STATE OF TEXAS §
§
COUNTY OF CHAMBERS §

CHAPTER 381
ECONOMIC DEVELOPMENT AGREEMENT

between

CHAMBERS COUNTY, TEXAS

and

ENTERPRISE PRODUCTS OPERATING LLC

This CHAPTER 381 ECONOMIC DEVELOPMENT AGREEMENT (the "AGREEMENT") is made, entered, and executed in duplicate originals by and between **CHAMBERS COUNTY, TEXAS**, acting through its Commissioners Court ("COUNTY") and **ENTERPRISE PRODUCTS OPERATING LLC**, a Texas limited liability company ("ENTERPRISE"), as authorized by Chapter 381, TEXAS LOCAL GOVERNMENT CODE and is effective on January 1, 2017 (the "Effective Date").

WHEREAS, Article 3, Section 52A, Texas Constitution, authorizes the Legislature to enable cities and counties to implement programs for the public purposes of economic development under which counties may provide financial incentives for the purposes of stimulating local economic development and business and commercial activity in the COUNTY; and

WHEREAS, Section 381.004, TEXAS LOCAL GOVERNMENT CODE, authorizes the Commissioners Court of a county to establish and provide for the administration of one or more programs in order to stimulate business and commercial activity in the COUNTY, including programs for making loans and grants of public money to promote local economic development; and

WHEREAS, COUNTY has established a program of economic development for the purposes of creation and retention of jobs for the citizens of the COUNTY and region, to promote economic expansion, and to add to the tax base of the COUNTY; and

WHEREAS, COUNTY wishes to encourage ENTERPRISE to select Chambers County as the site for the proposed expansion by ENTERPRISE and the Enterprise Affiliates (as defined below); and

WHEREAS, the proposed expansion by ENTERPRISE and the Enterprise Affiliates will result in new economic development in the COUNTY, including creating new jobs, increasing sales tax revenues to the COUNTY and increasing *ad valorem* taxes within the COUNTY; and

WHEREAS, the proposed expansion by ENTERPRISE and the Enterprise Affiliates will have a direct position and measurable economic benefit to the COUNTY; and

WHEREAS, the COUNTY recognizes the positive economic impact the proposed expansion will have on the COUNTY and wishes to provide incentives to ENTERPRISE to assist in the proposed expansion by ENTERPRISE and the Enterprise Affiliates, thereby contributing toward the further economic development and growth of the COUNTY; and

WHEREAS, the COUNTY finds that this AGREEMENT embodies an eligible "program" and clearly promotes economic development in Chambers County, Texas, and, as such, meets the requisites under Chapter 381 of the TEXAS LOCAL GOVERNMENT CODE and further is in the best interests of the COUNTY.

NOW, THEREFORE, for the mutual consideration set out below, the Parties hereto agree as follows:

I. AUTHORIZATION

COUNTY's execution and performance of this AGREEMENT is authorized by Section 381.004, TEXAS LOCAL GOVERNMENT CODE, and by the COUNTY's Chapter 381 Economic Development Policy, Guidelines and Criteria and constitutes the valid and binding obligation of the COUNTY from and after execution hereof by all Parties. ENTERPRISE's execution and performance of this AGREEMENT has been duly authorized and constitutes the valid and binding obligation of ENTERPRISE from and after execution hereof by all Parties.

II. DEFINITIONS

1. "*Ad Valorem* Taxes" means with respect to any property tax year, all *ad valorem* property taxes collected by the COUNTY on the Eligible Property for that tax year. For

the purposes of this AGREEMENT, *Ad Valorem* Taxes collected by the COUNTY shall not include penalties, interest, or attorneys' fees.

2. "Affiliate" of any specified person or entity means any other person or entity, which, (i) directly or indirectly, through one or more intermediaries, controls, or is controlled by, or (ii) is under direct or indirect common control with such specified person or entity. For the purposes of this definition, "control" when used with respect to any person or entity means (a) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting securities of such person or entity; or (b) the right to direct the management and operations of such person or entity, directly or indirectly, whether through the ownership of (directly or indirectly) of securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

3. "Commercially Reasonable Efforts" means, as to a Party hereto, an undertaking by such Party to perform or satisfy an obligation or duty or otherwise act in a manner reasonably calculated to obtain the intended result by action or expenditure not disproportionate or unduly burdensome under the circumstances, which means, among other things, that such Party shall not be required to (i) expend funds other than for payment of the reasonable and customary costs and expenses of employees, contractors, counsel, consultants, representatives or agents of such Party in connection with the performance or satisfaction of such obligation, duty or other action or (ii) institute or settle any litigation or arbitration as a part of its reasonable efforts.

4. "Eligible Property" means the buildings, structures, fixed machinery and equipment, process units including all integral components necessary for operations, site improvements, infrastructure, and that office space and related fixed improvements necessary to the operations and administration of the Project. During the construction phase of the Eligible Property, ENTERPRISE and/or the applicable Enterprise Affiliates may make such Change Orders to the Eligible Property as are reasonably necessary to accomplish its intended use.

5. "Enterprise Affiliates" means those Affiliates of ENTERPRISE that own the portions of the Project and/or the Property that are not owned by ENTERPRISE.

6. "Force Majeure" means an event or occurrence caused by (a) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over ENTERPRISE, the applicable Enterprise Affiliates, or the Project; (b) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (c) the action, judgment or decree of any court; (d) floods, storms,

hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this AGREEMENT shall require ENTERPRISE or the applicable Enterprise Affiliates to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend franchises, easements or rights of way, licenses or permits, loss, interruption, curtailment or failure to obtain electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers to deliver equipment, parts or material, or inability of ENTERPRISE or the applicable Enterprise Affiliates to receive product into, or to ship or transport product out of their respective facilities; or (e) any other cause (except financial), whether similar or dissimilar, over which ENTERPRISE or the applicable Enterprise Affiliate(s) have no reasonable control and which forbids or prevents performance.

