Biennial Progress Report for Texas Economic Development Act

Economic Development and Analysis
Form 50-773-A

INTRODUCTION

- You have been assigned an application number. Please verify this number on the website prior to completing the form. This form will indicate the sections you need to complete based on application number.
- This form must be filled out by each applicant that is party to a limitation agreement.
- If the original application was made by a group of two or more companies, each company must complete this form.
- If the original applicant split into two or more applicants after the original agreement, all current agreement holders must complete this form.
- Applicants should only complete the information for their years as an agreement holder, noting what year they were formed after the original agreement was approved.
- Each agreement holder should respond as a current agreement holder in Section 2.
- Applicants should report their proportionate share of required employment and investment information.
- In addition to the Biennial Progress Report required from each applicant that is a party to an agreement, a separate Biennial Progress Report summarizing the combined applicants' data for the entire agreement must be completed.
- If one of the applicants cannot provide this information, a summarization report must be completed by the school district.
- Projects spanning more than one school district must complete forms for each school district.
- Please return signed hard copy forms and electronic spreadsheets to the school district before May 15 of each even-numbered year.

Note:

- The school district that is a party to the Chapter 313 agreement is collecting the data required by Chapter 313.008 on this form for the Comptroller of Public Accounts (CPA).
- The CPA requests companies complete the electronic spreadsheet version of the form. Please submit both an *electronic version* **and** a *signed hard copy version* of the spreadsheet (with any attachments) to the district. Please contact CPA if you have questions about the form. The spreadsheet version of this form can be downloaded at: **www.texasahead.org/tax_programs/chapter313/forms.php**.
- After ensuring that all forms are complete, the school district will forward that data to the CPA for inclusion in a statutorily required report to the Texas Legislature.

SECTION 1: Applicant Information

1. Application number 22
2. Name of school district Port Arthur ISD
3. Name of central appraisal district (CAD) appraising the qualified property in this school district Jefferson CAD
4. Name of project on original application *(or short description of facility)* Feed Rate Expansion and Tier II Diesel Projects
5. Name of applicant on original application The Premcor Refining Group Inc.
6. Name of company entering into original agreement with district same
7. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. *(Use attachments if necessary.)*

SECTION 2: Current Agreement Information

1. Name of current agreement holder(s) same
2. Complete mailing address of current agreement holder P.O. Box 690110, San Antonio, TX 78269
3. Company contact person for agreement holder:

Russell Minor	Director, Ad Valorem Tax
Name	Title
(210) 345-4312	russell.minor@valero.com
Phone	Email

4. Texas franchise tax ID number of current agreement holder: 14314912305
5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:

Name _____ Tax ID _____

6. NAICS Code of current agreement holder (6 Digit): 324110
7. If the authorized company representative is different from the contact person listed above:

Name _____ Title _____

Complete Mailing Address _____

Phone _____ Email _____

8. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. *(Use attachments if necessary.)*

SECTION 3: Project Timeline

1 Date original limitation agreement approved by school district 12/01/2004

2 First (complete) year of qualifying time period – after the date the application is approved. See Tax Code §313.021[4]... 2005

3 First year of property value limitation 2007

SECTION 4: Value Limitation Details

1 Original limitation amount *(for entire agreement)*: 30,000,000.00

2 Amount of qualified investment during the qualifying time period the recipient committed to spend or allocate for this project on application *(not total investment)*: 420,000,000.00

3 Total qualified investment made from the beginning of the qualifying time period through the end of the qualifying time period or the last complete tax year, if still in the qualifying time period. 593,759,192

4 Has the description of the qualified property changed from that in the application? ☑ Yes ☐ No

4a. If yes, please describe on an attachment how the actual qualified property — for which you are providing actual and estimated market values on subsequent pages — differs from that property described in the agreement. Include only property located in this school district.

5 What was the number of permanent existing jobs at this facility prior to application? *(See guidelines for definition of existing job.)* 778

SECTION 5: Job Details

1 For agreements before Jan. 1, 2014, does the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), as the rule existed at the time of application? ☐ Yes ☑ No

1a. If yes, please provide the definition of "new job" as used in the agreement. *(Use attachments if needed.)*

Economic Development and Analysis
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Biennial Progress Report for Texas Economic Development Act

CHART A1: Job Data for Applications 1 through 999

App Number: 22

Project Name: Feed Rate Expansion and Tier II Diesel Projects

District Name: Port Arthur ISD

1st Yr. of Qualifying Time Period: 2005

Company Name: The Premcor Refining Group Inc.

CHART A1 – Only complete this for applications 1 through 999.		Qualifying Time Period		Limitation Period								Viable Presence Period		
		Year 1 (First Complete Tax Year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
	Tax year (YYYY)													
1	Number of qualifying jobs[1] applicant committed to create on application (cumulative)													
2	Number of qualifying jobs[1] applicant actually created (cumulative)													
3	Number of new jobs[2] created (cumulative)													
4	Median annual wage of new jobs applicant created													
5	Total wages for new jobs applicant created													

SEE ATTACHED

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

Notes:
1. Jobs meeting all of the requirements of Tax Code §313.021(3) as the statute existed before Jan. 1, 2014. Do not include construction jobs in counts of qualifying jobs.
2. For new job definition see TAC §9.1051(14) as rules existed before Jan. 1, 2014.

By signing below, I, Russell Minor, certify that I am the authorized representative of The Premcor Refining Group Inc., a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

print here Russell Minor
Print Name/Title

(210) 345-4312
Phone

sign here Russell Minor
Authorized Official Signature

6/2/14
Date

The CPA requests companies complete the electronic spreadsheet version of the form. Please submit both an electronic version and a signed hard copy version of the spreadsheet (with any attachments) to the district.

For more information, visit our website: **www.TexasAhead.org/tax_programs/chapter313/**

CHART A2: Investment and Market Values for Applications 1 through 999

Applicant Number: 22

Current Agreement Holder Name: Premcor Refining Group Inc.

ISD Name: Port Arthur ISD

CHART A2 – Only complete this for applications 1 through 999.	Year	School Year (YYYY-YYYY)	Tax Year (actual tax year) YYYY	Total Investment[1] (cumulative)	Market value of qualified property on Jan. 1 BEFORE any exemptions[2]	Market value less any exemptions (such as pollution control) and before limitation[2]	Taxable value of qualified property for purposes of M&O
Prior to start of value limitation period	1-2						
Value limitation period	3						
	4						
	5						
	6						
	7						
	8						
	9						
	10						
Viable presence period	11						
	12						
	13						

SEE ATTACHED

Notes:
1. Total investment is all investment at original cost, including land acquired after filing of application. Investments made in a year should be reflected in the subsequent year's market value.
2. Use appraisal values from CAD as available. For future years, use market value that the entity estimates will approximate the market value for ad volorem tax purposes in that year.
3. This amount is typically the taxable value for the purpose of I&S fund or debt service reserve fund.

By signing below, I, Russell Minor, certify that I am the authorized representative of The Premcor Refining Group, a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

print here ▶ Russell Minor
Print Name/Title

(210) 345-4312
Phone

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Biennial Progress Report for Texas Economic Development Act

CHART A2: Investment and Market Values for Applications 1 through 999

Application Number 22
Current Agreement Holder Name **The Premcor Refining Group Inc**
ISD Name Port Arthur ISD

Form 50-773A
Revised Jan 2014

CHART A2 - Only complete this for applications 1 through 999.	Year	School Year (YYYY-YYYY)	Tax Year (actual tax year) YYYY	Total Investment[1] (cumulative)	Market value of qualified property on Jan. 1 BEFORE any exemptions[2]	Market value less any exemptions (such as pollution control) and before limitation[3]	Taxable value of qualified property for purposes of M&O
Prior to start of value limitation period	1	2005-06	2005	322,968,731			
	2	2006-07	2006	593,759,192	217,729,700	217,729,700	217,729,700
Value limitation period	3	2008-09	2007	864,549,653	350,583,700	350,583,700	30,000,000
	4	2008-09	2008	1,135,340,114	336,613,200	336,613,200	30,000,000
	5	2009-10	2009	1,406,130,575	333,991,600	333,991,600	30,000,000
	6	2010-11	2010	1,676,921,036	148,289,780	148,289,780	30,000,000
	7	2011-12	2011	1,947,711,497	189,120,770	189,120,770	30,000,000
	8	2012-13	2012	2,218,501,958	164,960,741	164,960,741	30,000,000
	9	2013-14	2013	2,489,292,419	177,715,300	177,715,300	30,000,000
	10	2014-15	2014	2,760,082,880	177,715,300	177,715,300	30,000,000
Viable presence period	11	2015-16	2015	3,030,873,341	177,715,300	177,715,300	177,715,300
	12	2016-17	2016	3,301,663,802	177,715,300	177,715,300	177,715,300
	13	2017-18	2017	3,572,454,263	177,715,300	177,715,300	177,715,300

Notes:
1. Total investment is all investment at original cost, including land acquired after filing of application. Investments made in a year should be reflected in the subsequent year's market value.
2. Use appraisal values from CAD as available. For future years, use market value that the entity estimates will approximate the market value for ad volorem tax purposes in that year.
3. This amount is typically the taxable value for the purpose of I&S fund or debt service reserve fund.

