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STATE OF TEXAS §
§
COUNTY OF CHAMBERS §

ECONOMIC DEVELOPMENT PROGRAM AGREEMENT

This Economic Development Program Agreement ("**Agreement")** is entered into this 23rd day of May, 2023, by and between ONEOK Hydrocarbon, LP, ("**ONEOK**"), and Chambers County, Texas, a Texas political subdivision ("**County**") (ONEOK and County collectively referred to herein as the "parties" and each individually as a "party").

WITNESSETH:

WHEREAS, in accordance with Article III, Section 52-a of the Texas Constitution and Chapter 381 of the Texas Local Government Code ("**Chapter 381**") the County Commissioners Court of Chambers County, Texas ("**County Commissioners Court**") has the authority to develop and administer a program for entering into a tax abatement agreement with an owner or lessee of a property interest subject to ad valorem taxation, provided the execution, duration, and other terms of the agreement are governed, to the extent practicable, by the provisions of Sections 312.204, 312.205, and 312.211 of Chapter 312 of the Texas Tax Code ("**Chapter 312**"), as if the County Commissioners Court were a governing body of a municipality; and

WHEREAS, on the 26th day of March 2019, the County Commissioners Court adopted a Chapter 381 Economic Development Policy ("**Chapter 381 Policy**"), setting forth policies, guidelines, and criteria for economic development incentives provided by the County under Chapter 381, a copy of which is attached as **Exhibit A**; and

WHEREAS, on the 11th day of December 2018, ONEOK submitted a proposal for tax abatement (the "**Tax Abatement Proposal**", a copy of which is attached as **Exhibit B**), in accordance with County policy; and

WHEREAS, the proposed project, originally scheduled to commence construction in 2020, was delayed due to COVID; and

WHEREAS, on the 24th day of January 2023, ONEOK resubmitted the Tax Abatement Proposal in accordance with County policy; and

WHEREAS, ONEOK plans to construct substantial improvements to real property within the City of Mont Belvieu ONEOK Reinvestment Zone (**"Reinvestment Zone"**) designated by Resolution by the City of Mont Belvieu City Council, Ordinance No. 2018-011, a copy of which is attached as **Exhibit C**. ONEOK's project will constitute a major economic investment in the County and the surrounding community and will encourage the development of primary employment within the County and is hereinafter referred to as **Fractionation Facility MB-6**; and

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WHEREAS, the County recognizes the positive economic impact Fractionation Facility MB-6 will have on the community and desires to offer economic development incentives to ONEOK to develop the project in the form of a tax abatement of *ad valorem* property taxes; and

WHEREAS, the County finds that the terms of this Agreement and the development of Fractionation Facility MB-6 promote economic development in the County and, as such, satisfies requirements of the Chapter 381 Policy, is feasible and practical and would benefit the County after expiration of this Agreement; and

WHEREAS, ONEOK recognizes the significance of its development and construction of substantial improvements to real property within the County and its potential impact and effect on the County's public infrastructure and transportation for which the County must consider in connection with this Agreement; and

WHEREAS, ONEOK desires to make a monetary contribution of financial resources to the County to be applied toward capital expenditures for infrastructure projects of community-wide impact and significance in an effort to offset or otherwise mitigate the impact of MB-6 on the County's infrastructure and local transportation system and to encourage the continued development and expansion of amenities within the County that directly serves the local taxpayer and benefits the surrounding community at large; and

NOW, **THEREFORE**, the County, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the expansion of primary employment, the attraction of major investment in the County, increased payroll that contributes to the economic development of the County and enhancement of the tax base in the County, and certain Chapter 381 Payments and PILOT Payments as defined in this Agreement, and ONEOK , for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Section 381.004 of Chapter 381, hereby contract, covenant, and agree as follows:

Section 1. Definitions

For purposes of this Agreement, when not inconsistent with context, words used in the present tense include the future tense, words in the plural include the singular, and words in the singular include the plural. The words "shall" and "will" are mandatory and the word "may" is permissive. Words not defined in this Agreement shall be given their common and ordinary meaning. The following capitalized terms shall have the meanings ascribed to them:

"**Affiliate**" shall mean any Person directly or indirectly controlling, controlled by, or under common control with ONEOK. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract, or otherwise.

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"**Construction Phase**" means a material and substantial improvement of the Premises which represents a separate and distinct construction operation undertaken for the purpose of constructing Fractionation Facility MB-6. The period of Construction Phase ends when Fractionation Facility MB-6 is substantially completed and consistent with Section 6.

"**Eligible Property Value**" shall mean, with respect to each calendar year, the fair market value of Fractionation Facility MB-6 including all buildings, structures, fixed machinery and equipment, site improvements, office space, and related fixed improvements on the tax rolls of the Chambers County Appraisal District as of such calendar year.

"**Financing Party**" shall mean the lenders, security holders, investors, equity providers, and others providing financing or refinancing to or on behalf of ONEOK, for the development, construction, ownership, operation, or maintenance of Fractionation Facility MB-6 or any portion thereof, or any trustee or agent acting on behalf of any of the foregoing.

"**Force Majeure**" shall mean, without limitation, Acts of God or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action, fire, explosions, floods, strikes, adverse weather, pandemic, or any other extraordinary event beyond the control of ONEOK or an Affiliate (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

"**Ineligible Property Value**" shall mean, for each calendar year, the value as listed on the tax rolls of the Chambers County Appraisal District of the following: land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; watercraft; aircraft; housing; deferred maintenance investments; any improvements which are not integral to the operation of the facility; property which has an economic life of less than 15 years; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated, or directed by a political subdivision of the State of Texas.

"Infrastructure Payment" shall mean one or more payments totaling in the aggregate an amount equal to ONE MILLION DOLLARS and NO/100 ($1,000,000.00) made by ONEOK to the County as a monetary contribution of financial resources to the County to be applied toward capital expenditures for an Infrastructure Project as contemplated by this Agreement.

"Infrastructure Payment Date" shall mean November 1, 2023, and November 1, 2024.

"Infrastructure Project" shall mean or otherwise include one or more of the following projects:

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a. East Winfree Road Improvements;

b. County Park Improvements; or

c. Industrial Intermodal Support Infrastructure.

"**Payment Deadline**" shall mean, with respect to each Chapter 381 Payment and Chambers County School Equalization District PILOT Payment, January 31st of the year immediately following the calendar year in which an abatement under Section 4 of this Agreement is granted.

"**Permanent Employee**" shall mean a person whose employment is both permanent and full-time as reflected in the applicable payroll system of ONEOK, or an entity controlled by or under common control with ONEOK who is expected or scheduled to work at least [1,800] hours in a twelve-month period as an employee at the Fractionation Facility MB-6.

"**Person**" shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

"**Premises**" shall mean all that parcel of land to be owned by ONEOK as hereinafter described in **Exhibit C** attached hereto.

"**Undocumented Worker**" means an individual who, at the time of employment by ONEOK, is not: (i) lawfully admitted for permanent residence to the United States, or (ii) authorized under law to be employed in that manner in the United States.

Section 2. General Provisions

A. **County Authorization**. This Agreement was authorized by the County Commissioners Court and was approved by the affirmative vote of a majority of the County Commissioners Court at its regularly scheduled County Commissioners Court meeting on the 23rd day of May, 2023, authorizing the County Judge to execute this Agreement on behalf of the County. The County's execution of this Agreement is authorized by Chapter 381 and constitutes a valid and binding obligation of the County.

B. **ONEOK Authorization**. The undersigned officers of ONEOK have authority to execute this Agreement on behalf of the ONEOK.

C. **Compliance**. The parties intend for this Agreement to comply with Chapter 381 and, to the extent practicable, Sections 312.204, 312.205, and 312.211 of Chapter 312. The County has determined that this Agreement satisfies all requirements for tax abatement set forth in the Chapter 381 Policy. To the extent that this Agreement deviates from a requirement of the Chapter 381 Policy, the County hereby grants ONEOK a variance from such deviation.

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D. **Tax Increment Financing**. The County represents that the abatements provided by this Agreement will not be diminished or otherwise jeopardized by tax increment financing arrangements in the County, if any.

E. **Ownership of Premises**. The Premises will be owned by ONEOK or an ONEOK Affiliate, and in no event shall be owned by any member of the County Commissioners Court.

Section 3. Permitting

The County shall use its best efforts to expedite processing of any permits, re-zoning requests, licenses, or other approvals associated with the construction and development of Fractionation Facility MB-6.

Section 4. Tax Abatement

The County hereby grants to ONEOK a tax abatement with respect to Fractionation Facility MB-6 . The tax abatement shall begin on January 1, 2025 and shall continue for ten years.

In each year of this ten-year period, the tax abatement shall equal one hundred percent (100%) of the County Property Tax (including all general, I&S and road and bridge ad valorem taxes of the County) imposed on the Eligible Property Value.

In each year of this ten-year period, the tax abatement shall equal one hundred percent (100%) of the property taxes imposed on the Eligible Property Value by the Chambers County School Equalization District.

Section 5. ONEOK Payments to County

For each year in which ONEOK receives tax abatement under Section 4, ONEOK agrees to tender to the County, on or prior to the Payment Deadline or otherwise stipulated, all payments due under this Agreement by check or other mechanism acceptable to County. Such payments shall include the following:

A. **Chapter 381 PILOT Payments.** Chapter 381 Payments shall mean: (1) for calendar year 2025, a payment from ONEOK to County equal to twenty-four percent (24%) of the County Property Tax abated pursuant to this Agreement; and (2) for calendar year 2026, a payment from ONEOK to County equal to forty percent (40%) of the County Property Tax abated pursuant to this Agreement; and (3) for calendar years 2027, 2028, 2029, 2030, 2031, 2032, 2033 and 2034, a payment from ONEOK to County equal to fifty percent (50%) of the County Property Tax abated pursuant to this Agreement (**Exhibit D**).

B. **Chapter 381 Community Impact Program Contribution (CIPC).** The CIPC shall equal 3.00% of the tax savings derived from the County Property Tax abated each year pursuant to this Agreement. The CIPC is intended to foster public-private investment in comprehensive literacy programs, promotion of the

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arts, public health, and an array of targeted civic infrastructure which supports economic and community development. This contribution is provided for in Sections 381.004(b) and 381.004(c) of the Texas Local Government Code.

C. **Chapter 381 Administration Fee.** The Administration Fee shall equal 0.625% of the Chapter 381 Payment for each calendar year cited in Section 5.A. This fee is considered payment for Chapter 381 administrative services as provided for in Section 381.004(c) of the Texas Local Government Code.

D. **Chambers County School Equalization District Payment in Lieu of Tax (CCSED PILOT).** The CCSED PILOT Payment shall equal one hundred percent (100%) of the CCSED Tax abated each year pursuant to this Agreement.

E. **Infrastructure Payment.** Upon the execution of this Agreement, ONEOK agrees to tender Infrastructure Payments to the County no later than the specified Chapter 381 Infrastructure Payment Dates. ONEOK shall have the right to prepay at any time and in any amount all or any part of the Infrastructure Payment without penalty. In furtherance of the development and administration of the Economic Development Program, the County shall apply the Infrastructure Payment (i) directly to the costs associated with any Infrastructure Project, or (ii) toward the reduction of debt service associated with bonds issued for any Infrastructure Project as that term is defined herein.

Section 6. Covenants

A. **Construction Covenant**. ONEOK or a ONEOK Affiliate covenant to substantially complete, or cause to be substantially completed, construction of Fractionation Facility MB-6 on or before December 30, 2024 ("**Construction Covenant**"), provided that ONEOK or a ONEOK Affiliate shall have such additional time as may be required by the effects of Force Majeure.

B. **Operation Covenant**. ONEOK or a ONEOK Affiliate shall operate Fractionation Facility MB-6 in accordance with prudent industry standards and applicable law (unless prevented by Force Majeure) and in a manner that is consistent with the general purpose of encouraging development within the Reinvestment Zone.

C. **Property Tax Covenant.** Throughout the term of this Agreement, ONEOK shall timely pay all property taxes imposed by the County on Ineligible Property Value; provided that ONEOK shall have the right to contest in good faith the validity or application of any such property tax assessment and shall not be considered in default hereunder so long as such contest is diligently pursued to completion.

D. **Management Change Notice Covenant**. During the term of this Agreement, ONEOK shall notify the County in writing of any change of the Fractionation Facility MB-6 Operations Manager within thirty (30) days of such change.