7. "Parties" means collectively the COUNTY and ENTERPRISE, and "Party" means the COUNTY or ENTERPRISE, as the case may be.

8. "PILOT Payment" means the amounts provided in Section III.6 of this AGREEMENT.

9. "Project" means the following new gas processing/manufacturing facilities to be constructed by ENTERPRISE or Enterprise Affiliates: (i) the Isobutane Dehydrogenation ("IBDH") Plant, described as Phase One in Section III.1, below; and (ii) Frac 9, described as Phase Two in Section III.1 below, on the Property described in Exhibit "A."

10. "Property" means the land on which the Project will be developed as described in the legal description and depicted on the plat and map of the Reinvestment Zone attached hereto as Exhibit "A."

11. "Term" means the period commencing on the Effective Date and ending on the Termination Date.

12. "Termination Date" means December 31, 2028.

III. ENTERPRISE REPRESENTATIONS / OBLIGATIONS

ENTERPRISE agrees as a condition of receiving the benefits of this AGREEMENT:

1. Project: To construct, and/or to cause the Enterprise Affiliates to construct a new isobutane dehydrogenation plant and a new manufacturing natural gas liquids fractionator on the Property described in Exhibit "A" at the estimated construction costs, based upon current estimated costs of labor and materials, set forth below:

i) IBDH Plant (Phase One)	$ 846 Million
ii) Frac 9 (Phase Two)	$ 380 Million

2. Employment: To maintain, or cause the Enterprise Affiliates to maintain, from the date of completion of the Project until the Termination Date an employment level of not less than twenty five (25) full-time employees at the Project.

3. Reporting and Inspection: To certify annually to the COUNTY that ENTERPRISE is in compliance with each applicable term of the AGREEMENT within 30 days after the end of each calendar year. Upon completion of the Project, the COUNTY JUDGE AND/OR COMMISIONER'S COURT shall annually, upon prior written notice given at least five (5) working days in advance, have access to the Project by COUNTY employees for inspection to ensure compliance with this AGREEMENT.

4. Local Sourcing: To make Commercially Reasonable Efforts, with respect to any contracts for the purchase of supplies and services in connection with construction of the Project that are let to bid after the Effective Date, to identify and ensure that qualified Chambers County vendors, suppliers and sub-contractors are given the opportunity to bid on such contracts.

5. Administration Fee: To pay to the COUNTY an administration fee set forth on the respective PILOT Payment Schedules attached as Exhibit "B" and Exhibit "C" and in the amounts provided therein. The administration fee shall be due and payable on March 31st following the PILOT Payment Dates set forth on Exhibit "B" and Exhibit "C." This administration fee is considered payment for the Chapter 381 administrative services as provided in Section 381.004(c) of the TEXAS LOCAL GOVERNMENT CODE.

6. PILOT Payments: To pay the initial PILOT Payment for Phase One of the Project in the amount of $3,000,000, as provided in Exhibit "B," to the COUNTY on or before January 31, 2018, and each subsequent PILOT Payment for Phase One will be paid in the tax years provided in Exhibit "B." If ENTERPRISE elects to construct Phase Two of the Project, the initial PILOT Payment for Phase Two of the Project is the amount of $1,500,000, as provided in Exhibit "C," and shall be paid to the COUNTY within thirty (30) days of the announcement of the commencement of construction of Phase Two of the Project by ENTERPRISE (the "Initial Phase 2 Payment Date"), and each subsequent

PILOT Payment for Phase Two will be paid on or before January 31 in the tax years provided in Exhibit "C."

IV. ABATEMENT AND TERM OF AGREEMENT

1. Abatement: During the Term of this AGREEMENT, there shall be granted and allowed hereunder to ENTERPRISE by the COUNTY, and any taxing districts for which the COUNTY by statute levies the *Ad Valorem* Taxes or approves the tax rate, a one hundred percent (100%) property tax abatement on the Eligible Property in consideration for the payment of the agreed PILOT Payments in Exhibit "B" and Exhibit "C."

2. Phase 1 Effective Date: The Abatement provided for in this AGREEMENT for Phase One of the Project shall be effective on the January 1, 2018 tax valuation date for Phase One of the Project, as authorized by Sec. 312.007 of the TEXAS TAX CODE and Section 381.004(g) of the TEXAS LOCAL GOVERNMENT CODE.

3. Phase 2 Effective Date: The Abatement provided for in this AGREEMENT for Phase Two of the Project shall be effective on the January 1, 2017, as authorized by Sec. 312.007 of the TEXAS TAX CODE and Section 381.004(g) of the TEXAS LOCAL GOVERNMENT CODE.

4. Abatement Term: In no event shall the abatement period for Phase One or Phase Two of the Project exceed a period of ten (10) years for each of Phase One and Phase Two, individually, in accordance with state law.

5. Payment in Lieu of Tax: During the Abatement, in lieu of the property taxes abated pursuant to the terms of this AGREEMENT, ENTERPRISE shall pay to the COUNTY an amount, per tax year, for Phase One and Phase Two respectively, set forth in the respective Phase One and Phase Two schedules of payment attached hereto as Exhibit "B" and Exhibit "C." Neither ENTERPRISE nor its successors and assigns shall claim, demand, sue for or otherwise seek to recover any amounts paid to the COUNTY pursuant to this AGREEMENT; provided the foregoing shall in no event prevent ENTERPRISE from exercising all of its rights and remedies (including contest of such appraised value and the taxable value so abated) with respect to the determination by the Chief Appraiser of the Chambers County Appraisal District of the Certified Appraised Value of the Property and the taxable value abated pursuant hereto.

