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Sara Hardner Leon
Darrick W. Eugene
Mackenzie Lewis
Casandra Johnson
William C. Bednar, Of Counsel



Jay Youngblood
Tyler, Texas

John J. Janssen, Ph.D.
Corpus Christi, Texas

Rick W. Powell
Pittsburg/Lewisville, Texas

February 23, 2017

Via Hand Delivery

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

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

First Year of Qualifying Time Period: 2019
First Year of Limitation: 2019

Dear Local Government Assistance and Economic Analysis Division:

The Pecos-Barstow-Toyah Independent School District Board of Trustees approved the enclosed Application for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes at a duly called meeting held on February 15, 2018. The Application was determined to be complete on February 23, 2018. The proposed project is a new gas processing plant.

Please note that the Applicant is seeking a waiver of the job creation requirement as set forth in Section 313.051(b) of the Texas Tax Code.

A copy is being provided to the Reeves County Appraisal District by copy of this correspondence. The Board of Trustees believes this project will be beneficial to the District and looks forward to your review and certification of this Application.

Thank you so much for your kind attention to this matter.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Sara Leon', is written over a horizontal line.

Sara Hardner Leon

SHL:sl

Enclosures

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, Ste. 665
Corpus Christi, Texas 78401
t: 361-452-2804
f: 361-452-2743

cc: Mr. John Huddleston
Chief Appraiser
Reeves County Appraisal District
Post Office Box 1229
Pecos, Texas 79772

Via electronic mail: jhaley@pbtisd.esc18.net

Mr. Jim Haley, Superintendent of Schools
Pecos-Barstow-Toyah Independent School District

Via Electronic Mail: Mike@keatax.com

Mr. Mike Fry, Director
K.E. Andrews

February 15th, 2018

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 4th quarter of 2018.

The positive economic impact stretches beyond the investment by providing many jobs during the construction phase, and at least 3 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,


Mike Fry

TAB 01

Application

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

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 comptroller.texas.gov/economy/local/ch313/. 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

February 15, 2018

Date Application Received by District

Jim

First Name

Haley

Last 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

TX

State

432-447-3076

Fax Number

79772

ZIP

jhaley@pbtisd.esc18.net

Email Address

Mobile Number (optional)

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
Email Address
Mobile Number *(optional)*

4. On what date did the district determine this application complete? February 23, 2018

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
Title
800 E Sonterra Blvd., Suite 400
Street Address
800 E Sonterra Blvd., Suite 400
Mailing Address
San Antonio TX 78258-3941
City State ZIP
210-572-0457 210-403-6664
Phone Number Fax Number
megan.mckavanagh@energytransfer.com
Business Email Address
Mobile Number *(optional)*

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

First Name

Fry

Last Name

Director (Authorized Agent)

Title

K E Andrews 1900 Dalrock Road; Rowlett, TX 75088

Firm Name

469-298-1594

Phone Number

mfry@keatax.com

Business Email Address

469-298-1619

Fax Number

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
Ganado ISD225, Kenedy ISD234, Glasscock ISD1032, Rankin ISD1080, Crockett ISD1044, P-B-T ISD1160

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 ☐ 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, 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 2018
 2. Commencement of construction June 2018
 3. Beginning of qualifying time period January 2019
 4. First year of limitation January 2019
 5. Begin hiring new employees September 2018
 6. Commencement of commercial operations January 2019
 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? January 2019

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: <u>Reeves County, .499521 - 100%</u> (Name, tax rate and percent of project)	City: <u>N/A</u> (Name, tax rate and percent of project)
Hospital District: <u>Reeves County Hosp., .2400 - 100%</u> (Name, tax rate and percent of project)	Water District: <u>Reeves County WCID #2 .1193459 - 100%</u> (Name, tax rate and percent of project)
Other (describe): <u>N/A</u> (Name, tax rate and percent of project)	Other (describe): <u>N/A</u> (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 comptroller.texas.gov/economy/local/ch313/.

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?

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 2017
 (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? 3
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 935.55
- b. 110% of the average weekly wage for manufacturing jobs in the county is 1,378.30
- c. 110% of the average weekly wage for manufacturing jobs in the region is 1,143.98
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? 59,486.90
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 59,486.90
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**.

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 ▶

Jim Hale
Print Name (Authorized School District Representative)

Superintendent
Title

sign
here ▶

[Signature]
Signature (Authorized School District Representative)

2/15/18
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 ▶

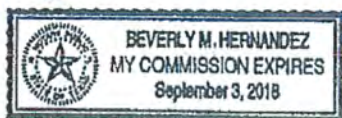
Megan McKavanagh
Print Name (Authorized Company Representative (Applicant))

Sr. Mgr Property Tax
Title

sign
here ▶

Megan McKavanagh
Signature (Authorized Company Representative (Applicant))

2/15/18
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

5 day of February, 2018

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

My Commission expires: 9.3.2018

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, 8 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

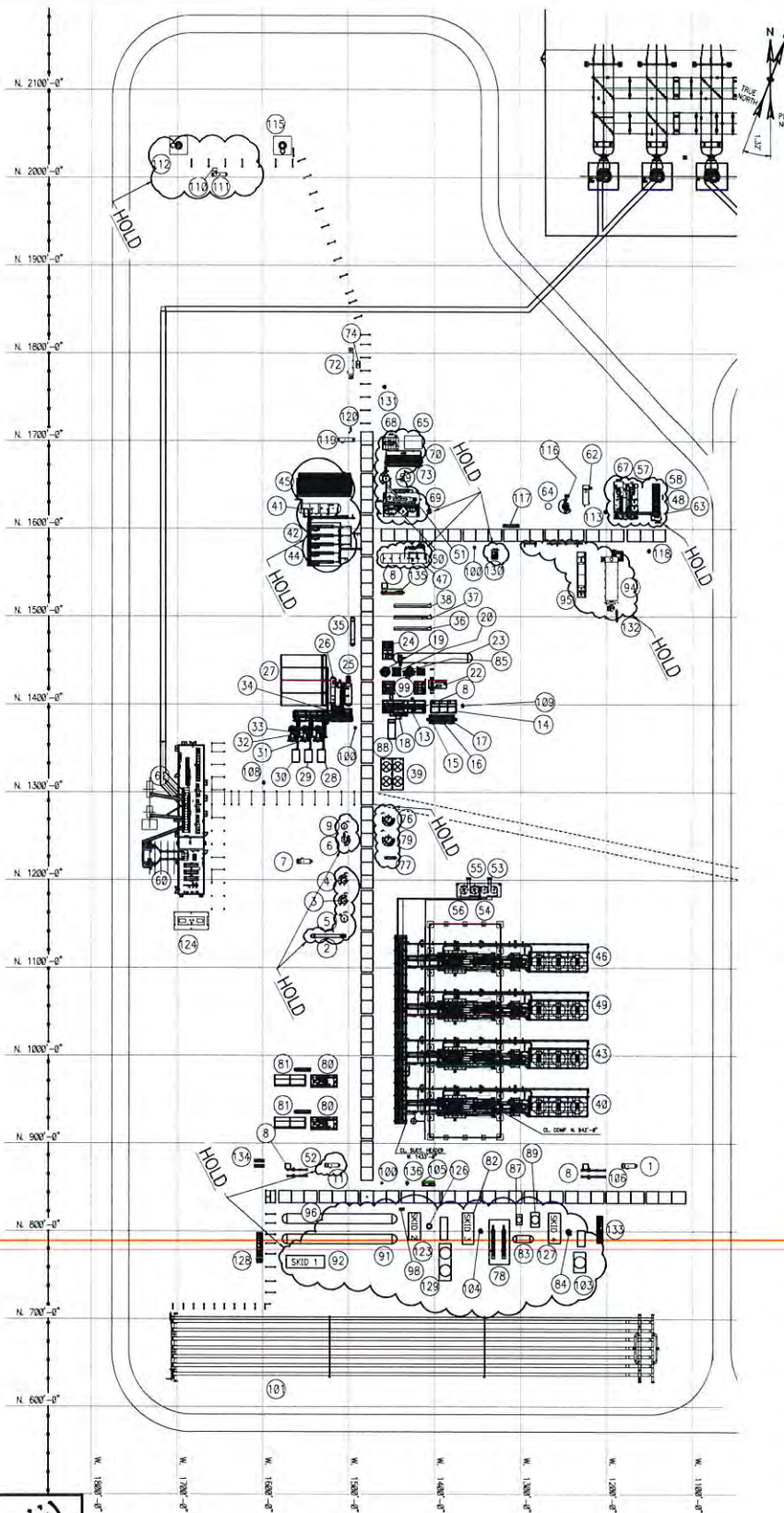
Proposed Project Description

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 June of 2018 and start hiring the new employees in September of 2018. This should allow for completion and commencement of commercial operations to start in January of 2018.

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.



TAG NUMBER	DESCRIPTION
1	F-1161-2 INLET FILTER COALESCER SEPARATOR
2	E-1330-2 INLET GAS/GAS EXCHANGER
3	T-1103-2 INLET GAS AMINE CONTACTOR
4	T-1104-2 INLET GAS AMINE CONTACTOR
5	V-1106-2 AMINE AFTER SCRUBBER
6	T-1400-2 GLYCOL CONTACTOR
7	V-2422-2 GLYCOL CONTACTOR INLET FILTER SEPARATOR
8	GC BUILDING (4 TOTAL)
9	V-1401-2 GLYCOL AFTERSCRUBBER
10	V-2210-2 RESIDUE GAS FILTER/COALESCER
11	- UPPER LEVEL INLET SKID #6
12	- DEHY SWITCHING VALVE SKID #2
13	V-442-2 MDL SIEVE DEHYDRATOR
14	V-443-2 MDL SIEVE DEHYDRATOR
15	V-444-2 MDL SIEVE DEHYDRATOR
16	- INLET FILTER SKID #1
17	V-402-2 COLD SEPARATOR
18	E-201-2 WARM GAS/GAS EXCHANGER
19	EC-101-2 EXPANDER/COMPRESSOR
20	V-404-2 PRODUCT SURGE TANK
21	- PRODUCT PUMP SKID #5
22	E-203-2 CHILLER
23	V-403-2 REFRIGERANT ACCUMULATOR
24	A-361-2 REFRIGERANT CONDENSER
25	A-161-2 LUBE OIL COOLER
26	A-162-2 LUBE OIL COOLER
27	A-163-2 LUBE OIL COOLER
28	C-161-2 REFRIGERANT COMPRESSOR
29	C-162-2 REFRIGERANT COMPRESSOR
30	C-163-2 REFRIGERANT COMPRESSOR
31	- REFRIGERATION SKID #7
32	V-403-2 COLD DRAIN TANK
33	P-1505A-2 NGL PIPELINE PUMP
34	P-1505B-2 NGL PIPELINE PUMP
35	P-1505C-2 NGL PIPELINE PUMP
36	A-301-2 EXPANDER COMPRESSOR AFTERCOOLER
37	CR-201-2 RESIDUE GAS COMPRESSOR
38	V-1119-2 AMINE SURGE TANK
39	P-1105A/B/C-2 AMINE SOLUTION PUMPS (GAS)
40	CR-202-2 RESIDUE GAS COMPRESSOR
41	P-1504A/B-2 AMINE SOLUTION PUMPS (NGL)
42	AC-1111A/B-2 AMINE SOLUTION COOLERS
43	CR-204-2 RESIDUE GAS COMPRESSOR
44	V-1109-2 AMINE FLASH TANK
45	AC-1415-2 BTEX CONDENSER
46	CR-203-2 RESIDUE GAS COMPRESSOR
47	- AMINE FILTER SKID #1
48	- AMINE LEAN/RICH EXCHANGER SKID #2
49	FE-2210A/B-2 RESIDUE GAS METER
50	TK-3003-2 LUBE OIL TANK
51	TK-3002-2 WASTE LUBE OIL TANK
52	TK-3000-2 COOLANT STORAGE TANK
53	TK-3001-2 WASTE COOLANT STORAGE TANK
54	- GLYCOL REGEN SKID #4B
55	AC-1411-2 GLYCOL COOLER
56	T-1114-2 AMINE REGEN STILL
57	- LOW VOLTAGE MCC
58	- MEDIUM VOLTAGE MCC
59	H-741-2 REGEN GAS HEATER
60	BTEX BLOWER PLATFORM #4C
61	V-1910-2 CO2 VENT SCRUBBER
62	- SULFA GUARD
63	- GLYCOL REGEN SKID #4A
64	- REFLEX ACCUMULATOR/PUMP SKID #3
65	TK-1115-2 AMINE SUMP TANK
66	AC-1115-2 REFLEX CONDENSER
67	V-1810-2 FLARE KNOCKOUT DRUM
68	P-1852-2 ANTI-FOAM INJECTION PUMP
69	P-1820A/B-2 FLARE KNOCKOUT PUMP
70	T-1500-2 NGL AMINE CONTACTOR
71	F-1503-2 TREATED NGL COALESCER
72	- PIPELINE PUMPS
73	T-1501-2 NGL AMINE CONTACTOR
74	C-3200A/B-2 STABILIZER OVERHEAD COMPRESSORS
75	AC-3200A/B-2 OVERHEAD COMPRESSOR AFTERCOOLERS
76	- Y-GRADE SKID #3
77	- STABILIZED NGL SURGE TANK
78	- SAYBOLT STABILIZER TOWER
79	T-501-2 DEMETHANIZER
80	- Y-GRADE BOTTOMS COOLER
81	A-341-2 REGEN GAS COOLER
82	- STABILIZED NGL COOLER
83	V-1601-2 L.P. FLASH DRUM
84	H-1706-2 CONDENSATE FEED SKID #1
85	- STABILIZER HMO HEATER
86	- STABILIZER HMO PUMP SKID #5
87	V-2530-2 CONDENSATE RETURN TANK
88	P-2550-2 RE-RUN PUMP
89	- PROCESS SKID #3 & #4
90	V-4015A/B/C-2 INSTRUMENT AIR SURGE TANK
91	V-100-2 SLUG CATCHER
92	- SAYBOLT OVHD CONDENSER
93	- Y-GRADE STABILIZER TOWER
94	FE-1601-2 L.P. FLASH DRUM LIQUIDS METER SKID
95	FE-1161A/B-2 INLET METER
96	TK-730-2 REFRIGERATION SUMP TANK
97	TK-750-2 CRYO SUMP TANK
98	P-1942-2 ACID GAS FLARE V.O. PUMP
99	V-1941-2 ACID GAS FLARE V.O. DRUM
100	FL-1940-2 ACID GAS FLARE
101	TK-2424-2 GLYCOL SUMP TANK
102	FL-1600-2 FLARE
103	TO-1900-2 THERMAL OXIDIZER
104	- THERMAL OXIDIZER CONTROL RACK
105	TK-2870-2 OPEN DRAIN SUMP TANK
106	V-2810-2 CLOSED DRAIN DRUM
107	P-2820-2 CLOSED DRAIN OIL PUMP
108	- RVP STABILIZER SKID #2
109	C-4000-2 INSTRUMENT AIR COMPRESSOR
110	- RVP STABILIZER TOWER
111	- SAYBOLT STABILIZER SKID #4
112	FE-1000-2 SLUG CATCHER LIQUID METER SKID
113	- RVP OVERHEAD CONDENSER
114	V-1600-2 WET FUEL GAS SCRUBBER SKID #6
115	TK-2850-2 OPEN DRAIN SUMP
116	- SKID #7 HMO FG TRAIN
117	FE-1502-2 Y-GRADE METER SKID
118	FE-2211A-2 BUY BACK METER SKID
119	FE-1501-2 NGL PRODUCT METER
120	TK-2830-2 OPEN DRAIN SUMP TANK

55070001-000-1003

ENERGY TRANSFER

REV	DESCRIPTION	BY	DATE	CHK'D	APP'D
D	ISSUED FOR INFORMATION (REV. SLUGCATCHER, VRL, ACID GAS FLARE)	BWS	11/15/18	CM	PAH
F	ISSUED FOR INFORMATION (REVISED STABILIZER AREA)	BWS	12/13/17	CM	PAH
E	ISSUED FOR INFORMATION (REVISED SKID NOTE)	BWS	11/21/17	CM	PAH
D	ISSUED FOR INFORMATION (ADDED HOLD NOTE)	BWS	11/8/17	CM	PAH
C	ISSUED FOR INFORMATION	BWS	11/7/17	CM	PAH
B	ISSUED FOR REVIEW	BWS	11/2/17	CM	PAH

ENERGY TRANSFER
ARROWHEAD II CRYO PLANT
COVINGTON TEXAS
PROCESS AREA
PLOT PLAN



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TAB 05

Limitation as Determining Factor

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

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As the primary available property tax incentive in Texas, a 313 agreement is vital to the proposed Arrowhead II 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

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Kansas
Louisiana
New Mexico
Oklahoma

Proposed Project Description

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

New Mexico

Oklahoma

Arkansas

Dallas

Texas

Louisiana

Houston

Proposed Arrowhead II Plant

Reeves

Pecos

Chihuahua

Coahuila

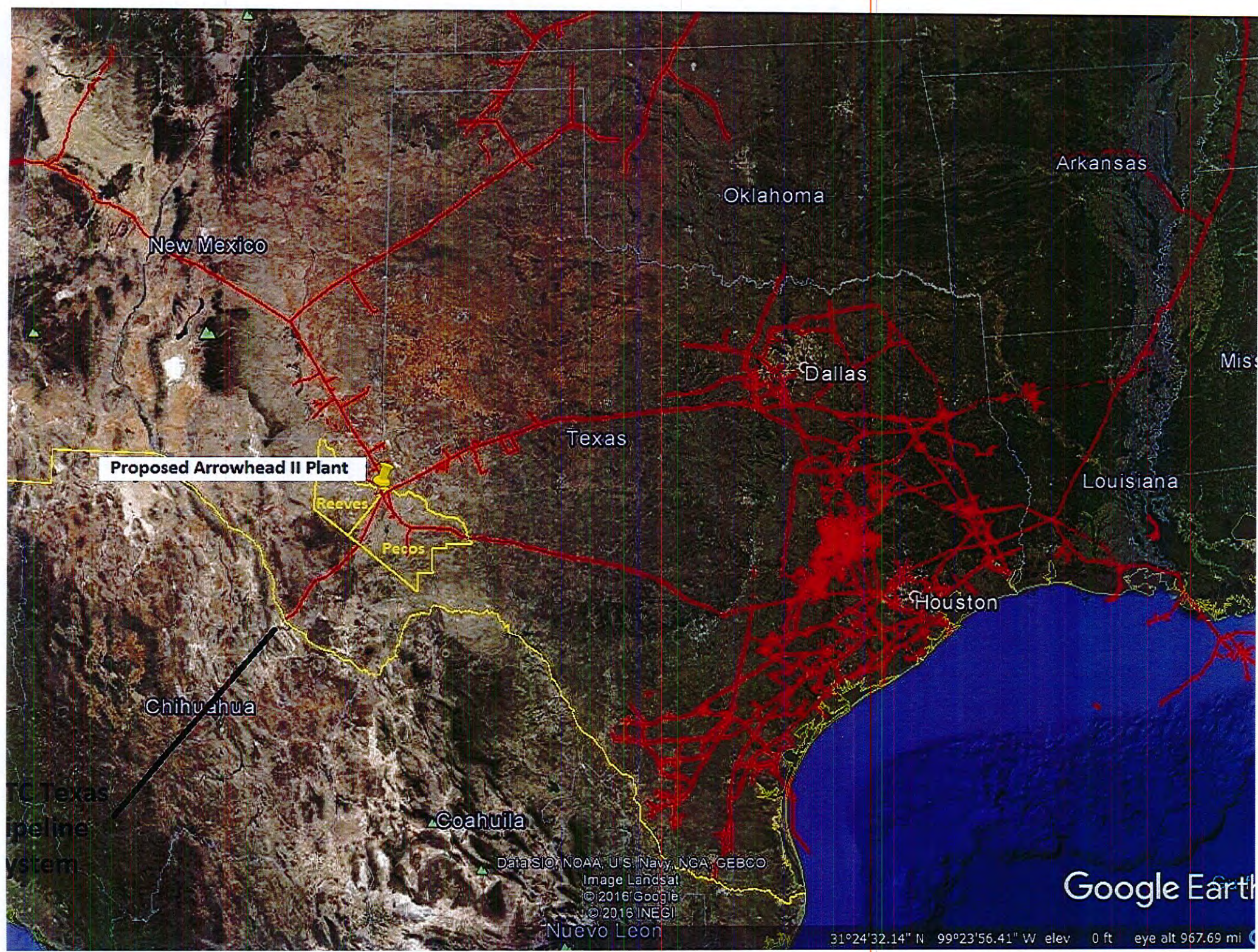
Nuevo Leon

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 mi

TC Texas
pipeline
system





TAB 06

Located 100% in Reeves County & Pecos-Barstow Toyah ISD

TAB 07

Description of Qualified Investment

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

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Kansas
Louisiana
New Mexico
Oklahoma

