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June 26, 2018

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 Carthage Independent School District and BTA Gas Processing LLC

First Year of Qualifying Time Period- 2019
First Year of Limitation- 2021

Dear Local Government Assistance and Economic Analysis Division:

The Carthage Independent School District Board of Trustees approved the enclosed Application for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes (the "Application") at a duly called meeting held on June 18, 2018. The Application was determined to be complete on June 26, 2018. The proposed project is a new cryogenic natural gas processing plant.

Please note that the Applicant has designated certain portions of the Application as "confidential." I attach, under separate cover, an index to the confidential portions of the Application and the legal basis for asserting confidentiality as to these sections.

A copy of this Application is being provided to the Panola 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.

Thanks 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 the typed name "Sara Hardner Leon".

Sara Hardner Leon

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	7324 Southwest Freeway, Ste. 365 Houston, Texas 77074 t: 713-779-7500 f: 713-485-0169	802 N. Carancahua, Ste. 665 Corpus Christi, Texas 78401 t: 361-452-2804 f: 361-452-2743
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Toll Free: 800-494-1971

cc: *Via First Class Mail*
Mr. Douglas McPhail
Chief Appraiser
Panola County Appraisal District
1736 Ballpark Drive
Carthage, Texas 75633

Via Electronic Mail: ghambrick@carthageisd.org
Dr. J. Glenn Hambrick, Superintendent of Schools
Carthage Independent School District

Via Electronic Mail: ctate@eprod.com
Mr. Curt Tate, Senior Tax Director
BTA Gas Processing LLC

Via Electronic Mail: tim@ikardwynne.com
Mr. Tim Young, Counsel for Applicant
Ikard Wynne LLP

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

Date Application Received by District

First Name

Last Name

Title

School District Name

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number (optional)

Email Address

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)*

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Mobile Number *(optional)*

Email Address

4. On what date did the district determine this application complete?

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)*

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

Business Email Address

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

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

First Name

Last Name

Title

Organization

Street Address

Mailing Address

City

State

ZIP

Phone Number

Fax Number

Mobile Number *(optional)*

Business Email Address

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

SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

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

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

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

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☐ No ☐ N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? ☐ Yes ☐ No ☐ N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? _____
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) _____
3. List the NAICS code _____
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 _____

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) _____
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 (<i>complete Section 13</i>)
☐ Expansion of existing operation on the land (<i>complete Section 13</i>)	☐ 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
2. Commencement of construction
3. Beginning of qualifying time period
4. First year of limitation
5. Begin hiring new employees
6. Commencement of commercial operations
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?

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property
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: (Name, tax rate and percent of project) City: (Name, tax rate and percent of project)
Hospital District: (Name, tax rate and percent of project) Water District: (Name, tax rate and percent of project)
Other (describe): (Name, tax rate and percent of project) Other (describe): (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?
 2. What is the amount of appraised value limitation for which you are applying?
- 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): \$ _____
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): \$ _____

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)? _____
2. What is the last complete calendar quarter before application review start date:
- ☐ First Quarter ☐ Second Quarter ☐ Third Quarter ☐ Fourth Quarter of _____ (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)? _____ *
- Note:** For job definitions see TAC §9.1051 and Tax Code §313.021(3). *Permanent jobs attributable to affiliates of applicant
4. What is the number of new qualifying jobs you are committing to create? _____
5. What is the number of new non-qualifying jobs you are estimating you will create? _____
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 _____
- b. 110% of the average weekly wage for manufacturing jobs in the county is _____
- c. 110% of the average weekly wage for manufacturing jobs in the region is _____
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? _____
10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? _____
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

J. Glenn Hambrick

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

J. Glenn Hambrick

Signature (Authorized School District Representative)

6-18-18

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

Curt Tate

Print Name (Authorized Company Representative (Applicant))

Senior Tax Director

Title

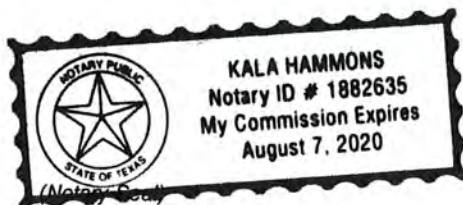
sign
here

Curt Tate

Signature (Authorized Company Representative (Applicant))

June 4, 2018

Date



GIVEN under my hand and seal of office this, the

4th day of June, 2018

Kala Hammons

Notary Public in and for the State of Texas

My Commission expires:

8/7/2020

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>

Exhibit 1

Attachment 4a.

School District & Application Number	Applying Entity	Application Date	First Full Tax Year
Barbers Hill ISD No. 166	Enterprise Products Operating LLC	9/1/2009	2010
Barbers Hill ISD No. 178	Enterprise Products Operating LLC	8/30/2010	2011
Barbers Hill ISD No. 192	Enterprise Products Operating, LLC	7/20/2010	2012
Barbers Hill ISD No. 253	Enterprise Products Operating, LLC	11/20/2012	2014
Barbers Hill ISD No. 254	Enterprise Products Operating, LLC	11/20/2012	2014
Barbers Hill ISD No. 278	Enterprise Products Operating, LLC	3/28/2013	2014
Barbers Hill ISD No. 349	Enterprise Products Operating, LLC	9/23/2013	2015
Barbers Hill ISD No. 363	Enterprise Products Operating, LLC	11/18/2013	2015
Barbers Hill ISD No. 364	Enterprise Products Operating, LLC	11/18/2013	2015
Yoakum ISD No. 187	Enterprise Hydrocarbons, L.P.	4/11/2011	2012
Pecos-Barstow-Toyah ISD No. 1122	Delaware Basin Gas Processing, LLC	2/1/2016	2017
Pecos-Barstow-Toyah ISD No. 1161	Enterprise Products Operating, LLC	11/29/2016	2019
Barbers Hill ISD No. 1162	Enterprise Products Operating, LLC	11/18/2016	2020
Barbers Hill ISD No. 1220	Enterprise Products Operating, LLC	9/27/2017	2021
La Porte ISD No.1238	Enterprise Navigator	2/16/2018	2021

Tab # 2

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 # 3

**Documentation of Combined Group
Membership under Texas Tax Code
171.0001(7)**

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

Tab # 4

Detailed Description of the Project

Proposed Project Description

The proposed project is the construction of a new gas plant capable of processing up to 200 MMSCFD of well-head gas from East Texas and Louisiana. The proposed plant will include inlet treating and dehydration, a cryogenic plant and a small stabilizer system.

The proposed project is a cryogenic natural gas processing plant that is designed to process raw natural gas by removing contaminants or impurities and creating pipeline-quality residue gas and natural gas liquids. Natural gas liquids are a mixture of products such as ethane, propane, normal butane, isobutane and natural gasoline.

Raw natural gas produced at the well-head contains varying amounts of natural gas liquids ("NGLs"). This rich natural gas in its raw form is usually not acceptable for transportation in the nation's major natural gas pipeline systems or for commercial use as a fuel. Natural gas processing plants remove the NGLs from the natural gas stream, enabling the natural gas to meet transmission pipeline and commercial quality specifications. Construction is estimated to commence in the 4th quarter of 2018 with a projected completion date of the 4th quarter of 2019.