6. Phase 2 Cancellation: In the event ENTERPRISE elects on or before January 1, 2019, not to construct Phase Two, the abatement for Phase Two as provided

in Section IV.1 and Section IV.3 shall terminate and ENTERPRISE shall pay all taxes previously abated for Phase Two for the period through December 31, 2018. Such amount shall be paid by January 31, 2019, and shall not be subject to penalties and/or interest if paid on or before January 31, 2019.

7. Role of Chief Appraiser: The Chief Appraiser of the Chambers County Appraisal District shall annually determine (i) the taxable value of the Eligible Property pursuant to the abatement terms of this AGREEMENT; and (ii) the full taxable value of the Eligible Property without the abatement terms provided herein. The Chief Appraiser shall record both the abatement taxable value and the full taxable value in the appraisal records. The full taxable value listed in the appraisal records shall be used to compute any recapture. Each year ENTERPRISE shall furnish the Chief Appraiser with the information required by Chapter 22, TEXAS TAX CODE. Such information shall also be provided to the COUNTY in the preparation of its annual evaluation for compliance with this AGREEMENT. In the event that a recapture of taxes is instituted under Section VI.4 of this AGREEMENT, the total of all payments made by ENTERPRISE according to the Phase One and Phase Two schedules of payment attached hereto as Exhibit "B" and Exhibit "C" shall be credited as an offset against all tax payments sought to be recaptured by the COUNTY.

V. LIABILITY

1. No Assumption: By this AGREEMENT, ENTERPRISE assumes no obligation, duty or other responsibility with regard to any governmental function or service for which the COUNTY is responsible that is not otherwise addressed by this AGREEMENT. In addition, ENTERPRISE assumes no legal liability for the actions of the COUNTY through the execution of this AGREEMENT. The COUNTY individually assumes no obligation, duty or other responsibility with regard to any duty, right, obligation or responsibility associated with the Project for which ENTERPRISE is responsible that is not otherwise addressed by this AGREEMENT. In addition, the COUNTY assumes no legal liability for the actions of ENTERPRISE or its successors or assigns by virtue of its execution of this AGREEMENT.

2. Agents: Each Party to this AGREEMENT agrees that it shall have no liability for the actions or omissions of the employees, agents, directors, members, trustees or representatives of any other Party, and each Party is solely responsible for the actions and omissions of its own employees, agents, directors, members, trustees or representatives.

VI. DEFAULT

1. Events of Default: During the Term, the COUNTY may declare a default hereunder by ENTERPRISE if ENTERPRISE (i) fails to commence construction of Phase One of the Project within one (1) year after the Effective Date, (ii) refuses or neglects to comply with any of the terms of this AGREEMENT, or (iii) if any representation made by ENTERPRISE in this AGREEMENT is false or misleading in any material respect.

2. Notice and Cure: If the COUNTY declares ENTERPRISE to be in default of this AGREEMENT, the COUNTY shall notify ENTERPRISE in writing prior to the end of the abatement period, and if such default is not cured within sixty (60) days from the date of such notice (such sixty (60) day period, or such longer period as is provided for in this Section VI.2 being referred to as the "Cure Period"), then this AGREEMENT may be terminated or modified; provided, however, that in the case of a default for causes beyond ENTERPRISE's reasonable control which cannot with due diligence be cured within such sixty (60) day period, the Cure Period shall be deemed extended if ENTERPRISE (i) shall immediately, upon the receipt of such notice, advise the COUNTY of ENTERPRISE's intention to institute all steps necessary to cure such default and (ii) shall proceed to cure.

3. Delinquent *Ad Valorem* Taxes: In the event ENTERPRISE allows its *Ad Valorem* Taxes on the Project owed to the COUNTY to become delinquent and fails to timely and properly follow the legal procedures for their protest and appeal, or if ENTERPRISE violates any of the terms and conditions of this AGREEMENT and fails to cure during the Cure Period, this AGREEMENT may then be terminated.

4. Recapture: In the event ENTERPRISE (i) allows its *Ad Valorem Taxes* on the Project to become delinquent or fails to timely and properly follow the legal procedures for the protest and appeal of the *Ad Valorem* Taxes on the Project or (ii) defaults under this AGREEMENT and fails to cure, this AGREEMENT may then be terminated. In the event of termination of this AGREEMENT pursuant to the provisions of this paragraph, all taxes previously abated by virtue of this AGREEMENT will be recaptured by the COUNTY and paid by ENTERPRISE within sixty (60) days of termination, together with penalties and interest as required by the TEXAS TAX CODE; subject, however, to a credit commensurate to the amounts paid pursuant to Section III.6, and in accordance with the provisions of Section IV.6 of this AGREEMENT.