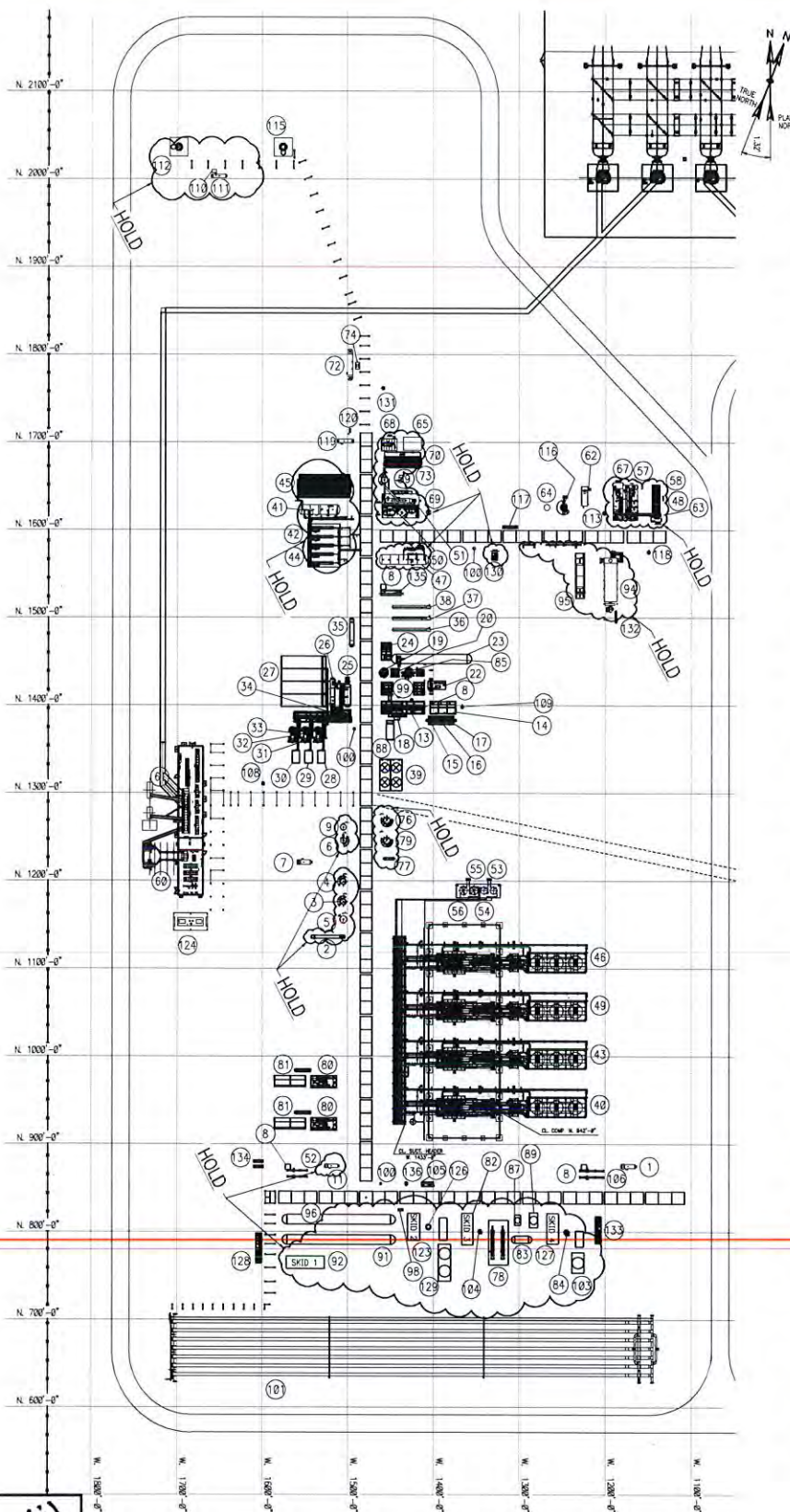
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- ENVIRONMENTAL: (A) Flare-Stack, Scrubber, Leak Detection; (L) Liners, Containment.



TAG NUMBER	DESCRIPTION
1	INLET FILTER COALESCER SEPARATOR
2	INLET GAS/GAS EXCHANGER
3	INLET GAS AMINE CONTACTOR
4	INLET GAS AMINE CONTACTOR
5	AMINE AFTER SCRUBBER
6	GLYCOL CONTACTOR
7	GLYCOL CONTACTOR INLET FILTER SEPARATOR
8	GC BUILDING (4 TOTAL)
9	GLYCOL AFTERSCRUBBER
10	RESIDUE GAS FILTER/COALESCER
11	UPPER LEVEL INLET SKID #6
12	DEHY SWITCHING VALVE SKID #2
13	MOL SIEVE DEHYDRATOR
14	MOL SIEVE DEHYDRATOR
15	MOL SIEVE DEHYDRATOR
16	INLET FILTER SKID #1
17	COLD SEPARATOR
18	WARM GAS/GAS EXCHANGER
19	EXPANDER/COMPRESSOR
20	PRODUCT SURGE TANK
21	PRODUCT PUMP SKID #5
22	CHILLER
23	REFRIGERANT ACCUMULATOR
24	REFRIGERANT CONDENSER
25	LUBE OIL COOLER
26	LUBE OIL COOLER
27	LUBE OIL COOLER
28	REFRIGERANT COMPRESSOR
29	REFRIGERANT COMPRESSOR
30	REFRIGERANT COMPRESSOR
31	REFRIGERANT SKID #7
32	COLD DRAIN TANK
33	NGL PIPELINE PUMP
34	NGL PIPELINE PUMP
35	NGL PIPELINE PUMP
36	EXPANDER COMPRESSOR AFTERCOOLER
37	RESIDUE GAS COMPRESSOR
38	AMINE SURGE TANK
39	AMINE SOLUTION PUMPS (GAS)
40	RESIDUE GAS COMPRESSOR
41	AMINE SOLUTION PUMPS (NGL)
42	AMINE SOLUTION COOLERS
43	RESIDUE GAS COMPRESSOR
44	AMINE FLASH TANK
45	BTEX CONDENSER
46	RESIDUE GAS COMPRESSOR
47	AMINE FILTER SKID #1
48	AMINE LEAN/RICH EXCHANGER SKID #2
49	RESIDUE GAS METER
50	LUBE OIL TANK
51	WASTE LUBE OIL TANK
52	COOLANT STORAGE TANK
53	WASTE COOLANT STORAGE TANK
54	GLYCOL REGEN SKID #4B
55	GLYCOL COOLER
56	AMINE REGEN STILL
57	LOW VOLTAGE MCC
58	MEDIUM VOLTAGE MCC
59	REGEN GAS HEATER
60	BTEX BLOWER PLATFORM #4C
61	CO2 VENT SCRUBBER
62	SULFA GUARD
63	GLYCOL REGEN SKID #4A
64	REFLUX ACCUMULATOR/PUMP SKID #3
65	AMINE SUMP TANK
66	REFLUX CONDENSER
67	FLARE KNOCKOUT DRUM
68	ANTI-FOAM INJECTION PUMP
69	FLARE KNOCKOUT PUMP
70	NGL AMINE CONTACTOR
71	TREATED NGL COALESCER
72	PIPELINE PUMPS
73	NGL AMINE CONTACTOR
74	STABILIZER OVERHEAD COMPRESSORS
75	OVERHEAD COMPRESSOR AFTERCOOLERS
76	Y-GRADE SKID #1
77	STABILIZED NGL SURGE TANK
78	SAYBOLT STABILIZER TOWER
79	DEMETHANIZER
80	Y-GRADE BOTTOMS COOLER
81	REGEN GAS COOLER
82	STABILIZED NGL COOLER
83	L.P. FLASH DRUM
84	CONDENSATE FEED SKID #1
85	STABILIZER HMO HEATER
86	STABILIZER HMO PUMP SKID #5
87	CONDENSATE REFIN TANK
88	RE-RUN PUMP
89	PROCESS SKID #3 & #4
90	INSTRUMENT AIR SURGE TANK
91	SLUG CATCHER
92	SAYBOLT OVDH CONDENSER
93	Y-GRADE STABILIZER TOWER
94	LP FLASH DRUM LIQUIDS METER SKID
95	INLET METER
96	REFRIGERATION SUMP TANK
97	CRYO SUMP TANK
98	ACID GAS FLARE K.O. PUMP
99	ACID GAS FLARE K.O. DRUM
100	ACID GAS FLARE
101	GLYCOL SUMP TANK
102	FLARE
103	THERMAL OXIDIZER
104	THERMAL OXIDIZER CONTROL RACK
105	OPEN DRAIN SUMP TANK
106	CLOSED DRAIN DRUM
107	CLOSED DRAIN OIL PUMP
108	RVP STABILIZER SKID #2
109	INSTRUMENT AIR COMPRESSOR
110	RVP STABILIZER TOWER
111	SAYBOLT STABILIZER SKID #4
112	SLUG CATCHER LIQUID METER SKID
113	RVP OVERHEAD CONDENSER
114	WET FUEL GAS SCRUBBER SKID #6
115	OPEN DRAIN SUMP
116	SKID #7 HMO FG TRAIN
117	Y-GRADE METER SKID
118	BUY BACK METER SKID
119	NGL PRODUCT METER
120	OPEN DRAIN SUMP TANK

55070001-000-1003	ENERGY TRANSFER
ISSUED FOR INFORMATION (REV. SLUGCATCHER, VRI, ACID GAS FLARE)	11/12/17
ISSUED FOR INFORMATION (REVISED STABILIZER AREA)	11/12/17
ISSUED FOR INFORMATION (REVISED GRADE NOTE)	11/12/17
ISSUED FOR INFORMATION (ADDED HOLD NOTE)	11/12/17
ISSUED FOR INFORMATION	11/12/17
ISSUED FOR REVIEW	11/12/17

REV	DESCRIPTION	BY	DATE	CHK'D	APP'D
1	ISSUED FOR INFORMATION (REV. SLUGCATCHER, VRI, ACID GAS FLARE)	ENS	11/15/18	CM	PAH
2	ISSUED FOR INFORMATION (REVISED STABILIZER AREA)	ENS	12/13/17	CM	PAH
3	ISSUED FOR INFORMATION (REVISED GRADE NOTE)	ENS	11/21/17	CM	PAH
4	ISSUED FOR INFORMATION (ADDED HOLD NOTE)	ENS	11/16/17	CM	PAH
5	ISSUED FOR INFORMATION	ENS	11/17/17	CM	PAH
6	ISSUED FOR REVIEW	ENS	11/21/17	CM	PAH

ENERGY TRANSFER	ARROWHEAD II CRYO PLANT
PROCESS AREA	PLOT PLAN
COMANOSA	TEXAS



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Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Monahans

Fort Stockton

Pecos

Google Earth

© 2018 Google
Image Landsat / Copernicus

20 mi



Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Google Earth

© 2018 Google



2 mi

Pecos-Barstow-Toyah ISD Map

Legend

-  Pecos-Barstow-Toyah Independent School District
-  Reinvestment Zone

Pecos-Barstow-Toyah ISD Boundary
(yellow outline)

Reinvestment
Zone Boundary
(red outline)

Google Earth

Image Landsat / Copernicus



40 mi

Reinvestment Zone

With Proposed Project Boundary

Legend

 Reinvestment Zone

Reinvestment Zone
(red boundary)

Proposed Project Location
(yellow boundary)



