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Annabel Canchola
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Jay Youngblood
Tyler, Texas
John J. Janssen, Ph.D.
Corpus Christi, Texas

William C. Bednar, Of Counsel
Richard Powell, Of Counsel

November 2, 2016

RECEIVED

NOV 02 2016

Data Analysis &
Transparency Division

Via Hand Delivery

Local Government Assistance & Economic Analysis
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

Re: Application for Chapter 313 Value Limitation Agreement to the Pecos-Barstow-Toyah Independent School District from ETC Texas Pipeline, LTD

Dear Local Government Assistance and Economic Analysis Division:

The Pecos-Barstow-Toyah Independent School District Board of Trustees met at a duly posted meeting on October 20, 2016 and accepted an Application for Appraised Value Limitation on Qualified Property from ETC Texas Pipeline, LTD. The application was determined to be complete on November 1, 2016. The school district respectfully requests that your office prepare an economic impact report on this application.

No construction has begun at the project site and the Applicant indicates that alternative sites out of state remain under consideration for this project by ETC Texas Pipeline, LTD. The school district has determined that the wage information included in the application represents the most recent wage data available at the time of the application, and that the wages the Applicant has committed to pay meet the required statutory minimum.

Included herein is an electronic and hard copy of the completed application. A copy of the application will be submitted, by copy of this letter, to the Reeves County Appraisal District. The Pecos-Barstow-Toyah Independent School District's Board of Trustees looks forward to working with your office through the process of evaluating this Application.

Respectfully submitted,

Sara H. Leon

Encl.

1001 ESE Loop 323, Ste. 450
Tyler, Texas 75701
t: 903-526-6618
f: 903-526-5766

115 Wild Basin Rd., Ste. 106
Austin, Texas 78746
t: 512-494-1177
f: 512-494-1188
800-494-1971

www.powell-leon.com

802 N. Carancahua St., Ste. 655
Corpus Christi, Texas 78401
t: 361-452-2804
f: 361-452-2743

cc: Mr. John Huddleston
County Chief Appraiser
Reeves County Appraisal District
403 South Cypress
Pecos, Texas 79772

Via Electronic Mail: mike@keatax.com

Mr. Mike Fry
Director of Development
(without Enclosures)

Mr. Jim Haley
Superintendent of Schools
Pecos-Barstow-Toyah Independent School District
1301 S. Eddy
Pecos, Texas 79772

October 20th, 2016

Pecos, Barstow, Toyah ISD
Mr. Jim Haley
1302 South Park Street
Pecos, TX 79772

RE: Application for Section 313 – Value Limitation Agreement

ETC Texas Pipeline, LTD is considering plans to build a 200mmscf/d gas processing plant inside Pecos, Barstow, Toyah ISD which will allow us the ability to process raw natural gas into useable products. The estimated investment for this project will be approximately \$105mm, with estimated completion in the 3rd quarter of 2017.

The positive economic impact stretches beyond the investment by providing a number of jobs during the construction phase, and at least 10 full time local jobs once construction is complete.

ETC Texas Pipeline, LTD is committed to the growth and welfare of the community. We believe our investment in Reeves County affirms our dedication to maintaining a considerable presence in the area.

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Fry", written in a cursive style.

Mike Fry

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 not later than the 150th 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 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

October 20, 2016

Date Application Received by District

Jim

First Name

Superintendent

Title

Pecos-Barstow-Toyah ISD

School District Name

1302 South Park Street

Street Address

1302 South Park Street

Mailing Address

Pecos

City

432-447-7201

Phone Number

Mobile Number (optional)

Haley

Last Name

TX

State

432-447-3076

Fax Number

jhaley@pbtisd.esc18.net

Email Address

79772

ZIP

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

☒ Yes

☐ No

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Sara	Leon
First Name	Last Name
Attorney	
Title	
Powell & Leon, LLP	
Firm Name	
512-494-1177	512-494-1188
Phone Number	Fax Number
	sleon@powell-leon.com
Mobile Number (optional)	Email Address

4. On what date did the district determine this application complete? November 1, 2016
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)

Megan	McKavanagh
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
210-572-0457	78258-3941
Phone Number	ZIP
	210-403-6664
Mobile Number (optional)	Fax Number
	megan.mckavanagh@energytransfer.com
	Business Email Address

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.

First Name	Last Name
Title	Organization
Street Address	
Mailing Address	
City	State
	ZIP
Phone Number	Fax Number
Mobile Number (optional)	Business Email Address

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

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? ETC Texas Pipeline, LTD
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 10505324664
3. List the NAICS code 325110
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

GanadoISD#225, KenedyISD#234, GlasscockISD#379-#1032, Rankin ISD#1080, Crockett ISD #1044

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Texas Limited Partnership
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**)

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
☐ Expansion of existing operation on the land (*complete Section 13*)

☐ Land has existing improvements (*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, contracts or letters of intent 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 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. Is the applicant evaluating other locations not in Texas for the proposed project? ☒ Yes ☐ No
8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? ☐ Yes ☒ No
9. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? ☒ Yes ☐ No
10. 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

Chapter 313.026(e) states "the applicant may submit information to the Comptroller that would provide a basis for an affirmative determination under Subsection (c)(2)." If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

SECTION 9: Projected Timeline

1. Application approval by school board February 2017
2. Commencement of construction April 2017
3. Beginning of qualifying time period 2018
4. First year of limitation 2018
5. Begin hiring new employees June 2017
6. Commencement of commercial operations August 2017
7. 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.
8. When do you anticipate the new buildings or improvements will be placed in service? August 2017

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Reeves County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Reeves 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: Reeves County, .499521- 100% City: N/A
(Name, tax rate and percent of project)
 Hospital District: Reeves County Hosp., .21435 - 100% Water District: Reeves County WCID #2 .12300 - 100%
(Name, tax rate and percent of project)
 Other (describe): N/A 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 tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period, 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

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? December 2016

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 2016
(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? 10
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 797.23
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 702.90
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,108.08
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? 57,620.20
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 57,620.20
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 §313.021(3)(F)? ☐ 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

Form 20-200-2

SECTION 2: Authorized Signatures and Notarization

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

Jim Haley
Print Name (Authorized School District Representative)

Superintendent
Title

sign
here

Jim Haley
Signature (Authorized School District Representative)

11/1/16
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

Megan McKenagh
Print Name (Authorized Company Representative (Applicant))

Sr. Manager Property Tax
Title

sign
here

Megan McKenagh
Signature (Authorized Company Representative (Applicant))

10/11/16
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

11 day of October, 2016

Beverly M. Hernandez
Notary Public in and for the State of Texas

My Commission expires: 9.3.2019

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.

APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	Maps that clearly show: a) Project vicinity b) Qualified investment including location of tangible personal property to be placed in service during the qualifying time period and buildings to be constructed during the qualifying time period c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size Note: Electronic maps should be high resolution files. Include map legends/markers.
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	Description of Reinvestment or Enterprise Zone, including: a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* * To be submitted with application or before date of final application approval by school board
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

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

DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT
PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT

ETC Texas Pipeline, LTD (or “the Company”) 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, 7 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.

However, ETC could redirect its expenditures to build plants in other states outside of Texas.

Kansas
Louisiana
New Mexico
Oklahoma

Proposed Project Description

ETC Texas Pipeline, LTD proposes to build a new 200 mmscf/d Gas Processing Plant in Pecos-Barstow-Toyah ISD/Reeves County, Texas. Projected timeline for ETC to start construction is April of 2017 and start hiring the new employees in June of 2017. This should allow for completion and commencement of commercial operations to start in August of 2017.

Cryogenic Natural Gas Processing Plant

The Arrowhead Plant would include the installation of a refrigerated cryogenic gas plant. If completed, the Arrowhead Gas Processing Plant will be designed to process 200mmcf/d of gas and would include the following components, providing long-term processing, compression and residue gas takeaway:

- Buildings, Foundations, Inlet Separator, Amine Unit, Boilers, Heat Exchangers, Natural Gas/Air/H₂O Piping, Control
- Valves, Dehydration Units, Knock Out Drums, Slug Catcher, Compressors, Vessels, Heat Exchanger, SCADA plus Controls.
- ENVIRONMENTAL: (A) Flare-Stack, Scrubber, Leak Detection; (L) Liners, Containment.

TAB 05

Limitation as Determining Factor

Tab 5 Limitation as Determining Factor w/ability to locate or relocate:

ETC Texas Pipeline, LTD (or “the Company”) 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, 7 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.

As the primary available property tax incentive in Texas, a 313 agreement is vital to the proposed Arrowhead Plant economics just as potential customer response will be. Both factors will be considered before any determination is made. Moreover, multiple other potential projects are presently competing for the same capital expenditures by our company, including possible plants in Louisiana that would be eligible for a 10-year, 100% property tax abatement under that state’s Industrial Tax Exemption program (and for state sales tax incentives). This and other competing projects are also under review, which could be located in Southern New Mexico due to offers of Industrial Revenue Bond (abatement) and Job Training incentive programs.

DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT
PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT

ETC Texas Pipeline, LTD (or “the Company”) 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, 7 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.

However, ETC could redirect its expenditures to build plants in other states outside of Texas.

Kansas
Louisiana
New Mexico
Oklahoma

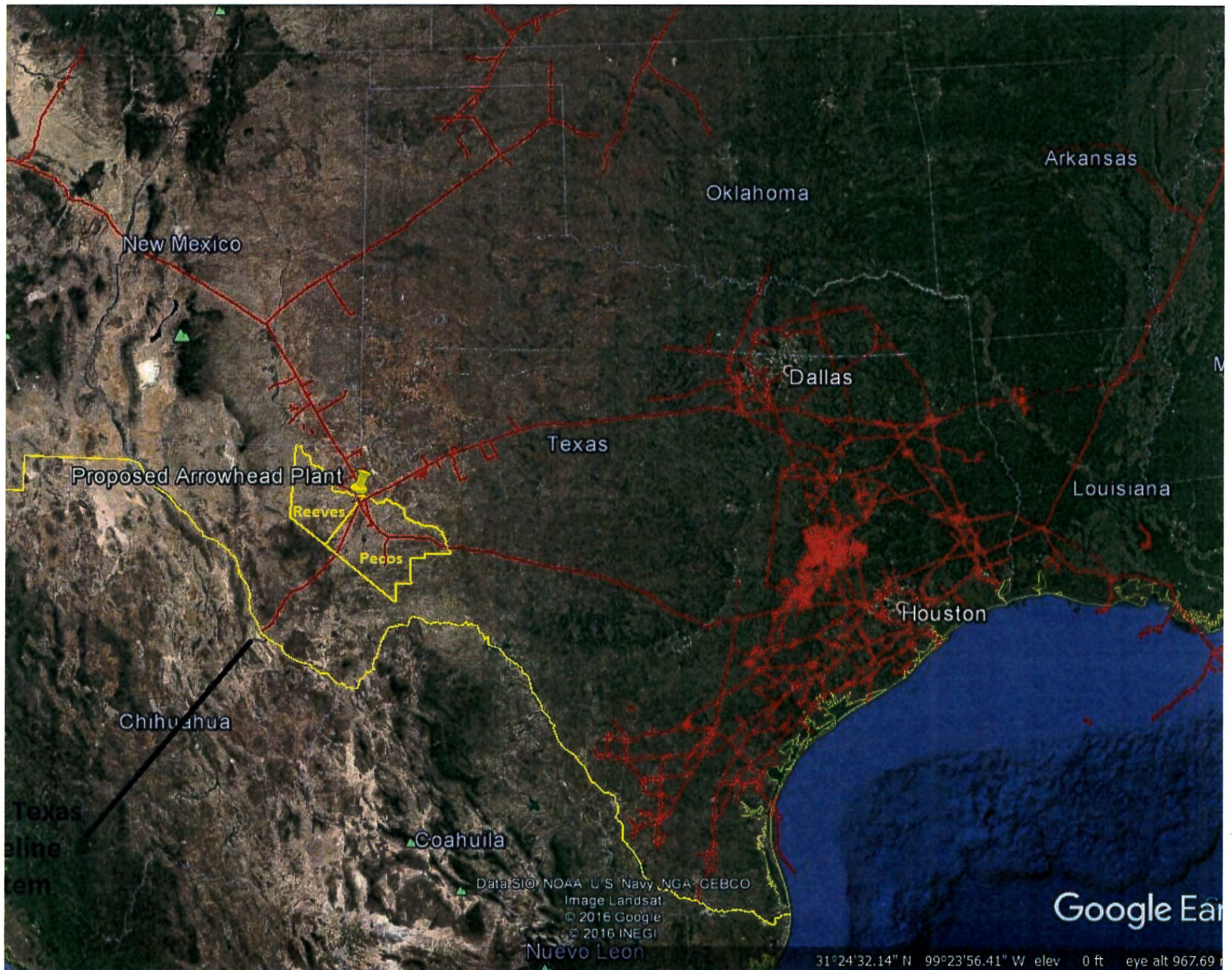
Proposed Project Description

ETC Texas Pipeline, LTD proposes to build a new 200 mmscf/d Gas Processing Plant in Pecos-Barstow-Toyah ISD/Reeves County, Texas. Projected timeline for ETC to start construction is April of 2017 and start hiring the new employees in June of 2017. This should allow for completion and commencement of commercial operations to start in August of 2017.

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New Mexico

Oklahoma

Arkansas

Dallas

Texas

Louisiana

Houston

Chihuahua

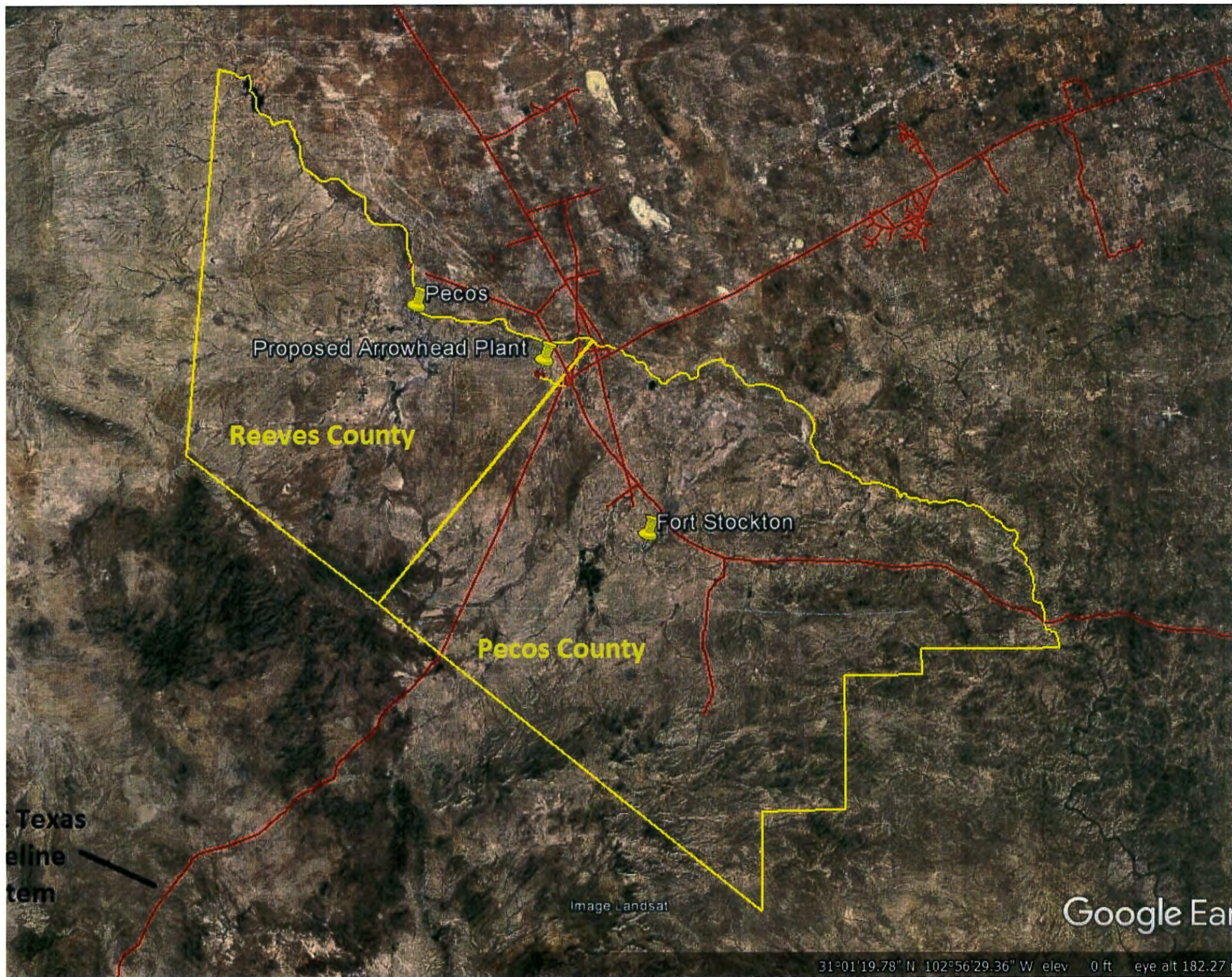
Coahuila

Data SIO NOAA U.S. Navy NGA GEBCO
Image Landsat
© 2016 Google
© 2016 INEGI

Nuevo Leon

Google Earth

31°24'32.14" N 99°23'56.41" W elev 0 ft eye alt 967.69 m



Texas
eline
tem

Image Landsat

Google Earth

31°01'19.78" N 102°56'29.36" W elev 0 ft eye alt 182.27 ft

TAB 06

N/A

TAB 07

Description of Qualified Investment

DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT
PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT

ETC Texas Pipeline, LTD (or “the Company”) 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, 7 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.