5. Termination: If after notice of default and failure to cure, the COUNTY terminates this AGREEMENT, it shall provide ENTERPRISE written notice of such termination. If ENTERPRISE believes that such termination was improper, ENTERPRISE may file suit in the Chambers County District Court appealing such termination within sixty (60) days after receipt from the COUNTY of written notice of the termination. If such a suit is filed, ENTERPRISE shall remit to the COUNTY, within ninety (90) days after receipt of the

notice of termination, any additional *Ad Valorem* Taxes as may be payable during the pendency of the litigation pursuant to the payment provisions of Section 42.08, TEXAS TAX CODE. If the final determination of the appeal increases ENTERPRISE's tax liability above the amount of tax paid, ENTERPRISE shall remit the additional tax to the COUNTY pursuant to Section 42.42, TEXAS TAX CODE. If the final determination of the appeal decreases ENTERPRISE's tax liability, the COUNTY shall refund to ENTERPRISE the difference between the amount of tax paid and the amount of tax for which ENTERPRISE is liable pursuant to Section 42.43, TEXAS TAX CODE. The prevailing party in any litigation brought under this Section VI.5 shall be entitled to recover its reasonable attorneys' fees and costs.

VII. NOTICE

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate Party at the following addresses:

Notices to ENTERPRISE shall be addressed to:

Curt Tate, Director, Tax
ENTERPRISE PRODUCTS OPERATING LLC
P.O. Box 4018
Houston, Texas 77210-4018
1100 Louisiana Street, Suite 1000
Houston, Texas 77002

With copies to:

ATTN: General Counsel
ENTERPRISE PRODUCTS OPERATING LLC
P.O. Box 4018
Houston, Texas 77210-4018
1100 Louisiana Street, Suite 1000
Houston, Texas 77002

and

Timothy E. Young
Ikard Wynne LLP
2901 Via Fortuna, Suite 450
Austin, Texas 78746

Notices to CHAMBERS COUNTY shall be addressed to:

Honorable Jimmy Sylvia, County Judge
404 Washington Avenue
Mailing: P.O. Box 939
Anahuac, Texas 77514

With copies to:

Baytown-West Chambers County Economic Development Foundation
1300 Rollingbrook Drive, Suite 505
Baytown, Texas 77521

Either Party may change its address for receipt of notices under this AGREEMENT from time to time by delivering at least ten (10) days prior written notice of such change to the other Party in the manner prescribed above.

VIII. MISCELLANEOUS PROVISIONS

1. Disclaimer: Nothing herein shall confer upon any person, firm or other entity other than the Parties hereto any benefit or any legal or equitable right, remedy or claim under this AGREEMENT. All obligations hereunder of the Parties shall be binding upon their respective successors and assigns.

2. Amendments to Agreement; Waivers: This AGREEMENT may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties. Waiver of any term, condition or provision of this AGREEMENT by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this AGREEMENT.

3. Approvals or Consents: Approvals or consents required or permitted to be given under this AGREEMENT shall be evidenced by an ordinance, resolution, or minute order adopted by the governing body or board of the appropriate Party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of a Party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

4. Assignment: ENTERPRISE may assign this AGREEMENT in whole or in part to an Affiliate or a new owner or lessee of the Property or the Project, or any portion thereof, provided that ENTERPRISE shall provide written notice of such assignment to the COUNTY. Upon such assignment, ENTERPRISE's assignee will be liable to the COUNTY for outstanding taxes or other obligations arising under this AGREEMENT with

respect to the applicable portion of the Property or the Project. The COUNTY shall not assign its rights or obligations under this AGREEMENT to any other person or party.

5. Parties in Interest: This AGREEMENT shall be for the sole and exclusive benefit of the Parties hereto and shall not be construed to confer any rights upon any third parties.

6. Supplementation: In the event any further documentation or information is required for this AGREEMENT to be valid, then the Parties to this AGREEMENT shall provide or cause to be provided such documentation or information. The Parties shall execute and deliver such documentation, including but not limited to any amendments, corrections, deletions or additions as necessary to this AGREEMENT provided however that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this AGREEMENT or imposing greater liability on the Parties. The Parties further agree that they shall do anything necessary to comply with any requirements to enable the full effect of this AGREEMENT; provided, however, that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this AGREEMENT or imposing greater liability on the Parties.

7. Merger: This AGREEMENT contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this AGREEMENT.

8. Governing Law: This AGREEMENT and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in Chambers County, Texas.

9. Authorization: Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this AGREEMENT for and on behalf of such Party.

10. Severability: If any term, provision or condition of this AGREEMENT, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this AGREEMENT shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this AGREEMENT, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions

contained herein (and any other application such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this AGREEMENT in a mutually acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section VIII.10, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

11. Payment of Expenses: ENTERPRISE agrees to reimburse the COUNTY for its reasonable legal fees and expenses incurred in connection with the negotiation and preparation of this AGREEMENT, up to a maximum of $5,000. Except the foregoing reimbursement provision, or as covered by the application fee, (i) each of the Parties shall pay its own costs and expenses relating to this AGREEMENT, including, but not limited to, its costs and expenses of the negotiations leading up to this AGREEMENT, and of its performance and compliance with this AGREEMENT, and (ii) in the event of a dispute between the Parties in connection with this AGREEMENT, the prevailing Party in the resolution of any such dispute, whether by litigation or otherwise, shall be entitled to full recovery of all attorneys' fees (including a reasonable hourly fee for in-house legal counsel), costs and expenses incurred in connection therewith, including costs of court, from the non-prevailing Party to the extent allowed by law.

12. Force Majeure: In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this AGREEMENT, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this AGREEMENT, then the obligations of such Party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the Force Majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such Force Majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence.

13. Interpretation: When a reference is made in this AGREEMENT to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this AGREEMENT unless otherwise indicated. The headings contained in this

AGREEMENT are for reference purposes only and shall not affect in any way the meaning or interpretation of this AGREEMENT. The words "include," "includes" and "including" when used in this AGREEMENT shall be deemed in such case to be followed by the phrase "but not limited to" words used in this AGREEMENT, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This AGREEMENT is the joint product of the Parties and each provision of this AGREEMENT has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

14. Execution of Counterparts: This AGREEMENT may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

15. Waiver: Failure of any Party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing thereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce by an appropriate remedy, strict compliance with any other obligation hereunder to exercise any right or remedy occurring as a result of any future default or failure of performance.