By signing below, I, Russell Minor, certify that I am the authorized representative of The Premcor Refining Group Inc., a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature _____ Date 02 June 2014

Print Name/Title Russell Minor, Director Property Tax Phone Number (210) 345-4312

The CPA requests companies complete the electronic spreadsheet version of the form.
Please submit both an electronic version and a signed hard copy version of the spreadsheet (with any attachments) to the district.

Biennial Progress Report for Texas Economic Development Act

CHART A1: Job Data for Applications 1 through 999

App Number 22

Project Name **Feed rate and Tier II Diesel Projects**

Form 50-773A
Revised Jan 2014

District Name Port Arthur ISD

1st Yr. of Qualifying Time Period 2005

Company Name The Premcor Refining Group Inc

	CHART A1 - Only complete this for applications 1 through 999.	Qualifying Time Period		Limitation Period								Viable Presence Period		
		Year 1 (First Complete Tax Year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
	Tax year (YYYY)	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
1	Number of qualifying jobs[1] applicant committed to create on application (cumulative)	0	35	35	35	35	35	35	35	35	35	35	35	35
2	Number of qualifying jobs[1] applicant actually created (cumulative)	0	35	35	35	35	35	35	35	35	35	35	35	35
3	Number of new jobs[2] created (cumulative)	0	35	35	35	35	35	35	35	35	35	35	35	35
4	Median annual wage of new jobs applicant created	N/A	$64,668	$66,931	$69,274	$71,699	$77,918	$80,646	$83,468	$86,390	$89,413	$89,413	$92,936	$96,181
5	Total wages for new jobs applicant created	N/A	$2,263,380	$2,342,598	$2,424,589	$2,509,450	$2,727,130	$2,822,610	$2,921,380	$3,023,650	$3,129,455	$3,129,455	$3,252,766	$3,366,335

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

Notes:
1. Jobs meeting all of the requirements of Tax Code §313.021(3) as the statute existed before Jan. 1, 2014. Do not include construction jobs in counts of qualifying jobs.
2. For new job definition see TAC §9.1051(14) as rules existed before Jan. 1, 2014.

By signing below, I, Russell Minor, certify that I am the authorized representative of The Premcor Refining Group Inc., a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature _____ Date 02 June 2014

Print Name/Title Russell Minor, Director Property Tax Phone (210) 345-4312

The CPA requests companies complete the electronic spreadsheet version of the form.
Please submit both an electronic version and a signed hard copy version of the spreadsheet (with any attachments) to the district.

B.6

AMENDMENT
TO
AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES

Under Comptroller's Rule 9.1055, and subject to Section 2.3 of the Original Agreement, on December18, 2008, the Agreement was amended to include, in the Applicant's Qualified Investment, additional or replacement eligible property as defined by Tax Code, §313.024 not specified in the original **EXHIBIT 3.**

Exhibit 3 of the Original Agreement was amended to include the following language:

Plant Operations Building

A 92,000 sq.ft., 3-story building that houses: Safety, Operations, Operations Services, Engineering, as well as other necessary departments. The building includes natural gas generator for power and HVAC to the EOC, I/S server room, IDF closets and sanitary sewer lift station; connection for trailer-mounted generator to power entire building and all tangible personal property located in the building that is ancillary and necessary to the business conducted therein.

AMENDED TEXAS ECONOMIC DEVELOPMENT ACT PARTICIPATION AGREEMENT

---

by and among

PORT ARTHUR INDEPENDENT SCHOOL DISTRICT,

and

THE PREMCOR REFINING GROUP INC.

Amendment Agreement Dated

December 18, 2008

AMENDED AGREEMENT
FOR LIMITATION ON APPRAISED VALUE OF PROPERTY
FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES

STATE OF TEXAS §

COUNTY OF JEFFERSON §

THIS AMENDED AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES (hereinafter referred to as the "Agreement") is executed and delivered by and among **Port Arthur Independent School District** (hereinafter referred to as the "District"), a lawfully created independent school district of the State of Texas operating under and subject to The Texas Education Code, and **The Premcor Refining Group Inc.** (hereinafter referred to as the "Applicant").

RECITALS

WHEREAS, on August 25, 2004, the Superintendent of Schools of the Port Arthur Independent School District, acting as agent of the Board of Trustees, received an Application from The Premcor Refining Group Inc. for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Property Tax Code; and,

WHEREAS, the Board of Trustees acknowledged receipt of the Application along with the requisite application fee as established pursuant to Texas Property Tax Code § 313.025(a)(1) and Local District Policy; and,

WHEREAS, the Application was delivered to the Texas Comptroller's Office for review pursuant to Texas Property Tax Code § 313.025(d); and,

WHEREAS, the Application was reviewed by the Texas Comptroller's Office pursuant to Texas Property Tax Code § 313.025(d), and a letter was issued by the Texas Comptroller's Office recommending Board approval of the Tax Limitation Agreement; and,

WHEREAS, the Board of Trustees has caused to be conducted an economic impact evaluation pursuant to Texas Property Tax Code § 313.026, and carefully considered such evaluation; and,

WHEREAS, the Application was reviewed by the County Appraisal District established in this County pursuant to the authority of Texas Property Tax Code § 6.01; and,

WHEREAS, the Board of Trustees conducted a public hearing on the Application at which it has solicited input into its deliberations on the Application from all interested parties within the District; and,

WHEREAS, the Board of Trustees made factual findings in accordance with the Texas Economic Development Act that this Agreement is in the best interest of the District;; and,

WHEREAS, on October 31, 2008 the Applicant requested that the Board of Trustees, pursuant to its authority under Texas Tax Code § 313.027(e), take official action to provide for the inclusion of additional Qualified Property be included in the definition of Qualified Property contained in this Agreement; and,

WHEREAS, on December 18, 2008, at a duly called and noticed meeting, the Board of Trustees considered the request of The Premcor Refining Group, Inc. for the inclusion of other property of the Applicant, that was not specifically described in the original Agreement, by official action; and

WHEREAS, on December 18 2008 the Board of Trustees determined that: (i) the information provided by the Applicant to the District in both its original Application and in its request has been true and correct; (ii) the Applicant has met all of its obligations under the original Agreement and has continued to Maintain a Viable Presence in the District; (iii) all of the Qualified Property described in **EXHIBIT 3**, including the property added by this Amendment was a new investment made after the filing of the Application by Applicant: (iv) all of the Qualified Property described in **EXHIBIT 3**, including the property added by this Amendment is used by Applicant in connection with its manufacturing activities under Texas Property Tax Code § 313.024(b)(1); (v) the tangible personal property described in **EXHIBIT 3**, is ancillary and necessary to the business conducted in the new building or in or on the new improvement; (vi) this Amended Agreement is in the best interest of the District and the State of Texas; (vii) the Applicant is eligible for the Limitation on Appraised Value of the Applicant's Qualified Property on the new property added under this Amended Agreement; (viii) each criterion listed in Texas Tax Code § 313.025(e) has been met; and,

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE I

AUTHORITY, TERM, DEFINITIONS, AND GENERAL PROVISIONS

Section 1.1. AUTHORITY

This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in § 313.027 of the Texas Property Tax Code.

Section 1.2. TERM OF THE AGREEMENT

This Agreement shall commence and first become effective for the ad valorem property valuations assessed against the qualified property and investments made pursuant to this Agreement beginning with the tax appraisals to be made as of January 1, 2005, which shall be referred to as the commencement date. The Parties to this Agreement acknowledge that the limitation on the local ad valorem property values shall not commence until the valuations made as of the second anniversary of the commencement date. These first two years shall be referred to as the qualifying time period as that term is defined in Texas Property Tax Code § 313.021(4). The limitation on the local ad valorem property values shall terminate in the year after 2014.

The tax years for which this Agreement is effective are as follows:

YEAR OF AGREEMENT	DATE OF APPRAISAL	SCHOOL YEAR	TAX YEAR	SUMMARY DESCRIPTION OF PROVISIONS
1.	January 1, 2005	2005-2006	2005	No limitation on value. Tax credit in future years.
2.	January 1, 2006	2006-2007	2006	No limitation on value. Tax credit in future years.
3.	January 1, 2007	2007-2008	2007	$30 million property value limitation.
4.	January 1, 2008	2008-2009	2008	$30 million property value limitation. Possible tax credit payment due to Applicant.
5.	January 1, 2009	2009-2010	2009	$30 million property value limitation. Possible tax credit payment due to Applicant.