DocuSign Envelope ID: F8FF19DC-F1A1-43C8-8AC9-6A7E527B4323

E. **Best Efforts to Increase Local Employment Covenant.** ONEOK represents and agrees that the agreed to construction and operation of Fractionation Facility MB-6 will stimulate employment and the local economy. To this end, ONEOK represents and agrees that:

a. ONEOK represents and agrees that commencing at the time the Fractionation Facility MB-6 is fully operational, reasonably expected by December 30, 2024, at least twelve (12) Permanent Employee positions will be created at Fractionation Facility MB-6 and maintained throughout the abatement term.

b. ONEOK represents and agrees it will use commercially reasonable good faith efforts to fill these jobs directly or indirectly with residents of Chambers County, with the goal that approximately twenty-five percent (25%) of the Permanent Employee positions referenced above will be offered to or filled by residents of Chambers County.

c. ONEOK represents and agrees that these will be truly "new jobs" for Chambers County and does not expect that Fractionation Facility MB-6 will solely or primarily have the effect of transferring employment from one part of Chambers County to another.

d. ONEOK agrees to make every commercially reasonable effort to use local resources in employees, goods, and services at the facility, so long as the local goods and services are comparable in quality, specifications, and price (including, for example, standards for bonding capacity, financial and staffing capacity, expertise and experience, integrity, and reliability, etc.).

e. In compliance with Texas Government Code, Section 2264.001 *et seq*., ONEOK hereby certifies that it does not and shall not knowingly employ an Undocumented Worker for any purpose related to this Agreement. If, after receiving the benefits of this Agreement, ONEOK (or any branch, division, or department thereof) is convicted of a violation under 8 U.S.C. Section 1324a(f), ONEOK shall repay all taxes previously abated by virtue of this Agreement with interest at the rate of three percent (3%) *per annum*, not later than the 120th day after the date on which the County notifies ONEOK of a violation of this Section 6, (E).

F. **Good Neighbor Covenant.** ONEOK or a ONEOK Affiliate represent and agree that the planned use of the Fractionation Facility MB-6 and Premises will not constitute a hazard to public safety, health, or morals and provide for adequate buffer zones to holistically protect the quality of life of Chambers County residents.

Section 7. Records and Audits

A. **Annual Certification**. Not later than January 31 of each year during the term of the tax abatement, ONEOK shall submit to the County a certification from ONEOK as to the conditions and covenants set forth in Section 6, provided that

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once the Construction Covenant is met, no further certification shall be required with respect to the Construction Covenant.

B. **County Access to Premises**. For the sole purpose of verifying ONEOK 's annual certification, County employees or representatives shall have reasonable access to the Premises during the term of this Agreement. The County shall give prior notice to ONEOK and ONEOK employees shall have the right to accompany County employees. While on the Premises, County employees shall follow ONEOK safety policies and not interfere with ONEOK operations. The County shall keep all information obtained while on the Premises confidential and shall execute a commercially reasonable form of confidentiality agreement drafted by ONEOK before entering the Premises.

C. **Confidentiality**. Because of the highly competitive nature of the industry in which ONEOK does business, the County agrees that the reports which ONEOK is required to submit may contain information which ONEOK considers to be valuable proprietary information. As such, the County agrees to keep any and all reports provided by ONEOK and any records reflecting information obtained while on the Premises as confidential information to the extent the documents are not public information under the Public Information Act, Chapter 552 of Texas Government Code, as amended.

Section 8. Default and Termination

A. **Default**. In the event that ONEOK either fails to meet the Construction Covenant or breaches the terms or conditions of this Agreement, ONEOK shall be in default of this Agreement.

B. **Cure**. In the event ONEOK defaults in its performance of the Agreement, the County shall give ONEOK written notice of such default. ONEOK shall have sixty (60) days after said written notice to cure the default. If the default is not reasonably susceptible to cure within such sixty (60) day period and ONEOK has commenced and is pursuing cure of same, then, after first advising the County of ONEOK 's efforts to cure same, ONEOK may utilize an additional ninety (90) days for such purposes. The County may authorize additional time to cure defaults, which authorization shall not be unreasonably withheld, conditioned, or delayed.

C. **Remedy for Uncured Default**. The County's sole and exclusive remedy against any Person for breach of this Agreement, in the event of default after the expiration of the applicable notice and cure periods, shall be that the County may, at its option, terminate the Agreement and all future tax abatements under this Agreement shall be void. If ONEOK breaches a covenant in Section 6, other than the Construction Covenant, for any year, the County shall not be entitled to terminate this Agreement, but may, at its option, rescind the tax abatement pertaining to such year.

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D. **ONEOK's Remedies**. ONEOK may institute proceedings as may be necessary or desirable in its opinion to defend against (i) improper assertions of default or (ii) improper attempts to terminate this Agreement, to withhold or obtain payments prescribed by this Agreement, or to seek repayment of amounts paid under the Agreement. Such proceedings may include, but are not limited to, seeking specific performance and/or injunctive relief, or enforcement by mandamus, or such other remedy as may be available at law, in equity, or otherwise. Such rights and remedies are not exclusive and are in addition to any other rights or remedies the ONEOK may have at law, in equity, or otherwise.

E. **Mutual Termination**. The parties may terminate this Agreement by mutual agreement at any time.

Section 9. Effect of Sale, Assignment, or Lease of Property

This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns. Neither party may assign its rights and duties hereunder, in whole or in part, without prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned, or delayed; provided that ONEOK may assign this Agreement and all of its rights hereunder to any Affiliate and any subsequent fee owner of the Premises, without the County's consent. In addition, this Agreement and all rights hereunder may be assigned for the benefit of any Financing Party. Any assignment in violation of this Section 9 shall not affect any tax abatements with respect to which ONEOK or an ONEOK Affiliate is already entitled.

Section 10. Notice

All notices called for by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail, postage prepaid or by hand delivery:

ONEOK :

ONEOK HYDROCARBON, LP
C/O: KE Andrews
2424 Ridge Road
Rockwall, TX 75032

With an additional copy to:

ONEOK HYDROCARBON, LP
C/O: Scott Melton, VP - Tax
100 West 5th Street
Tulsa, OK 74103

DocuSign Envelope ID: F8FF19DC-F1A1-43C8-8AC9-6A7E527B4323

County:

County Judge
County of Chambers, Texas
P.O. Box 939
Anahuac, Texas 77514

With an additional copy to:

Baytown Economic Development Foundation
1300 Rollingbrook Drive, Ste. 505
Baytown, TX 77521

Section 11. Indemnification

A. **INDEMNITY**. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE COUNTY IN THIS AGREEMENT, EXCEPT WHEN CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE COUNTY'S INDEMNIFIED PARTY (AS DEFINED BELOW), ONEOK SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE COUNTY, ITS COMMISSIONERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "**COUNTY'S INDEMNIFIED PARTY**") FOR, FROM, AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, REASONABLE ATTORNEY'S FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE, OF ANY NATURE, KIND OR DESCRIPTION, OF ANY PERSON OR ENTITY RESULTING FROM ONEOK 'S CONSTRUCTION AND OPERATION OF THE FRACTIONATION FACILITY MB-6 .

B. **Notice of Indemnified Loss**. The County's Indemnified Party shall promptly notify ONEOK of any indemnified losses or claim for indemnified losses in respect of which the County's Indemnified Party may be entitled to indemnification under this Section 11. Such notice shall be given as soon as reasonably practicable after the County's Indemnified Party becomes aware of the loss or claim for losses.

C. **Defense of Third-Party Claims**. In the event any action or proceeding shall be brought against the County's Indemnified Party by reason of any matter for which the County's Indemnified Party is indemnified hereunder, ONEOK shall, upon notice from the County's Indemnified Party or its authorized agents or representatives, at ONEOK 's sole cost and expense, resist and defend the same with legal counsel selected by ONEOK ; provided, however, that ONEOK shall not admit liability in any such matter on behalf of the County's Indemnified Party without the County's express written consent. Nothing herein shall be deemed to prevent the County's Indemnified Party at its election and at its own

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expense from cooperating with ONEOK and participating in the defense of any litigation by their own counsel. If ONEOK fails to retain defense counsel within ten (10) business days after receipt of County's Indemnified Party written notice that the County's Indemnified Party is invoking its right to indemnification under this Agreement, the County's Indemnified Party shall have the right to retain defense counsel on their own behalf, and ONEOK shall be liable for all usual and customary defense costs incurred by the County's Indemnified Party.

D. **Limitation on Indemnity**. The amount owing to a County Indemnified Party will be the amount of the County Indemnified Party's losses net of any insurance proceeds received by the County Indemnified Party following a reasonable effort by the County Indemnified Party to obtain such insurance proceeds.

Section 12. Miscellaneous

A. **Severability**. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

B. **Venue; Governing Law**. Exclusive venue for any action, cause of action, lawsuit, or other proceeding under or in connection with this Agreement shall be and lie in Chambers County, Texas, and the parties hereby submit themselves to the jurisdiction thereof; and this Agreement shall be governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.

C. **Binding Nature of Agreement**. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors, and assigns.

D. **No Third-Party Rights or Benefits**. This Agreement is solely for the benefit of the parties hereto and do not create rights, contractual or otherwise, in other Persons.

E. **Interpretation**. This Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for nor against any party. Section, subsection, and other headings are for convenience only and shall not be used to interpret this Agreement.

F. **Survival of Terms; Rights and Remedies Cumulative; No Waiver**. All rights, duties, liabilities, and obligations accrued prior to termination shall survive termination or expiration of this Agreement. The rights and remedies provided

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by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise. The failure by either party to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by such party of its rights at any time thereafter to require exact and strict compliance with all the terms hereof.

G. **Counterparts; Electronic Delivery**. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (whether delivered in person, by mail, email, facsimile, or other electronic format) shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

H. **Estoppel Certificate**. Any party hereto may request an estoppel certificate from another party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which will upon request be addressed to a subsequent purchaser or assignee of ONEOK, shall include, but not necessarily be limited to, statements (to the actual knowledge of the party providing such) that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificate. The County Judge for the County shall provide any such certificate on behalf of the County.

I. **Entire Agreement**. This Agreement constitutes the entire Economic Development Program Agreement between the parties, supersedes any prior understanding or written or oral Economic Development Program Agreements or representations between the parties, and can be modified only by written instrument subscribed to by all parties. Notwithstanding the foregoing provision, this Agreement does not modify, alter, or amend any other agreement or instrument among the County and ONEOK relating to matters other than the abatement of property taxes.

** * * Signature Page Follows * * **

EXECUTED the 26th day of May 2023.

CHAMBERS COUNTY, TEXAS

By: Jimmy Sylvia
1492536299EA478...
Jimmy Sylvia, County Judge

ATTEST: Docusigned by:
Heather H. Hawthorne
03933AE26BE5410...
Heather Hawthorne, County Clerk

ONEOK HYDROCARBON, LP

By: T. Scott Melton

Name: Scott Melton

Title: VP TAX

ATTEST:

_____

DocuSign Envelope ID: F8FF19DC-F1A1-43C8-8AC9-6A7E527B4323

EXHIBIT A

CHAPTER 381 POLICY

CHAPTER 381 ECONOMIC DEVELOPMENT POLICY
CHAMBERS COUNTY, TEXAS

WHEREAS, Chapter 381 of the Texas Local Government Code authorizes Chambers County to develop and administer projects for local economic development, and to encourage commercial activity in the County, and

WHEREAS, Chambers County desires to provide financial incentives to select private businesses that contribute to economic development, and

WHEREAS, Chambers County desires to provide such incentives to projects whose properties are subject to Chambers County *ad valorem* taxes, and

WHEREAS, Chapter 381 can be used in conjunction with tax abatement provided for under Chapter 312 of the Texas Local Government Code or separately as a Chapter 381 Economic Development Agreement, and

WHEREAS, this policy shall not be construed to obligate Chambers County to provide an incentive under Chapter 381 to any applicant; and all applications, requests and/or projects shall be considered on a case-by-case basis;

NOW, THEREFORE, Chambers County Commissioners' Court does adopt this policy to define the Chapter 381 incentives and establish guidelines and criteria by which they will be implemented.

GENERAL CRITERIA

Chambers County may provide Chapter 381 economic development incentives for a business or commercial development project ("Project") if that project:

1. Will enhance the economic vitality of Chambers County;
2. Will result in a net increase or retention of jobs in the County or add to the tax base or will otherwise improve or enhance the economic welfare of the residents or businesses of the County; or
3. Demonstrates the potential to generate revenues to the County which outweigh costs associated with incentives.

