

Attachment A

Application

# O'HANLON, MCCOLLOM & DEMERATH

ATTORNEYS AND COUNSELORS AT LAW

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**KEVIN O'HANLON**  
CERTIFIED, CIVIL APPELLATE  
CERTIFIED, CIVIL TRIAL

**LESLIE MCCOLLOM**  
CERTIFIED, CIVIL APPELLATE  
CERTIFIED, LABOR AND EMPLOYMENT  
TEXAS BOARD OF LEGAL SPECIALIZATION

**JUSTIN DEMERATH**

September 10, 2013

Local Government Assistance & Economic Analysis  
Texas Comptroller of Public Accounts  
P.O. Box 13528  
Austin, Texas 78711-3528

RE: Amended Application to the Pecos Barstow Independent School District from  
Nuevo Midstream, LLC

## **FIRST QUALIFYING YEAR 2014**

To the Local Government Assistance & Economic Analysis Division:

On August 14, 2013, the Pecos Barstow Independent School District submitted the Application of Nuevo Midstream, LLC. On August 28, 2013, a deficiency letter was issued for the application. In response to that the letter, Nuevo Midstream, LLC's submitted an amended application. The District re-determined the application complete as of September 10, 2013. Please prepare the economic impact report.

Please note, the District has confirmed that no construction has begun at the project site as of the date of the filing of the application and the District's determination that the application is complete. The Applicant is aware that the determination of a completed application by the Comptroller determines what property may be eligible for a value limitation agreement. The manufacturing facility will be constructed on vacant lot. The applicant has provided appraisal information regarding its facilities on the adjacent parcels of land simply to distinguish it from the property that is the subject of this application.

The school district has determined that the wage information included in the application represents the most recent wage data available at the time of the application. The wage the Applicant has committed to paying on this project is above the required statutory minimums.

To specifically address the deficiencies in the Application noted by the Comptroller's Office, the Applicant has provided the following additional information:

Letter to Local Government Assistance & Economic Analysis Division  
September 10, 2013  
Page 2 of 2

1. A clearer version of the map titled "Sketch Ramsey Map" has been provided.
2. The schedules have been signed by the company representative identified in the application.
3. Schedule C has been modified to match the information on page 10 of the application.
4. No guidelines and criteria have been submitted for the application. The Applicant has requested the school district to create the reinvestment zone.

A paper copy of the application will be hand delivered to your office today. In accordance with 34 Tex. Admin Code §9.1054, a copy of the application will be submitted to the Pecos County Appraisal District.

Please feel free to contact me with questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin O'Hanlon", with a stylized flourish at the end.

Kevin O'Hanlon  
School District Consultant

Cc: Chief Appraiser  
Reeves County Appraisal District

Nuevo Midstream, LLC

Clark Boyd, Pecos Barstow ISD

June 6, 2013

Pecos-Barstow-Toyah ISD  
Mr. Clarke Boyd  
1302 South Park Street  
Pecos, Texas 79772

**RE: Application for Section 313 – Value Limitation Agreement**

Nuevo Midstream, LLC is considering plans to build a 200mmscf/d gas processing plant inside Pecos-Barstow-Toyah ISD which will allow us the ability to process raw natural gas into useable products. The estimated investment for this project will be approximately \$70mm with an expected market value of \$60mm after completion in the 2<sup>nd</sup> quarter of 2014.

The positive economic impact stretches beyond the investment by providing a number of jobs during the construction phase, and at least 10 full time local jobs once construction is complete.

Nuevo Midstream, LLC is committed to the growth and welfare of the community. We believe our investment in Reeves County affirms our dedication to maintaining a considerable presence in the area.

Attached is our application for property tax limitation. We respectfully request this 10 year limitation under The Appraised Value Limitation on Qualified Property (Chapter 313 of the Texas Tax Code).

Please feel free to contact me if you have any questions. I can be reached via telephone 469-298-1594 or by email [mfry@keatax.com](mailto:mfry@keatax.com).

Sincerely,



Mike Fry



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

**Form 50-296**  
(Revised May 2010)

**INSTRUCTIONS:** This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application.

This notice must include:

- the date on which the school district received the application;
- the date the school district determined that the application was complete;
- the date the school board decided to consider the application; and
- a request that the comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original completed application to the Comptroller in a three-ring binder with tabs separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its Web site. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules as explained in the Confidentiality Notice below.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, make a recommendation to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to complete the recommendation, economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's Web site to find out more about the program at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/index.html>. There are links on this Web page to the Chapter 313 statute, rules and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

## SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION

<b>Authorized School District Representative</b>		Date application received by district July 18, 2013
First Name <b>Clarke</b>	Last Name <b>Boyd</b>	
Title <b>Superintendent</b>		
School District Name <b>Pecos-Barstow-Toyah ISD</b>		
Street Address <b>1302 South Park Street</b>		
Mailing Address		
City <b>Pecos</b>	State <b>Texas</b>	ZIP <b>79772</b>
Phone Number <b>432-447-7201</b>	Fax Number <b>432-447-2690</b>	
Mobile Number (optional)	E-mail Address <b>boydc@pbtisd.esc18.net</b>	

I authorize the consultant to provide and obtain information related to this application.....  Yes  No

Will consultant be primary contact? .....  Yes  No



SCHOOL DISTRICT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized School District Consultant (If Applicable)

First Name **Kevin** Last Name **O'Hanlon**

Title **Attorney**

Firm Name **O'Hanlon, McCollom & Demerath, PC**

Street Address **808 West Avenue**

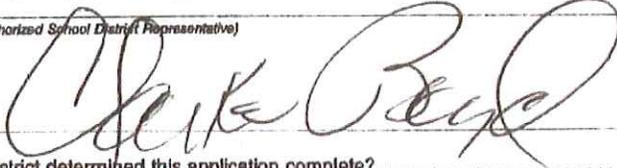
Mailing Address **808 West Avenue**

City **Austin** State **Tx** ZIP **78701**

Phone Number **512-494-9949** Fax Number **512-494-9919**

Mobile Number (Optional) E-mail Address **kohanlon@808west.com**

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

Signature (Authorized School District Representative)  Date **7/18/13**

Has the district determined this application complete?  Yes  No

If yes, date determined complete. 8/14/13 Redetermined complete 9.10.13

Have you completed the school finance documents required by TAC 9.1054(c)(3)?  Yes  No

SCHOOL DISTRICT CHECKLIST AND REQUESTED ATTACHMENTS

Checklist	Page X of 16	Check Completed
1 Date application received by the ISD	1 of 16	✓
2 Certification page signed and dated by authorized school district representative	2 of 16	✓
3 Date application deemed complete by ISD	2 of 16	✓
4 Certification pages signed and dated by applicant or authorized business representative of applicant	4 of 16	✓
5 Completed company checklist	12 of 16	✓
6 School finance documents described in TAC 9.1054(c)(3) (Due within 20 days of district providing notice of completed application)	2 of 16	✓



**APPLICANT INFORMATION - CERTIFICATION OF APPLICATION**

**Authorized Business Representative (Applicant)**

First Name <b>Chris</b>	Last Name <b>Work</b>
Title <b>Senior Vice President and CFO</b>	
Organization <b>Nuevo Midstream, LLC</b>	
Street Address <b>1331 Lamar, Suite 1450</b>	
Mailing Address	
City <b>Houston</b>	State <b>Texas</b>
	ZIP <b>77010</b>
Phone Number <b>(713) 753-1406</b>	Fax Number <b>(713) 753-1537</b>
Mobile Number (optional)	Business e-mail Address <b>workc@teai.com</b>

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

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

First Name <b>Randy</b>	Last Name <b>Ziebarth</b>
Title <b>Senior Vice President and General Manager</b>	
Organization <b>Nuevo Midstream, LLC</b>	
Street Address <b>1331 Lamar, Suite 1450</b>	
Mailing Address <b>1331 Lamar, Suite 1450</b>	
City <b>Houston</b>	State <b>Texas</b>
	ZIP <b>77010</b>
Phone Number <b>(713) 753-1406</b>	Fax Number <b>(713) 753-1537</b>
Mobile Number (optional)	E-mail Address <b>zeibarthr@teai.com</b>

I authorize the consultant to provide and obtain information related to this application...  Yes  No

Will consultant be primary contact?  Yes  No

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name: **Mike** Last Name: **Fry**  
 Title: **Tax Agent**  
 Firm Name: **K E Andrews**  
 Street Address: **1900 Dalrock Road**  
 Mailing Address: **1900 Dalrock Road**  
 City: **Rowlett** State: **Texas** ZIP: **75088**  
 Phone Number: **469-298-1594** Fax Number: **469-298-1619**  
 Business email Address: **mfry@keatax.com**

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application is true and correct to the best of my knowledge and belief.  
 I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

Signature (Authorized Business Representative (Applicant)): *[Handwritten Signature]* Date: **6/6/13**

GIVEN under my hand and seal of office this **6<sup>th</sup>** day of **June 2013**



*[Handwritten Signature]*  
 Notary Public, State of **TEXAS**

(Notary Seal)

My commission expires **08.17.2015**

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code § 37.10.



**FEES AND PAYMENTS**

Enclosed is proof of application fee paid to the school district.

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

Please answer only either A OR B:

A. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code, §13.027(l)?  Yes  No

B. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §13.027(l)?  Yes  No

**BUSINESS APPLICANT INFORMATION**

Legal Name under which application is made

**Nuevo Midstream, LLC**

Texas Taxpayer I.D. Number of entity subject to Tax Code, Chapter 171 (11 digits)

**32043958548**

NAICS code

**325120**

Is the applicant a party to any other Chapter 313 agreements?  Yes  No

If yes, please list name of school district and year of agreement.

**APPLICANT BUSINESS STRUCTURE**

Registered to do business in Texas with the Texas Secretary of State?  Yes  No

Identify business organization of applicant (corporation, limited liability corporation, etc.)

**limited liability corporation**

1. Is the applicant a combined group, or comprised of members of a combined group, as defined by Texas Tax Code Chapter 171.0001(7)?  Yes  No  
If so, please attach documentation of the combined group membership and contact information.

2. Is the applicant current on all tax payments due to the State of Texas?  Yes  No

3. Are all applicant members of the combined group current on all tax payments due to the State of Texas?  NA  Yes  No

If the answer to either question is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (Use attachment if necessary.)

**ELIGIBILITY UNDER TAX CODE CHAPTER 313.024**

- Are you an entity to which Tax Code, Chapter 171 applies?  Yes  No
- The property will be used as an integral part, or as a necessary auxiliary part, in one of the following activities:
- (1) manufacturing  Yes  No
  - (2) research and development  Yes  No
  - (3) a clean coal project, as defined by Section 5.001, Water Code  Yes  No
  - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code  Yes  No
  - (5) renewable energy electric generation  Yes  No
  - (6) electric power generation using integrated gasification combined cycle technology  Yes  No
  - (7) nuclear electric power generation  Yes  No
  - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7)  Yes  No
- Are you requesting that any of the land be classified as qualified investment?  Yes  No
- Will any of the proposed qualified investment be leased under a capitalized lease?  Yes  No
- Will any of the proposed qualified investment be leased under an operating lease?  Yes  No
- Are you including property that is owned by a person other than the applicant?  Yes  No
- Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment?  Yes  No

**PROJECT DESCRIPTION**

Provide a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information. (Use attachments as necessary)

**See Attachment**

Describe the ability of your company to locate or relocate in another state or another region of the state.

**See Attachment**

**PROJECT CHARACTERISTICS (CHECK ALL THAT APPLY)**

- New Jobs
- Construct New Facility
- New Business / Start-up
- Expand Existing Facility
- Relocation from Out-of-State
- Expansion
- Purchase Machinery & Equipment
- Consolidation
- Relocation within Texas

**PROJECTED TIMELINE**

Begin Construction December 2013      Begin Hiring New Employees January 2014

Construction Complete April 2014      Fully Operational May 2014

Purchase Machinery & Equipment November 2013

Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)?  Yes  No

**Note:** Improvements made before that time may not be considered qualified property.

When do you anticipate the new buildings or improvements will be placed in service? May 2014

ECONOMIC INCENTIVES

Identify state programs the project will apply for:

State Source	Amount
N/A	N/A
Total	

Will other incentives be offered by local units of government?  Yes  No

Please use the following box for additional details regarding incentives. (Use attachments if necessary.)

Seeking abatement with Reeves County with the following percentages through year 5 of the project. Year 1 - 20%, Year 2 - 20%, Year 3 - 20% Year 4 - 20%, Year 5 - 20%.

THE PROPERTY

Identify county or counties in which the proposed project will be located Reeves

Central Appraisal District (CAD) that will be responsible for appraising the property Reeves

Will this CAD be acting on behalf of another CAD to appraise this property?  Yes  No

List all taxing entities that have jurisdiction for the property and the portion of project within each entity

County: Reeves -100% City: N/A  
(Name and percent of project) (Name and percent of project)

Hospital District: Reeves County Hospital District - 100% Water District: N/A  
(Name and percent of project) (Name and percent of project)

Other (describe): N/A Other (describe): N/A  
(Name and percent of project) (Name and percent of project)

Is the project located entirely within this ISD?  Yes  No

If not, please provide additional information on the project scope and size to assist in the economic analysis.



Application for Appraised Value Limitation on Qualified Property

INVESTMENT

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as rural, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's Web site at www.window.state.tx.us/taxinfo/proptax/hb1200/values.html.

At the time of application, what is the estimated minimum qualified investment required for this school district? 20 Million

What is the amount of appraised value limitation for which you are applying? 70 Million

What is your total estimated qualified investment? 70 Million

NOTE: See 313.021(1) for full definition. Generally, Qualified Investment is the sum of the investment in tangible personal property and buildings and new improvements made between beginning of the qualifying time period (date of application final approval by the school district) and the end of the second complete tax year.

What is the anticipated date of application approval? October 2013

What is the anticipated date of the beginning of the qualifying time period? January 2014

What is the total estimated investment for this project for the period from the time of application submission to the end of the limitation period? 70 Million

Describe the qualified investment.[See 313.021(1).]

Attach the following items to this application:

- (1) a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your minimum qualified investment and
(3) a map of the qualified investment showing location of new buildings or new improvements with vicinity map.

Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or 313.053 for rural school districts) for the relevant school district category during the qualifying time period? Yes No

Except for new equipment described in Tax Code §151.318(q) or (q-1), is the proposed tangible personal property to be placed in service for the first time:

- (1) in or on the new building or other new improvement for which you are applying? Yes No
(2) if not in or on the new building or other new improvement for which you are applying for an appraised value limitation, is the personal property necessary and ancillary to the business conducted in the new building or other new improvement? Yes No
(3) on the same parcel of land as the building for which you are applying for an appraised value limitation? Yes No

("First placed in service" means the first use of the property by the taxpayer.)

Will the investment in real or personal property you propose be counted toward the minimum qualified investment required by Tax Code §313.023, (or 313.053 for rural school districts) be first placed in service in this state during the applicable qualifying time period? Yes No

Does the investment in tangible personal property meet the requirements of Tax Code §313.021(1)? Yes No

If the proposed investment includes a building or a permanent, non-removable component of a building, does it house tangible personal property? Yes No

QUALIFIED PROPERTY

Describe the qualified property. [See 313.021(2)] (If qualified investment describes qualified property exactly you may skip items (1), (2) and (3) below.)

Attach the following items to this application:

- (1) a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021,
(2) a description of any new buildings, proposed improvements or personal property which you intend to include as part of your qualified property and
(3) a map of the qualified property showing location of new buildings or new improvements - with vicinity map.

Land

Is the land on which you propose new construction or improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No

If you answered "no" to the question above, what is the anticipated date on which you will submit proof of a reinvestment zone with boundaries encompassing the land on which you propose new construction or improvements? October 2013

Will the applicant own the land by the date of agreement execution? Yes No

Will the project be on leased land? Yes No

**QUALIFIED PROPERTY (CONTINUED)**

If the land upon which the new building or new improvement is to be built is part of the qualified property described by §313.021(2)(A), please attach complete documentation, including:

1. Legal description of the land
2. Each existing appraisal parcel number of the land on which the improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property
3. Owner
4. The current taxable value of the land. Attach estimate if land is part of larger parcel.
5. A detailed map (with a vicinity map) showing the location of the land

Attach a map of the reinvestment zone boundaries, certified to be accurate by either the governmental entity creating the zone, the local appraisal district, or a licensed surveyor. (With vicinity map)

Attach the order, resolution or ordinance establishing the zone, and the guidelines and criteria for creating the zone, if applicable.

**Miscellaneous**

Is the proposed project a building or new improvement to an existing facility?  Yes  No

Attach a description of any existing improvements and include existing appraisal district account numbers.

List current market value of existing property at site as of most recent tax year. 0 (Market Value) 2012 (Tax Year)

Is any of the existing property subject to a value limitation agreement under Tax Code 313?  Yes  No

Will all of the property for which you are requesting an appraised value limitation be free of a tax abatement agreement entered into by a school district for the duration of the limitation?  Yes  No

**WAGE AND EMPLOYMENT INFORMATION**

What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 0

The last complete calendar quarter before application review start date is the:

First Quarter  Second Quarter  Third Quarter  Fourth Quarter of 2013 (year)

What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the TWC? 17 (Seventeen)

**Note:** For job definitions see TAC §9.1051(14) and Tax Code 313.021(3). If the applicant intends to apply a definition for "new job" other than TAC §9.1051(14)(C), then please provide the definition of "new job" as used in this application. N/A

Total number of new jobs that will have been created when fully operational 10

Do you plan to create at least 25 new jobs (at least 10 new jobs for rural school districts) on the land and in connection with the new building or other improvement?  Yes  No

Do you intend to request that the governing body waive the minimum new job creation requirement, as provided under Tax Code §313.025(f-1)?  Yes  No

If you answered "yes" to the question above, attach evidence documenting that the new job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards. **Note: Even if a minimum new job waiver is provided, 80% of all new jobs must be qualifying jobs pursuant to Texas Tax Code, §313.024(d).**

What is the maximum number of qualifying jobs meeting all criteria of §313.021(3) you are committing to create? 8

If this project creates more than 1,000 new jobs, the minimum required wage for this project is 110% of the average county weekly wage for all jobs as described by 313.021(3)(E)(ii).

If this project creates less than 1,000 new jobs, does this district have territory in a county that meets the demographic characteristics of 313.051(2)? (see table of information showing this district characteristic at <http://www.window.state.tx.us/taxinfo/proptax/hb1200/values.html>)

If yes, the applicant must meet wage standard described in 313.051(b) (110% of the regional average weekly wage for manufacturing)

If no, the applicant shall designate one of the wage standards set out in §§313.021(5)(A) or 313.021(5)(B).



WAGE AND EMPLOYMENT INFORMATION (CONTINUED)

For the following three wage calculations please include on an attachment the four most recent quarters of data for each wage calculation. Show the average and the 110% calculation. Include documentation from TWC Web site. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(7). See ATTACHMENT 14 for Wage Calculation details.

110% of the county average weekly wage for all jobs (all industries) in the county is \$717.48

110% of the county average weekly wage for manufacturing jobs in the county is \$329.45

110% of the county average weekly wage for manufacturing jobs in the region is \$964.95

Please identify which Tax Code section you are using to estimate the wage standard required for this project:

§313.021(5)(A) or §313.021(5)(B) or §313.021(3)(E)(ii), or §313.051(b)?

What is the estimated minimum required annual wage for each qualifying job based on the qualified property? \$50,175.84

What is the estimated minimum required annual wage you are committing to pay for each of the qualifying jobs you create on the qualified property? \$50,175.84

Will 80% of all new jobs created by the owner be qualifying jobs as defined by 313.021(3)? Yes No

Will each qualifying job require at least 1,600 of work a year? Yes No

Will any of the qualifying jobs be jobs transferred from one area of the state to another? Yes No

Will any of the qualifying jobs be retained jobs? Yes No

Will any of the qualifying jobs be created to replace a previous employee? Yes No

Will any required qualifying jobs be filled by employees of contractors? Yes No

If yes, what percent? up to 50%

Does the applicant or contractor of the applicant offer to pay at least 80% of the employee's health insurance premium for each qualifying job? Yes No

Describe each type of benefits to be offered to qualifying jobholders. (Use attachments as necessary.)

Please see Attachment 15 for detail.

ECONOMIC IMPACT

Is an Economic Impact Analysis attached (If supplied by other than the Comptroller's office)? Yes No

Is Schedule A completed and signed for all years and attached? Yes No

Is Schedule B completed and signed for all years and attached? Yes No

Is Schedule C (Application) completed and signed for all years and attached? Yes No

Is Schedule D completed and signed for all years and attached? Yes No

Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.

If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, please attach a separate schedule showing the amount for each year affected, including an explanation.

**CONFIDENTIALITY NOTICE**

**Property Tax Limitation Agreement Applications**  
**Texas Government Code Chapter 313**  
**Confidential Information Submitted to the Comptroller**

Generally, an application for property tax value limitation, the information provided therein, and documents submitted in support thereof, are considered public information subject to release under the Texas Public Information Act.

There is an exception, outlined below, by which information will be withheld from disclosure.

The Comptroller's office will withhold information from public release if:

- 1) It describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application;
- 2) the information has been segregated in the application from other information in the application; and
- 3) the party requesting confidentiality provides the Comptroller's office a list of the documents for which confidentiality is sought and for each document lists the specific reasons, including any relevant legal authority, stating why the material is believed to be confidential.

All applications and parts of applications which are not segregated and marked as confidential as outlined above will be considered public information and will be posted on the internet.

Such information properly identified as confidential will be withheld from public release unless and until the governing body of the school district acts on the application, or we are directed to do so by a ruling from the Attorney General.

Other information in the custody of a school district or the comptroller submitted in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Texas Tax Code, Chapter 313, such as

the nature and amount of the projected investment, employment, wages, and benefits, will not be considered confidential business information and will be posted on the internet.

All documents submitted to the Comptroller, as well as all information in the application once the school district acts thereon, are subject to public release unless specific parts of the application or documents submitted with the application are identified as confidential. Any person seeking to limit disclosure of such submitted records is advised to consult with their legal counsel regarding disclosure issues and also to take the appropriate precautions to safeguard copyrighted material, trade secrets, or any other proprietary information. The Comptroller assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by respondents. A person seeking to limit disclosure of information must submit in writing specific detailed reasons, including any relevant legal authority, stating why that person believes the material to be confidential.

The following outlines how the Comptroller's office will handle requests for information submitted under the Texas Public Information Act for application portions and submitted records appropriately identified as confidential.

- This office shall forward the request for records and a copy of the documents at issue to the Texas Attorney General's office for an opinion on whether such information may be withheld from disclosure under the Texas Public Information Act.
- The Comptroller will notify the person who submitted the application/documents when the information is forwarded to the Attorney General's office.
- Please be aware that this Office is obligated to comply with an Attorney General's decision, including release of information ruled public even if it was marked confidential.