6.	January 1, 2010	2010-2011	2010	$30 million property value limitation. Possible tax credit payment due to Applicant.
7.	January 1, 2011	2011-2012	2011	$30 million property value limitation. Possible tax credit payment due to Applicant.
8.	January 1, 2012	2012-2013	2012	$30 million property value limitation. Possible tax credit payment due to Applicant.
9.	January 1, 2013	2013-2014	2013	$30 million property value limitation. Possible tax credit payment due to Applicant.
10.	January 1, 2014	2014-2015	2014	$30 million property value limitation. Possible tax credit payment due to Applicant.
11.	January 1, 2015	2015-2016	2015	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to maintain viable presence if no early termination.
12.	January 1, 2016	2016-2017	2016	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to maintain viable presence if no early termination.
13.	January 1, 2017	2017-2018	2017	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to maintain viable presence.

Section 1.3. DEFINITIONS

Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning, to-wit:

"Act" means the Texas Economic Development Act set forth in Chapter 313, Texas Property Tax Code, as amended.

"Affiliate" means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Applicant. For purposes of this definition, control of an entity means (i) the ownership, directly or indirectly, of fifty (50) percent or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.

"Affiliated Group" means a group of one or more entities in which a controlling interest is owned by a common owner or owners, either corporate or non-corporate, or by one or more of the member entities.

"Agreement" means this Amended Agreement.

"Applicant" means The Premcor Refining Group Inc., the company listed in the Preamble of this Agreement, who, on August 25, 2004, filed an Application with the District for a Limitation on Qualified Property pursuant to Chapter 313 of the Texas Property Tax Code. The term shall also include the Applicant's assigns and successors in interest.

"Applicable School Finance Law" means Chapters 41 and 42 of the Texas Education Code, the Texas Economic Development Act (Chapter 313, Texas Property Tax Code), Chapter 403, Subchapter M, Texas Government Codes applicable to the District, and the Constitution and general laws of the state applicable to the independent school districts of the State, including specifically the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant's ad valorem tax obligation to the District either with or without the limitation of property values made pursuant to this Agreement.

"Application" means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, Texas Property Tax Code) initially filed with the District by Applicant on August 25, 2004.

"Comptroller" means the Texas Comptroller of Public Accounts.

"*Comptroller's Rules*" means the applicable rules and regulations of the Comptroller set forth at Chapter 34, Texas Administrative Code, together with any court or administrative decisions interpreting same.

"*County*" means Jefferson County, Texas.

"*District*" or "*School District*" means the Port Arthur Independent School District, being a duly incorporated and operating independent school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries.

"*Maintain Viable Presence*" means the operation over the life of this Agreement of the facility or facilities for which the tax limitation agreement is granted and the retention over the entire term of this Agreement of substantially the number of jobs set forth in the Application, with the minimum salaries required by Texas Property Tax Code § 313.021(3)(E). Applicant shall be deemed to have maintained a viable presence in the event of a temporary interruption in operations due to strike, judicial decision, weather, or other act of God. In the event a fire or other disaster shuts down plant operations, Applicant will be deemed to have maintained a viable presence so long as it commences repairs and/or reconstruction of the damaged property within ninety (90) days of the catastrophic event. In the event of closure due to environmental reasons, Applicant will be deemed to have maintained a viable presence so long as it commences remediation or otherwise acts in accordance with the order of the court or environmental agency.

"*Maintenance and Operations Revenue*" means those revenues that the District receives from the levy of its annual ad valorem maintenance tax pursuant to Texas Education Code § 45.002 and Article VII § 3 of the Texas Constitution. The term also includes all state revenues to which the District is or may be entitled under Chapter 42 of the Texas Education Code or any other statutory provision as well as any amendment or successor statute to these provisions. The term shall also include any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the Texas Education Code.

""*Qualified Investment*" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"*Qualified Property*" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter

313 of the Texas Tax Code and by the Comptroller's Rules. The definition of Qualified Property shall include all property **EXHIBIT 3**, and the land described in **EXHIBIT 2**of this Agreement to the extent it is owned by Applicant, an Affiliate, or an Affiliated Group.

"Qualifying Time Period" means the period of January 1, 2005 through December 31, 2006, first two tax years that began on or after the date the Application was approved, as is defined in Texas Tax Code § 313.021(4)(A).

"Revenue Protection Amount" means the amount calculated pursuant to Section 3.2 of this Agreement.

"State" means the State of Texas.

"Tax Credit" means the credit to be paid by the District to the Applicant computed under the provisions of Subchapter D of the Texas Economic Development Act and Comptroller's Rules, provided that the Applicant complies with the requirements under such provisions, including the filing of a completed application under Section 313.103 of the Texas Property Tax Code and, Texas Education Agency Rules or Comptroller Rules.

"Tax Limitation Amount" means the minimum amount that must be placed as a value on a Qualified Property/Qualified Investment for years three (3) through ten (10) of this Agreement pursuant to Texas Property Tax Code § 313.054. For purposes of this Agreement, that amount has been determined to be Thirty Million Dollars ($30,000,000.00).

ARTICLE II

PROPERTY DESCRIPTION

Section 2.1. LOCATION WITHIN A QUALIFIED REINVESTMENT OR ENTERPRISE ZONE

The Qualified Property will be located is within an area designated as a reinvestment zone under Chapter 311 or 312 or as an enterprise zone under Chapter 2303, Government Code. The metes and bounds description of the reinvestment or enterprise zone in which the Qualified Property is located is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.`

Section 2.2. LOCATION OF QUALIFIED PROPERTY

The location of the Qualified Property will be located within the area described in the metes and bounds description, which is attached to this Agreement as **EXHIBIT 2** and is incorporated herein by reference for all purposes. The parties to this Agreement expressly agree that the boundaries of the Qualified Property may not be material changed from its current configuration without the express authorization of each of the Parties.

Section 2.3. DESCRIPTION OF QUALIFIED INVESTMENT

The Qualified Investment for which Applicant is seeking this tax limitation Agreement is described in **EXHIBIT 3**, which is incorporated herein by reference for all purposes. Property that is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be a Qualified Investment for purposes of the Agreement. Qualified Investments may not be added to **EXHIBIT 3** except by an official determination of the Board of Trustees of the District made pursuant to Texas Property Tax Code § 313.027(e).

Section 2.4. QUALIFYING USE

The Qualified Investment described above in Section 2.3 qualifies for a tax limitation agreement under Texas Property Tax Code § 313.024(b)(1) as a manufacturing facility.

ARTICLE III

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 3.1. INTENT OF THE PARTIES

It is the intent of the Parties executing this Agreement that the District shall, in addition to the receipt of payments in lieu of taxation as set forth below in Article IV of this Agreement, be compensated by the Applicant for any loss that the District incurs in its Maintenance and Operations Revenue by virtue of its decision to participate in this Agreement under the Act. This Agreement is being executed to ensure that the risk of any negative financial consequence to the District in making the decision to participate in this Agreement is borne by the Applicant and not by the District.

Section 3.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT

The amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue for each year under this Agreement shall be determined according to the following formula:

The M&O amount owed by Applicant to District is equal to Original M&O Revenue *minus* New M&O Revenue;

Where:

i. Original M&O Revenue is the total state and local Maintenance & Operations Revenue that the District would have received for the school year had this Agreement not been entered into and the full taxable value of the qualified investment and/or qualified property been subject to the ad valorem Maintenance & Operations tax. For purposes of this calculation, the tax collection rate on the Qualified Property and/or Qualified Investment will be presumed to be one hundred percent (100%).

ii. New M&O Revenue is the total State and local Maintenance & Operations Revenue that the District actually received for the school year.

In making the calculations required by this section:

iii. The taxable value of property for each school year will be determined under the Applicable School Law.

iv. If the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section results in a negative number, the negative number will be used to offset future amounts owed to the District under this Section.

v. All calculations made for years 3 through 10 of this Agreement under Subsection ii of this Agreement will be based upon the limitation of value on the Qualified Property of Thirty Million Dollars ($30,000,000.00).

vi. All calculations made under this Section shall be made by a methodology that isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse the

District for other revenue losses created by other agreements or any other factors.

Section 3.3. COMPENSATION FOR LOSS OF OTHER REVENUES

In addition to the amounts determined pursuant to Section 3.2, above, Applicant, on an annual basis shall also indemnify the District for all non-reimbursed costs it incurs in paying or otherwise crediting to the Account of Applicant any applicable tax credit to which the Applicant may be entitled pursuant to Chapter 313, Subchapter D, Texas Property Tax Code, for which the District does not receive reimbursement from the State pursuant to Texas Education Code § 42.2515.

Section 3.4. CALCULATIONS TO BE MADE BY THIRD PARTY

All calculations under this Agreement shall be verified annually by an independent Third Party selected by the District establishing this Agreement. All calculations shall originally be based upon estimates and then be adjusted to reflect "final" or "actual" data for the applicable year as the data becomes available.

Section 3.5. DATA USED FOR CALCULATIONS

The initial calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Qualified Investment and/or Qualified Property by the County Appraisal District in its annual certified tax roll submitted to the District pursuant to Texas Property Tax Code § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of this information by the District, it will be transmitted to the Third Party selected under Section 3.4 of this Agreement. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. The data utilized by the Third Party will be adjusted from time to time to reflect subsequent adjustments by the Appraisal District to the District's tax roll.