In addition, the following criteria must be satisfied:

The Project MUST:

1. Show a clear demonstration of economic benefit through advancement of the County's economic goals which include expanding the tax base, creating quality jobs, increasing private capital investment in the community, spurring development in targeted county locations; or encouraging development of targeted businesses or clusters desirable to enhance the county's economy;

2. Provide evidence that demonstrates the business' financial stability and capacity to complete the project; and

3. Be in compliance with all local, state and federal laws.

In order to receive any Chapter 381 incentives from Chambers County, credible information must be made available by the applicant, including but not limited to capital investment and employment projections, to enable Chambers County to conduct an appropriate analysis of the proposed project at initiation and throughout the life cycle of the Chapter 381 Agreement.

The decision to provide any Chapter 381 economic development incentives will be considered on a case-by case basis, in accordance with the criteria set forth in this policy, and at the discretion of the Chambers County Commissioners Court.

QUALIFICATION CRITERIA (NON-RESIDENTIAL PROJECTS)

In order to be eligible for Chapter 381 incentives, a Project must meet the following qualifying criteria:

1. Locate within the boundaries of Chambers County.
2. Create or retain a minimum of 10 jobs
3. Project investment must meet or exceed $1,000,000.
4. Must maintain ownership of all property for which an incentive is received through the duration of the agreement.
5. Must make sincere efforts to hire local employees, contractors and purchase items used in construction from vendors within Chambers County.

Projects qualifying under these General and Qualifying Criteria will be eligible for Chapter 381 economic development incentives, the percentages and terms for which will be at the sole discretion of the Chambers County Commissioners Court.

Opportunity Zone Residential and Targeted Development Projects

The Opportunity Zones program was established by Congress in the Tax Cut and Jobs Act as an innovative approach to spurring long-term private sector investments in targeted urban and rural communities nationwide. The program is based on the bipartisan Investing in Opportunity Act.

The program establishes a mechanism that enables investors with capital gains tax liabilities across the country to receive favorable tax treatment for investing in Opportunity Funds that are certified by the U.S. Treasury Department. The Opportunity Funds use the capital invested to make equity investments in businesses and real estate in Opportunity Zones designated by each state.

Three census tracts have been designated as Qualified Opportunity Zones (QOZ): 7103, 7104.01, and 7105. Consideration of Ch. 381 economic development proposals for residential developments and certain other targeted value-add projects will be limited to these designated QOZ census tracts. Residential developments in a QOZ are encouraged to include product options that qualify for financing under the USDA Rural Development Single Family Housing Guaranteed Loan Program. Additional information is available at:

https://www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions
https://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program

APPLICATION / PROPOSAL PROCESS

Applicants seeking a Chapter 381 Economic Development Agreement with Chambers County may do so by submitting a written proposal to the County Judge of Chambers County.

The written proposal shall consist of a project description, general improvements to be undertaken; a general descriptive list of the improvements for which an incentive is requested; a list of the kind, number and location of all proposed improvements of the property; a map and location of all proposed improvements of the property; a map and property description; and a time schedule for undertaking and completing the proposed improvements.

In the case of modernization, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately preceding the proposal. The proposal may require such financial and other information as the participating municipality or County deems appropriate for evaluating the financial capacity and other factors related to the applicant.

Chambers County, not later than 90 days after receipt of the proposal, shall by Commissioners Court order either approve or deny the request at a regularly scheduled meeting.

CHAPTER 381 AGREEMENTS

A complete review of the Project and proposal will be conducted by Chambers County and/or its representatives. Depending on the nature of the Project, the form of incentive provided via Chapter 381 Agreement will be determined.

After approval, Chambers County shall formally pass a Commissioners court order and execute an agreement with the owner of the Project, which shall include the following:

- Project Description
- Percent of Value to Discount
- Community Impact Program Contribution
- Terms of Agreement
- Project Milestones and Deadlines
- Assignment Provisions
- Recapture Provisions
- Compliance Requirements

An agreement shall be effective on the January 1st valuation date immediately following the execution of the Chapter 381 Agreement or as stipulated and will be conditioned on the completion of specific improvements to real property, job creation and any other factors deemed appropriate by the County.

Approved and adopted this the 26th day of March, 2019.

Resolution and Order

On March 26, 2019, the Commissioners Court of Chambers County, Texas, met at the County Courthouse with the following members present:

Jimmy Sylvia	County Judge, Presiding,
Jimmy Gore	Commissioner, Precinct One
Mark Tice	Commissioner, Precinct Two
Gary R. Nelson	Commissioner, Precinct Three
Billy Combs	Commissioner, Precinct Four

when among other matters, came for consideration and action the following Resolution and Order:

Whereas, the Commissioners Court of Chambers County, Texas, duly convened, and acting in its capacity as the governing body of Chambers County, ORDERED that the policy attached and appended hereto, entitled **"CHAPTER 381 ECONOMIC DEVELOPMENT POLICY, CHAMBERS COUNTY, TEXAS"** is made a part of this Order; and

Whereas, all officials and employees of Chambers County having duties under said policy are ordered and directed to perform such duties as required of them under said regulations.;

Therefore, be it Resolved, that Commissioners Court adopts the attached document as the **"CHAPTER 381 ECONOMIC DEVELOPMENT POLICY, CHAMBERS COUNTY, TEXAS"** and **orders** that it be in effect on and after this day; and

Further Resolved, that County Judge Jimmy Sylvia is authorized to sign this Resolution and Order as the act of Commissioners Court.

The Resolution and Order was moved by Commissioner Combs, seconded by Commissioner Gore, and adopted by the Commissioners Court on a vote of 4 members for and 0 opposed.

Jimmy Sylvia, Chambers County Judge

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EXHIBIT B

TAX ABATEMENT PROPOSAL

KE ANDREWS
VALUATION • TAX • SOLUTIONS

K.E. Andrews & Company
1900 Dalrock Road
Rowlett, Texas 75088

November 29, 2018

The Honorable Judge Jimmy Sylvia
404 Washington Street
P.O. Box 939
Anahuac, Texas 77514

RE: Oneok Hydrocarbon, LP-Chapter 381 Tax Abatement Application

Dear Judge Sylvia:

Oneok Hydrocarbon, LP has approved and intends to construct its 6th fractionation facility (MB6) in Chambers County, Texas. The estimated investment for this project is $275,000,000. Construction is anticipated to commence in October of 2019, and is expected to be complete by August 2021, when the facility will also be fully operational. During construction, the facility will create 300 jobs and post construction the facility will employ at minimum 12, full-time, salaried employees for maintenance and operation.

On behalf of Oneok Hydrocarbon, LP it is our request that Chambers County consider the approval of a Texas Property Tax Code Chapter 381 Economic Development Agreement, a 10-year tax abatement in which the terms would be negotiated in accordance with the Chambers County Chapter 381 Economic Development Policy. Please find attached our application for the property tax agreement.

We look forward to discussing a potential agreement with you and the Commissioners Court. As always, we appreciate your time and consideration and thank you for allowing Oneok Hydrocarbon, LP to pursue continued growth within the City of Mont Belvieu and Chambers County.

If you have any questions, feel free to contact me via telephone or email at 469-298-1594 or mike@keatax.com

Sincerely,

Mike Fry

Mike Fry
Director-Energy Services

APPLICATION FOR TAX ABATEMENT IN CHAMBERS COUNTY, TX

This application should be filed at least 90 days prior to the proposed date for beginning of construction or the installation of fixed machinery and equipment. **Projects that have begun construction (including earthwork) prior to County approval of final contracts are ineligible.** The filing of this document acknowledges familiarity and conformance with Guidelines and Criteria for Tax Abatement in Chambers County (attached). This application will become part of the agreement and any knowingly false representations will be grounds to void the agreement. Original copy of this request should be submitted to the County Judge Jimmy Sylvia, 404 Washington Avenue, P. O. Box 939, Anahuac, Texas 77514 if the property is located outside the corporate limits of a municipality. If the property is within the corporate limits of a municipality, the application should be submitted to the city manager of the municipality or city administrator. Note: Approval of this application is only 1 step in securing tax abatement. The applicant must provide other legal documents.

Upon approval, the applicant must maintain membership in the Baytown-West Chambers County Economic Development Foundation, commencing the date of agreement and extending for the term of this agreement, at the standard rate for similar size companies as established by the Foundation.

APPLICANT INFORMATION **Date: November 29, 2018**

Company Name: Oneok Hydrocarbon, LP
Address: 100 West Fifth Street, Tax 14-5
City: Tulsa State: Oklahoma Zip-Code: 74102-0871

APPLICANT MUST SUBMIT ANNUAL REPORT. (See instructions).

Number of Employees: 12
Annual Sales: N/A
Corporation: ☐ Partnership: ☒ Proprietorship: ☐

PROJECT INFORMATION

Type of Facility
See Instructions

- ☒ Manufacturing Facility
- ☐ Wholesale Distribution Facility
- ☐ Research Facility
- ☐ Service Facility
- ☐ Entertainment & Recreation Facility
- ☐ Other Basic Industry

Proposed Project Location Address and Legal Description: Oneok Hydrocarbon LP 9900 FM 1942, Mont Belvieu 77580
Attach map and/or aerial showing proposed site-*attached*

Jurisdictions:

School District Barbers Hill Independent School District
College District N/A

City or Town Mont Belvieu

Describe Product or Service

Project Description:

Attach narrative(s) fully explaining the project, describe existing site and proposed improvements and provide list of improvements and fixed machinery and equipment for which abatement is requested.

☒ NEW PLANT ☐ EXPANSION ☐MODERNIZATION

ECONOMIC INFORMATION

Construction Estimates:

Start Month/Year October /2019 Construction Man Years 300
Completion Date August/2021 Peak Construction Jobs 300

If Modernization:

Estimated Economic Life of Existing Plant N/A Years
Added Economic Life from Modernization N/A Years

Permanent Employment Estimates (PEE'S)

Current Plant Employment 0
Number of Plant Jobs ☐ Retained or ☒ Created
At start/opening 12 in year 2021
5 years into operation 12 in year 2026

Estimated Appraised Value on Site

	Personal	Improvements	Land
Value January 1 Preceding Abatement Agreement:	$0	$0	$42,750
Est. Value of Improvements:	$0	$275,000,000	$42,750
Est. Value of Abated Properties After Abatement Expires:	$0	$192,500,000	$42,750
Value upon Completion of Project – Personal Property and Project Improvements Not Subject To Abatement:	$ 0	$82,250,000	$42,750

VARIANCE

Is the applicant seeking a variance under Section 4 (e) of the guidelines? ☐ YES ☒ NO
If "YES", attach required supplementary information.

OTHER ABATEMENTS. Has the company made application for abatement for this project to other taxing jurisdictions or nearby counties? ☒YES ☐NO. If "YES" please provide dates of application,

hearing dates if held or scheduled, name of jurisdictions and contacts, and letter of intent.
City of Mont Belvieu; Application Date: TBD; Hearing Date: TBD;Jurisdiction: City of Mont Belvieu Contact: Nathan Watkins
Barbers Hill ISD; Application Date: November 12, 2018; Hearing Date: TBD; Contact: Dr. Greg Poole

COMPANY REPRESENTATIVE TO BE CONTACTED:

NAME: Mike Fry

Signature of Company Official
Tim Blake-VP Tax
Name & Title of Company Official

TITLE: Director-Energy Services

ADDRESS: 1900 Dalrock
CITY: Rowlett STATE: TX ZIP-CODE: 75088
TELEPHONE: 469-298-1594

INSTRUCTIONS

Applicant and projects must meet the requirements established in the Guidelines and Criteria (attached) in order to receive positive consideration. Section 3 of the Guidelines, for example, sets out improvements, terms and economic qualifications. Conformance with all sections, however, is required for eligibility.

APPLICANT INFORMATION

The taxing unit may consider applicant's financial capacity in determining whether to enter into an abatement agreement. Established companies for which public information is available, or the wholly owned businesses of such companies, should include with the application a copy of their latest annual report to stockholders. Other applicants and new companies should attach a statement showing when the company was established; business references (name, contact and telephone number of principal bank, accountant and attorney) and may be required to submit an audited financial statement and business plan.

PROJECT INFORMATION

Only facilities listed in Section 3(a) of the Guidelines may receive abatement without applying for a variance. Check guideline definitions in Section 2 to confirm project qualification.

ECONOMIC INFORMATION

Permanent Employment Estimates – In estimating the permanent employment, include the total number of jobs retained or created at this site by your firm as well as known permanent jobs of service contractors required for operation.