**COMPANY CHECKLIST AND REQUESTED ATTACHMENTS**

	<b>Checklist</b>	<b>Page X of 16</b>	<b>Check Completed</b>
1	Certification pages signed and dated by Authorized Business Representative (applicant)	4 of 16	✓
2	Proof of Payment of Application Fee (Attachment)	5 of 16	✓
3	For applicant members, documentation of Combined Group membership under Texas Tax Code 171.0001(7) (if Applicable) (Attachment)	5 of 16	✓
4	Detailed description of the project	6 of 16	✓
5	If project is located in more than one district, name other districts and list percentage in each district (Attachment)	7 of 16	N/A
6	Description of Qualified Investment (Attachment)	8 of 16	✓
7	Map of qualified investment showing location of new buildings or new improvements with vicinity map.	8 of 16	✓
8	Description of Qualified Property (Attachment)	8 of 16	✓
9	Map of qualified property showing location of new buildings or new improvements with vicinity map	8 of 16	✓
10	Description of Land (Attachment)	9 of 16	✓
11	A detailed map showing location of the land with vicinity map.	9 of 16	✓
12	A description of all existing (if any) improvements (Attachment)	9 of 16	N/A (adjacent info provided)
13	Request for Waiver of Job Creation Requirement (if applicable) (Attachment)	9 of 16	N/A
14	Calculation of three possible wage requirements with TWC documentation. (Attachment)	10 of 16	✓
15	Description of Benefits	10 of 16	✓
16	Economic Impact (if applicable)	10 of 16	N/A
17	Schedule A completed and signed	13 of 16	✓
18	Schedule B completed and signed	14 of 16	✓
19	Schedule C (Application) completed and signed	15 of 16	✓
20	Schedule D completed and signed	16 of 16	✓
21	Map of Reinvestment Zone (Attachment) (Showing the actual or proposed boundaries and size, Certified to be accurate by either the government entity creating the zone, the local appraisal district, or a licensed surveyor, with vicinity map)*	9 of 16	✓
22	Order, Resolution, or Ordinance Establishing the Zone (Attachment)*	9 of 16	will supplement upon
23	Legal Description of Reinvestment Zone (Attachment)*	9 of 16	adoption
24	Guidelines and Criteria for Reinvestment Zone(Attachment)*	9 of 16	✓

**\*To be submitted with application or before date of final application approval by school board.**

Schedule A (Rev. May 2010): Investment

Form 50-296

Applicant Name: Nuevo Midstream, LLC  
 ISD Name: Pecos-Barstow-Toyah ISD

PROPERTY INVESTMENT AMOUNTS

(Estimated investment in each year. Do not put cumulative totals.)

The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)  Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)  Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)	1	2014-2015					
	2	2015-2016					
	3	2016-2017					
	4	2017-2018					
	5	2018-2019					
	6	2019-2020					
	7	2020-2021					
	8	2021-2022					
	9	2022-2023					
	10	2023-2024					
	11	2024-2025					
	12	2025-2026					
	13	2026-2027					
	14	2027-2028					
	15	2028-2029					
		2013	\$ 25,000,000.00	\$ 731,997	\$ 45,000,000.00		\$ 25,000,000.00
		2014	\$ 44,268,003.00	\$	\$ 45,000,000.00		\$ 45,000,000.00
		2015					
		2016					
		2017					
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Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Form 50-296

Applicant Name: Nuevo Midstream, LLC  
 ISD Name: Pecos-Barstow-Toyah ISD

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"		Final taxable value for I&S - after all reductions	Final taxable value for M&O - after all reductions
pre-year 1	2013-2014	2013						
1	2014-2015	2014		\$ 15,000,000	\$	-	\$ 15,000,000	\$ 15,000,000
2	2015-2016	2015	\$ 731,997	\$ 59,268,003	\$	-	\$ 60,000,000	\$ 60,000,000
3	2016-2017	2016	\$ 702,717	\$ 56,897,283	\$	-	\$ 57,600,000	\$ 20,000,000
4	2017-2018	2017	\$ 667,581	\$ 54,052,419	\$	-	\$ 54,720,000	\$ 20,000,000
5	2018-2019	2018	\$ 634,202	\$ 51,349,798	\$	-	\$ 51,984,000	\$ 20,000,000
6	2019-2020	2019	\$ 602,492	\$ 48,782,308	\$	-	\$ 49,384,800	\$ 20,000,000
7	2020-2021	2020	\$ 572,367	\$ 46,343,193	\$	-	\$ 46,915,560	\$ 20,000,000
8	2021-2022	2021	\$ 543,749	\$ 44,026,033	\$	-	\$ 44,569,782	\$ 20,000,000
9	2022-2023	2022	\$ 516,562	\$ 41,824,731	\$	-	\$ 42,341,293	\$ 20,000,000
10	2023-2024	2023	\$ 490,734	\$ 39,733,495	\$	-	\$ 40,224,228	\$ 20,000,000
11	2024-2025	2024	\$ 466,197	\$ 37,746,820	\$	-	\$ 38,213,017	\$ 38,213,017
12	2025-2026	2025	\$ 442,887	\$ 35,859,479	\$	-	\$ 36,302,366	\$ 36,302,366
13	2026-2027	2026	\$ 420,743	\$ 34,066,505	\$	-	\$ 34,487,248	\$ 34,487,248
14	2027-2028	2027	\$ 399,706	\$ 32,363,180	\$	-	\$ 32,762,885	\$ 32,762,885
15	2028-2029	2028	\$ 379,720	\$ 30,745,021	\$	-	\$ 31,124,741	\$ 31,124,741

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

*[Handwritten Signature]*  
8/28/13

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

**Schedule C- Application: Employment Information**

Applicant Name **Nuevo Midstream, LLC**  
 ISD Name **Pecos-Barstow-Toyah ISD**

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTE's or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2013-2014	2013	75 FTE	\$ 50,176	0	\$ -	0	\$ -
	1	2014-2015	2014	75 FTE	\$ 50,176	10	\$ 50,176	8	\$ 50,176.00
	2	2015-2016	2015			10	\$ 50,176	8	\$ 50,176.00
	3	2016-2017	2016			10	\$ 50,176	8	\$ 50,176.00
	4	2017-2018	2017			10	\$ 50,176	8	\$ 50,176.00
	5	2018-2019	2018			10	\$ 50,176	8	\$ 50,176.00
	6	2019-2020	2019			10	\$ 50,176	8	\$ 50,176.00
	7	2020-2021	2020			10	\$ 50,176	8	\$ 50,176.00
	8	2021-2022	2021			10	\$ 50,176	8	\$ 50,176.00
	9	2022-2023	2022			10	\$ 50,176	8	\$ 50,176.00
	10	2023-2024	2023			10	\$ 50,176	8	\$ 50,176.00
	11	2024-2025	2024			10	\$ 50,176	8	\$ 50,176.00
	12	2025-2026	2025			10	\$ 50,176	8	\$ 50,176.00
	13	2026-2027	2026			10	\$ 50,176	8	\$ 50,176.00
	14	2027-2028	2027			10	\$ 50,176	8	\$ 50,176.00
	15	2028-2029	2028			10	\$ 50,176	8	\$ 50,176.00
Tax Credit Period (with 50% cap on credit)									
Credit Settle-Up Period									
Post-Settle-Up Period									
Post-Settle-Up Period									

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

8/28/23

DATE

Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name

**Nuevo Midstream, LLC**

ISD Name

**Pecos-Barstow-Toyah ISD**

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought								
				Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax		County	City	Hospital	Other					
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2013-2014	2013	\$ 1,800,873	\$ 25,000,000.00										
Complete tax years of qualifying time period	1	2014-2015	2014	\$ 1,350,655	\$ 43,649,345	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement					
	2	2015-2016	2015	\$ 1,800,873	\$ 2,429,485		20								
	3	2016-2017	2016	\$ 1,800,873	\$ 2,387,353		20								
	4	2017-2018	2017	\$ 1,800,873	\$ 2,691,140		20								
	5	2018-2019	2018	\$ 1,800,873	\$ 1,979,872		20								
	6	2019-2020	2019	\$ 1,800,873	\$ 1,964,067										
	7	2020-2021	2020	\$ 1,800,873	\$ 1,948,263										
	8	2021-2022	2021	\$ 1,800,873	\$ 1,932,458										
	9	2022-2023	2022	\$ 1,800,873	\$ 1,916,654										
	10	2023-2024	2023	\$ 1,800,873	\$ 1,900,849										
	11	2024-2025	2024	\$ 1,800,873	\$ 1,885,045										
	12	2025-2026	2025	\$ 1,800,873	\$ 1,773,612										
	13	2026-2027	2026	\$ 1,800,873	\$ 1,773,612										
	14	2027-2028	2027	\$ 1,800,873	\$ 1,773,612										
	15	2028-2029	2028	\$ 1,800,873	\$ 1,773,612										

\*For planning, construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE  DATE 8/28/13

**Attachment**

**A**

**Certification pages by Authorized Business Representative**

APPLICANT INFORMATION - CERTIFICATION OF APPLICATION (CONTINUED)

Authorized Company Consultant (If Applicable)

First Name: **Mike** Last Name: **Fry**  
 Title: **Tax Agent**  
 Firm Name: **K E Andrews**  
 Street Address: **1900 Dalrock Road**  
 Mailing Address: **1900 Dalrock Road**  
 City: **Rowlett** State: **Texas** ZIP: **75088**  
 Phone Number: **469-298-1594** Fax Number: **469-298-1619**  
 Business email Address: **mfry@keatax.com**

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application is true and correct to the best of my knowledge and belief. I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

Signature (Authorized Business Representative (Applicant)): *[Handwritten Signature]* Date: **6/6/13**

GIVEN under my hand and seal of office this **6<sup>th</sup>** day of **June 2013**



*[Handwritten Signature]*  
 Notary Public, State of **TEXAS**

(Notary Seal)

My commission expires **08.17.2015**

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code § 37.10.

**Attachment**

**B**

**Proof of Payment of Application Fee**

Proof of payment of filing fee received by the  
Comptroller of Public Accounts per TAC Rule  
§9.1054 (b)(5)

*(Page Inserted by Office of Texas Comptroller of Public  
Accounts)*

**Attachment**

**C**

**Documentation of Combined Group Membership**

**N/A**

**Attachment**

**D**

**Detailed Description of Project**

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

**Proposed Project Description**

Nuevo Midstream, LLC proposes to build a new 200 mmscf/d Gas Processing Plant in Reeves County, Texas. This project will also be located within the Reeves County Hospital District and the Pecos-Barstow-Toyah ISD.

**Ramsey III Gas Processing Plant**

The Ramsey III plant will include the installation of a 200 mmscf/d refrigerated cryogenic gas plant built by Cameron utilizing Randal Gas Group's patented NGL-Max process. The plant will include the following components:

- Pressure Vessels
  - 3 Molecular Sieve Dehydrators
  - 1 Regeneration Gas Scrubbers
  - 1 Cold Separators
  - 1 Reflux Separator
  - 1 Refrigerant Economizer
  - 1 Refrigerant Reclaimer
  - 1 Refrigerant Accumulator
  - 1 Refrigerant Scrubber
- Towers
  - 1 DeMethanizer
- Heat Exchangers
  - 1 Brazed Aluminum Heat Exchanger
  - 1 Inlet Gas Chiller
  - 1 DeMethanizer Side / Bottom Reboiler
  - 1 Regeneration Gas Heater
  - 1 DeEthanizer Trim Reboiler (For Rejection Mode)
- Air Coolers
  - 1 Refrigerant Condenser (Multiple Bays)
  - 1 NGL Product Cooler (For Rejection Mode)
  - 1 Regeneration Gas Cooler
  - 3 Refrigeration Compressor Lube Oil Coolers
- Expander – Compressor
  - 1 Expander / Compressor
- Pumps
  - 2 NGL Booster Pumps
  - 3 NGL Pipeline Pumps (3 – 50%) Phase 2
- Compression
  - 3 - 1,750 Horsepower Refrigeration Compressors
  - 3 – 3,550 Horsepower Residue Gas Compressors
  - 4 – 1,300 Horsepower Residue Gas Compressors
- Miscellaneous Equipment

**Ability to locate or relocate:**

Nuevo Midstream, LLC currently operates and is expanding with hundreds of miles of gathering lines in two states. They allocate capital investment to projects and locations that create the best economic return. The existence of a limitation on tax value is a significant factor in calculating the economic return and allocation of reserves to the project. However, Nuevo Midstream, LLC could redirect its expenditures to build the plant in the following counties mentioned below:

**Eddy County – New Mexico**  
**Culberson County - Texas**

**Attachment**

**E**

**District Allocation of Project**

**District Allocation:**

**Nuevo Midstream, LLC Ramsey Plant III is located 100% in Reeves County and Peco-Barstow-Toyah ISD**

**Attachment**

**F**

**Description of Qualified Investment**

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

**Proposed Project Description**

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  - 1 Cold Separators
  - 1 Reflux Separator
  - 1 Refrigerant Economizer
  - 1 Refrigerant Reclaimer
  - 1 Refrigerant Accumulator
  - 1 Refrigerant Scrubber
- Towers
  - 1 DeMethanizer
- Heat Exchangers
  - 1 Brazed Aluminum Heat Exchanger
  - 1 Inlet Gas Chiller
  - 1 DeMethanizer Side / Bottom Reboiler
  - 1 Regeneration Gas Heater
  - 1 DeEthanizer Trim Reboiler (For Rejection Mode)
- Air Coolers
  - 1 Refrigerant Condenser (Multiple Bays)
  - 1 NGL Product Cooler (For Rejection Mode)
  - 1 Regeneration Gas Cooler
  - 3 Refrigeration Compressor Lube Oil Coolers
- Expander – Compressor
  - 1 Expander / Compressor
- Pumps
  - 2 NGL Booster Pumps
  - 3 NGL Pipeline Pumps (3 – 50%) Phase 2
- Compression
  - 3 - 1,750 Horsepower Refrigeration Compressors
  - 3 – 3,550 Horsepower Residue Gas Compressors
  - 4 – 1,300 Horsepower Residue Gas Compressors
- Miscellaneous Equipment

**Attachment**

**G**

**Map of Qualified Investment**

# SKETCH RAMSEY PLANT

SECTION 36, BLOCK 58, T-1, T, & P, RR. CO.  
SECTION 35, BLOCK 58, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS



**LINE TABLE**

LINE	BEARING	DISTANCE
1	N 02°51'58" E	2112.11
2	N 04°06'13" E	376.99
3	N 23°47'02" E	71.63
4	N 35°24'46" E	27.76
5	N 43°22'53" E	34.17
6	N 43°23'18" E	32.77
7	N 00°00'00" W	102.35
8	S 87°57'44" E	786.54
9	S 01°58'52" W	180.00
10	S 01°58'28" W	851.10
11	S 02°18'32" W	1707.04
12	N 86°08'30" W	921.02



INSET  
SCALE: 1" = 600'

## TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS  
1400 EVERMAN PARKWAY, SUITE 107 • FLY WORTH, TEXAS 75434  
TELEPHONE: (972) 744-7548  
WWW.TOPOGRAPHIC.COM

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"  
PRELIMINARY. THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE. THIS DOCUMENT SHALL NOT BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, CONVEYANCE, SALES, OR AS THE BASIS FOR THE ISSUANCE OF A PERMIT.

<b>RAMSEY PLANT</b>	REVISION:
	T.L.D.: 05/08/13
DATE: MAY 8, 2013	
FILE: SK_RAMSEY_PLANT_PLUS_1.69AC.DWG	
DRAWN BY: T.L.D.	
SHEET: 1 OF 1	

\\p1p1-01-05-002-0171-SURVEY\PROJECT\NEW\2012\SUBSET\RAMSEY\RAMSEY\_PLANT\_PLUS\_1.69AC.DWG 8/2/2013 2:41:25 AM adagovino

# Qualified Investment/Property Vicinity Map



# **Attachment**

**H**

## **Description of Qualified Property**

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

**Proposed Project Description**

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  - 1 Cold Separators
  - 1 Reflux Separator
  - 1 Refrigerant Economizer
  - 1 Refrigerant Reclaimer
  - 1 Refrigerant Accumulator
  - 1 Refrigerant Scrubber
- Towers
  - 1 DeMethanizer
- Heat Exchangers
  - 1 Brazed Aluminum Heat Exchanger
  - 1 Inlet Gas Chiller
  - 1 DeMethanizer Side / Bottom Reboiler
  - 1 Regeneration Gas Heater
  - 1 DeEthanizer Trim Reboiler (For Rejection Mode)
- Air Coolers
  - 1 Refrigerant Condenser (Multiple Bays)
  - 1 NGL Product Cooler (For Rejection Mode)
  - 1 Regeneration Gas Cooler
  - 3 Refrigeration Compressor Lube Oil Coolers
- Expander – Compressor
  - 1 Expander / Compressor
- Pumps
  - 2 NGL Booster Pumps
  - 3 NGL Pipeline Pumps (3 – 50%) Phase 2
- Compression
  - 3 - 1,750 Horsepower Refrigeration Compressors
  - 3 – 3,550 Horsepower Residue Gas Compressors
  - 4 – 1,300 Horsepower Residue Gas Compressors
- Miscellaneous Equipment

# Attachment

I

## Map of Qualified Property





# Qualified Investment/Property Vicinity Map



Internet | Protected Mode: On

Image Landsat  
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**Attachment**

**J**

**Description of Land**

12-08678

977/57

DEED STATE OF TEXAS

WARRANTY DEED

STATE OF TEXAS  
COUNTY OF Reeves

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT ACQUISITION  
5.85 & 38.94 ACRES

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all Fee Acreage described on Exhibit A attached hereto.

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 11<sup>th</sup> day of June, 2012 (the "Closing"), but  
effective for all purposes as of July 1, 2011 (the "Effective Date").  
2012 *gds*

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: *John Dean Brantley Jr.*

ITS: *Partner*

**RUSTLERS HILLS II, LTD.**

BY: *[Signature]*

ITS: *PARTNER*

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

BY: *Ry Zylas*

ITS: *Vice President*

**Addresses of Grantor and Grantee:**

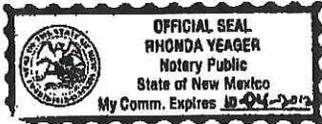
Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named John Dwyer Brantley as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11  
day of June, 2012.



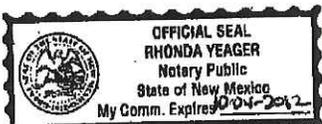
My Commission Expires:  
10-04-2012

Rhonda Yeager  
NOTARY PUBLIC

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named George Brantley as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11  
day of June, 2012.



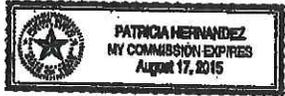
My Commission Expires:  
10-04-2012

Rhonda Yeager  
NOTARY PUBLIC

STATE OF TEXAS  
COUNTY OF HARRIS

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RANDY ZUBARTH, as VICE PRESIDENT of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 14<sup>th</sup>  
day of JUNE, 2011.



[Handwritten Signature]  
NOTARY PUBLIC

My Commission Expires:

8/17/2015

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY].

nuevo  
MIDSTREAM

**EXHIBIT "A"**

SECTION 36, BLOCK 58, T-1, T. & P. RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY FLAT



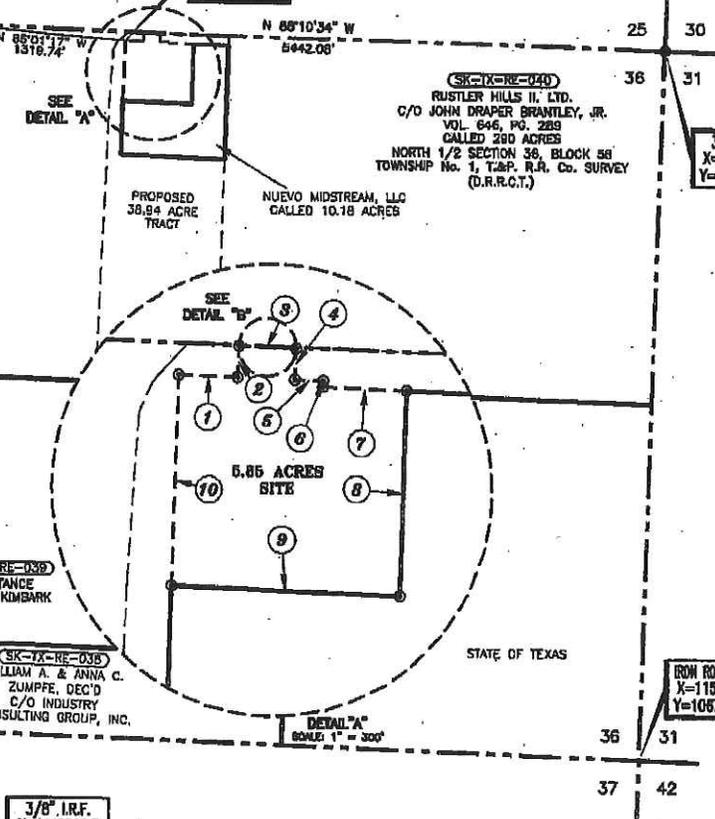
SCALE 1" = 1000'  
0 500 1000'

1/2" C.I.R.F.  
"W.C."  
X=1150689.6  
Y=10683713.6

P.O.B.  
X=1152004.4  
Y=10683599.2

3/8" I.R.F.  
X=1156129.0  
Y=10663540.6

IRON ROD FOUND  
X=1155829.6  
Y=10678239.6



N 0°15'16" E  
5282.51'

N 88°10'34" W  
5442.06'

N 88°01'17" W  
1516.74'

DETAIL "A"  
SCALE 1" = 300'

DETAIL "B"  
SCALE 1" = 100'

**LEGEND**

- SURVEY/SECTION LINE
- TRACT BORDER
- X- FENCE LINE
- X- EXISTING PIPELINE
- IRON PIPE FOUND
- CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET

**LINE TABLE**

LINE NO.	BEARING	DISTANCE	COORDINATE
1	N 88°01'17" W	1516.74	1150689.6
2	N 88°10'34" W	5442.06	1152004.4
3	N 0°15'16" E	5282.51	1156129.0
4	N 88°10'34" W	5442.06	1156129.0
5	N 0°15'16" E	5282.51	1156129.0
6	N 88°10'34" W	5442.06	1156129.0
7	N 0°15'16" E	5282.51	1156129.0
8	N 88°10'34" W	5442.06	1156129.0
9	N 0°15'16" E	5282.51	1156129.0
10	N 88°10'34" W	5442.06	1156129.0
11	N 0°15'16" E	5282.51	1156129.0
12	N 88°10'34" W	5442.06	1156129.0
13	N 0°15'16" E	5282.51	1156129.0
14	N 88°10'34" W	5442.06	1156129.0
15	N 0°15'16" E	5282.51	1156129.0
16	N 88°10'34" W	5442.06	1156129.0
17	N 0°15'16" E	5282.51	1156129.0
18	N 88°10'34" W	5442.06	1156129.0
19	N 0°15'16" E	5282.51	1156129.0
20	N 88°10'34" W	5442.06	1156129.0
21	N 0°15'16" E	5282.51	1156129.0
22	N 88°10'34" W	5442.06	1156129.0
23	N 0°15'16" E	5282.51	1156129.0
24	N 88°10'34" W	5442.06	1156129.0
25	N 0°15'16" E	5282.51	1156129.0
26	N 88°10'34" W	5442.06	1156129.0
27	N 0°15'16" E	5282.51	1156129.0
28	N 88°10'34" W	5442.06	1156129.0
29	N 0°15'16" E	5282.51	1156129.0
30	N 88°10'34" W	5442.06	1156129.0
31	N 0°15'16" E	5282.51	1156129.0
32	N 88°10'34" W	5442.06	1156129.0
33	N 0°15'16" E	5282.51	1156129.0
34	N 88°10'34" W	5442.06	1156129.0
35	N 0°15'16" E	5282.51	1156129.0
36	N 88°10'34" W	5442.06	1156129.0
37	N 0°15'16" E	5282.51	1156129.0
38	N 88°10'34" W	5442.06	1156129.0
39	N 0°15'16" E	5282.51	1156129.0
40	N 88°10'34" W	5442.06	1156129.0
41	N 0°15'16" E	5282.51	1156129.0
42	N 88°10'34" W	5442.06	1156129.0
43	N 0°15'16" E	5282.51	1156129.0
44	N 88°10'34" W	5442.06	1156129.0
45	N 0°15'16" E	5282.51	1156129.0
46	N 88°10'34" W	5442.06	1156129.0
47	N 0°15'16" E	5282.51	1156129.0
48	N 88°10'34" W	5442.06	1156129.0
49	N 0°15'16" E	5282.51	1156129.0
50	N 88°10'34" W	5442.06	1156129.0
51	N 0°15'16" E	5282.51	1156129.0
52	N 88°10'34" W	5442.06	1156129.0
53	N 0°15'16" E	5282.51	1156129.0
54	N 88°10'34" W	5442.06	1156129.0
55	N 0°15'16" E	5282.51	1156129.0
56	N 88°10'34" W	5442.06	1156129.0
57	N 0°15'16" E	5282.51	1156129.0
58	N 88°10'34" W	5442.06	1156129.0
59	N 0°15'16" E	5282.51	1156129.0
60	N 88°10'34" W	5442.06	1156129.0

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF END
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**TOPOGRAPHIC**

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2225 PERRYTON PARKWAY • FARMER, TEXAS 79005  
TELEPHONE: (806) 885-7218 • FAX: (806) 885-7210  
2803 NORTH EGG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1663 • FAX: (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN	REVISION:
	J.E.B. 5/11/12
DATE: 05/08/2012	
FILE: BO_TX_RE_040_2	
DRAWN BY: J.E.B.	
SHEET: 1 OF 2	

nuevo  
MIDSTREAM

**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**5.85 ACRE SURVEY DESCRIPTION**

MAY 11, 2012  
Sheet 2 of 2

Being 5.85 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36, 35, 25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 85°01'17" West, a distance of 1,319.74 feet;

**THENCE** Easterly, along the North line of this 5.85 acre tract as follows:

South 88°10'37" East, a distance of 137.68 feet to a "set iron rod"; North 02°30'20" East, a distance of 70.18 feet to a "set iron rod";  
South 87°50'51" East, a distance of 129.40 feet to a "set iron rod"; South 01°49'45" West, a distance of 69.65 feet to a "set iron rod";  
South 87°56'09" East, a distance of 64.69 feet to a "set iron rod"; South 00°59'56" West, a distance of 13.02 feet to a "set iron rod";

**THENCE** South 87°51'33" East, a distance of 191.94 feet to a "set iron rod" for the common Northeast corner of this tract and the Northwest corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC;

**THENCE** South 01°57'51" West, along the West line of said called 10.18 acre tract, a distance of 460.51 feet to a "set iron rod" and North 87°49'21" West, a distance of 524.81 feet to a "set iron rod";

**THENCE** North 01°58'11" East, departing said common South line of this tract and North line of said called 10.18 acre tract, a distance of 471.84 feet the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 5.85 acres of land.



Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

Patrick A. Fox, R.P.L.S. No. 5089  
May 11, 2012

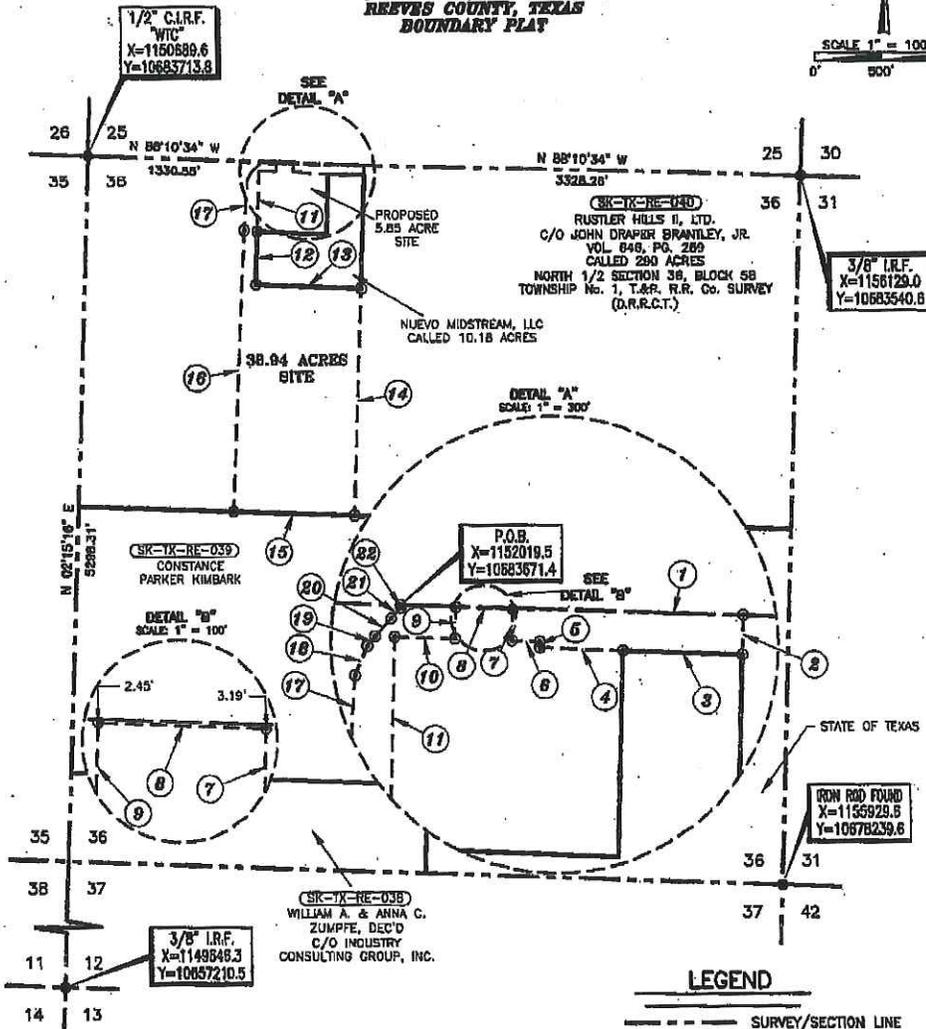
nuevo  
MIDSTREAM

**EXHIBIT "B"**

SECTION 36, BLOCK 58, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



SCALE 1" = 1000'  
0' 500' 1000'



**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 88°10'34" E	783.27'
2	S 01°58'51" W	88.17'
3	N 87°58'07" W	271.11'
4	N 67°31'33" W	181.94'
5	N 00°59'56" E	13.02'
6	N 87°58'08" W	84.89'
7	N 01°48'48" E	69.85'
8	N 67°50'51" W	129.40'
9	S 02°30'20" W	70.18'
10	N 88°10'37" W	137.68'
11	E 01°58'11" W	471.64'

**LINE TABLE**

LINE	BEARING	DISTANCE
12	S 02°01'21" W	369.89'
13	S 87°49'42" E	768.05'
14	S 02°18'20" W	1701.12'
15	N 88°08'30" W	821.02'
16	N 02°51'58" E	2112.11'
17	N 04°08'13" E	378.89'
18	N 25°47'42" E	71.93'
19	N 39°24'40" E	27.76'
20	N 43°22'53" E	84.11'
21	N 43°23'18" E	32.77'
22	N 09°00'00" W	7.62'

**LEGEND**

- SURVEY/SECTION LINE
- - - TRACT BORDER
- x - FENCE LINE
- - - EXISTING PIPELINE
- IRON PIPE FOUND
- CAPPED IRON ROD FOUND (G.I.R.F.)
- ⊙ IRON ROD SET

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF END
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**TOPOGRAPHIC**

SURVEYING • MAPPING • GIS • GPS  
1400 EVERMAN PARKWAY, Ste. 107 • FT. WORTH, TEXAS 76140  
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TELEPHONE: (800) 685-7218 • FAX: (800) 685-7210  
2803 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • FAX: (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN	REVISION:
	J.E.B. 5/11/2012
DATE: 05/08/2012	
FILE: BO_TX_RE_040	
DRAWN BY: J.E.B.	
SHEET: 1 OF 2	

**EXHIBIT "B"**  
**REEVES COUNTY, TEXAS**  
**38.94 ACRE SURVEY DESCRIPTION**

May 11, 2012  
Sheet 2 of 2

Being 38.94 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 260 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follow:

**BEGINNING** at a set 1/2 inch iron rod with cap marked Topographic ("set iron rod") in the common North line of Section 36, and South line of Section 25, Block 58, Township No. 1, T. & P. Railroad Company Survey for the Northwest corner of this tract, from which a found 1/2 inch capped iron rod with cap marked "WTC" for the common corner of Sections 36, 35, 26, and 25, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 88°10'34" West, a distance of 1,330.55 feet;

**THENCE** South 88°10'34" East, with said North line of Section 36 and South line of Section 25, a distance of 783.27 feet to a "set iron rod" for the Northeast corner of this tract;

**THENCE** South 88°10'34" East, departing the North line of Section 36, a distance of 783.27 feet to a "set iron rod" for the common corner of this tract and Northeast corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC;

**THENCE** Easterly, with the common North line of said 10.18 acre tract and South line of this tract, as follows:

South 01°58'51" West, a distance of 88.17 feet to a "set iron rod"; North 87°58'07" West, a distance of 271.11 feet to a "set iron rod"; North 87°51'33" West, a distance of 191.94 feet to a "set iron rod"; North 00°59'56" East, a distance of 13.02 feet to a "set iron rod"; North 87°56'09" West, a distance of 64.69 feet to a "set iron rod"; North 01°49'45" East, a distance of 69.65 feet to a "set iron rod"; North 87°50'31" West, a distance of 129.40 feet to a "set iron rod"; South 02°30'20" West, a distance of 70.18 feet to a "set iron rod"; North 88°10'37" West, a distance of 137.68 feet to a "set iron rod"; South 01°58'11" West, a distance of 471.84 feet to a "set iron rod"; South 02°01'21" West, a distance of 399.99 feet to a "set iron rod";

**THENCE** South 87°49'42" East, a distance of 796.08 feet to a "set iron rod" for common corner of this tract and the Southeast corner of said 10.18 acre tract of land;

**THENCE** South 02°18'20" West, a distance of 1701.12 feet to a "set iron rod" on the common South line of said North half (1/2) of Section 36 and North line the Southwest Quarter (1/4) of said Section 36;

**THENCE** North 88°08'30" West, along said common line, a distance of 921.02 feet to a "set iron rod" for the Southwest corner of this tract;

**THENCE** Northerly, departing said common South line of said North half (1/2) of Section 36, as follows:

North 02°51'58" East, a distance of 2112.11 feet to a "set iron rod"; North 04°06'13" East, a distance of 376.99 feet to a "set iron rod"; North 23°47'42" East, a distance of 71.93 feet to a "set iron rod"; North 39°24'40" East, a distance of 27.76 feet to a "set iron rod"; North 43°22'53" East, a distance of 54.11 feet to a "set iron rod"; North 43°23'18" East, a distance of 32.77 feet to a "set iron rod";

**THENCE** North 00°00'00" West, a distance of 7.62 feet to the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 38.94 acres of land.

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140



Patrick A. Fox, R.P.L.S. No. 5089  
May 11, 2012

977/49

DEED STATE OF TEXAS

WARRANTY DEED

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT AQUISION  
10.18 ACRES

STATE OF TEXAS

COUNTY OF Reeves

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all real property in Reeves County, Texas, owned in fee by Grantor and referenced in the Special Warranty Deed vested to Rustler Hills II, Ltd. from George E. Ramsey, III to Rustler Hills II Ltd., dated January 25, 2002, recorded in Volume 646, Page 289, official Public Records of Real Property, Reeves County, Texas, regardless of whether or not said property is described, or correctly described, in Exhibit "A".

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 9<sup>th</sup> day of December, 2011 (the "Closing"), but effective for all purposes as of January 1, 2012 (the "Effective Date").

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: John Dean Brantley

ITS: Partner

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

BY: [Signature]

ITS: Vice President

**Addresses of Grantor and Grantee:**

Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF nm

COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Deper Brantley Jr., as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 9 day of Dec., 2011.

  
NOTARY PUBLIC

My Commission Expires:

10-04-2012



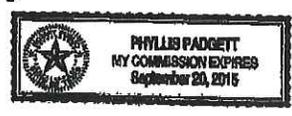
STATE OF Texas  
COUNTY OF Dallas

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Kandy Ziebarth as Vice President of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 21<sup>st</sup>  
day of December, 2011.

Phyllis Padgett  
NOTARY PUBLIC

My Commission Expires:  
9/20/2015



[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY].

**EXHIBIT "A" TO WARRANTY DEED  
FROM RUSTLERS HILLS II, LTD.  
AS GRANTOR, TO NUEVO MIDSTREAM, LLC,  
AS GRANTEE, DATED EFFECTIVE AS OF \_\_\_\_\_, 2011**

**LEGAL DESCRIPTION OF THE FEE ACREAGE**

A TRACT OF LAND LOCATED IN SECTION 36, BLOCK 58, TOWNSHIP 1, T&P  
RR SURVEY, REEVES COUNTY, TEXAS AND BEING MORE PARTICULARLY  
DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.01°53'51"W., 535.5 FEET AND  
S.87°47'23"E., 1317.5 FEET FROM THE NORTHWEST CORNER OF SAID  
SECTION 36, THENCE S.87°49'22"E., 525.0 FEET; THENCE N.01°58'36"E., 460.9  
FEET; THENCE S.87°51'17"E., 271.1 FEET; THENCE S.01°58'28"W., 861.1 FEET;  
THENCE N.87°49'22"W., 796.2 FEET; THENCE N.01°59'10"E., 400.0 FEET TO  
THE POINT OF BEGINNING. SAID TRACT OF LAND BEING 10.18 ACRES,  
MORE OR LESS.

nuevo  
MIDSTREAM

EXHIBIT "A"

SECTION 36, BLOCK 58, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT

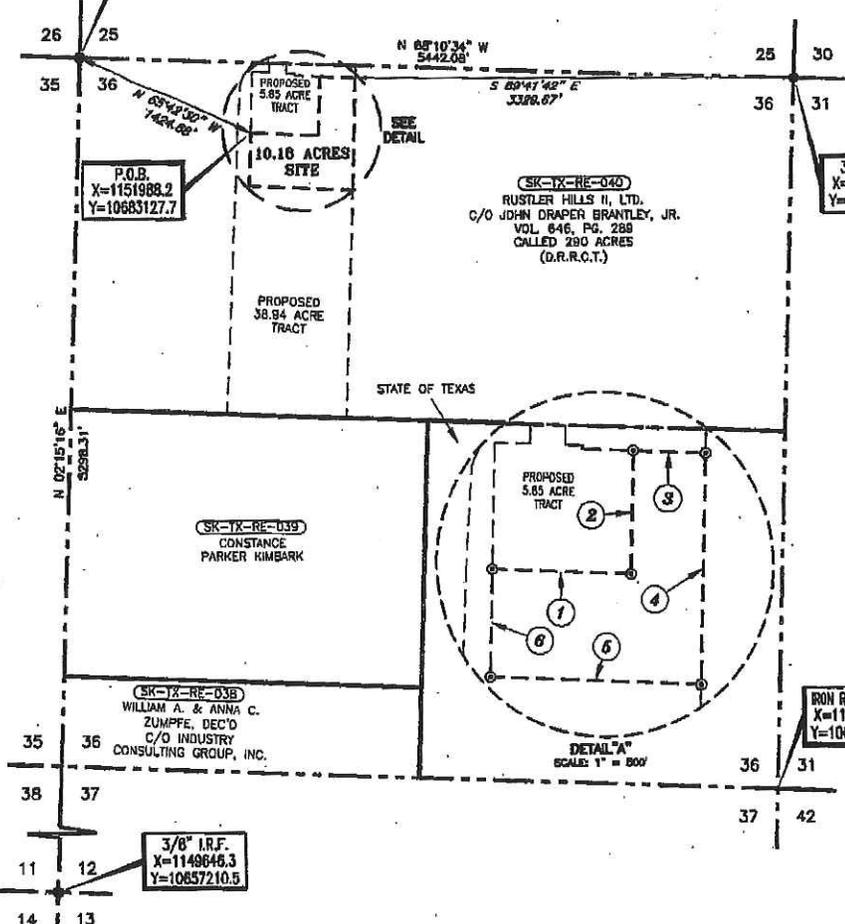


SCALE 1" = 1000'  
0' 500' 1000'

1/2" C.I.R.F.  
WTC  
X=1150889.6  
Y=10683713.8

P.O.B.  
X=1151988.2  
Y=10683127.7

3/8" I.R.F.  
X=1158129.0  
Y=10683540.6



LEGEND

LINE TABLE

LINE	BEARING	DISTANCE
1	S 87°30'05" E	824.72'
2	N 01°58'30" E	460.40'
3	S 87°58'58" E	271.11'
4	S 01°58'50" W	851.02'
5	N 87°48'42" W	796.08'
6	N 02°01'21" E	398.89'

- SURVEY/SECTION LINE
- - - TRACT BORDER
- X - FENCE LINE
- - - EXISTING PIPELINE
- ⊙ IRON PIPE FOUND
- ⊙ CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET



1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM, ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS

MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

TOPOGRAPHIC

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1400 EVERMAN PARKWAY, Ste. 107 • FT. WORTH, TEXAS 76104  
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TELEPHONE: (806) 685-7218 • FAX (806) 685-7210  
2803 NORTH 80 SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • FAX (432) 682-1743  
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CAPITAN	REVISION:	
	J.E.B.	6/11/12
	S.C.	12/06/12
DATE:	05/11/2012	
FILE:	BO_TX_RE_040_4	
DRAWN BY:	J.E.B.	
SHEET :	7 OF 8	

**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**10.18 ACRE SURVEY DESCRIPTION**

**DECEMBER 6, 2012**  
**Sheet 8 of 8**

Being 10.18 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 65°42'30" West, a distance of 1,424.68 feet;

**THENCE** Easterly, across said 290 acre tract as follows:

South 87°50'06" East, a distance of 524.72 feet to a "set iron rod"; North 01°58'30" East, a distance of 460.40 feet to a "set iron rod";

**THENCE** South 87°56'58" East, a distance of 271.11 feet to a "set iron rod" from which a found 3/8 inch iron rod for the common corner of Sections 25 and 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, Sections 30 and 31, Block 57, Township No. 1, T. & P. Railroad Company Survey bears: South 89°41'42" East, a distance of 3,329.67 feet;

**THENCE** continuing across said 290 acre tract as follows:

South 01°58'50" West, a distance of 861.02 feet to a "set iron rod"; North 87°49'42" West, a distance of 796.08 feet to a "set iron rod";

**THENCE** North 02°01'21" East, a distance of 399.99 feet the **POINT OF BEGINNING**, and **END OF THIS DESCRIPTION**, containing 10.18 acres of land.



  
MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

# REEVES COUNTY

APPRAISAL DISTRICT

[Home](#) [Return to Search](#)  [Print](#)

**Property Year 2012** · [Tax Summary](#)

Information Updated 6/6/2013

Property ID: R000011781 Geo ID: 01860-00240-00000-000000

< Previous Property 6 / 8 Next Property >

**Property Details**

<p><b>Ownership</b></p> <p>RUSTLER HILLS II LTD</p> <p>%JOHN DRAPER BRANTLEY, JR. P.O. BOX 72 ORLA, TX 79770-0072</p> <p>Ownership Interest: 1.0000000</p>	<p><b>Available Actions</b></p>
--	---------------------------------

**Qualified Exemptions**

Not Applicable

**Legal Information**

Legal: Acres: 290.000, Blk: 58-1, Tract: 36, AB 2608 BLK 58-1 SEC 36T&P N/2

Situs: Not Applicable

**Property Valuation History**

Values by Year		2012	2011	2010	2009	2008	n/a
Improvements	+	\$0	\$0	\$0	\$0	\$0	\$0
Land	+	\$0	\$0	\$0	\$0	\$0	\$0
Production Market	+	\$14,500	\$14,500	\$14,500	\$14,500	\$14,500	\$0
Personal	+	\$0	\$0	\$0	\$0	\$0	\$0
Mineral	+	\$0	\$0	\$0	\$0	\$0	\$0
Total Market	=	\$14,500	\$14,500	\$14,500	\$14,500	\$14,500	\$0
Agricultural Loss	-	\$13,340	\$13,310	\$13,310	\$13,310	\$13,310	\$0
Homestead Cap Loss	-	\$0	\$0	\$0	\$0	\$0	\$0
Total Assessed	=	\$1,160	\$1,190	\$1,190	\$1,190	\$1,190	\$0

**Improvement / Buildings** Improvement Value: \$0

Group Sequence	Code	Building Description	Year Built	Square Footage	Perimeter Footage
----------------	------	----------------------	------------	----------------	-------------------

**Land Details** Market Value: \$0 Production Market Value: \$14,500 Production Value: \$1,160

Land Code	Acres	Sq. Ft.	Front Ft.	Rear Ft.	Depth	Mkt. Value	Prd. Value
RG3	290.000	12,832,400	0	0		14,500	1,160

**Deed History**

Sold By	Volume	Page	Deed Date Instrument
RUSTLER HILLS II LTD	646	289	n/a

**Property Tax Estimation by Entity / Jurisdiction**

Code	Description	Taxable Value	Tax Rate per \$100	Tax Factor applied to Taxable Value	Estimated Tax
30	P-B-T I.S.D	1,160	\$1.154	0.01154	\$13.39
65	REEVES CO HOSP DIST	1,160	\$0.350525	0.00350525	\$4.07
<b>Total Estimation</b>			<b>\$1.604525</b>	<b>0.01604525</b>	<b>\$17.46</b>

The above property tax estimation is not a tax bill. Do not pay.  
 Click here to view actual Property Tax Bill.

Southwest Data Solutions provides this information "as is" without warranty of any kind.  
 Southwest Data Solutions is not responsible for any errors or omissions.