Section 3.6. DELIVERY OF CALCULATIONS

On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 3.4 of this Agreement shall forward to the Applicant a certification containing the calculations required under Sections 3.2 and 3.3 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his or her invoice for services rendered to the Applicant, if any fee is being claimed.

Section 3.7. PAYMENT BY APPLICANT

On or before the January 31 next following the tax levy for each year for which this Agreement is effective, the Applicant shall pay any amount determined to be due and owing to the District and any amount billed by the Third Party. In no year shall Applicant be responsible for the payment of a fee to the Third Party in excess of Two Thousand Five Hundred Dollars.

Section 3.8. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT

In the event that the taxable value of the Qualified Investment and/or Qualified Property is changed after an appeal of its valuation or is otherwise altered, once the determination of a new value becomes final, the calculations required by Sections 3.2 and 3.3 of this Agreement will be remade by the Third Party using the new valuations. Upon completion of the new calculations, the Third Party shall transmit same to the Parties to this Agreement. Upon receipt of the new calculations, the party owing funds to the other signatories to this Agreement shall pay any amounts owed within thirty (30) days of receipt of the calculations from the Third Party.

Section 3.9. EFFECT OF STATUTORY CHANGES

Notwithstanding any other provision in this Agreement, in the event that, by virtue of Applicable School Finance Law, administrative interpretations by either the office of the Comptroller and/or the Commissioner of Education or the Texas Education Agency, or for any other reason, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State because of its participation in this Agreement, the Applicant shall make payments to the District up to the amount of the limit on the revenue protection amount set forth in Section 3.10 of this Agreement, which are necessary to offset any negative impact on the District as a result of its participation in the Agreement as is necessary to secure for the District an amount equal to that which the District would have received from State and local funds had the District not participated in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

Section 3.10. LIMITATION OF REVENUE PROTECTION AMOUNT IN YEARS FOUR THROUGH TEN OF THIS AGREEMENT

In the years four (Tax Year 2008) through ten (Tax Year 2014) of this Agreement, Applicant shall not be responsible for payment of a revenue protection amount to the District under Article III of this Agreement in excess of the amount of taxes that the Applicant would have paid to the District in ad valorem Maintenance and Operations taxes for the applicable year had this Agreement not been made. The comparison of these amounts shall be included in the

calculations made pursuant to Section 3.4 of this Agreement. In making this calculation, the Third Party shall include in his or her determination of the revenue protection limit credit for the amount of taxes actually paid by the Applicant on the Qualified Property.

Section 3.11. OPTION TO CANCEL AGREEMENT

For years four (Tax Year 2008) through ten (Tax Year 2014) of this Agreement, in the event that payments by Applicants to the District become limited in accordance with the provisions of Section 3.10, above, Applicant shall have the option to terminate this Agreement. Applicant may exercise its option to cancel the Agreement by notifying the District of its election in writing not later than the July 31 of any year next following the tax year in which the annual limitation set forth in Section 3.10 has been reached. The cancellation of the Agreement under this Section shall be effective as of the second tax year next following the year in which the limitation giving rise to the option occurred.

ARTICLE IV

PAYMENTS IN LIEU OF TAXATION

Section 4.1. AMOUNTS EXCLUSIVE OF INDEMNITY AMOUNTS

In addition to undertaking the responsibility for the payment of all of the amounts set forth under Article III of this Agreement, and as consideration for the execution of this Agreement by the District, Applicant shall also be responsible for the payments in lieu of taxation set forth in this Article. It is the express intent of the Parties that the obligation for payments in lieu of taxation are separate and independent of the obligation of Applicant to pay the amounts described in Article III.

Section 4.2. CALCULATION OF AMOUNT OF PAYMENTS IN LIEU OF TAXATION

(a) For each of years four (Tax Year 2008) through ten (Tax Year 2014) of this Agreement, the District shall be entitled to receive as payments in lieu of Taxation an amount equal to Fifty Percent (50%) of the tax benefit received by the Applicant as a result of this Agreement.

(b) The "tax benefit" shall be calculated for each of years four (Tax Year 2008) through ten (Tax Year 2014) of this Agreement by determining the amount of

Maintenance and Operations Taxes that the Applicant would have paid in the absence of this Agreement, and subtracting from that sum the amount of taxes actually due for that year, without giving consideration to any tax credit. From that difference there will then be subtracted any indemnity amount determined according to Article III of this Agreement. The remainder shall be the tax benefit to be divided as provided in Subsection (a) of this Section.

(c) The "tax benefit" shall be calculated by the Third Party selected pursuant to Section 3.4 of this Agreement.

(d) The calculations shall be made at the same time and on the same schedule as the calculations made pursuant to Section 3.6 of this Agreement.

(e) Payment of amounts due under this section shall be made at the time set forth in Section 3.7 of this Agreement.

Section 4.3. RECALCULATION OF PAYMENT IN LIEU OF TAXATION

The Parties agree that the payment in lieu of taxation amount set forth in Section 4.2 of this Agreement is based upon the current estimate of tax savings to the Applicant that is being made based upon assumptions of student counts, tax collections or other applicable data. For each of years four (Tax Year 2008) through ten (Tax Year 2014) of this Agreement, the Parties shall adjust the payment in lieu of taxation based upon the following formula.

Taxable value of the Qualified Property had the Tax Limitation Agreement not been made (The taxable values used for Interest and Sinking Fund purposes)

Minus

Taxable value of the Qualified Property with the Tax Limitation Agreement (The taxable values used for Maintenance and Operations purposes)

Multiplied by

The District's Maintenance and Operations Tax rate for the applicable year

Divided by

The number 2

Minus

Any amounts previously paid to the District under Sections 4.2 and 4.3 of this Agreement.

Upon completion of the new calculations, the Third Party shall transmit same to the Parties to this Agreement. Upon receipt of the new calculations, the Party owing funds to the other signatories to this Agreement shall pay any amounts owed within thirty (30) days of receipt of the calculations from the Third Party.

Section 4.4. DUE DATE OF PAYMENTS

Any amounts owed by Applicant to the District shall be paid on the same date established by Section 3.7 of this Agreement.

SECTION 4.5. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY

At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, redirect any or all of the Applicant's payment obligations under this Article IV. Such instructions may include the directive that any or all of the Article IV payments be made to its educational foundation, or to another similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote in conformance with the provisions of Section 8.1, below. Such designation may be rescinded by the District's Board of Trustees, by Board action, at any time.

ARTICLE V

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 5.1. DATA REQUESTS

During the life of this Agreement, Applicant shall be obligated to provide the District and the Jefferson County Appraisal District with all data, necessary under the Texas Property Tax Code, including, but not limited to, employment data necessary to determine whether all

obligations under this Agreement are being met. In the event that the District requests information that the Applicant regards as being technical or business information that is proprietary, a trade secret or confidential in nature or is subject to a confidentiality agreement with any third party, Applicant shall inform the District of its concerns and suitable arrangements shall be made for the District to have access to the information in a manner that does not compromise the confidentiality of the information to other third parties.

Section 5.2. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE

By entering into this Agreement, Applicant warrants that it will abide by all of the terms of this Agreement and that it will maintain a viable presence in the District for a period of at least three (3) years after the termination date of this Agreement.

Section 5.3. CONSEQUENCES OF EARLY TERMINATION OR OTHER MATERIAL BREACH OF APPLICANT

In the event Applicant terminates this Agreement without the consent of the District, or in the event the Applicant or its successor in interest fails to comply with the terms of this Agreement or to meet any material obligation under this Agreement, then the District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement, together with the payment of a penalty or interest, or both, on that recaptured ad valorem tax revenue. For purposes of this calculation, the Applicant shall be entitled to a credit for any payments made to the District as protection against loss of revenue pursuant to Article III of this Agreement. The Applicant shall also be entitled to a credit for any amounts paid to the District in lieu of taxation pursuant to Article IV of this Agreement.

Section 5.4. CALCULATION OF PENALTY AND INTEREST

In determining the amount of penalty and interest due under this Agreement in the event of a material breach, the District shall determine the base amount of taxes owed less any credit under Section 5.3 of this Agreement for each year of the Agreement since its inception. For each year of the Agreement since its inception, the District shall calculate penalty and interest for each year in accordance with the methodology set forth in Chapter 33 of the Texas Property Tax Code as if the base amount calculated for each year of the Agreement under Section 5.3, above, had become due and payable on January 31 of each applicable year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Tax Code § 33.01(a), or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Tax Code § 33.01(c), or its successor statute.

Section 5.5. DETERMINATION OF MATERIAL BREACH

Prior to making a determination that Applicant has failed to maintain a viable presence in the District as required by Section 5.2 or has otherwise committed a material breach of this Agreement, the District's administration shall provide the Applicant with a written notice of the facts that it believes have caused the material breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, Applicant shall be given sixty (60) days to present any facts or arguments to the District's Board of Trustees showing that it is not in material breach of its obligations under the Agreement, or that it has cured any such material breach.