Summary of plant feed stock and finished products

1. Feedstock Source: Raw Natural Gas produced at the well-head and transported through gathering systems from various producers in the area.
2. Final Products Produced:
 - a. Mixed NGL's: The mixed NGL's would be transported via pipeline from the proposed plant to multiple markets for storage and further fractionation.
 - b. Natural Gas: The residue gas would be compressed and delivered to a pipeline adjacent to the proposed facility to be delivered to multiple markets.
3. Interconnections
 - a. The proposed plant would be interconnected via newly constructed pipelines to allow the final products to be delivered to the market.

The proposed new cryogenic plant facility will consist of the following components:

- One (1) Slug Catcher sized for 200 MMscfd total gas rate and 250 BBL liquid hold-up capacity.
- Stabilization System (1 x 250 bbl)
- Inlet Separation and Filtration
- Amine Treating for CO₂ Removal
- TEG Dehydration for H₂O Removal
- Thermal Oxidizer
- Molecular Sieve Dehydration
- GSP (or similar) Cryogenic Gas Plant
- Residue Compression
- NGL Booster and Pipeline Pumps
- Flare and closed drain system
- Water Supply, Drain Systems, Waste Water
- Utilities (fuel, instrument air, R.O. water)
- Plant roads, fencing, and security cameras
- Control room/warehouse building

Tab # 5

Limitation is a Determining Factor

1. **Does the applicant currently own the land on which the proposed project will occur?**

Applicant owns the land upon which the facility identified in Tab 7 will be constructed. The land is described in Tab 9.

2. **Has the applicant entered into any agreements, contracts or letters of intent related to the proposed project?**

No

3. **Does the applicant have current business activities at the location where the proposed project will occur?**

Attached as Tab 10 is a depiction of the proposed project site. The area shaded in yellow, designated as "New Project Boundary" is the location of the new proposed project. The areas outlined in red are existing assets located on the property but will not be part of the proposed project, therefore not eligible for value limitation.

4. **Has the applicant made public statements in SEC filings or other documents regarding its intentions regarding the proposed project location?**

No

5. **Has the applicant received any local or state permits for activities on the proposed project site?**

No.

6. **Has the applicant received commitments for state or local incentives for activities at the proposed project site?**

No.

7. **Is the applicant evaluating other locations not in Texas for the proposed project?**

Applicant is a leading midstream energy company with a large pipeline footprint in the United States. These pipelines provide substantial flexibility in plant location. Applicant has gas manufacturing locations in Texas, Louisiana, New Mexico, Colorado, and

Wyoming. Applicant also has significant interstate pipeline assets in Louisiana and New Mexico that can and do move product to and from Texas. This allows potential manufacturing facilities to be located in other states and the product moved to Applicant's facilities in Texas.

Capital investments are allocated to projects and locations based on expected economic return and property tax liabilities can make up a substantial ongoing cost of operation. The Chapter 313 Value Limitation, if granted, would make the location in Texas a feasible investment, as is further discussed in Item 10 to Tab 5.

8. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with alternative investment opportunities?

Yes, see Item 10 to Tab 5, as referenced below in the answer to question 10.

9. Has the applicant provided information related to the applicant's inputs, transportation and market for the proposed project?

N/A

10. Are you submitting information to assist in the determinations 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?

See the attached Item 10 to Tab 5.

Key Determining factors:

- The Applicant has submitted in Item 10 to Tab 5 a discounted cash flow model (DCF) computing the proposed project's rate of return with the Chapter 313 appraised value limitation agreement and without the value limitation agreement. The DCF model shows that the rate of return with the valuation limitation agreement exceeds the minimum rate of return required by the Applicant to proceed with the proposed investment.
- An appraised value limitation agreement under Chapter 313 results in significant annual operating cost savings which would incentivize the Applicant to invest capital in the proposed project rather than making an alternative investment.

- The property tax burden for the Applicant's proposed project is significant. The property tax burden has a direct impact on the proposed project's economic viability and the decision to invest in Texas.
- The ability to enter into a Chapter 313 appraised value limitation agreement with the school district is a determining factor to invest in this project.
- Capital investments by the Applicant are based on expected economic return on investment. Property tax liabilities can make up a substantial ongoing cost of operation that directly impacts the rate of return on the investment in the proposed project. Without the tax incentive the economics of this project will be less competitive with other capital intensive projects and the viability of the proposed project becomes uncertain.
- Tax incentives play an important role in attracting capital intensive manufacturing facilities due to the high property tax burden in Texas.
- The Applicant is evaluating various manufacturing projects for development and where to commit substantial long term investment based on economic rate of return on investment in the proposed projects. The economic benefits provided by a Chapter 313 appraised value limitation agreement is an important component in this analysis.

AT THE REQUEST OF THE APPLICANT, SUPPORTING DOCUMENTS IN ITEM 10 TO TAB 5 ARE CONSIDERED PROPRIETY AND CONFIDENTIAL DUE TO THE NATURE OF THE FINANCIAL INFORMATION AND ANALYSIS SUBMITTED. Applicant has separately submitted Propriety and Confidential Discounted Cash Flow Models comparing the rate of return on investment in the proposed project with and without a Chapter 313 Appraised Value Limitation Agreement. These models are confidential.

Tab # 6

**Description of how project is located in
more than one district...**

Not applicable to this proposed project

Tab # 7

Detailed Description of Qualified Investment

Proposed Project Description

The proposed project is the construction of a new gas plant capable of processing up to 200 MMSCFD of well-head gas from East Texas and Louisiana. The proposed plant will include inlet treating and dehydration, a cryogenic plant and a small stabilizer system.

The proposed project is a cryogenic natural gas processing plant that is designed to process raw natural gas by removing contaminants or impurities and creating pipeline-quality residue gas and natural gas liquids. Natural gas liquids are a mixture of products such as ethane, propane, normal butane, isobutane and natural gasoline.

Raw natural gas produced at the well-head contains varying amounts of natural gas liquids ("NGLs"). This rich natural gas in its raw form is usually not acceptable for transportation in the nation's major natural gas pipeline systems or for commercial use as a fuel. Natural gas processing plants remove the NGLs from the natural gas stream, enabling the natural gas to meet transmission pipeline and commercial quality specifications. Construction is estimated to commence in the 4th quarter of 2018 with a projected completion date of the 4th quarter of 2019.

Summary of plant feed stock and finished products

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3. Interconnections
 - a. The proposed plant would be interconnected via newly constructed pipelines to allow the final products to be delivered to the market.

The proposed new cryogenic plant facility will consist of the following components:

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- Amine Treating for CO₂ Removal
- TEG Dehydration for H₂O Removal
- Thermal Oxidizer
- Molecular Sieve Dehydration
- GSP (or similar) Cryogenic Gas Plant
- Residue Compression
- NGL Booster and Pipeline Pumps
- Flare and closed drain system
- Water Supply, Drain Systems, Waste Water
- Utilities (fuel, instrument air, R.O. water)
- Plant roads, fencing, and security cameras
- Control room/warehouse building

Tab # 8

Detailed Description of Qualified Property

Proposed Project Description

The proposed project is the construction of a new gas plant capable of processing up to 200 MMSCFD of well-head gas from East Texas and Louisiana. The proposed plant will include inlet treating and dehydration, a cryogenic plant and a small stabilizer system.

The proposed project is a cryogenic natural gas processing plant that is designed to process raw natural gas by removing contaminants or impurities and creating pipeline-quality residue gas and natural gas liquids. Natural gas liquids are a mixture of products such as ethane, propane, normal butane, isobutane and natural gasoline.