Estimated Appraised Value on Site – The value January 1st preceding abatement should be the value established by the Chambers County Appraisal District. If the applicant must estimate value because the taxable value is not known or is combined with other properties under a single tax account, please so state. To qualify, the abated properties must be expected to result in an addition to the tax base of at least five hundred thousand dollars ($500,000.00) after the period of abatement expires. Projections of value should be a "best estimate" based on taxability in Texas. The projection of project values not abated should include personal property and ineligible project-related improvements such as office space in excess of that used for plant administration, housing, etc.

Oneok Hydrocarbon, LP

Project Description

Detailed Description and Process for Proposed Project

Oneok Hydrocarbon, LP is proposing to construct a 6th (sixth) Natural Gas Liquid (NGL) fractionation unit (MB6 Fractionation Plant) in Chambers County, Texas. The facility will be located in the northwestern portion of the county. Additionally, the entirety of the project will be within Barbers Hill Independent School District. Please find attached maps that further define the location of the facility.

The facility itself is expected to have a total capacity of 125 KB per day of natural gas liquids, and will produce industrial gases including ethane, propane, butane, n-butane, and natural gasoline (CS+) products from incoming Y-Grade natural gas liquids (NGL's). Construction is anticipated to commence in October of 2019 and is projected to be complete by August 2021, when the plant will also be fully operational.

Oneoak Hydrocarbon, LP requests that this application includes but is not limited to the following components of this project:

- Pre-treatment Systems
- De-Ethanizer Unit
- De-Propanizer Unit
- De-Butanizer Unit
- Associated Towers
- Additional Storage Facilities for Y-grade liquids and other components
- All Appurtenant Components
- Heat Medium
- Gasoline Treater
- Compression Equipment
- Butane Splitter

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

purified and sent to product storage. The remaining NGL's are then heated under pressure and fed into the De-Propanizer Unit where it is separated into an overhead gas phase and an NGL phase. Propane in the overhead gas phase is further purified and sent to product storage.

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

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

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

Demand for NGLs

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

The following factors influence demand for each individual NGL component:

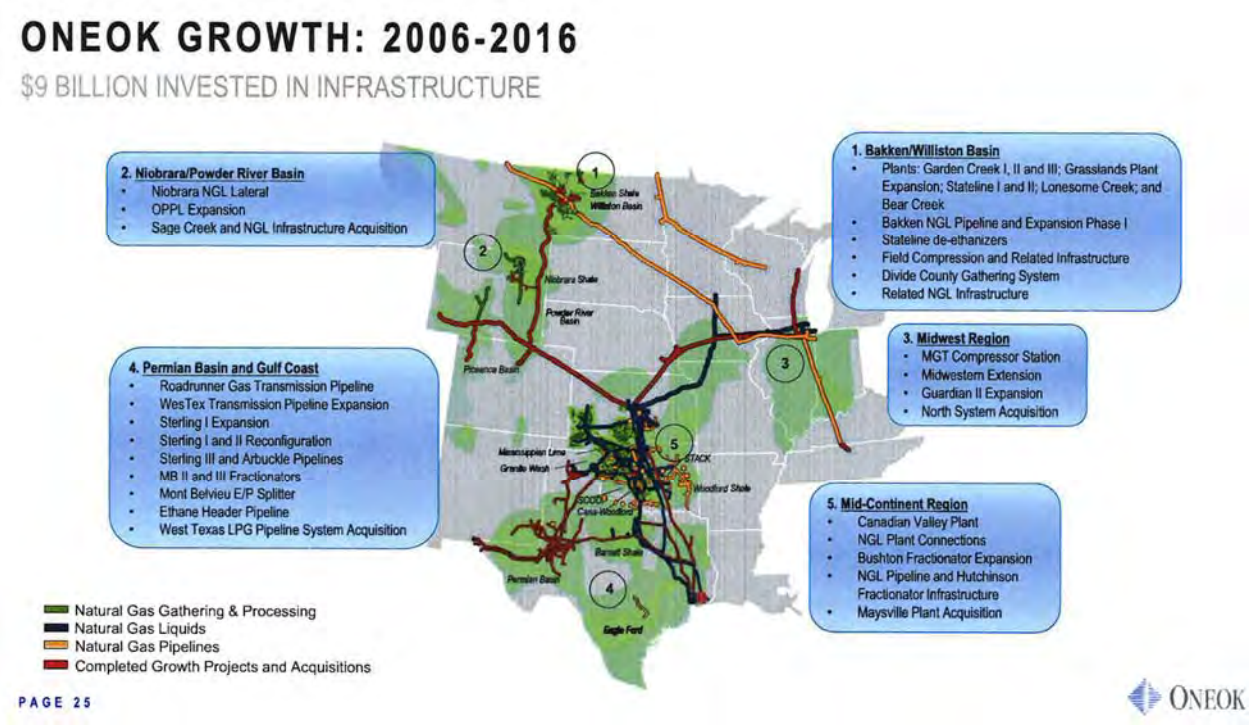
- **Ethane.** Essentially all of the ethane extracted from natural gas is consumed by the petrochemical industry as a feedstock for ethylene production. (Ethylene is a building block for polyethylene, which is the most popular plastic in the world.)
- **Propane.** Approximately 25-30% of propane is used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

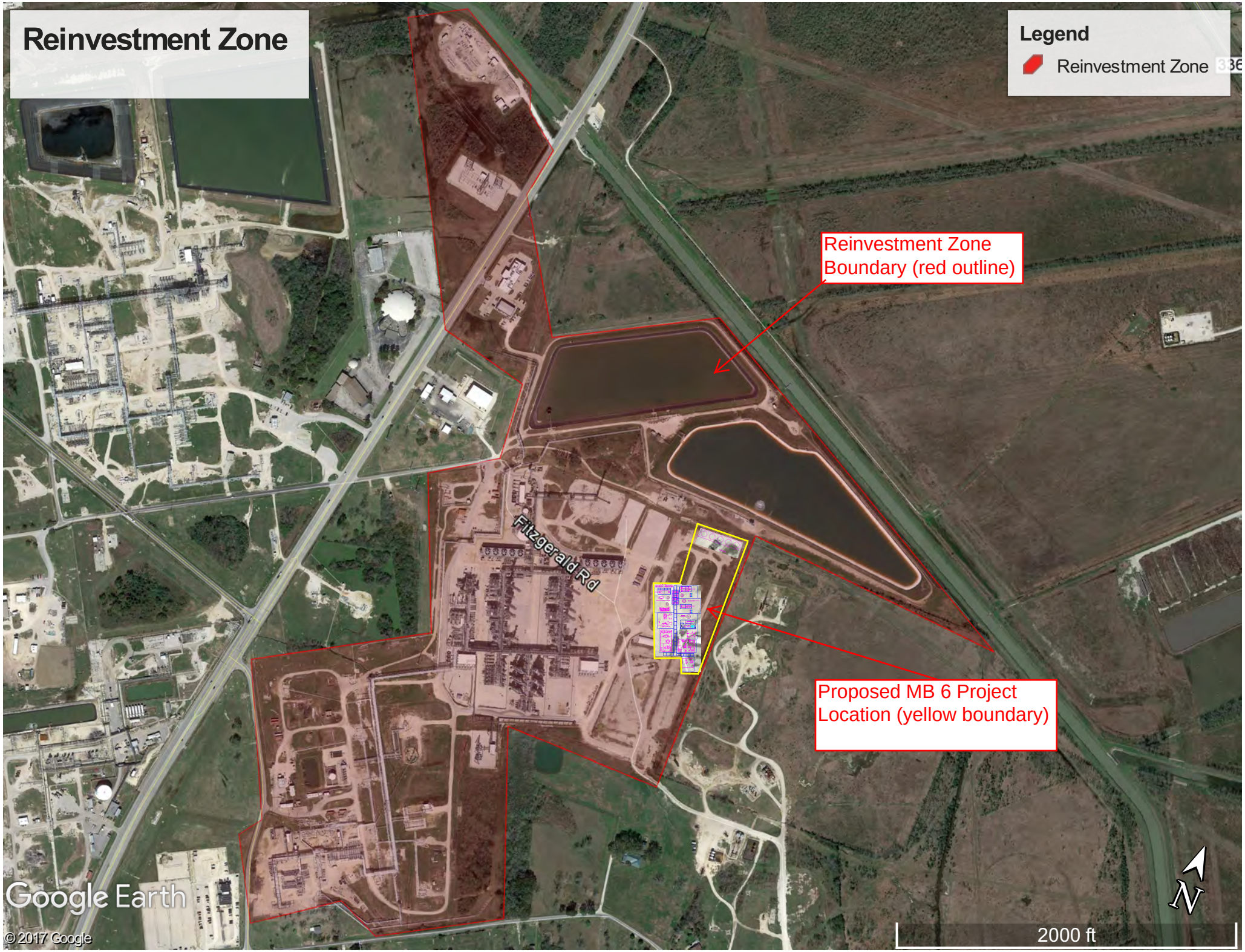
Oneok Hydrocarbon, LP is a premier energy company, specializing in midstream oil & gas operations. Currently, Oneok Hydrocarbon, LP operates over 2,600 miles of pipeline, 3 gas processing plants, and 6 fractionation facilities. Their operations are located in Kansas, Oklahoma, and Texas.

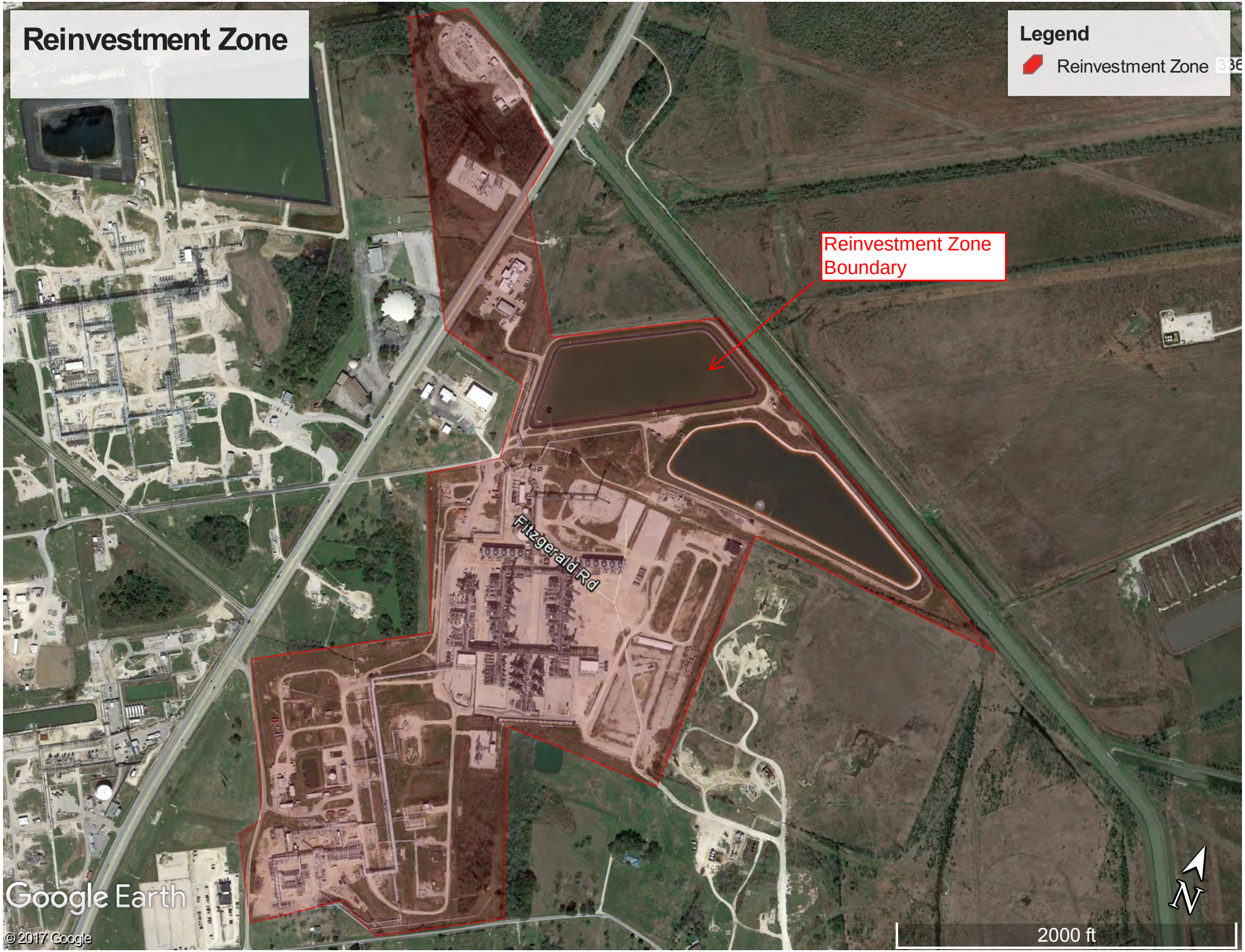
Oneok Hydrocarbon, LP

Oneok Hydrocarbon, LP is an energy company that primarily specializes in the gathering, fractionating, storing, and/or distributing of both NGL's and refined products. Oneok Hydrocarbon LP currently operates over 2,600 miles of pipeline, 3 gas processing plants, and 6 fractionation facilities. Locations for these operations include Kansas, Oklahoma, Texas as well as several other states.