**Attachment**

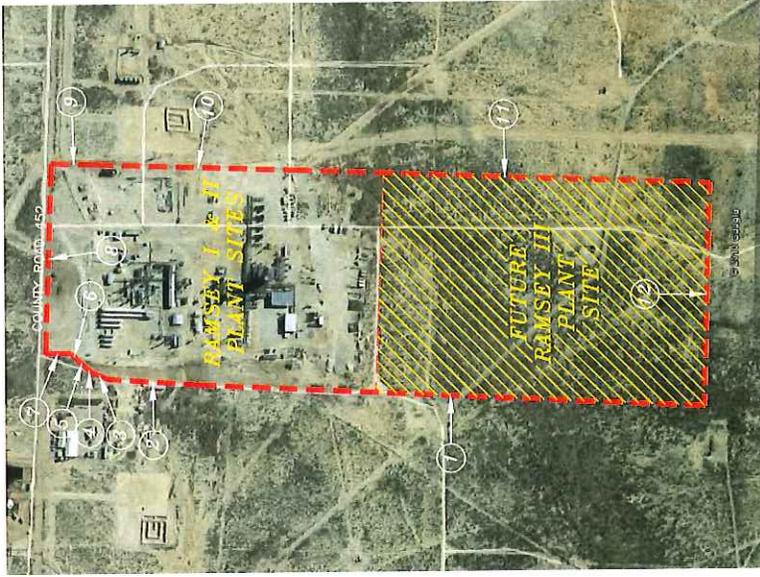
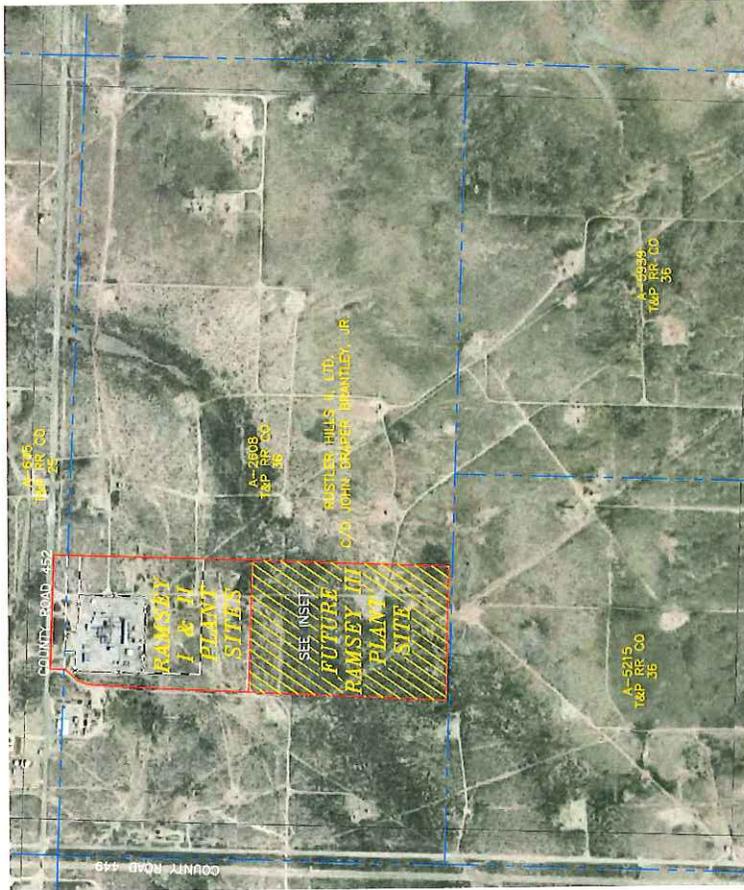
**K**

**Detailed Map Showing Location of Land**



# SKETCH RAMSEY PLANT

SECTION 36, BLOCK 58, T-1, T, & P, RR. CO.  
SECTION 25, BLOCK 58, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS



INSET  
SCALE: 1" = 600'

LINE	BEARING	DISTANCE
1	N 02°51'58" E	2112.11'
2	N 06°04'13" E	376.99'
3	N 25°47'42" E	21.83'
4	N 35°24'46" E	27.76'
5	N 43°23'33" E	94.11'
6	N 45°23'18" E	32.77'
7	N 00°00'00" W	102.35'
8	S 87°57'44" E	786.54'
9	S 01°59'52" W	180.00'
10	S 01°59'28" W	851.10'
11	S 02°18'32" W	1701.04'
12	N 86°08'30" W	921.02'

## LEGEND

- SURVEY/SECTION LINE
- SITE BOUNDARY
- FENCE LINE



SCALE 1" = 1000'  
0 500' 1000'

## TOPOGRAPHIC

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TELEPHONE: (972) 441-1171 • 744-7546  
WWW.TOPOGRAPHIC.COM

1. ORIGINAL DOCUMENT SIZE: 14" x 8.5"

PRELIMINARY. THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE. THIS DOCUMENT SHALL NOT BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, CONVEYANCE, SALES, OR AS THE BASIS FOR THE ISSUANCE OF A PERMIT.

REVISION:	T.L.D.
	05/08/13

### RAMSEY PLANT

DATE: MAY 8, 2013

FILE: SK RAMSEY PLANT PLUS 1.084C\_REV1

DRAWN BY: T.L.D.

SHEET: 1 OF 1

# Qualified Investment/Property Vicinity Map



Image Landsat  
© 2013 Google

## **Attachment**

### **L**

#### **Description of Existing Improvements**

##### **No Existing Improvements**

The project is being built on vacant land. There are adjacent facilities owned by applicant that are no part of this application. The appraisal account information for the existing Plant I and II on the adjacent parcel of land has been provided by the applicant on the following pages.

DATE: 8/02/2013  
TIME: 11:31:05

INVENTORY DETAIL APPRAISAL

JOB#: 519500

MXLT08DC

JOB NAME: REEVES COUNTY APPR DISTRICT  
OWNER#...: 709269 AGENT#...: 40

RAMSEY GAS PROCESSING PLANT  
NUEVO MIDSTREAM LLC  
1331 LAMAR ST STE 1450  
HOUSTON TX 77010-3122

CONTACT:

---

SEQ/YEAR...: 5 2013	PLANT #1	HIST VALUE.: 0
TYPE/DEPT...: REAL I	ORLA TX	QUANTITY...: 1.0000
JUR CODES...: 00-01-30-65	SEC 36 BLK 58 TS 1	UNIT VALUE.: 6,555,470.00
SPTB/INDCD.: F2	T & P RR SURVEY	TREND FCTOR: 1.0000
	HWY 285-7 MILE NORTH ORLA	PCT GOOD...: 1.0000
	WEST 1.5 MILES CR 452	SER FACT...: 1.0000
		VALUE...: 6,555,470
SEQ/YEAR...: 10 2013	PLANT #2 JT	HIST VALUE.: 0
TYPE/DEPT...: REAL I	ORLA TX	QUANTITY...: 1.0000
JUR CODES...: 00-01-30-65		UNIT VALUE.: 15,810,250.00
SPTB/INDCD.: F2		TREND FCTOR: 1.0000
		PCT GOOD...: 1.0000
		SER FACT...: 1.0000
		VALUE...: 15,810,250
SEQ/YEAR...: 15 2013	PLANT #2	HIST VALUE.: 0
TYPE/DEPT...: REAL I	CWIP 2013	QUANTITY...: 1.0000
JUR CODES...: 00-01-30-65	ORLA TX	UNIT VALUE.: 24,500,000.00
SPTB/INDCD.: F2		TREND FCTOR: 1.0000
		PCT GOOD...: 1.0000
		SER FACT...: 1.0000
		VALUE...: 24,500,000

TOTAL NET VALUE: 46,865,720

DATE: 8/02/2013  
 TIME: 11:31:05

INVENTORY DETAIL APPRAISAL

JOB#: 519500

\*  
 PAGE 2  
 MXLF08DC

JOB NAME: REEVES COUNTY APPR DISTRICT  
 OWNER#: 709269 AGENT#: 40

RAMSEY GAS PROCESSING PLANT  
 NUEVO MIDSTREAM LLC  
 1331 LAMAR ST STE 1450  
 HOUSTON TX 77010-3122

JURISDICTION TOTALS

JUR	JUR NAME	ITEMS	HIST VALUE	VALUE LESS FREEPORT
00	REEVES COUNTY APPR DISTRICT	3	0	46,865,720
01	REEVES COUNTY	3	0	46,865,720
30	PECOS-BARSTOW-TOYAH I.S.D.	3	0	46,865,720
65	REEVES CO HOSPITAL DISTRICT	3	0	46,865,720

JURISDICTION TOTALS (CON'T)

JUR	LESS ABATEMNT	LESS PROTEST	LESS EXEMPT	LESS TCEQ	TOTAL NET VALUE
00	0	0	0	0	46,865,720
01	0	0	0	0	46,865,720
30	0	0	0	0	46,865,720
65	0	0	0	0	46,865,720

SPTB TOTALS

CODE	ITEMS	HIST VALUE	VALUE LESS FREEPORT	LESS ABATEMNT	LESS PROTEST	LESS EXEMPT
F2	3	0	46,865,720	0	0	0
	3	0	46,865,720	0	0	0

SPTB TOTALS (CON'T)

CODE	LESS TCEQ	TOTAL NET VALUE	TOTAL QUANTITY'S
F2	0	46,865,720	3.0000
	0	46,865,720	3.0000

**Attachment**

**M**

**Request for Waiver of Job Creation Requirement**

**N/A**

# **Attachment**

**N**

## **Calculation of Wage Requirements**

**Calculation of Wage Information - Based on Most Recent Data Available**

**110% of County Average Weekly Wage for all Jobs**

2013	1Q	\$	616
2012	2Q	\$	639
2012	3Q	\$	627
2012	4Q	\$	727

$$\begin{aligned} & \$ 2,609 /4 = & \$ & 652 \text{ average weekly salary} \\ & & & \underline{\times 1.1 (110\%)} \\ & & & \$ 717.48 \end{aligned}$$

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

2013	1Q	\$	309
2012	2Q	\$	297
2012	3Q	\$	270
2012	4Q	\$	322

$$\begin{aligned} & \$ 1,198 /4 = & \$ & 300 \text{ average weekly salary} \\ & & & \underline{\times 1.1 (110\%)} \\ & & & \$ 329.45 \end{aligned}$$

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

\$21.93 per hour

X 40 hr per week

\$877 average weekly salary

X1.10 (110%)

\$964.92

X 52 weeks

\$50,175.84

## Quarterly Employment and Wages (QCEW)

[Back](#)

### D.PERIODYEAR

Page 1 of 1 (40 results/page)

 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2013	1st Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$309
2012	1st Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$331
2012	2nd Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$297
2012	3rd Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$270
2012	4th Qtr	Reeves County	Private	31	2	31-33	Manufacturing	\$322

## Quarterly Employment and Wages (QCEW)

[Back](#)

### D.PERIODYEAR

Page 1 of 1 (40 results/page)

Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2013	1st Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$616
2012	1st Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$644
2012	2nd Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$639
2012	3rd Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$627
2012	4th Qtr	Reeves County	Private	00	0	10	Total, All Industries	\$727

**2012 Manufacturing Wages by Council of Government Region  
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
<b>Texas</b>	<b>\$23.56</b>	<b>\$48,996</b>
<a href="#"><u>1. Panhandle Regional Planning Commission</u></a>	\$20.12	\$41,850
<a href="#"><u>2. South Plains Association of Governments</u></a>	\$16.18	\$33,662
<a href="#"><u>3. NORTEX Regional Planning Commission</u></a>	\$17.83	\$37,076
<a href="#"><u>4. North Central Texas Council of Governments</u></a>	\$24.68	\$51,333
<a href="#"><u>5. Ark-Tex Council of Governments</u></a>	\$16.84	\$35,032
<a href="#"><u>6. East Texas Council of Governments</u></a>	\$19.61	\$40,797
<a href="#"><u>7. West Central Texas Council of Governments</u></a>	\$18.24	\$37,941
<a href="#"><u>8. Rio Grande Council of Governments</u></a>	\$16.17	\$33,631
<a href="#"><u>9. Permian Basin Regional Planning Commission</u></a>	\$21.93	\$45,624
<a href="#"><u>10. Concho Valley Council of Governments</u></a>	\$16.33	\$33,956
<a href="#"><u>11. Heart of Texas Council of Governments</u></a>	\$19.07	\$39,670
<a href="#"><u>12. Capital Area Council of Governments</u></a>	\$26.03	\$54,146
<a href="#"><u>13. Brazos Valley Council of Governments</u></a>	\$16.55	\$34,424
<a href="#"><u>14. Deep East Texas Council of Governments</u></a>	\$16.20	\$33,698
<a href="#"><u>15. South East Texas Regional Planning Commission</u></a>	\$29.38	\$61,118
<a href="#"><u>16. Houston-Galveston Area Council</u></a>	\$26.59	\$55,317
<a href="#"><u>17. Golden Crescent Regional Planning Commission</u></a>	\$21.03	\$43,742
<a href="#"><u>18. Alamo Area Council of Governments</u></a>	\$18.40	\$38,280
<a href="#"><u>19. South Texas Development Council</u></a>	\$13.54	\$28,170
<a href="#"><u>20. Coastal Bend Council of Governments</u></a>	\$22.97	\$47,786
<a href="#"><u>21. Lower Rio Grande Valley Development Council</u></a>	\$16.33	\$33,961
<a href="#"><u>22. Texoma Council of Governments</u></a>	\$22.57	\$46,949
<a href="#"><u>23. Central Texas Council of Governments</u></a>	\$17.16	\$35,689
<a href="#"><u>24. Middle Rio Grande Development Council</u></a>	\$18.93	\$39,380

Source: Texas Occupational Employment and Wages

Data published: July 2013

Data published annually, next update will be July 31, 2014

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

# **Attachment**

## **O**

### **Description of Benefits**

**Nuevo Midstream, LLC offers:**

**Medical Plan & Prescription Drug Coverage**

**Vision Coverage**

**Dental Coverage**

**Flexible Spending Accounts**

**Life Insurance Coverage**

**Disability Coverage**

**401(k) Profit Sharing Plan**

**Attachment**

**P**

**Economic Impact**

**N/A**

**Attachment**

**Q**

**Schedule A**

Schedule A (Rev. May 2010): Investment

Form 50-286

Applicant Name: Nuevo Midstream, LLC  
 ISD Name: Pecos-Barstow-Toyah ISD

PROPERTY INVESTMENT AMOUNTS

(Estimated investment in each year. Do not put cumulative totals.)

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)  Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)  Investment made after filing complete application with district, but before final board approval of application (eligible to become qualified property)  Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)	1	2014-2015					
	2	2015-2016					
	3	2016-2017	2013				
	4	2017-2018					
	5	2018-2019					
	6	2019-2020		\$ 25,000,000.00			
	7	2020-2021					
	8	2021-2022					
	9	2022-2023					
	10	2023-2024					
	11	2024-2025					
	12	2025-2026					
	13	2026-2027					
	14	2027-2028					
	15	2028-2029					
Tax Credit Period (with 50% cap on credit)					\$ 45,000,000.00		\$ 25,000,000.00
Credit Settle-Up Period							\$ 45,000,000.00
Post-Settle-Up Period							
Post-Settle-Up Period							

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §13.02(1)(A)-(D). For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property. Include estimates of investment for "replacement" property that is part of original agreement but scheduled for probable replacement during limitation period. The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §13.02(1)(E).

Column D: For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings. Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value for planning, construction and operation of the facility. The most significant example for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

*[Signature]*  
 8/28/13

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

**Attachment**

**R**

**Schedule B**

Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Form 50-296

Applicant Name: Nuevo Midstream, LLC  
 ISD Name: Pecos-Barstow-Toyah ISD

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or in or on the new improvement		Final taxable value for I&S - after all reductions	Final taxable value for M&O - after all reductions
pre-year 1	2013-2014	2013						
1	2014-2015	2014		\$ 15,000,000	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000
2	2015-2016	2015		\$ 731,997	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000
3	2016-2017	2016		\$ 702,717	\$ -	\$ -	\$ 57,600,000	\$ 20,000,000
4	2017-2018	2017		\$ 667,581	\$ -	\$ -	\$ 54,720,000	\$ 20,000,000
5	2018-2019	2018		\$ 634,202	\$ -	\$ -	\$ 51,984,000	\$ 20,000,000
6	2019-2020	2019		\$ 602,492	\$ -	\$ -	\$ 49,384,800	\$ 20,000,000
7	2020-2021	2020		\$ 572,367	\$ -	\$ -	\$ 46,915,560	\$ 20,000,000
8	2021-2022	2021		\$ 543,749	\$ -	\$ -	\$ 44,569,782	\$ 20,000,000
9	2022-2023	2022		\$ 516,562	\$ -	\$ -	\$ 42,341,293	\$ 20,000,000
10	2023-2024	2023		\$ 490,734	\$ -	\$ -	\$ 40,224,228	\$ 20,000,000
11	2024-2025	2024		\$ 466,197	\$ -	\$ -	\$ 38,213,017	\$ 38,213,017
12	2025-2026	2025		\$ 442,887	\$ -	\$ -	\$ 36,302,366	\$ 36,302,366
13	2026-2027	2026		\$ 420,743	\$ -	\$ -	\$ 34,487,248	\$ 34,487,248
14	2027-2028	2027		\$ 399,706	\$ -	\$ -	\$ 32,762,885	\$ 32,762,885
15	2028-2029	2028		\$ 379,720	\$ -	\$ -	\$ 31,124,741	\$ 31,124,741

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

5/28/13

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

**Attachment**

**S**

**Schedule C**

**Schedule C- Application: Employment Information**

Applicant Name **Nuevo Midstream, LLC**  
 ISD Name **Pecos-Barslow-Toyah ISD**

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTEs or man- hours (specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2013-2014	2013	75 FTE	\$ 50,176	0	\$ -	0	\$ -
	1	2014-2015	2014	75 FTE	\$ 50,176	10	\$ 50,176	8	\$ 50,176.00
	2	2015-2016	2015			10	\$ 50,176	8	\$ 50,176.00
	3	2016-2017	2016			10	\$ 50,176	8	\$ 50,176.00
	4	2017-2018	2017			10	\$ 50,176	8	\$ 50,176.00
	5	2018-2019	2018			10	\$ 50,176	8	\$ 50,176.00
	6	2019-2020	2019			10	\$ 50,176	8	\$ 50,176.00
	7	2020-2021	2020			10	\$ 50,176	8	\$ 50,176.00
	8	2021-2022	2021			10	\$ 50,176	8	\$ 50,176.00
	9	2022-2023	2022			10	\$ 50,176	8	\$ 50,176.00
	10	2023-2024	2023			10	\$ 50,176	8	\$ 50,176.00
	11	2024-2025	2024			10	\$ 50,176	8	\$ 50,176.00
	12	2025-2026	2025			10	\$ 50,176	8	\$ 50,176.00
	13	2026-2027	2026			10	\$ 50,176	8	\$ 50,176.00
	14	2027-2028	2027			10	\$ 50,176	8	\$ 50,176.00
	15	2028-2029	2028			10	\$ 50,176	8	\$ 50,176.00
Tax Credit Period (with 50% cap on credit)	Complete tax years of qualifying time period								
Credit Settle-Up Period	Value Limitation Period								
Post-Settle-Up Period	Continue to Maintain Viable Presence								
Post-Settle-Up Period									

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

8/28/23

**Attachment**

**T**

**Schedule D**

Schedule D: (Rev. May 2010): Other Tax Information

Applicant Name: **Nuevo Midstream, LLC**

ISD Name: **Pecos-Barstow-Toyah ISD**

Form 50-296

				Sales Tax Information		Other Property Tax Abatements Sought				
				Sales Taxable Expenditures		Franchise Tax	County	City	Hospital	Other
	Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)		2013-2014	2013	\$ 25,000,000.00						
Complete tax years of qualifying time period	1	2014-2015	2014	\$ 1,350,655	\$ 43,649,345	\$ -	20			
	2	2015-2016	2015	\$ 1,800,873	\$ 2,429,485	\$ -	20			
	3	2016-2017	2016	\$ 1,800,873	\$ 2,387,353	\$ -	20			
	4	2017-2018	2017	\$ 1,800,873	\$ 2,691,140	\$ -	20			
	5	2018-2019	2018	\$ 1,800,873	\$ 1,979,872	\$ 129,328	20			
	6	2019-2020	2019	\$ 1,800,873	\$ 1,964,067	\$ 283,472				
	7	2020-2021	2020	\$ 1,800,873	\$ 1,948,263	\$ 354,087				
	8	2021-2022	2021	\$ 1,800,873	\$ 1,932,458	\$ 490,173				
	9	2022-2023	2022	\$ 1,800,873	\$ 1,916,654	\$ 492,092				
	10	2023-2024	2023	\$ 1,800,873	\$ 1,900,849	\$ 490,694				
Tax Credit Period (with 50% cap on credit)	11	2024-2025	2024	\$ 1,800,873	\$ 1,885,045	\$ 490,258				
	12	2025-2026	2025	\$ 1,800,873	\$ 1,773,612	\$ 480,744				
	13	2026-2027	2026	\$ 1,800,873	\$ 1,773,612	\$ 462,749				
	14	2027-2028	2027	\$ 1,800,873	\$ 1,773,612	\$ 447,129				
Credit Settle-Up Period	15	2028-2029	2028	\$ 1,800,873	\$ 1,773,612	\$ 447,129				
				\$ 1,800,873	\$ 1,773,612	\$ 447,129				

\*For planning, construction and operation of the facility

8/28/13

DATE

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

**Attachment**

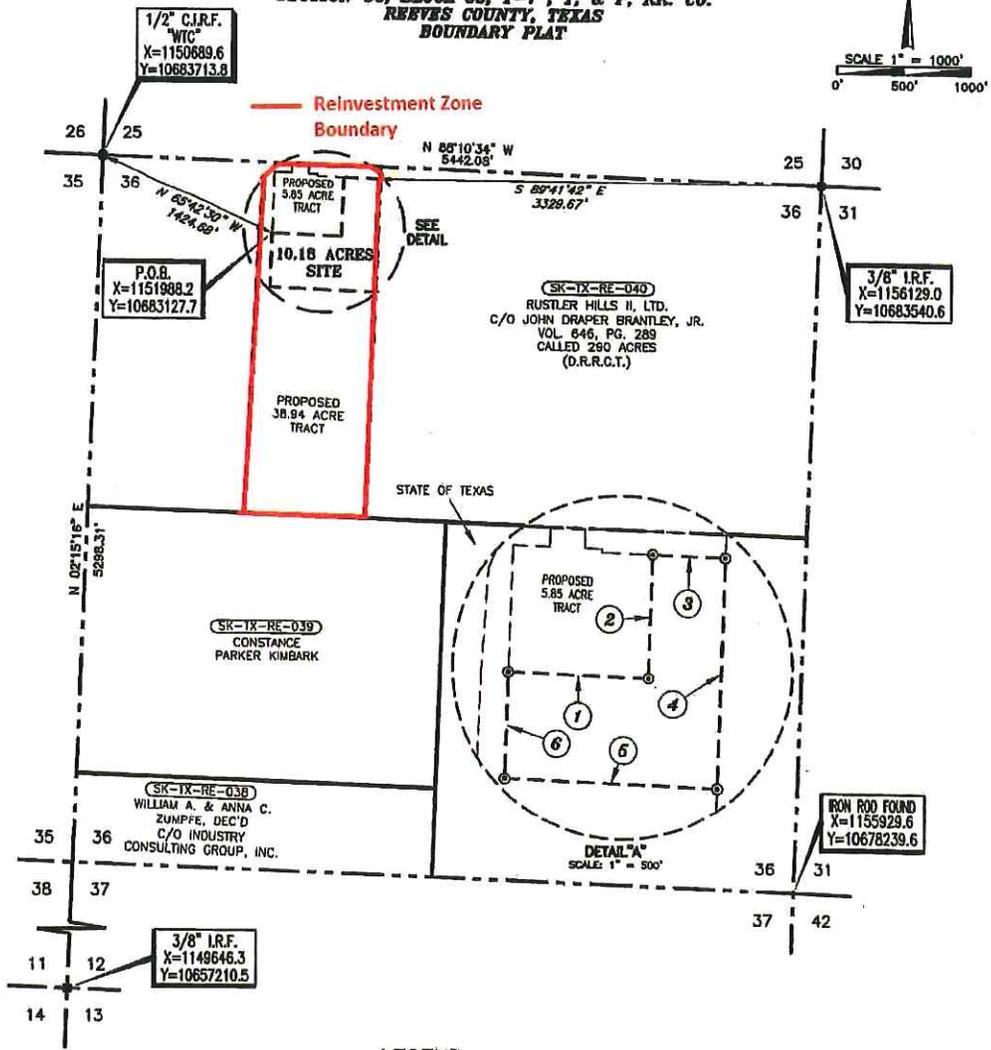
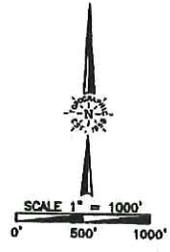
**U**

**Map of Reinvestment Zone**

nuevo  
MIDSTREAM

EXHIBIT "A"

SECTION 36, BLOCK 58, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



LEGEND

LINE TABLE

LINE	BEARING	DISTANCE
1	S 87°50'08" E	524.72'
2	N 01°58'30" E	460.40'
3	S 87°56'58" E	271.11'
4	S 01°58'50" W	861.02'
5	N 87°48'42" W	796.08'
6	N 02°01'21" E	399.99'

- SURVEY/SECTION LINE
- - - - - TRACT BORDER
- x FENCE LINE
- - - - - EXISTING PIPELINE
- ⊙ IRON PIPE FOUND
- CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET

1. ORIGINAL DOCUMENT SIZE: 14" x 8.5"  
 2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983  
 3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.  
 4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING  
 5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT  
 6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

CAPITAN	REVISION:	
	J.E.B.	6/11/12
	S.C.	12/06/12
DATE: 05/11/2012		
FILE: BO_TX_RE_040_4		
DRAWN BY: J.E.B.		
SHEET: 7 OF 8		

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977/49

DEED STATE OF TEXAS

WARRANTY DEED

SOURCE DEED RUSTLER HILLS to NUEVO MIDSTREAM RAMSEY PLANT AQUISION 10.18 ACRES

STATE OF TEXAS COUNTY OF REEVES

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

- 1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all real property in Reeves County, Texas, owned in fee by Grantor and referenced in the Special Warranty Deed vested to Rustler Hills II, Ltd. from George E. Ramsey, III to Rustler Hills II Ltd., dated January 25, 2002, recorded in Volume 646, Page 289, official Public Records of Real Property, Reeves County, Texas, regardless of whether or not said property is described, or correctly described, in Exhibit "A".