16. Governmental Immunity; Consent to Suit: Nothing in this AGREEMENT shall constitute a waiver by the COUNTY of its governmental or sovereign immunity. Nothing in this AGREEMENT shall be construed as express or implied consent by the COUNTY to being sued.

Executed in duplicate this the 27th day of December, 2016

CHAMBERS COUNTY:

Judge Jimmy Sylvia
Chambers County Judge

ENTERPRISE PRODUCTS OPERATING LLC
By: Enterprise Products OLPGP, Inc.
Its: Sole Manager

By: _____
Penny R. Houy
Vice President, Tax

ATTEST: _____ (Signature)
Heather H. Hawthorne, County Clerk (Printed Name and Title)

EXHIBIT “A”

Property Description

FIELD NOTES

EXHIBIT "TRACT # 1"

LEGAL DESCRIPTION

88.077 ACRES

All that certain tract or parcel of land containing 88.077 acres of land, more or less, being a part of and out of the residue of a called 2214 acre tract conveyed to Albert N. Nelson, Jr., et al by deed dated August 23, 1950 and recorded in Volume 126, Page 225, Deed Records of the Chambers County (C.C.D.R.), situated in the HANNAH NASH SURVEY, Abstract No. 20, Chambers County, Texas; said 88.077 acre tract being the same property conveyed to Gary R. Nelson by deed dated July 10, 2000 and recorded in Volume 00-464, Page 384, Official Public Records of the Chambers County, Texas (O.P.R.C.C.T.). Said 88.077 acre tract, more or less, is more particularly described by metes and bounds as follows:

All Bearings shown hereon are referenced to the North American Datum 83 - Texas South Central Zone.

COMMENCING (P.O.C.) at a *5/8* inch iron rod in concrete found for the original Southeast comer of said 2214 acre tract at an angle point in the old West right-of-way (RIW) line of Hatcherville Road, the Southeast comer of a called 2.0678 acre tract conveyed to Chambers County from Albert Nelson, Jr., et al (for public road purposes) by Deed dated August 31, 1995 and recorded in Volume 276, Page 344 O.P.R.C.C.T. and the Northeast comer of a 60 foot wide strip for ingress and egress as described in Volume 257, Page 206 C.C.D.R.;

THENCE South 77" 33' 14" West along the South property line of said 2214 acre tract and said 2.0678 acre tract, a distance of 19.62 feet to a 1/2 inch iron rod found at an angle point in the existing West RIW line of Hatcherville Road (based on variable width) for the Southwest comer of said 2.0678 acre tract, the Southeast comer of aforesaid 88.077 acre tract, the Southeast comer and the POINT OF BEGINNING (P.O.B.) of the herein described tract of land;

THENCE South 77° 33' 14" West continuing along the South property line of said 2214 acre tract and the North R/W line of said 60 foot wide ingress and egress strip, a distance of 1,666.37 feet to a 5/8 inch iron rod in concrete found for the Northwest comer of said 60 foot wide ingress and egress strip and the Northeast comer of the residue of a called 117.91 acre tract conveyed to Patti K. Kroll by Deed dated July 3, 1990 and recorded in Volume 92-184, Page 85 O.P.R.C.C.T.;

THENCE South 77° 58' 52" West along the common line of the Nelson and Kroll Tracts, a distance of 759.10 feet to a capped 112 inch iron rod found for the Southeast comer of a called 6.854 acre tract (described as Tract 1 in deed) conveyed to Missouri Pacific Railroad Company (now known as Union Pacific Railroad Company) by deed dated August 31, 1995 and recorded in Volume 95-279, Page 567 of O.P.R.C.C.T. and the Southwest comer of the herein described tract of land;

THENCE North 12° 25' 00" East along the Southeasterly property line of said 6.8.54 acre tract and the Northwesterly property line of said 88.077 acre tract, a distance of 869.85 feet to a .518 inch iron rod set for the point of curvature curve whose circle center bears South 77° 35' 00" East;

THENCE in a Northeasterly direction along the common line of said 6.854 acre tract and 88.077 acre tract, a distance of 865.00 feet along the arc of a curve to the right having a radius of 1860.08 feet, a central angle of 26° 38' 41" and a chord which bears North 25" 44' 20" East, 857.23 feet to a 518 inch iron rod set for the point of tangency;

THENCE North 39° 03' 41" East continuing along said common line, at 1,204.76 feet passing the Northeast comer of said 6.854 acre tract and the Southeast comer of a called 0.3214 acre tract (described as Tract 2 in deed) conveyed to Missouri Pacific Railroad Company of by the same deed dated August 31, 1995 and being mentioned above, at 1,344.77 feet passing the Northeast comer of said 0.3214 acre tract and the Southeast comer of a called 1.262 acre tract (described as Tract 3 in deed) conveyed to Missouri Pacific Railroad Company of by the same deed dated August 31, 1995 and being mentioned above, in all a total distance of 1,856.06 feet to a 518 inch iron rod set in the existing West R/W line of Hatcherville Road and the West property line of said 2.0678 acre tract for the Northeast comer of said 1.262 acre tract and the North comer of the herein described tract of land;

THENCE South 13° 30' 47" East along the existing West R/W line of Hatcherville Road and the West property line of said 2.0678 acre tract, a distance of 701.81 feet to a 1/2 inch iron rod found for an angle point of the herein describer tract of land;

THENCE South 14° 21' 12" East continuing along said common line, a distance of 1,923.30 feet to the **POINT OF BEGINNING** and containing 88.077 acres of land, more or less.