Raw natural gas produced at the well-head contains varying amounts of natural gas liquids ("NGLs"). This rich natural gas in its raw form is usually not acceptable for transportation in the nation's major natural gas pipeline systems or for commercial use as a fuel. Natural gas processing plants remove the NGLs from the natural gas stream, enabling the natural gas to meet transmission pipeline and commercial quality specifications. Construction is estimated to commence in the 4th quarter of 2018 with a projected completion date of the 4th quarter of 2019.

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- Stabilization System (1 x 250 bbl)
- Inlet Separation and Filtration
- Amine Treating for CO₂ Removal
- TEG Dehydration for H₂O Removal
- Thermal Oxidizer
- Molecular Sieve Dehydration
- GSP (or similar) Cryogenic Gas Plant
- Residue Compression
- NGL Booster and Pipeline Pumps
- Flare and closed drain system
- Water Supply, Drain Systems, Waste Water
- Utilities (fuel, instrument air, R.O. water)
- Plant roads, fencing, and security cameras
- Control room/warehouse building

Tab # 9

Description of Land

The Land upon which the new buildings or new improvements will be built WILL NOT be a part of the qualified property described by §313.021(2)(A).

Tract 1:

All that certain 20.00 acres tract or parcel of land being situated in the T. Applewhite Survey, Abstract 37, in Panola County, Texas and being a part of Tract 1, a called 721.19 acres tract described in a General Warranty Deed to DPM, a Texas General Partnership, as recorded in Vol. 1285, Pg. 306 of the Official Public Records of said county and said 20.00 acres tract being described by metes and bounds, as follows:

BEGINNING at a 60d nail found for an occupied inner "L" corner of said Tract 1 and the occupied southeast corner of a called 66.07 acres tract recorded in Vol. 155, Pg. 250 of the Deed of Trust Records of said county, on the approximate line dividing said T. Applewhite Survey and the T. Applewhite Survey, Abstract 35 (NOTE: BEARINGS ARE BASED ON U.S. STATE PLANE NAD 1983 COORDINATES, TEXAS NORTH CENTRAL ZONE - 4202);

THENCE North 73°40'57" East, a distance of 343.99 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for the northeast corner described herein;

THENCE South 00°10'07" East, leaving said dividing line, a distance of 537.57 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for an angle point in the east line described herein;

THENCE South 31°01'37" West, a distance of 486.85 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for the southeast corner described herein;

THENCE South 75°56'12" West, a distance of 730.75 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set on the line dividing said Tract 1 and Tract 38, a called 283.8 acres tract recorded in Vol. 1347, Pg. 184 of said Official Public Records, on the approximate line dividing said Abstract 37 and the J. G. Hazelwood Survey, Abstract 853, for the southwest corner described herein;

THENCE North 13°06'13" West, along said dividing lines, a distance of 818.79 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for the most southern, northwest corner of said Tract 1 and the northwest corner described herein;

THENCE North 73°40'57" East, along the line dividing said Tract 1 and said 66.07 acres tract and said line dividing said Applewhite Surveys, a distance of 847.86 feet to the Point of Beginning and containing 20.00 acres of land.

Tract 2:

All that certain 1.00 acre surface site being situated in the T. Applewhite Survey, Abstract 37, in Panola County, Texas and being in Tract 1, a called 721.19 acres tract described in a General Warranty Deed to DPM, a Texas General Partnership, as recorded in Vol. 1285, Pg. 306 of the Official Public Records of said county and said surface site being described by metes and bounds, as follows:

BEGINNING at a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set on a south line of a 50 feet-wide easement recorded in Vol. 1570, Pg. 569 of said Official Public Records,

for the northeast corner herein, said POINT OF BEGINNING bears South 50°07'01" East, a distance of 1,267.00 feet from a 60-d nail found for an inner "L" corner of said Tract 1 (NOTE: BEARINGS ARE BASED ON U.S. STATE PLANE NAD 1983 COORDINATES, TEXAS NORTH CENTRAL ZONE ~ 4202);

THENCE South 01°02'33" East, leaving said south line, a distance of 208.71 feet to a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set for the southeast corner herein;

THENCE South 88°57'27" West, a distance of 208.71 feet to a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set for the southwest corner herein;

THENCE North 01°02'33" West a distance of 208.71 feet to a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set on said south line, for the northwest corner herein;

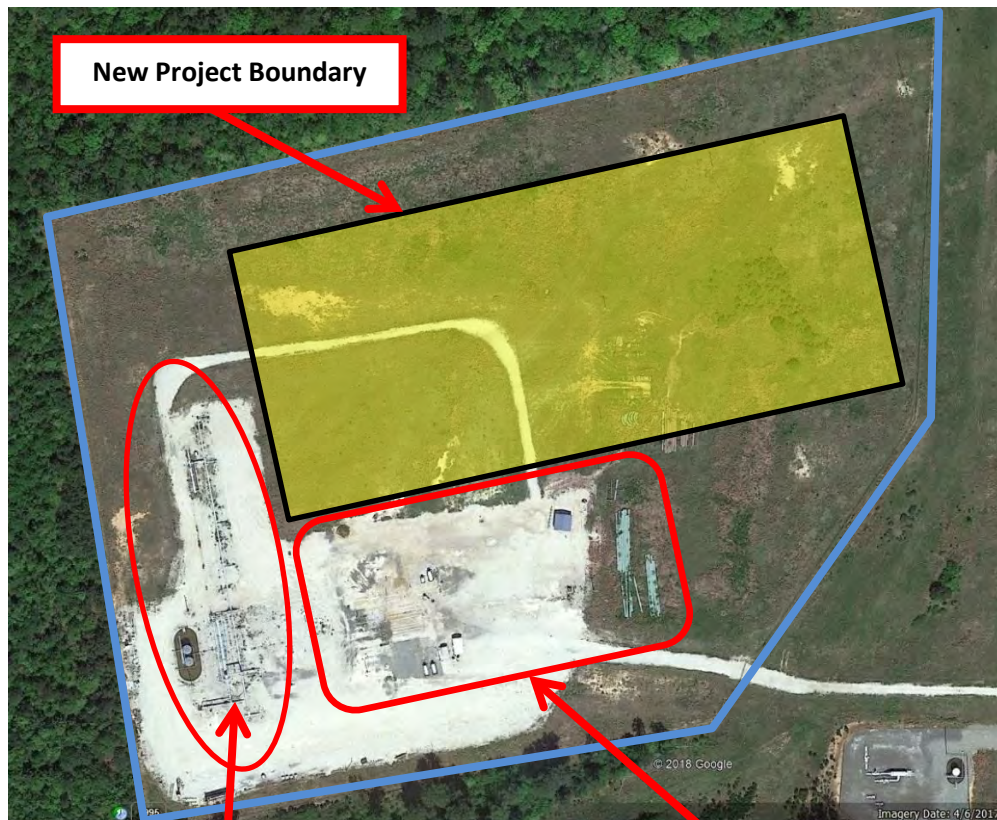
THENCE North 88°57'27" East, along said south line, a distance of 208.71 feet to the POINT OF BEGINNING and containing 43,560 square feet or 1.00 acre of land.

Tab # 10

Description of all property not eligible to become qualified property

There is a gathering pipeline, slug catcher and pig trap located on the property. The previous owner had an Amine Treater located at this site which has been removed, but for some scrap material which will be completely removed before the proposed project construction commences.

These pipeline assets are a totally separate facility and unrelated to the proposed project.