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 9<sup>th</sup> day of December, 2011 (the "Closing"), but  
effective for all purposes as of January 1, 2012 (the "Effective Date").  
2012 9M

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: John Dean Brantley Jr

ITS: Partner

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

BY: RJ Zulawski

ITS: Vice President

**Addresses of Grantor and Grantee:**

Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Draper Brantley Jr. as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 9  
day of Dec., 2011.

  
NOTARY PUBLIC

My Commission Expires:  
10-04-2012



STATE OF Texas  
COUNTY OF Dallas

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Kandy Zebarth as Vice President of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 21<sup>st</sup>  
day of December, 2011.

Phyllis Padgett  
NOTARY PUBLIC

My Commission Expires:  
9/20/2015



[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY].

**EXHIBIT "A" TO WARRANTY DEED  
FROM RUSTLERS HILLS II, LTD.  
AS GRANTOR, TO NUEVO MIDSTREAM, LLC,  
AS GRANTEE, DATED EFFECTIVE AS OF \_\_\_\_\_, 2011**

**LEGAL DESCRIPTION OF THE FEE ACREAGE**

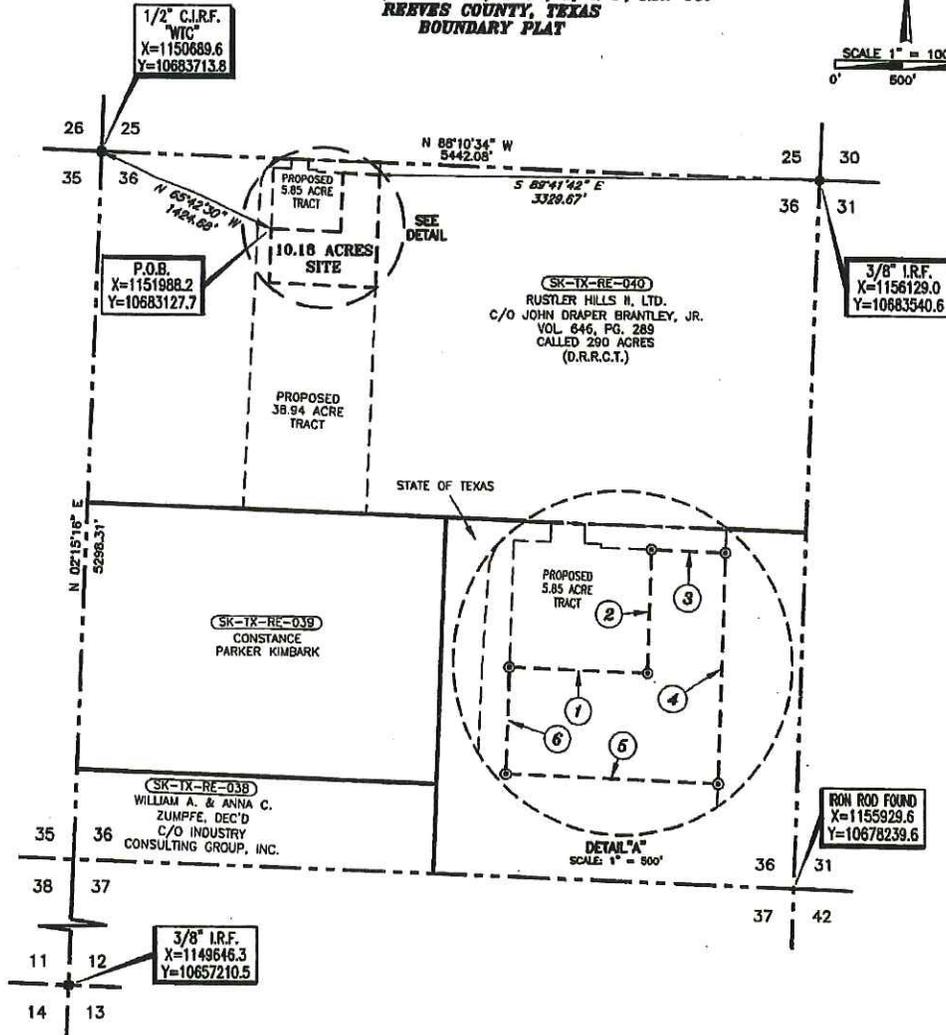
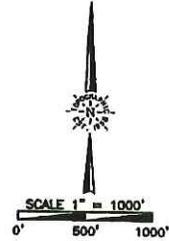
A TRACT OF LAND LOCATED IN SECTION 36, BLOCK 58, TOWNSHIP 1, T&P  
RR SURVEY, REEVES COUNTY, TEXAS AND BEING MORE PARTICULARLY  
DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.01°53'51"W., 535.5 FEET AND  
S.87°47'23"E., 1317.5 FEET FROM THE NORTHWEST CORNER OF SAID  
SECTION 36, THENCE S.87°49'22"E., 525.0 FEET; THENCE N.01°58'36"E., 460.9  
FEET; THENCE S.87°51'17"E., 271.1 FEET; THENCE S.01°58'28"W., 861.1 FEET;  
THENCE N.87°49'22"W., 796.2 FEET; THENCE N.01°59'10"E., 400.0 FEET TO  
THE POINT OF BEGINNING. SAID TRACT OF LAND BEING 10.18 ACRES,  
MORE OR LESS.

nuevo  
MIDSTREAM

**EXHIBIT "A"**

SECTION 36, BLOCK 68, T-1, T. & P. RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



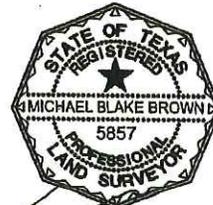
**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 87°50'06" E	524.72'
2	N 01°58'30" E	460.40'
3	S 87°56'58" E	271.11'
4	S 01°58'50" W	861.02'
5	N 87°48'42" W	786.08'
6	N 02°01'21" E	389.99'

**LEGEND**

- SURVEY/SECTION LINE
- - - TRACT BORDER
- x - FENCE LINE
- - - EXISTING PIPELINE
- IRON PIPE FOUND
- CAPPED IRON ROD FOUND (G.I.R.F.)
- ⊙ IRON ROD SET

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

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CAPITAN	REVISION:	
	J.E.B.	6/11/12
	S.C.	12/06/12
DATE:	05/11/2012	
FILE:	BO_TX_RE_040_4	
DRAWN BY:	J.E.B.	
SHEET :	7 OF 8	

**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**10.18 ACRE SURVEY DESCRIPTION**

DECEMBER 6, 2012  
Sheet 8 of 8

Being 10.18 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 65°42'30" West, a distance of 1,424.68 feet;

**THENCE** Easterly, across said 290 acre tract as follows:

South 87°50'06" East, a distance of 524.72 feet to a "set iron rod"; North 01°58'30" East, a distance of 460.40 feet to a "set iron rod";

**THENCE** South 87°56'58" East, a distance of 271.11 feet to a "set iron rod" from which a found 3/8 inch iron rod for the common corner of Sections 25 and 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, Sections 30 and 31, Block 57, Township No. 1, T. & P. Railroad Company Survey bears: South 89°41'42" East, a distance of 3,329.67 feet;

**THENCE** continuing across said 290 acre tract as follows:

South 01°58'50" West, a distance of 861.02 feet to a "set iron rod"; North 87°49'42" West, a distance of 796.08 feet to a "set iron rod";

**THENCE** North 02°01'21" East, a distance of 399.99 feet the **POINT OF BEGINNING**, and **END OF THIS DESCRIPTION**, containing 10.18 acres of land.



  
MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

12-08678

977/57

DEED STATE OF TEXAS

WARRANTY DEED

STATE OF TEXAS  
COUNTY OF Reeves

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT AQUISITION  
5.85 & 38.94 ACRES

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all Fee Acreage described on Exhibit A attached hereto.

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 11<sup>th</sup> day of June, <sup>2012</sup> 2012 (the "Closing"), but  
effective for all purposes as of July 1, <sup>2012</sup> 2011 (the "Effective Date").

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: *John Dean Bantley Jr.*  
ITS: *Partner*

**RUSTLERS HILLS II, LTD.**

BY: *[Signature]*  
ITS: *PARTNER*

Executed this 11<sup>th</sup> day of JUNE, <sup>2012</sup>2011 (the "Closing"), but  
effective for all purposes as of July 1, <sup>2012</sup>2011 (the "Effective Date").

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: *John D. Bantley Jr.*  
ITS: Partner

**RUSTLERS HILLS II, LTD.**

BY: *James J. [Signature]*  
ITS: PARTNER

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

BY: *Ry Zuluaga*

ITS: *Vice President*

**Addresses of Grantor and Grantee:**

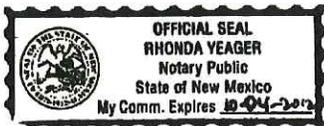
Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named John Dwyer Brantley as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11 day of June, 2012



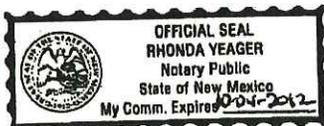
Rhonda Yeager  
NOTARY PUBLIC

My Commission Expires:  
10-04-2012

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named George Brantley, as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11 day of June, 2012



Rhonda Yeager  
NOTARY PUBLIC

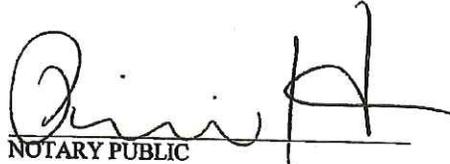
My Commission Expires:  
10-04-2012

STATE OF TEXAS  
COUNTY OF HARRIS

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RANDY ZIEBARTH, as VICE PRESIDENT of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 14<sup>th</sup>  
day of JUNE, 2012



  
NOTARY PUBLIC

My Commission Expires:

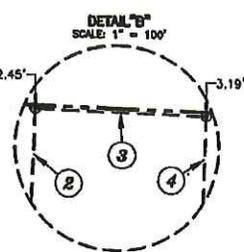
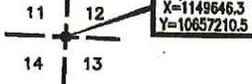
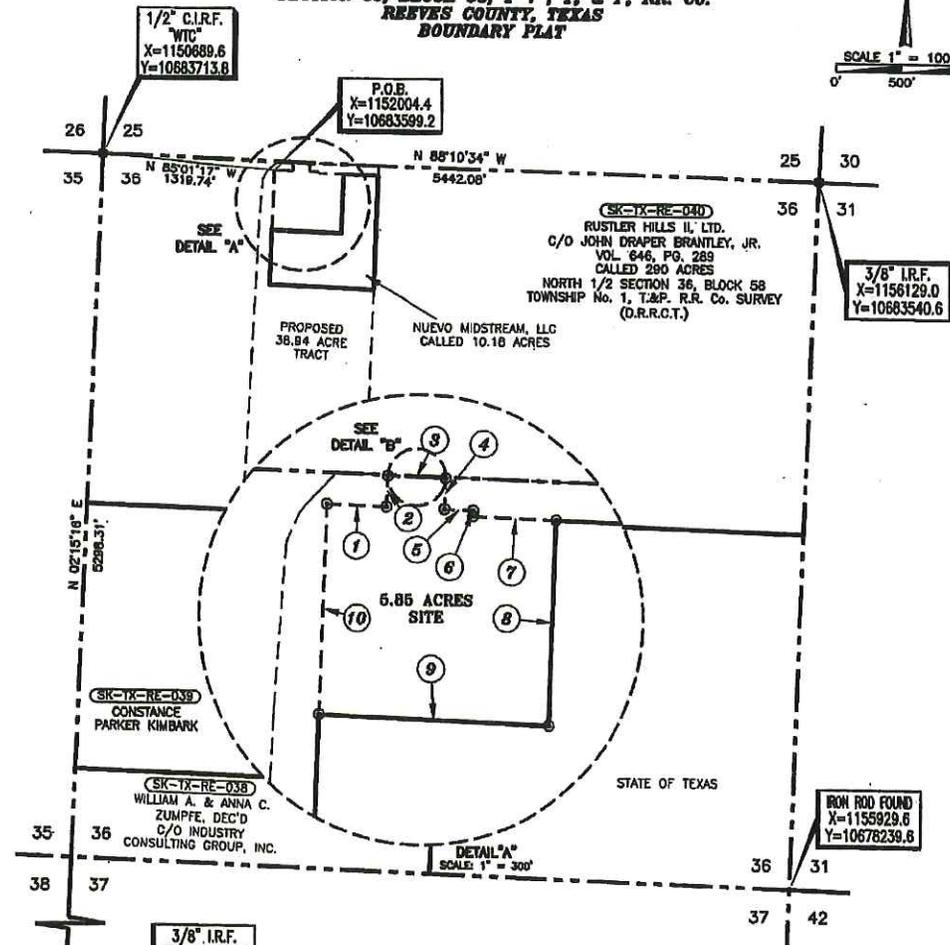
8/17/2015

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# EXHIBIT "A"

SECTION 36, BLOCK 58, T-1, T. & P. RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



LINE TABLE

LINE	BEARING	DISTANCE
1	S 85°10'37" E	137.68'
2	N 02°30'20" E	70.18'
3	S 87°50'51" E	129.40'
4	S 01°49'45" W	69.85'
5	S 87°58'09" E	84.69'
6	S 00°59'58" W	13.02'
7	S 87°51'33" E	181.94'
8	S 01°57'51" W	480.51'
9	N 87°49'21" W	524.81'
10	N 01°58'11" E	471.84'

- LEGEND**
- SURVEY/SECTION LINE
  - - - TRACT BORDER
  - x - FENCE LINE
  - - - EXISTING PIPELINE
  - IRON PIPE FOUND
  - CAPPED IRON ROD FOUND (C.I.R.F.)
  - ⊙ IRON ROD SET

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"  
 2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983  
 3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM, ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.  
 4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING  
 5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT  
 6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

## TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS  
 1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140  
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7548  
 2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065  
 TELEPHONE: (806) 665-7218 • FAX (806) 665-7210  
 2905 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
 TELEPHONE: (432) 682-1653 • FAX (432) 682-1743  
 WWW.TOPOGRAPHIC.COM

CAPITAN	REVISION:	
		J.E.B.
DATE:	05/08/2012	
FILE:	BO_TX_RE_040_2	
DRAWN BY:	J.E.B.	
SHEET:	1 OF 2	



**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**5.85 ACRE SURVEY DESCRIPTION**

MAY 11, 2012  
Sheet 2 of 2

Being 5.85 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 85°01'17" West, a distance of 1,319.74 feet;

**THENCE** Easterly, along the North line of this 5.85 acre tract as follows:

South 88°10'37" East, a distance of 137.68 feet to a "set iron rod"; North 02°30'20" East, a distance of 70.18 feet to a "set iron rod"; South 87°50'51" East, a distance of 129.40 feet to a "set iron rod"; South 01°49'45" West, a distance of 69.65 feet to a "set iron rod"; South 87°56'09" East, a distance of 64.69 feet to a "set iron rod"; South 00°59'56" West, a distance of 13.02 feet to a "set iron rod";

**THENCE** South 87°51'33" East, a distance of 191.94 feet to a "set iron rod" for the common Northeast corner of this tract and the Northwest corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC;

**THENCE** South 01°57'51" West, along the West line of said called 10.18 acre tract, a distance of 460.51 feet to a "set iron rod" and North 87°49'21" West, a distance of 524.81 feet to a "set iron rod";

**THENCE** North 01°58'11" East, departing said common South line of this tract and North line of said called 10.18 acre tract, a distance of 471.84 feet the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 5.85 acres of land.



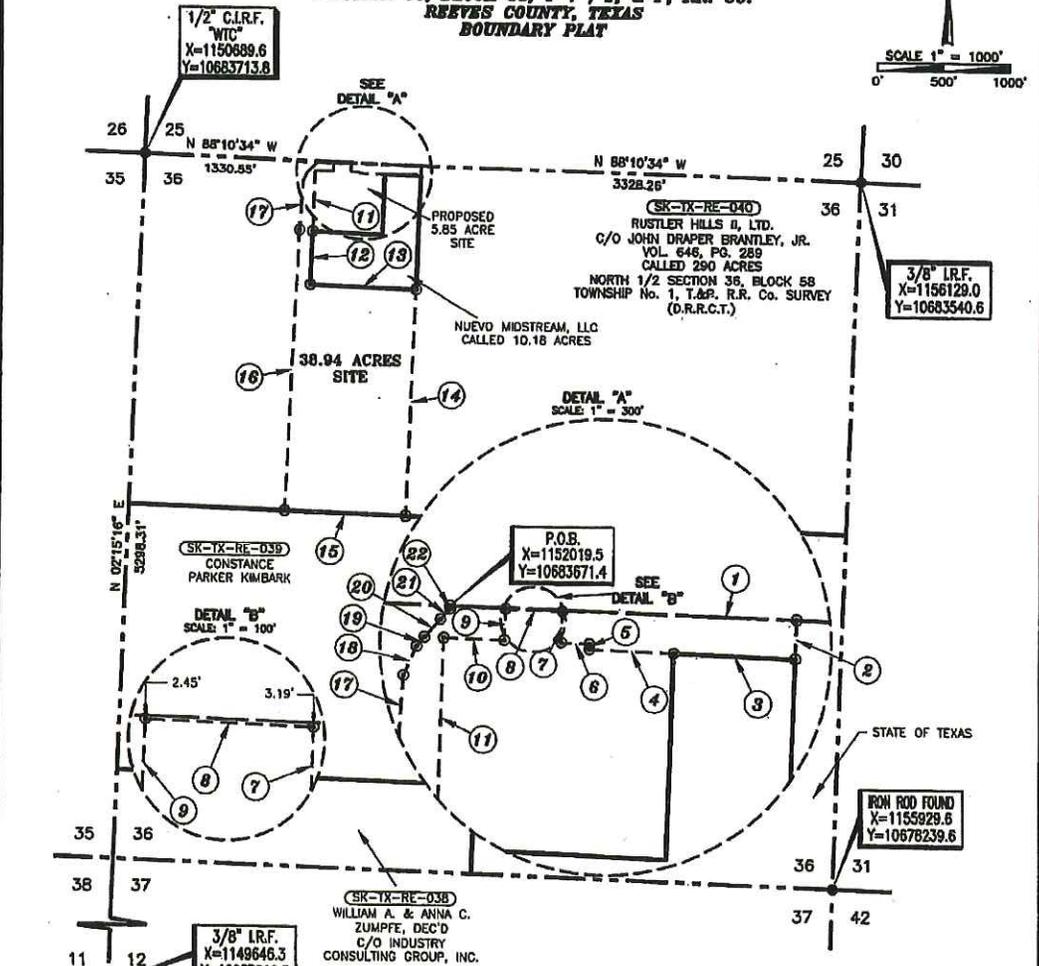
Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012



# EXHIBIT "B"

SECTION 36, BLOCK 68, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



3/8" L.R.F.  
X=1149646.3  
Y=10657210.5

SK-TX-RE-038  
WILLIAM A. & ANNA C.  
ZUMPF, DEC'D  
C/O INDUSTRY  
CONSULTING GROUP, INC.

