$ 21,915,050	
Sum of Present Value of Free Cash Flows	\$ 49,160,194												
Present Value of Terminal Value	\$ 247,484,225												
Operating Business Enterprise Value	\$ 296,644,419												
Working Capital Excess/(Deficit)	\$ -												
Total Business Enterprise Value	\$ 296,644,419												
IRR	13.64%												
MIRR	11.82%												
Total Business Enterprise Value w/o Limitations	\$ 296,644,419												

Terminal Cash Flow	\$ 66,650,883
Discount Rate	10.00%
Long Term Growth Rate	1.00%
Capitalization Rate	9.00%
Terminal Value	\$740,555,372
Present Value Factor	0.33
PV of Terminal Value	\$247,484,225

Lone Star Frac III
As of: 1/1/2014
Year 1 Ending: 12/31/2015

Exhibit - A
Page 1

Cost: \$ 308,125,000



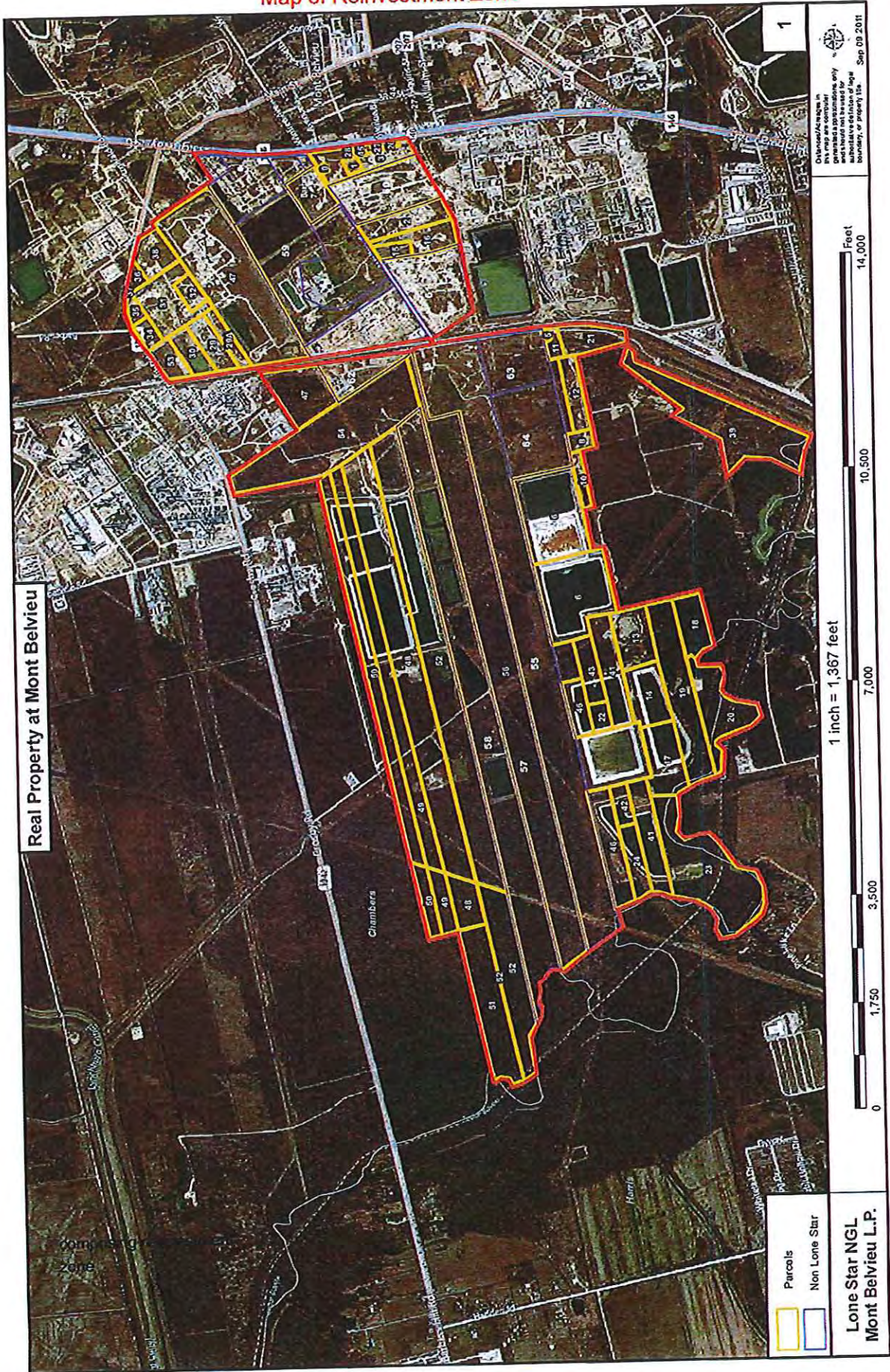
Chambers County	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Terminal Year
Revenue	\$ -	\$ -	\$ 45,136,957	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 76,047,480	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700	\$ 75,839,700
% Growth			68.02%	0.00%	0.00%	0.00%	0.27%	-0.27%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Expenses	\$ -	\$ -	\$ 2,677,916	\$ 3,277,960	\$ 3,339,022	\$ 3,406,418	\$ 3,475,175	\$ 3,545,319	\$ 3,616,879	\$ 3,689,883	\$ 3,764,419	\$ 3,840,460	\$ 3,689,883
C&A Expenses	\$ -	\$ -	\$ 803,384	\$ 981,888	\$ 1,001,707	\$ 1,021,925	\$ 1,042,552	\$ 1,063,596	\$ 1,085,064	\$ 1,106,965	\$ 1,129,326	\$ 1,152,138	\$ 1,152,138
Operating Income	\$ -	\$ -	\$ 41,655,628	\$ 71,584,852	\$ 71,498,971	\$ 71,411,356	\$ 71,529,753	\$ 71,230,786	\$ 71,137,758	\$ 71,042,852	\$ 70,945,956	\$ 70,847,101	\$ 70,997,678
Margin %			92.13%	94.37%	94.28%	94.16%	94.06%	93.92%	93.80%	93.68%	93.55%	93.42%	93.62%
Total Taxes with Limitations & Abatements	\$ -	\$ 1,148,240	\$ 2,700,380	\$ 3,494,236	\$ 2,664,811	\$ 2,210,732	\$ 2,157,321	\$ 2,103,910	\$ 2,050,499	\$ 1,997,089	\$ 1,943,678	\$ 3,626,711	\$ 3,452,449