However, ETC could redirect its expenditures to build plants in other states outside of Texas.

Kansas
Louisiana
New Mexico
Oklahoma

Proposed Project Description

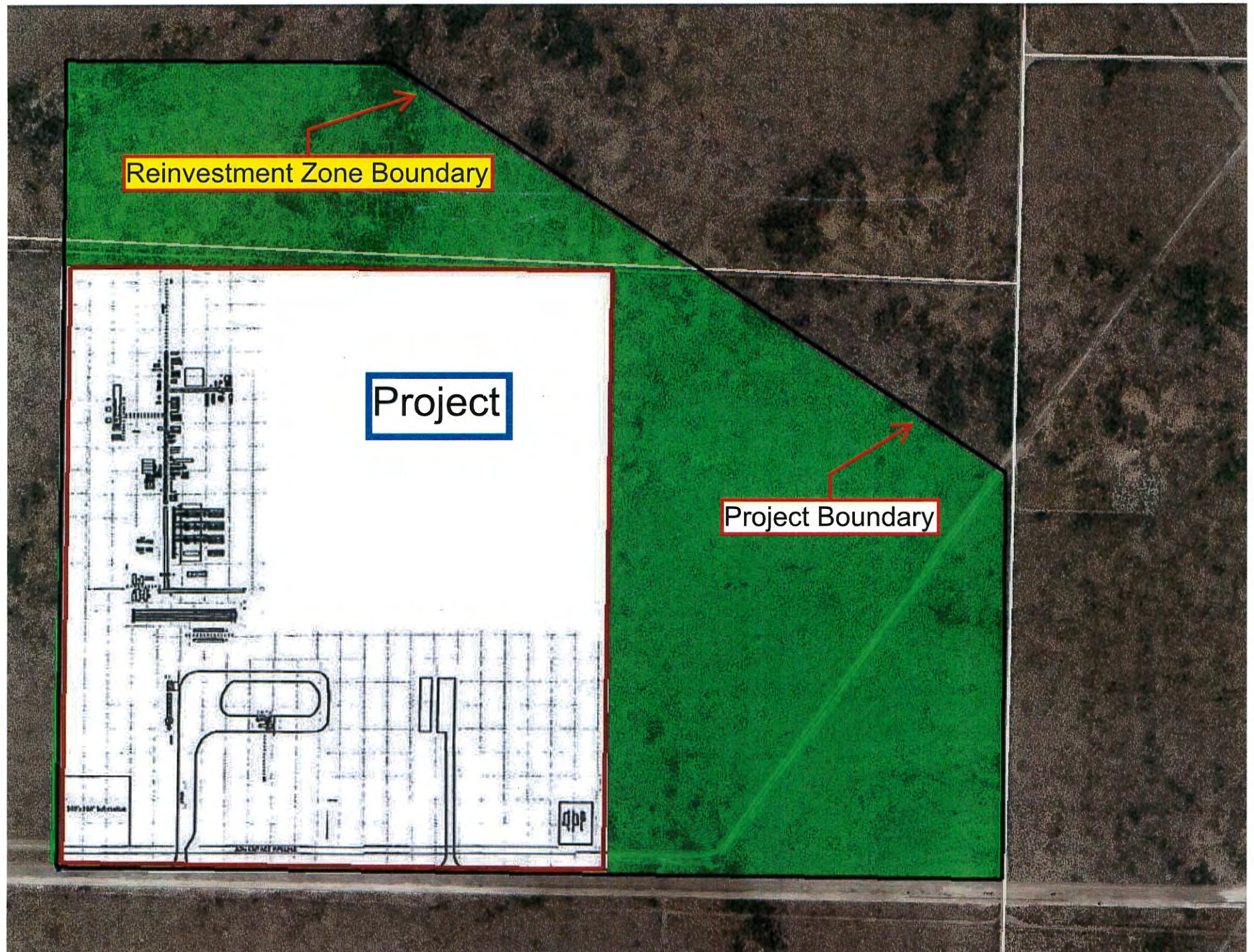
ETC Texas Pipeline, LTD proposes to build a new 200 mmscf/d Gas Processing Plant in Pecos-Barstow-Toyah ISD/Reeves County, Texas. Projected timeline for ETC to start construction is April of 2017 and start hiring the new employees in June of 2017. This should allow for completion and commencement of commercial operations to start in August of 2017.

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- ENVIRONMENTAL: (A) Flare-Stack, Scrubber, Leak Detection; (L) Liners, Containment.

Map of Qualified Property within Reinvestment Zone



Potential Plant Site

Arrowhead Plant

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Google Earth

© 2016 Google

1000 ft



Potential Plant Site

Arrowhead Plant

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

1450

1776

Google Earth

© 2018 Google

Coyanosa

2 mi

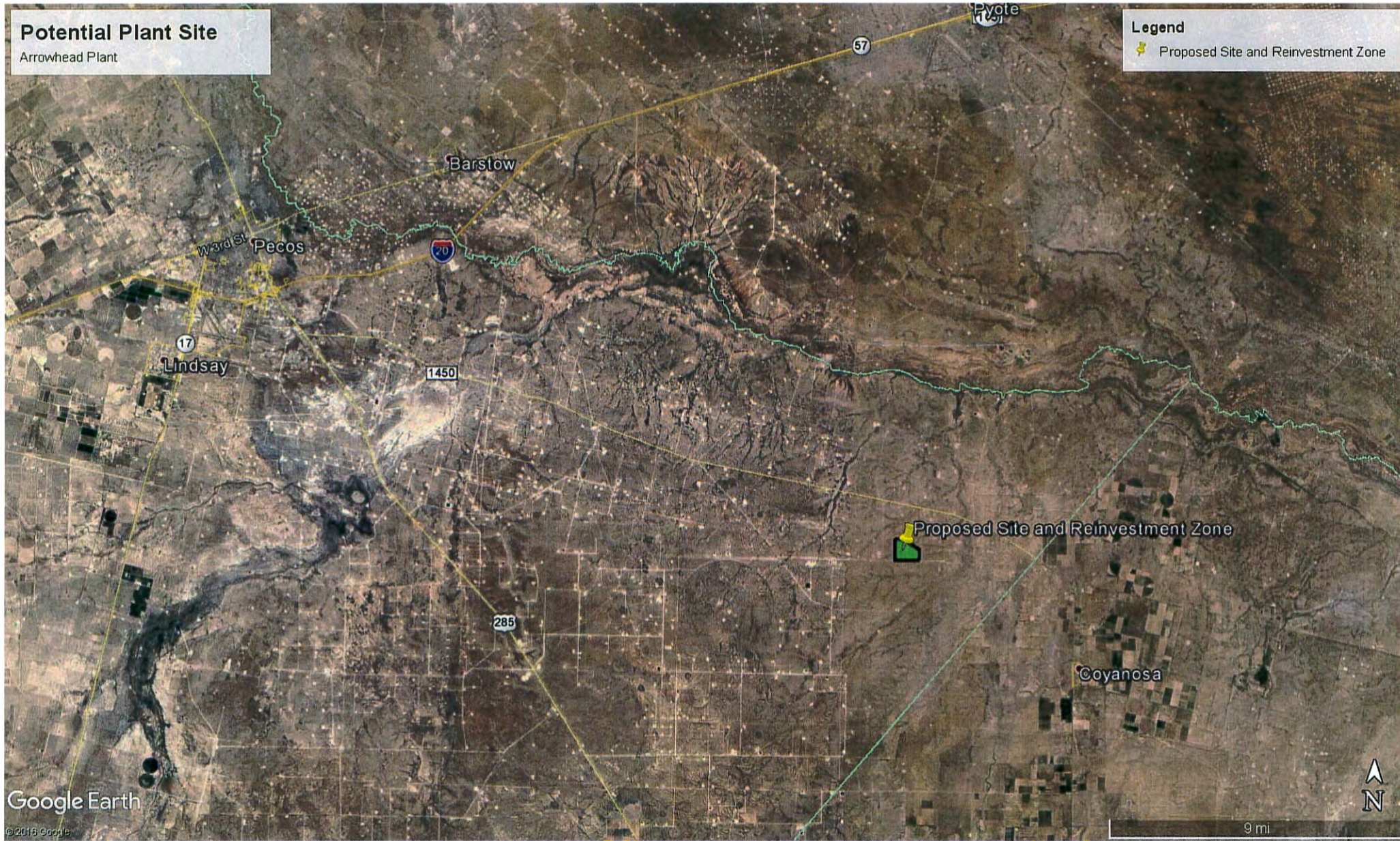


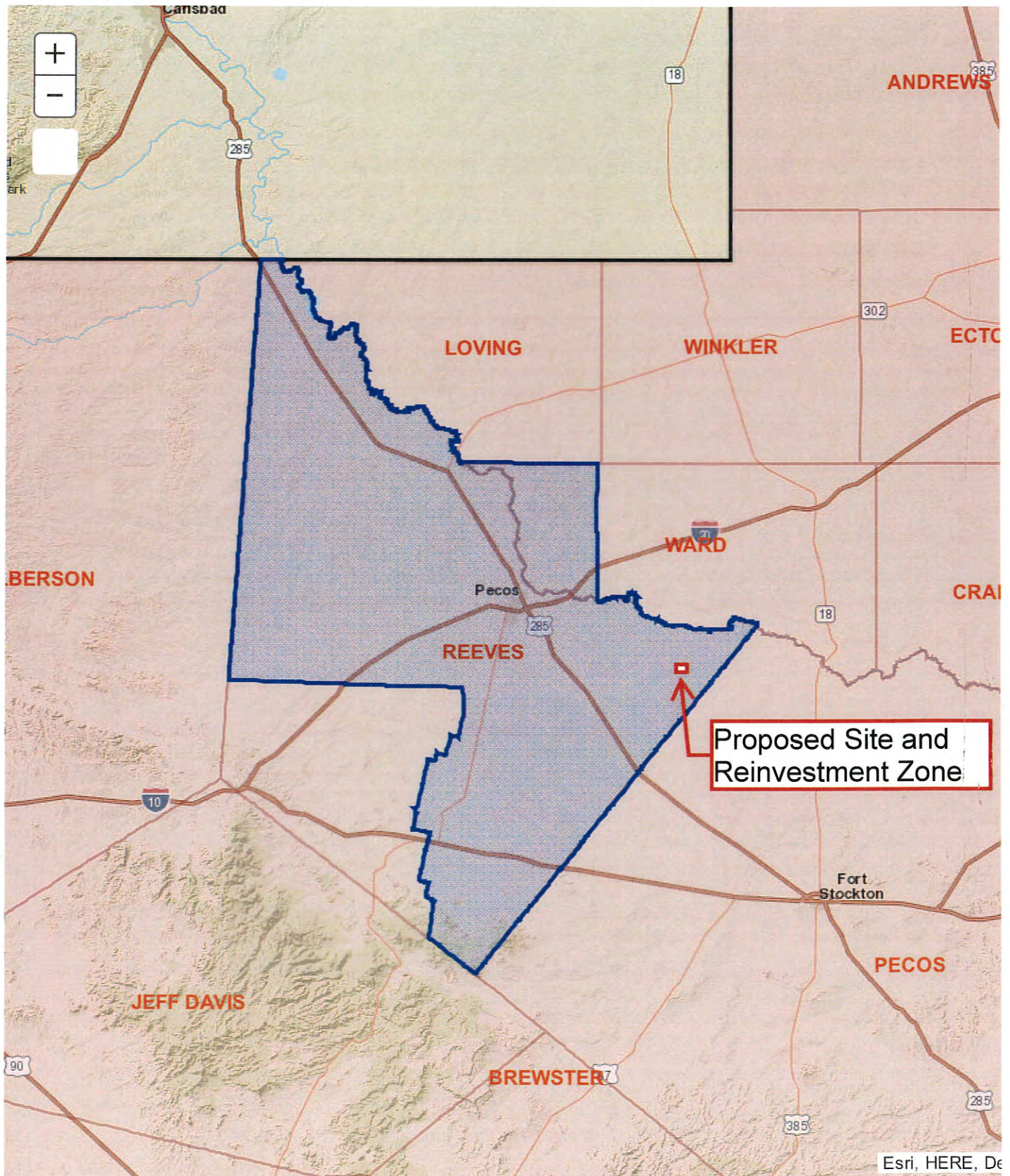
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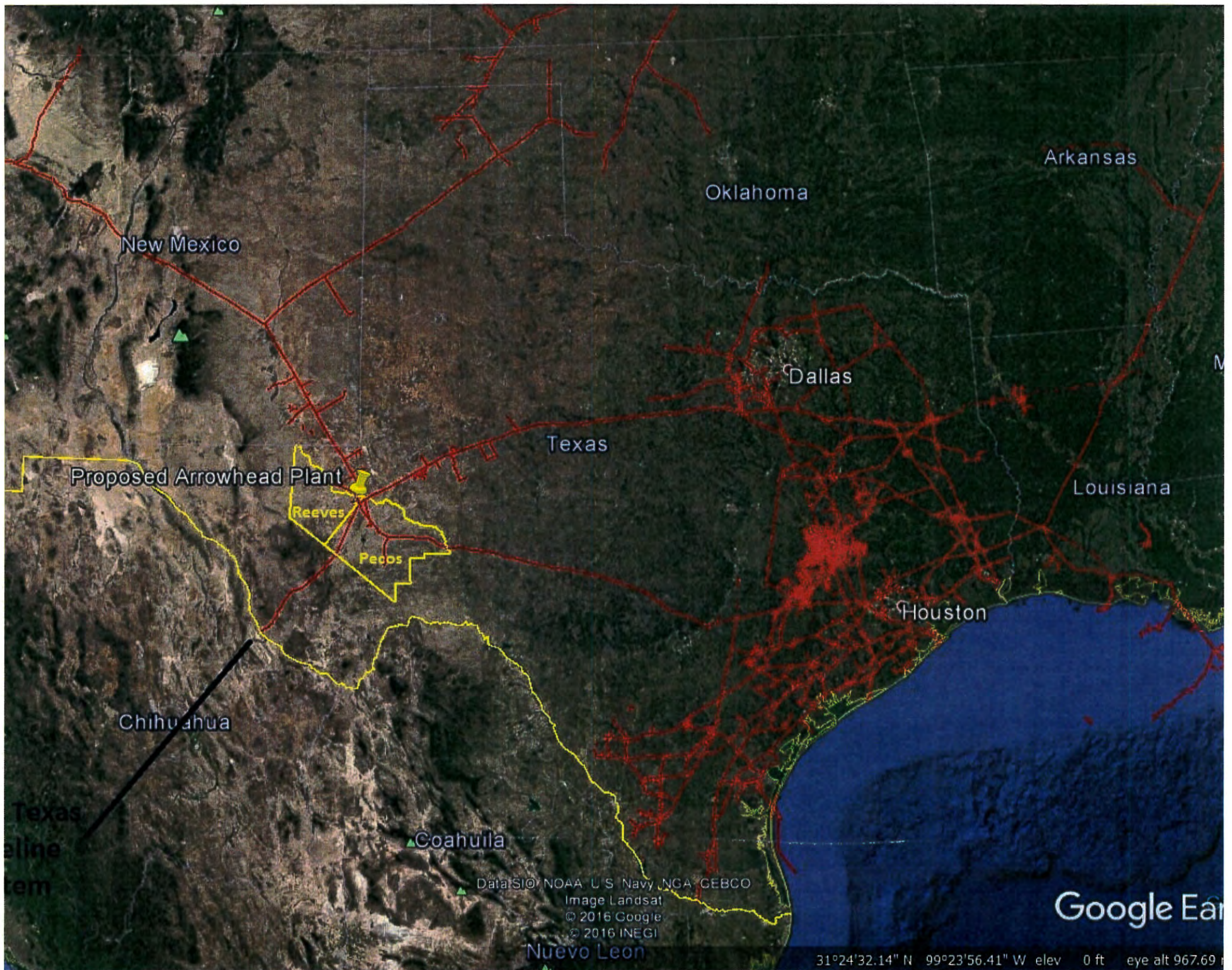
Arrowhead Plant