After providing an opportunity for response, the District's Board of Trustees shall conduct a hearing. At the hearing the Board shall make findings as to whether or not a material breach of this Agreement has occurred, and the date such material breach occurred, if any. In the event that the Board determines that a material breach has occurred, it shall also determine the amounts of recaptured taxes under Section 5.3 of this Agreement, and the amount of penalty and/or interest under Section 5.4 of this Agreement that are owed to the District.

After making its determination regarding any alleged material breach, the Board shall cause Applicant to be notified of its determination.

Section 5.6. DISTRICT'S REMEDIES AFTER DETERMINATION OF MATERIAL BREACH

After receipt of notice of the Board's determination of a material breach under Section 5.5 of this Agreement, Applicant shall have thirty (30) days in which to tender payment. In the event that payment is not received before the expiration of thirty days, the District shall have the remedies for the collection of the amounts determined under Section 5.5 as are set forth at Texas Property Tax Code Chapter 33, Subchapters B and C, for the collection of delinquent taxes. In the event that the District is required to initiate proceedings under this section for collection, Applicant shall also be responsible for the payment of attorney's fees and a tax lien on the qualified property and investment pursuant to Texas Property Tax Code § 33.07 to the attorneys representing the District pursuant to Texas Property Tax Code § 6.30.

Section 5.7. REPORTS TO OTHER GOVERNMENTAL AGENCIES

Applicant shall timely make any and all reports that are or may be required under the provisions of law or administrative regulation, including but not limited to the annual report or certifications that may be required to be submitted by the Applicant to the Comptroller under the provisions of Texas Tax Code § 313.032. Applicant shall forward a copy of all such required reports or certifications to the District contemporaneously with the filing thereof. The obligation to make all such required filings shall be a material obligation under this Agreement.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.1. INFORMATION AND NOTICES

All notices required to be sent under this Agreement shall be given in writing via certified mail, return receipt requested to the parties hereto as follows:

To the District:

Dr. Johnny Brown, Superintendent
Port Arthur Independent School District
P.O. Box 1388
Port Arthur, Texas 77641-1388

To Applicant:

The Premcor Refining Group Inc.
Ad Valorem Tax
P.O. Box 690110
San Antonio, Texas 78269-0110

The Premcor Refining Group Inc.
Port Arthur Refining Manager
1801 South Gulfway Drive
Port Arthur, Texas 77642

Mr. Michael K. Eaves
Spain, Calvert & Eaves
2615 Calder Avenue, Suite 1070
Beaumont, Texas 77702

Section 6.2. EFFECTIVE DATE, TERMINATION OF AGREEMENT

(a) This Agreement shall be and become effective on and after January 1, 2005, the effective date upon which the Tax Limitation Agreement is first made effective by the District.

(b) The obligation to maintain a viable presence under this Agreement shall remain in full force and effect for three (3) years after the termination date of the Agreement.

Section 6.3. AMENDMENTS TO AGREEMENT

No amendments to this Agreement shall be effective until the same are approved and accepted by the Parties.

Section 6.4. AMENDMENTS AND MODIFICATIONS

This Agreement may be modified, amended, or terminated by written mutual agreement of the District and the Applicant.

Section 6.5. ASSIGNMENT

Applicant may assign this Agreement, or a portion of this Agreement, to a new owner or lessee of the Qualified Property upon the written approval of the District, and approval shall not be unreasonably withheld. It shall not be unreasonable for the District to withhold approval if the Applicant is liable to the District for outstanding taxes or other obligations arising under this Agreement.

Section 6.6. MERGER

The Parties agree that this Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 6.7. MAINTENANCE OF APPRAISAL DISTRICT RECORDS

When appraising an Applicant's Qualified Property subject to a limitation on appraised value under this Agreement, the chief appraiser of the Appraised District shall determine the market value of the property and include both the market value and the appropriate value under this Agreement in its appraised records.

Section 6.8. GOVERNING LAW

This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law rules that would direct the application of the laws of another jurisdiction.

Section 6.9. AUTHORITY TO EXECUTE AGREEMENT

Each of the Parties listed below expressly warrants that he or she has been expressly authorized to execute this Agreement for and on behalf of the respective parties.

Section 6.10. SEVERABILITY

If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held to be invalid or unenforceable, then such invalidity or unenforceability shall not affect any other term or provision of this Agreement or the application thereof that can be given effect without the invalid or unenforceable provision, and the Parties agree that the provisions of this Agreement are and shall be severable.

Section 6.11. EXECUTION OF COUNTERPARTS

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

IN WITNESS WHEREOF, this Amended Agreement has been executed by the District and the Applicant in duplicate originals on December 18, 2008.

THE PREMCOR REFINING GROUP, INC.

By: _____
Asst. Sec

PORT ARTHUR INDEPENDENT SCHOOL DISTRICT

By: _____
LLOYD MARIE JOHNSON
President
Board of Trustees

ATTEST:

_____
THEODORE VICTOR
Secretary
Board of Trustees

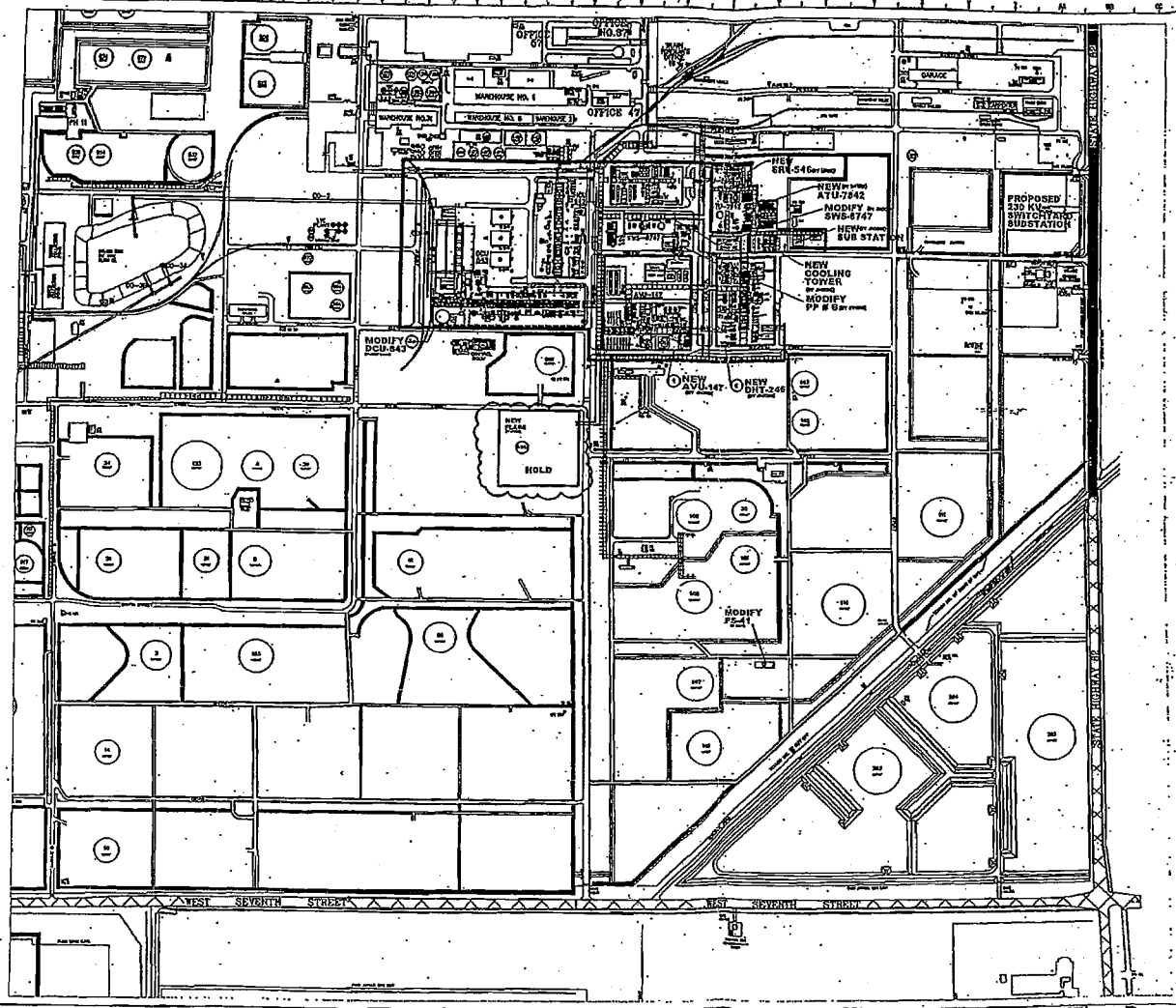
EXHIBIT 1

LEGAL DESCRIPTION OF REINVESTMENT ZONE

See Attached Order
of Jefferson County, Texas

EXHIBIT 2

DESCRIPTION OF QUALIFIED PROPERTY



FOR REVIEW AND COMMENT

JACOBS

Project No. 58-6915-31

NO	REVISION	BY	DATE

DRAWN DKS 03/13/04
CHECKED
APPD.
APPD.
APPD.
APPD.