IRON ROD FOUND  
X=1155929.6  
Y=10678239.6

### LEGEND

- SURVEY/SECTION LINE
- TRACT BORDER
- x- FENCE LINE
- EXISTING PIPELINE
- IRON PIPE FOUND
- CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET

LINE	BEARING	DISTANCE
1	S 88°10'34" E	783.27'
2	S 01°58'51" W	88.17'
3	N 87°58'07" W	271.11'
4	N 87°51'33" W	191.84'
5	N 00°59'56" E	13.02'
6	N 87°56'09" W	64.69'
7	N 01°49'45" E	69.65'
8	N 87°50'51" W	129.40'
9	S 02°30'20" W	70.18'
10	N 88°10'37" W	137.68'
11	S 01°58'11" W	471.84'

LINE	BEARING	DISTANCE
12	S 02°01'21" W	399.99'
13	S 87°49'42" E	788.08'
14	S 02°18'20" W	1701.12'
15	N 88°08'30" W	821.02'
16	N 02°51'58" E	2112.11'
17	N 04°08'13" E	376.99'
18	N 23°47'42" E	71.83'
19	N 39°24'40" E	27.78'
20	N 43°22'53" E	64.11'
21	N 43°23'18" E	32.77'
22	N 00°00'00" W	7.62'

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

## TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS  
1400 EVERMAN PARKWAY, Ste. 157 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7548  
2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065  
TELEPHONE: (806) 665-7218 • FAX (806) 665-7210  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1853 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN		REVISION:
DATE:	05/08/2012	J.E.B. 5/11/2012
FILE:	BO_TX_RE_040	
DRAWN BY:	J.E.B.	
SHEET :	1 OF 2	



**EXHIBIT "B"**  
**REEVES COUNTY, TEXAS**  
**38.94 ACRE SURVEY DESCRIPTION**

May 11, 2012  
 Sheet 2 of 2

Being 38.94 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 260 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follow:

**BEGINNING** at a set 1/2 inch iron rod with cap marked Topographic ("set iron rod") in the common North line of Section 36, and South line of Section 25, Block 58, Township No. 1, T. & P. Railroad Company Survey for the Northwest corner of this tract, from which a found 1/2 inch capped iron rod with cap marked "WTC" for the common corner of Sections 36,35,26, and 25, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 88°10'34" West, a distance of 1,330.55 feet;

**THENCE** South 88°10'34" East, with said North line of Section 36 and South line of Section 25, a distance of 783.27 feet to a "set iron rod" for the Northeast corner of this tract;

**THENCE** South 88°10'34" East, departing the North line of Section 36, a distance of 783.27 feet to a "set iron rod" for the common corner of this tract and Northeast corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC.;

**THENCE** Easterly, with the common North line of said 10.18 acre tract and South line of this tract, as follows:

South 01°58'51" West, a distance of 88.17 feet to a "set iron rod"; North 87°58'07" West, a distance of 271.11 feet to a "set iron rod"; North 87°51'33" West, a distance of 191.94 feet to a "set iron rod"; North 00°59'56" East, a distance of 13.02 feet to a "set iron rod"; North 87°56'09" West, a distance of 64.69 feet to a "set iron rod"; North 01°49'45" East, a distance of 69.65 feet to a "set iron rod"; North 87°50'51" West, a distance of 129.40 feet to a "set iron rod"; South 02°30'20" West, a distance of 70.18 feet to a "set iron rod"; North 88°10'37" West, a distance of 137.68 feet to a "set iron rod"; South 01°58'11" West, a distance of 471.84 feet to a "set iron rod"; South 02°01'21" West, a distance of 399.99 feet to a "set iron rod";

**THENCE** South 87°49'42" East, a distance of 796.08 feet to a "set iron rod" for common corner of this tract and the Southeast corner of said 10.18 acre tract of land;

**THENCE** South 02°18'20" West, a distance of 1701.12 feet to a "set iron rod" on the common South line of said North half (1/2) of Section 36 and North line the Southwest Quarter (1/4) of said Section 36;

**THENCE** North 88°08'30" West, along said common line, a distance of 921.02 feet to a "set iron rod" for the Southwest corner of this tract;

**THENCE** Northerly, departing said common South line of said North half (1/2) of Section 36, as follows:

North 02°51'58" East, a distance of 2112.11 feet to a "set iron rod"; North 04°06'13" East, a distance of 376.99 feet to a "set iron rod"; North 23°47'42" East, a distance of 71.93 feet to a "set iron rod"; North 39°24'40" East, a distance of 27.76 feet to a "set iron rod"; North 43°22'53" East, a distance of 54.11 feet to a "set iron rod"; North 43°23'18" East, a distance of 32.77 feet to a "set iron rod";

**THENCE** North 00°00'00" West, a distance of 7.62 feet to the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 38.94 acres of land.

Topographic Land Surveyors  
 1400 Everman Parkway  
 Suite 197  
 Fort Worth, TX 76140



Patrick A. Fox, R.P.L.S. No. 5069  
 May 11, 2012

**Attachment**

**V**

**Order, Resolution or Ordinance Establishing Zone**

977/49

DEED STATE OF  
TEXAS

WARRANTY DEED

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT AQUISITION  
10.18 ACRES

STATE OF TEXAS

COUNTY OF REEVES

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all real property in Reeves County, Texas, owned in fee by Grantor and referenced in the Special Warranty Deed vested to Rustler Hills II, Ltd. from George E. Ramsey, III to Rustler Hills II Ltd., dated January 25, 2002, recorded in Volume 646, Page 289, official Public Records of Real Property, Reeves County, Texas, regardless of whether or not said property is described, or correctly described, in Exhibit "A".

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 9<sup>th</sup> day of December, 2011 (the "Closing"), but  
effective for all purposes as of January 1, 2012 (the "Effective Date").  
2012 Q1

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: John Dean Brantley, Jr.

ITS: Partner

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

BY: Ry Zulatti

ITS: Vice President

**Addresses of Grantor and Grantee:**

Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM

COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Draper Brantley Jr., as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 9 day of Dec., 2011.

  
NOTARY PUBLIC

My Commission Expires:

10-04-2012



STATE OF Texas  
COUNTY OF Dallas

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Kandy Siebath as Vice President of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 21<sup>st</sup>  
day of December, 2011.

Phyllis Padgett  
NOTARY PUBLIC

My Commission Expires:  
9/20/2015



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EXHIBIT "A" TO WARRANTY DEED  
FROM RUSTLERS HILLS II, LTD.  
AS GRANTOR, TO NUEVO MIDSTREAM, LLC,  
AS GRANTEE, DATED EFFECTIVE AS OF \_\_\_\_\_, 2011

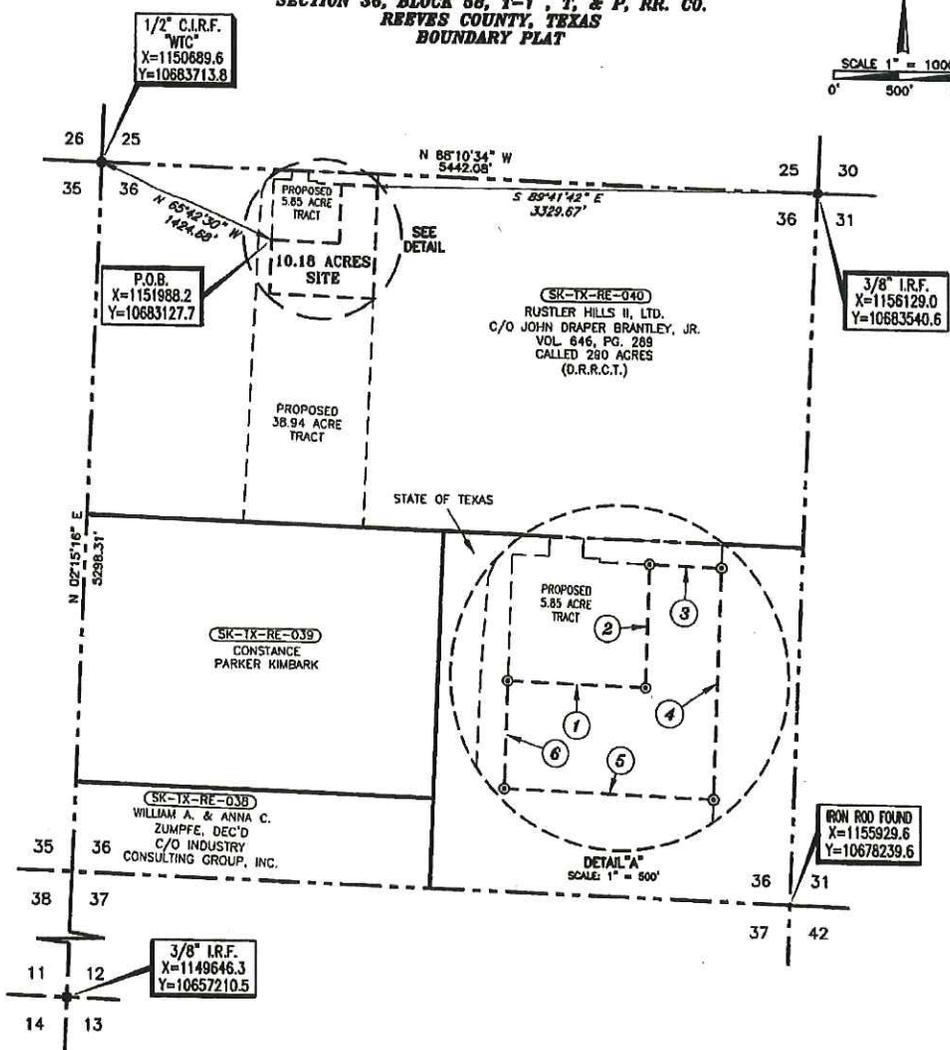
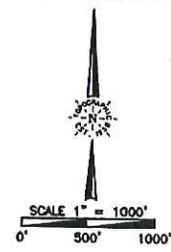
LEGAL DESCRIPTION OF THE FEE ACREAGE

A TRACT OF LAND LOCATED IN SECTION 36, BLOCK 58, TOWNSHIP 1, T&P  
RR SURVEY, REEVES COUNTY, TEXAS AND BEING MORE PARTICULARLY  
DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.01°53'51"W., 535.5 FEET AND  
S.87°47'23"E., 1317.5 FEET FROM THE NORTHWEST CORNER OF SAID  
SECTION 36, THENCE S.87°49'22"E., 525.0 FEET; THENCE N.01°58'36"E., 460.9  
FEET; THENCE S.87°51'17"E., 271.1 FEET; THENCE S.01°58'28"W., 861.1 FEET;  
THENCE N.87°49'22"W., 796.2 FEET; THENCE N.01°59'10"E., 400.0 FEET TO  
THE POINT OF BEGINNING. SAID TRACT OF LAND BEING 10.18 ACRES,  
MORE OR LESS.



**EXHIBIT "A"**  
**SECTION 36, BLOCK 68, T-1, T, & P, RR. CO.**  
**REEVES COUNTY, TEXAS**  
**BOUNDARY PLAT**



**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 87°50'08" E	524.72'
2	N 01°58'30" E	480.40'
3	S 87°56'58" E	271.11'
4	S 01°58'50" W	881.02'
5	N 87°49'42" W	796.08'
6	N 02°01'21" E	399.99'

- LEGEND**
- SURVEY/SECTION LINE
  - - - - - TRACT BORDER
  - x - - - FENCE LINE
  - - - - - EXISTING PIPELINE
  - ⊙ IRON PIPE FOUND
  - CAPPED IRON ROD FOUND (C.I.R.F.)
  - ⊙ IRON ROD SET

1. ORIGINAL DOCUMENT SIZE: 14" x 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANS COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
 DECEMBER 6, 2012

**TOPOGRAPHIC**  
 SURVEYING • MAPPING • GIS • GPS  
 1400 EVERMAN PARKWAY, Ste. 187 • FT. WORTH, TEXAS 76140  
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7548  
 2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065  
 TELEPHONE: (806) 665-7218 • FAX (806) 665-7210  
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
 TELEPHONE: (432) 682-1653 • FAX (432) 682-1743  
 WWW.TOPOGRAPHIC.COM

CAPITAN		REVISION:	
DATE:	05/11/2012	J.E.B.	6/11/12
FILE:	BO_TX_RE_040_4	S.C.	12/06/12
DRAWN BY:	J.E.B.		
SHEET :	7 OF 8		



**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**10.18 ACRE SURVEY DESCRIPTION**

DECEMBER 6, 2012  
Sheet 8 of 8

Being 10.18 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 65°42'30" West, a distance of 1,424.68 feet;

**THENCE** Easterly, across said 290 acre tract as follows:

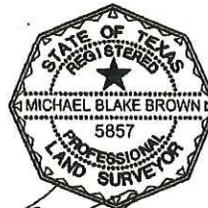
South 87°50'06" East, a distance of 524.72 feet to a "set iron rod"; North 01°58'30" East, a distance of 460.40 feet to a "set iron rod";

**THENCE** South 87°56'58" East, a distance of 271.11 feet to a "set iron rod" from which a found 3/8 inch iron rod for the common corner of Sections 25 and 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, Sections 30 and 31, Block 57, Township No. 1, T. & P. Railroad Company Survey bears: South 89°41'42" East, a distance of 3,329.67 feet;

**THENCE** continuing across said 290 acre tract as follows:

South 01°58'50" West, a distance of 861.02 feet to a "set iron rod"; North 87°49'42" West, a distance of 796.08 feet to a "set iron rod";

**THENCE** North 02°01'21" East, a distance of 399.99 feet the **POINT OF BEGINNING**, and **END OF THIS DESCRIPTION**, containing 10.18 acres of land.



  
MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

12-08678

977/57

DEED STATE OF  
TEXAS

WARRANTY DEED

STATE OF TEXAS  
COUNTY OF Reeves

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT AQUISION  
5.85 & 38.94 ACRES

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all Fee Acreage described on Exhibit A attached hereto.

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 11<sup>th</sup> day of June, 2012 (the "Closing"), but  
effective for all purposes as of July 1, 2011 (the "Effective Date").  
2012 *[Signature]*

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: *John Dean Bantley Jr.*  
ITS: *Partner*

**RUSTLERS HILLS II, LTD.**

BY: *[Signature]*  
ITS: *PARTNER*

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

**BY:**

*[Handwritten Signature]*

**ITS:**

*Vice President*

**Addresses of Grantor and Grantee:**

Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

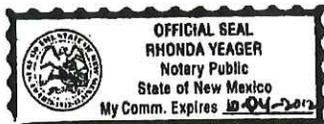
Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM

COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named John Deeper Brantley as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11 day of June, 2012.



My Commission Expires:

10-04-2012

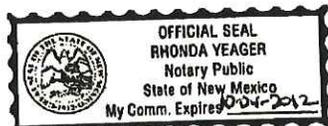
Rhonda Yeager  
NOTARY PUBLIC

STATE OF NM

COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named George Brantley, as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11 day of June, 2012.



My Commission Expires:

10-04-2012

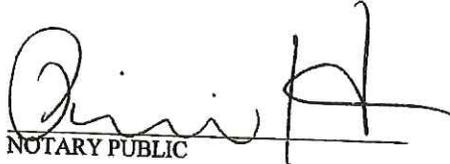
Rhonda Yeager  
NOTARY PUBLIC

STATE OF TEXAS  
COUNTY OF HARRIS

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RANDY ZIEBARTH, as VICE PRESIDENT of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 14<sup>th</sup>  
day of JUNE, 2012



  
NOTARY PUBLIC

My Commission Expires:

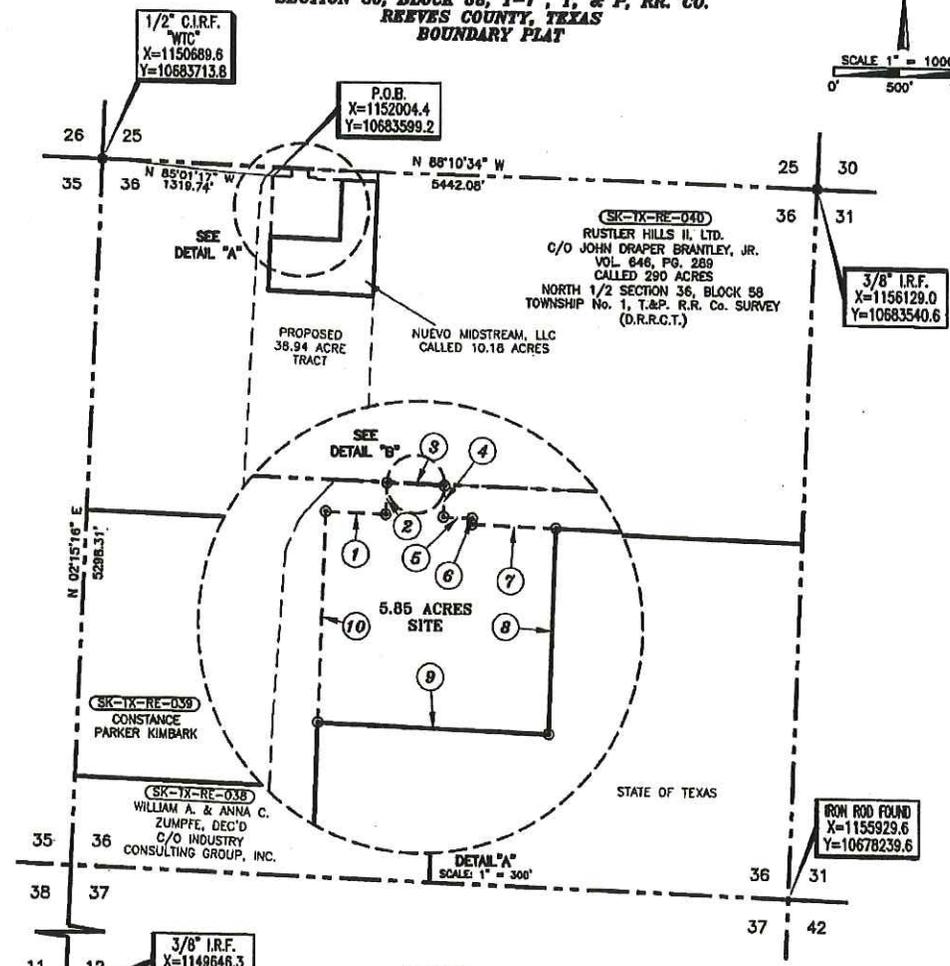
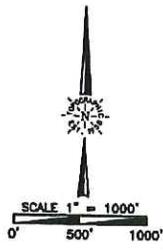
8/17/2015

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nuevo  
MIDSTREAM

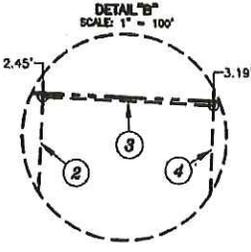
**EXHIBIT "A"**

SECTION 36, BLOCK 68, T-1, T. & P. RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



LINE TABLE

LINE	BEARING	DISTANCE
1	S 88°10'57" E	137.66'
2	N 02°30'20" E	70.18'
3	S 87°50'51" E	129.40'
4	S 01°48'25" W	69.85'
5	S 87°58'09" E	64.69'
6	S 00°58'56" W	13.02'
7	S 87°51'33" E	191.94'
8	S 01°57'51" W	480.81'
9	N 87°49'21" W	524.81'
10	N 01°58'11" E	471.84'



LEGEND

- SURVEY/SECTION LINE
- - - TRACT BORDER
- x - FENCE LINE
- - - EXISTING PIPELINE
- IRON PIPE FOUND
- CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET-NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM, ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF END
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**TOPOGRAPHIC**

SURVEYING • MAPPING • GIS • GPS  
1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7548  
2225 FERRITON PARKWAY • PAMPA, TEXAS 79065  
TELEPHONE: (806) 665-7238 • FAX (806) 665-7210  
2903 NORTH 800 SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN	REVISION:	
	J.E.B.	5/11/12
DATE: 05/08/2012		
FILE: BO_TX_RE_040_2		
DRAWN BY: J.E.B.		
SHEET: 1 OF 2		



**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**5.85 ACRE SURVEY DESCRIPTION**

MAY 11, 2012  
Sheet 2 of 2

Being 5.85 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

BEGINNING at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 85°01'17" West, a distance of 1,319.74 feet;

THENCE Easterly, along the North line of this 5.85 acre tract as follows:

South 88°10'37" East, a distance of 137.68 feet to a "set iron rod"; North 02°30'20" East, a distance of 70.18 feet to a "set iron rod";  
South 87°50'51" East, a distance of 129.40 feet to a "set iron rod"; South 01°49'45" West, a distance of 69.65 feet to a "set iron rod";  
South 87°56'09" East, a distance of 64.69 feet to a "set iron rod"; South 00°59'56" West, a distance of 13.02 feet to a "set iron rod";

THENCE South 87°51'33" East, a distance of 191.94 feet to a "set iron rod" for the common Northeast corner of this tract and the Northwest corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC;

THENCE South 01°57'51" West, along the West line of said called 10.18 acre tract, a distance of 460.51 feet to a "set iron rod" and North 87°49'21" West, a distance of 524.81 feet to a "set iron rod";

THENCE North 01°58'11" East, departing said common South line of this tract and North line of said called 10.18 acre tract, a distance of 471.84 feet the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 5.85 acres of land.



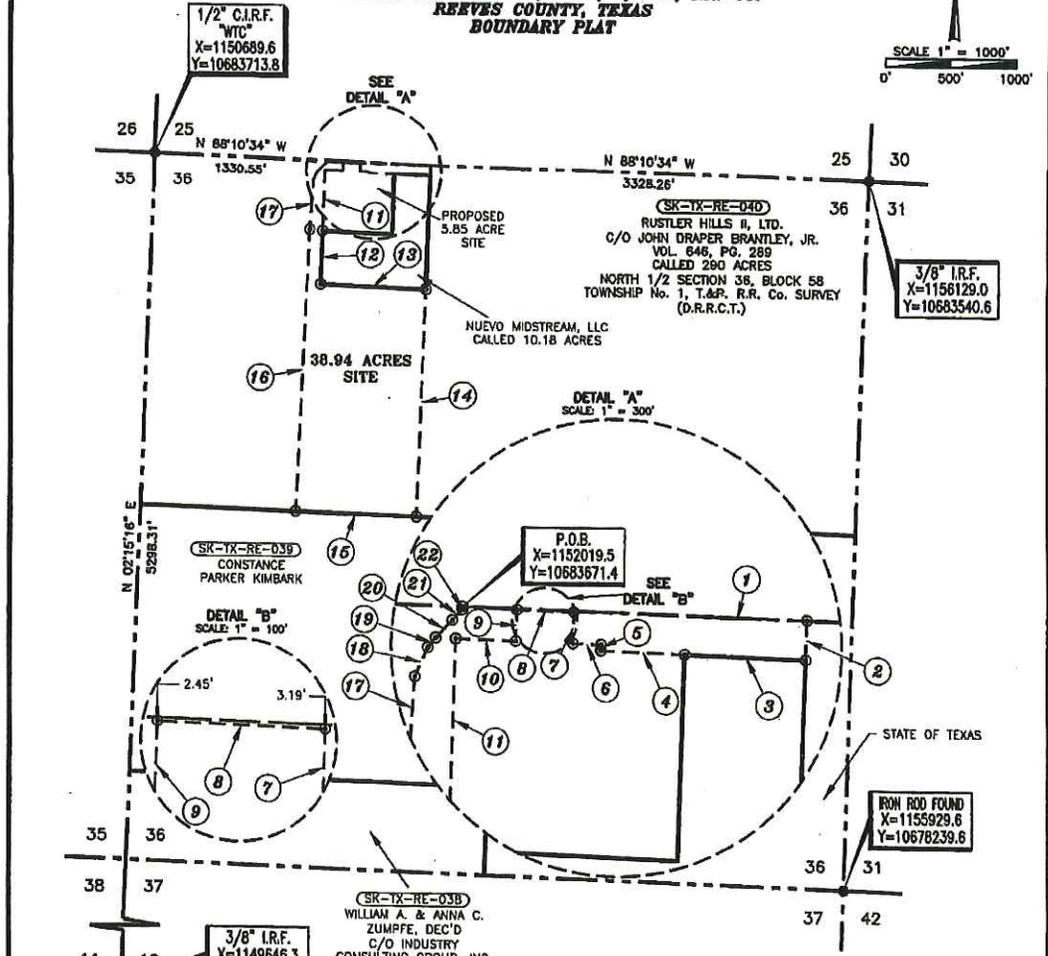
Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

nuevo  
MIDSTREAM

**EXHIBIT "B"**

SECTION 36, BLOCK 68, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 88°10'34" E	783.27'
2	S 01°58'51" W	88.17'
3	N 87°58'07" W	271.11'
4	N 87°51'33" W	191.94'
5	N 02°59'58" E	13.02'
6	N 87°58'09" W	64.69'
7	N 01°49'45" E	69.65'
8	N 87°50'51" W	129.40'
9	S 02°30'20" W	70.18'
10	N 88°10'37" W	137.68'
11	S 01°58'11" W	471.84'