Existing Property (Not on New Project Site):
Gathering Pipeline, Slug Catcher and Pig Trap

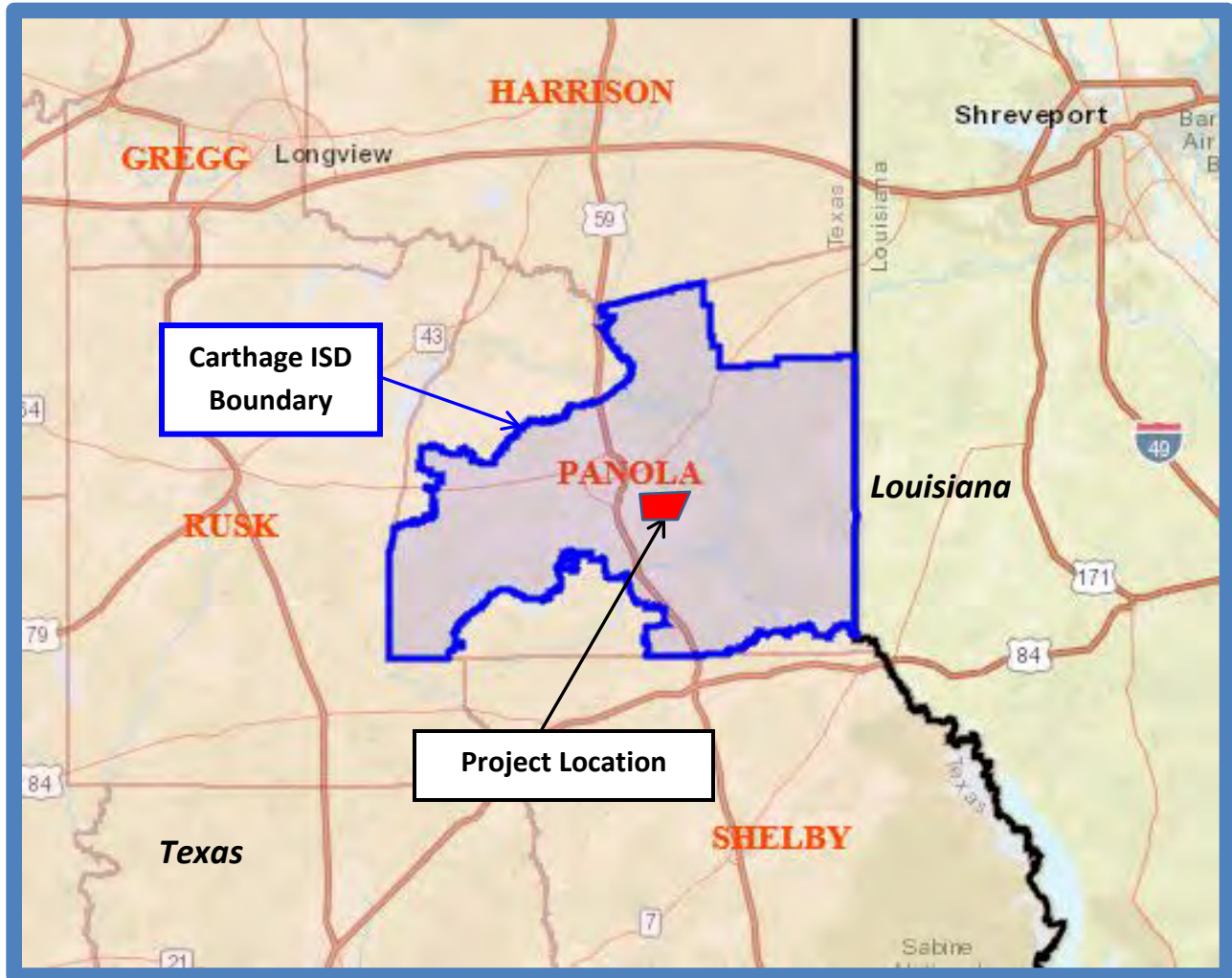
Scrap from Amine Treater – will
be completely removed from
property before construction of
proposed facility