The following map illustrates the company's current areas of operation. Additionally, please note the high level of activity in Region 5—an area that also serves as a competitive area for any new proposed project. Oneok Hydrocarbon, LP's existing infrastructure allows for a large degree of flexibility in determining the final location of any future facilities and investments. Capital is allocated to projects and locations based upon expected economic return. Large property tax liabilities affect cash flows and can drive down the economic return of a project, this would certainly lessen any projects chance of coming to completion in a taxable area without incentives vs, a project in an area with a lessened tax burden.




Reinvestment Zone
Legend
Reinvestment Zone
Reinvestment Zone Boundary (red outline)
Fitzgerald Rd
Proposed MB 6 Project Location (yellow boundary)
Google Earth
© 2017 Google
N
2000 ft


Reinvestment Zone
Legend
Reinvestment Zone
Reinvestment Zone Boundary
Fitzgerald Rd
Google Earth
© 2017 Google
N
2000 ft

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EXHIBIT C

REINVESTMENT ZONE

ORDINANCE NO. 2018-011

AN ORDINANCE OF THE CITY OF MONT BELVIEU, TEXAS, DESIGNATING CERTAIN REAL PROPERTY AS A REINVESTMENT ZONE FOR PURPOSES OF COMMERCIAL AD VALOREM TAX ABATEMENT; ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO; PROVIDING FOR SEVERABILITY; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Mont Belvieu ("City") desires to promote the development of certain unimproved real property located within its corporate limits; and

WHEREAS, the City desires to make available potential tax abatement relief for commercial projects in the area designated by this Ordinance in order to (i) encourage the redevelopment of the real property located therein, (ii) increase primary employment, and (iii) attract major investment; and

WHEREAS, the City has elected to become eligible to participate in tax abatement relief under the provisions of the Property Redevelopment and Tax Abatement Act, Tex. Tax. Code Chapter 312, Subchapter B; and

WHEREAS, the City adopted guidelines and criteria governing commercial tax abatement agreements in Resolution 2016-009, dated May 23, 2016; and

WHEREAS, the City desires to create a reinvestment zone for commercial tax abatement relief as authorized by Section 312.201 of the Tex. Tax Code for the real property described on the attached **Exhibit A**; and

WHEREAS, the City properly complied with the public notice requirements pursuant to Section 312.201(d) of the Tex. Tax Code and conducted a public hearing held on Monday May 14, 2018, regarding the designation of the real property described by metes and bounds in the attached **Exhibit A** as a reinvestment zone for commercial tax abatement to be designated as the "Oneok Reinvestment Zone" for commercial tax abatement purposes; and

WHEREAS, the City Council finds that the potential improvements sought within the "Oneok Reinvestment Zone" are feasible and practical and would be a benefit to the land to be included in the zone and to the City after the expiration of any commercial tax abatement agreements executed pursuant to Section 312.204 of the Tex. Tax. Code; and

WHEREAS, the City Council finds that the designation of the zone is reasonably likely to contribute to the retention or expansion of primary employment or attract major investment to the zone;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONT BELVIEU, TEXAS:

Section 1. **Creation of Reinvestment Zone**. The City hereby establishes the "Oneok Reinvestment Zone" for commercial ad valorem tax abatement purposes pursuant to Chapter 312 of the Texas Tax Code for the real property described by metes and bounds in the attached **Exhibit A**.

Section 2. **No Mandatory Obligations**. This Ordinance shall in no way obligate the City Council of the City of Mont Belvieu, Texas, to grant a commercial tax abatement upon receiving an application for same.

Section 3. **Severability**. In the event any clause, phrase, provision, sentence or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Mont Belvieu, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 4. **Effective Date**. This Ordinance shall be and become effective immediately upon and after its passage and publication as may be required by governing law.

PASSED, APPROVED, and ADOPTED this 14th day of May, 2018.

Nick Dixon

Nick Dixon, Mayor

ATTEST:

Kori Schweinle

Kori Schweinle, City Secretary

EXHIBIT A TO ORDINANCE NO. 2018-011

City of Mont Belvieu Oneok Reinvestment Zone
Chambers County, Texas

PROPERTY DESCRIPTION

(Valero Property)

PARCEL A: TRACT OF 55.30 ACRES
SITUATED IN THE HENRY GRIFFITH LEAGUE, A-12
CHAMBERS COUNTY, TEXAS

Metes and bounds description of a 55.30 acre tract of land situated in the Henry Griffith League, Abstract 12, Chambers County, Texas, said 55.30 acre tract being out of that certain 57.07 acre tract conveyed to Valero Refining-Texas, L.P. as recorded in Volume 04-669, Page 586, Chambers County Official Public Records (C.C.O.P.R.), said 55.30 acre tract being more particularly described by metes and bounds as follows:

All bearings are based on deed bearings and the Texas Coordinate System, South Central Zone.

BEGINNING at an old 2" iron pipe in concrete, accepted as the Southerly corner of the Annie Higgins Subdivision No. 1 as recorded in Volume 27, Page 43, Chambers County Deed Records (C.C.D.R.);

THENCE, along the Westerly line of said Annie Higgins Subdivision, North 32°49'21" West, 238.04 feet to a 5/8" iron rod with plastic cap set in the curved Easterly ROW line of State Highway Loop No. 207 (width varies);

THENCE, 207.29 feet Northwesterly along a non-tangent curve to the left having a radius of 607.96 feet, a delta of 19°32'08" and a chord bearing North 23°03'16" West, 206.29 feet to a found 1" iron pipe;

THENCE, along said Easterly ROW line, North 32°49'21" West, 690.13 feet to a 1/2" iron rod found for the most Westerly Northwest corner of the hereon described tract;

THENCE, North 57°23'00" East, 194.43 feet to a found 5/8" iron rod;

THENCE, North 57°12'26" East, 190.41 feet to a found ¾" iron pipe;

THENCE, North 57°03'23" East, 499.46 feet to a found 1" iron pipe in concrete;

THENCE, North 57°08'27" East, at 154.94 feet pass a found 1/2" iron rod in concrete, and continuing for a total distance of 165.00 feet to a found 1" iron pipe;

THENCE, North 22°04'28" West, at 936.76 feet pass a 4"x4" concrete monument found for reference in the Southerly ROW line of Fitzgerald Road (60' wide), and continuing for a total distance of 967.41 feet to a 1-1/2" iron pipe found in the center of Fitzgerald Road, said iron pipe being the most Northerly Northwest corner of the herein described tract;

THENCE along the centerline of said Fitzgerald Road, North 57°05'33" East, 368.29 feet to a ½" iron rod with cap set in asphalt for a corner of a Charles Dyer tract as recorded in Volume 455, Page 150, Chambers County Deed Records (C.C.D.R.), said corner being South 57°05'33" West, 27.0 feet from a 3" iron pipe found at the Northeast corner of said 57.07 acre tract;

THENCE, along the Westerly line of said Dyer tract, South 25°21'57" East, 30.26 feet to a found ½" iron rod in concrete;

THENCE, along the Southerly line of said Dyer tract and the Southerly ROW line of Fitzgerald Road, North 57°05'33" East, 25.00 feet to a 4"x4" concrete monument found for corner;

THENCE, South 21°38'58" East, 1507.82 feet to 4"x4" concrete monument found for corner of a second Charles Dyer tract as recorded in said Volume 455, Page 150;

THENCE, along the Northerly line of said second Dyer tract, South 41°20'40" West, 145.08 feet to a found 4" x 4" concrete monument;

THENCE, along the Westerly line of said second Dyer tract, South 22°06'11" East, 25.31 feet to a 4" x 4" concrete monument found in the South line of Home Tract 8 of the Fitzgerald partition as recorded in Volume 309, Page 667, C.C.D.R.;

THENCE, along the Southerly line of Home Tract 8, South 56°44'00" West, 3.22 feet to a 4"x4" concrete monument found at the Northwesterly corner of Oil Tract 6;

THENCE, along the Westerly line of Oil Tract 6, South 21°32'23" East, 1099.58 feet to a 1" iron pipe found in the Northerly ROW line of Winfree Road;

THENCE, along the Northerly ROW line of Winfree Road, South 57°27'17" West, at 233.83 feet pass a found 1-1/4" iron pipe in concrete, and continuing for a total distance of 260.00 feet to a found 1-1/4" iron pipe in concrete;

THENCE, along the Southerly line of a 10 foot wide easement to Chambers County for road right of way as recorded in Volume 176, Page 82, C.C.D.R., South 57°22'43" West, 438.40 feet to a found 1" iron pipe;

THENCE, North 32°37'50" West, 172.00 feet to found 1/2" iron rod;

THENCE, South 57°21'54" West, 379.21 feet to a found 1/2" iron rod;

THENCE, North 24°44'21" West, 28.48 feet to a found 1/2" iron rod;

THENCE, South 57°21'54" West, 100.50 feet to a 1/2" iron rod found in the Northeasterly ROW line of State Highway Loop 207;

THENCE, along said Northeasterly ROW line, North 24°44'21" West, 46.26 feet to a 1/2" iron rod found at an angle point in said ROW line;

THENCE, along said Northeasterly ROW line, North 23°15'15" West, 192.92 feet to a 1" iron pipe found at the beginning of a non-tangent curve to the right;

THENCE, 133.33 feet along said curve to the right having a radius of 681.20 feet, a delta of 11°12'52", and a chord bearing North 19°07'55" West, 133.11 feet to a found 1" iron pipe;

THENCE, North 57°35'12" East, 104.19 feet to the **POINT OF BEGINNING** and containing 55.30 acres of land.

PARCEL A, TRACT 2; TRACT OF 1.6215 ACRES
SITUATED IN THE HENRY GRIFFITH LEAGUE, A-12
CHAMBERS COUNTY, TEXAS

Metes and bounds description of a 1.6215 acre tract of land situated in the Henry Griffith League, Abstract 12, Chambers County, Texas, said 1.6215 acre tract being out of that certain 57.07 acre tract conveyed to Valero Refining-Texas, L.P. as recorded in Volume 04-669, Page 586, Chambers County Official Public Records (C.C.O.P.R.), said 1.6215 acre tract being Oil Tract 5 of the Fitzgerald partition as recorded in Volume 309, Page 667, Chambers County Deed Records, said 1.6215 acre tract being more particularly described by metes and bounds as follows:

All bearings are based on deed bearings and the Texas Coordinate System, South Central Zone.

BEGINNING at a 2" iron pipe found at the Southeast corner of said Oil Tract 5, said "POINT OF BEGINNING" being in the Northerly ROW line of Winfree Road (width varies);

THENCE, along the Southerly line of said Oil Tract 5, South 59°50'34" West, 60.97 feet to a 5/8" iron rod found at the Southwest corner of said Oil Tract 5;

THENCE, along the Westerly line of said Oil Tract 5, North 21°31'01" West, 1100.47 feet to a 5/8" iron rod found in the Southerly line of Home Tract 8 of said Fitzgerald partition;

THENCE, along the Southerly line of said Oil Tract 5, said Southerly line being the Southerly line of a Charles Dyer tract as recorded in Volume 455, Page 150, C.C.D.R., North 56°47'17" East, 65.27 feet to a 5/8" iron rod with plastic cap set for corner;

THENCE, along the Easterly line of said Oil Tract 5, South 21°34'00" East, 1103.94 feet to the **POINT OF BEGINNING** and containing 1.6215 acres of land.