Google Earth

2000 ft



Reinvestment Zone

Legend

 Reinvestment Zone

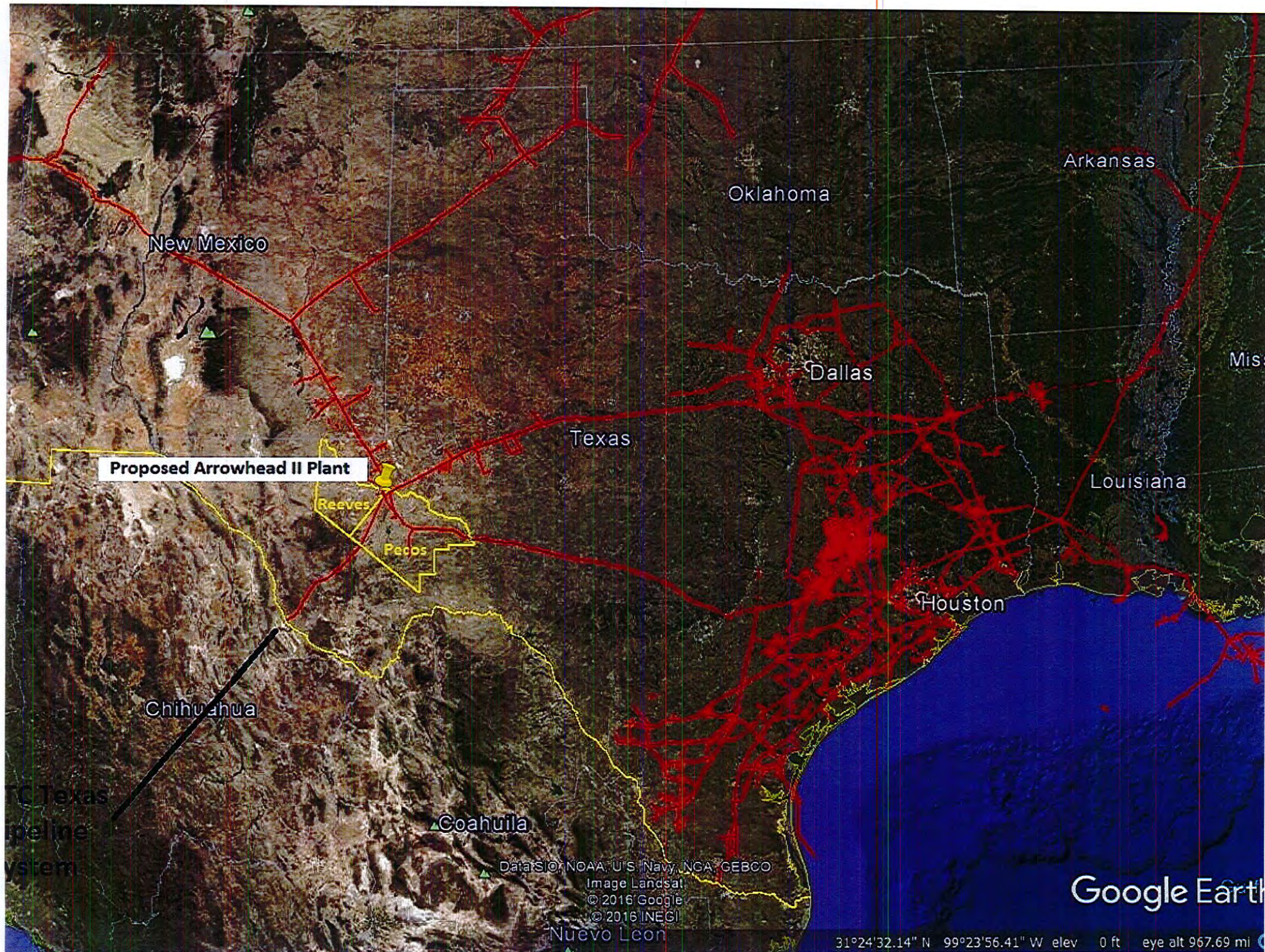
Reinvestment Zone
Boundary

Google Earth

© 2018 Google



2000 ft



New Mexico

Oklahoma

Arkansas

Dallas

Texas

Louisiana

Proposed Arrowhead II Plant

Reeves

Pecos

Houston

Chihuahua

Coahuila

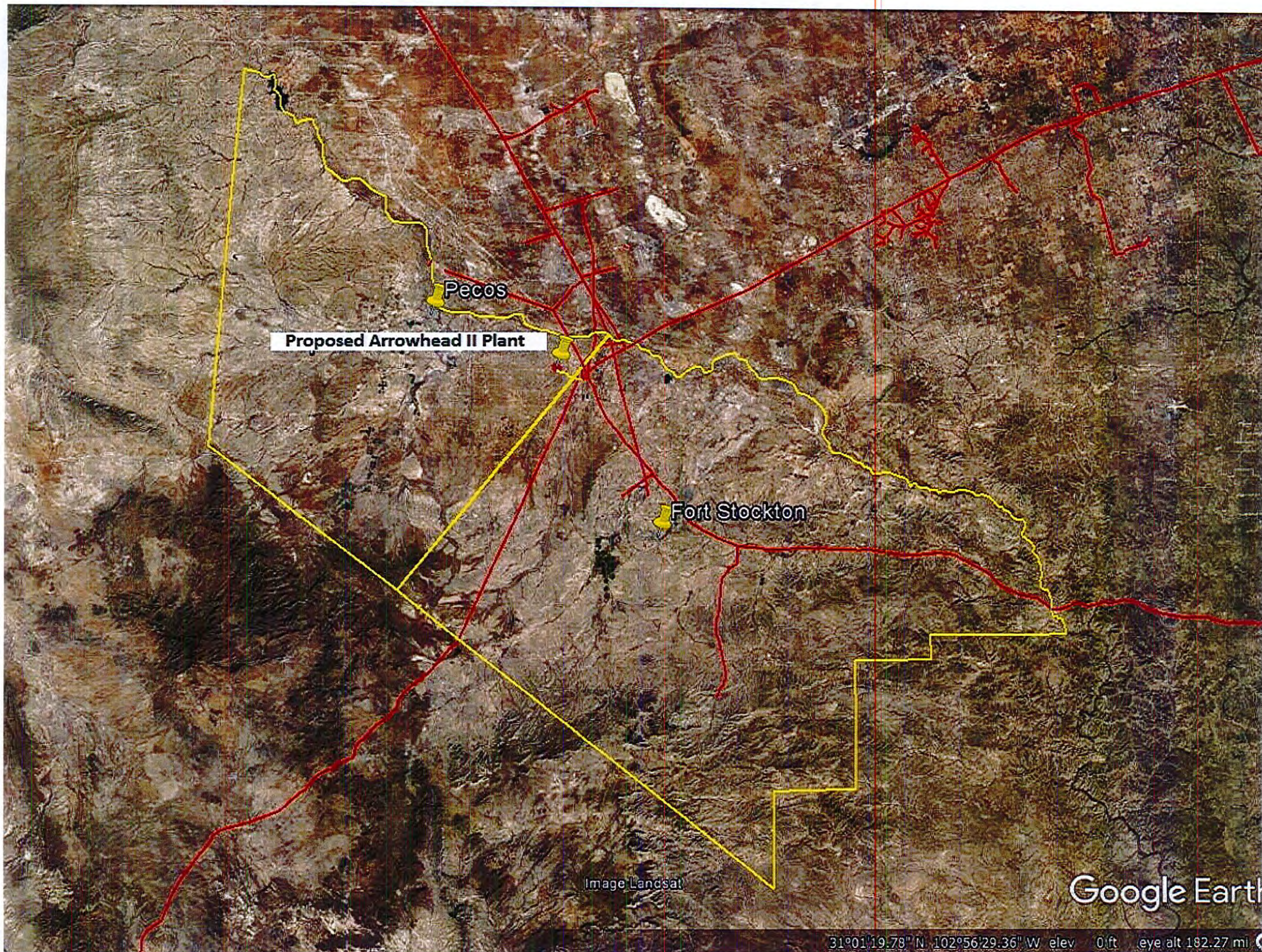
Nuevo Leon

TC Texas
pipeline
system

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 mi



Proposed Arrowhead II Plant

Pecos

Fort Stockton

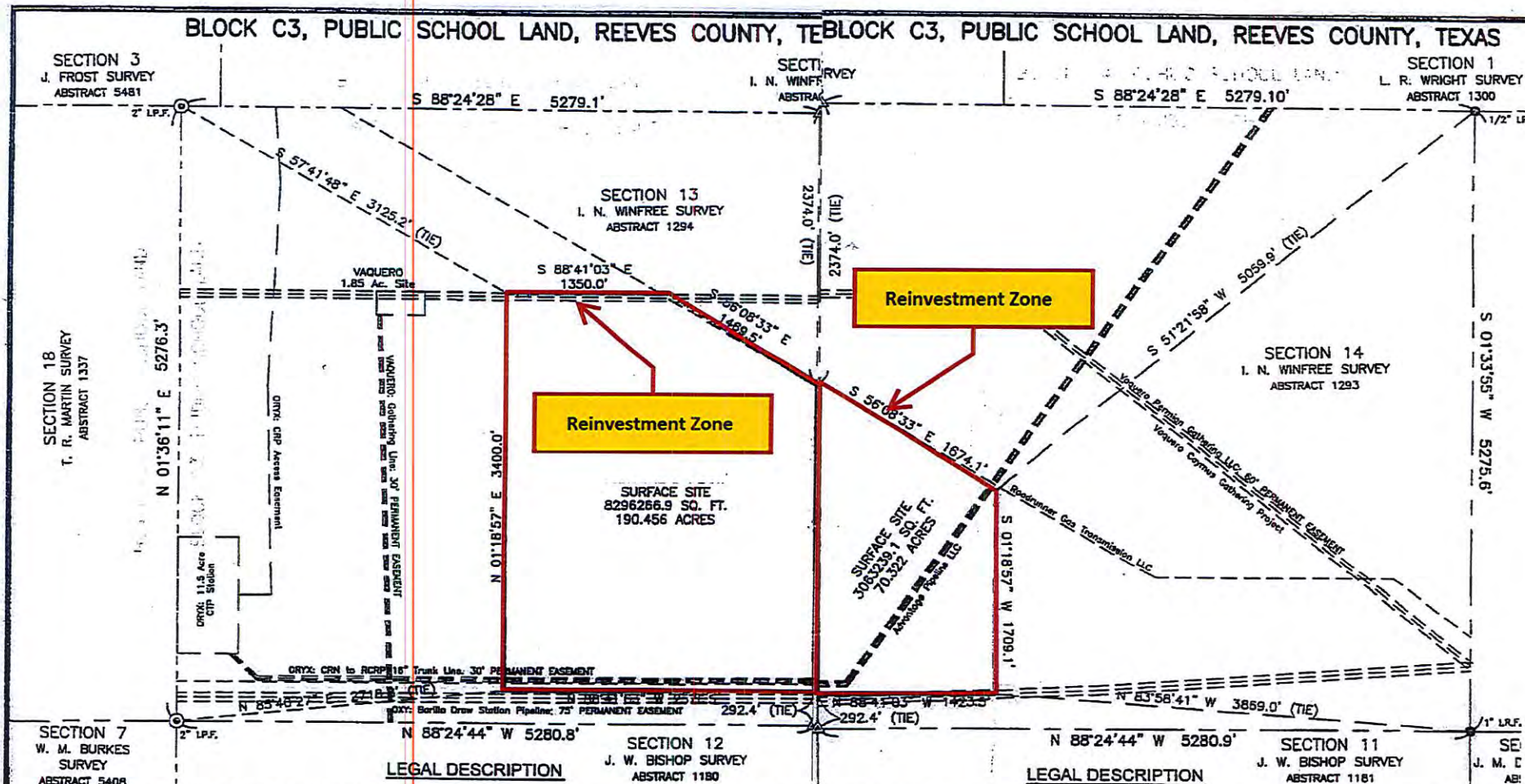
Image Landsat

Google Earth

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

EXHIBIT "A"

BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS



SURFACE SITE SURVEY LOCATED IN SECTION 13, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN SECTION 14 , BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED

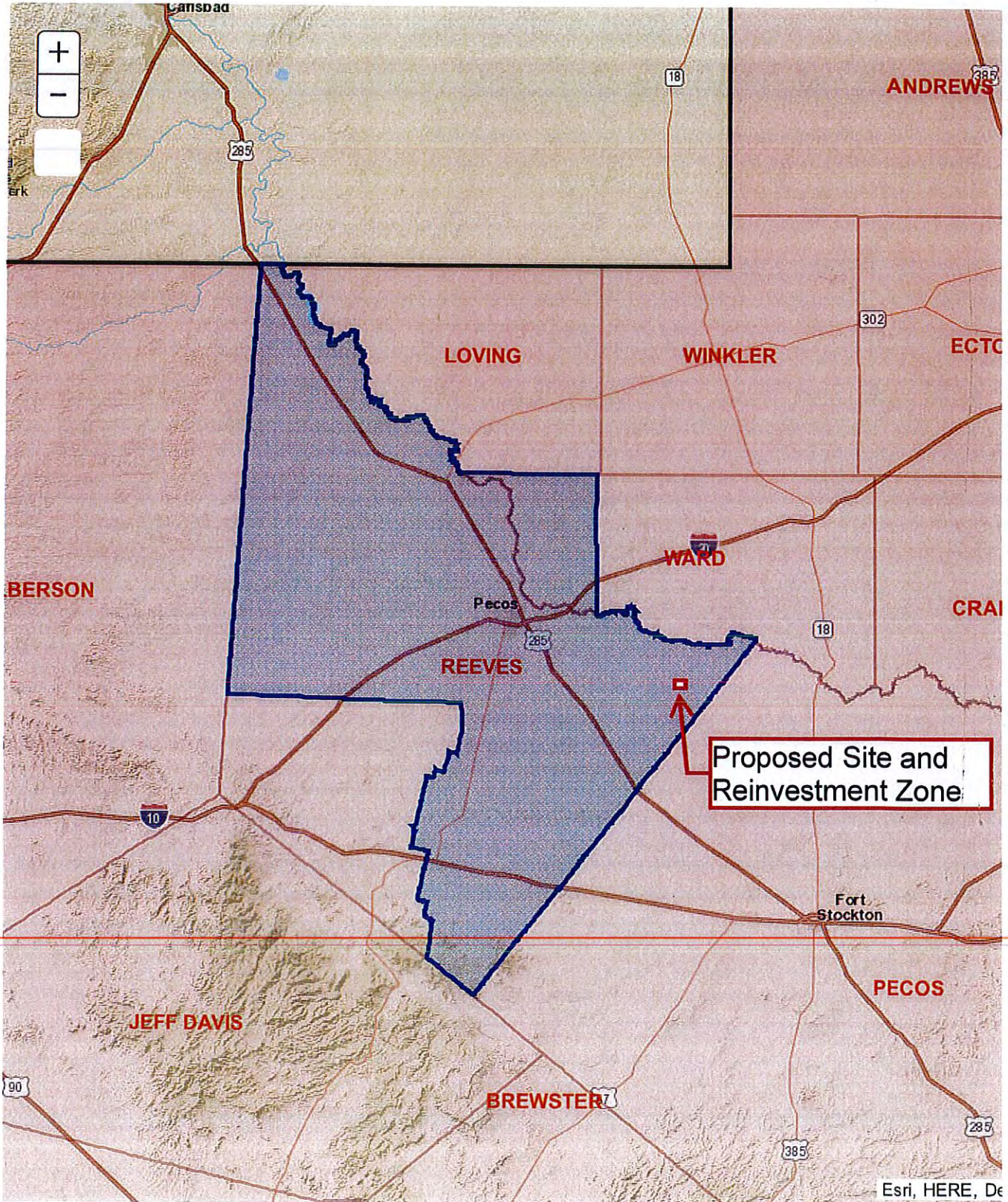
BEGINNING AT THE SOUTHEAST CORNER OF THE SURFACE SITE, THE EAST LINE OF SECTION 13, WHICH BEARS NORTH 01° 35' 03" E-OF 292.4 FEET, FROM THE SOUTHWEST CORNER OF SECTION 13, TO THE WEST LINE OF SECTION 14, WHICH BEARS NORTH 01° 35' 03" EAST, ALONG

THENCE NORTH 88° 41' 03" WEST, A DISTANCE OF 2576.5 FEET, TO THE SOUTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS N EAST, ALONG THE WEST LINE OF SECTION 14, A DISTANCE OF 2609.6 FEET, TO THE NORTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS S 57° 41' 48" EAST, A DISTANCE OF 3400.0 FEET, TO THE SOUTHWEST CORNER OF SECTION 13, THENCE NORTH 01° 13' 57" EAST, A DISTANCE OF 2718.8 FEET FROM THE SOUTHWEST CORNER OF SECTION 13, THENCE NORTH 01° 13' 57" EAST, A DISTANCE OF 3400.0 FEET, TO THE SOUTHWEST CORNER OF SECTION 13, THENCE SOUTH 57° 41' 48" EAST, A DISTANCE OF 3125.2 FEET, FROM THE NORTHWEST CORNER OF SECTION 14, A DISTANCE OF 2374.0 FEET FROM THE NORTHWEST CORNER OF SECTION 14, A DISTANCE OF 1674.1 FEET, TO THE NORTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS SOUTH 51° 21' 58" EAST, A DISTANCE OF 1350.0 FEET, TO A NORTHERLY CORNER OF THE SURFACE SITE, THENCE SOUTH 58° 08' 33" EAST, A DISTANCE OF 1799.1 FEET, TO THE SOUTHEAST CORNER OF THE SURFACE SITE, IN THE EAST LINE OF SECTION 13, WHICH BEARS SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 14; THENCE SOUTH 01° 18' 57" WEST, A DISTANCE OF 1709.1 FEET, TO THE SOUTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS NORTH 83° 58' 41" WEST, A DISTANCE OF 3889.0 FEET FROM THE SOUTHEAST CORNER OF SECTION 13, A DISTANCE OF 2374.0 FEET FROM THE SOUTHWEST CORNER OF SECTION 13;

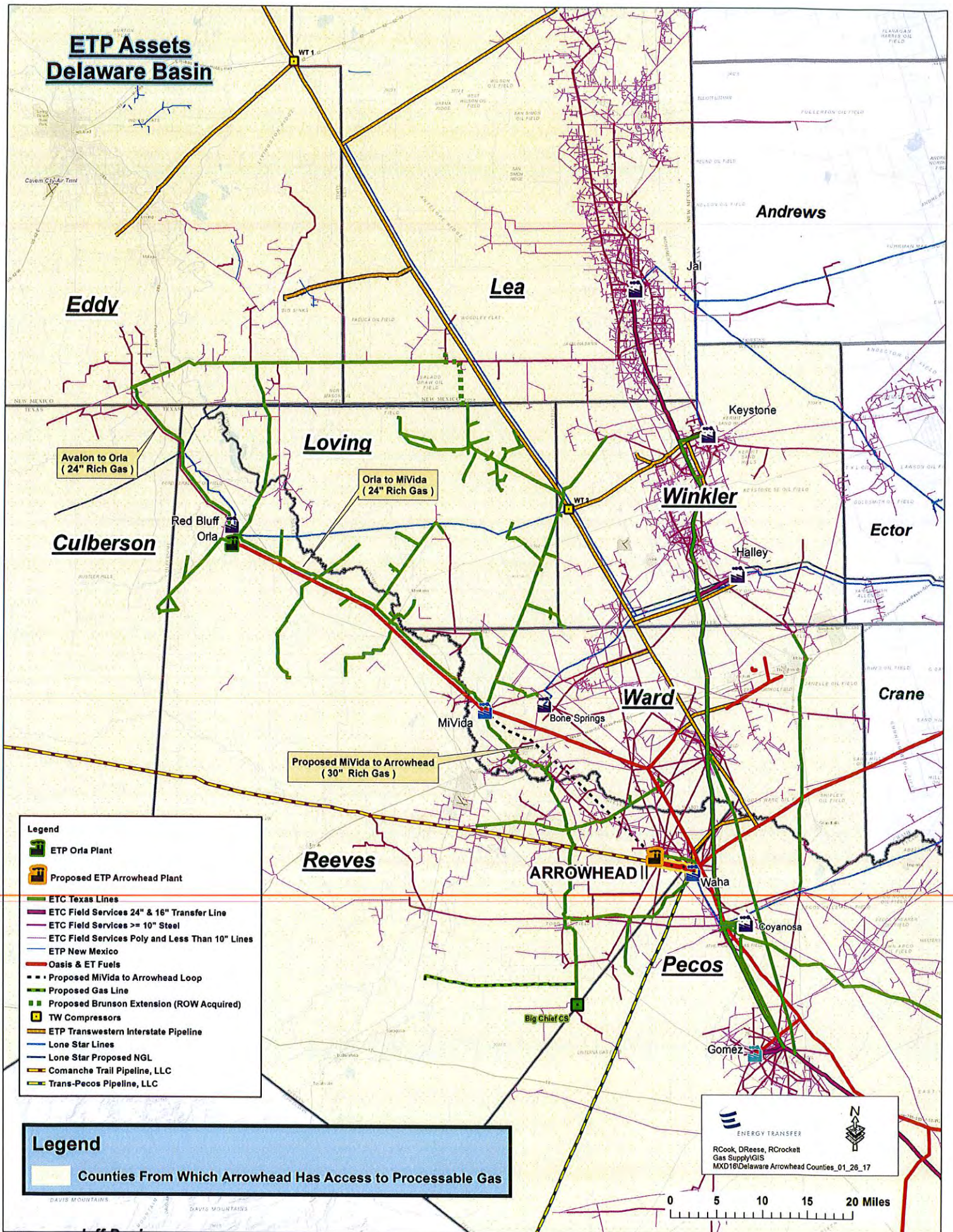
THENCE SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 2509.6 FEET TO THE POINT OF BEGINNING, A SURVEY

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER
HEREON WERE LOCATED BY VISUAL INSPECTION

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER FEATURES HEREON WERE LOCATED BY VISUAL INSPECTION ONLY.



ETP Assets Delaware Basin



TAB 08

Description of Qualified Property

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, 8 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

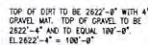
Proposed Project Description

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 June of 2018 and start hiring the new employees in September of 2018. This should allow for completion and commencement of commercial operations to start in January of 2018.

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.



THIS DOCUMENT AND THE WORKS AND/OR INFORMATION CONTAINED THEREIN ARE THE CONFIDENTIAL AND PROPRIETARY PROPERTY OF MORTON POW ENGINEERING, INC. AND SHALL BE USED ONLY FOR THE INTENDED PURPOSE AND PROJECT. IT MAY NOT BE COPIED IN WHOLE OR IN PART, PARTS MAY NOT BE EXTRACTED FROM THE DOCUMENT, AND THE INFORMATION THEREIN MAY NOT BE RELEASED WITHOUT MORTON POW ENGINEERING, INC. EXPRESS WRITTEN PERMISSION.

Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Monahans

Fort Stockton

Pecos

Google Earth

© 2018 Google
Image Landsat / Copernicus

20 mi



Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Google Earth

© 2018 Google



2 mi

Pecos-Barstow-Toyah ISD Map

Legend

-  Pecos-Barstow-Toyah Independent School District
-  Reinvestment Zone

Pecos-Barstow-Toyah ISD Boundary
(yellow outline)

Reinvestment
Zone Boundary
(red outline)

Google Earth

Image Landsat / Copernicus

40 mi



Reinvestment Zone

With Proposed Project Boundary

Legend

 Reinvestment Zone

Reinvestment Zone
(red boundary)

Proposed Project Location
(yellow boundary)



Google Earth

2000 ft



Reinvestment Zone

Legend

 Reinvestment Zone

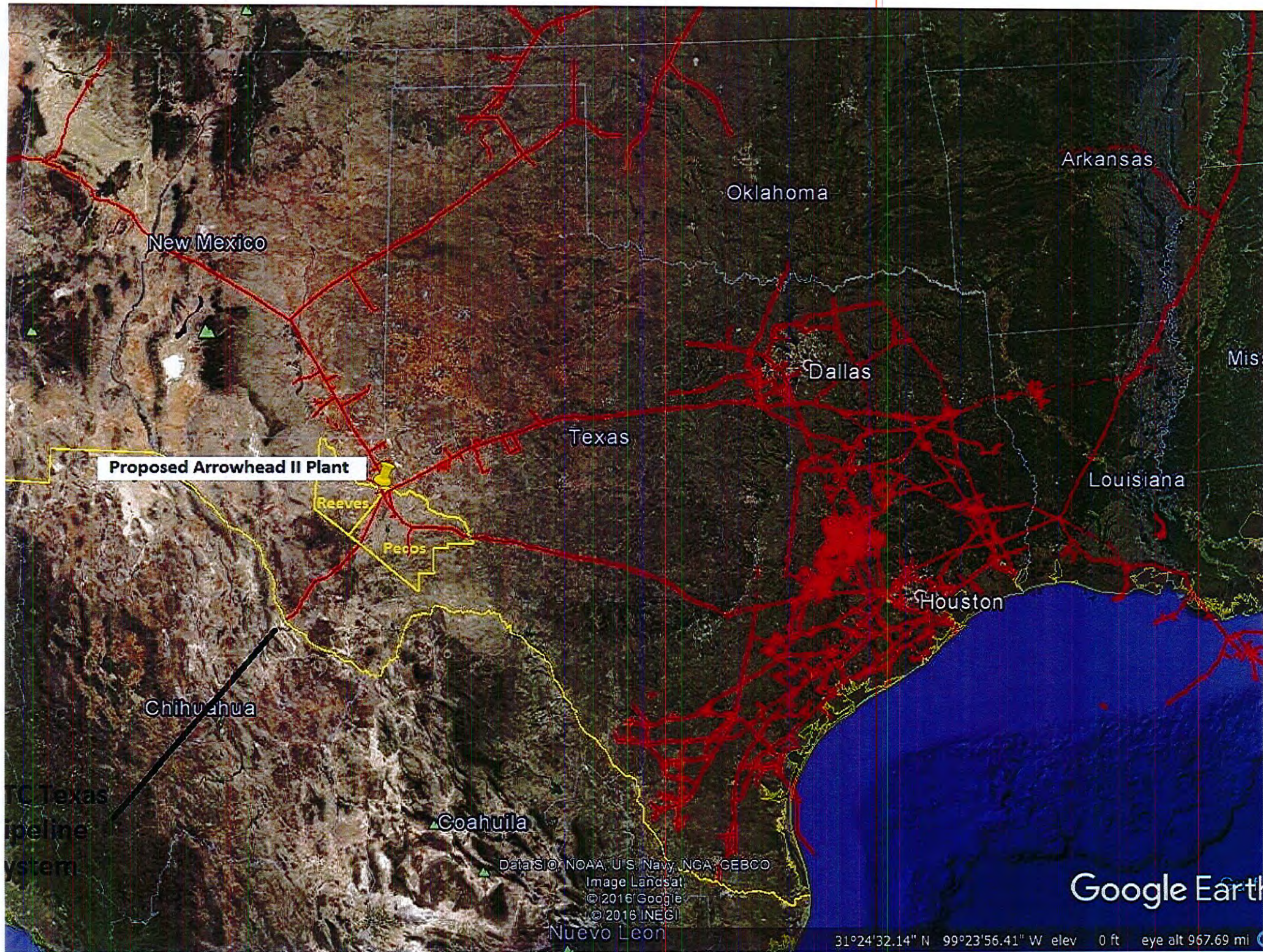
Reinvestment Zone
Boundary

Google Earth

© 2018 Google



2000 ft



New Mexico

Oklahoma

Arkansas

Dallas

Texas

Louisiana

Miss

Houston

Chihuahua

Coahuila

Nuevo Leon

Proposed Arrowhead II Plant

Reeves

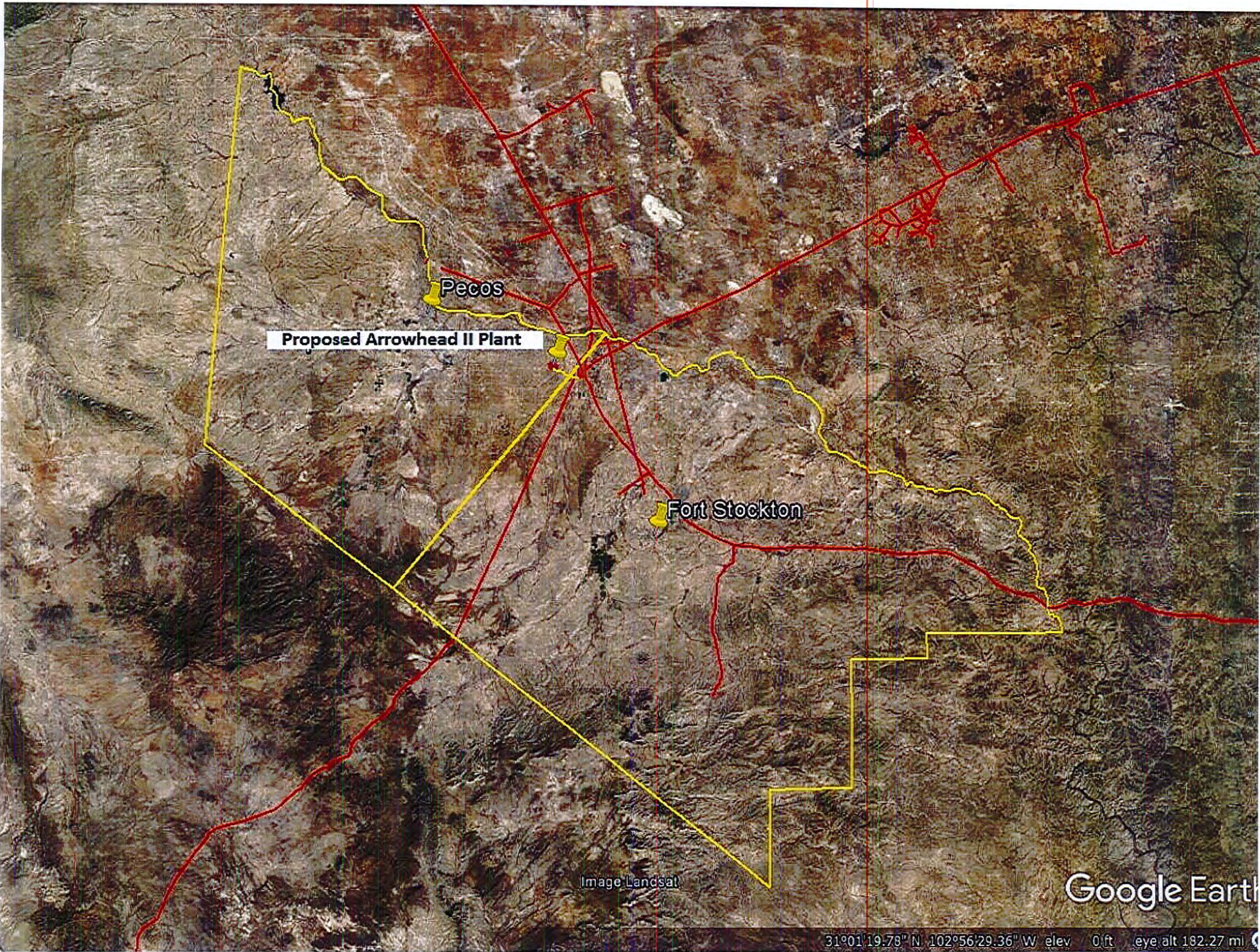
Pecos

TC Texas
pipeline
system

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 mi



Proposed Arrowhead II Plant

Pecos

Fort Stockton

Image Landsat

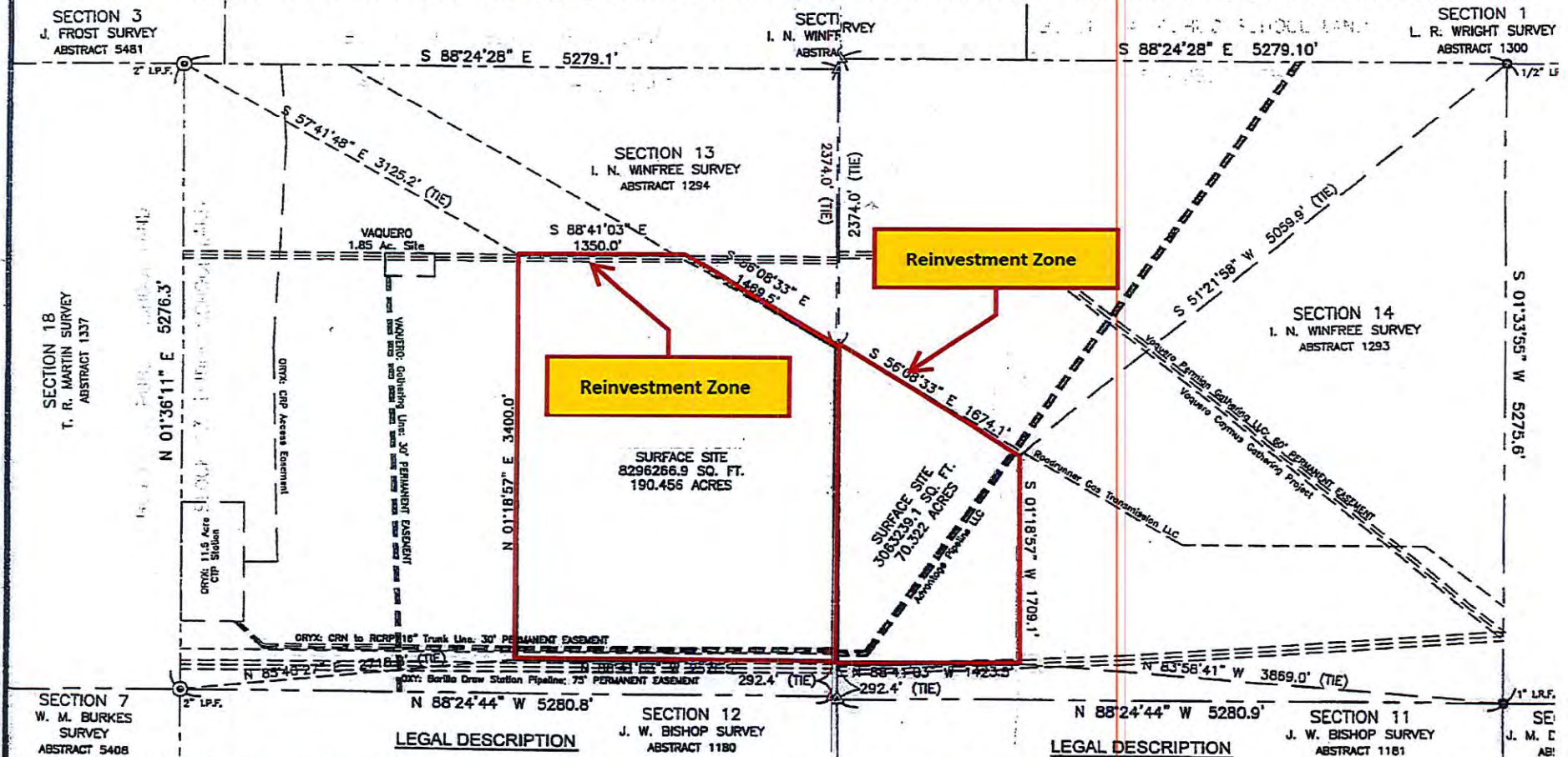
Google Earth

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

EXHIBIT "A"

EXHIBIT "A"

BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS



SURFACE SITE SURVEY LOCATED IN SECTION 13, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN SECTION 14, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN SECTION 14.

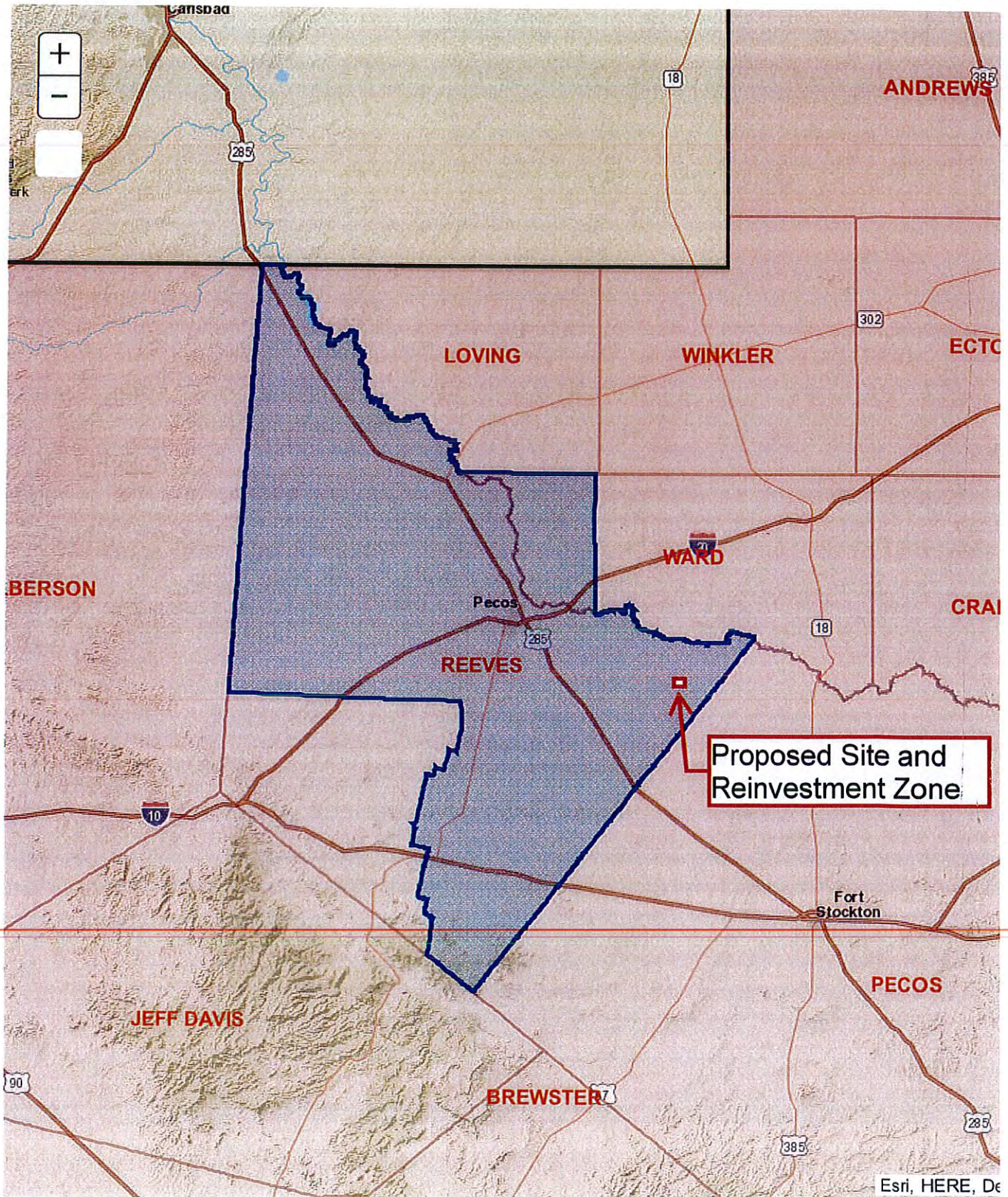
BEGINNING AT THE SOUTHWEST CORNER OF THE SURFACE SITE, IN THE EAST LINE OF SECTION 13, WHICH BEARS NORTH 01° 35' 03" EAST, A DISTANCE OF 292.4 FEET, FROM THE SOUTHWEST CORNER OF SECTION 13;

THENCE NORTH 88° 41' 03" WEST, A DISTANCE OF 2576.5 FEET, TO THE SOUTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS NORTH 01° 35' 03" EAST, A DISTANCE OF 3400.0 FEET, TO THE NORTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS S 57° 41' 48" EAST, A DISTANCE OF 3125.2 FEET, FROM THE NORTHWEST CORNER OF SECTION 13, TO A NORTHERLY CORNER OF THE SURFACE SITE, THENCE SOUTH 56° 08' 33" EAST, A DISTANCE OF 1674.1 FEET, TO THE NORTHEAST CORNER OF THE SURFACE SITE, IN THE EAST LINE OF SECTION 13, WHICH BEARS SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 2374.0 FEET FROM THE SOUTHWEST CORNER OF SECTION 13;

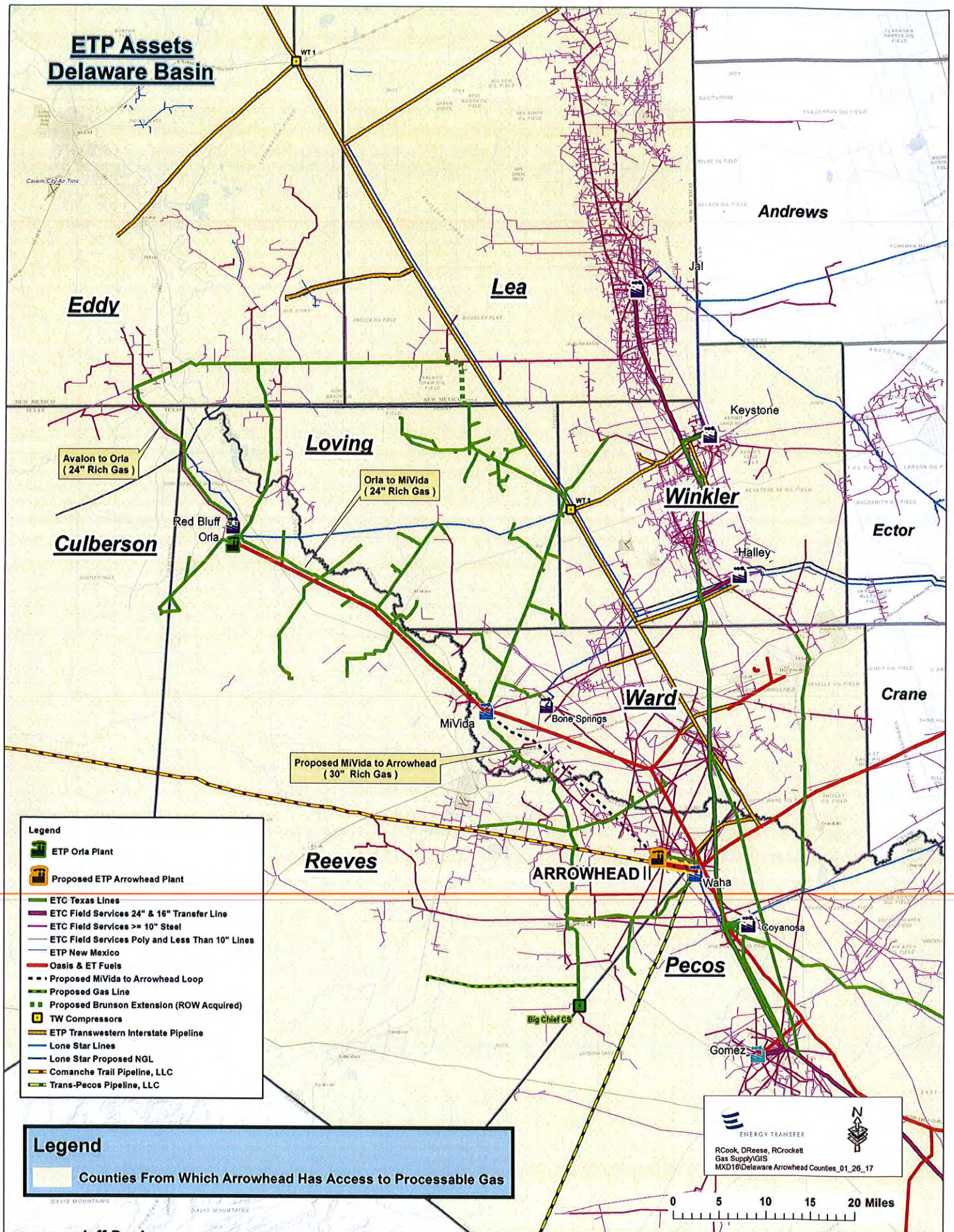
THENCE SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 2609.6 FEET TO THE POINT OF BEGINNING, A DISTANCE OF 1423.5 FEET TO THE POINT OF BEGINNING, AND THE END OF THIS SURVEY.