Legend

★ Proposed Site and Reinvestment Zone







New Mexico

Oklahoma

Arkansas

Dallas

Texas

Louisiana

Houston

Chihuahua

Coahuila

Nuevo Leon

Proposed Arrowhead Plant

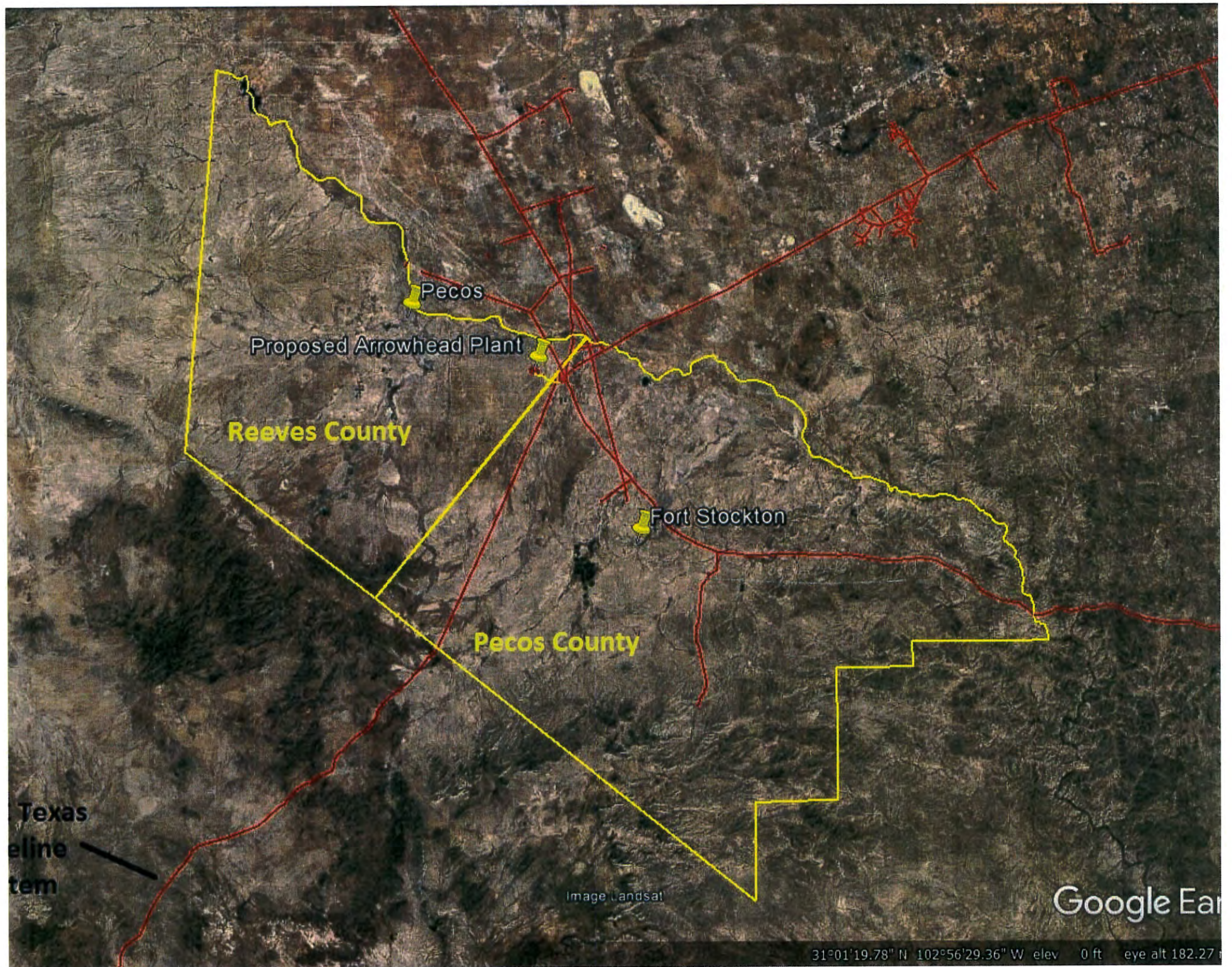
Reeves

Pecos

Data SIO NOAA U.S. Navy NGA GEBCO
Image Landsat
© 2016 Google
© 2016 INEGI

Google Earth

31°24'32.14" N 99°23'56.41" W elev 0 ft eye alt 967.69 m



TAB 08

DETAILED PROJECT DESCRIPTION OF QUALIFIED INVESTMENT
PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT

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However, ETC could redirect its expenditures to build plants in other states outside of Texas.

Kansas
Louisiana
New Mexico
Oklahoma

Proposed Project Description

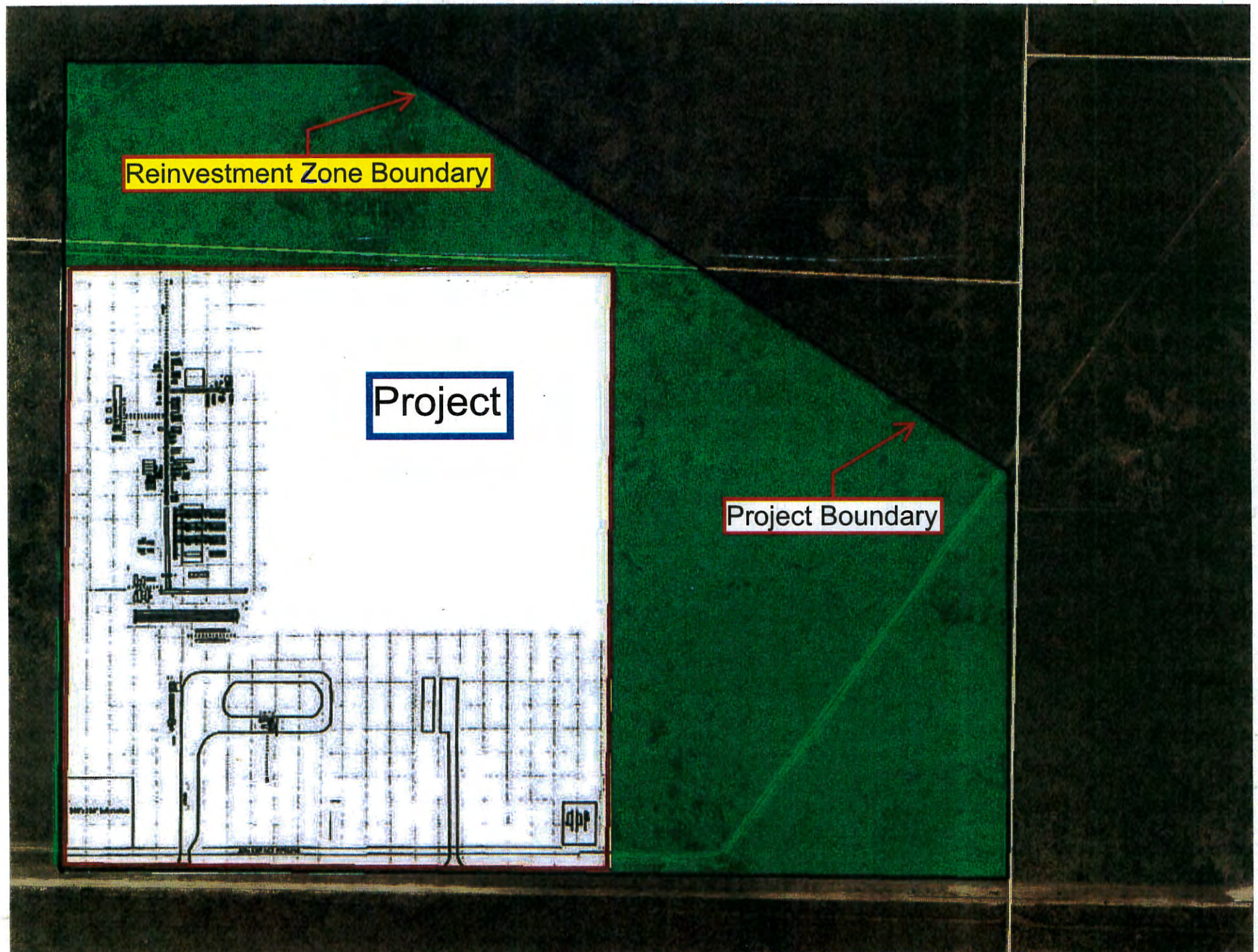
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- ENVIRONMENTAL: (A) Flare-Stack, Scrubber, Leak Detection; (L) Liners, Containment.

Map of Qualified Property within Reinvestment Zone



nt Site

Legend

Proposed Site ar

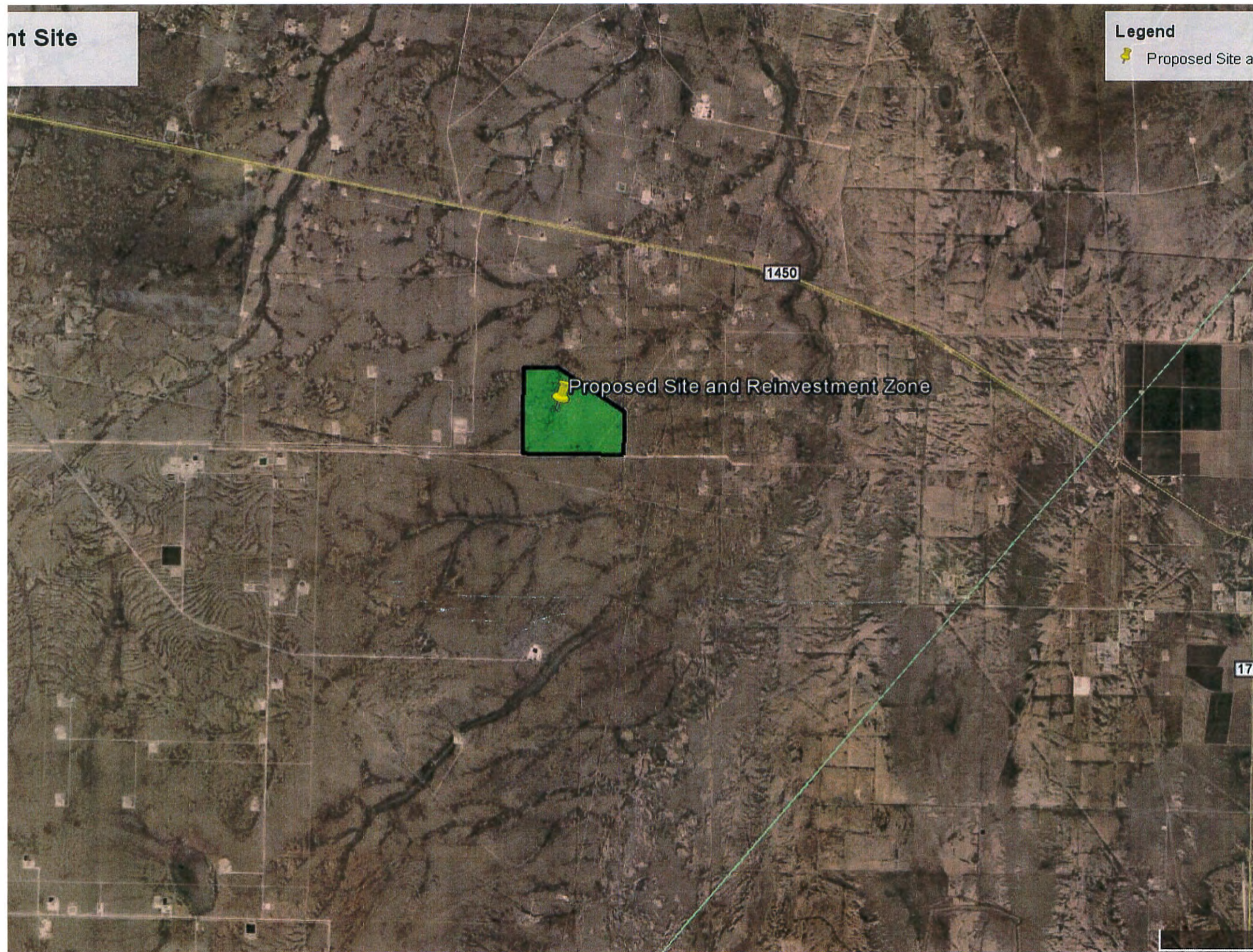


Proposed Site and Reinvestment Zone

nt Site

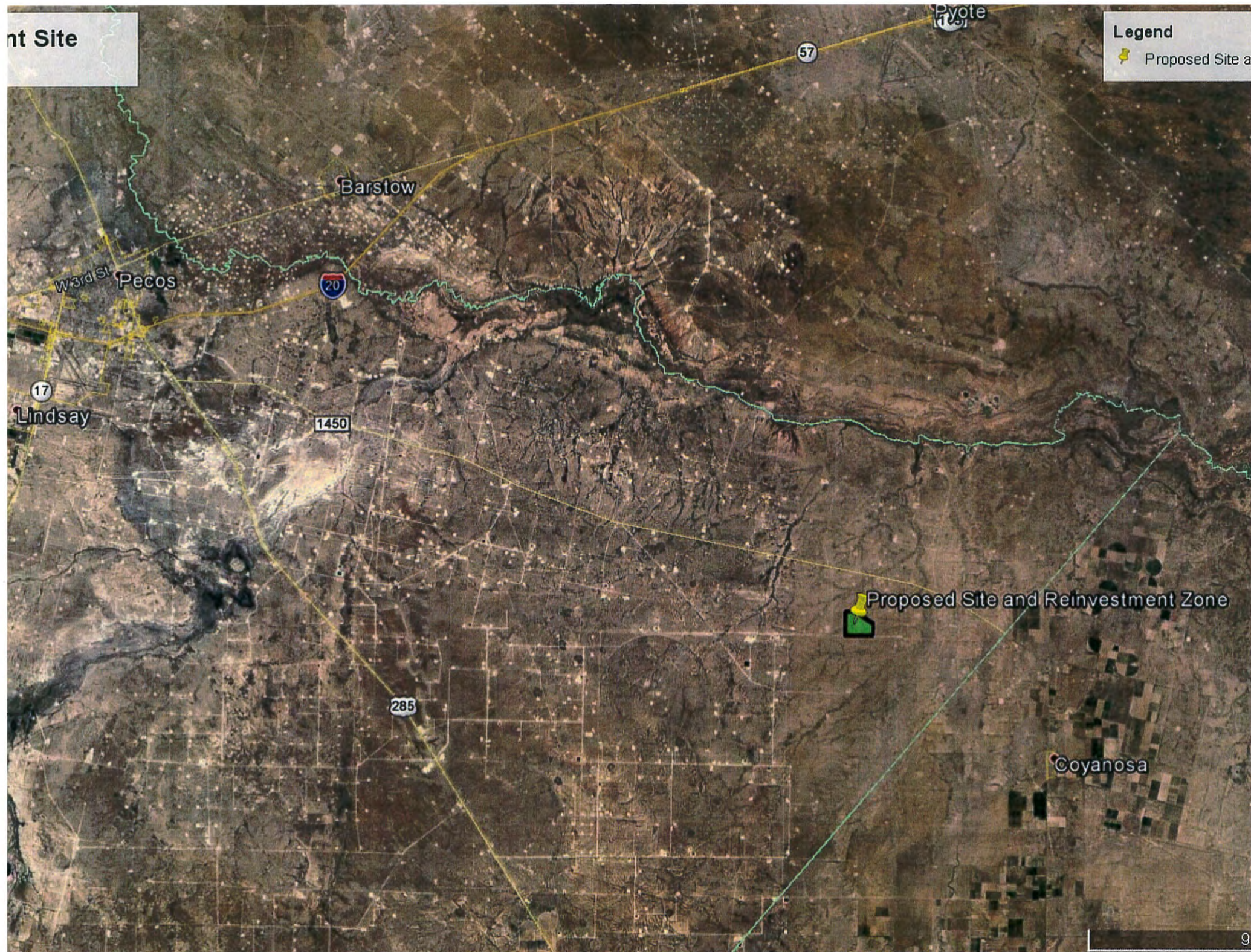
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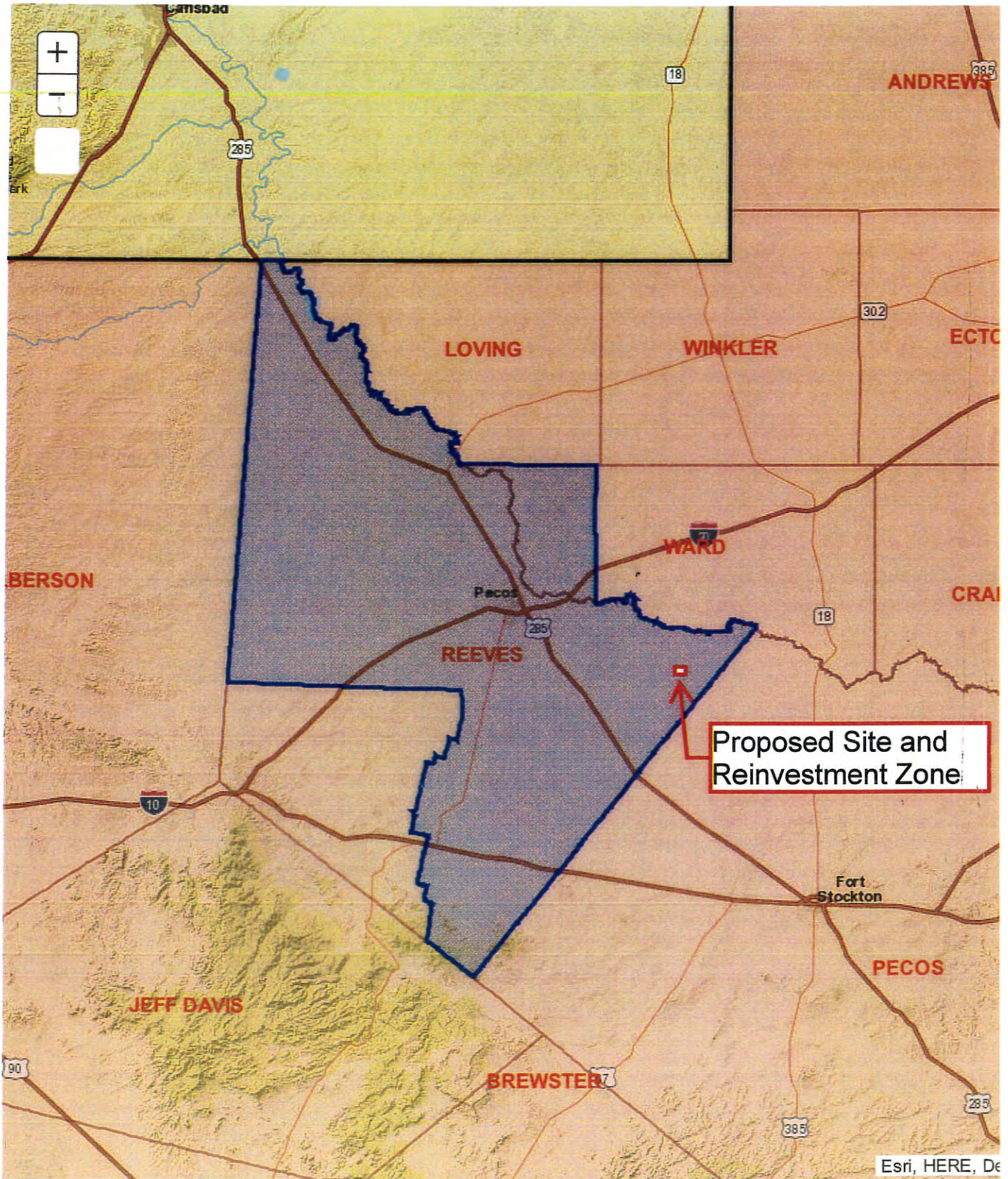
 Proposed Site ar