PARCEL B: TRACT OF 47.37 ACRES
SITUATED IN THE HENRY GRIFFITH LEAGUE, A-12
CHAMBERS COUNTY, TEXAS

Metes and bounds description of a 47.37 acre tract of land situated in the Henry Griffith League, Abstract 12, Chambers County, Texas, said 47.37 acre tract being that same 47.37 acre tract conveyed to Valero Refining-Texas, L.P. as recorded in Volume 04-669, Page 586, Chambers County Official Public Records (C.C.O.P.R), said 47.37 acre tract being part of Prairie Tract 1 and part of Prairie Tract 2 described in the partition of the F.M. Fitzgerald lands as recorded in Volume 309, Page 667, C.C.D.R., said 47.37 acre tract being more particularly described by metes and bounds as follows:

All bearings are based on deed bearings and the Texas Coordinate System, South Central Zone.

BEGINNING at a 3" iron pipe found in the most Southerly corner of Prairie Tract 1 and the herein described tract, said 3" iron pipe being at the intersection of the centerline of Fitzgerald Road (60' wide) with the Easterly ROW line of Old Dayton-Barbers Hill Road (width varies-abandoned);

THENCE, along said Easterly ROW line of Old Dayton-Barbers Hill Road as abandoned in Volume 02-576, Page 172, C.C.O.P.R., North 07°30'31" West, at 33.21 feet pass a found 1" iron pipe, and continuing for a total distance of 755.27 feet to a 1" iron pipe found for corner;

THENCE, along the Northerly line of Prairie Tract 2, same being the Southerly line of a call 12.152 acre tract as recorded in Volume 393, Page 366, C.C.D.R., North 57°20'13" East, 1005.92 feet to a 1" iron pipe found in the Southwesterly line of the Coastal Water Authority (CWA) canal (no deed description found), from which iron pipe a found 4"x4" concrete monument bears North 65°20'17" West, 0.94 feet;

THENCE, along the Southwesterly line of said CWA canal, as fenced and marked with concrete monuments, as follows:

South 65°20'17" East, 297.01 feet to a found 4"x4" concrete monument;
South 65°19'45" East, 401.27 feet to a found 4"x4" concrete monument;
South 64°47'04" East, 415.56 feet to a found 4"x4" concrete monument;
South 64°47'54" East, 400.43 feet to a found 4"x4" concrete monument;
South 64°46'48" East, 397.01 feet to a found 4"x4" concrete monument;
South 64°46'07" East, 402.56 feet to a found 4"x4" concrete monument;
South 64°27'36" East, 47.66 feet to a found fence corner post for corner;

THENCE, South 42°21'52" West, 86.44 feet to a turnbuckle found in the most Southerly line of said Prairie Tract 1, said turnbuckle being in the North line of a call 50.44 acre tract as recorded in Volume 97-330, Page 563, C.C.O.P.R.;

THENCE, along the Northerly line of said 50.44 acre tract and the Northerly line of the House Tracts of said Fitzgerald partition, same being the Southerly line of said Prairie Tract 1, South

87°02'28" West, at 1323.87 feet pass an old 1-1/2" iron pipe found at the Northeast corner of Home Tract 1 of said partition, and continuing for a total distance of 1749.23 feet to an old 1-1/2" iron pipe found at the Northeast corner of Home Tract 4;

THENCE, South 87°10'29" West, 21.09 feet to a 1/2" iron rod found at the Southeast corner of a Mobil Oil Company Pump Station 0.34 acre lease tract as recorded in Volume 177, Page 633, C.C.D.R.;

THENCE, North 02°58'38" West, 100.59 feet to a 1/2" iron rod found at the Northeast corner of said 0.34 acre tract;

THENCE, South 87°10'29" West, 150.00 feet to a 1/2" iron rod found at the Northwest corner of said 0.34 acre tract;

THENCE, South 02°58'38" East, 100.59 feet to a 6' chain link fence corner found at the Southwest corner of said 0.34 acre lease tract and being in the Southerly line of Prairie Tract 1;

THENCE, South 87°10'29" West, 773.03 feet to a found 5/8" iron rod;

THENCE, South 56°54'26" West, 166.15 feet to the **POINT OF BEGINNING** and containing 47.37 acres of land.

PARCEL C: TRACT OF 0.6433 ACRES
SITUATED IN THE HENRY GRIFFITH LEAGUE, A-12
CHAMBERS COUNTY, TEXAS

Metes and bounds description of a 0.6433 acre tract situated in the Henry Griffith League, Abstract 12, Chambers County, Texas, said 0.6433 acre tract being that same 0.6433 acre tract conveyed to Valero Refining-Texas, L.P. as recorded in Volume 04-669, Page 586, Chambers County Official Public Records, said 0.6433 tract being the Easterly portion of Old Dayton-Barbers Hill Road adjoining a call 47.375 acre tract and containing a call 0.497 acre tract both as recorded in Volume 01-526, Page 745, Chambers County Official Public Records (C.C.O.P.R.), said 0.6433 acre tract being that same called 0.664 acre tract out of said Old Dayton-Barbers Hill Road as abandoned and recorded in Volume 02-576, Page 172, C.C.O.P.R. and as shown on plat recorded in Volume "A", Page 228, Chambers County Map Records, said 0.6433 acre tract being more particularly described by metes and bounds as follows:

All bearings are based on deed bearings and the Texas Coordinate System, South Central Zone.

COMMENCING at a 3" iron pipe found in the most Southerly corner of said 47.375 acre tract, said 47.375 acre tract being that same 47.37acre tract as recorded in said Volume 04-669, Page 586, C.C.O.P.R., said 3" iron pipe being at the intersection of the centerline of Fitzgerald Road (60' wide) with the Easterly ROW line of said Old Dayton-Barbers Hill Road, said Easterly ROW line being the West line of said 47.37 acre tract;

THENCE, along the West line of said 47.37 acre tract, North 07°30'31" West, 33.21 feet to a 1" iron pipe found for the **POINT OF BEGINNING** and Southeast corner of the herein described 0.6433 acre tract, said "POINT OF BEGINNING" being at the intersection of said West line with the projection of the Northwesterly ROW line of Fitzgerald Road, said "POINT OF BEGINNING" being the Southeast corner of said 0.664 acre tract;

THENCE, South 57°05'33" West, 44.58 feet with the projected Northwesterly line of Fitzgerald Road to a 5/8" iron rod with plastic cap set for corner;

THENCE, North 07°16'35" West, 723.65 feet (call=723.92') to a 5/8" iron rod with plastic cap set for the Northwest corner of the herein described 0.6433 acre tract;

THENCE, North 57°20'13" East, 41.25 feet to a 1" iron pipe found at the most Westerly Northwest corner of said 47.37 acre tract;

THENCE, along said Easterly ROW line of Old Dayton-Barbers Hill Road, same being the West line of said 47.37 acre tract, South 07°30'31" East, 722.06 feet (call 722.61') to the **POINT OF BEGINNING** and containing 0.6433 acres of land.

(Dyer Property)

FIELD NOTES of a 27.92 acre tract of land situated in the Henry Griffith League, Abstract No. 12, Chambers County, Texas, being all of the following tracts of land:

A) residue of 10 acres called Tract 1, 4.75 acres called Tract 2, 1.61 acres called Tract 3, & 3.75 acres called Tract 4 conveyed to B-J Dyer Family Limited Partnership by Charles D. Dyer, et ux, by deed dated December 28, 2006, and recorded in Volume 923 at Page 706 of the Official Public Records of Chambers County, Texas.

B) 1 acre conveyed to Bryant Dyer, et ux, by Mary Beth Dyer, et vir, by deed recorded in Volume 453 at Page 234 of the Official Public Records of Chambers County, Texas.

C) residue of 4.75 acres conveyed to Charles D. Dyer by Virginia Lillich, et al, by deed recorded in Volume 346 at Page 498 of the Deed Records of Chambers County, Texas

D) 4.7864 acres, 1.61 acres, a tract of land called Tract "A", & a tract of land called Tract "B" conveyed to Bryant Dyer, et al, by Hal K. Jarrell, Trustee, by deed dated December 16, 1997, and recorded in Volume 352 at Page 319 of the Official Public Records of Chambers County, Texas.

This 27.92 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: BEARINGS ARE BASED ON DEED BEARINGS AND FOUND MONUMENTS IN THE NORTH AND SOUTH LINES OF SAID 4.7864 ACRES.

BEGINNING at a 1 ½ inch iron pipe found leaning for the Southeast corner of this tract of land, the Southeast corner of said 4.7864 acres, the Southwest corner of 4.75 acres called Tract 4D conveyed to Kinnis Lee Fitzgerald by W. L. Fitzgerald, Jr., by deed dated September 26, 1933, and recorded in Volume 36 at Page 623 of the Deed Records of Chambers County, Texas, and in the North line of 15.43 acres conveyed to B. G. Lawrence by P. O. Wood, et ux, by deed dated February, 1967, and recorded in volume 282 at Page 291 of the Deed Records of Chambers County, Texas.

THENCE South 85°48'46" West with a South line of this tract of land, the South line of said 4.7864 acres, and the North line of said 15.43 acres a distance of 141.39 feet to a 2 inch iron pipe found for an angle corner of this tract of land, the Southwest corner of said 4.7864 acres, the Southeast corner of said 4.75 acres called Tract 2, and an angle corner of said 15.43 acres.

THENCE South 84°53'30" West with a South line of this tract of land, a South line of said 4.75 acres called Tract 2, and the North line of said 15.43 acres a distance of 66.99 feet to a 2 inch iron pipe found for a Southwest corner of this tract of land, a Southwest corner of said 4.75 acres called Tract 2, the Northwest corner of said 15.43 acres, and in the East line of 1.61 acres awarded to Mary O. Scott by deed dated March 30, 1918, and recorded in Volume 300 at Page 667 of the Deed Records of Chambers County, Texas.

THENCE North 24°30'16" West with a West line of this tract of land, a West line of said 4.75 acres called Tract 2, and the East line of said 1.61 acres a distance of 28.67 feet to a 2 inch iron pipe found leaning for an interior corner of this tract of land, an interior corner of said 4.75 acres called Tract 2, and the Northeast corner of said 1.61 acres.

THENCE South 50°59'06" West with a South line of this tract of land, the South lines of said 4.75 acres called Tract 2, the South line of said 3.75 acres called Tract 4, the North line of said 1.61 acres, and the North line of 1.61 acres awarded to Mrs. S. E. Morgan by deed dated March 30, 1918, and recorded in Volume 300 at Page 667 of the Deed Records of Chambers County, Texas, at a distance of 97.68 feet found a 1 ¼ inch iron pipe on line, in all a total distance of

128.71 feet to a 2 inch iron pipe found in concrete for an interior corner of this tract of land, the Northwest corner of said Morgan 1.61 acres, and the Northeast corner of said Bryant Dyer 1.61 acres.

THENCE South 21°37'52" East with an East line of this tract of land, the East line of said Bryant Dyer 1.61 acres, and the West line of said Morgan 1.61 acres a distance of 1102.57 feet to a ½ inch iron rod set for the Southeast corner of this tract of land, the Southeast corner of said Bryant Dyer 1.01 acres, and the Southwest corner of said Morgan 1.61 acres in the North right of way line of Winfree Road, 60 foot wide right of way.

THENCE South 57°23'05" West with a South line of this tract of land, the South line of said Bryant Dyer 1.61 acres, and the North right of way line of Winfree Road a distance of 65.11 feet to a ½ inch iron rod set for the Southwest corner of this tract of land, the Southwest corner of said Bryant Dyer 1.01 acres, and the Southeast corner of 1.61 acres awarded to Kinzey Lee Fitzgerald, et al, by deed dated March 30, 1918, and recorded in Volume 309 at Page 667 of the Deed Records of Chambers County, Texas.

THENCE North 21°37'52" West with a West line of this tract of land, the West line of said Bryant Dyer 1.01 acres, and the East line of said Fitzgerald 1.61 acres a distance of 1101.93 feet to a ½ inch iron rod set for an interior corner of this tract of land, the Northwest corner of said Bryant Dyer 1.61 acres, the Northeast corner of said Fitzgerald 1.61 acres, and in the South line of said 3.75 acres called Tract 4.

THENCE South 56°50'05" West with a South line of this tract of land, the South line of said 3.75 acres called Tract 4, the South line of said Tract "B", and the North line of said Fitzgerald 1.61 acres, at a distance of 60.92 feet found a 2 inch iron pipe on line, in all a total distance of 65.42 feet to a 1 inch iron pipe found for an angle corner of this tract of land, the Northwest corner of said Fitzgerald 1.61 acres, and a Northeast corner of part of 57.07 acres called Parcel "A" conveyed to Valero Refining Texas, L.P., by EOTT Energy Liquids, L.P., by deed recorded in Volume 669 at Page 566 of the Official Public Records of Chambers County, Texas. From this corner a capped iron rod found bears South 22°04'15" West a distance of 0.25 feet.