EXHIBIT "TRACT #2"

LEGAL DESCRIPTION

8.437 ACRES

North 39• 03' 41" East, at a distance of 1,204.05 feet passing the most northerly east corner of said 6.854 acre tract and the west corner of said 0.3214 acre tract, at a distance of 1,344.07 feet passing the north corner of said 0.3214 acre tract and the most northerly west corner of the said 1.262 acre tract, continuing a total distance of 1,932.58 feet to the west R.O.W. line of the aforesaid Hatcherville Road and the most easterly southeast corner of said easterly portion of said 1,654 acre tract, and the most northerly east corner of said 1.262 acre tract and the herein described tract, from which a found 1/2-inch iron rod with cap stamped "M. CHANDLER 5292", bears South 08" 12' East, 0.63 feet;

THENCE, South 13" 30' 47" East, along said west R.O.W. line and the easterly line of said 1.262 acre tract, a distance of 125.92 feet to the north corner of the aforesaid 88.077 acre tract, and the most southerly east corner of said 1.262 acre tract and the herein described tract, from which a found 5/8-inch iron rod with aluminum cap stamped "MPH 6045", bears South 10" 36' West, 0.34 feet;

THENCE, Southwesterly, along the common line of the n01thwesterly line of said 88.077 acre tract, and the southeasterly lines of the aforesaid 6.854 acres, 1.262 acres, 0.3214 acre tracts and the herein described tract, the following courses:

South 39' 03' 41" West, departing said west R.O.W. line, at a distance of 511.29 feet passing the most southerly west corner of said 1.262 acre tract and the east corner of said 0.3214 acre tract, at a distance of *65* 1.30 feet passing the south corner of said 0.3214 acre tract and the most southerly east corner of said 6.854 acre tract, continuing a total distance of 1,856.06 feet to a 5/8-inch iron rod with aluminum cap stamped "MPH 6045" found marking the a point of curvature of a tangent curve to the left;

Southwesterly, a distance of 865.00 feet along said curve to the left, having central angle of 26' 38' 4t", a radius of 1,860.08 feet, and a chord which bears South 25' 44" 20" West, 857.23 feet to a 5/8-inch iron rod with aluminum cap stamped "MPH 6045" found marking a point of tangency;

THENCE, South 12" 25' 00" West, continuing along said common line, a distance of 869.85 feet to the POINT OF BEGINNING and containing a calculated 8.437 acres (367,508 square feet) of land. This description is based on the Survey and plat made by MotTis P. Hebert, Inc., dated January 19, 2013, latest revision dated January 24, 2013. MPH Project Number 11078-02.

Prepared by: Allen Ko
Checked by: Patrick Trewitt, RPLS Morris P. Hebert, Inc.
10101 Southwest Freeway, Suite 620
Houston, Texas 70774 (713) 217-1470
January 24, 2013
MPH.INC Project No. 11078-02
11078-02-8.437 acres-LEGAL DESCRIPTION.doc



1 - Z.lf- 1'3

METES AND BOUNDS DESCRIPTION OF 8.437 ACRES (367,508 SQUARE FEET) HANNAH NASH SURVEY, ABSTRACT NUMBER 20 CHAMBERS COUNTY, TEXAS

Being a tract or parcel of land containing 8.437 acres (367,508 square feet) of land situated in the Hannah Nash Survey, Abstract Number 20, Chambers County, Texas; being all of a called 6.854 acre tract, all of a called 1.262 acre tract, and all of a called 0.3214 acre tract described as "Tracts 1, 2 and 3" conveyed to Missouri Pacific Railroad Company (now known as Union Pacific Railroad Company) as described in deed recorded in Volume 95-279, Page 567 of the Official Public Record of Chambers County, Texas (O.P.R.C.C.T.). (Bearings herein are oriented to the Texas State Plane Coordinate System, South Central Zone, NAD 83 referenced in said deed recorded in Volume 95-279, Page 567 ofthe O.P.R.C.C.T.):

COMMENCING at a 1/2-inch iron rod found marking the intersection of the west right-of-way (R.O.W.) line of Hatcherville Road (width varies) with the north line of a called 60-foot wide ingress and egress strip of land described in deed recorded in Volume 257, Page 206 of the Deed Records of Chambers County (C.C.D.R.), Texas; and marking the southeast comer of a called 88.077 acre tract of land conveyed to Mont Belvieu Caverns, LLC as described in deed recorded in Volume 11-1244, Page 658 of the O.P.R.C.C.T.; and marking the southwest corner of a called 2.0678 acre tract of land conveyed to Chambers County, Texas for road widening purposes as described in deed recorded in Volume 95-276, Page 344 of the O.P.R.C.C.T., from which a 5/8-inch iron rod in concrete found marking the previous west R.O.W line of said Hatcherville Road and marking the southeast corner of said 2.0678 acre tract, bears North *n*· 33' 14" East, 19.62 feet;

THENCE, South *7T* 33' 14" West, departing said west R.O.W. line, along the north line of said 60-foot wide ingress and egress strip, and along the south line of said 88.077 acre tract, a distance of 1,666.37 feet to a 5/8-inch iron rod in concrete found marking the northwest corner of said 60-foot wide ingress and egress strip, and marking the northeast corner of a called 117.91 acre tract of land conveyed to Patti K. Kroll as described in deed recorded in Volume 92-184, Page 85 ofthe O.P.R.C.C.T.;