Tab # 11

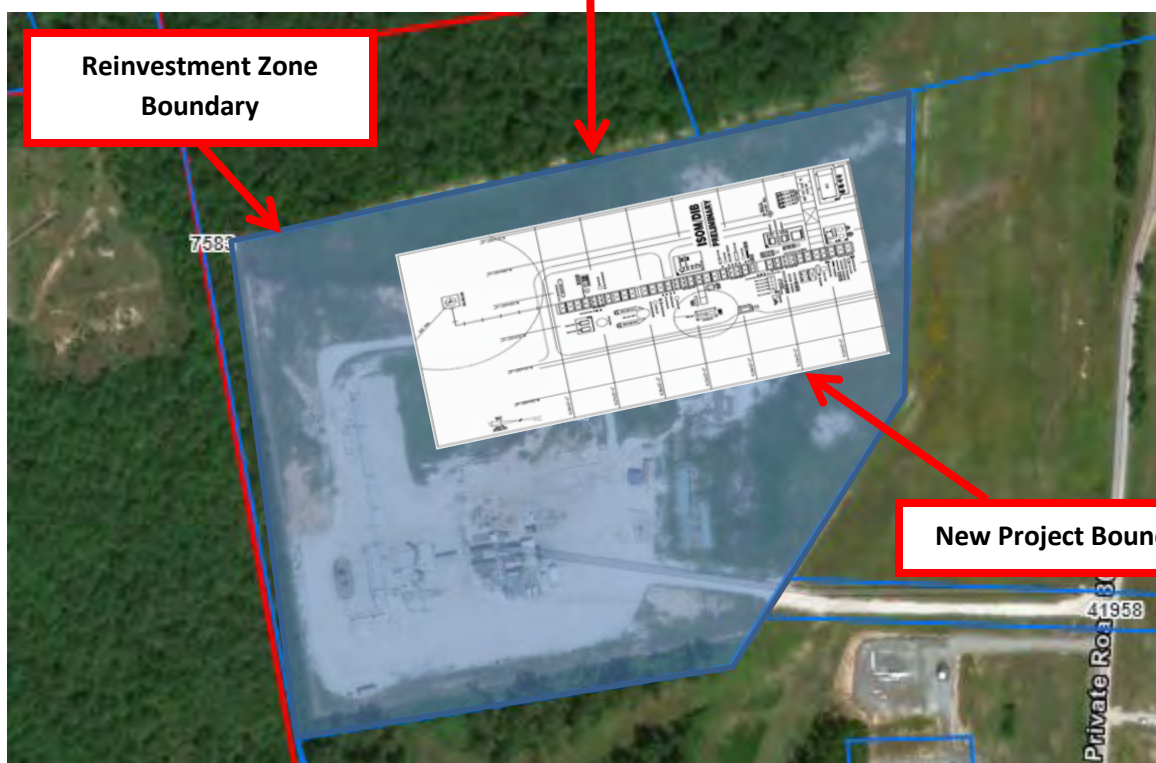
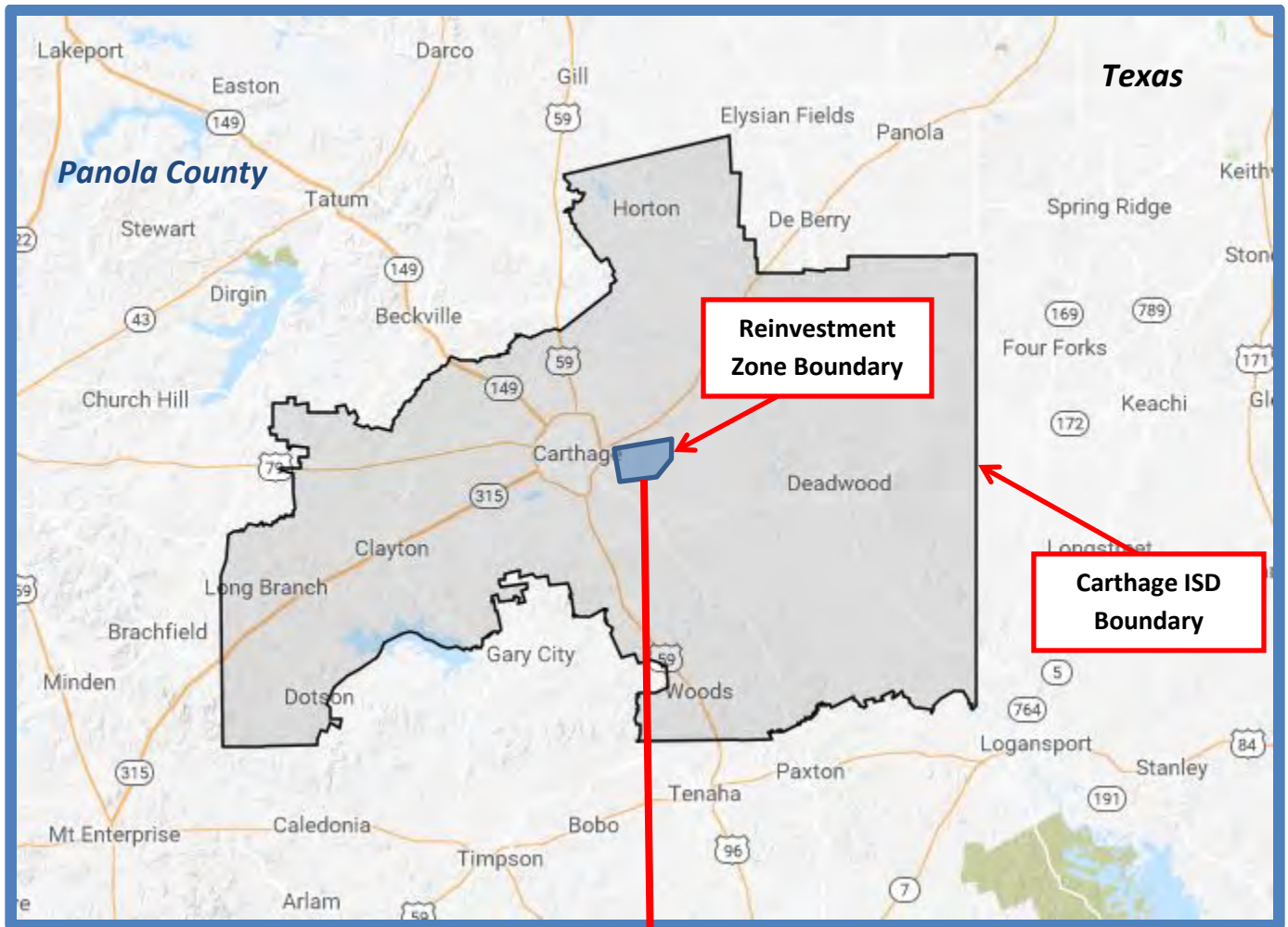
Maps that clearly show:

- a) **Project Vicinity** – See following map labeled “Project Vicinity Map”
- b) **Qualified Investment** – See following map labeled “Qualified Investment / Qualified Property Map”
- c) **Qualified Property** – See following map labeled “Qualified Investment / Qualified Property Map”
- d) **Existing Property** – See Tab #10.
- e) **Land location and vicinity map** – See following map labeled “Project Vicinity Map”
- f) **Reinvestment Zone within vicinity map, showing the actual or proposed boundaries and size** – See following map labeled “Reinvestment Zone Map”

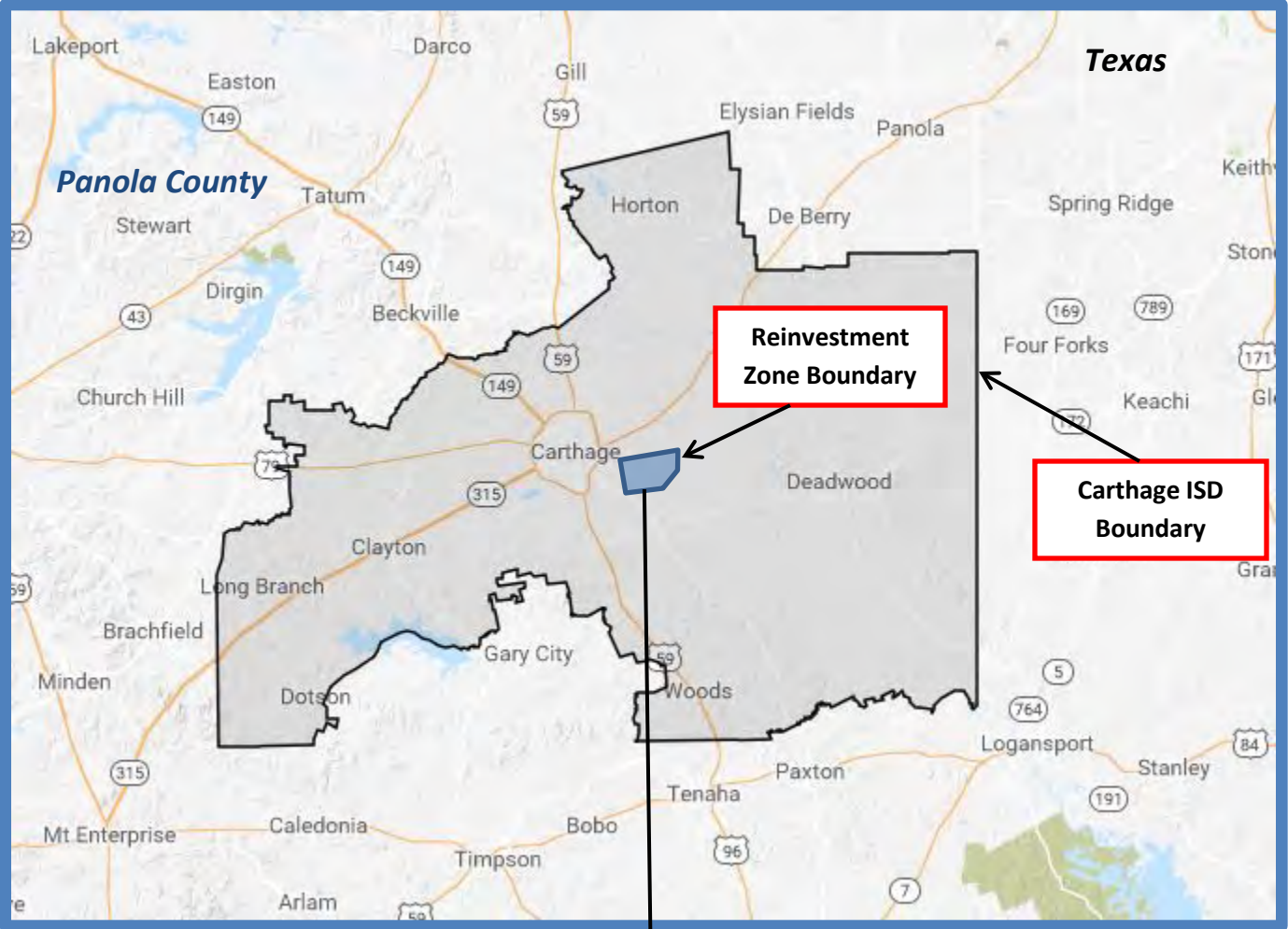
Project Vicinity Map



Qualified Investment / Qualified Property Map



Reinvestment Zone Map



Tab # 12

Request for Waiver of Job Creation

N/A

Tab # 13

**Calculation of three possible wage
requirements with TWC documentation**

Calculations of Wages for Panola County

Based on Most Recent Data Available

Average Weekly Wage for all jobs (all Industries) in the County		
Year	Period	Wages
2017	1st Qtr	\$822
2017	2nd Qtr	\$861
2017	3rd Qtr	\$876
2016	4th Qtr	\$868
Average		\$856.75