THENCE South 56°36'46" West with a South line of this tract of land, the South line of said Tract "B", and the North line of said part of 57.07 acres a distance of 66.24 feet to a 1 inch iron pipe found for an interior corner of this tract of land, a Northwest corner of said part of 57.07 acres, and the Northeast corner of said 1.61 acres called Tract 3.

THENCE South 21°37'52" East with an East line of this tract of land, the East line of said 1.61 acres called Tract 3, and the West line of said part of 57.07 acres a distance of 1100.39 feet to a ½ inch iron rod set for the Southeast corner of this tract of land, the Southeast corner of said 1.61 acres called Tract 3, and a Southwest corner of said part of 57.07 acres in the North line of said Winfree Road.

THENCE South 57°23'01" West with a South line of this tract of land, the South line of said 1.61 acres called Tract 3, and the North right of way line of Winfree Road, at a distance of 38.61 feet found a concrete monument on line, in all a total distance of 65.11 feet to a 5/8 inch iron rod inside a 1 inch iron pipe found for a Southwest corner of this tract of land, the Southwest corner of said 1.61 acres called Tract 3, and a Southeast corner of said part of 57.07 acres.

THENCE North 21°37'52" West with the West line of this tract of land, the West line of said 1.61 acres called Tract 3, and an East line of said part of 57.07 acres a distance of 1099.50 feet to a concrete monument found broken for a Northwest corner of this tract of land, the Northwest corner of said 1.01 acres called Tract 3, and an interior corner of said part of 57.07 acres.

THENCE North 56°36'46" East with a North line of this tract of land, the North line of said 1.61 acres called Tract 3, and a South line of said part of 57.07 acres, a distance of 2.95 feet to a

concrete monument found broken for a Southwest corner of this tract of land, the Southwest corner of said Tract "B", and a Southeast corner of said part of 57.07 acres.

THENCE North 21°46'25" West with a West line of this tract of land, the West line of said Tract "B", and an East line of said part of 57.07 acres a distance of 25.39 feet to a concrete monument found for an interior corner of this tract of land, the Northwest corner of said Tract "B", and an interior corner of said part of 57.07 acres.

THENCE North 41°14'12" East with a North line of this tract of land, the North line of said Tract "B", and a South line of said part of 57.07 acres a distance of 145.20 feet to a concrete monument found for an interior corner of this tract of land, the Northeast corner of said Tract "B", a Southeast corner of said part of 57.07 acres, and in the West line of said residue of 10 acres.

THENCE North 21°46'25" West with a West line of this tract of land, the West line of said residue of 10 acres, and an East line of said part of 57.07 acres a distance of 1507.93 feet found a concrete monument broken for an interior corner of this tract of land, the Southeast corner of said Tract "A", and a Northeast corner of said part of 57.07 acres at the South line of Fitzgerald Road, 60 foot wide right of way.

THENCE South 68°54'44" West with a South line of this tract of land, the South line of said Tract "A", the South right of way line of Fitzgerald Road, a North line of said part of 57.07 acres a distance of 26.00 feet to a ½ inch iron rod set for a Southwest corner of this tract of land, the Southwest corner of said Tract "A", and an interior corner of said part of 57.07 acres.

THENCE North 21°09'26" West with a West line of this tract of land, the West line of said Tract "A", and an East line of said part of 57.07 acres a distance of 30.01 feet to a ½ inch iron rod set for a Northwest corner of this tract of land, the Northwest corner of said Tract "A", and a Northeast corner of said part of 57.07 acres.

THENCE North 68°54'44" East with a North line of this tract of land, the North line of said Tract "A", the North line of said residue of 10 acres, and the South line of 47.37 acres called Parcel "B" conveyed to Valero Refining Texas, L.P., by EOTT Energy Liquids, L.P., by deed recorded in Volume 660 at Page 508 of the Official Public Records of Chambers County, Texas, at a distance of 26.90 feet found an aluminum disc on line, at a distance of 30.00 feet found a 3 inch iron pipe for the Northeast corner of said Tract "A", the Northwest corner of said residue of 10 acres, and the Southeast corner of said 47.37 acres, in all a total distance of 196.37 feet to a 5/8 inch iron rod found for an angle corner of this tract of land, an angle corner of said residue of 10 acres, and an angle corner of said 47.37 acres.

THENCE North 67°04'28" East with a North line of this tract of land, a North lines of said residue of 10 acres, 3.76 acres called Tract 4, 4.75 acres called Tract 2, 4.7664 acres, the South line of said 47.37 acres, and the South line of a 0.34 of an acre tract of land conveyed in Lease Agreement from Mary O. Scott, et vir, to Magnolia Pipe Line Company by instrument dated April 20, 1956, and recorded in Volume 177 at Page 633 of the Deed Records of Chambers County, Texas, at a distance of 386.62 feet found a 1 ½ inch iron pipe in concrete for the Northeast corner of said residue of 10 acres, and the Northwest corner of said 3.76 acres called Tract 4, in all a total distance of 601.01 feet to a ½ inch iron rod set for the Northeast corner of this tract of land, the Northeast corner of said 4.7664 acres, and the Northwest corner of said Fitzgerald 4.75 acres.

THENCE South 02°30'15" East with an East line of this tract of land, the East line of said 4.7664 acres, and the West line of said Fitzgerald 4.75 acres a distance of 1470.60 feet to the PLACE OF BEGINNING, containing within said boundaries 27.92 acres of land, more or less.

(Fitzgerald Property)

Property (including any improvements):

These two (2) certain tracts or parcels of land situated in the HENRY GRIFFITT LEAGUE, Abstract No. 12, Chambers County, Texas, and being Lot 40 commonly known as OIL TRACT NO. 4 and Lot 40, commonly known as HOME TRACT NO. 4 as set aside to Kinzie Lee Fitzgerald and W. L. Fitzgerald, Jr. as heirs of Myrtle R. Fitzgerald in Report of Commissioners entered in Cause No. 157 in the District Court of Chambers County, Texas, styled "T. S. Fitzgerald vs. F. M. Fitzgerald, et al". Said tracts or parcels of land being more particularly described by metes and bounds as follows, to-wit:

OIL TRACT NO. 4: BEGINNING at the South corner of Oil Tract No. 3;

THENCE North 16° 35' West along the line between Tracts 3 and 4, 308 varas to the South line of Home Tract No. 7;

THENCE South 60° 20' West along the South line of said Home Tract No. 7, 29.44 varas;

THENCE South 16° 35' East 308 varas to the South line of said Fitzgerald lands;

THENCE North 60° 20' East 29.44 varas to the PLACE OF BEGINNING, containing 1.61 acres of land, more or less.

HOME TRACT NO. 4: BEGINNING at the Westerly corner of Home Tract No. 5;

THENCE North 00° 40' East along the line between Tracts 3 and 4, 627.6 varas to the South line of Prairie Tract No. 1;

THENCE West 61 varas;

THENCE South 00° 40' West 628.4 varas;

THENCE North 89° 08' East 61 varas to the PLACE OF BEGINNING, containing 4.75 acres of land, more or less.

Reservations from Conveyance:

For Grantor and Grantor's heirs, successors, and assigns forever, a reservation of all oil, gas, and other minerals in and under and that may be produced from the Property. 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.

Grantor waives and conveys to Grantee the right of ingress and egress to and from the surface of the Property relating to the portion of the mineral estate owned by Grantor.

(Koch Property)

October 1, 1997

METES AND BOUNDS DESCRIPTION
OF AN 11.715 ACRE TRACT SITUATED IN THE
HENRY GRIFFITH LEAGUE, ABSTRACT 12
CHAMBERS COUNTY, TEXAS

A Metes and Bounds description of an 11.715 acre tract out of a call 30 acre tract as recorded in Volume 53, Page 258, Chambers County Deed Records (C.C.D.R.), said 11.715 acre tract being situated in the Henry Griffith League, Abstract 12, Chambers County, Texas, and being more particularly described as follows:

All bearings are based on the Texas Coordinate System, South Central Zone.

BEGINNING at a 3/4" iron pipe found for the Southwest corner of the herein described 11.715 acre tract, said "POINT OF BEGINNING" being the point of intersection of the Westerly line of said 30 acre tract with the West ROW line of State Highway 146 (120' wide);

THENCE, along the Westerly line of said 30 acre tract, North 33°26'17" West, 1226.79 feet to a 1/2" iron rod (bent) found for corner, said corner being the Southwest corner of a call 5.859 acre tract conveyed to Koch Pipeline as recorded in Volume 93-213, Page 708, Official Public Records of Chambers County;

THENCE, along the South line of said 5.869 acre tract, North 56°19'06" East, 573.61 feet to a 1/2" iron rod found for corner in the Easterly line of said 30 acre tract, said corner being the Southeast corner of said 5.859 acre tract;

THENCE, along said East line, South 33°29'26" East, 551.42 feet to a 5/8" iron rod set for the Southeast corner of the herein described tract, said Southeast corner being the most Southerly corner of a call 9.149 acre tract conveyed to Placid Refining as recorded in Volume 423, Page 237, C.C.D.R., said corner being in the West ROW line of State Highway 146;

THENCE, along said West ROW line, South 06°49'36" West, 888.27 feet to the **POINT OF BEGINNING** and containing 11.715 acres of land. (Plat Attached.)

METES AND BOUNDS DESCRIPTION
OF AN 6.149 ACRE TRACT SITUATED IN THE
HENRY GRIFFITH LEAGUE, ABSTRACT 12
CHAMBERS COUNTY, TEXAS

A Metes and Bounds description of an 6.149 acre tract out of a call 30 acre tract as recorded in Volume 53, Page 258, Chambers County Deed Records (C.C.D.R.), said 6.149 acre tract being situated in the Henry Griffith League, Abstract 12, Chambers County, Texas, and being more particularly described as follows:

All bearings are based on the Texas Coordinate System, South Central Zone.

BEGINNING at a 3/4" iron rod found for the Northeast corner of the herein described 6.149 acre tract, said "POINT OF BEGINNING" being the point of intersection of the Easterly line of said 30 acre tract with the East ROW line of State Highway 146 (120' wide);

THENCE, along the Easterly line of said 30 acre tract, South 33°29'26" East, 539.32 feet (called 544.94 feet) to a 5/8" iron rod set for corner, said corner being the South corner of a call 3.743 acre tract conveyed to Placid Refining as recorded in Volume 423, Page 237, C.C.D.R., said corner being in the West ROW line of Old Dayton-Barber's Hill Road;

THENCE, along the West ROW line of Old Dayton-Barber's Hill Road, South 07°44'41" East, 492.90 feet to a 5/8" iron rod set for corner, said corner being the calculated Northeast corner of a call 3.804 acre tract conveyed to Robert N Harrington as recorded in Volume 90-117, Page 34, Official Public Records of Chambers County;

THENCE, along the North line of said 3.804 acre tract, North 83°12'21" West, at 4.20 feet pass a found 3/8" iron rod, and continuing for a total distance of 472.96 feet (called 468.01 feet) to a 5/8" iron rod found for the Northwest corner of said 3.804 acre tract, said corner being in the East ROW line of State Highway 146;

THENCE, along said East ROW line, North 06°49'36" East, 888.53 feet to the **POINT OF BEGINNING** and containing 6.149 acres of land. (Plat Attached.)