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER FEATURES WERE LOCATED BY VISUAL INSPECTION ONLY.

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER FEATURES WERE LOCATED BY VISUAL INSPECTION ONLY.



ETP Assets Delaware Basin



TAB 09

Description of Land

Reeves CAD Property Search

Property ID: R000011828 For Year 2018

 Property Details

Account

Property ID:	R000011828
Legal Description:	Acres 379.220, Blk C-3, Tract 13, AB 1294 BLK C-3 SEC 13PSL
Geographic ID:	01150-00140-00000-000000
Agent Code:	
Type:	Real

Location

Address:	
Map ID:	
Neighborhood CD:	R11828

Owner

Owner ID:	GMNI20170329092733080
Name:	WOLF BONE RANCH PARTNERS LLC
Mailing Address:	110 W LOUISIANA ST STE 500 MIDLAND, TX 79701-3414
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

 Property Values

Improvement Homesite Value:	N/A
Improvement Non-Homesite Value:	N/A
Land Homesite Value:	N/A
Land Non-Homesite Value:	N/A
Agricultural Market Valuation:	N/A
Market Value:	N/A
Ag Use Value:	N/A
Appraised Value:	N/A
Cap Loss:	N/A
Assessed Value:	N/A

Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
00	REEVES CO APPR DIST	N/A	N/A	N/A	N/A	N/A
01	REEVES COUNTY	N/A	N/A	N/A	N/A	N/A
15	RCGWCD	N/A	N/A	N/A	N/A	N/A
30	P-B-T I.S.D	N/A	N/A	N/A	N/A	N/A
65	REEVES CO HOSP DIST	N/A	N/A	N/A	N/A	N/A

Total Tax Rate: N/A Estimated Taxes With Exemptions: N/A Estimated Taxes Without Exemptions: N/A

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
RG4		379.22	16,518,823.00	0.00	0.00	N/A	N/A

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	Cap Loss	Assessed
2018	N/A	N/A	N/A	N/A	N/A	N/A
2017	\$0	\$17,070	\$1,140	\$17,070	\$0	\$1,140
2016	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2015	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2014	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2013	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2012	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2011	\$0	\$28,800	\$1,840	\$28,800	\$0	\$1,840

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
12/22/2010			LA ESCALERA LTD PARTNERSHIP	WOLF BONE RANCH PARTNERS LLC	861	583	SWD #4945
12/22/2010			LA ESCALERA LTD PARTNERSHIP	WOLF BONE RANCH PARTNERS LLC	861	583	SWD #4945
4/30/1998	1		LA ESCALERA LTD PARTNERSHIP	RAPE J M DR ESTATE	587	790	

Estimated Tax Due

NOTE: Indicated amount due may not reflect delinquent tax due beyond a 5 year history. Partial payments or contract payments may not be reflected. Quarterly payments according to Section 31.031 of the Texas Property Tax Code are not considered delinquent. For the most current tax due amount please contact the Appraisal District.

If Paid: 2/2/2018

\$ Other Payment Options (<https://certifiedpayments.net/Index.aspx?BureauCode=8165914>)

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount/Penalty & Interest	Attorney Fees	Amount Due
2017	RCGWCD	\$1,140	\$0.09	\$0.09	\$0.00	\$0.00	\$0.00	\$0.00
2017	P-B-T I.S.D	\$1,140	\$10.78	\$10.78	\$0.00	\$0.00	\$0.00	\$0.00
2017	REEVES CO HOSP DIST	\$1,140	\$2.74	\$2.74	\$0.00	\$0.00	\$0.00	\$0.00
	2017 Total:		\$13.61	\$13.61	\$0.00	\$0.00	\$0.00	\$0.00
2016	RCGWCD	\$1,920	\$0.16	\$0.16	\$0.00	\$0.00	\$0.00	\$0.00
2016	P-B-T I.S.D	\$1,920	\$21.33	\$21.33	\$0.00	\$0.00	\$0.00	\$0.00
2016	REEVES CO HOSP DIST	\$1,920	\$5.18	\$5.18	\$0.00	\$0.00	\$0.00	\$0.00
	2016 Total:		\$26.67	\$26.67	\$0.00	\$0.00	\$0.00	\$0.00
2015	P-B-T I.S.D	\$1,920	\$21.02	\$21.02	\$0.00	\$0.00	\$0.00	\$0.00
2015	REEVES CO HOSP DIST	\$1,920	\$4.12	\$4.12	\$0.00	\$0.00	\$0.00	\$0.00
	2015 Total:		\$25.14	\$25.14	\$0.00	\$0.00	\$0.00	\$0.00
2014	P-B-T I.S.D	\$1,920	\$20.85	\$20.85	\$0.00	\$0.00	\$0.00	\$0.00
2014	REEVES CO HOSP DIST	\$1,920	\$4.39	\$4.39	\$0.00	\$0.00	\$0.00	\$0.00
	2014 Total:		\$25.24	\$25.24	\$0.00	\$0.00	\$0.00	\$0.00
2013	P-B-T I.S.D	\$1,920	\$21.85	\$21.85	\$0.00	\$0.00	\$0.00	\$0.00
2013	REEVES CO HOSP DIST	\$1,920	\$6.73	\$6.73	\$0.00	\$0.00	\$0.00	\$0.00
	2013 Total:		\$28.58	\$28.58	\$0.00	\$0.00	\$0.00	\$0.00
2012	P-B-T I.S.D	\$1,920	\$22.16	\$22.16	\$0.00	\$0.00	\$0.00	\$0.00
2012	REEVES CO HOSP DIST	\$1,920	\$6.73	\$6.73	\$0.00	\$0.00	\$0.00	\$0.00
	2012 Total:		\$28.89	\$28.89	\$0.00	\$0.00	\$0.00	\$0.00
2011	P-B-T I.S.D	\$1,840	\$22.67	\$22.67	\$0.00	\$0.00	\$0.00	\$0.00
2011	REEVES CO HOSP DIST	\$1,840	\$9.16	\$9.16	\$0.00	\$0.00	\$0.00	\$0.00
	2011 Total:		\$31.83	\$31.83	\$0.00	\$0.00	\$0.00	\$0.00

DISCLAIMER

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Reeves CAD Property Search

Property ID: R000011829 For Year 2018

 Property Details

Account	
Property ID:	R000011829
Legal Description:	Acres 379.220, Blk C-3, Tract 14, AB 1293 BLK C-3 SEC 14PSL
Geographic ID:	01150-00150-00000-000000
Agent Code:	
Type:	Real
Location	
Address:	
Map ID:	
Neighborhood CD:	R11829
Owner	
Owner ID:	GMNI20170329092733080
Name:	WOLF BONE RANCH PARTNERS LLC
Mailing Address:	110 W LOUISIANA ST STE 500 MIDLAND, TX 79701-3414
% Ownership:	100.0%
Exemptions:	For privacy reasons not all exemptions are shown online.

 Property Values

Improvement Homesite Value:	N/A
Improvement Non-Homesite Value:	N/A
Land Homesite Value:	N/A
Land Non-Homesite Value:	N/A
Agricultural Market Valuation:	N/A
Market Value:	N/A
Ag Use Value:	N/A
Appraised Value:	N/A
Cap Loss:	N/A
Assessed Value:	N/A

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Property Taxing Jurisdiction

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
00	REEVES CO APPR DIST	N/A	N/A	N/A	N/A	N/A
01	REEVES COUNTY	N/A	N/A	N/A	N/A	N/A
15	RCGWCD	N/A	N/A	N/A	N/A	N/A
30	P-B-T I.S.D	N/A	N/A	N/A	N/A	N/A
65	REEVES CO HOSP DIST	N/A	N/A	N/A	N/A	N/A

Total Tax Rate: N/A Estimated Taxes With Exemptions: N/A Estimated Taxes Without Exemptions: N/A

Property Improvement - Building

Property Land

Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
RG4		379.22	16,518,823.00	0.00	0.00	N/A	N/A

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	Cap Loss	Assessed
2018	N/A	N/A	N/A	N/A	N/A	N/A
2017	\$0	\$17,070	\$1,140	\$17,070	\$0	\$1,140
2016	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2015	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2014	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2013	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2012	\$0	\$28,800	\$1,920	\$28,800	\$0	\$1,920
2011	\$0	\$28,800	\$1,840	\$28,800	\$0	\$1,840

Property Deed History

Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
12/22/2010			LA ESCALERA LTD PARTNERSHIP	WOLF BONE RANCH PARTNERS LLC	861	583	SWD #4945
12/22/2010			LA ESCALERA LTD PARTNERSHIP	WOLF BONE RANCH PARTNERS LLC	861	583	SWD #4945
4/30/1998	1		LA ESCALERA LTD PARTNERSHIP	RAPE J M DR ESTATE	587	790	

Estimated Tax Due

NOTE: Indicated amount due may not reflect delinquent tax due beyond a 5 year history. Partial payments or contract payments may not be reflected. Quarterly payments according to Section 31.031 of the Texas Property Tax Code are not considered delinquent. For the most current tax due amount please contact the Appraisal District.

If Paid: 2/2/2018

\$ Other Payment Options (<https://certifiedpayments.net/Index.aspx?BureauCode=8165914>)

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount/Penalty & Interest	Attorney Fees	Amount Due
2017	RCGWCD	\$1,140	\$0.09	\$0.09	\$0.00	\$0.00	\$0.00	\$0.00
2017	P-B-T I.S.D	\$1,140	\$10.78	\$10.78	\$0.00	\$0.00	\$0.00	\$0.00
2017	REEVES CO HOSP DIST	\$1,140	\$2.74	\$2.74	\$0.00	\$0.00	\$0.00	\$0.00
	2017 Total:		\$13.61	\$13.61	\$0.00	\$0.00	\$0.00	\$0.00
2016	RCGWCD	\$1,920	\$0.16	\$0.16	\$0.00	\$0.00	\$0.00	\$0.00
2016	P-B-T I.S.D	\$1,920	\$21.33	\$21.33	\$0.00	\$0.00	\$0.00	\$0.00
2016	REEVES CO HOSP DIST	\$1,920	\$5.18	\$5.18	\$0.00	\$0.00	\$0.00	\$0.00
	2016 Total:		\$26.67	\$26.67	\$0.00	\$0.00	\$0.00	\$0.00
2015	P-B-T I.S.D	\$1,920	\$21.02	\$21.02	\$0.00	\$0.00	\$0.00	\$0.00
2015	REEVES CO HOSP DIST	\$1,920	\$4.12	\$4.12	\$0.00	\$0.00	\$0.00	\$0.00
	2015 Total:		\$25.14	\$25.14	\$0.00	\$0.00	\$0.00	\$0.00
2014	P-B-T I.S.D	\$1,920	\$20.85	\$20.85	\$0.00	\$0.00	\$0.00	\$0.00
2014	REEVES CO HOSP DIST	\$1,920	\$4.39	\$4.39	\$0.00	\$0.00	\$0.00	\$0.00
	2014 Total:		\$25.24	\$25.24	\$0.00	\$0.00	\$0.00	\$0.00
2013	P-B-T I.S.D	\$1,920	\$21.85	\$21.85	\$0.00	\$0.00	\$0.00	\$0.00
2013	REEVES CO HOSP DIST	\$1,920	\$6.73	\$6.73	\$0.00	\$0.00	\$0.00	\$0.00
	2013 Total:		\$28.58	\$28.58	\$0.00	\$0.00	\$0.00	\$0.00
2012	P-B-T I.S.D	\$1,920	\$22.16	\$22.16	\$0.00	\$0.00	\$0.00	\$0.00
2012	REEVES CO HOSP DIST	\$1,920	\$6.73	\$6.73	\$0.00	\$0.00	\$0.00	\$0.00
	2012 Total:		\$28.89	\$28.89	\$0.00	\$0.00	\$0.00	\$0.00
2011	P-B-T I.S.D	\$1,840	\$22.67	\$22.67	\$0.00	\$0.00	\$0.00	\$0.00
2011	REEVES CO HOSP DIST	\$1,840	\$9.16	\$9.16	\$0.00	\$0.00	\$0.00	\$0.00
	2011 Total:		\$31.83	\$31.83	\$0.00	\$0.00	\$0.00	\$0.00

DISCLAIMER

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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

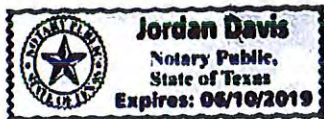
ACKNOWLEDGEMENT

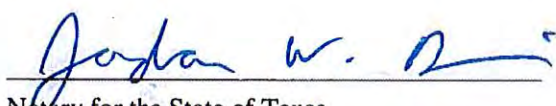
STATE OF TEXAS)

)

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.




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.

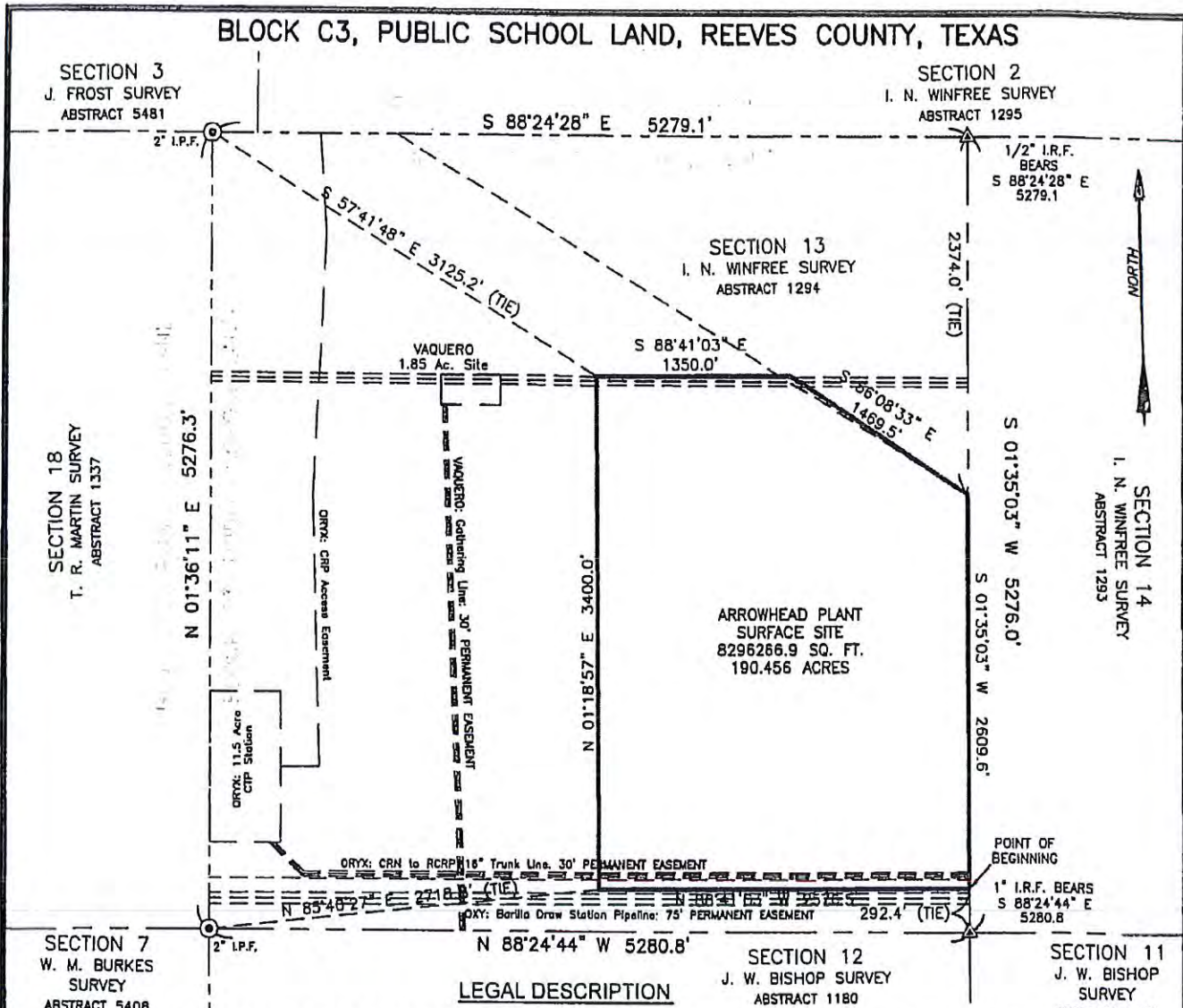
EXHIBIT "A"

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



LEGAL DESCRIPTION

SURFACE SITE SURVEY LOCATED IN SECTION 13, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS

BEGINNING AT THE SOUTHEAST CORNER OF THE SURFACE SITE, IN THE EAST LINE OF SECTION 13, WHICH BEARS NORTH 01° 35' 03" EAST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 292.4 FEET, FROM THE SOUTHEAST CORNER OF SECTION 13,

THENCE NORTH 88° 41' 03" WEST, A DISTANCE OF 2576.5 FEET, TO THE SOUTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS NORTH 85° 40' 27" EAST, A DISTANCE OF 2718.8 FEET FROM THE SOUTHWEST CORNER OF SECTION 13, THENCE NORTH 01° 18' 57" EAST, A DISTANCE OF 3400.0 FEET, TO NORTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS S 57° 41' 48" EAST, A DISTANCE OF 3125.2 FEET, FROM THE NORTHWEST CORNER OF SECTION 13, THENCE SOUTH 88° 41' 03" EAST, A DISTANCE OF 1350.0 FEET, TO A NORTHERLY CORNER OF THE SURFACE SITE, THENCE SOUTH 56° 08' 33" EAST, A DISTANCE OF 1469.5 FEET, TO THE NORTHEAST CORNER OF THE SURFACE SITE, IN THE EAST LINE OF SECTION 13, WHICH BEARS SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 2374.0 FEET FROM THE SOUTHEAST CORNER OF SECTION 13,

THENCE SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 2609.6 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 501 THORNDALE TX 76777