110% of Average Weekly Wage for Manufacturing jobs in the County		
Year	Period	Wages
2017	1st Qtr	\$827
2017	2nd Qtr	\$785
2017	3rd Qtr	\$793
2016	4th Qtr	\$799
Average Weekly Wage		\$801
110% of Average Weekly Wage		\$881.10

110% of Average Weekly Wage for Manufacturing jobs in the Region	
Deep East Texas Council of Governments	
Rate per Hour	\$18.06
Hours Per Week	40
Average Weekly Wage	\$722.40
110% of Average Weekly Wage	\$794.64

Minimum Required Annual(52 weeks) Wage	\$41,321.28
--	-------------

Calculations of Wages for Panola County

Based on Most Recent Data Available

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Panola County	Total All	00	0	10	Total, all industries	\$822
2017	2nd Qtr	Panola County	Total All	00	0	10	Total, all industries	\$861
2017	3rd Qtr	Panola County	Total All	00	0	10	Total, all industries	\$876
2016	4th Qtr	Panola County	Total All	00	0	10	Total, all industries	\$868

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2017	1st Qtr	Panola County	Private	31	2	31-33	Manufacturing	\$827
2017	2nd Qtr	Panola County	Private	31	2	31-33	Manufacturing	\$785
2017	3rd Qtr	Panola County	Private	31	2	31-33	Manufacturing	\$793
2016	4th Qtr	Panola County	Private	31	2	31-33	Manufacturing	\$799

source:

<http://www.tracer2.com/cgi/dataanalysis/AreaSelection.asp?tableName=Industry>

2016 Manufacturing Average Wages by Council of Government Region

Wages for All Occupations

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

**Schedule A1, A2, B, C and D completed
and signed economic impact**

Date6/4/2018Applicant NameBTA Gas Processing LLCISD NameCarthage ISD

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

Form 50-296ARevised May 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				Not eligible to become Qualified Property			[The only other investment made before filing complete application with district that may become Qualified Property is land.]	
Investment made after filing complete application with district, but before final board approval of application								
Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period	Pre	Year preceding the first complete tax year of the qualifying time period (assuming no deferrals of qualifying time period)	2018	2,500,000				2,500,000
Complete tax years of qualifying time period	QTP1	2018-2019	2019	102,500,000				102,500,000
	QTP2	2019-2020	2020	20,000,000				20,000,000
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]				125,000,000				125,000,000
				Enter amounts from TOTAL row above in Schedule A2				
Total Qualified Investment (sum of green cells)				125,000,000				125,000,000

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.

Date6/4/2018Applicant NameBTA Gas Processing LLCISD NameCarthage ISD

Form 50-296ARevised May 2014

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

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		Enter amounts from TOTAL row in Schedule A1 in the row below				
Each year prior to start of value limitation period** Insert as many rows as necessary	Pre	2017-2018	2018	2,500,000				2,500,000
	QTP1	2018-2019	2019	102,500,000				102,500,000
	QTP 2	2019-2020	2020	20,000,000				20,000,000
Value limitation period***	1	2020-2021	2021					
	2	2021-2022	2022					
	3	2022-2023	2023					
	4	2023-2024	2024					
	5	2024-2025	2025					
	6	2025-2026	2026					
	7	2026-2027	2027					
	8	2027-2028	2028					
	9	2028-2029	2029					
	10	2029-2030	2030					
Total Investment made through limitation				125,000,000				125,000,000
Continue to maintain viable presence	11	2030-2031	2031					
	12	2031-2032	2032					
	13	2032-2033	2033					
	14	2033-2034	2034					
	15	2034-2035	2035					
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2036					
	17	2036-2037	2037					
	18	2037-2038	2038					
	19	2038-2039	2039					
	20	2039-2040	2040					
	21	2040-2041	2041					
	22	2041-2042	2042					
	23	2042-2043	2043					
	24	2043-2044	2044					
	25	2044-2045	2045					

* 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)

Date

6/4/2018

Applicant Name

BTA Gas Processing LLC

Form 50-296A

ISD Name

Carthage ISD

Revised May 2014

					Qualified Property		Estimated Taxable Value		
		School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	Pre	2017-2018	2018			2,500,000	2,500,000	2,500,000	2,500,000
	QTP1	2018-2019	2019			105,000,000	105,000,000	105,000,000	105,000,000
	QTP21	2019-2020	2020			125,000,000	125,000,000	125,000,000	125,000,000
Value Limitation Period	1	2020-2021	2021			122,500,000	121,030,000	121,030,000	30,000,000
	2	2021-2022	2022			120,000,000	118,560,000	118,560,000	30,000,000
	3	2022-2023	2023			117,500,000	116,090,000	116,090,000	30,000,000
	4	2023-2024	2024			115,000,000	113,620,000	113,620,000	30,000,000
	5	2024-2025	2025			112,500,000	111,150,000	111,150,000	30,000,000
	6	2025-2026	2026			110,000,000	108,680,000	108,680,000	30,000,000
	7	2026-2027	2027			107,500,000	106,210,000	106,210,000	30,000,000
	8	2027-2028	2028			105,000,000	103,740,000	103,740,000	30,000,000
	9	2028-2029	2029			102,500,000	101,270,000	101,270,000	30,000,000
	10	2029-2030	2030			100,000,000	98,800,000	98,800,000	30,000,000
Continue to maintain viable presence	11	2030-2031	2031			97,500,000	96,330,000	96,330,000	96,330,000
	12	2031-2032	2032			95,000,000	93,860,000	93,860,000	93,860,000
	13	2032-2033	2033			92,500,000	91,390,000	91,390,000	91,390,000
	14	2033-2034	2034			90,000,000	88,920,000	88,920,000	88,920,000
	15	2034-2035	2035			87,500,000	86,450,000	86,450,000	86,450,000
Additional years for 25 year economic impact as required by 313.026(c)(1)	16	2035-2036	2036			85,000,000	83,980,000	83,980,000	83,980,000
	17	2036-2037	2037			82,500,000	81,510,000	81,510,000	81,510,000
	18	2037-2038	2038			80,000,000	79,040,000	79,040,000	79,040,000
	19	2038-2039	2039			77,500,000	76,570,000	76,570,000	76,570,000
	20	2039-2040	2040			75,000,000	74,100,000	74,100,000	74,100,000
	21	2040-2041	2041			72,500,000	71,630,000	71,630,000	71,630,000
	22	2041-2042	2042			70,000,000	69,160,000	69,160,000	69,160,000
	23	2042-2043	2043			67,500,000	66,690,000	66,690,000	66,690,000
	24	2043-2044	2044			65,000,000	64,220,000	64,220,000	64,220,000
	25	2044-2045	2045			62,500,000	61,750,000	61,750,000	61,750,000

