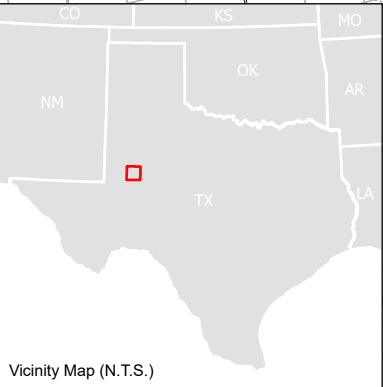
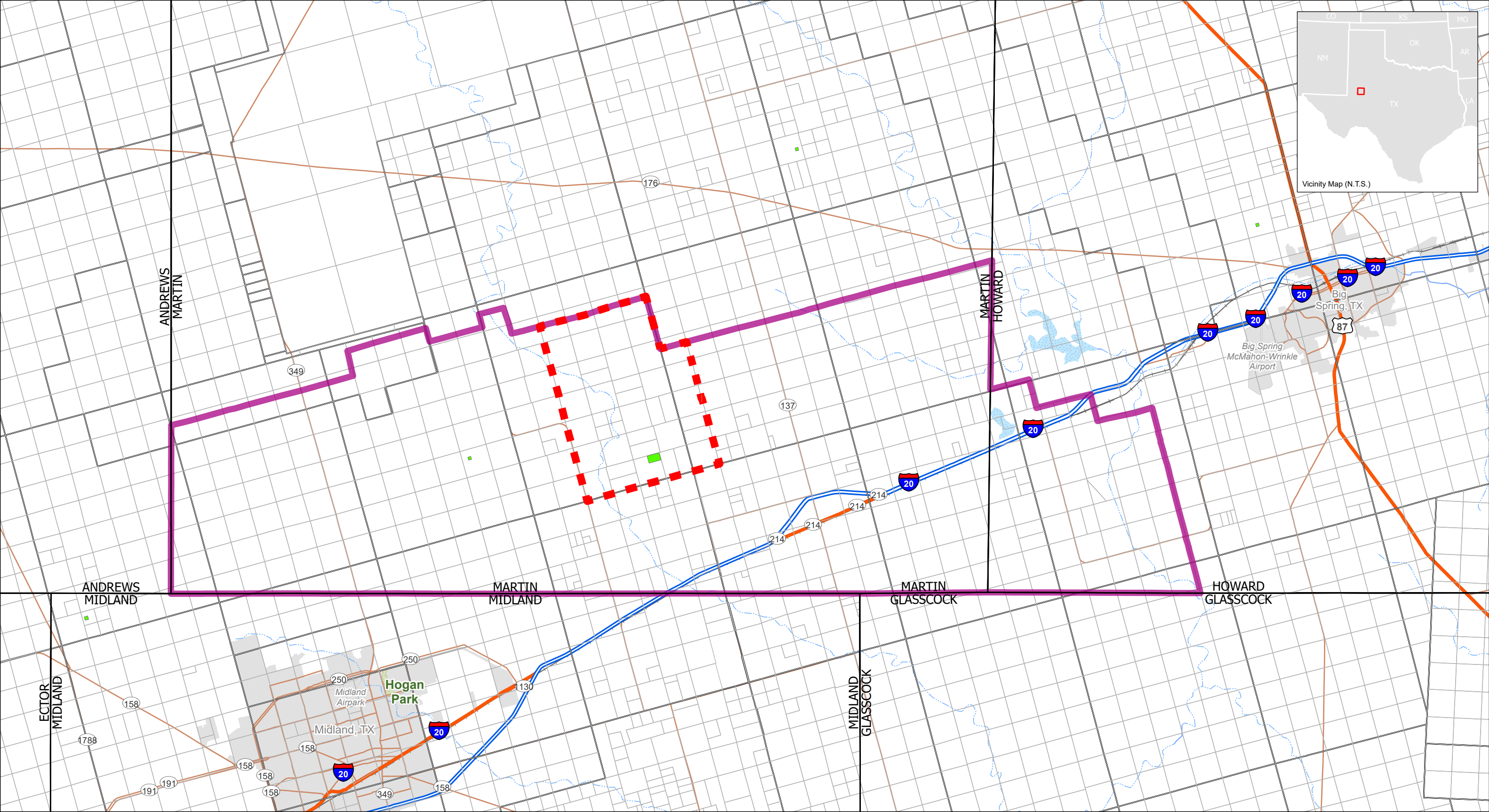




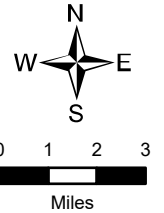
Potential Plant Location
Martin County, TX



The Project Boundary is shared with the 313 Application 1924.

Legend

- Stanton ISD
- Reinvestment Zone
- Project Boundary





Form AP-243: Application for Taxable Value Limitation on Eligible Property
Brazos Midland Processing, LLC

Tab 2 – Detailed Description of Proposed Project

The proposed project is a 300MMscfd gas processing plant. It is a cryogenic plant utilizing the Recycle Split Vapor (RSV) process with four refrigeration stages. The facility is a natural gas processing plant that cools raw gas to extremely low temperatures, allowing for the efficient extraction of valuable Natural Gas Liquids (NGLs) like ethane, propane, and butane by leveraging the different boiling points of the hydrocarbon components. This is done primarily through a series of heat exchangers and a turboexpander, with the key feature being the use of a "split vapor" recycle stream to optimize ethane recovery, all while utilizing the refrigeration to achieve the necessary cooling at different temperature levels throughout the process.

The potential site in Texas includes a previously built plant that is completely separate and not included in this application. The proposed plant, if built on the site, would not be an extension of the existing plant. The only interconnection or commonality is the gas supplied to the plants would be from the same gathering systems.

Summary

Unlike in the past for the oil & gas industry, the focus in the modern market is to develop the next best project, not just the next project. Every project must compete for capital based on the potential for the best overall return.

The New Mexico location has lower cost of labor, power, and property taxes, each are significant costs in the operation of a natural gas plant. The access to market and infrastructure exists in both locations. The JETI Program adds significant value to the project by lessening the higher property tax costs for the Texas location, as well as structural limitations listed below.

Beyond the economic benefits, the geology and production profile of the Delaware Basin, where the New Mexico site is located, superior to the same in the Midland Basin for gas production.

*Please see attached internal slide presentation from Brazos Midland.

The proposed Texas location, as identified previously in this application, has an existing plant on site. That plant was granted a Chapter 313 Abatement, #1924. The 313 Abatement being available and granted for the plant in Application 1924, was a key in the decision on the site. The abatement of the property taxes made the project more competitive when looking at the overall cost and economics of the project.