THENCE, South *7T* 58' 52" West, along the notth line of said 117.91 acre tract, and the south line of said 88.077 acre tract, a distance of 759.10 feet to a 5/8-inch iron rod with cap stamped "LANDTECH CONSULTANTS" found marking the n01theast comer of a called 1.576 acre easement conveyed to Missouri Pacific Railroad Company as described in deed recorded in Volume 95-277, Page 184 of the O.P.R.C.C.T., and marking the southwest corner of said 88.077 acre tract, and the POINT OF BEGINNING and most easterly south corner of said 6.854 acre tract and the herein described tract;

THENCE, South 77" 58' 28" West, along the north line of said 1.576 acre easement and said 117.91 acre tract, and the south line of said 6.854 acre tract, a distance of 109.84 feet to a 5/8-inch iron rod with cap found marking the northwest corner of said 1.576 acre easement, and the most southerly southeast corner of the easterly portion of a called 1,641 acre tract conveyed to Mont Belvieu Caverns, LLC as described in deed recorded in Volume ll-1244, Pages 632 & 645 of the O.P.R.C.C.T, and marking the most westerly south comer of said 6.854 acre tract and the herein described tract;

THENCE, Northeasterly, along the common line of the southeasterly line of said 1,641 acre tract, and the northwesterly lines of the aforesaid 6.854 acres, 1.262 acres, 0.3214 acre tracts and the herein described tract, the following courses:

North 1T 25' 00" East, a distance of 915.30 feet to a 1/2-inch iron rod with cap stamped "M. CHANDLER 5292" found marking a point of curvature of a tangent curve to the right;

Northeasterly, a distance of 911.5J feet along said curve to the right, having a central angle of 26. 38' 41", a radius of 1,960.08 feet, and a chord which bears North 25• 44' 20" East, a distance of903.32 feet to a bent 112-inch iron rod with cap stamped "M. CHANDLER 5292" found marking a point of tangency;

EXHIBIT "TRACT # 3"

LEGAL DESCRIPTION

431.0 ACRES

FIELD NOTES of a 431.0 acre tract of land situated in the Hannah Nash League, Abstract No.
20, Chambers County, Texas, being out of and a part of the residue of 2214 acres conveyed to Albert N. Nelson, Jr., by Albert N. Nelson, et ux, by deed dated December 31, 1959, and recorded in Volume 218 at Page 248 of the Deed Records of Chambers County, Texas, and a
13.354 acre tract of land conveyed to Albert N. Nelson, Jr., et al, by Chambers County, Texas, by deed dated September 1, 1995, and recorded in Volume 276 at Page 338 of the Official Public Records of Chambers County, Texas. This 431.0 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: Bearings indicated hereon are based on field ties to monumentation indicated in a survey map dated December 14, 2010, certified on December 15, 2010, prepared by Michael Chandler and titled, "SURVEY OF TWO TRACTS OF LAND SITUATED IN THE HANNAH NASH SURVEY A-20 CHAMBERS COUNTY, TEXAS".

BEGINNING (P.O.B.-TRACT 1) at a capped iron rod found for the Southeast comer of this tract of land, a Southeast comer of said residue of 2214 acres, the Southwest comer of a 6.854 acre tract of land called Tract 1 conveyed to Missouri Pacific Railroad Company by Albert N. Nelson, Jr., et al, by deed dated August 31, 1995, and recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas, the Northwest comer of a 1.576 acre easement conveyed to Missouri Pacific Railroad Company by Patti K. Kroll by deed dated August 3, 1995, and recorded in Volume 277 at Page 184 of the Official Public Records of Chambers County, Texas, and in the North line of 117.91 acres conveyed to Patti K. Kroll by Irene Ulrich Massey by deed dated July 3, 1990, and recorded in Volume 184 at Page 85 of the Official Public Records of Chambers County, Texas.

THENCE South 77°53'02" West with the South line of this tract of land, the South line of said residue of 2214 acres, and the North line of said 117.91 acres a distance of 3895.55 feet to a ½ inch iron rod found for the Southwest comer of this tract of land, a Southwest comer of said residue of 2214 acres, and the Southeast comer of a 32.35 acre tract of land called Tract 1 awarded to Coastal Industrial Water Authority by instrument dated February 23, 1973, and recorded in Volume 359 at Page 119 of the Deed Records of Chambers County, Texas. From this comer a 5/8 inch iron rod found for the Northwest comer of said 117.91 acres, and the Northeast comer of 110.79 acres called Parcel "A" conveyed to Coastal Industrial Water Authority by Lillian U. Keyser, et al, by deed dated January 30, 1970, and recorded in Volume

312 at Page 473 of the Deed Records of Chambers County, Texas, bears South 77°53'02" West a distance of 43.87 feet

THENCE North 12°08'29" West with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 32.35 acres, at a distance of 1.57 feet found a 5/8 inch iron rod, in all a total distance of 69.21 feet to a ½ inch iron rod found for an interior comer of this tract of land, an interior comer of said residue of 2214 acres, and a Northeast comer of said 32.35 acres.

THENCE South 77°51'31" West with a South line of this tract of land, a South line of said residue of 2214 acres, and a North line of said 32.35 acres a distance of 40.53 feet to a inch iron rod found for a Southwest comer of this tract of land, a Southwest comer of said residue of 2214 acres, and an interior comer of said 32.35 acres.

THENCE in a Northerly direction with a West line of this tract of land, a West line of said residue of 2214 acres, an East line of said 32.35 acres, and a curve to the right, having a central angle of 33°56'10", a radius of 735.00 feet, an arc length of 435.34 feet, and a chord bearing and distance of North 04°45'25" East 429.00 feet to a inch iron rod found for the point of tangency of this tract of land.