BHISD Supplemental Payment	\$ -	\$ -	\$ 1,399,332	\$ 846,568	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ 445,900	\$ -
County Payment in Lieu	\$ 595,000	\$ 223,250	\$ 223,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Payment in Lieu	\$ 326,900.00	\$ 326,900.00	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ 218,353	\$ -
Growth Capex	\$ 81,085,526	\$ 194,605,263	\$ 32,434,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Free Cash Flow	\$ (82,007,426)	\$ (196,303,653)	\$ 4,680,102	\$ 67,025,695	\$ 68,169,907	\$ 68,536,371	\$ 68,708,179	\$ 68,462,623	\$ 68,423,006	\$ 68,381,510	\$ 68,338,025	\$ 66,556,137	\$ 67,545,229
Cumulative Free Cash Flow	\$ (82,007,426)	\$ (278,311,079)	\$ (273,630,977)	\$ (206,605,282)	\$ (138,435,375)	\$ (69,899,004)	\$ (1,190,825)	\$ 67,271,798	\$ 135,694,804	\$ 204,076,313	\$ 354,421,764	\$ 617,281,555	\$ 406,515,705
Partial Period Adjustment	1	1	1	1	1	1	1	1	1	1	1	1	1
Mid Year Convention	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8.50	9.50	10.50	11.50	
Present Value Factor @ 9.00%	0.96	0.88	0.81	0.74	0.68	0.62	0.57	0.52	0.48	0.44	0.40	0.37	
Present Value of Free Cash Flow	\$ (78,548,869)	\$ (172,499,815)	\$ 3,773,020	\$ 49,573,386	\$ 46,256,574	\$ 42,665,355	\$ 39,240,651	\$ 35,871,934	\$ 32,890,988	\$ 30,156,918	\$ 27,649,303	\$ 24,704,916	
Sum of Present Value of Free Cash Flows	\$ 81,734,362												
Present Value of Terminal Value	\$ 313,400,704												
Operating Business Enterprise Value	\$ 395,135,066												
Working Capital Excess/(Deficit)	\$ -												
Total Business Enterprise Value	\$ 395,135,066												
IRR	14.69%												
MIRR	11.83%												
Total Business Enterprise Value with Limitations	\$ 395,135,066												