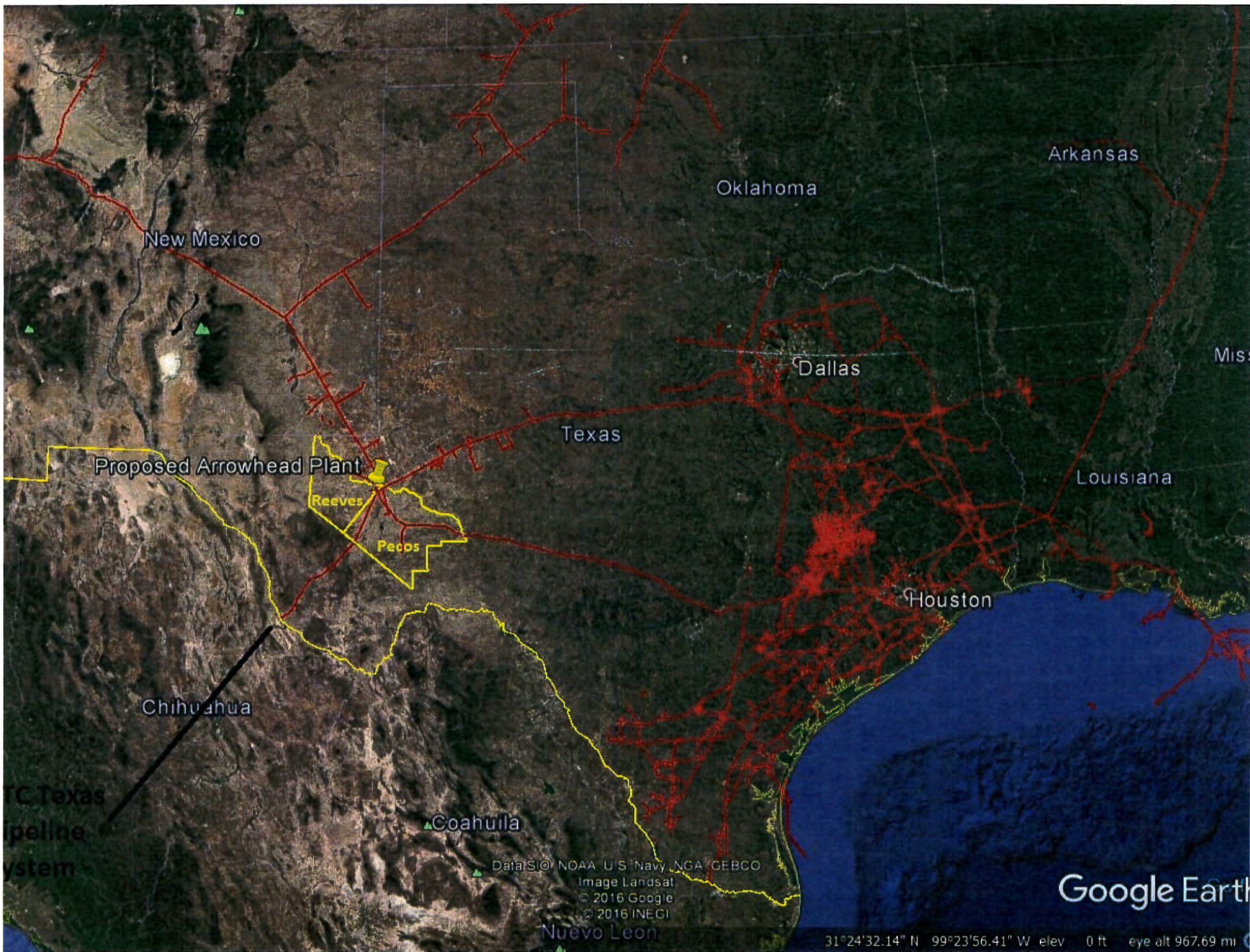


nt Site

Legend
Proposed Site ar







Arkansas

Oklahoma

New Mexico

Dallas

Texas

Proposed Arrowhead Plant

Reeves

Pecos

Louisiana

Houston

Chihuahua

ERC Texas
pipeline
system

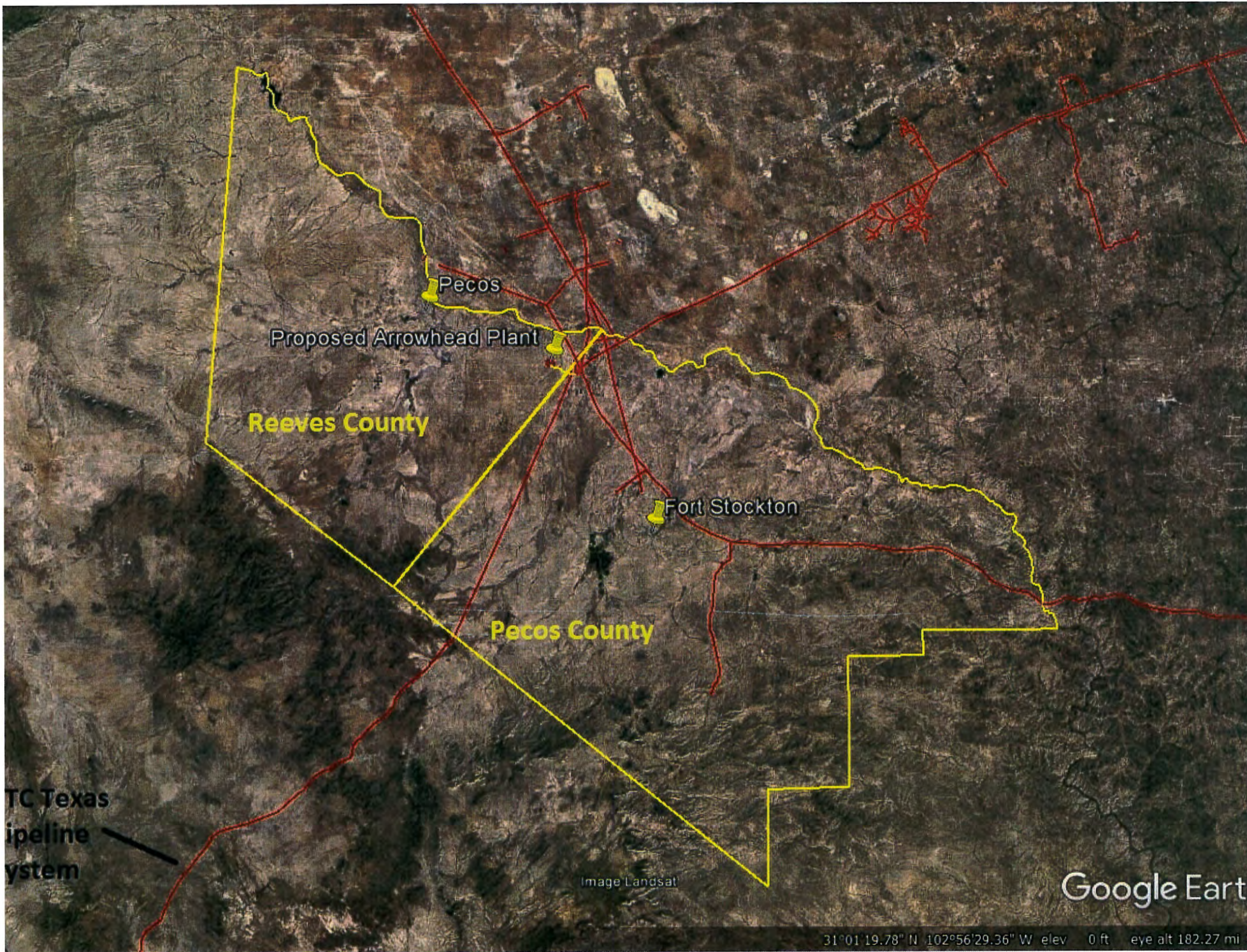
Coahuila

Data SIO NOAA U.S. Navy NGA GEBCO
Image Landsat
© 2016 Google
© 2016 INEGI

Nuevo Leon

Google Earth

31°24'32.14" N 99°23'56.41" W elev 0 ft eye alt 967.69 mi



TAB 09

Description of Land

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

SPECIAL WARRANTY DEED

STATE OF TEXAS)
) KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF REEVES)

THAT, WOLF BONE RANCH PARTNERS LLC, (herein referred to as "Grantor"), whose address is 110 W. Louisiana, Suite 500, Midland, Texas 79701, for and in consideration of the sum of Ten and no/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY to ETC TEXAS PIPELINE, LTD (herein referred to as "Grantee"), whose address is 1300 Main, Houston, Texas 77002, the following described property:

The surface estate only of 260.778 acre tract of land located in Section(s) 13 and 14, Block C-3, Public School Lands Survey, Reeves County, Texas, which tract is more particularly described in Exhibit "A" attached hereto (the "Land") and made a part hereof by reference for all purposes, together with all of the rights, privileges and appurtenances related thereto (all of said property and interest being collectively referred to herein as the "Property");

Subject, however, to the exceptions to title (the "Permitted Exceptions") more particularly set forth in Exhibit "B" attached hereto and fully made a part hereof by reference for all purposes, and to the other qualifications described in this deed (the "Qualifications").

1. Qualifications. This conveyance is made and accepted subject to the following Qualifications:

a. Exceptions. Grantee assumes the obligations of Grantor under the Permitted Exceptions but only to the extent that they are still in effect and shown of record in Reeves County, Texas on the date hereof.

b. Easements. Visible and apparent, but unrecorded easements, if any.

c. Laws and Regulations. Application of all laws and regulations affecting the Property after the delivery of this deed, including environmental laws and municipal and governmental ordinances and regulations, relating to the Property.

d. Taxes. The liens for all governmental assessments, standby fees and ad valorem taxes for the year 2015; subsequent assessments for that and prior years due to the sale evidenced by this deed or by change in land usage by Grantee after the delivery of this deed; the payment of which is hereby assumed by Grantee.

e. Reserved Interests. For Grantor and Grantor's heirs, successors, and assigns, all rights, title and interest in all oil, gas and other minerals in, on and under the Property that are owned by Grantor and that may be produced from the Property, all of which are hereby reserved to Grantor. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

The term "oil, gas and other minerals," as used herein, shall mean oil, gas, casinghead gas, and all other liquid or gaseous hydrocarbons, and any constituent elements or byproducts thereof, and all geothermal sources, helium, uranium, and other fissionable minerals and materials, coal, lignite, iron, silver, gold, vanadium, molybdenum, and other materials and ores, whether or not such minerals are or may be mined or extracted by methods which result in material damage to or destruction of the surface estate and shall include all working and royalty interests and any associated royalties, all easements and rights owned or held by any lessee or mineral owner on, over, or across the Property for the purposes of producing or transporting any of said oil, gas and other minerals thereon and therefrom.

There is also reserved from this Special Warranty Deed all rights of ingress and egress, either express or implied, across any lands GRANTOR may own, whether contiguous to the Land or otherwise, unless expressly granted by separate easement document. GRANTOR agrees to grant a renewable term easement across its lands, including the Land, to GRANTEE on GRANTOR'S standard road easement form, and for the consideration as set out in the most recently published Rate and Damage Schedule of the University of Texas System, University Lands.

Grantor hereby expressly reserves all retained rights of the Grantor concerning those certain agreements further described on Exhibit "C" attached hereto, including but not limited to the right to renew and extend the estates created thereby and receive payment for any such renewal and extension..

f. As Is, Where, Is. Grantee accepts the Property in its "AS IS", "WHERE IS" condition with all faults. Grantee agrees that Grantor shall not be liable for any latent or patent defects in the Property. Grantee acknowledges that neither Grantor nor any of the employees, agents or attorneys of Grantor ("Grantor Exculpated Parties") has made any verbal or written representations or warranties whatsoever to Grantee, whether express, implied, statutory, or by operation of law, and in particular, that no such representations and warranties have been made with respect to the physical or environmental condition or operation of the Property, environmental, and other laws, regulations and rules applicable to the Property, or the compliance of the Property therewith, other matter or thing affecting or relating to the Property or the transactions contemplated hereby. GRANTEE HEREBY WAIVES, RELINQUISHES, AND RELEASES GRANTOR AND GRANTOR'S EXCULPATED PARTIES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION [INCLUDING, WITHOUT LIMITATION, CAUSES OF ACTION IN TORT, LOSSES, DAMAGES, LIABILITIES, COSTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS)] OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, THAT GRANTEE MIGHT HAVE ASSERTED OR ALLEGED AGAINST GRANTOR AT ANY TIME BY REASON OF OR ARISING OUT OF ANY LATENT OR PATENT DEFECTS OR PHYSICAL CONDITIONS

(INCLUDING, WITHOUT LIMITATION, ADVERSE ENVIRONMENTAL CONDITIONS), VIOLATIONS OF ANY APPLICABLE LAWS (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL LAWS) AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES, OR MATTERS REGARDING THE PROPERTY.

g. This Special Warranty Deed is expressly made subject to that certain Caliche Use Agreement dated October 21, 2015 between Grantor and Grantee. Said Caliche Use Agreement confers additional burdens on the Lands and Property. Copies of such Agreement are held at the offices of both Grantor and Grantee.