THENCE North 21°20'31" East with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 32.35 acres a distance of 4813.02 feet to a inch iron rod found for an angle comer of this tract of land, an angle comer of said residue of 2214 acres, the Northeast comer of said 32.35 acres, and the Southeast comer of a 6.05 acre tract of land conveyed to Coastal Industrial Water Authority by Vera Honsinger, et al, by deed dated June 4, 1971, and recorded in Volume 328 at Page 697 of the Deed Records of Chambers County, Texas.

THENCE North 21°27'31" East with a West line of this tract of land, a West line of said residue of 2214 acres, and an East line of said 6.05 acres a distance of 72.87 feet to a 2 inch iron pipe found for the Northwest corner of this tract of land, the Northwest comer of said residue of 2214 acres, the Southwest comer of a 5.999 acre tract of land conveyed to Shawn Pool by Robert W. Jay, et ux, by deed dated July 13, 2009, and recorded in Volume 1128 at Page 228 of the Official Public Records of Chambers County, Texas, in the North line of said Nash League, and in the South line of the W. B. Bass Survey, Abstract No. 596, Chambers County, Texas.

THENCE North 78°21'04" East with a North line of this tract of land, a North line of said residue of 2214 acres, the North line of said Nash League, the South line of said Bass Survey, and the South line of said 5.999 acres a distance of 823.17 feet to a 2 inch iron pipe found for a Northeast corner of this tract of land, a Northeast corner of said residue of 2214 acres, and in the occupied West right of way line of Old Hatcherville Road.

THENCE South 31°56'22" East with an East line of this tract of land, an East line of said residue of 2214 acres, and the occupied West right of way line of Old Hatcherville Road a distance of 42.62 feet to a I inch iron pipe found for an interior comer of this tract of land, an interior comer of said residue of 2214 acres, and an angle comer of Old Hatcherville Road.

THENCE North 77°52'50" East with a North line of this tract of land, a North line of said residue of2214 acres, the South right of way line of Old Hatcherville Road, and the South right

of way line of New Hatcherville Road a distance of 2676.93 feet to a 5/8 inch iron rod found bent for the Northeast comer of this tract of land, the Northeast comer of said residue of 2214 acres, and an angle comer of said Hatcherville Road.

THENCE South 13°31'09" East with an East line of this tract of land, an East line of said residue of2214 acres, and the West right of way line of Hatcherville Road a distance of 1753.00 feet to a Yz inch iron rod found for a Southeast comer of this tract of land, a Southeast comer of said residue of2214 acres, and the North or Northeast comer of a 1.262 acre tract of land called Tract 3 conveyed to Missouri Pacific Railroad Company by Albert N. Nelson, Jr., et al, by deed dated August 31, 1995, and recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas. From this comer a Yz inch iron rod found bent in the West right of way line of Hatcherville Road bears South 13°31'09" East a distance of 826.43 feet.

THENCE South 39°04'00" West with an East line of this tract of land, an East line of said residue of 2214 acres, the West line of said 1.262 acres, the West line of 0.3214 of an acre tract of land called Tract 2, and a 6.854 acre tract of land called Tract 1 conveyed to Missouri Pacific Railroad Company in said deed recorded in Volume 279 at Page 567 of the Official Public Records of Chambers County, Texas, a distance of 1931.82 feet to a Yz inch iron rod found for the point of curvature of this tract of land.

THENCE in a Southerly direction with an East line of this tract of land, an East line of said residue of 2214 acres, the West line of said 6.854 acres, an a curve to the left, having a central angle of 26°38'41", a radius of 1960.10 feet, an arc length of 911.52 feet, and a chord bearing and distance of South 25°44'39" West 903.33 feet to a Yz inch iron rod found for the point of tangency of this tract ofland.

THENCE South 12°25'19" West with an East line of this tract of land, an East line of said residue of 2214 acres, and the West line of said 6.854 acres a distance of 915.31 feet to the **PLACE OF BEGINNING,** containing within said boundaries 431.0 acres of land, more or less.

EXHIBIT "B"

IBDH Plant (Phase One) - PILOT Payment Schedule

Tax Year	EDF Admin Fee @.625%	PILOT Payment Amount	PILOT Payment Date
2018	$18,750	$3,000,000	1/30/2018
2019	$3,153	$504,425	1/31/2019
2020	$3,153	$504,425	1/31/2020
2021	$3,153	$504,425	1/31/2021
2022	$3,153	$504,425	1/31/2022
2023	$3,153	$504,425	1/31/2023
2024	$3,153	$504,425	1/31/2024
2025	$3,153	$504,425	1/31/2025
2026	$3,153	$504,425	1/31/2026
2027	$3,153	$504,425	1/31/2027

EXHIBIT "C"

Frac 9 (Phase Two) - PILOT Payment Schedule

Tax Year	EDF Admin Fee @.625%	PILOT Payment Amount	PILOT Payment Date
2017	$0	$0	1/31/20017
2018	$0	$0	1/31/2018
2019	$9,375	$1,500,000	1/31/2019*
2020	$9,375	$333,588	1/31/2020
2021	$9,375	$333,588	1/31/2021
2022	$9,375	$333,588	1/31/2022
2023	$9,375	$333,588	1/31/2023
2024	$9,375	$333,588	1/31/2024
2025	$9,375	$333,588	1/30/2025
2026	$9,375	$333,588	1/30/2026

* This data is an estimate.
* Payment is contingent upon the construction start date as provided in Section III.6 of the AGREEMENT.