BTJ Services, LLC
505 Sioux Trail
Leander, TX 78641
1-855-867-3816

ENERGY TRANSFER

ARROWHEAD PLANT SITE

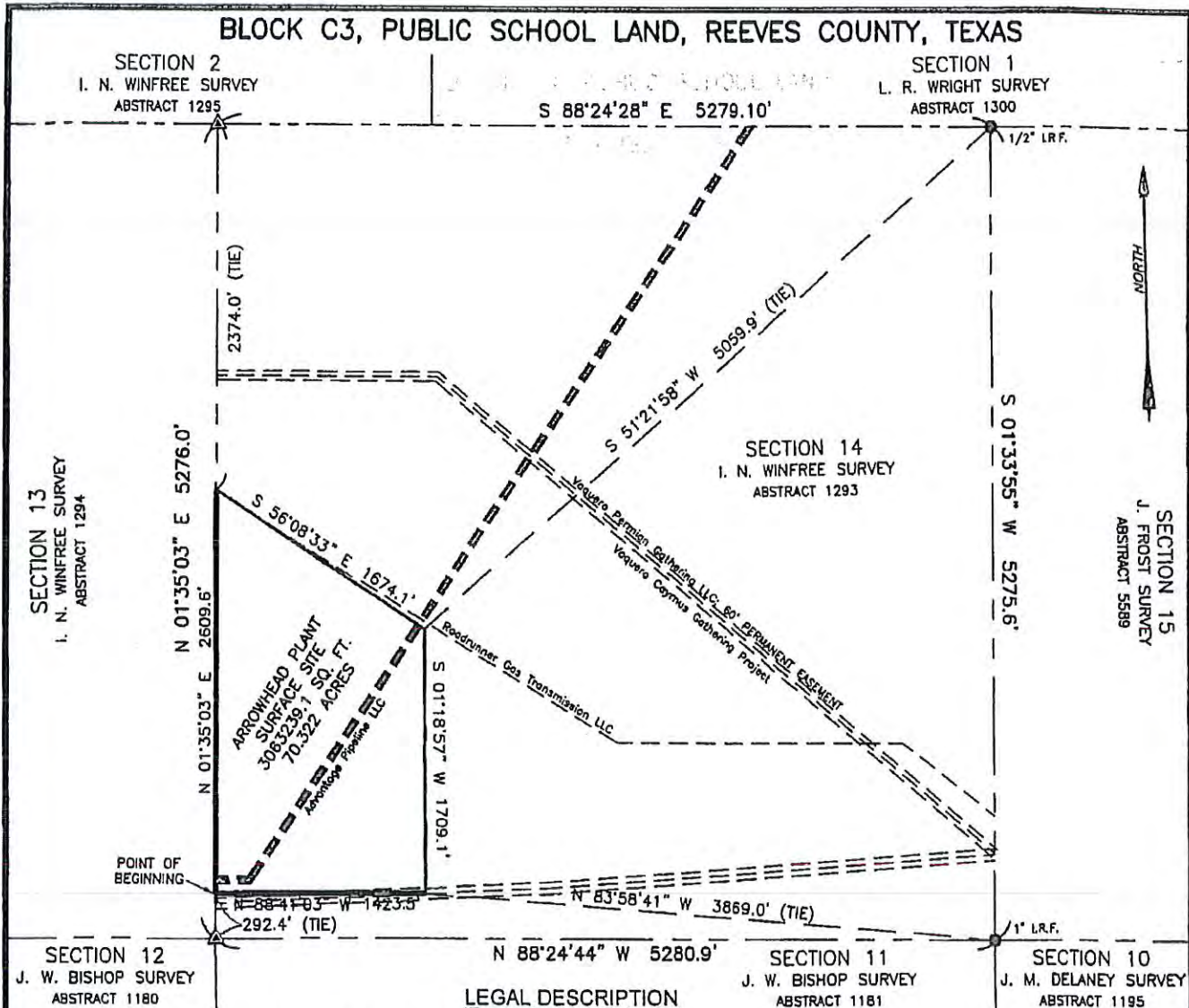
SURFACE SITE SURVEY

SECTION 13, BLOCK C3, PUBLIC SCHOOL LAND
REEVES COUNTY, TEXAS

SCALE: 1" = 1000'	AFE: 100000001137
DRAFTED BY: WLJ	DATE: 19 AUGUST 2015
SHEET: 1 OF 2	QUAD: UGON RANCH, TEXAS
W.O. NO.: 15-308	FILE: 120-2015-84

EXHIBIT "A"

BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS



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 501, 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: LIGON RANCH, TEXAS
W.O. NO.: 15-308	FILE: 120-2015-84

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.

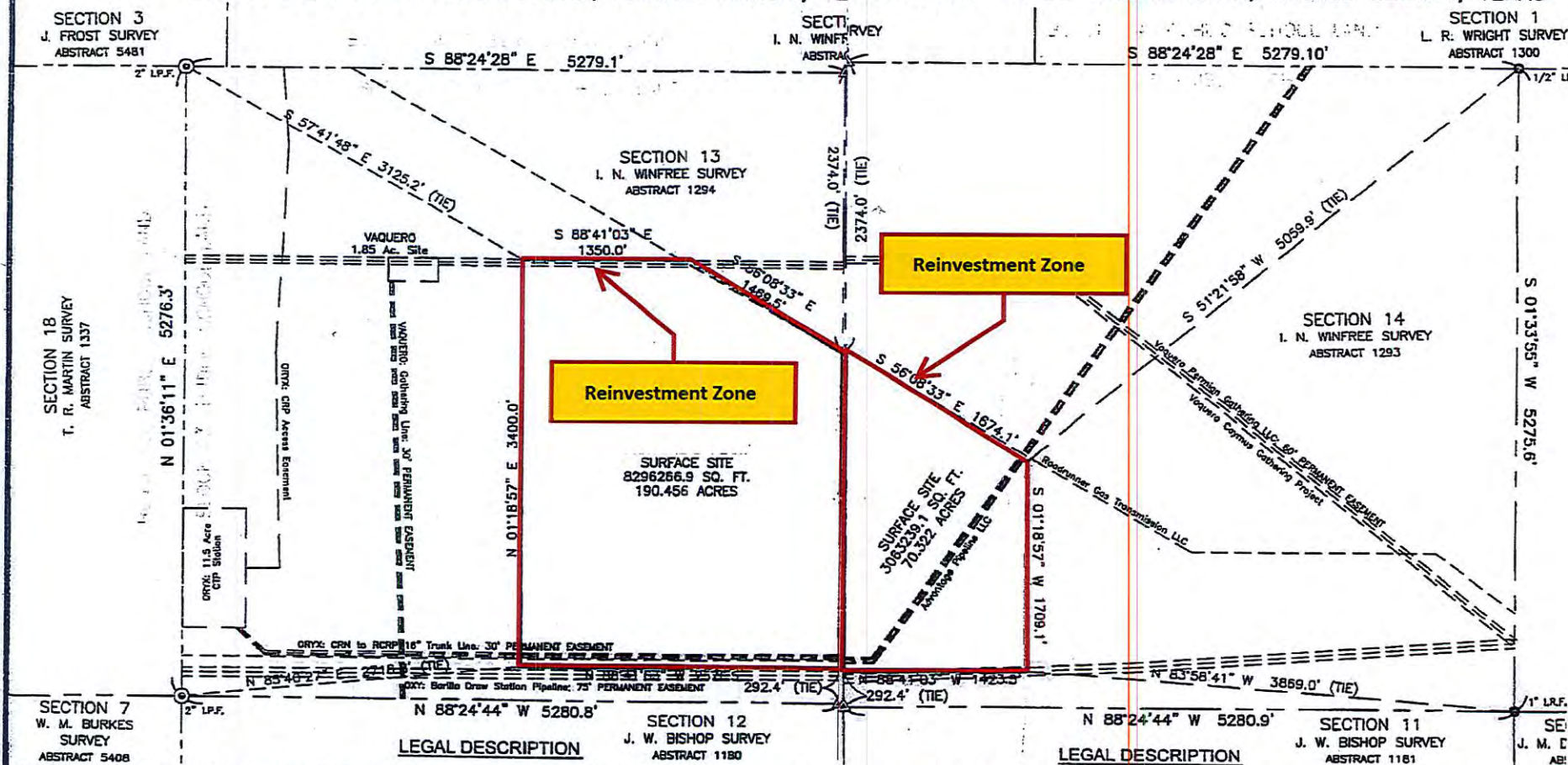
EXHIBIT "C"

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.

EXHIBIT "A"

BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS



SURFACE SITE SURVEY LOCATED IN SECTION 13, BLOCK C3, PUBLIC SCHOOL LAND, REEVES COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

OF SECTION 13, A DISTANCE OF 292.4 FEET, FROM THE SOUTHEAST CORNER OF SECTION 13:

THENCE NORTH 88° 41' 03" WEST, A DISTANCE OF 2576.5 FEET, TO THE SOUTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS N 88° 41' 03" E, ALONG THE WEST LINE OF SECTION 14, A DISTANCE OF 2609.6 FEET, TO THE NORTHWEST CORNER OF THE SURFACE SITE, WHICH BEARS S 57° 41' 48" EAST, A DISTANCE OF 3125.2 FEET, FROM THE NORTHWEST CORNER OF SECTION 13, THENCE NORTH 01° 18' 57" EAST, A DISTANCE OF 3400.0 FEET, TO THE NORTHWEST CORNER OF SECTION 13, THENCE SOUTH 55° 08' 33" EAST, A DISTANCE OF 1674.1 FEET, TO THE NORTHEAST CORNER OF THE SURFACE SITE, WHICH BEARS S 51° 21' 58" EAST, A DISTANCE OF 1350.0 FEET, TO A NORTHERLY CORNER OF THE SURFACE SITE, THENCE SOUTH 55° 08' 33" EAST, A DISTANCE OF 1674.1 FEET, TO THE NORTHEAST CORNER OF SECTION 14; THENCE SOUTH 01° 18' 57" WEST, A DISTANCE OF 1709.1 FEET, TO THE SOUTHEAST CORNER OF THE SURFACE SITE, IN THE EAST LINE OF SECTION 13, WHICH BEARS S 01° 18' 57" WEST, A DISTANCE OF 1709.1 FEET, TO THE SOUTHEAST CORNER OF SECTION 13, A DISTANCE OF 2374.0 FEET FROM THE SOUTHEAST CORNER OF SECTION 13.

THENCE SOUTH 01° 35' 03" WEST, ALONG THE EAST LINE OF SECTION 13, A DISTANCE OF 2509.6 FEET TO THE POINT OF BEGINNING, A SURVEY

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER
HEREON WERE LOCATED BY VISUAL INSPECTION.

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 HEREON WERE LOCATED BY VISUAL INSPECTION ONLY. A

Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Monahans

Fort Stockton

Pecos

Google Earth

© 2018 Google

Image Landsat / Copernicus

20 mi



Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Google Earth

© 2018 Google



2 mi

Pecos-Barstow-Toyah ISD Map

Legend

-  Pecos-Barstow-Toyah Independent School District
-  Reinvestment Zone

Pecos-Barstow-Toyah ISD Boundary
(yellow outline)

Reinvestment
Zone Boundary
(red outline)

Google Earth

Image Landsat / Copernicus

40 mi



Reinvestment Zone

With Proposed Project Boundary

Legend

 Reinvestment Zone

Reinvestment Zone
(red boundary)

Proposed Project Location
(yellow boundary)



Google Earth

2000 ft



Reinvestment Zone

Legend

 Reinvestment Zone

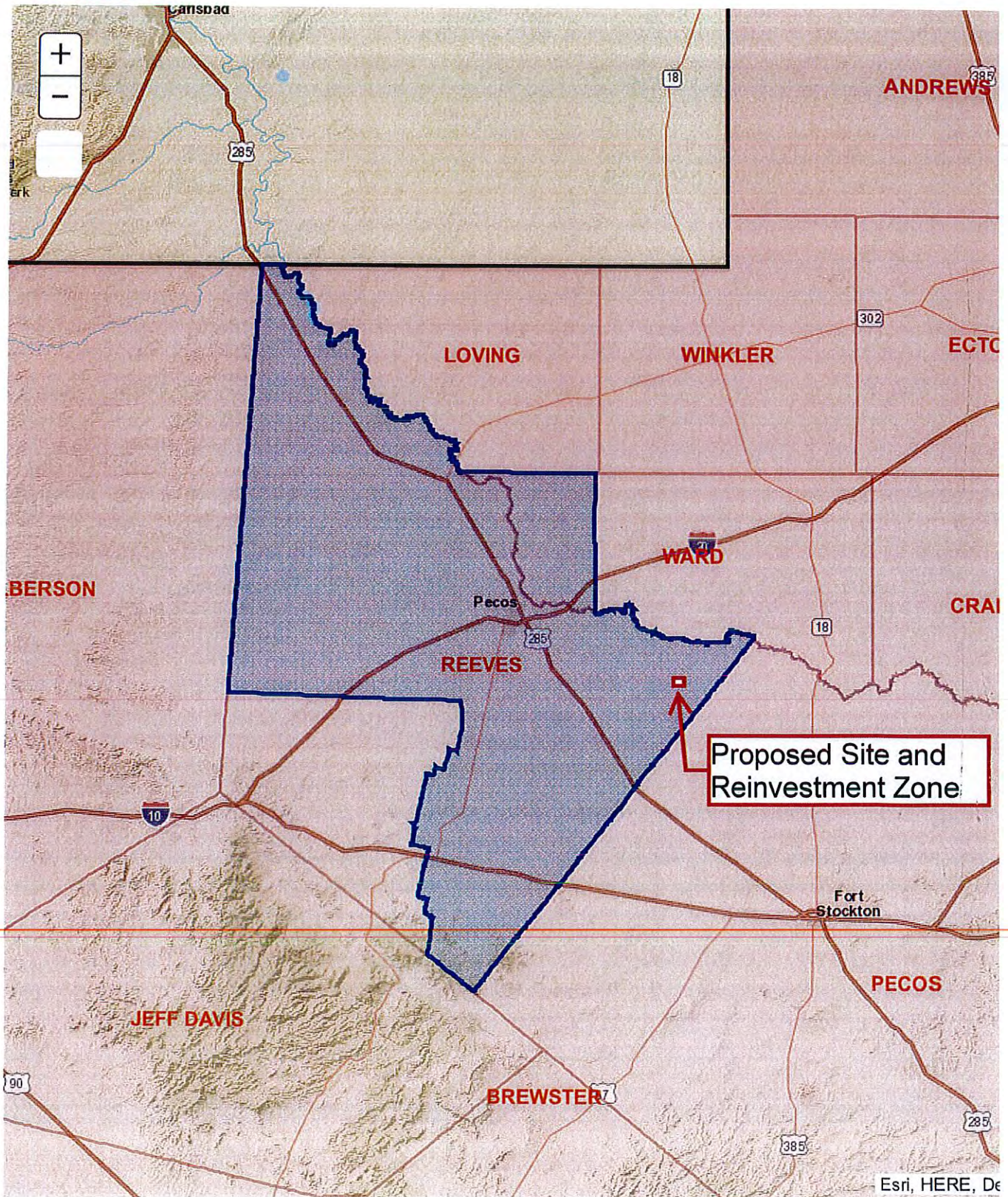
Reinvestment Zone
Boundary

Google Earth

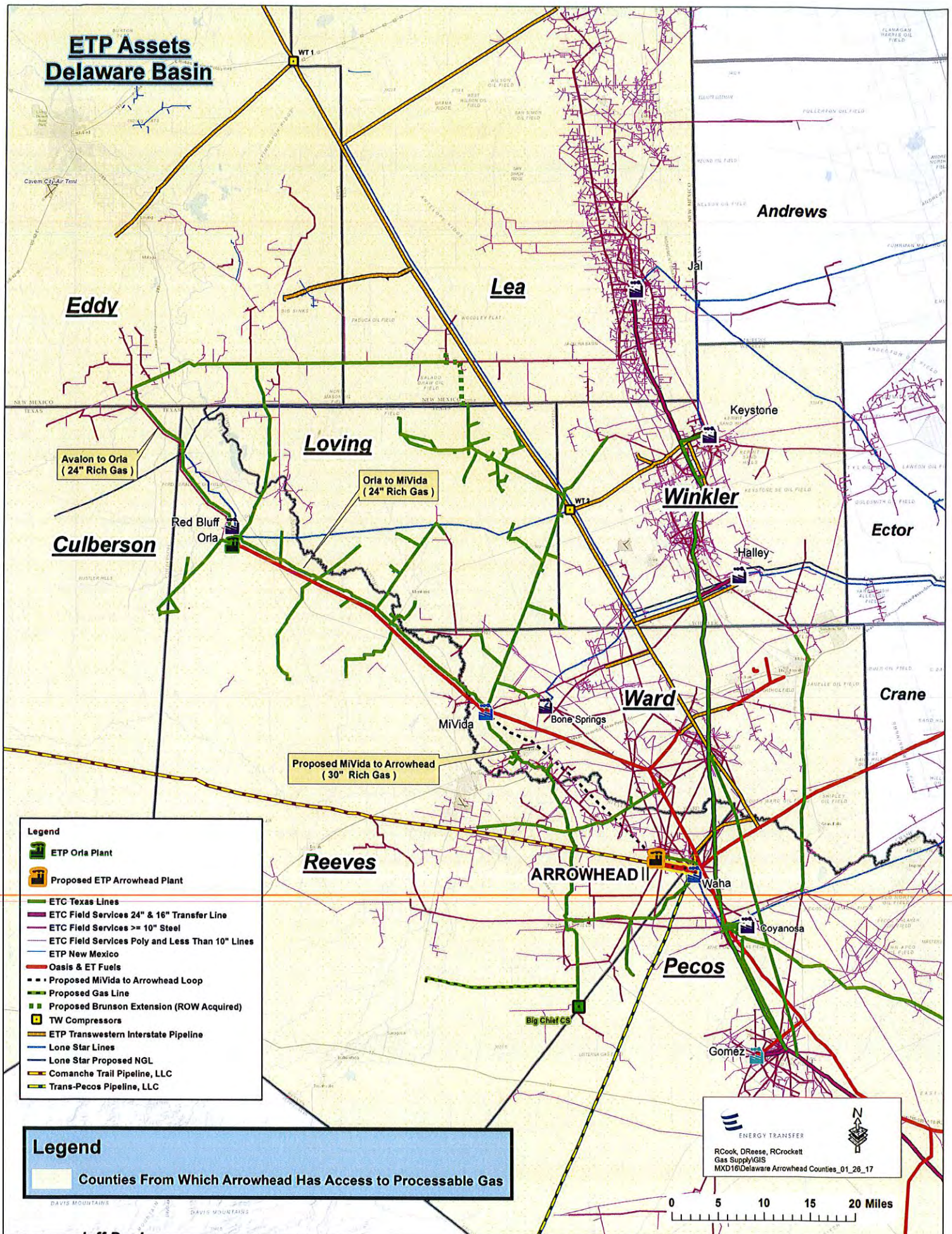
© 2018 Google



2000 ft



ETP Assets Delaware Basin



TAB 10

Description of Existing Improvements

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

TAB 11

Maps

Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Monahans

Fort Stockton

Pecos

Google Earth

© 2018 Google
Image Landsat / Copernicus

20 mi



Potential Plant Site

Legend

 Proposed Site and Reinvestment Zone

 Proposed Site and Reinvestment Zone

Google Earth

© 2018 Google



2 mi

Pecos-Barstow-Toyah ISD Map

Legend

-  Pecos-Barstow-Toyah Independent School District
-  Reinvestment Zone

Pecos-Barstow-Toyah ISD Boundary
(yellow outline)

Reinvestment
Zone Boundary
(red outline)

Google Earth

Image Landsat / Copernicus



40 mi

Reinvestment Zone

With Proposed Project Boundary

Legend

 Reinvestment Zone

Reinvestment Zone
(red boundary)

Proposed Project Location
(yellow boundary)