TO HAVE AND TO HOLD the above-described Property, subject to the Permitted Exceptions and Qualifications, together with all and singular the rights and appurtenances thereto in any wise belonging to Grantor, unto the said Grantee, its successors and assigns FOREVER, and Grantor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto the said Grantee, its successors and assigns, against every person whomsoever, lawfully claiming or to claim the same or any part thereof, by, through or under Grantor but not otherwise.

IN WITNESS WHEREOF, the parties herein named have hereunto set their hands and seal to be effective this 16th day of October, 2015.

-----Signature and Acknowledgement Page to Follow-----

GRANTOR:

Wolf Bone Ranch Partners LLC

By: _____

Name: Benjamin A. Strickling, III

Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS)

)

COUNTY OF MIDLAND)

This instrument was executed before me on the 21st day of October, 2015, by Benjamin A. Strickling, III, the President of Wolf Bone Ranch Partners LLC.



Jordan W. Davis
Notary for the State of Texas

My commission Expires: _____

Signature and acknowledgment page to that certain Special Warranty Deed, dated effective October 16, 2015, between Wolf Bone Ranch Partners LLC and ETC Pipeline, LTD.

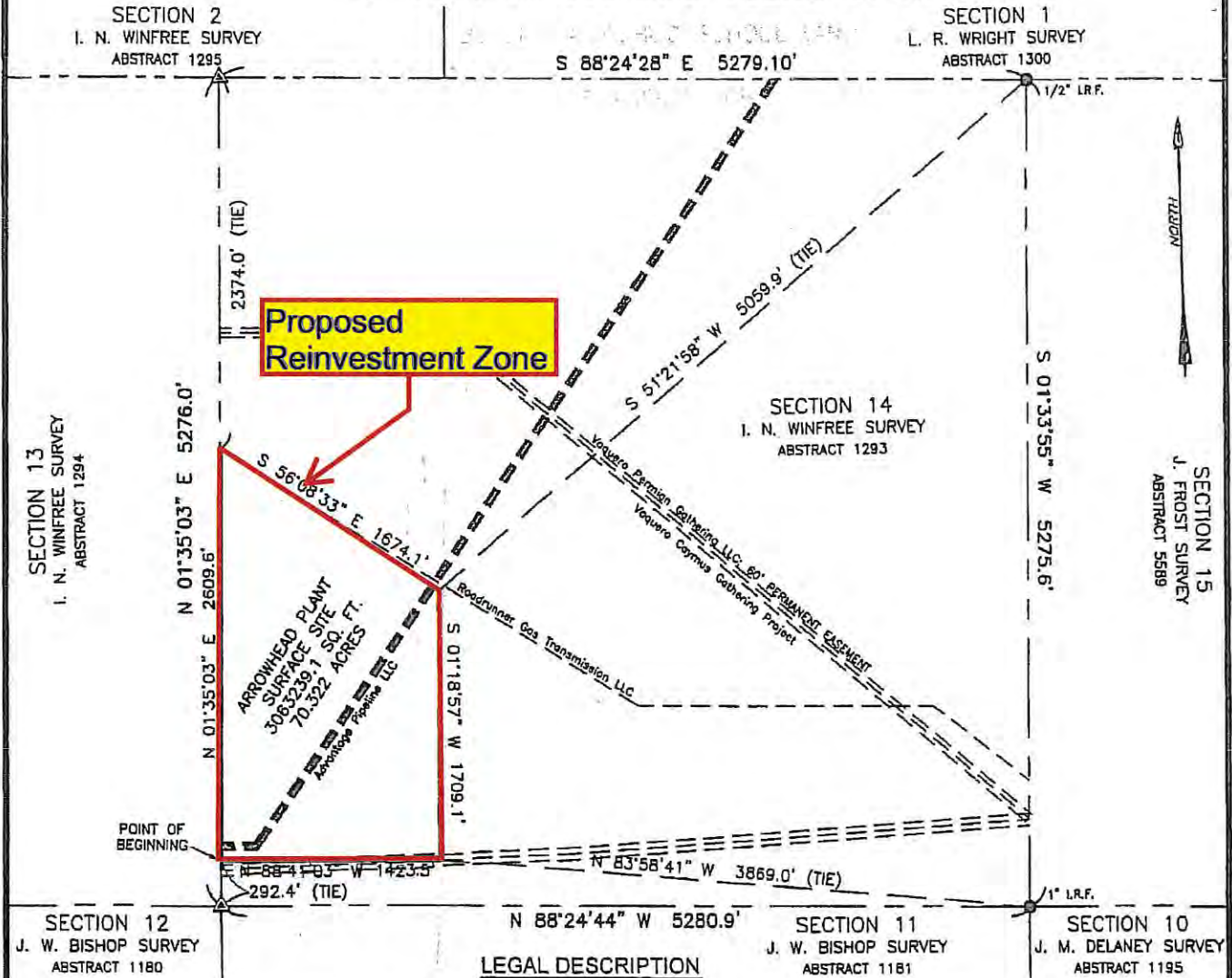
EXHIBIT "A"

Attached to and made a part of the Special Warranty Deed, Effective the 16th day of October, 2015, by and between Wolf Bone Ranch Partners LLC and ETC Texas Pipeline, LTD.

This is a two page exhibit consisting of a survey plat and metes and bounds description of the 260.778 acre tract.

EXHIBIT "A"

BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS



SURFACE SITE SURVEY LOCATED IN SECTION 14, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SURFACE SITE, IN THE WEST LINE OF SECTION 14, WHICH BEARS NORTH 01° 35' 03" EAST, ALONG THE EAST LINE OF SECTION 14, A DISTANCE OF 292.4 FEET, FROM THE SOUTHWEST CORNER OF SECTION 14:

THENCE NORTH 01° 35' 03" EAST, ALONG THE WEST LINE OF SECTION 14, A DISTANCE OF 2609.6 FEET, TO THE NORTHWEST CORNER OF THE SURFACE SITE WHICH BEARS SOUTH 01° 35' 03" WEST, ALONG THE WEST LINE OF SECTION 14, A DISTANCE OF 2374.0 FEET FROM THE NORTHWEST CORNER OF SECTION 14, THENCE SOUTH 56° 08' 33" EAST, A DISTANCE OF 1674.1 FEET, TO NORTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS SOUTH 51° 21' 58" WEST, A DISTANCE OF 5059.9 FEET FROM THE NORTHEAST CORNER OF SECTION 14; THENCE SOUTH 01° 18' 57" WEST, A DISTANCE OF 1709.1 FEET, TO SOUTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS NORTH 83° 58' 41" WEST, A DISTANCE OF 3869.0 FEET FROM THE SOUTHEAST CORNER OF SECTION 14,

THENCE NORTH 88° 41' 03" WEST, A DISTANCE OF 1423.5 FEET TO THE POINT OF BEGINNING, AND THE END OF THIS SURVEY.

SURVEYED ON THE GROUND, 13 AUGUST 2015

Robert W. Johnston
ROBERT W. JOHNSTON, TEXAS RPLS No. 5579
DRJ SURVEYING LLC P.O. BOX 591, THORNDALE TX 76777



CAUTIONARY NOTE: LINE CROSSINGS AND OTHER FEATURES SHOWN HEREON WERE LOCATED BY VISUAL INSPECTION ONLY. NO MECHANICAL NOR ELECTRONIC METHODS WERE USED. OTHER UNDERGROUND OR SURFACE OBSTRUCTIONS MAY EXIST.

Bearings and Coordinates conform to the Texas State Plane Coordinate System, Central Zone (4203), NAD83, Derived from OPUS Solution. Distances and Stationing are horizontal (GRID) values in U.S. Survey Feet. To obtain surface values multiply distances by a factor of 1.00022613.

ENERGY TRANSFER	
ARROWHEAD PLANT SITE	
SURFACE SITE SURVEY	
SECTION 14, BLOCK C3, PUBLIC SCHOOL LAND	
REEVES COUNTY, TEXAS	
SCALE: 1" = 1000'	AFE: 100000001137
DRAFTED BY: WLJ	DATE: 19 AUGUST 2015
SHEET: 2 OF 2	QUAD: LIGON RANCH, TEXAS
W.O. NO.: 15-308	FILE: 120-2015-84

EXHIBIT "A"

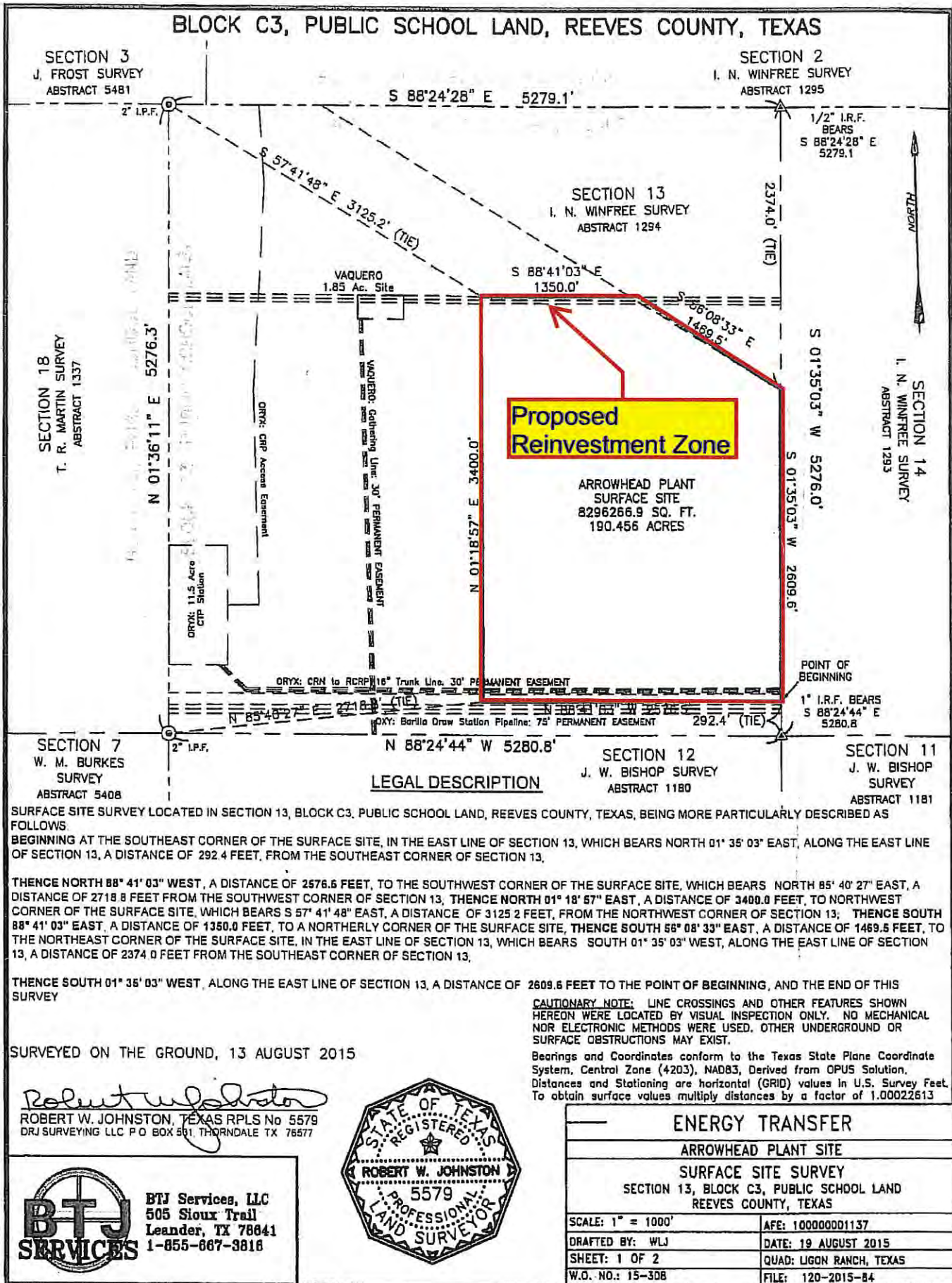


EXHIBIT "B"

Attached to and made a part of the Special Warranty Deed, Effective the 16th day of October, 2015, by and between Wolf Bone Ranch Partners LLC and ETC Texas Pipeline, LTD.

PERMITTED EXCEPTIONS

Any lease, grant, exception or reservation of minerals or mineral rights associated with the Property.

Any portion of the Property lying within the boundaries of dedicated or existing pipeline easements and roadways or any other visible easements.

Rights of parties in possession.

All matters reflected of record in Reeves County, Texas, affecting the Property.

EXHIBIT "C"

Attached to and made a part of the Special Warranty Deed, Effective the 16th day of October, 2015, by and between Wolf Bone Ranch Partners LLC and ETC Texas Pipeline, LTD.

1. Pipeline Easement Agreement from Wolf Bone Ranch Partners LLC to Advantage Pipeline, LLC dated February 13, 2013, recorded Volume 987, Page 606, Official Public Records of Real Property, Reeves County, Texas.
2. Pipeline Easement Agreement from Wolf Bone Ranch Partners LLC to Roadrunner Gas Transmission, LLC dated August 18, 2015, recorded Volume 1192, Page 573, Official Public Records of Real Property, Reeves County, Texas.
3. Pipeline Easement Agreement from Wolf Bone Ranch Partners LLC to Vaquero Permian Gathering, LLC dated August 19, 2015, recorded Volume 1196, Page 321, Official Public Records of Real Property, Reeves County, Texas.
4. Pipeline Easement Agreement from Wolf Bone Ranch Partners LLC to Vaquero Permian Gathering, LLC dated August 19, 2015, recorded Volume 1196, Page 333, Official Public Records of Real Property, Reeves County, Texas.
5. Pipeline Easement Agreement from Wolf Bone Ranch Partners LLC to Oxy Permian Gathering, LLC, said Agreement is unrecorded but reflected on Exhibit A attached hereto.
6. Pipeline Easement Agreement from Wolf Bone Ranch Partners LLC to Oryx Southern Delaware Oil Gathering and Transport LLC, said Agreement is unrecorded but reflected on Exhibit A attached hereto.

REEVES COUNTY

APPRAISAL DISTRICT

[Home](#) [Return to Search](#)  [Print](#)
Property Year 2016 [Tax Summary](#) [Map/Gis](#)

Information Updated 10/10/2016

Property ID: R000011828 Geo ID: 01150-00140-00000-000000

< Previous Property 66 / 105 Next Property >

Property Details

Ownership

WOLF BONE RANCH PARTNERS LLC

110 W LOUSIANA ST STE 500
MIDLAND, TX 79701

Ownership Interest: 1.0000000

Available Actions

Qualified Exemptions

Not Applicable

Legal Information

Legal: Acres: 640.000, Blk: C-3, Tract: 13, AB 1294 BLK C-3 SEC 13PSL

Situs: Not Applicable

Property Valuation History

Values by Year		2016	2015	2014	2013	2012	n/a
Improvements	+	\$0	\$0	\$0	\$0	\$0	\$0
Land	+	\$0	\$0	\$0	\$0	\$0	\$0
Production Market	+	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$0
Personal	+	\$0	\$0	\$0	\$0	\$0	\$0
Mineral	+	\$0	\$0	\$0	\$0	\$0	\$0
Total Market	=	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$0
Agricultural Loss	-	\$26,880	\$26,880	\$26,880	\$26,880	\$26,880	\$0
Homestead Cap Loss	-	\$0	\$0	\$0	\$0	\$0	\$0
Total Assessed	=	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$0

Group Sequence	Code	Building Description	Year Built	Square Footage	Perimeter Footage		
Land Details Market Value: \$0 Production Market Value: \$28,800 Production Value: \$1,920							
Land Code	Acres	Sq. Ft.	Front Ft.	Rear Ft.	Depth	Mkt. Value	Prd. Value
RG4	640.000	27,878,400	0	0		28,800	1,920

Deed History

Sold By	Volume	Page	Deed Date	Instrument
LA ESCALERA LTD PARTNERSHIP	861	583	12/22/2010	SWD #4945
LA ESCALERA LTD PARTNERSHIP	861	583	12/22/2010	SWD #4945
LA ESCALERA LTD PARTNERSHIP	587	790	4/30/1998	

Property Tax Estimation by Entity / Jurisdiction

Code	Description	Taxable Value	Tax Rate per \$100	Tax Factor applied to Taxable Value	Estimated Tax
01	REEVES COUNTY	1,920	\$0.49952	0.0049952	\$9.59
30	P-B-T I.S.D	1,920	\$1.091	0.01091	\$21.02
65	REEVES CO HOSP DIST	1,920	\$0.27	0.0027	\$4.12
Total Estimation			\$1.86052	0.0186052	\$34.73

The above property tax estimation is not a tax bill. Do not pay.
[Click here to view actual Property Tax Bill.](#)

Southwest Data Solutions provides this information "as is" without warranty of any kind.