WARNING

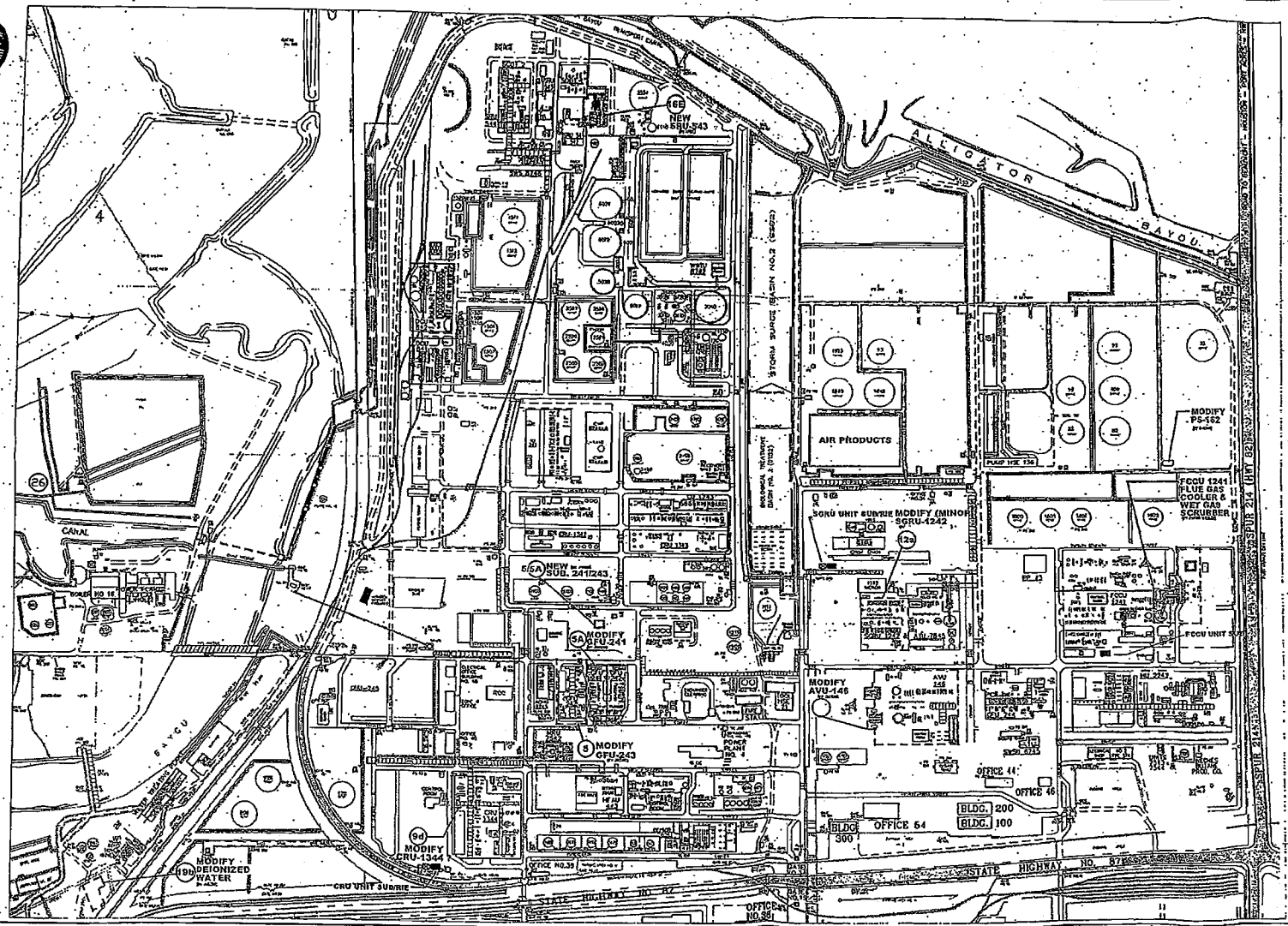
Premcor

The Premcor Refining Group Inc.
PORT ARTHUR REFINERY

FEED RATE EXPANSION
SOUTH SIDE KEY PLAN
INTERCONNECT

CODE 58CF9031
SITE
SK-58CF90-002 Rev A
SCALE 1" = 200'
SHEET - OF -

GENERAL NOTES:



JACOBS

Project No. 58-CF90-31

NO	REVISION	BY	DATE

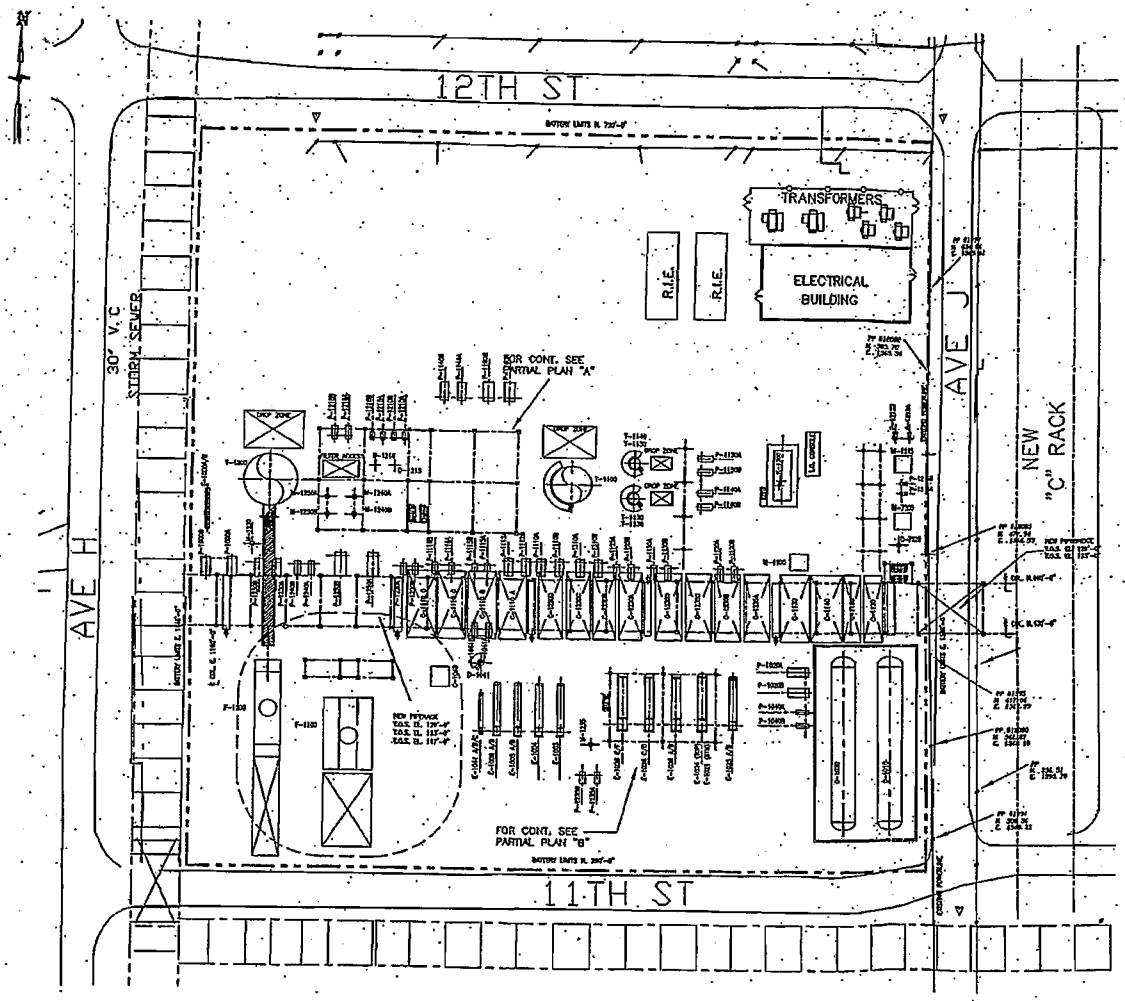
WARNING

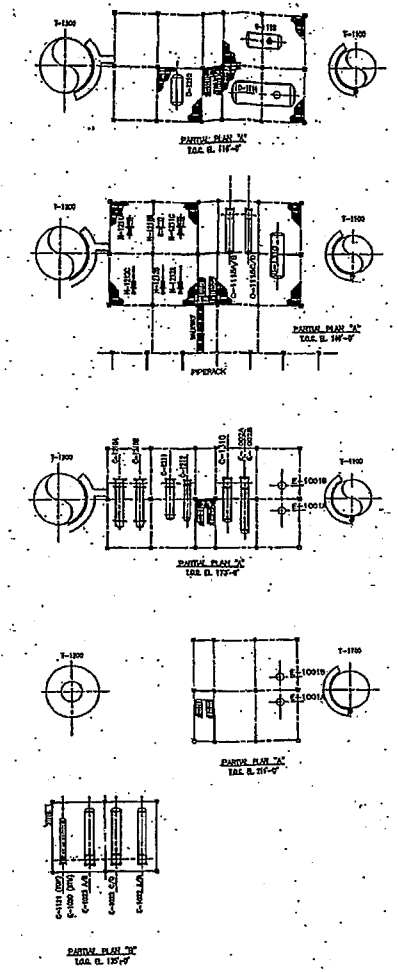
Premcor

The Premcor Refining Group Inc.
PORT ARTHUR REFINERY

FEED RATE EXPANSION
NORTH SIDE KEY PLAN
INTERCONNECT

DRAWN BY	—
CODE	58CF9031
DRAWING	SITE
DRAWING NO.	SK-58CF90-001 Rev A
SCALE	NONE
SHEET	OF





JACOBS
Project No. 58-CF80-31

NO	REVISION	BY	DATE

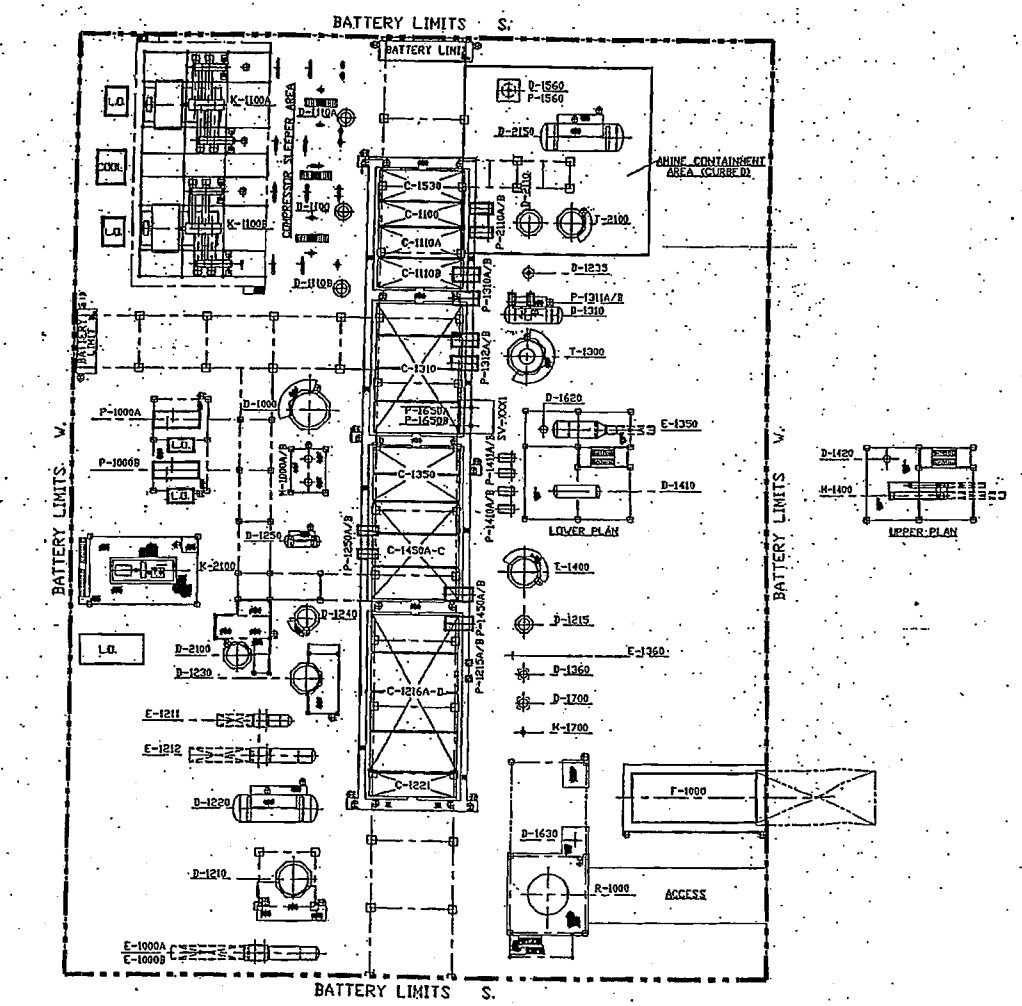
WARNING

Premcor

The Premcor Refining Group Inc.
PORT ARTHUR REFINERY

PIPING
UNIT PLOT PLAN
ATMOSPHERIC VACUUM UNIT AVU-147

DR DRAWING NO	N/A
SERIAL	58CF9031
UNIT OR AREA	AVU-147
DWG. NO.	0147\58CF9031\A001
SCALE	1"=30'-0"
SHEET	1 OF 1



EQUIPMENT LIST

ITEM	DESCRIPTION	EFD NO.
	AIR COOLERS	
C-1100	MAKE-UP COMPRESSOR FEED/SPILLBACK COOLER	.025
C-1110A	MAKE-UP HYDROGEN COMPRESSOR INTERCOOLER	.026
C-1110B	MAKE-UP HYDROGEN COMPRESSOR FIRST STAGE INTERCOOLER	.017
C-1216A-D	HHPS VAPOR AIR COOLERS	.019
C-1221	HLPS VAPOR AIR COOLER	.028
C-1310	PRODUCT STRIPPER OVERHEAD CONDENSER	.031
C-1350	PRODUCT STRIPPER BOTTOMS AIR COOLER	.034
C-1450A-C	DIESEL PRODUCT AIR COOLER	.039
C-1530	LEAN AMINE AIR COOLER	.047
	COMPRESSORS	
K-1100A	HYDROGEN MAKE-UP COMPRESSOR	.026
K-1100B	HYDROGEN MAKE-UP COMPRESSOR (SPARE)	.027
K-2100	RECYCLE GAS COMPRESSOR	.024
	COLUMNS	
T-1300	PRODUCT STRIPPER	.036
T-1400	DIESEL VACUUM DRYER	.035
T-2100	HP H2S ABSORBER	.021
	EXCHANGERS	
E-1000A	FEED/EFFLUENT EXCHANGER	.010
E-1000B	FEED/EFFLUENT EXCHANGER	.010
E-1211	HHPS VAPOR/COPS 1000B EXCHANGER	.017
E-1212	HHPS VAPOR/RECYCLE GAS EXCHANGER	.017
E-1350	PRODUCT STRIPPER BOTTOM MP STEAM GENERATOR	.033
E-1360	BLOWDOWN COOLER	.072
	FIRED HEATERS	
F-1000	REACTOR FEED HEATER	.011
	MISCELLANEOUS	
M-1000A	DIESEL FEED FILTER	.006
M-1000B	DIESEL FEED FILTER (SPARE)	.006
SY-1001	CLOSED DRAIN SUMP	.059
M-1400	VACUUM DRYER SPID	.061
M-1700	FUEL GAS FILTERS	.041
	PUMPS	
P-1000A	REACTOR FEED PUMP	.008
P-1000B	REACTOR FEED PUMP (SPARE)	.009
P-1125A	INJECTION WATER PUMP	.016
P-1125B	INJECTION WATER PUMP (SPARE)	.016
P-1250A	SOUR WATER PUMP	.045
P-1250B	SOUR WATER PUMP (SPARE)	.045
P-1310A	PRODUCT STRIPPER REFLUX PUMP	.032
P-1310B	PRODUCT STRIPPER REFLUX PUMP (SPARE)	.032
P-1311A	PRODUCT STRIPPER SOUR WATER PUMPS	.032
P-1311B	PRODUCT STRIPPER SOUR WATER PUMPS (SPARE)	.032
P-1312A	PRODUCT STRIPPER BOTTOMS PUMP	.030
P-1312B	PRODUCT STRIPPER BOTTOMS PUMP (SPARE)	.030
P-1410A	SLOP OIL PUMP	.037
P-1410B	SLOP OIL PUMP (SPARE)	.037
P-1411A	HOTWELL WATER PUMP	.037
P-1411B	HOTWELL WATER PUMP (SPARE)	.037
P-1450A	DIESEL PRODUCT PUMP	.035
P-1450B	DIESEL PRODUCT PUMP (SPARE)	.035
P-1550	AMINE SUMP PUMP	.077
P-1650A	OILY WATER SUMP PUMP	.069
P-1650B	OILY WATER SUMP PUMP (SPARE)	.069
P-2110A	LEAN AMINE PUMP	.048
P-2110B	LEAN AMINE PUMP (SPARE)	.048
	REACTORS	
R-1000	DISTILLATING REACTOR	.012
	VESSELS	
D-1000	FEED SURGE DRUM	.008
D-1100	FIRST-STAGE SUCTION DRUM	.025
D-1110A	MAKE-UP H2 COMPRESSOR SECOND-STAGE SUCTION DRUM	.026
D-1110B	MAKE-UP H2 COMPRESSOR SECOND-STAGE SUCTION DRUM	.017
D-1210	HOT HIGH PRESSURE SEPARATOR	.018
D-1215	INJECTION WATER DRUM	.016
D-1220	HOT LOW PRESSURE SEPARATOR	.026
D-1230	COLD HIGH PRESSURE SEPARATOR	.020
D-1235	HIGH PRESSURE CENTRIFUGAL SEPARATOR	.021
D-1240	COLD LOW PRESSURE SEPARATOR	.029
D-1250	SOUR WATER FLASH DRUM	.045
D-1310	PRODUCT STRIPPER REFLUX DRUM	.032
D-1360	BLOWDOWN FLASH DRUM	.072
D-1410	VACUUM HOTWELL	.037
D-1420	VACUUM DRYER STEAM SEPARATOR	.039
D-1550	AMINE SUMP POT	.077
D-1620	STEAM GENERATOR STEAM SEPARATOR	.033
D-1630	STRIPPING STEAM SEPARATOR	.011
D-1700	FUEL GAS KNOCKOUT DRUM	.041
D-2100	RECYCLE COMPRESSOR KNOCKOUT DRUM	.023
D-2110	LEAN AMINE SURGE DRUM	.048
D-2150	HIGH AMINE FLASH DRUM	.048