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

Date6/4/2018Applicant NameBTA Gas Processing LLCISD NameCarthage ISD

Form 50-296ARevised May 2014

				Construction		Non-Qualifying Jobs	Qualifying Jobs	
				Column A	Column B	Column C	Column D	Column E
	Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Number of Construction FTE's or man-hours (specify)	Average annual wage rates for construction workers	Number of non-qualifying jobs applicant estimates it will create (cumulative)	Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Average annual wage of new qualifying jobs
	Pre	2017-2018	2018	150 FTE	50,000			50,000
Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i>	QTP1	2018-2019	2019	150FTE	50,000			50,000
	QTP2	2019-2020	2020	80 FTE	50,000		10	50,000
Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i>	1	2020-2021	2021				10	50,000
	2	2021-2022	2022				10	50,000
	3	2022-2023	2023				10	50,000
	4	2023-2024	2024				10	50,000
	5	2024-2025	2025				10	50,000
	6	2025-2026	2026				10	50,000
	7	2026-2027	2027				10	50,000
	8	2027-2028	2028				10	50,000
	9	2028-2029	2029				10	50,000
	10	2029-2030	2030				10	50,000
Years Following Value Limitation Period	11 through 25	2030-2045	2045				10	50,000

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

☐

Yes

☒

No
- If yes, answer the following two questions:
- C1a.

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

☐

Yes

☐

No
- C1b.

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

☐

Yes

☐

No

Schedule D: Other Incentives (Estimated)

Date 6/4/2018
 Applicant Name BTA Gas Processing LLC
 ISD Name Carthage ISD

Form 50-296A
 Revised May 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:	N/A	N/A	N/A	N/A	N/A
	City:	N/A	N/A	N/A	N/A	N/A
	Other:					
Local Government Code Chapters 380/381	County: Panola	2020	10 Years	911,402	455,701	455,701
	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				N/A	N/A	N/A

Additional information on incentives for this project:

Tab # 15

**Economic Impact Analysis, other
payments made in the state of other
economic information**

Not Applicable

Tab # 16

Description of Reinvestment Zone

ORDER DESIGNATING/CREATING

BTA GAS PROCESSING LLC 2018

REINVESTMENT ZONE

Guidelines and Criteria for creating Reinvestment Zone are attached.

PANOLA COUNTY

TAX ABATEMENT POLICY

WHEREAS, the County of Panola having jurisdiction to adopt a tax abatement policy affecting development throughout the unincorporated area of Panola County is willing to provide abatements to qualifying/eligible real property owners who will execute an abatement agreement with the County of Panola. The County of Panola will offer this abatement to local expanding industries as well as newly recruited businesses. The abatement concept is designed to provide a significant, long-term, positive economic impact to the county by utilizing local contractors and the resident work force to the maximum extent feasible and by developing, redeveloping and improving real property. The County of Panola's goal in providing tax abatements is to create additional jobs. Unless there is irrefutable evidence that a local business would be eliminated and a similar number of jobs displaced, established local property owners will not be protected from this abatement policy being used to attract similar usage. The utilization of the real property receiving the abatement may be for any purpose approved by the Panola County Commissioners' Court Committee and meeting the minimum criteria of this policy or better.

Consideration in the Creation of this Policy

The County of Panola recognizes competition for business and development is intense. There are often many competitors for each potential relocation or expansion.

The County of Panola wishes to support the small entrepreneur when possible. The preponderance of new jobs tends to come from small companies.

Retention is recognized as more important than recruitment in providing local jobs. Surveys in Texas have shown three-fourths of new jobs come from expansion of existing local companies.

This policy strives to keep local time frames to a minimum. It is recognized that in competition with other areas, an unduly long decision making process will not be favorable to businesses which have made the decision to move and will prove to be a competitive disadvantage for the area.

Abatement Considerations

Tax abatement will normally be considered if it can be demonstrated that such development would create substantial capital improvements or jobs. Generally, tax

abatement is not designed to encourage speculative office development or retail development. However, any office or retail development which guarantees a minimum of 25 new jobs or \$400,000 annual payroll may be considered for a tax abatement.

The available abatements require the real property owner to be located within a reinvestment zone prior to the inception of the project(s), and that the real property owner is capable of entering into an abatement contract based on the following minimum criteria:

Capital cost of the project to be sufficient to increase the taxable value of the property by at least \$1,000,000 or annual payroll to be at least \$400,000 or at least 100 new permanent, full-time jobs to be created.

A portion of the value of the real property, or of tangible personal property, located on the real property, or both, may be part of the tax abatement agreement.

Real Property: Abatement for real property will be on the increase in market value of the real property from the development, redevelopment, and/or improvement specified in the abatement contract.

Personal Property: Abatement for tangible personal property will be the market value of personal property located on the real property, other than inventory or supplies. Personal property located on the real property before the period covered by the agreement will not be considered as part of an overall abatement agreement or by separate agreement.

The length of this abatement contract may be for any number of years, either on the basis of 100% per year or on any other decreasing percentage per year for up to a total of ten (10) years.

Review and Negotiations

The Panola County Commissioners' Court will enforce this policy, make changes, and ensure compliance with abatement contracts. Deviations from the original abatement contract will be dealt with by the Commissioners' Court.

The negotiation of abatement contracts will be conducted by the County Judge, or his designee, in conjunction with the Panola County Commissioners' Court. The primary responsibility for contracts to be considered by the County of Panola will lie with the County Judge or his designee. The County of Panola will adopt or reject all abatement applications after receiving recommendations from the County Judge