Southwest Data Solutions is not responsible for any errors or omissions.

REEVES COUNTY

APPRAISAL DISTRICT

[Home](#) [Return to Search](#)  [Print](#)
Property Year 2016 [Tax Summary](#) [Map/Gis](#)

Information Updated 10/10/2016

Property ID: R000011829 Geo ID: 01150-00150-00000-000000

< Previous Property 67 / 105 Next Property >

Property Details**Ownership****Available Actions**

WOLF BONE RANCH PARTNERS LLC

110 W LOUISIANA ST STE 500
MIDLAND, TX 79701

Ownership Interest: 1.0000000

Qualified Exemptions

Not Applicable

Legal Information

Legal: Acres: 640.000, Blk: C-3, Tract: 14, AB 1293 BLK C-3 SEC 14PSL

Situs: Not Applicable

Property Valuation History

Values by Year		2016	2015	2014	2013	2012	n/a
Improvements	+	\$0	\$0	\$0	\$0	\$0	\$0
Land	+	\$0	\$0	\$0	\$0	\$0	\$0
Production Market	+	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$0
Personal	+	\$0	\$0	\$0	\$0	\$0	\$0
Mineral	+	\$0	\$0	\$0	\$0	\$0	\$0
Total Market	=	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$0
Agricultural Loss	-	\$26,880	\$26,880	\$26,880	\$26,880	\$26,880	\$0
Homestead Cap Loss	-	\$0	\$0	\$0	\$0	\$0	\$0
Total Assessed	=	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$0

[Improve Buildings](#)
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Group Sequence	Code	Building Description	Year Built	Square Footage	Perimeter Footage
----------------	------	----------------------	------------	----------------	-------------------

Land Details
Market Value: \$0
Production Market Value: \$28,800
Production Value: \$1,920

Land Code	Acres	Sq. Ft.	Front Ft.	Rear Ft.	Depth	Mkt. Value	Prd. Value
RG4	640.000	27,878,400	0	0		28,800	1,920

Deed History

Sold By	Volume	Page	Deed Date	Instrument
LA ESCALERA LTD PARTNERSHIP	861	583	12/22/2010	SWD #4945
LA ESCALERA LTD PARTNERSHIP	861	583	12/22/2010	SWD #4945
LA ESCALERA LTD PARTNERSHIP	587	790	4/30/1998	

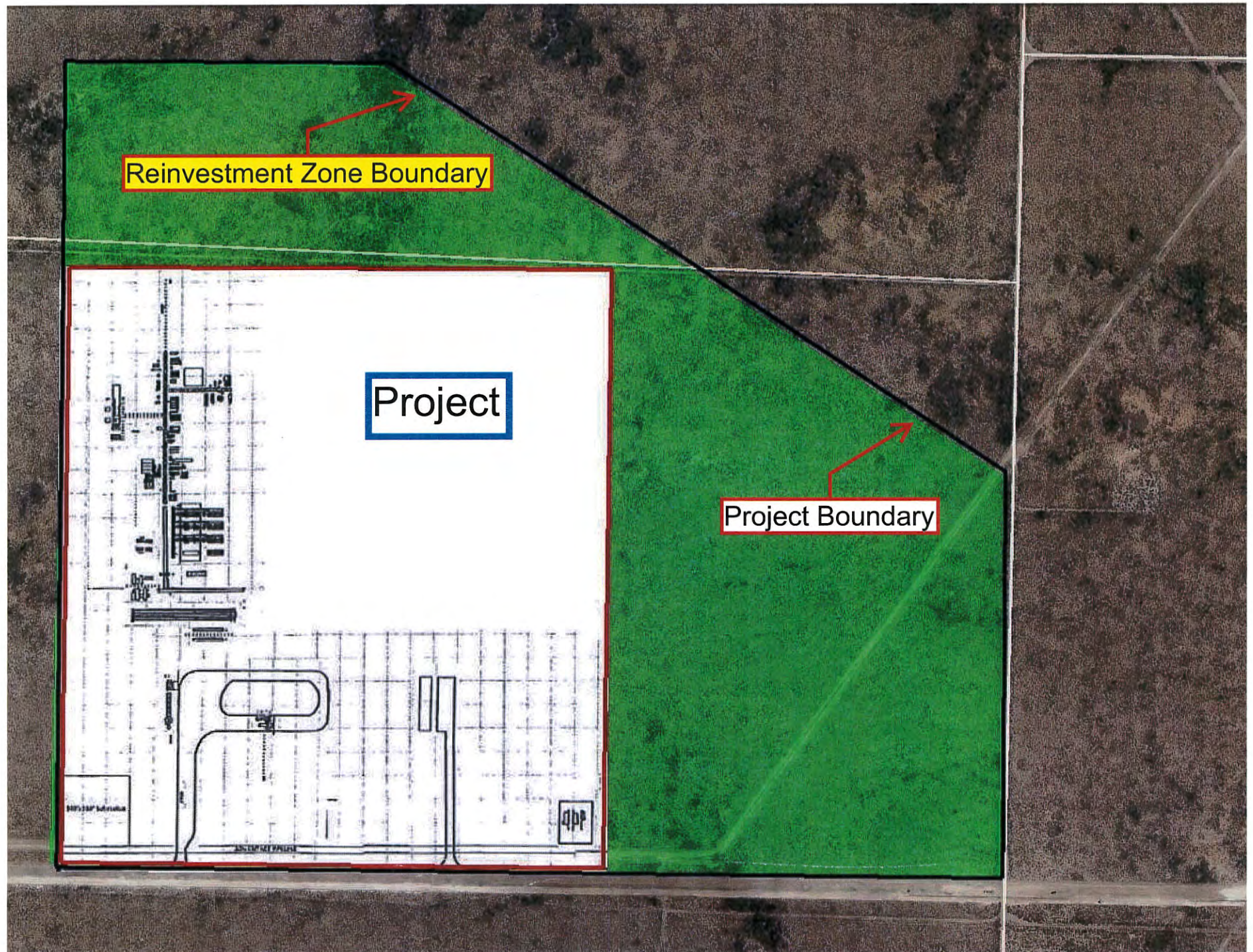
Property Tax Estimation by Entity / Jurisdiction

Code	Description	Taxable Value	Tax Rate per \$100	Tax Factor applied to Taxable Value	Estimated Tax
01	REEVES COUNTY	1,920	\$0.49952	0.0049952	\$9.59
30	P-B-T I.S.D	1,920	\$1.091	0.01091	\$21.02
65	REEVES CO HOSP DIST	1,920	\$0.27	0.0027	\$4.12
Total Estimation			\$1.86052	0.0186052	\$34.73

The above property tax estimation is not a tax bill. Do not pay.
[Click here to view actual Property Tax Bill.](#)

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 Southwest Data Solutions is not responsible for any errors or omissions.

Map of Qualified Property within Reinvestment Zone



TAB 10

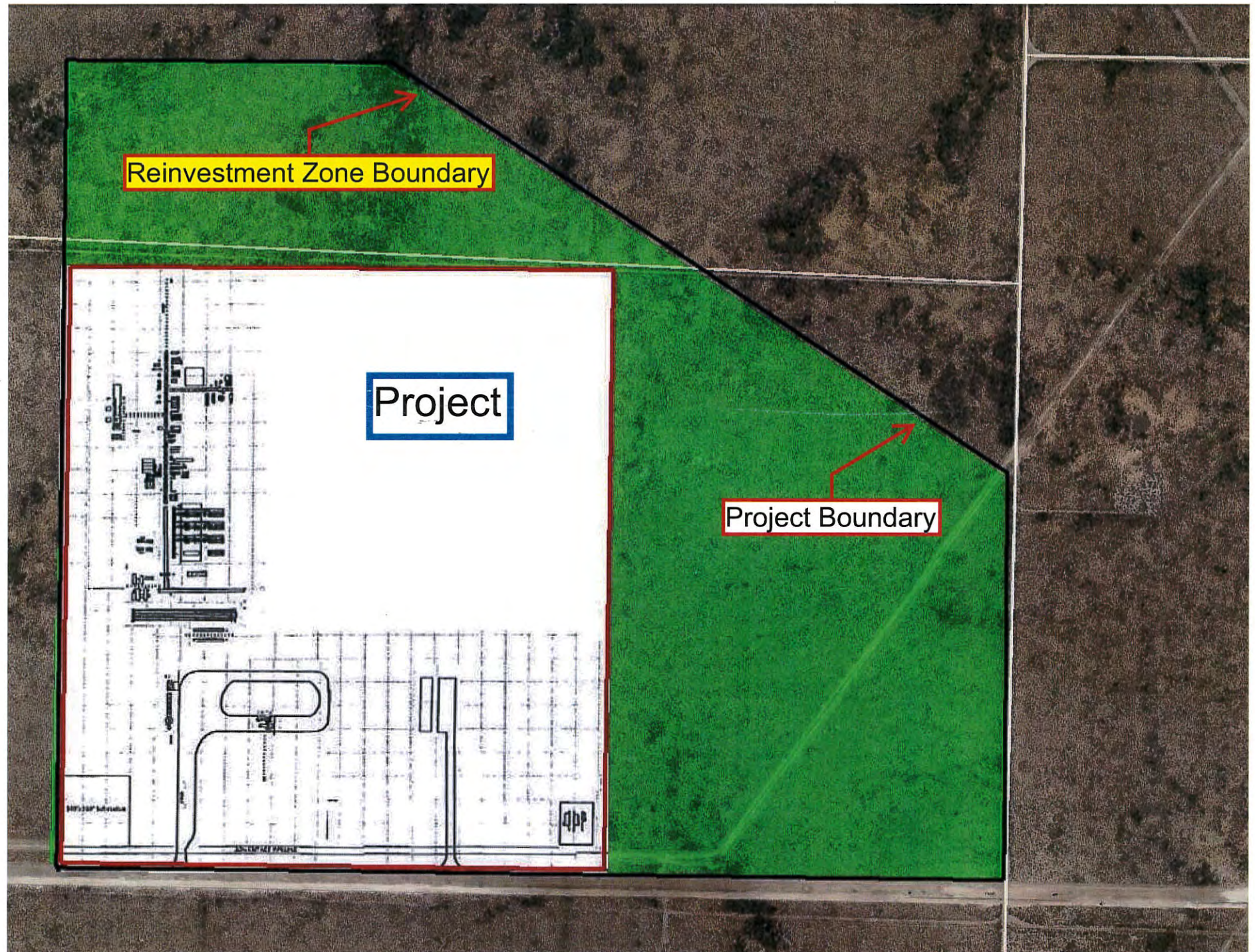
Description of Existing Improvements

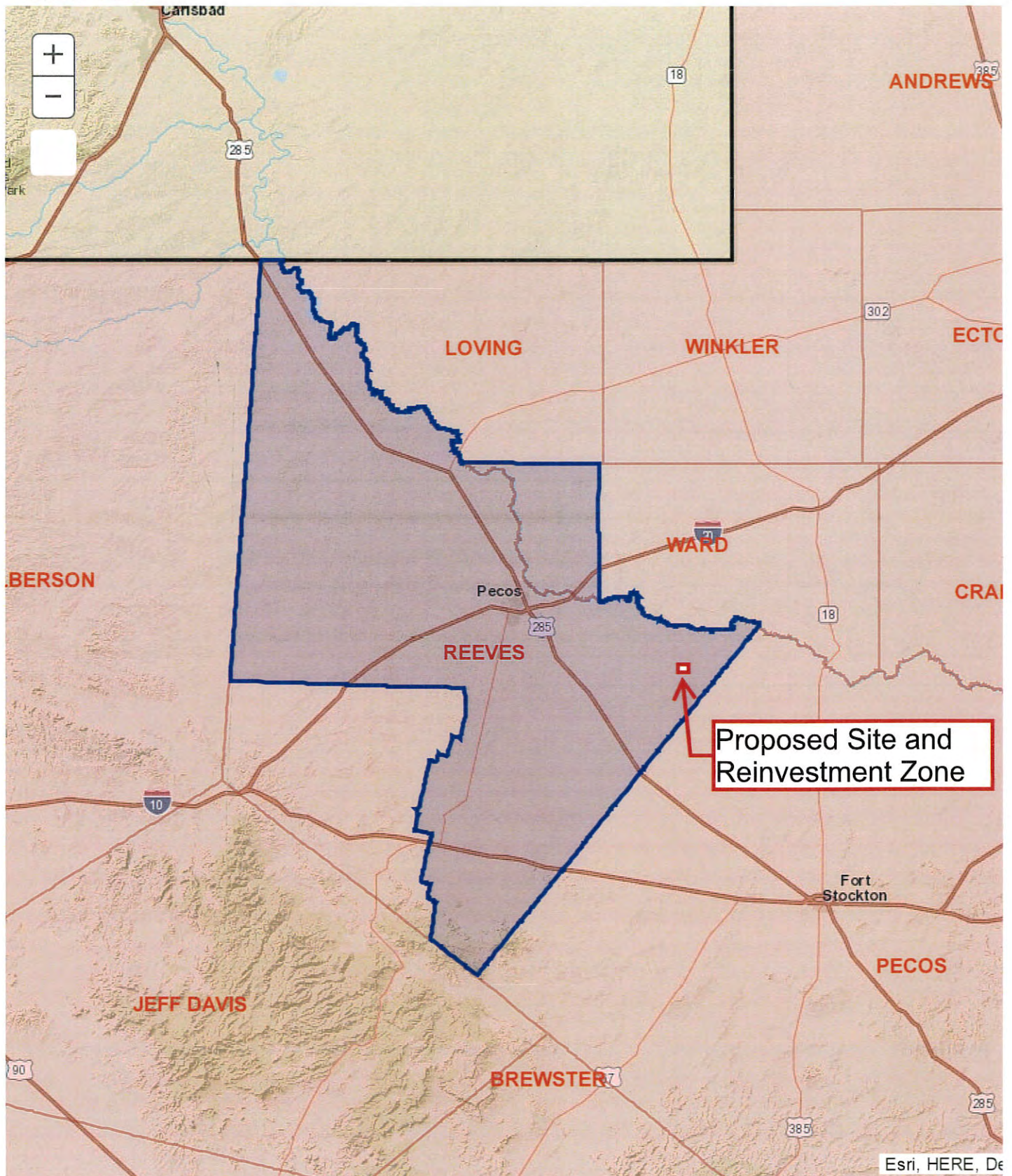
There are no existing improvements related to the proposed project at this site.