Terminal Cash Flow	\$ 67,545,229
Discount Rate	9.00%
Long Term Growth Rate	1.00%
Capitalization Rate	8.00%
Terminal Value	\$844,315,368
Present Value Factor	0.37
PV of Terminal Value	\$313,400,704

TAB 16

Description of Reinvestment Zone

Map of Reinvestment Zone



Order, Resolution, or Ordinance Establishing the Zone

**RESOLUTION OF THE
BARBERS HILL INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES**

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

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

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

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

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

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE BARBERS HILL INDEPENDENT SCHOOL DISTRICT:

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

SECTION 2. That the Board of Trustees of the Barbers Hill Independent School District, after conducting such hearing and having heard such evidence and testimony, has made the

following findings and determinations based on the evidence and testimony presented to it:

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

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

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

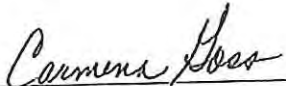
SECTION 5. That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this

Resolution.

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

PASSED, APPROVED AND ADOPTED on this ____ day of December, 2011.

**BARBERS HILL INDEPENDENT SCHOOL
DISTRICT**

By: 
CARMENA GOSS
President
Board of Trustees

ATTEST:


BENNY MAY
Secretary
Board of Trustees

Legal Description of Reinvestment Zone

LGH Tract	Chambers PID #	Chambers CAD Legal
1	16241	12 TR 67-1 H GRIFFITH
2	16242	12 TR 86-1 H GRIFFITH
3	16241	12 TR 67-1 H GRIFFITH
4	N/A	N/A
5	20620	4 TR 6A-0 WM BLOODGOOD
6A	20620	4 TR 6A-0 WM BLOODGOOD
6B	29968	4 TR 6A-0-1 WM BLOODGOOD
7	16241	12 TR 67-1 H GRIFFITH
8	20620	4 TR 6A-0 WM BLOODGOOD
9	16241	12 TR 67-1 H GRIFFITH
10	20620	4 TR 6A-0 WM BLOODGOOD
11	20620	4 TR 6A-0 WM BLOODGOOD
12	20620	4 TR 6A-0 WM BLOODGOOD
13	29968	4 TR 6A-0-1 WM BLOODGOOD
14	29968	4 TR 6A-0-1 WM BLOODGOOD
15	16242	12 TR 86-1 H GRIFFITH
16	16242	12 TR 86-1 H GRIFFITH
17	29968	4 TR 6A-0-1 WM BLOODGOOD
18	29968	4 TR 6A-0-1 WM BLOODGOOD
19	29968	4 TR 6A-0-1 WM BLOODGOOD
20	29968	4 TR 6A-0-1 WM BLOODGOOD
21	20620	4 TR 6A-0 WM BLOODGOOD
22	29968	4 TR 6A-0-1 WM BLOODGOOD
23	40368	4 TR 69B-0-1 WM BLOODGOOD
24	29968	4 TR 6A-0-1 WM BLOODGOOD
25	N/A	N/A
26	35521	12 TR 103-2-1 H GRIFFITH
27	35520	12 TR 103-1-1 H GRIFFITH
28	16241	12 TR 67-1 H GRIFFITH
29	16240	12 TR 12-0 H GRIFFITH
30	16240	12 TR 12-0 H GRIFFITH
31	16240	12 TR 12-0 H GRIFFITH
32	16240	12 TR 12-0 H GRIFFITH
33	16240	12 TR 12-0 H GRIFFITH
34	16240	12 TR 12-0 H GRIFFITH
35	16240	12 TR 12-0 H GRIFFITH
36	49011	12 TR 12-0-1 H GRIFFITH
	49012	12 TR 12-0-2 H GRIFFITH
37	N/A	N/A
38	16240	12 TR 12-0 H GRIFFITH
39	40885	4 TR 56-0-2 WM BLOODGOOD
40	N/A	N/A
41	29968	4 TR 6A-0-1 WM BLOODGOOD
42	29968	4 TR 6A-0-1 WM BLOODGOOD
43	29968	4 TR 6A-0-1 WM BLOODGOOD

44	16241	12 TR 67-1 H GRIFFITH	
45	16241	12 TR 67-1 H GRIFFITH	
46A	31391	4 TR 9-0-2 WM BLOODGOOD	
46B	31390	4 TR 9-0-1 WM BLOODGOOD	
47	3101	12 TR 74-5 H GRIFFITH	
48	3100	24 7-1 W D SMITH	
49	3099	24 6-1 W D SMITH	
50			
	3098	24 6-0 W D SMITH	
	22676	24 6-2 W D SMITH	part of 48-50
51	24544	24 8-1 W D SMITH	Part of 52
52			
	22668	24 8-5 WM D SMITH	
	20522	24 8-2 W D SMITH	
	24545	24 8-4 W D SMITH	
	24544	24 8-1 W D SMITH	
53	49400	12 TR 12-0-6 H GRIFFITH	
54	49351	24 1-2-4 W D SMITH	

Non LGH Parcels

55	9831	24 11-1 WM D SMITH
56	50539	24 1-5-1 WM D SMITH
57	50538	24 1-3-1 W D SMITH
58	508	24 9-2 W D SMITH
59	18943	12 TR 74-0 H GRIFFITH
60	17620	12 TR 91-1 H GRIFFITH
61	4729	12 TR 82-0 H GRIFFITH
62	19145	12 TR 78-0 H GRIFFITH
63	5084	4 TR 4-0 WM BLOODGOOD
64	1863	4 TR 5-0 WM BLOODGOOD

TAB 17

Signature and Certification Page

Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

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

1. Authorized School District Representative Signature

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

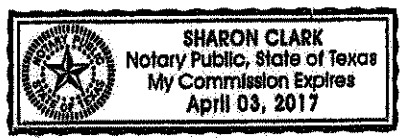
print here Greg Poole Superintendent
sign here [Signature] Title
Signature (Authorized School District Representative) Date
August 13, 2014

2. Authorized Company Representative (Applicant) Signature and Notarization

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

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

print here Mark Apostle Additional Controller
sign here [Signature] Title
Signature (Authorized Company Representative (Applicant)) Date
8/11/14



(Notary Seal)

GIVEN under my hand and seal of office this, the
11th day of August, 2014
Sharon Clark
Notary Public in and for the State of Texas
My Commission expires: April 3, 2017

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