Google Earth

2000 ft



Reinvestment Zone

Legend

 Reinvestment Zone

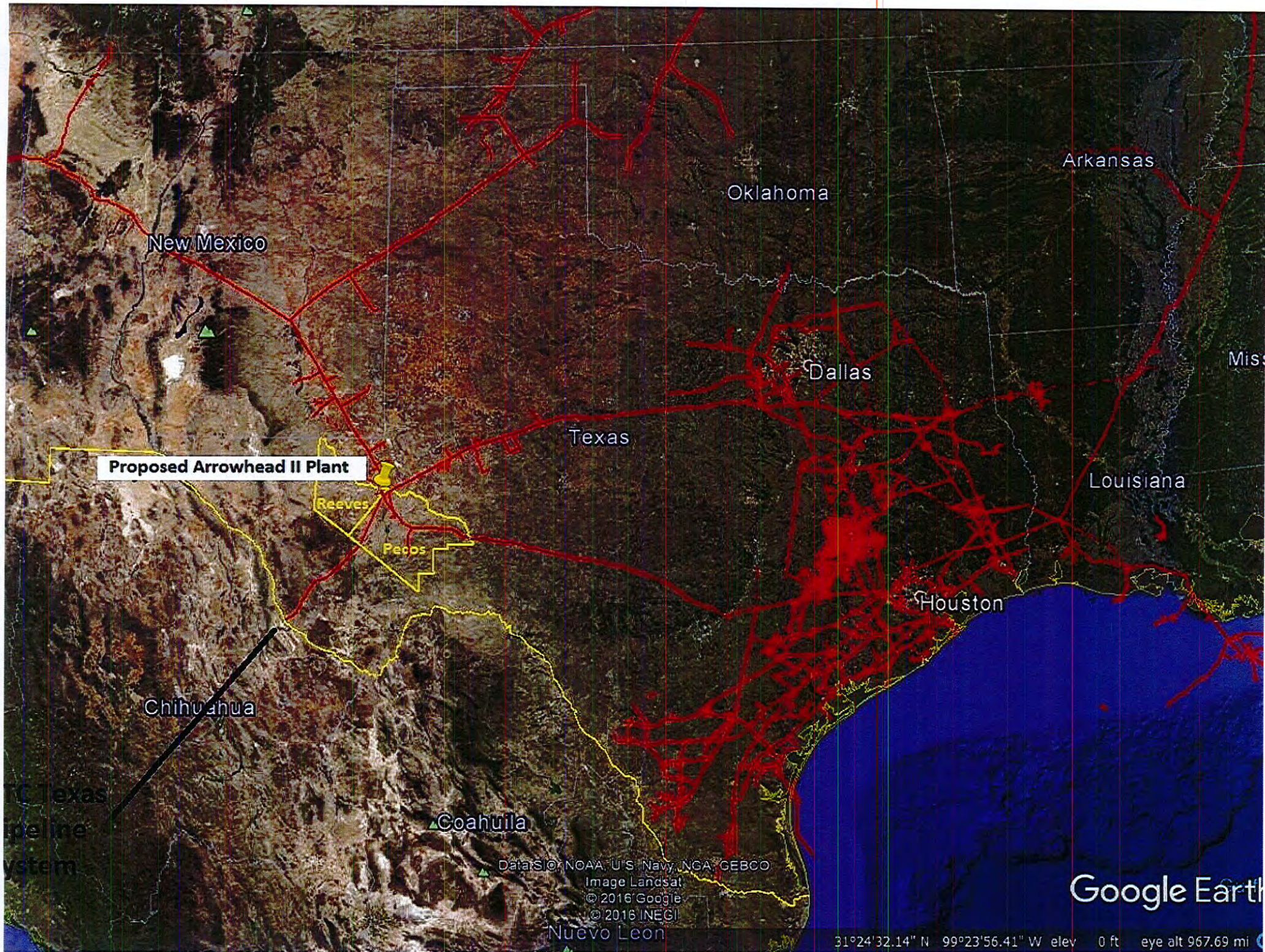
Reinvestment Zone
Boundary

Google Earth

© 2018 Google

2000 ft





New Mexico

Oklahoma

Arkansas

Dallas

Texas

Louisiana

Miss

Houston

Chihuahua

Coahuila

Nuevo Leon

Proposed Arrowhead II Plant

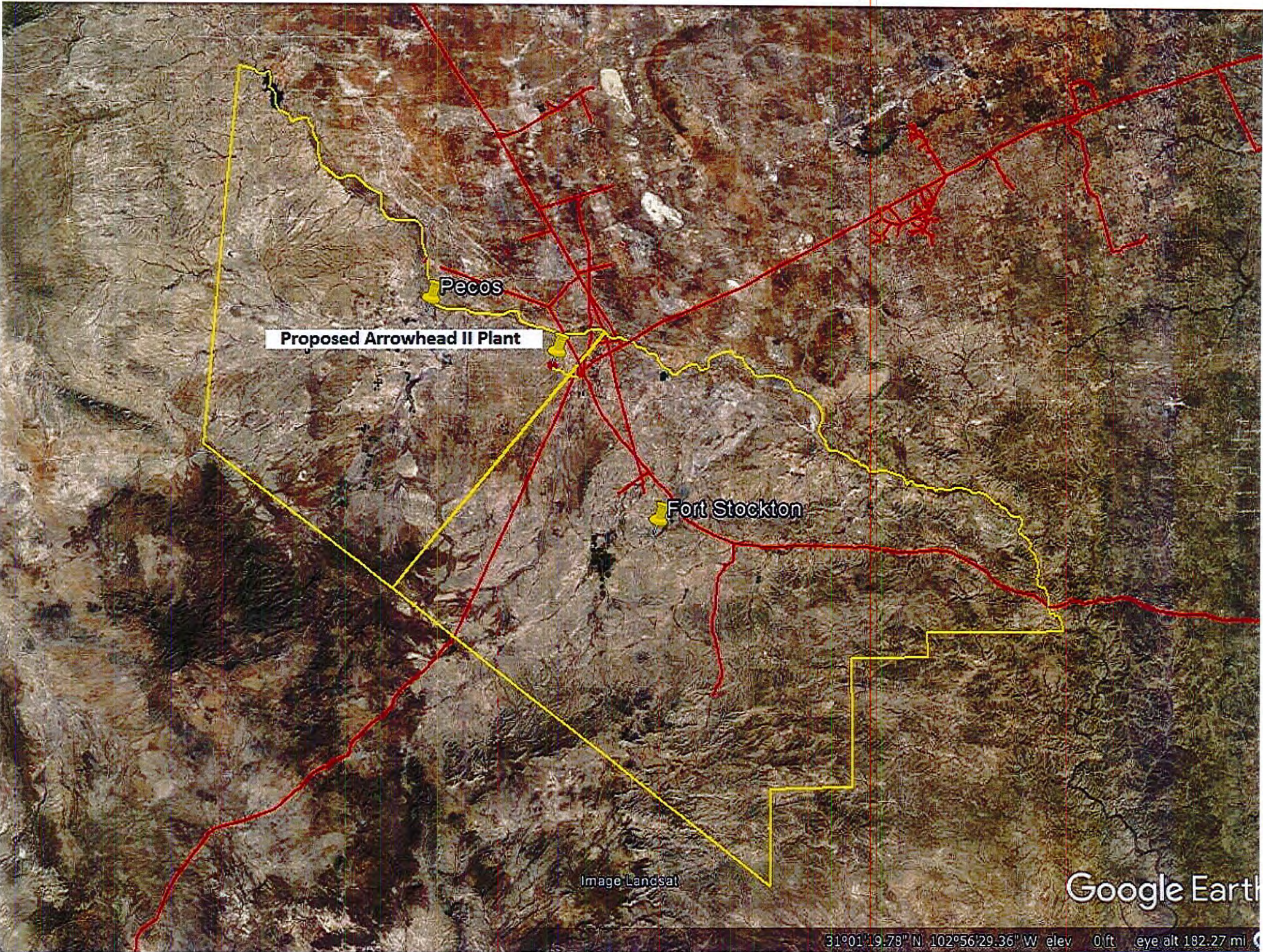
Reeves

Pecos

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 mi



Proposed Arrowhead II Plant

Pecos

Fort Stockton

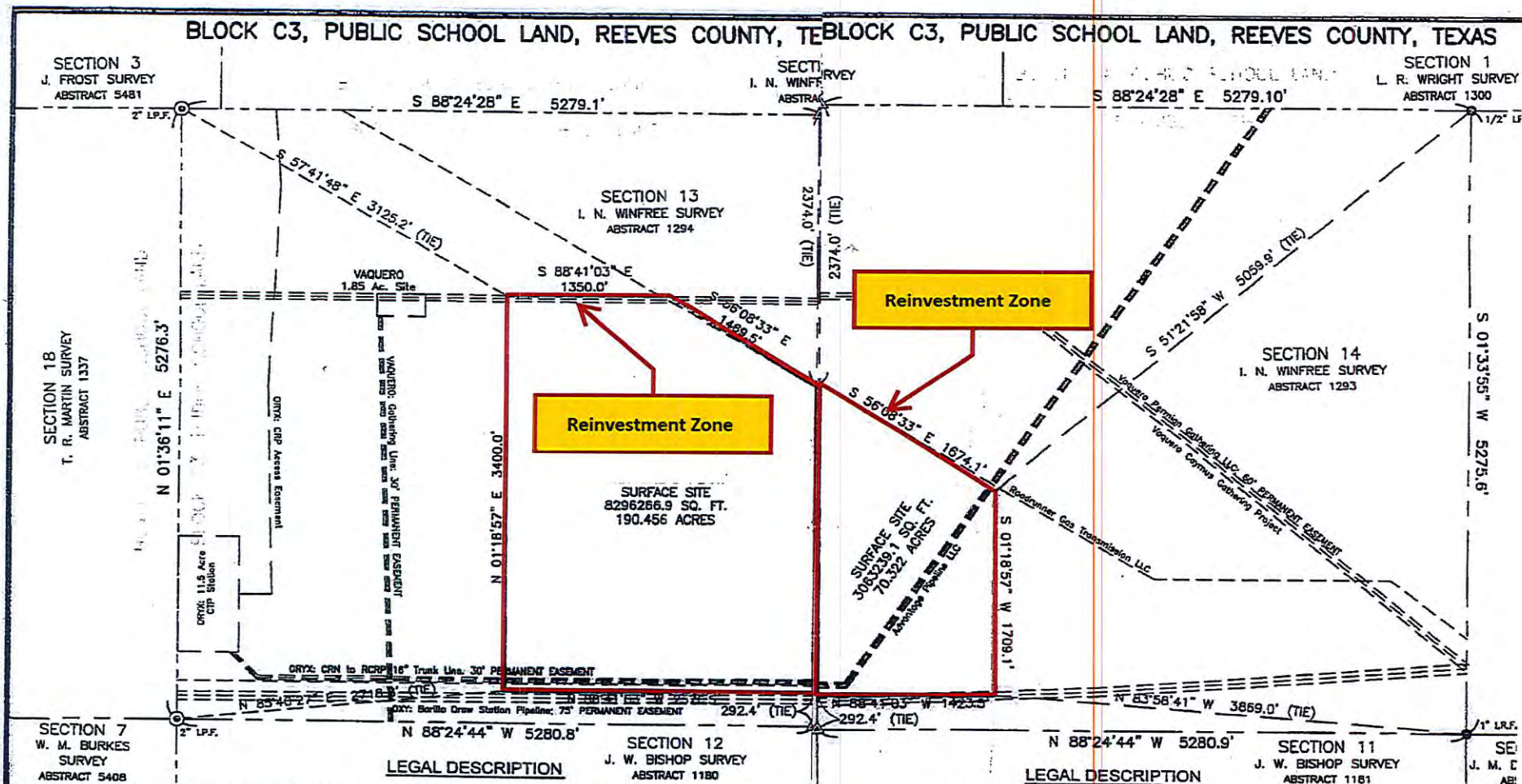
Image Landsat

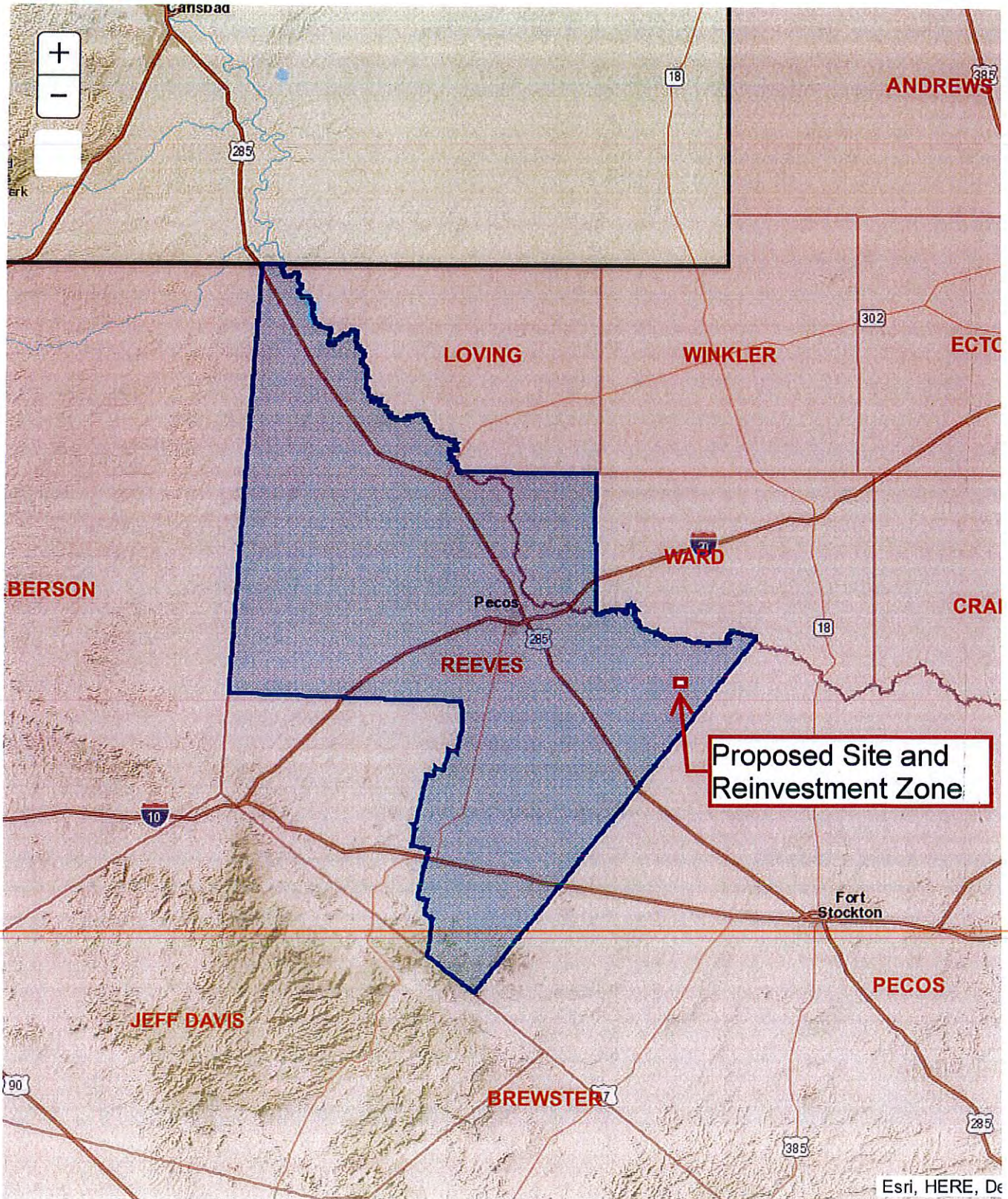
Google Earth

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

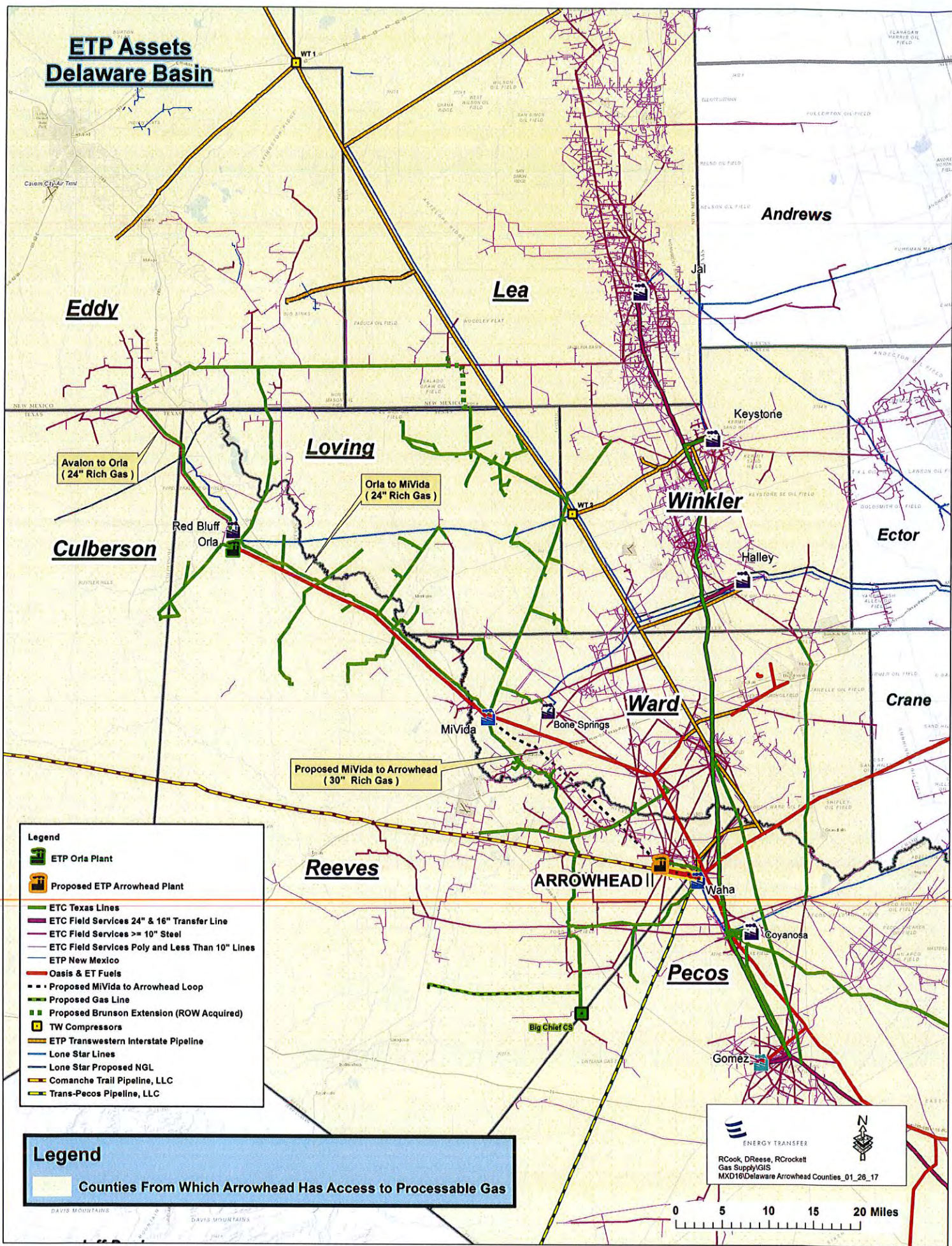
EXHIBIT "A"

EXHIBIT "A"





ETP Assets Delaware Basin

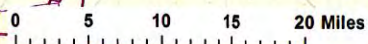


- Legend**
- ETP Orla Plant
 - Proposed ETP Arrowhead Plant
 - ETC Texas Lines
 - ETC Field Services 24" & 16" Transfer Line
 - ETC Field Services >= 10" Steel
 - ETC Field Services Poly and Less Than 10" Lines
 - ETP New Mexico
 - Oasis & ET Fuels
 - Proposed MiVida to Arrowhead Loop
 - Proposed Gas Line
 - Proposed Brunson Extension (ROW Acquired)
 - TW Compressors
 - ETP Transwestern Interstate Pipeline
 - Lone Star Lines
 - Lone Star Proposed NGL
 - Comanche Trail Pipeline, LLC
 - Trans-Pecos Pipeline, LLC

- Legend**
- Counties From Which Arrowhead Has Access to Processable Gas

ENERGY TRANSFER

RCook, DReese, RCrockett
Gas Supply/GIS
MXD16Delaware Arrowhead Counties_01_28_17



TAB 12

Request for Job Waiver

February 2nd, 2018

Pecos-Barstow-Toyah ISD
Mr. Jim Haley
1301 South Eddy Street,
Pecos, Texas 79772

Re: Chapter 313 Job Waiver Request; Gas Processing Plant Chapter 313 Application

Dear Mr. Haley:

ETC Texas Pipeline, LLC ("ETC") respectfully requests that Pecos-Barstow-Toyah Independent School District's Board of Trustees waive the job requirement provision as allowed in Section 313.025(f-1) of the tax code in connection with its Gas Processing Plant Chapter 313 Application. This waiver would require that the School District make a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility described in the ETC application for the Gas Processing Plant. ETC Texas Pipeline, LLC requests that Pecos-Barstow-Toyah ISD makes such findings and waive the job creation requirement of ten (10) permanent jobs.