**LINE TABLE**

LINE	BEARING	DISTANCE
12	S 02°01'21" W	369.99'
13	S 87°49'42" E	786.08'
14	S 02°18'20" W	1701.12'
15	N 88°08'30" W	821.02'
16	N 02°51'58" E	2112.11'
17	N 04°06'13" E	376.99'
18	N 23°47'42" E	71.93'
19	N 39°24'40" E	27.76'
20	N 43°22'53" E	64.11'
21	N 43°23'18" E	32.77'
22	N 00°00'00" W	7.82'

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS

- LEGEND**
- SURVEY/SECTION LINE
  - - - - - TRACT BORDER
  - x FENCE LINE
  - EXISTING PIPELINE
  - ⊙ IRON PIPE FOUND
  - ⊙ CAPPED IRON ROD FOUND (C.I.R.F.)
  - ⊙ IRON ROD SET



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**TOPOGRAPHIC**

SURVEYING • MAPPING • GIS • GPS  
1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140  
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2225 PEYTON PARKWAY • PALMBA, TEXAS 79065  
TELEPHONE: (806) 655-7218 • FAX (806) 655-7210  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN		REVISION:
DATE:	05/08/2012	J.E.B. 5/11/2012
FILE:	BO_TX_RE_040	
DRAWN BY:	J.E.B.	
SHEET :	1 OF 2	



**EXHIBIT "B"**  
**REEVES COUNTY, TEXAS**  
**38.94 ACRE SURVEY DESCRIPTION**

May 11, 2012  
 Sheet 2 of 2

Being 38.94 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 260 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follow:

**BEGINNING** at a set 1/2 inch iron rod with cap marked Topographic ("set iron rod") in the common North line of Section 36, and South line of Section 25, Block 58, Township No. 1, T. & P. Railroad Company Survey for the Northwest corner of this tract, from which a found 1/2 inch capped iron rod with cap marked "WTC" for the common corner of Sections 36,35,26, and 25, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 88°10'34" West, a distance of 1,330.55 feet;

**THENCE** South 88°10'34" East, with said North line of Section 36 and South line of Section 25, a distance of 783.27 feet to a "set iron rod" for the Northeast corner of this tract;

**THENCE** South 88°10'34" East, departing the North line of Section 36, a distance of 783.27 feet to a "set iron rod" for the common corner of this tract and Northeast corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC.;

**THENCE** Easterly, with the common North line of said 10.18 acre tract and South line of this tract, as follows:

South 01°58'51" West, a distance of 88.17 feet to a "set iron rod"; North 87°58'07" West, a distance of 271.11 feet to a "set iron rod"; North 87°51'33" West, a distance of 191.94 feet to a "set iron rod"; North 00°59'56" East, a distance of 13.02 feet to a "set iron rod"; North 87°56'09" West, a distance of 64.69 feet to a "set iron rod"; North 01°49'45" East, a distance of 69.65 feet to a "set iron rod"; North 87°50'51" West, a distance of 129.40 feet to a "set iron rod"; South 02°30'20" West, a distance of 70.18 feet to a "set iron rod"; North 88°10'37" West, a distance of 137.68 feet to a "set iron rod"; South 01°58'11" West, a distance of 471.84 feet to a "set iron rod"; South 02°01'21" West, a distance of 399.99 feet to a "set iron rod";

**THENCE** South 87°49'42" East, a distance of 796.08 feet to a "set iron rod" for common corner of this tract and the Southeast corner of said 10.18 acre tract of land;

**THENCE** South 02°18'20" West, a distance of 1701.12 feet to a "set iron rod" on the common South line of said North half (1/2) of Section 36 and North line the Southwest Quarter (1/4) of said Section 36;

**THENCE** North 88°08'30" West, along said common line, a distance of 921.02 feet to a "set iron rod" for the Southwest corner of this tract;

**THENCE** Northerly, departing said common South line of said North half (1/2) of Section 36, as follows:

North 02°51'58" East, a distance of 2112.11 feet to a "set iron rod"; North 04°06'13" East, a distance of 376.99 feet to a "set iron rod"; North 23°47'42" East, a distance of 71.93 feet to a "set iron rod"; North 39°24'40" East, a distance of 27.76 feet to a "set iron rod"; North 43°22'53" East, a distance of 54.11 feet to a "set iron rod"; North 43°23'18" East, a distance of 32.77 feet to a "set iron rod";

**THENCE** North 00°00'00" West, a distance of 7.62 feet to the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 38.94 acres of land.

Topographic Land Surveyors  
 1400 Everman Parkway  
 Suite 197  
 Fort Worth, TX 76140



Patrick A. Fox, R.P.L.S. No. 5069  
 May 11, 2012

**Attachment**

**W**

**Legal Description of Reinvestment Zone**

977/49

DEED STATE OF  
TEXAS

WARRANTY DEED

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT AQUISION  
10.18 ACRES

STATE OF TEXAS

COUNTY OF Reeves

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, RUSTLERS HILLS II, LTD., a Texas corporation (hereinafter "Grantor"), does hereby grant, bargain, sell, convey and warrant unto NUEVO MIDSTREAM, LLC, a Delaware limited liability company (hereinafter "Grantee"), the lands in Reeves County, Texas, described in Exhibit "A" attached hereto and made a part hereof by this reference (hereinafter the "Fee Acreage").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

- 1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
- 2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
- 3. Any and all applicable municipal or county zoning ordinances; and
- 4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all real property in Reeves County, Texas, owned in fee by Grantor and referenced in the Special Warranty Deed vested to Rustler Hills II, Ltd. from George E. Ramsey, III to Rustler Hills II Ltd., dated January 25, 2002, recorded in Volume 646, Page 289, official Public Records of Real Property, Reeves County, Texas, regardless of whether or not said property is described, or correctly described, in Exhibit "A".

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

Executed this 9<sup>th</sup> day of December, 2011 (the "Closing"), but effective for all purposes as of January 1, 2012 (the "Effective Date").

**GRANTOR:**

**RUSTLERS HILLS II, LTD.**

BY: John Dean Brantley Jr

ITS: Partner

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

BY: Ry Zulaeta

ITS: Vice President

**Addresses of Grantor and Grantee:**

Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM

COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Deaper Brantley Jr., as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 9 day of Dec., 2011.

  
NOTARY PUBLIC

My Commission Expires:

10-04-2012



STATE OF Texas  
COUNTY OF Dallas

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named Kandy Zebarth as Vice President of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 21<sup>st</sup>  
day of December, 2011.

Phyllis Padgett  
NOTARY PUBLIC

My Commission Expires:  
9/20/2015



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**EXHIBIT "A" TO WARRANTY DEED  
FROM RUSTLERS HILLS II, LTD.  
AS GRANTOR, TO NUEVO MIDSTREAM, LLC,  
AS GRANTEE, DATED EFFECTIVE AS OF \_\_\_\_\_, 2011**

**LEGAL DESCRIPTION OF THE FEE ACREAGE**

A TRACT OF LAND LOCATED IN SECTION 36, BLOCK 58, TOWNSHIP 1, T&P RR SURVEY, REEVES COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.01°53'51"W., 535.5 FEET AND S.87°47'23"E., 1317.5 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 36, THENCE S.87°49'22"E., 525.0 FEET; THENCE N.01°58'36"E., 460.9 FEET; THENCE S.87°51'17"E., 271.1 FEET; THENCE S.01°58'28"W., 861.1 FEET; THENCE N.87°49'22"W., 796.2 FEET; THENCE N.01°59'10"E., 400.0 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND BEING 10.18 ACRES, MORE OR LESS.

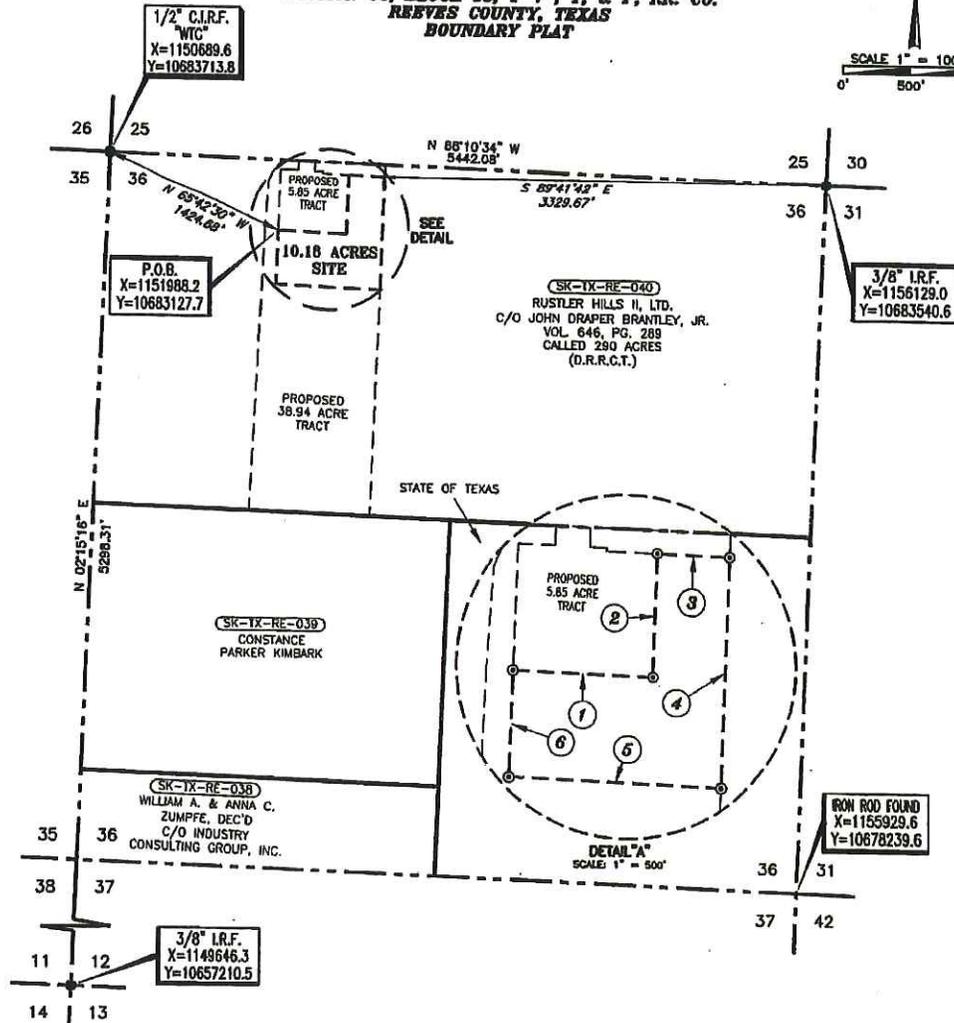
nuevo  
MIDSTREAM

EXHIBIT "A"

SECTION 36, BLOCK 56, T-1, T. & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



SCALE 1" = 1000'  
0' 500' 1000'



LEGEND

LINE TABLE

LINE	BEARING	DISTANCE
1	S 87°50'06" E	524.72'
2	N 01°58'30" E	480.40'
3	S 87°56'58" E	271.11'
4	S 01°58'50" W	861.02'
5	N 87°48'42" W	796.08'
6	N 02°01'21" E	399.99'

- SURVEY/SECTION LINE
- - - TRACT BORDER
- x FENCE LINE
- - - EXISTING PIPELINE
- IRON PIPE FOUND
- ⊙ CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET



- ORIGINAL DOCUMENT SIZE: 14" x 8.5"
- ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
- CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
- B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
- E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
- (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS

MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS  
1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7548  
2225 PERRYTON PARKWAY • PAMPA, TEXAS 78065  
TELEPHONE: (806) 665-7218 • FAX (806) 665-7210  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN	REVISION:		
	J.E.B.	6/11/12	
	S.C.	12/06/12	
DATE:	05/11/2012		
FILE:	BO_TX_RE_040_4		
DRAWN BY:	J.E.B.		
SHEET :	7 OF 8		



**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**10.18 ACRE SURVEY DESCRIPTION**

DECEMBER 6, 2012  
Sheet 8 of 8

Being 10.18 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 65°42'30" West, a distance of 1,424.68 feet;

**THENCE** Easterly, across said 290 acre tract as follows:

South 87°50'06" East, a distance of 524.72 feet to a "set iron rod"; North 01°58'30" East, a distance of 460.40 feet to a "set iron rod";

**THENCE** South 87°56'58" East, a distance of 271.11 feet to a "set iron rod" from which a found 3/8 inch iron rod for the common corner of Sections 25 and 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, Sections 30 and 31, Block 57, Township No. 1, T. & P. Railroad Company Survey bears: South 89°41'42" East, a distance of 3,329.67 feet;

**THENCE** continuing across said 290 acre tract as follows:

South 01°58'50" West, a distance of 861.02 feet to a "set iron rod"; North 87°49'42" West, a distance of 796.08 feet to a "set iron rod";

**THENCE** North 02°01'21" East, a distance of 399.99 feet the **POINT OF BEGINNING**, and **END OF THIS DESCRIPTION**, containing 10.18 acres of land.



MICHAEL BLAKE BROWN, R.P.L.S. No. 5857  
DECEMBER 6, 2012

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140

12-08678

977/57

DEED STATE OF  
TEXAS

WARRANTY DEED

STATE OF TEXAS  
COUNTY OF Reeves

SOURCE DEED  
RUSTLER HILLS to NUEVO MIDSTREAM  
RAMSEY PLANT ACQUISITION  
5.85 & 38.94 ACRES

For and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, **RUSTLERS HILLS II, LTD.**, a Texas corporation (hereinafter "**Grantor**"), does hereby grant, bargain, sell, convey and warrant unto **NUEVO MIDSTREAM, LLC**, a Delaware limited liability company (hereinafter "**Grantee**"), the lands in Reeves County, Texas, described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof by this reference (hereinafter the "**Fee Acreage**").

TO HAVE AND TO HOLD the Fee Acreage in accordance with the terms and provisions hereof, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, its successors and assigns, forever. Grantor hereby conveys to Grantee, its successors and assigns, and fully subrogates them to, all rights and actions of warranty now held or hereafter acquired by Grantor against others in respect of the Fee Acreage or any portion thereof.

This conveyance is made expressly subject to each of the following:

1. Any and all prior exceptions and reservations of oil, gas and other minerals of record;
2. Any and all rights-of-way and easements of record affecting the Fee Acreage or any portion thereof;
3. Any and all applicable municipal or county zoning ordinances; and
4. Any and all applicable protective or restrictive covenants of record.

Ad valorem taxes and any other applicable taxes for 2011 shall be prorated between Grantor and Grantee at the closing of this transaction as of the effective date of this conveyance.

Grantor shall retain and be fully responsible and shall indemnify, hold harmless and defend Grantee, its owners, managers and members and their respective employees, officers, directors, attorneys, agents and representatives from and against all loss, liability, and claims (including without limitation, attorneys' fees and expenses, court costs and expert fees and expenses) and causes of action asserted after the Effective Date arising from: (i) Personal injury claims and third party property damage claims relating to the ownership and operation of the Properties prior to the Closing; or (ii) Any contamination or condition exceeding regulatory limits (now or in the future) and not otherwise permanently authorized by permit or law, resulting from any discharge, release, production, storage, treatment, seepage, escape, leakage, emission, emptying, leaching or any other activities on, in or from the Fee Acreage, or the migration or transportation from other lands to the Fee Acreage of any wastes, pollutants, contaminants, hazardous materials or other materials or substances subject to regulation relating to the protection of the environment under current or future federal, state or local laws or statutes, including, but not limited to, the Clean Air Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substance Control Act, the Hazardous and Solid Waste Amendments Act of 1984, the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Clean Water Act, the national Environmental Policy Act, the endangered species Act, the Fish and Wildlife Coordination Act, the National Historic Preservation Act, and the Oil Pollution Act of 1990, as such laws may be amended from time to time and all regulations, orders, rulings, directives, requirements and ordinances promulgated thereunder (collectively, "*Adverse Environmental Conditions*"), insofar as such Adverse Environmental Conditions relate to the ownership or operation of the Fee Acreage prior to the Closing.

Grantor intends to convey, and does hereby convey, to Grantee, its successors and assigns, all Fee Acreage described on Exhibit A attached hereto.

Grantor hereby agrees to execute and deliver to Grantee any and all other or further instruments as may reasonably be required to vest Grantee with record title to the Fee Acreage.

**GRANTEE:**

**NUEVO MIDSTREAM, LLC**

**BY:** *Ry Zuluaga*

**ITS:** *Vice President*

**Addresses of Grantor and Grantee:**

Rustlers Hills II, Ltd.  
706 W. Riverside  
Carlsbad, NM 88220

Nuevo Midstream, LLC  
1331 Lamar, Suite 1400  
Houston, Texas 77010

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named John Decker Brantley as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11  
day of June, 2012.



My Commission Expires:

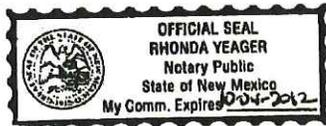
10-04-2012

Rhonda Yeager  
NOTARY PUBLIC

STATE OF NM  
COUNTY OF Eddy

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named George Brantley, as partner of RUSTLERS HILLS II, LTD., a Texas corporation, who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of the aforesaid limited liability company after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 11  
day of June, 2012.



My Commission Expires:

10-04-2012

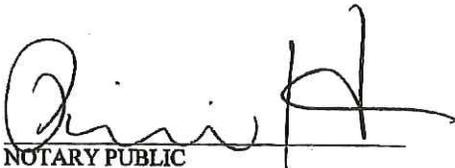
Rhonda Yeager  
NOTARY PUBLIC

STATE OF TEXAS  
COUNTY OF HARRIS

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RANDY ZIEBARTH, as VICE PRESIDENT of NUEVO MIDSTREAM, LLC., a Delaware limited liability company who acknowledged that he executed the foregoing Warranty Deed on the day and year therein mentioned as his free and voluntary act and deed for and on behalf of NUEVO MIDSTREAM, LLC after first having been duly authorized so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, this the 14<sup>th</sup>  
day of JUNE, 2011.



  
NOTARY PUBLIC

My Commission Expires:

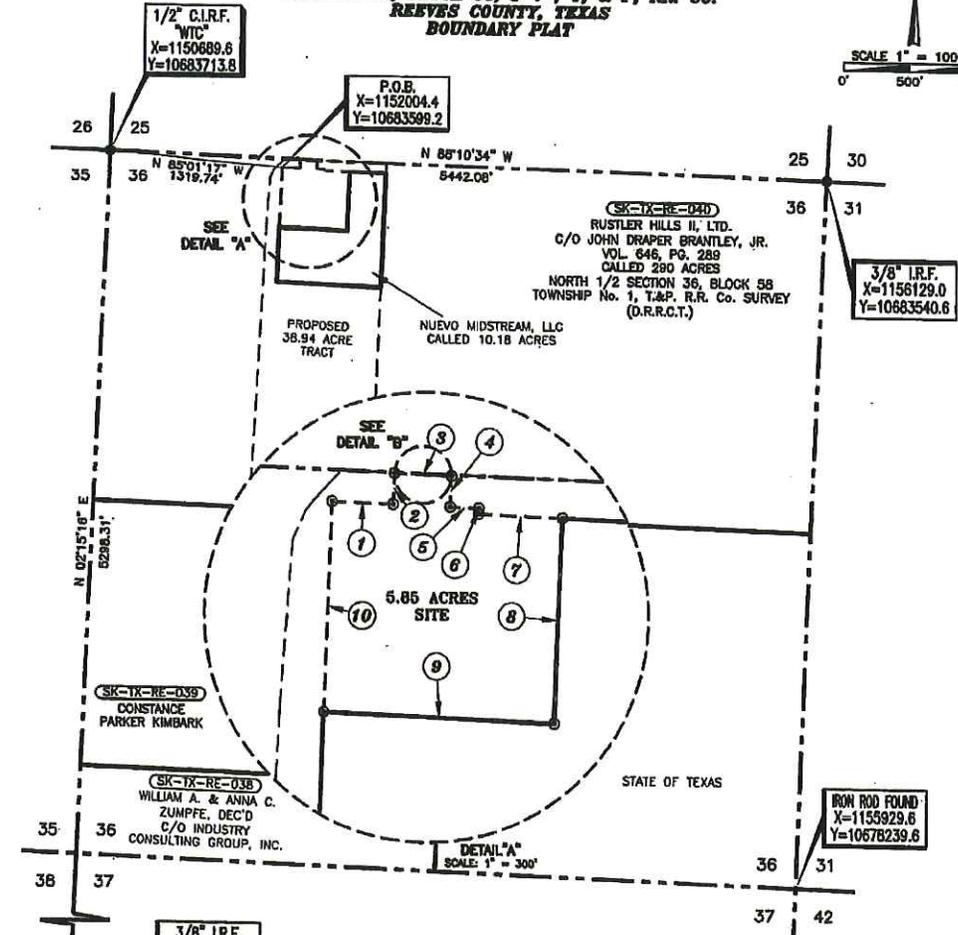
8/17/2015

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**EXHIBIT "A"**

**SECTION 36, BLOCK 58, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT**



1/2" C.I.R.F.  
"WTC"  
X=1150689.6  
Y=10683713.8

P.O.B.  
X=1152004.4  
Y=10683599.2

3/8" I.R.F.  
X=1156129.0  
Y=10683540.6

IRON ROD FOUND  
X=1155929.6  
Y=10678239.6

3/8" I.R.F.  
X=1149646.3  
Y=10657210.5

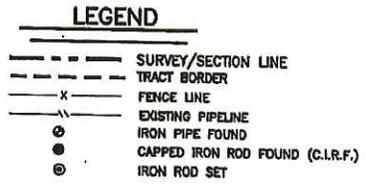
DETAIL "A"  
SCALE: 1" = 300'

DETAIL "B"  
SCALE: 1" = 100'

**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 85°10'37" E	137.68'
2	N 02°30'20" E	70.16'
3	S 87°50'51" E	129.40'
4	S 01°49'45" W	69.65'
5	S 87°56'09" E	64.69'
6	S 00°59'56" W	13.02'
7	S 87°51'33" E	191.94'
8	S 01°57'51" W	460.61'
9	N 87°49'21" W	524.81'
10	N 01°58'11" E	471.84'

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. FEET, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**TOPOGRAPHIC**

SURVEYING • MAPPING • GIS • GFS  
1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX: (817) 744-7548  
2225 FERRITON PARKWAY • PAMPA, TEXAS 79066  
TELEPHONE: (806) 665-7218 • FAX: (806) 665-7210  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1655 • FAX: (432) 682-1743  
WWW.TOPOGRAPHIC.COM

CAPITAN		REVISION:	
DATE:	05/08/2012	J.E.B.	5/11/12
FILE:	BO_TX_RE_040_2		
DRAWN BY:	J.E.B.		
SHEET :	1 OF 2		



**EXHIBIT "A"**  
**REEVES COUNTY, TEXAS**  
**5.85 ACRE SURVEY DESCRIPTION**

MAY 11, 2012  
Sheet 2 of 2

Being 5.85 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 290 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follows:

**BEGINNING** at a set 1/2-inch iron rod with cap marked Topographic ("set iron rod") for the Northwest corner of this tract, from which a found 1/2 inch iron rod with cap marked "WTC" for the common corner of Sections 36,35,25, and 26, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 85°01'17" West, a distance of 1,319.74 feet;

**THENCE** Easterly, along the North line of this 5.85 acre tract as follows:

South 88°10'37" East, a distance of 137.68 feet to a "set iron rod"; North 02°30'20" East, a distance of 70.18 feet to a "set iron rod";  
South 87°50'51" East, a distance of 129.40 feet to a "set iron rod"; South 01°49'45" West, a distance of 69.65 feet to a "set iron rod";  
South 87°56'09" East, a distance of 64.69 feet to a "set iron rod"; South 00°59'56" West, a distance of 13.02 feet to a "set iron rod";

**THENCE** South 87°51'33" East, a distance of 191.94 feet to a "set iron rod" for the common Northeast corner of this tract and the Northwest corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC;

**THENCE** South 01°57'51" West, along the West line of said called 10.18 acre tract, a distance of 460.51 feet to a "set iron rod" and North 87°49'21" West, a distance of 524.81 feet to a "set iron rod";

**THENCE** North 01°58'11" East, departing said common South line of this tract and North line of said called 10.18 acre tract, a distance of 471.84 feet the **POINT OF BEGINNING**, and **END OF THIS DESCRIPTION**, containing 5.85 acres of land.