TAB 11

Maps

Map of Qualified Property within Reinvestment Zone





Potential Plant Site

Arrowhead Plant

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Google Earth

© 2016 Google

1000 ft

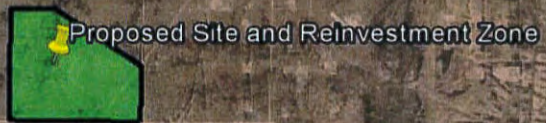


Potential Plant Site

Arrowhead Plant

Legend

 Proposed Site and Reinvestment Zone



Google Earth

© 2016 Google

Coyanosa



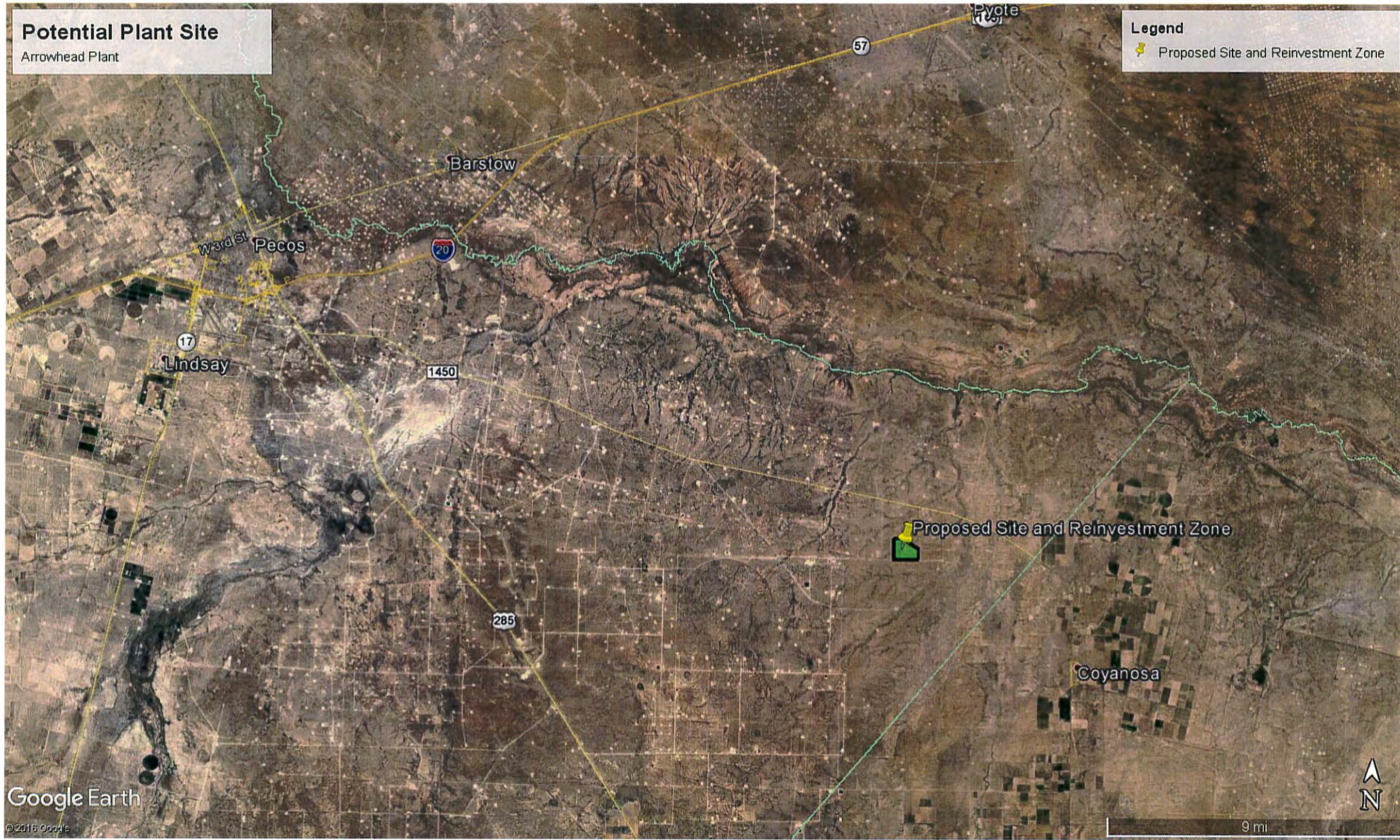
2 mi

Potential Plant Site

Arrowhead Plant

Legend

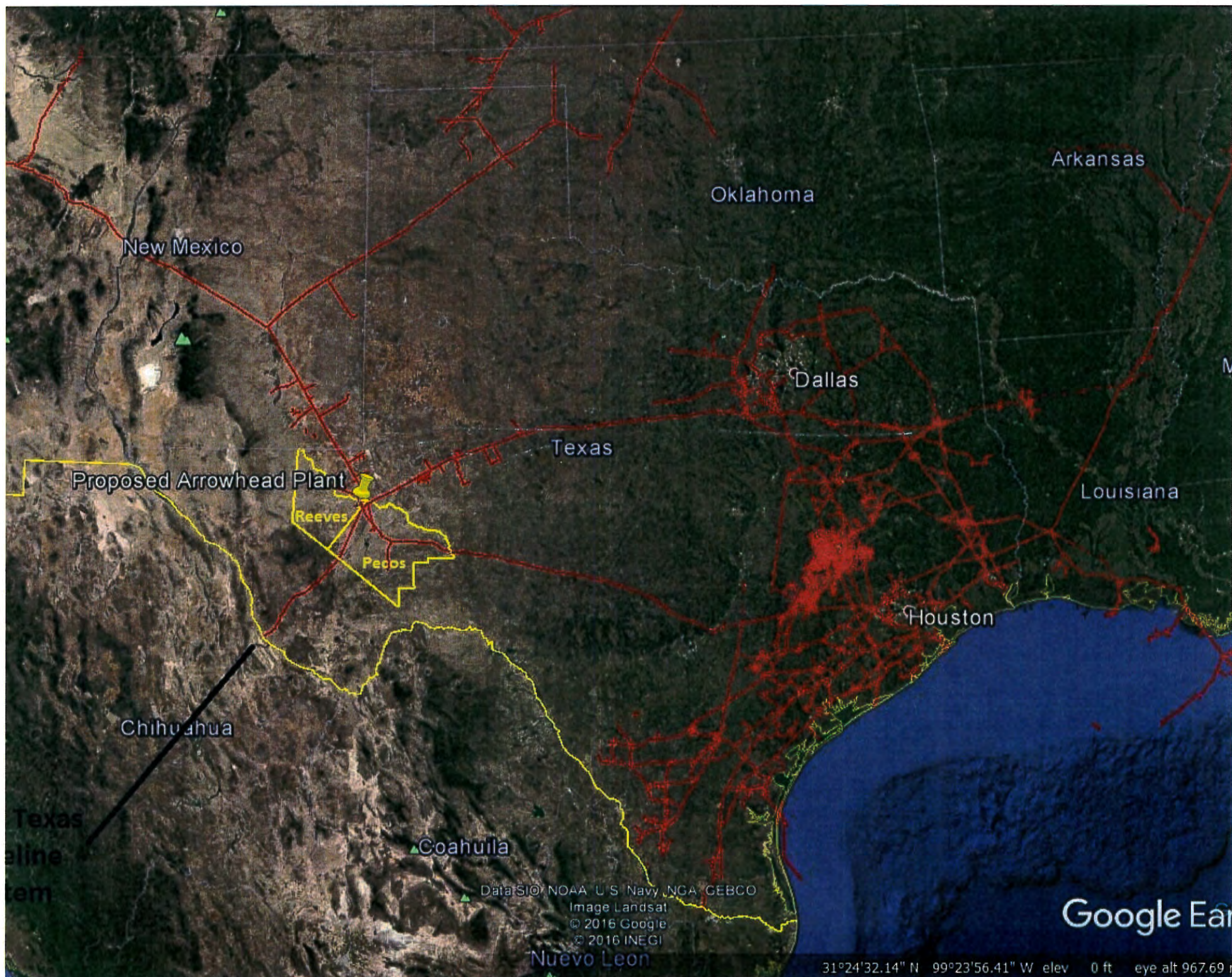
Proposed Site and Reinvestment Zone



Google Earth

© 2016 Google

9 mi



Proposed Arrowhead Plant

Reeves

Pecos

Chihuahua

Coahuila

Nuevo Leon

Oklahoma

Arkansas

Dallas

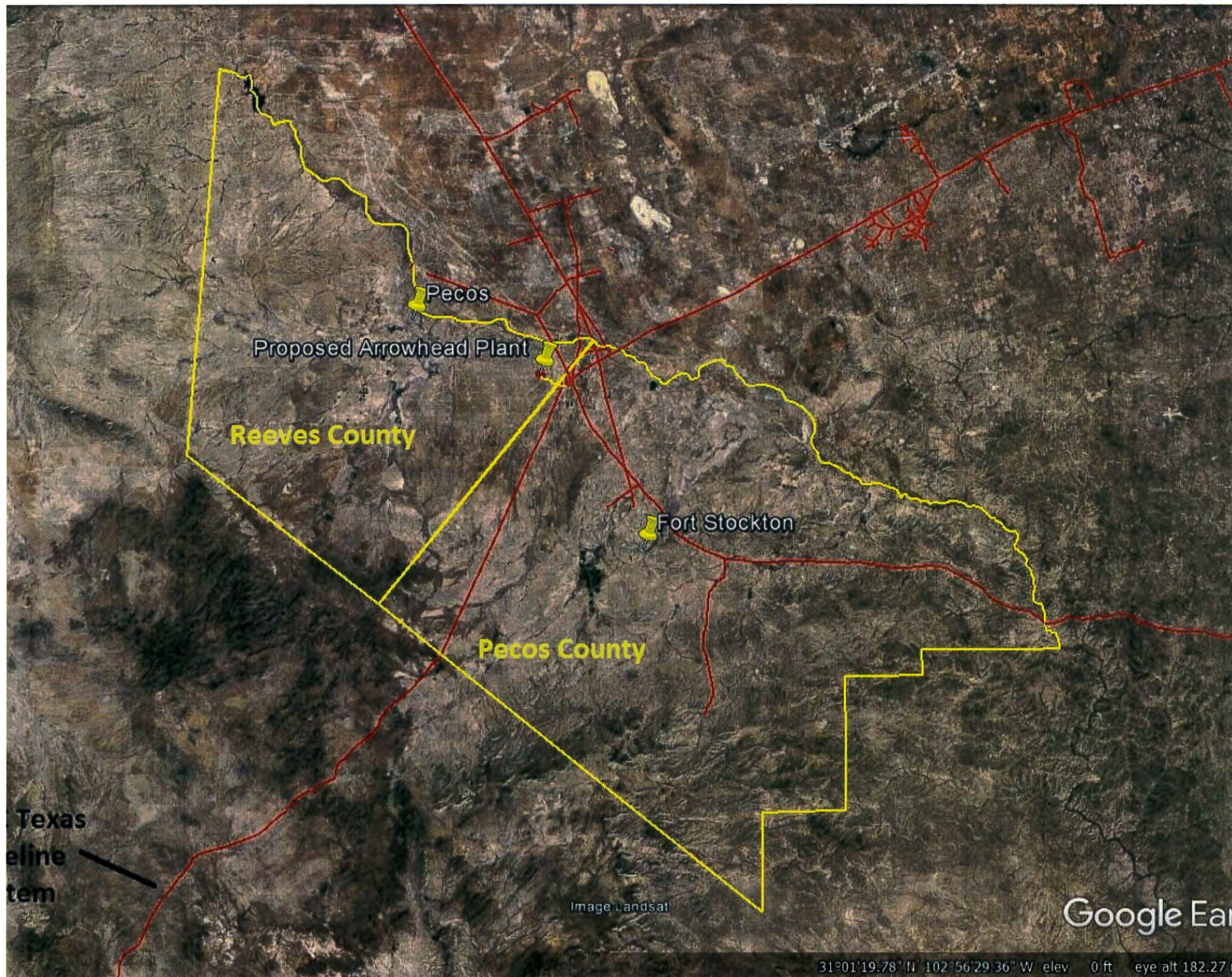
Louisiana

Houston

DataSIO NOAA U.S. Navy NGA GEBCO
Image Landsat
© 2016 Google
© 2016 INEGI

Google Earth

31°24'32.14" N 99°23'56.41" W elev 0 ft eye alt 967.69 m



Proposed Arrowhead Plant

Pecos

Reeves County

Fort Stockton

Pecos County

Texas
eline
tem

Image Landsat

Google Earth

31°01'19.78" N 102°56'29.36" W elev 0 ft eye alt 182.27 ft

EXHIBIT "A"

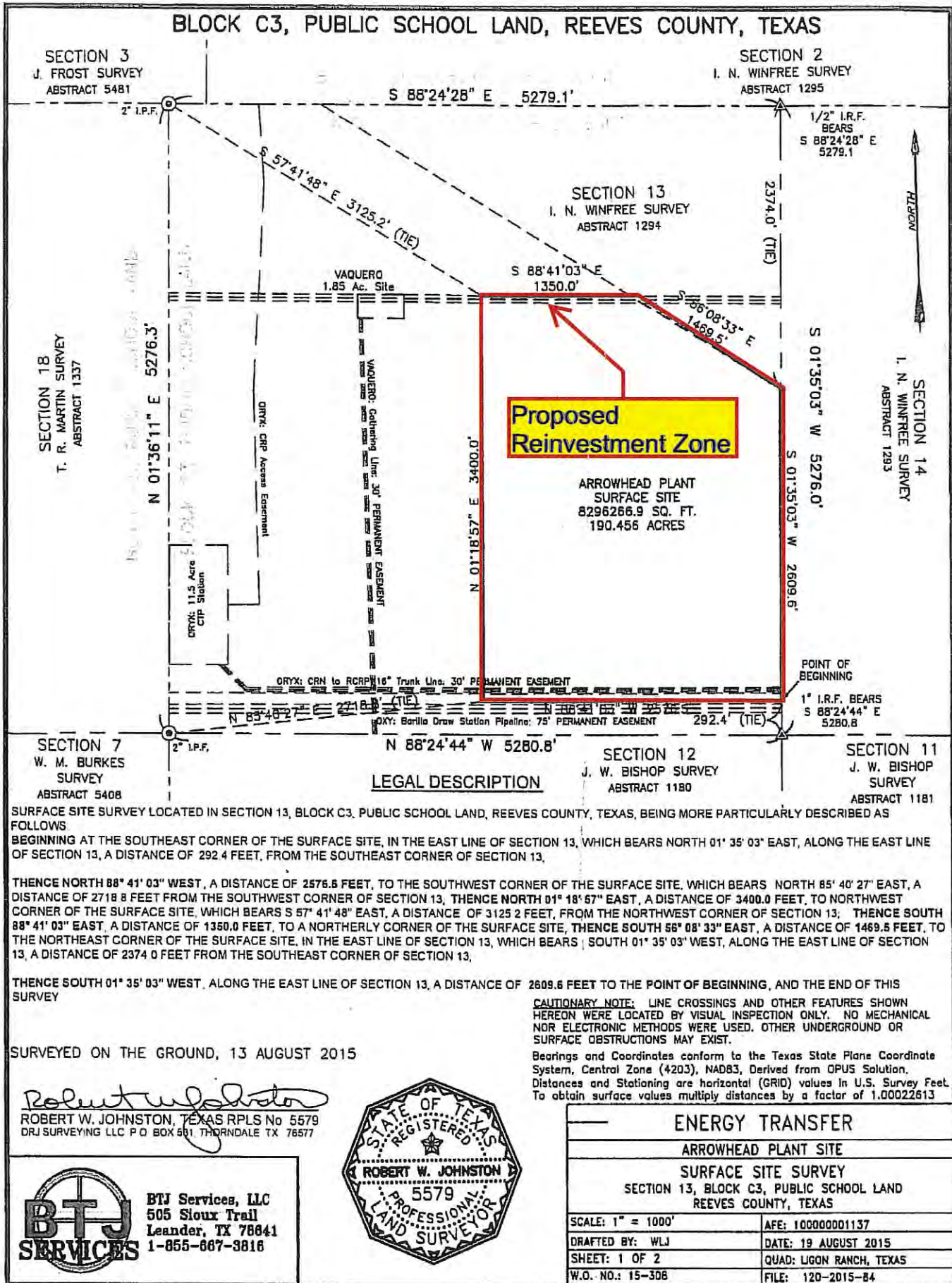
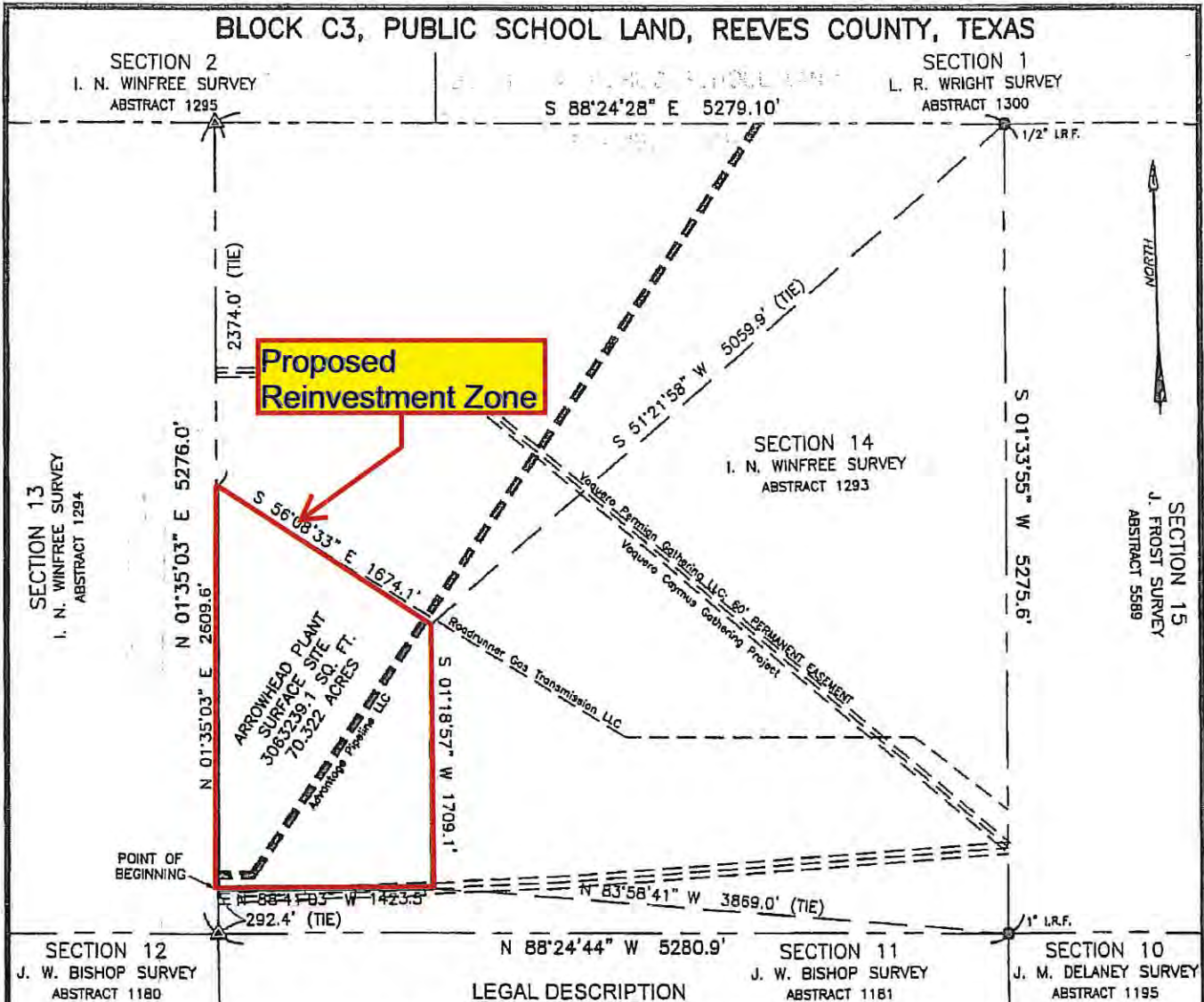