(LESS AND EXCEPT THIS TRACT)

HENRY GRIFFITH LEAGUE, ABSTRACT NO. 12
CHAMBERS COUNTY, TEXAS

METES AND BOUNDS DESCRIPTION FOR 0.344 OF AN ACRE OF LAND

BEING 0.344 of an acre of land situated in the Henry Griffith League, Abstract No. 12, Chambers County, Texas, and being a part of that certain called 5.859 acre tract described in a Special Warranty Deed, dated July 1, 2005, from Koch Pipeline Company, L.P. to KPL NGL Pipeline, L.P., recorded in 05 790 671 of the Official Public Records of Chambers County, Texas. Said 0.344 of an acre of land being more particularly described as follows:

BEGINNING at a crimped 2 inch iron pipe (found) for corner at the North corner of the above referenced 5.859 acre tract, at the West corner of that certain called 9.149 acre tract (Tract No. 1) described in a Warranty Deed from Vantage Realty Company, Trustee, to Placid Refining Company, recorded in Volume 423, Page 237 of the Deed Records of Chambers County, Texas, in the Southeast line of that certain called 376.764 acre (Tract No. 4) described in said Warranty Deed to Placid Refining Company (Vol. 423, Pg. 237), and being located in the recognized Northwest line of the Henry Griffith League, Abstract No. 12;

THENCE South 33 deg. 27 min. 08 sec. East, with the Northeast line of said 5.859 acre tract and with the Southwest line of said 9.149 acre tract, a distance of 214.80 feet to a point for corner in the existing edge of water (as of November 2, 2007) on the North side of the Coastal Industrial Water Authority Canal, from which a 1/2 inch iron rod (set) for reference bears North 33 deg. 27 min. 08 sec. West, a distance of 10.00 feet;

THENCE in a Northwesterly direction, over and across said 5.859 acre tract, and with the existing edge of water (as of November 2, 2007) on the North side of said canal, as follows:

North 64 deg. 31 min. 50 sec. West, a distance of 8.61 feet to a point for corner;

North 66 deg. 26 min. 04 sec. West, a distance of 49.70 feet to a point for corner;

North 66 deg. 16 min. 52 sec. West, a distance of 54.86 feet to a point for corner;

North 65 deg. 43 min. 24 sec. West, a distance of 52.13 feet to a point for corner;

(LESS AND EXCEPT THIS TRACT)

North 68 deg. 36 min. 41 sec. West, a distance of 50.77 feet to a point for corner;

North 73 deg. 39 min. 15 sec. West, a distance of 40.24 feet to a point for corner;

and

North 82 deg. 59 min. 38 sec. West, a distance of 4.10 feet to a point for corner in the Northwest line of said 5.859 acre tract, in the Southeast line of the above mentioned 376.764 acre tract, and being located in the recognized Northwest line of the Henry Griffith League, Abstract No. 12;

THENCE: North 56 deg. 17 min. 50 sec. East, with the Northwest line of said 5.859 acre tract, with the Southeast line of said 376.764 acre tract, and with the recognized Northwest line of the Henry Griffith League, a distance of 147.41 feet back to the PLACE OF BIGINNING and containing 0.344 of an acre of land.

I, Mark D. Bryant, Sr., Registered Professional Land Surveyor, do hereby certify that the above description was prepared from an actual survey made on the ground under my direction and supervision during the month of November, 2007.

A red plastic cap stamped "Stanger" was placed on the above described 1/2 inch iron rods (set). Bearings are based on the record bearing of "S 06°49'36" W" along the monumented East line of that certain called 11.715 acre tract described in 02 535 347 of the Official Public Records of Chambers County, Texas. Reference made to Plat of Survey prepared even date (C07214).

(LESS AND EXCEPT THIS TRACT?)

HENRY GRIFFITH LEAGUE, ABSTRACT NO. 12
CHAMBERS COUNTY, TEXAS

METES AND BOUNDS DESCRIPTION FOR 1.740 ACRES OF LAND

BEING 1.740 acres of land situated in the Henry Griffith League, Abstract No. 12, Chambers County, Texas, and being a part of that certain called 9.149 acre tract (Tract No. 1) described in a Warranty Deed, dated September 19, 1978, from Vantage Realty Company, Trustee, to Placid Refining Company, recorded in Volume 423, Page 237 of the Deed Records of Chambers County, Texas. Said 1.740 acres of land being more particularly described as follows:

COMMENCING at a crimped 2 inch iron pipe (found) for corner at the West corner of the above referenced 9.149 acre tract, in the Southeast line of that certain called 376.764 acre (Tract No. 4) described in the above referenced Warranty Deed to Placid Refining Company (Vol. 423, Pg. 237), at the North corner of that certain called 5.859 acre tract described in a Special Warranty Deed from Koch Pipeline Company, L.P. to KPL NGL Pipeline, L.P., recorded in 09 790 671 of the Official Public Records of Chambers County, Texas, and being located in the recognized Northwest line of the Henry Griffith League, Abstract No. 12;

THENCE: South 33 deg. 27 min. 08 sec. East, with the Southwest line of said 9.149 acre tract and with the Northeast line of said 5.859 acre tract, a distance of 345.01 feet to a point for corner at the PLACE OF BEGINNING of the hereinafter described 1.740 acre tract and being located in the existing edge of water (as of November 2, 2007) on the South side of the Coastal Industrial Water Authority Canal, from which a 1/2 inch iron rod (set) for reference bears South 33 deg. 27 min. 08 sec. East, a distance of 11.16 feet;

THENCE: in a Southeasterly direction, over and across said 9.149 acre tract and with the existing edge of water (as of November 2, 2007) on the South side of said canal, as follows:

South 65 deg. 08 min. 50 sec. East, a distance of 5.67 feet to a point for corner;

South 63 deg. 59 min. 25 sec. East, a distance of 63.42 feet to a point for corner;

South 65 deg. 16 min. 21 sec. East, a distance of 76.08 feet to a point for corner;

South 69 deg. 49 min. 12 sec. East, a distance of 101.06 feet to a point for corner;

South 65 deg. 48 min. 01 sec. East, a distance of 69.08 feet to a point for corner;

South 69 deg. 25 min. 27 sec. East, a distance of 27.89 feet to a point for corner;

(LESS AND EXCEPT THIS TRACT?)

South 63 deg. 15 min. 18 sec. East, a distance of 30.33 feet to a point for corner;

and

South 61 deg. 42 min. 34 sec. East, a distance of 21.94 feet to a point for corner;

THENCE South 24 deg. 17 min. 48 sec. West, at 1.35 feet entering the concrete wall on the Southwest end of a flood gate, continuing along the outside face of said wall, in all a total distance of 2.11 feet to a point for corner;

THENCE South 65 deg. 42 min. 12 sec. East, along the outside face of the concrete wall on the South side of said flood gate, at 26.12 feet leaving said wall, continuing in all a total distance of 57.30 feet to a 1/2 inch iron rod (set) for corner in the East line of said 9.149 acre tract and being located in the West right-of-way line of State Highway No. 146 (a 120' right-of-way at this location);

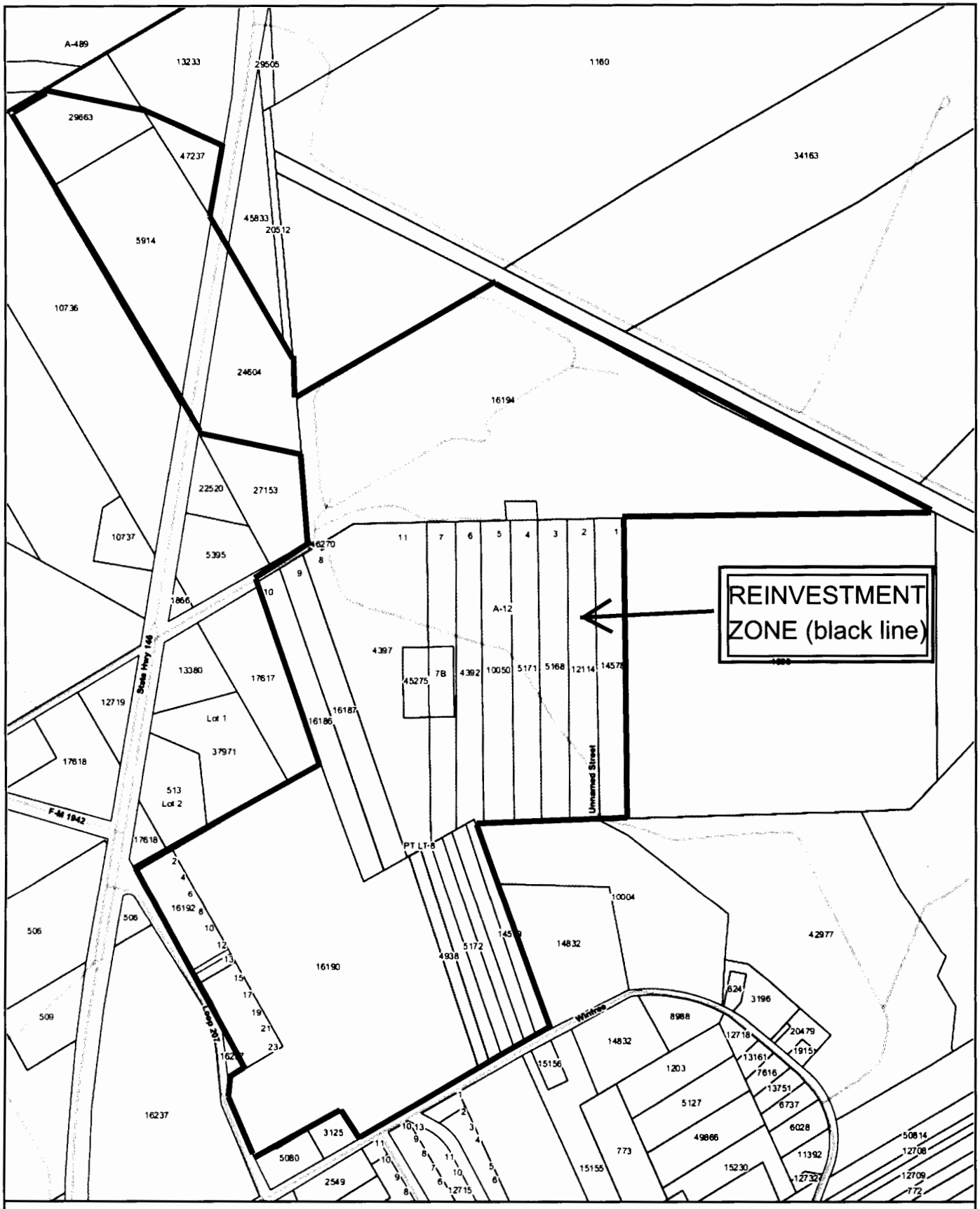
THENCE South 00 deg. 49 min. 36 sec. West, with the East line of said 9.149 acre tract and with the West right-of-way line of State Highway No. 146, a distance of 360.47 feet to a 5/8 inch iron rod (found) for corner at the most Southerly corner of said 9.149 acre tract and being located at the most Easterly Northeast corner of that certain called 11.715 acre tract described in a Special Warranty Deed from Koch Hydrocarbon Company to Koch Pipeline Company, L.P., recorded in 02 535 347 of the Official Public Records of Chambers County, Texas;

THENCE North 33 deg. 27 min. 08 sec. West, with the Southwest line of said 9.149 acre tract, with the Northeast line of said 11.715 acre tract, and with the Northeast line of the above mentioned 5.859 acre tract, a distance of 651.37 feet back to the PLACE OF BEGINNING and containing 1.710 acres of Land.

I, Mack D. Bryant, Sr., Registered Professional Land Surveyor, do hereby certify that the above description was prepared from an actual survey made on the ground under my direction and supervision during the month of November, 2007.

A red plastic cap stamped "Stamper" was placed on the above described 1/2 inch iron rods (set)

Bearings are based on the record bearing of "S 06°49'36" W" along the monumented East line of the above mentioned 11.715 acre tract recorded in 02 535 347 of the Official Public Records of Chambers County, Texas;



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

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EXHIBIT D

PILOT PAYMENT SCHEDULE

Tax Year	Ch. 381 PILOT	CCSED PILOT	PILOT Payment Deadline
2025	24% of County Tax Abated	100% of CCSED Tax	1/31/2026
2026	40% of County Tax Abated	100% of CCSED Tax	1/31/2027
2027	50% of County Tax Abated	100% of CCSED Tax	1/31/2028
2028	50% of County Tax Abated	100% of CCSED Tax	1/31/2029
2029	50% of County Tax Abated	100% of CCSED Tax	1/31/2030
2030	50% of County Tax Abated	100% of CCSED Tax	1/31/2031
2031	50% of County Tax Abated	100% of CCSED Tax	1/31/2032
2032	50% of County Tax Abated	100% of CCSED Tax	1/31/2033
2033	50% of County Tax Abated	100% of CCSED Tax	1/31/2034
2034	50% of County Tax Abated	100% of CCSED Tax	1/31/2035

The aggregate County Tax Rate consists of the following categories:

- Road & Bridge Special
- County – General
- Interest & Sinking
- Road & Bridge FMFC
- Chambers County School Equalization District

For purposes of this Agreement, the County Tax will consist of the following categories:

- Road & Bridge Special
- County – General
- Interest & Sinking
- Road & Bridge FMFC