ETC currently operates multiple plants and facilities in West Texas and expects to integrate the new facility with existing operations. Based on this and other plant operation experience, ETC expects to create three (3) qualifying, full-time jobs for the proposed project. The proposed project is expected to directly create approximately 175 jobs during construction, which will increase the need for local goods and services and generate incremental state and local tax revenue.

We believe this facility will promote economic growth and welfare to the community by creating permanent full-time positions. The wages for these positions will be at least 110% of the Reeves County average wage rate. Additionally, benefits such as medical, dental, and life insurance will be provided.

~~We appreciate your consideration of the job waiver request and if you have any questions,~~
please feel free to contact me by telephone at 469-298-1618 or by email at mfry@keatax.com

Sincerely,



Mike Fry
Director – Energy Services

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

2016	3Q	\$809
2016	4Q	\$829
2017	1Q	\$857
2017	2Q	\$907

$$\begin{array}{rcl} \$ & 3,402 & /4 = \\ & & \$851 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 935.55 \end{array}$$

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

2016	3Q	\$532
2016	4Q	\$561
2017	1Q	\$1,826
2017	2Q	\$2,093

$$\begin{array}{rcl} \$ & 5,012 & /4 = \\ & & \$1,253 \text{ average weekly salary} \\ & & \underline{\times 1.1 (110\%)} \\ & & \$ 1,378.30 \end{array}$$

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

\$54,079.00 per year in Permian Basin Area Council published July 2017

X1.10 (110%)

\$59,486.90

\$1,143.98

Avg. Weekly

Quarterly Census of Employment and Wage Original Data Value

Series Id: ENU4838940010

State: Texas
Area: Reeves County, Texas
Industry: Total, all industries
Owner: Total Covered
Size: All establishment sizes
Type: Average Weekly Wage
Years: 2007 to 2017

Year	Qtr1	Qtr2	Qtr3	Qtr4
2013	706	699	741	743
2014	760	731	796	814
2015	817	742	769	778
2016	776	743	809	829
2017	857	907		

Quarterly Census of Employment and Wages Original Data Value

Series Id: ENU483894051013

State: Texas
Area: Reeves County, Texas
Industry: Manufacturing
Owner: Private
Size: All establishment sizes
Type: Average Weekly Wage
Years: 2007 to 2017

Year	Qtr1	Qtr2	Qtr3	Qtr4
2013	309	309	320	374
2014	353	351	330	342
2015	306	393	607	783
2016	648	518	532	561
2017	1826	2093		

2016 Manufacturing Average Wages by Council of Government Region
Wages for All Occupations

COG	Wages	
	Hourly	Annual
Texas	\$25.41	\$52,850
<u>1. Panhandle Regional Planning Commission</u>	\$22.52	\$46,834
<u>2. South Plains Association of Governments</u>	\$18.27	\$38,009
<u>3. NORTEX Regional Planning Commission</u>	\$24.14	\$50,203
<u>4. North Central Texas Council of Governments</u>	\$26.06	\$54,215
<u>5. Ark-Tex Council of Governments</u>	\$19.07	\$39,663
<u>6. East Texas Council of Governments</u>	\$20.52	\$42,677
<u>7. West Central Texas Council of Governments</u>	\$20.31	\$42,242
<u>8. Rio Grande Council of Governments</u>	\$19.32	\$40,188
<u>9. Permian Basin Regional Planning Commission</u>	\$26.00	\$54,079
<u>10. Concho Valley Council of Governments</u>	\$18.78	\$39,066
<u>11. Heart of Texas Council of Governments</u>	\$21.14	\$43,962
<u>12. Capital Area Council of Governments</u>	\$30.06	\$62,522
<u>13. Brazos Valley Council of Governments</u>	\$17.66	\$36,729
<u>14. Deep East Texas Council of Governments</u>	\$18.06	\$37,566
<u>15. South East Texas Regional Planning Commission</u>	\$33.42	\$69,508
<u>16. Houston-Galveston Area Council</u>	\$27.52	\$57,246
<u>17. Golden Crescent Regional Planning Commission</u>	\$26.38	\$54,879
<u>18. Alamo Area Council of Governments</u>	\$21.67	\$45,072
<u>19. South Texas Development Council</u>	\$15.02	\$31,235
<u>20. Coastal Bend Council of Governments</u>	\$27.85	\$57,921
<u>21. Lower Rio Grande Valley Development Council</u>	\$17.55	\$36,503
<u>22. Texoma Council of Governments</u>	\$20.98	\$43,648
<u>23. Central Texas Council of Governments</u>	\$18.65	\$38,783
<u>24. Middle Rio Grande Development Council</u>	\$23.05	\$47,950

Source: Texas Occupational Employment and Wages

Data published: July 2017

Data published annually, next update will be July 31, 2018

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.

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 <u>not</u> 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)	2018-2019	2018	Not eligible to become Qualified Property			(If 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				\$ 105,000,000.00	\$ -	\$ -	\$ -	\$ 105,000,000.00
Complete tax years of qualifying time period	QTP1	2019-2020	2019	\$ -	\$ -	\$ -	\$ -	\$ -
	QTP2	2020-2021	2020	\$ -	\$ -	\$ -	\$ -	\$ -
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.)								
				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 investment made during this year that will <u>not</u> become Qualified Property [SEE NOTE]	Other investment made during this year that will become Qualified Property [SEE NOTE]	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	2018-2019	2018	\$ 105,000,000.00				\$ 105,000,000.00
Value limitation period***	1	2019-2020	2019					
	2	2020-2021	2020					
	3	2021-2022	2021					
	4	2022-2023	2022					
	5	2023-2024	2023					
	6	2024-2025	2024					
	7	2025-2026	2025					
	8	2026-2027	2026					
	9	2027-2028	2027					
	10	2028-2029	2028					
Total Investment made through limitation				\$ 105,000,000.00				\$ 105,000,000.00
Continue to maintain viable presence	11	2029-2030	2029					
	12	2030-2031	2030					
	13	2031-2032	2031					
	14	2032-2033	2032					
	15	2033-2034	2033					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2034-2035	2034					
	17	2035-2036	2035					
	18	2036-2037	2036					
	19	2037-2038	2037					
	20	2038-2039	2038					
	21	2039-2040	2039					
	22	2040-2041	2040					
	23	2041-2042	2041					
	24	2042-2043	2042					
	25	2043-2044	2043					

* 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	2018-2019	2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Value Limitation Period	1	2019-2020	2019	\$ -	\$ -	\$ 95,000,000.00	\$ 95,000,000.00	\$ 95,000,000.00	\$ 30,000,000.00
	2	2020-2021	2020	\$ -	\$ -	\$ 91,200,000.00	\$ 91,200,000.00	\$ 91,200,000.00	\$ 30,000,000.00
	3	2021-2022	2021	\$ -	\$ -	\$ 87,400,000.00	\$ 87,400,000.00	\$ 87,400,000.00	\$ 30,000,000.00
	4	2022-2023	2022	\$ -	\$ -	\$ 83,600,000.00	\$ 83,600,000.00	\$ 83,600,000.00	\$ 30,000,000.00
	5	2023-2024	2023	\$ -	\$ -	\$ 79,800,000.00	\$ 79,800,000.00	\$ 79,800,000.00	\$ 30,000,000.00
	6	2024-2025	2024	\$ -	\$ -	\$ 76,000,000.00	\$ 76,000,000.00	\$ 76,000,000.00	\$ 30,000,000.00
	7	2025-2026	2025	\$ -	\$ -	\$ 72,200,000.00	\$ 72,200,000.00	\$ 72,200,000.00	\$ 30,000,000.00
	8	2026-2027	2026	\$ -	\$ -	\$ 68,400,000.00	\$ 68,400,000.00	\$ 68,400,000.00	\$ 30,000,000.00
	9	2027-2028	2027	\$ -	\$ -	\$ 64,600,000.00	\$ 64,600,000.00	\$ 64,600,000.00	\$ 30,000,000.00
	10	2028-2029	2028	\$ -	\$ -	\$ 60,800,000.00	\$ 60,800,000.00	\$ 60,800,000.00	\$ 30,000,000.00
Continue to maintain viable presence	11	2029-2030	2029	\$ -	\$ -	\$ 57,000,000.00	\$ 57,000,000.00	\$ 57,000,000.00	\$ 57,000,000.00
	12	2030-2031	2030	\$ -	\$ -	\$ 53,200,000.00	\$ 53,200,000.00	\$ 53,200,000.00	\$ 53,200,000.00
	13	2031-2032	2031	\$ -	\$ -	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00	\$ 49,400,000.00
	14	2032-2033	2032	\$ -	\$ -	\$ 45,600,000.00	\$ 45,600,000.00	\$ 45,600,000.00	\$ 45,600,000.00
	15	2033-2034	2033	\$ -	\$ -	\$ 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	2034-2035	2034	\$ -	\$ -	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00	\$ 38,000,000.00
	17	2035-2036	2035	\$ -	\$ -	\$ 34,200,000.00	\$ 34,200,000.00	\$ 34,200,000.00	\$ 34,200,000.00
	18	2036-2037	2036	\$ -	\$ -	\$ 30,400,000.00	\$ 30,400,000.00	\$ 30,400,000.00	\$ 30,400,000.00
	19	2037-2038	2037	\$ -	\$ -	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00	\$ 26,600,000.00
	20	2038-2039	2038	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	21	2039-2040	2039	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	22	2040-2041	2040	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	23	2041-2042	2041	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	24	2042-2043	2042	\$ -	\$ -	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00	\$ 23,750,000.00
	25	2043-2044	2043	\$ -	\$ -	\$ 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
ISD Name

ETC Texas Pipeline, LTD
Pecos - Barstow - Toyah ISD

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				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	2018-2019	2018	175 FTE	\$ 59,486.90	N/A	3	\$ 59,486.90
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2019-2020	2019	0	0	N/A	3	\$ 59,486.90
	2	2020-2021	2020	0	0	N/A	3	\$ 59,486.90
	3	2021-2022	2021	0	0	N/A	3	\$ 59,486.90
	4	2022-2023	2022	0	0	N/A	3	\$ 59,486.90
	5	2023-2024	2023	0	0	N/A	3	\$ 59,486.90
	6	2024-2025	2024	0	0	N/A	3	\$ 59,486.90
	7	2025-2026	2025	0	0	N/A	3	\$ 59,486.90
	8	2026-2027	2026	0	0	N/A	3	\$ 59,486.90
	9	2027-2028	2027	0	0	N/A	3	\$ 59,486.90
	10	2028-2029	2028	0	0	N/A	3	\$ 59,486.90
Years Following Value Limitation Period	11 through 26	2029-2044	2029-2044	0	0	N/A	3	\$ 59,486.90

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:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

☒

Yes

☐

No

☒

Yes

☐

No

☐

Yes

☒

No

Schedule D: Other Incentives (Estimated)

Applicant Name

ETC Texas Pipeline, LTD

Form 50-296A

ISD Name

Pecos - Barstow - Toyah ISD

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	2019	2019-2023	\$ 444,581.00	Avg 50% Per Yr	\$ 222,291.00
	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				\$ 444,581.00		\$ 222,291.00

Additional information on incentives for this project:

TAB 15

Economic Impact Study

N/A

TAB 16

Description of Reinvestment Zone

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT**

A RESOLUTION DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE IN CONNECTION WITH AN ECONOMIC DEVELOPMENT AGREEMENT UNDER CHAPTER 313 OF THE TEXAS LOCAL GOVERNMENT CODE, SUCH REINVESTMENT ZONE LOCATED WITHIN THE GEOGRAPHIC BOUNDARIES OF THE PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT, REEVES COUNTY, TEXAS, TO BE KNOWN AS THE “ETC REINVESTMENT ZONE”; ESTABLISHING THE BOUNDARIES THEREOF IN CONNECTION WITH AN APPLICATION FOR VALUE LIMITATION AGREEMENT FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES UNDER CHAPTER 313 OF THE TEXAS TAX CODE SUBMITTED BY ETC TEXAS PIPELINE, LTD (TAXPAYER I.D. 10505324664), COMPTROLLER’S APPLICATION NO. 1160:

WHEREAS, the Pecos-Bartow-Toyah Independent School District, Texas, (the “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 (TEXAS TAX CODE § 312.0025), for the purpose of authorizing Value Limitation Agreement on School District Maintenance and Operations Taxes, as authorized by Chapter 313 of the TEXAS TAX CODE; and,

WHEREAS, the District desires to contribute to the expansion of primary employment in the reinvestment zone and attract major investment in the reinvestment zone that will be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located; and

WHEREAS, on May 18, 2017, the District’s Board of Trustees held a hearing, 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 as described on ATTACHMENT 1 appended hereto; and,

WHEREAS, the District’s Board of Trustees at such public hearing invited any interested person to appear and speak for or against: (1) the creation of the reinvestment zone, and whether all or part of the territory described should be included in the proposed reinvestment zone; and (2) ~~approval of a Chapter 313 Agreement for Value Limitation for School District Maintenance and Operations Taxes with ETC Texas Pipeline, LTD (Texas Taxpayer I.D. No. 10505324664);~~

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;

WHEREAS, the District wishes to create a reinvestment zone consisting of the same real property as described on ATTACHMENT 1 to be known as the “ETC Reinvestment Zone”;

**NOW THEREFORE, BE IT RESOLVED BY THE PECOS-BARSTOW-TOYAH
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 and are incorporated into this Resolution as findings of fact.

SECTION 2. That the Board of Trustees of the 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 “ETC 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;
- (b) That the boundaries of the “ETC Reinvestment Zone” be and, by the adoption of this Resolution, are declared and certified to be, the area as described in the description attached hereto as “ATTACHMENT 1”;
- (c) That creation of the “ETC Reinvestment Zone” boundaries as described in “ATTACHMENT 1” will contribute to the expansion of primary employment in the reinvestment zone and attract major investment in the reinvestment zone that will be a benefit to property in the reinvestment zone and to the school district and contribute to the economic development of the region of this state in which the school district is located;
- (e) That the “ETC Reinvestment Zone” described in “ATTACHMENT 1” 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 major investment in the zone that will be a benefit to the property to be included in the reinvestment zone and would contribute to the economic development of the region of this state in which the school district is located.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act, as amended, the District hereby creates a reinvestment zone under the provisions of TEXAS TAX CODE § 312.0025, encompassing the area described by the descriptions in “ATTACHMENT 1,” and such reinvestment zone is hereby designated and shall hereafter be referred to as the “ETC Reinvestment Zone”.

SECTION 4. That the “ETC Reinvestment Zone” shall take effect upon adoption of this Resolution by the District’ Board of Trustees and shall remain designated as a commercial-industrial reinvestment zone for the period provided by Chapter 212 of the Property Tax Code.

SECTION 5. That it is hereby found, determined, and declared that a sufficient notice of the date, hour, place, and subject of the meeting of the District's 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 the Pecos-Barstow-Toyah Independent School District, Reeves County, Texas; and that, furthermore, such notice was in fact delivered to the presiding officer of any affected taxing entity as prescribed by the Property Redevelopment and Tax Abatement Act

PASSED, APPROVED AND ADOPTED on this 18th day of May, 2017.

**PECOS-BARSTOW-TOYAH
INDEPENDENT SCHOOL DISTRICT**

By: _____
Gail Box, President
Board of Trustees

ATTEST:

By: _____
Bertha Natividad
Secretary, Board of Trustees

ATTACHMENT 1

LEGAL DESCRIPTION OF THE “ETC REINVESTMENT ZONE”

That 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 for all purposes.

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

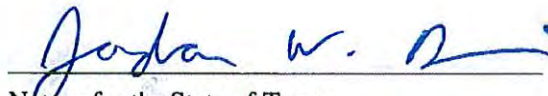
STATE OF TEXAS)

)

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.




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"



CAUTIONARY NOTE: LINE CROSSINGS AND OTHER
PERSONS WERE LOCATED BY VISUAL INSPECTION.

CAUTIONARY NOTE: LINE CROSSINGS AND OTHER FEATURES HEREON WERE LOCATED BY VISUAL INSPECTION ONLY. NO

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.
-

Reinvestment Zone

With Proposed Project Boundary

Legend

 Reinvestment Zone

Reinvestment Zone
(red boundary)

Proposed Project Location
(yellow boundary)



Google Earth

2000 ft



TAB 17

Signature and Certification Page

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 ▶

Jim Hale
Print Name (Authorized School District Representative)

Superintendent
Title

sign
here ▶

[Signature]
Signature (Authorized School District Representative)

2/15/18
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 ▶

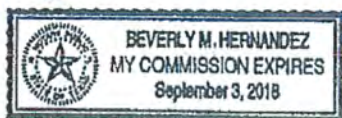
Megan McKavanagh
Print Name (Authorized Company Representative (Applicant))

Sr. Mgr Property Tax
Title

sign
here ▶

Megan McKavanagh
Signature (Authorized Company Representative (Applicant))

2/15/18
Date



(Notary Seal)

GIVEN under my hand and seal of office this, the

5 day of February, 2018

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

My Commission expires: 9.3.2018

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.