EXHIBIT "A"



LEGAL DESCRIPTION

SURFACE SITE SURVEY LOCATED IN SECTION 14, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SURFACE SITE, IN THE WEST LINE OF SECTION 14, WHICH BEARS NORTH 01° 35' 03" EAST, ALONG THE EAST LINE OF SECTION 14, A DISTANCE OF 292.4 FEET, FROM THE SOUTHWEST CORNER OF SECTION 14;

THENCE NORTH 01° 35' 03" EAST, ALONG THE WEST LINE OF SECTION 14, A DISTANCE OF 2609.6 FEET, TO THE NORTHWEST CORNER OF THE SURFACE SITE WHICH BEARS SOUTH 01° 35' 03" WEST, ALONG THE WEST LINE OF SECTION 14, A DISTANCE OF 2374.0 FEET FROM THE NORTHWEST CORNER OF SECTION 14, THENCE SOUTH 56° 08' 33" EAST, A DISTANCE OF 1674.1 FEET, TO NORTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS SOUTH 51° 21' 58" WEST, A DISTANCE OF 5059.9 FEET FROM THE NORTHEAST CORNER OF SECTION 14; THENCE SOUTH 01° 18' 57" WEST, A DISTANCE OF 1709.1 FEET, TO SOUTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS NORTH 83° 58' 41" WEST, A DISTANCE OF 3869.0 FEET FROM THE SOUTHEAST CORNER OF SECTION 14.

THENCE NORTH 88° 41' 03" WEST, A DISTANCE OF 1423.5 FEET TO THE POINT OF BEGINNING, AND THE END OF THIS SURVEY.

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER FEATURES SHOWN HEREON WERE LOCATED BY VISUAL INSPECTION ONLY. NO MECHANICAL NOR ELECTRONIC METHODS WERE USED. OTHER UNDERGROUND OR SURFACE OBSTRUCTIONS MAY EXIST.

Bearings and Coordinates conform to the Texas State Plane Coordinate System, Central Zone (4203), NAD83, Derived from OPUS Solution. Distances and Stationing are horizontal (GRID) values in U.S. Survey Feet. To obtain surface values multiply distances by a factor of 1.00022613.

SURVEYED ON THE GROUND, 13 AUGUST 2015

Robert W. Johnston
ROBERT W. JOHNSTON, TEXAS RPLS No. 5579
DRJ SURVEYING LLC P.O. BOX 511, THORNDALE TX 76577



BTJ Services, LLC
505 Sioux Trail
Leander, TX 78641
1-855-667-3816

ENERGY TRANSFER

ARROWHEAD PLANT SITE

SURFACE SITE SURVEY
SECTION 14, BLOCK C3, PUBLIC SCHOOL LAND
REEVES COUNTY, TEXAS

SCALE: 1" = 1000'

AFE: 100000001137

DRAFTED BY: WLJ

DATE: 19 AUGUST 2015

SHEET: 2 OF 2

QUAD: UGON RANCH, TEXAS

W.O. NO.: 15-308

FILE: 120-2015-84

TAB 12

Request for Job Waiver

N/A

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

2015	3Q	\$	715
2015	4Q	\$	751
2016	1Q	\$	722
2016	2Q	\$	711

$$\begin{array}{rcl} \$ 2,899 & /4 = & \$725 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 797.23 \end{array}$$

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

2015	3Q	\$	607
2015	4Q	\$	783
2016	1Q	\$	648
2016	2Q	\$	518

$$\begin{array}{rcl} \$ 2,556 & /4 = & \$639 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 702.90 \end{array}$$

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

\$52,382.00 per year in Permian Basin

$\times 1.10 (110\%)$

\$57,620.20

2015 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$24.41	\$50,778
<u>1. Panhandle Regional Planning Commission</u>	\$20.64	\$42,941
<u>2. South Plains Association of Governments</u>	\$17.50	\$36,408
<u>3. NORTEX Regional Planning Commission</u>	\$23.28	\$48,413
<u>4. North Central Texas Council of Governments</u>	\$25.03	\$52,068
<u>5. Ark-Tex Council of Governments</u>	\$18.46	\$38,398
<u>6. East Texas Council of Governments</u>	\$19.84	\$41,270
<u>7. West Central Texas Council of Governments</u>	\$19.84	\$41,257
<u>8. Rio Grande Council of Governments</u>	\$18.32	\$38,109
<u>9. Permian Basin Regional Planning Commission</u>	\$25.18	\$52,382
<u>10. Concho Valley Council of Governments</u>	\$18.80	\$39,106
<u>11. Heart of Texas Council of Governments</u>	\$21.41	\$44,526
<u>12. Capital Area Council of Governments</u>	\$29.98	\$62,363
<u>13. Brazos Valley Council of Governments</u>	\$18.78	\$39,057
<u>14. Deep East Texas Council of Governments</u>	\$17.30	\$35,993
<u>15. South East Texas Regional Planning Commission</u>	\$30.41	\$63,247
<u>16. Houston-Galveston Area Council</u>	\$26.44	\$54,985
<u>17. Golden Crescent Regional Planning Commission</u>	\$23.73	\$49,361
<u>18. Alamo Area Council of Governments</u>	\$19.96	\$41,516
<u>19. South Texas Development Council</u>	\$15.87	\$33,016
<u>20. Coastal Bend Council of Governments</u>	\$25.97	\$54,008
<u>21. Lower Rio Grande Valley Development Council</u>	\$16.17	\$33,634
<u>22. Texoma Council of Governments</u>	\$19.04	\$39,595
<u>23. Central Texas Council of Governments</u>	\$18.04	\$37,533
<u>24. Middle Rio Grande Development Council</u>	\$22.24	\$46,263

Source: Texas Occupational Employment and Wages

Data published: July 2016

Data published annually, next update will be July 31, 2017

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](#)

D.PERIODYEAR

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2016	1st Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$722
2016	2nd Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$711
2015	1st Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$789
2015	2nd Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$700
2015	3rd Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$715
2015	4th Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$751

Quarterly Employment and Wages (QCEW)

[Back](#)

D.PERIODYEAR

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2016	1st Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$648
2016	2nd Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$518
2015	1st Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$306
2015	2nd Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$393
2015	3rd Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$607
2015	4th Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$783

TAB 14

Schedules A1 - D

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

Applicant Name ETC Texas Pipeline, LTD
 ISD Name Pecos - Barstow - Toyah ISD

Form 50-296A
 Revised Feb 2014

PROPERTY INVESTMENT AMOUNTS								
(Estimated Investment in each year. Do not put cumulative totals.)								
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+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)	2016-2017	2016	Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
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			2017-2018	2017	\$ 105,000,000.00	\$ -	\$ -	\$ -
Complete tax years of qualifying time period	QTP1	2018-2019	2018	\$ -	\$ -	\$ -	\$ -	\$ -
	QTP2	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				\$ 105,000,000.00	\$ -	\$ -	\$ -	\$ 105,000,000.00
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				\$ 105,000,000.00				

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

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: 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 313.021(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 D: 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.

Schedule A2: Total Investment for Economic Impact (including Qualified Property and other investments)

Applicant Name ETC Texas Pipeline, LTD
 ISD Name Pecos - Barstow - Toyah ISD

Form 50-296A

Revised Feb 2014

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 nonremovable components of buildings that will become Qualified Property	Column C Other investment made during this year that will not become Qualified Property [SEE NOTE]	Column D Other investment made during this year that will become Qualified Property [SEE NOTE]	Column E Total Investment (A+B+C+D)
Total Investment from Schedule A1*	—	TOTALS FROM SCHEDULE A1		\$ 105,000,000.00				\$ 105,000,000.00
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2016-2017	2016					
Each year prior to start of value limitation period** <i>Insert as many rows as necessary</i>	0	2017-2018	2017	\$ 105,000,000.00				\$ 105,000,000.00
Value limitation period***	1	2018-2019	2018					
	2	2019-2020	2019					
	3	2020-2021	2020					
	4	2021-2022	2021					
	5	2022-2023	2022					
	6	2023-2024	2023					
	7	2024-2025	2024					
	8	2025-2026	2025					
	9	2026-2027	2026					
	10	2027-2028	2027					
Total Investment made through limitation				\$ 105,000,000.00				\$ 105,000,000.00
Continue to maintain viable presence	11	2028-2029	2028					
	12	2029-2030	2029					
	13	2030-2031	2030					
	14	2031-2032	2031					
	15	2032-2033	2032					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2033-2034	2033					
	17	2034-2035	2034					
	18	2035-2036	2035					
	19	2036-2037	2036					
	20	2037-2038	2037					
	21	2038-2039	2038					
	22	2039-2040	2039					
	23	2040-2041	2040					
	24	2041-2042	2041					
	25	2042-2043	2042					

* 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.

*** If your qualifying 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/years that were not captured on Schedule A1.

For All Columns: List amount invested each year, not cumulative totals. Only include investments in the remaining rows of Schedule A2 that were not captured on Schedule A1.

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.

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

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: 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 313.021(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 D: 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.

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

Applicant Name

ETC Texas Pipeline, LTD

Form 50-296A

ISD Name

Pecos - Barstow - Toyah ISD

Revised Feb 2014

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	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	0	2016-2017	2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Each year prior to start of Value Limitation Period	0	2017-2018	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2018-2019	2018	\$ -	\$ -	\$ 95,000,000.00	\$ 95,000,000.00	\$ 95,000,000.00	\$ 30,000,000.00
	2	2019-2020	2019	\$ -	\$ -	\$ 91,200,000.00	\$ 91,200,000.00	\$ 91,200,000.00	\$ 30,000,000.00
	3	2020-2021	2020	\$ -	\$ -	\$ 87,400,000.00	\$ 87,400,000.00	\$ 87,400,000.00	\$ 30,000,000.00
	4	2021-2022	2021	\$ -	\$ -	\$ 83,600,000.00	\$ 83,600,000.00	\$ 83,600,000.00	\$ 30,000,000.00
	5	2022-2023	2022	\$ -	\$ -	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 30,000,000.00
	6	2023-2024	2023	\$ -	\$ -	\$ 76,000,000.00	\$ 76,000,000.00	\$ 76,000,000.00	\$ 30,000,000.00
	7	2024-2025	2024	\$ -	\$ -	\$ 72,200,000.00	\$ 72,200,000.00	\$ 72,200,000.00	\$ 30,000,000.00
	8	2025-2026	2025	\$ -	\$ -	\$ 68,400,000.00	\$ 68,400,000.00	\$ 68,400,000.00	\$ 30,000,000.00
	9	2026-2027	2026	\$ -	\$ -	\$ 64,600,000.00	\$ 64,600,000.00	\$ 64,600,000.00	\$ 30,000,000.00
	10	2027-2028	2027	\$ -	\$ -	\$ 60,800,000.00	\$ 60,800,000.00	\$ 60,800,000.00	\$ 30,000,000.00
Continue to maintain viable presence	11	2028-2029	2028	\$ -	\$ -	\$ 57,000,000.00	\$ 57,000,000.00	\$ 57,000,000.00	\$ 57,000,000.00
	12	2029-2030	2029	\$ -	\$ -	\$ 53,200,000.00	\$ 53,200,000.00	\$ 53,200,000.00	\$ 53,200,000.00
	13	2030-2031	2030	\$ -	\$ -	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00
	14	2031-2032	2031	\$ -	\$ -	\$ 45,600,000.00	\$ 45,600,000.00	\$ 45,600,000.00	\$ 45,600,000.00
	15	2032-2033	2032	\$ -	\$ -	\$ 41,800,000.00	\$ 41,800,000.00	\$ 41,800,000.00	\$ 41,800,000.00
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2033-2034	2033	\$ -	\$ -	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00
	17	2034-2035	2034	\$ -	\$ -	\$ 34,200,000.00	\$ 34,200,000.00	\$ 34,200,000.00	\$ 34,200,000.00
	18	2035-2036	2035	\$ -	\$ -	\$ 30,400,000.00	\$ 30,400,000.00	\$ 30,400,000.00	\$ 30,400,000.00
	19	2036-2037	2036	\$ -	\$ -	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00
	20	2037-2038	2037	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	21	2038-2039	2038	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	22	2039-2040	2039	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	23	2040-2041	2040	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	24	2041-2042	2041	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	25	2042-2043	2042	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00

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.

Schedule C: Employment Information

Applicant Name ETC Texas Pipeline, LTD
ISD Name Pecos - Barstow - Toyah ISD

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Revised Feb 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2016-2017	2016	0	\$ -	N/A	0	N/A
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	0	2017-2018	2017	150 FTE	\$ 57,620.20	N/A	10	\$ 57,620.20
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2018-2019	2018			N/A	10	\$ 57,620.20
	2	2019-2020	2019			N/A	10	\$ 57,620.20
	3	2020-2021	2020			N/A	10	\$ 57,620.20
	4	2021-2022	2021			N/A	10	\$ 57,620.20
	5	2022-2023	2022			N/A	10	\$ 57,620.20
	6	2023-2024	2023			N/A	10	\$ 57,620.20
	7	2024-2025	2024			N/A	10	\$ 57,620.20
	8	2025-2026	2025			N/A	10	\$ 57,620.20
	9	2026-2027	2026			N/A	10	\$ 57,620.20
	10	2027-2028	2027			N/A	10	\$ 57,620.20
Years Following Value Limitation Period	11 through 26	2028-2043	2028-2043			N/A	10	\$ 57,620.20

Notes: See TAC 9.1051 for definition of non-qualifying jobs.
Only include jobs on the project site in this school district.

- C1.

Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25 qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)
If yes, answer the following two questions:

☐ Yes ☒ No
- C1a.

Will the applicant request a job waiver, as provided under 313.025(f-1)?

☐ Yes ☒ No
- C1b.

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

☐ Yes ☒ No

Schedule D: Other Incentives (Estimated)

Applicant Name ETC Texas Pipeline, LTD
ISD Name Pecos - Barstow - Toyah ISD

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Revised Feb 2014

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: Reeves County	2018	2018 - 2022	\$ 436,581.00	Avg 50% Per Yr	\$ 218,291.00
	City:					
	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				\$ 436,581.00		\$ 218,291.00

Additional information on incentives for this project:

TAB 15

Economic Impact Study

N/A

TAB 16

Description of Reinvestment Zone

Re-Investment Zone to be created by ISD

TAB 17

Signature and Certification Page

Application for Appraised Value Limitation on Qualified Property

SECTION 2: Authorized Signatures and Notarization

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

Jim Haley
Print Name (Authorized School District Representative)

Superintendent
Title

sign
here

Jim Haley
Signature (Authorized School District Representative)

11/1/16
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

Megan McKavanagh
Print Name (Authorized Company Representative (Applicant))

Sr. Manager Property Tax
Title

sign
here

Megan McKavanagh
Signature (Authorized Company Representative (Applicant))

10/11/16
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

11 day of October, 2016

Beverly M. Hernandez
Notary Public in and for the State of Texas

My Commission expires: 9.3.2019

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.