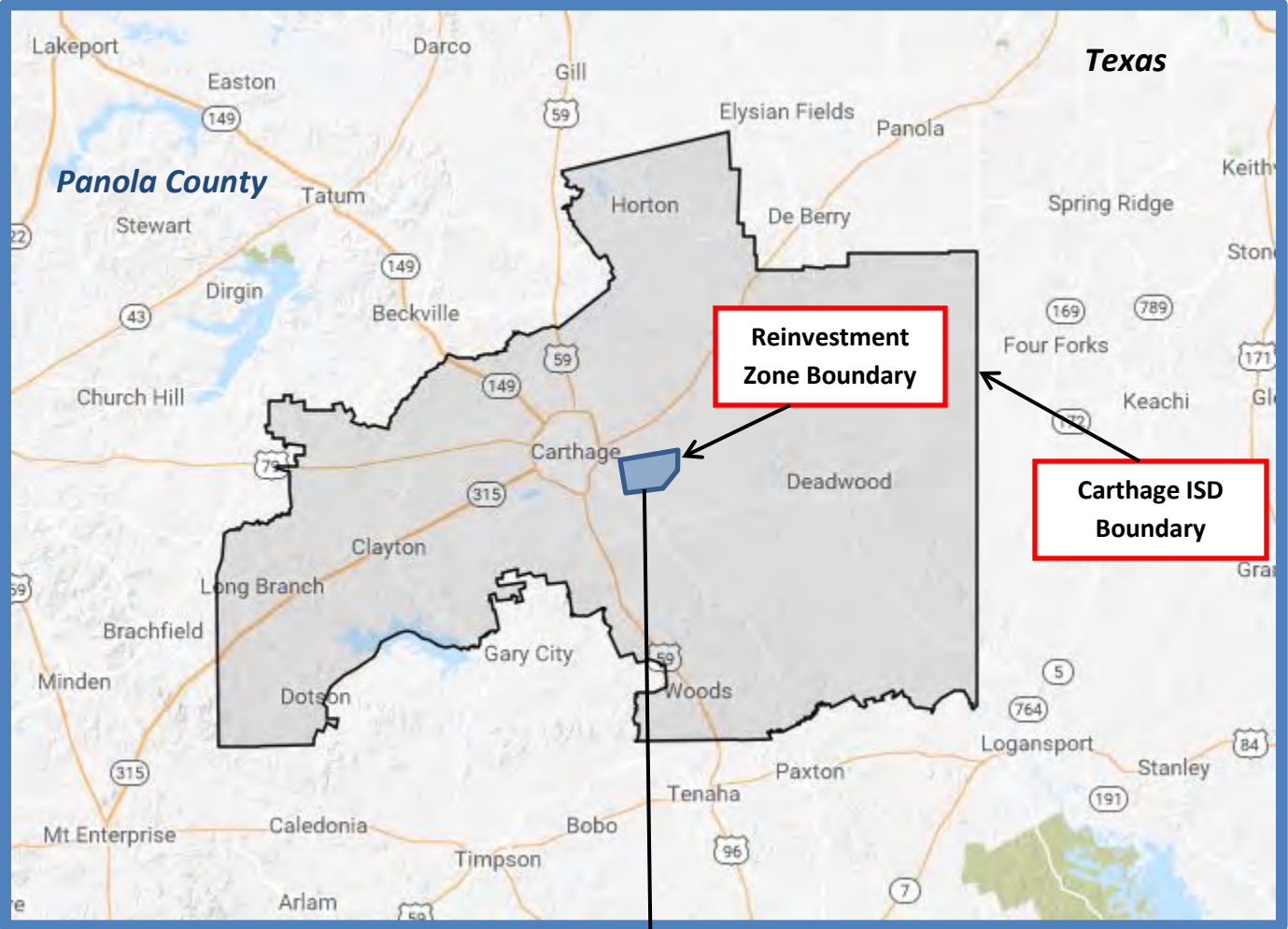
or his designee.

In evaluation of abatement contracts, the County of Panola will consider the burden on existing basic services that the abatement applicant will have. Those applicants whose potential service needs would drastically increase public services may be denied application for tax abatement.

This policy will be reviewed periodically at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed to determine whether its goals have been achieved. This policy is mutually exclusive of Enterprise Zone activity or other existing Industrial Development Contracts which may have additional stipulations affecting real property.

This policy shall be effective from May 15, 2018 through May 15, 2020. It is the intention of this Commissioners' Court to review the Policy prior to its expiration date on May 15, 2020, and consider its renewal.

Reinvestment Zone Map



Description of Reinvestment Zone

Tract 1:

All that certain 20.00 acres tract or parcel of land being situated in the T. Applewhite Survey, Abstract 37, in Panola County, Texas and being a part of Tract 1, a called 721.19 acres tract described in a General Warranty Deed to DPM, a Texas General Partnership, as recorded in Vol. 1285, Pg. 306 of the Official Public Records of said county and said 20.00 acres tract being described by metes and bounds, as follows:

BEGINNING at a 60d nail found for an occupied inner "L" corner of said Tract 1 and the occupied southeast corner of a called 66.07 acres tract recorded in Vol. 155, Pg. 250 of the Deed of Trust Records of said county, on the approximate line dividing said T. Applewhite Survey and the T. Applewhite Survey, Abstract 35 (NOTE: BEARINGS ARE BASED ON U.S. STATE PLANE NAD 1983 COORDINATES, TEXAS NORTH CENTRAL ZONE - 4202);

THENCE North 73°40'57" East, a distance of 343.99 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for the northeast corner described herein;

THENCE South 00°10'07" East, leaving said dividing line, a distance of 537.57 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for an angle point in the east line described herein;

THENCE South 31°01'37" West, a distance of 486.85 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for the southeast corner described herein;

THENCE South 75°56'12" West, a distance of 730.75 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set on the line dividing said Tract 1 and Tract 38, a called 283.8 acres tract recorded in Vol. 1347, Pg. 184 of said Official Public Records, on the approximate line dividing said Abstract 37 and the J. G. Hazelwood Survey, Abstract 853, for the southwest corner described herein;

THENCE North 13°06'13" West, along said dividing lines, a distance of 818.79 feet to a ½ inch iron rod with a yellow plastic cap stamped "RPLS 5210", set for the most southern, northwest corner of said Tract 1 and the northwest corner described herein;

THENCE North 73°40'57" East, along the line dividing said Tract 1 and said 66.07 acres tract and said line dividing said Applewhite Surveys, a distance of 847.86 feet to the Point of Beginning and containing 20.00 acres of land.

Tract 2:

All that certain 1.00 acre surface site being situated in the T. Applewhite Survey, Abstract 37, in Panola County, Texas and being in Tract 1, a called 721.19 acres tract described in a General Warranty Deed to DPM, a Texas General Partnership, as recorded in Vol. 1285, Pg. 306 of the Official Public Records of said county and said surface site being described by metes and bounds, as follows:

BEGINNING at a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set on a south line of a 50 feet-wide easement recorded in Vol. 1570, Pg. 569 of said Official Public Records,

for the northeast corner herein, said POINT OF BEGINNING bears South 50°07'01" East, a distance of 1,267.00 feet from a 60-d nail found for an inner "L" corner of said Tract 1 (NOTE: BEARINGS ARE BASED ON U.S. STATE PLANE NAD 1983 COORDINATES, TEXAS NORTH CENTRAL ZONE ~ 4202);

THENCE South 01°02'33" East, leaving said south line, a distance of 208.71 feet to a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set for the southeast corner herein;

THENCE South 88°57'27" West, a distance of 208.71 feet to a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set for the southwest corner herein;

THENCE North 01°02'33" West a distance of 208.71 feet to a ½ inch iron rod with a yellow plastic cap, stamped RPLS 5210, set on said south line, for the northwest corner herein;

THENCE North 88°57'27" East, along said south line, a distance of 208.71 feet to the POINT OF BEGINNING and containing 43,560 square feet or 1.00 acre of land.

Tab # 17

**Signature and Certification page, signed
and dated by Authorized School District
Representative and Authorized Company
Representative (applicant)**

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

J. Glenn Hambrick

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

J. Glenn Hambrick

Signature (Authorized School District Representative)

6-18-18

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

Curt Tate

Print Name (Authorized Company Representative (Applicant))

Senior Tax Director

Title

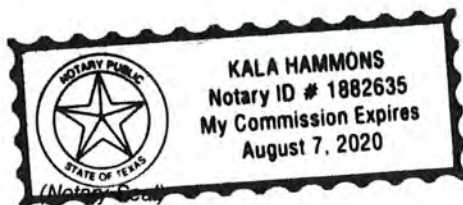
sign
here

Curt Tate

Signature (Authorized Company Representative (Applicant))

June 4, 2018

Date



GIVEN under my hand and seal of office this, the

4th day of June, 2018

Kala Hammons

Notary Public in and for the State of Texas

My Commission expires:

8/7/2020

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.