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

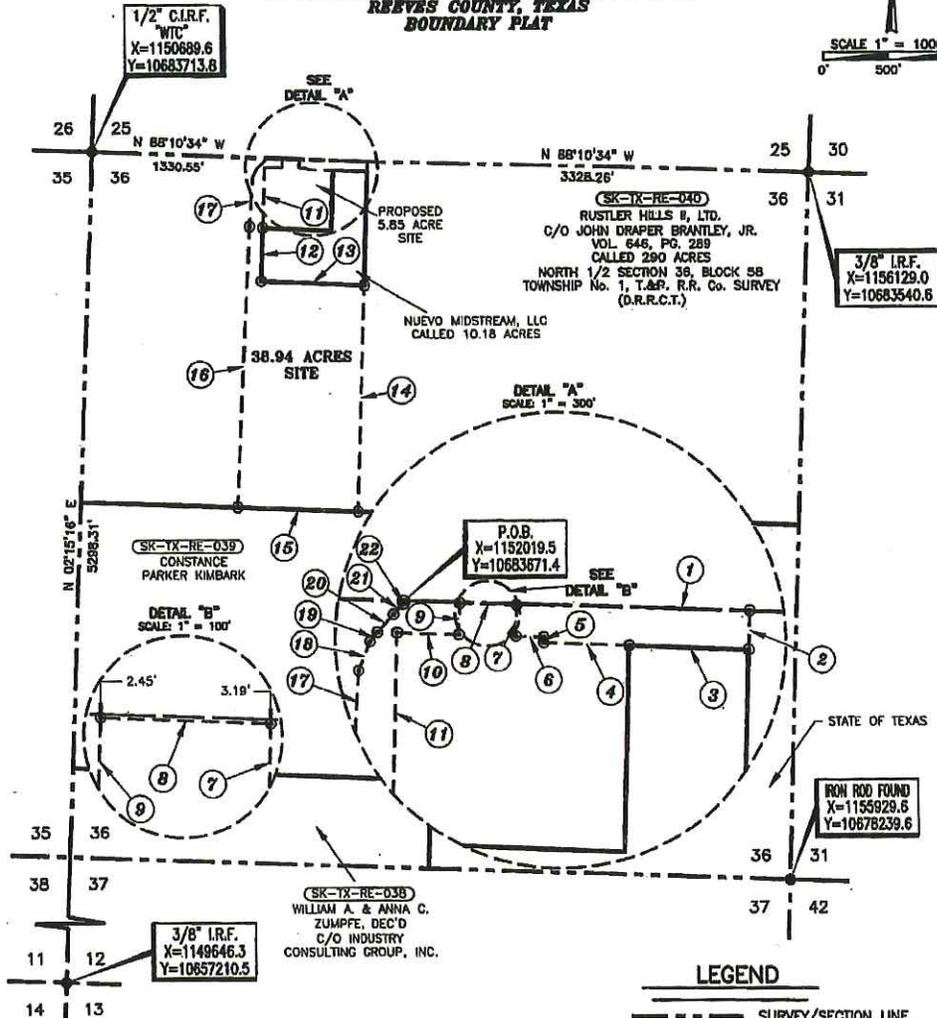
nuevo  
MIDSTREAM

**EXHIBIT "B"**

SECTION 36, BLOCK 68, T-1, T, & P, RR. CO.  
REEVES COUNTY, TEXAS  
BOUNDARY PLAT



SCALE 1" = 1000'  
0' 500' 1000'



**LEGEND**

- SURVEY/SECTION LINE
- - - - - TRACT BORDER
- x FENCE LINE
- EXISTING PIPELINE
- ⊙ IRON PIPE FOUND
- ⊙ CAPPED IRON ROD FOUND (C.I.R.F.)
- ⊙ IRON ROD SET

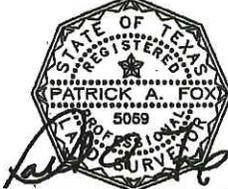
**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 88°10'34" E	783.27'
2	S 01°58'51" W	88.17'
3	N 87°58'07" W	271.11'
4	N 87°51'53" W	191.94'
5	N 00°59'56" E	13.02'
6	N 87°58'09" W	64.69'
7	N 01°49'45" E	69.65'
8	N 87°50'51" W	129.40'
9	S 02°30'20" W	70.16'
10	N 88°10'37" W	137.68'
11	S 01°58'11" W	471.84'

**LINE TABLE**

LINE	BEARING	DISTANCE
12	S 02°01'21" W	389.99'
13	S 87°49'42" E	796.08'
14	S 02°18'20" W	1701.12'
15	N 88°08'30" W	921.02'
16	N 02°51'58" E	2112.11'
17	N 04°06'13" E	376.99'
18	N 23°47'42" E	71.83'
19	N 39°24'40" E	27.76'
20	N 43°22'53" E	54.11'
21	N 43°23'18" E	32.77'
22	N 00°00'00" W	7.62'

1. ORIGINAL DOCUMENT SIZE: 14" X 8.5"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, U.S. TZ87, NORTH AMERICAN DATUM 1983
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY NUEVO MIDSTREAM. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. B.O.L./P.O.B. = BEGINNING OF LINE/POINT OF BEGINNING
5. E.O.L./P.O.E. = END OF LINE/POINT OF EXIT
6. (D.R.R.C.T.) = DEED RECORDS, REEVES COUNTY, TEXAS



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**TOPOGRAPHIC**

SURVEYING • MAPPING • GIS • GPS  
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2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • FAX: (432) 682-1743  
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CAPITAN	REVISION:	
	J.E.B.	5/11/2012
DATE: 05/08/2012		
FILE: BO_TX_RE_040		
DRAWN BY: J.E.B.		
SHEET: 1 OF 2		

**EXHIBIT "B"**  
**REEVES COUNTY, TEXAS**  
**38.94 ACRE SURVEY DESCRIPTION**

May 11, 2012  
Sheet 2 of 2

Being 38.94 acres of land, situated in the North half (1/2) of Section 36, Block 58, Township No. 1, T. & P. Railroad Company Survey, out of a called 260 acre tract of land, described in deed to Rustler Hills II, Ltd. C/O John Draper Brantley, Jr., as recorded in Volume 646, Page 289, Deed Records, Reeves County, Texas (D.R.R.C.T.), and more particularly described by metes and bounds as follow:

BEGINNING at a set 1/2 inch iron rod with cap marked Topographic ("set iron rod") in the common North line of Section 36, and South line of Section 25, Block 58, Township No. 1, T. & P. Railroad Company Survey for the Northwest corner of this tract, from which a found 1/2 inch capped iron rod with cap marked "WTC" for the common corner of Sections 36,35,26, and 25, Block 58, Township No. 1, T. & P. Railroad Company Survey bears: North 88°10'34" West, a distance of 1,330.55 feet;

THENCE South 88°10'34" East, with said North line of Section 36 and South line of Section 25, a distance of 783.27 feet to a "set iron rod" for the Northeast corner of this tract;

THENCE South 88°10'34" East, departing the North line of Section 36, a distance of 783.27 feet to a "set iron rod" for the common corner of this tract and Northeast corner of a called 10.18 acre tract of land conveyed from Rustlers Hills II, LTD. to Nuevo Midstream, LLC.;

THENCE Easterly, with the common North line of said 10.18 acre tract and South line of this tract, as follows:

South 01°58'51" West, a distance of 88.17 feet to a "set iron rod"; North 87°58'07" West, a distance of 271.11 feet to a "set iron rod"; North 87°51'33" West, a distance of 191.94 feet to a "set iron rod"; North 00°59'56" East, a distance of 13.02 feet to a "set iron rod"; North 87°56'09" West, a distance of 64.69 feet to a "set iron rod"; North 01°49'45" East, a distance of 69.65 feet to a "set iron rod"; North 87°50'51" West, a distance of 129.40 feet to a "set iron rod"; South 02°30'20" West, a distance of 70.18 feet to a "set iron rod"; North 88°10'37" West, a distance of 137.68 feet to a "set iron rod"; South 01°58'11" West, a distance of 471.84 feet to a "set iron rod"; South 02°01'21" West, a distance of 399.99 feet to a "set iron rod";

THENCE South 87°49'42" East, a distance of 796.08 feet to a "set iron rod" for common corner of this tract and the Southeast corner of said 10.18 acre tract of land;

THENCE South 02°18'20" West, a distance of 1701.12 feet to a "set iron rod" on the common South line of said North half (1/2) of Section 36 and North line the Southwest Quarter (1/4) of said Section 36;

THENCE North 88°08'30" West, along said common line, a distance of 921.02 feet to a "set iron rod" for the Southwest corner of this tract;

THENCE Northerly, departing said common South line of said North half (1/2) of Section 36, as follows:

North 02°51'58" East, a distance of 2112.11 feet to a "set iron rod"; North 04°06'13" East, a distance of 376.99 feet to a "set iron rod"; North 23°47'42" East, a distance of 71.93 feet to a "set iron rod"; North 39°24'40" East, a distance of 27.76 feet to a "set iron rod"; North 43°22'53" East, a distance of 54.11 feet to a "set iron rod"; North 43°23'18" East, a distance of 32.77 feet to a "set iron rod";

THENCE North 00°00'00" West, a distance of 7.62 feet to the POINT OF BEGINNING, and END OF THIS DESCRIPTION, containing 38.94 acres of land.

Topographic Land Surveyors  
1400 Everman Parkway  
Suite 197  
Fort Worth, TX 76140



Patrick A. Fox, R.P.L.S. No. 5069  
May 11, 2012

**Attachment**

**X**

**Guidelines and Criteria for Reinvestment Zone**

## PECOS COUNTY

### GUIDELINES AND CRITERIA FOR TAX ABATEMENT

#### I. PURPOSE

Pecos County, herein referred to as "the County," is committed to the promotion of quality development in all parts of the County and to improving the quality of life for its citizens. In order to help meet these goals, the County will consider recommending tax abatement to stimulate growth and development. Any such incentive shall be provided in accordance with the procedures and criteria outlined in this document. However, nothing in these guidelines shall imply or suggest, or be construed to imply or suggest, that the County is under any obligation to provide any incentive to any applicant. All such applications for tax abatement shall be considered on an individual basis with regard to both the qualification for abatement and the amount of any abatement.

#### II. DEFINITIONS

The Glossary attached to the County's is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

#### III. GUIDELINES AND CRITERIA

Improvements eligible for abatement include the following:

- Aquaculture/agriculture facility,
- Distribution center facility,
- Manufacturing facility,
- Office building,
- Regional entertainment tourism facility,
- Renewable power facility and fixtures,
- Research facility,
- Historic building in a designated area, or
- Other basic industry.

Requests for abatement will be evaluated according to factors including, but not limited to, the

following:

- (1) Jobs. Projected new jobs created, including the number and type of new jobs, the number and type of jobs retained, the average payroll, and the number of local persons hired.
- (2) Fiscal Impact. The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, any County financed infrastructure improvements that will be required by the facility, any infrastructure improvements proposed to be made by the facility, and the compatibility of the project with the County's master plan for development.
- (3) Community Impact. The pollution, if any, as well as other potential negative environmental impact on the health and safety of the community resulting from the proposed project; whether the project will revitalize a depressed area; potential business opportunities for local vendors; alternative development possibilities for the proposed site; the impact on other taxing entities; and/or whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Pecos County to another.

#### IV. ABATEMENT AUTHORIZED

- (a) Authorized Date. A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction: provided that such facility meets the criteria for granting tax abatement in reinvestment zones created by Pecos County pursuant to these Guidelines and Criteria. Property may be exempted from taxation under these guidelines for a period not to exceed the statutory limitations.
- (b) Creation of New Value. Abatement may only be granted for the additional value of or increase in value to eligible improvements made subsequent to the filing of an application for tax abatement and specified in the abatement agreement between the County and the property owner or lessee and lessor, subject to such limitations as the Tax Abatement Statute and these Guidelines and Criteria may require.
- (c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion. If the modernization project includes replacement of a facility existing at the time of application, the abated value shall be the value of the new unit(s) less the value of the old unit(s).
- (d) Eligible Property. Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.

- (e) Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement:

land,  
animals,  
inventories,  
supplies,  
tools,  
furnishings, and other forms of movable personal property (except as provided below),  
vehicles,  
vessels,  
aircraft,  
housing or residential property,  
hotels/motels,  
fauna,  
flora,  
retail facilities,  
except when housed in an historic structure, within the designated downtown district,  
any improvements including those involved in the production, storage or distribution of natural gas or fluids that are not integral to the operation of the facility, and  
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. This provision shall not be interpreted to disallow abatement for property located in the Pecos County Industrial Park. Nor shall this provision be interpreted to disallow abatement where the eligible property to be abated may be located on or affixed to land owned by the State or a subdivision of the State, but is wholly owned by the party seeking the abatement.

Equipment constituting personal property located in the reinvestment zone shall remain eligible for abatement provided the equipment is awaiting installation to become a permanent part of a fixture located or to be constructed in the reinvestment zone that is or will be eligible for property tax abatement, including any replacement parts.

- (f) Owned/Leased Facilities. If leased property is granted abatement, the agreement shall be executed with the lessor and lessee. If the eligible property to be abated is located on or affixed to leased land, but is wholly owned by the party seeking the abatement, the agreement shall be executed only with the owner of the property to be abated.
- (g) Value and Term of Abatement. Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the

agreement. The value of new eligible properties shall be abated according to the approved agreement between the applicant and the governing body. The governing body, in its sole discretion, shall determine the amount of any abatement.

The abatement may be extended from the date of the initial agreement by modification provided the statutory requirements for modification are met.

- (h) Construction in Progress. If a qualifying facility has not been placed in service as of January 1 following execution of the abatement agreement, the taxpayer may apply for a one-year extension of the term of abatement. Said extension must be applied for prior to the end of the calendar year in which the abatement agreement is executed.
- (i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
  - (1) The value of ineligible property as provided for in Part IV(e) shall be fully taxable.
  - (2) The base year value of existing eligible property, meaning the value of the property for the year in which the abatement agreement is executed, shall be fully taxable.
  - (3) The additional value of eligible property shall be taxable as provided for by the applicable abatement agreement between the owner and the County.

## V. APPLICATION FOR TAX ABATEMENT

- (a) Any present or potential owner of taxable property in Pecos County may request the creation of a reinvestment zone and tax abatement by filing a written request with the County.
- (b) The application shall consist of a completed application form accompanied by:
  - (1) a general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;
  - (2) a descriptive list of the improvements that will be a part of the facility;
  - (3) a map and property description or a site plan;
  - (4) a time schedule for undertaking and completing the planned improvements;
  - (5) for modernized facilities, a statement of the assessed value of the facility,

separately stated for real and personal property, for the tax year immediately preceding the application; and

- (6) financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of a completed application, the County receiving such application shall notify in writing the presiding officer of the legislative body of each affected jurisdiction. Before acting upon the application, the County shall through public hearings as described below afford the applicant and the designated representative of any affected jurisdiction and any member of the public the opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on an agenda of the legislative body of the County to be posted at least twenty (20) days prior to the hearing.
- (d) The County shall approve or deny the application for tax abatement within sixty (60) days after receipt of the application. The presiding officer of the County shall notify the applicant of the approval or disapproval promptly thereafter.
- (e) Statutory Requirements: Not later than the seventh (7th) day before the date of the hearing, notice of the hearing must be: (1) delivered in writing to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and (2) published in a newspaper of general circulation in the County. At the hearing, the Commissioners Court evaluates the application against the criteria described in these guidelines and decides by majority vote whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect. An order designating an area as a reinvestment zone is valid for five years from the date of designation. Once the area is designated as a reinvestment zone, the Commissioners Court may then arrange to consider for approval of the tax abatement agreement between the applicant and the county, which it may do at any regularly scheduled meeting, provided notice requirements are met. At least seven days prior to entering into a tax abatement agreement, the County must give written notice of its intent to do so to the presiding officer of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, along with a copy of the proposed tax abatement agreement. At the regularly scheduled meeting, the Commissioners Court may finally vote by simple majority to enter into the tax abatement agreement, or to decline.
- (f) Expedited consideration of application. If the County determines that the application should receive expedited consideration, the Commissioners Court may combine the steps described in the preceding paragraph into a single, regularly scheduled meeting of the Commissioners Court, provided the County meets the procedural prerequisites for each step.

- (g) A request for a reinvestment zone for the purpose of abatement shall not be granted if the County finds that the request for the abatement was filed after commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- (h) Variance. Requests for variance from the provisions of Subsections (a) through (e) of Part IV may be made in written form to the County Commissioners Court. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of the request for variance requires a three-fourths (3/4) vote of the County Commissioners Court.

## VI. PUBLIC HEARING

- (a) If, after a public hearing, the County Commissioners Court weighs the relevant factors listed in these guidelines and determines that granting the abatement is not in the best interests of the County, the Court shall deny the abatement.
- (b) Neither a reinvestment zone nor an abatement agreement shall be authorized if it is determined that:
  - (1) There would be a substantial and unreasonable adverse affect on the provision of government services or the overall tax base of the County.
  - (2) The applicant has insufficient financial capacity.
  - (3) Planned or potential use of the property would constitute a hazard to public safety, health, or morals.
  - (4) Planned or potential use of the property violates any other governmental codes or any applicable law.

## VII. AGREEMENT

- (a) After approval of the tax abatement application, the County shall formally pass a resolution and execute an agreement with the owner of the facility and the lessee involved, if any, which shall include:
  - (1) Estimated value to be abated and the base year value.
  - (2) Percent of value to be abated each year.
  - (3) The commencement date and the termination date of abatement.
  - (4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description, and improvements list.

- (5) Contractual obligations in the event of default, including a provision for cancellation and recapture of delinquent taxes, provisions for administration and assignment as provided herein, and any other provision that may be required for uniformity or by state law.
  - (6) Performance criteria for continuation of the abatement.
  - (7) Amount of investment and average number of jobs involved for the period of abatement.
  - (8) A provision that the contract shall meet all of the requirements of Texas Property Tax Code Chapter 312.
- (b) Such agreement shall be executed within sixty (60) days after approval of the agreement.
  - (c) The County shall make its own determination of abatement which shall not bind any other affected taxing entity.

#### VIII. RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues production of product or service for any reason other than fire, explosion, or other casualty or accident or natural disaster for a period of more than one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the County within sixty (60) days from the date of termination.
- (b) Should the County determine that the owner is in default of the agreement, the County shall notify the owner of the defect in writing at the address stated in the agreement, and if such defect is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement shall be terminated. Where cure of the proposed defect requires action undertaken over a period of time, the contract will not be considered to be in default if the performing party has undertaken efforts to cure the defect and is diligently pursuing those efforts.
- (c) In the event that the company or individual:
  - (1) allows its ad valorem taxes owed the County to become delinquent, and to remain delinquent for a period of thirty (30) days following notice of the delinquency without instituting proper legal procedures for their protest and/or contest; or

- (2) violates in a way any of the terms and conditions of the abatement agreement and fails to cure same during the Cure Period;

the agreement shall be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination. A failure to abide by estimated timelines for construction will not be considered to be a material breach of this agreement, provided the owner makes a reasonable effort to meet the estimated timeline.

## IX. ADMINISTRATION

- (a) The Chief Appraiser of the Pecos County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year the company or individual receiving the abatement shall furnish the designee of the County with such information as may be necessary to determine continued eligibility for abatement. Once the value has been established, the Chief Appraiser shall notify the County of the amount of assessment. Additionally, the County designee shall notify the County of the number of new or retained employees associated with the facility or generated by the abatement agreement. Once value has been established, the Chief Appraiser shall notify the affected taxing jurisdictions of the amount of the assessment.
- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to prevent unreasonable interference with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the owner in accordance with its safety standards.
- (c) Upon completion of construction the County shall annually evaluate each facility and report possible violations of the contract and/or agreement to the County.
- (d) All proprietary information acquired by the County for purposes of monitoring compliance with the terms and conditions of an abatement agreement shall be considered confidential.

## X. ASSIGNMENT

- (a) Abatement may be transferred and assigned by the owner to a new owner of the same property upon approval by resolution of the County Commissioners Court, subject to the financial capacity of the assignee and provided that the agreement is modified to substitute the assignee as a party to the agreement.
- (b) Any such modification shall not exceed the termination date of the abatement

agreement with the original owner.

- (c) No assignment or transfer shall be approved if either the parties to the existing agreement or the proposed assignee is liable to the County for outstanding taxes or other obligations.
- (d) Approval shall not be unreasonably withheld. Upon a finding that the proposed assignee is capable of performing the obligations under the agreement, financially and otherwise, approval of the assignment will not be withheld.

#### XI. SUNSET PROVISION

- (a) These guidelines are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its agreements will be reviewed by the County to determine whether the goals of these guidelines and the Tax Abatement Statute have been achieved. Based on that review, these guidelines may be modified, renewed or eliminated. Such actions shall not affect existing contracts.
- (b) Prior to the date for review, as defined above, these Guidelines may be modified by a two-thirds (2/3) vote of the County Commissioners Court, as provided for by the laws of the State of Texas.

#### XII. SEVERABILITY AND LIMITATIONS

- (a) In the event that any section, clause, sentence, paragraph, or any part of these guidelines is, for any reason, adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of the guidelines.
- (b) Property that is in a reinvestment zone and that is owned or leased by a member of the County Commissioners Court is excluded from property tax abatement.
- (c) If this Guideline Statement has omitted any mandatory requirement of the applicable tax abatement laws of the State of Texas, then such requirement is hereby incorporated as a part of these guidelines.

XIII. These Guidelines and Criteria do not affect the County's right to enter into abatement agreements for property located within the City of Fort Stockton pursuant to the existing agreement between the County and the City, regardless of whether such abatement agreements meet the criteria announced by these Guidelines.

**Attachment**

**Y**

**Certificate of Account Status**



## Franchise Tax Account Status

As of: 06/06/2013 09:37:35 AM

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**This Page is Not Sufficient for Filings with the Secretary of State**

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### NUEVO MIDSTREAM, LLC

Texas Taxpayer Number	32043958548
Mailing Address	1331 LAMAR ST STE 1450 HOUSTON, TX 77010-3122
Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	04/01/2011
Texas SOS File Number	0801406599
Registered Agent Name	C T CORPORATION SYSTEM
Registered Office Street Address	350 NORTH ST. PAUL ST., STE. 2900 DALLAS, TX 75201