6-8-04

REV.	DATE	DESCRIPTION	DRW BY	CHK BY	APD BY
A	03/01/04	ISSUED FOR ESTIMATE BASIS	CLM		

REVISIONS

Premcor — The Premcor Refining Group

No.:

UNIT AREA PLOT PLAN
45,000 BPD
DIESEL HYDROTREATER

PORT ARTHUR TEXAS

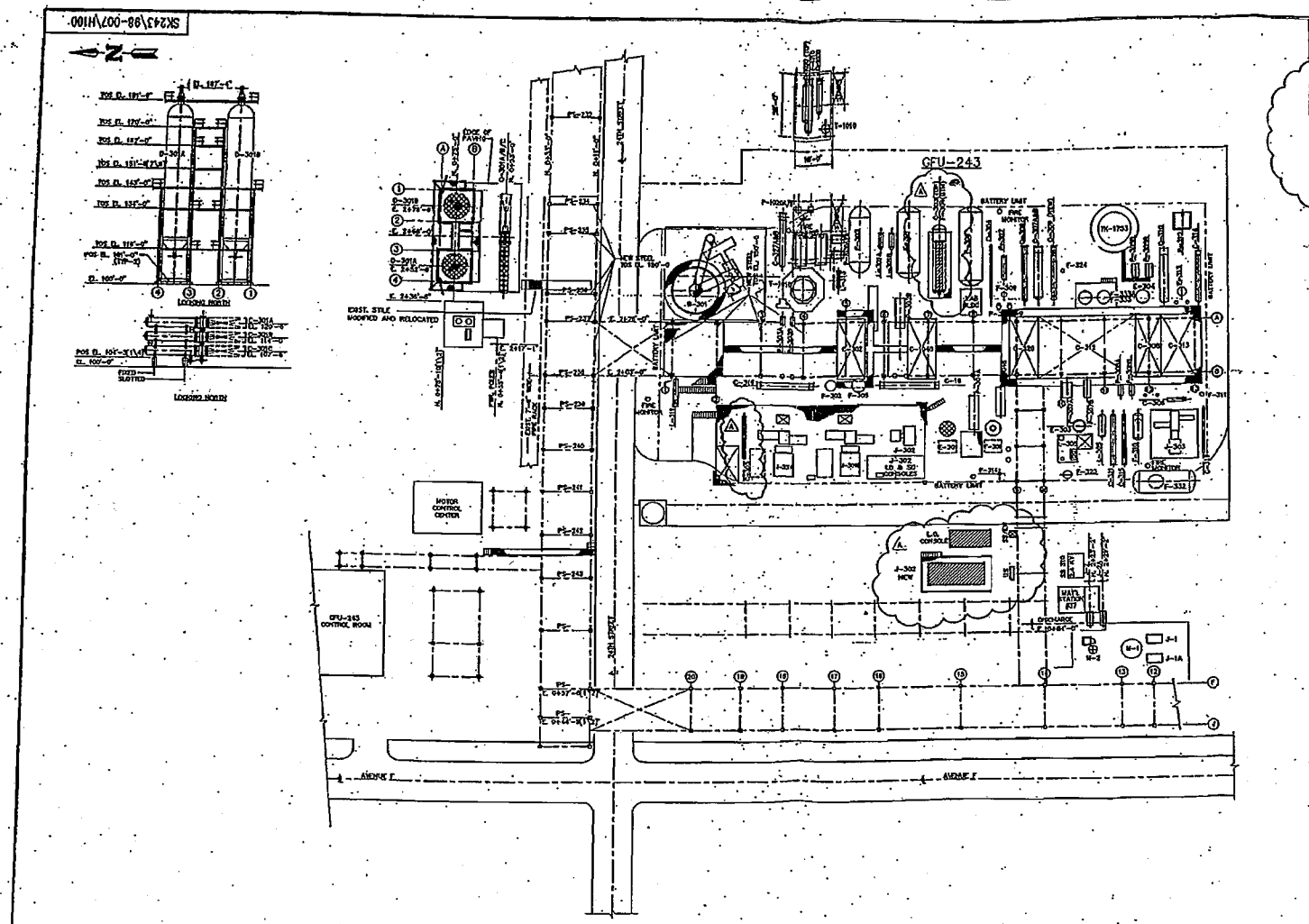
FOSTER WHEELER USA CORP.
PROCESS PLANTS OPERATING • HOUSTON, TEXAS

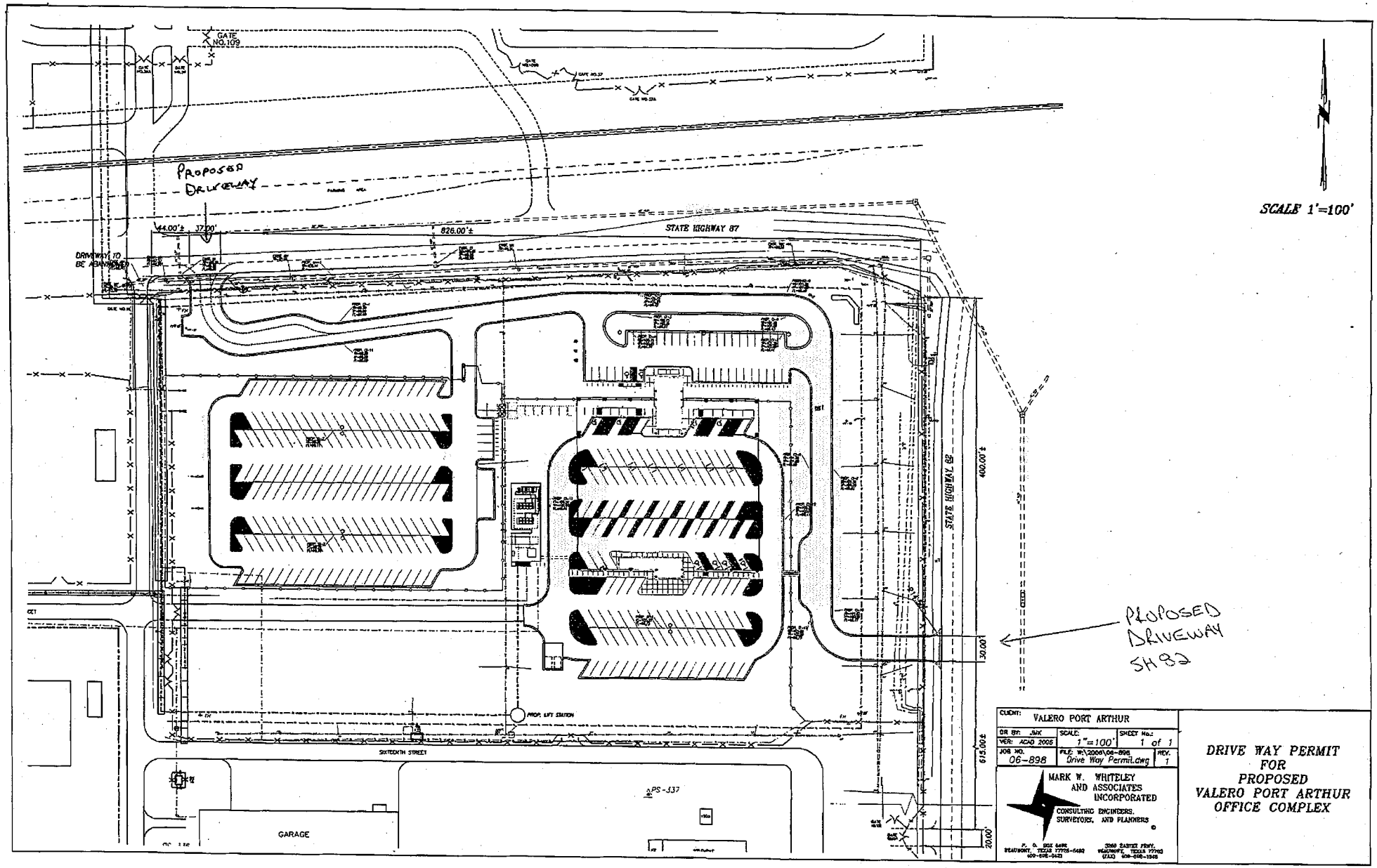
DESIGNED BY:	DATED:	CHECKED BY:	DATED:
DRAWN BY: JRB	DATED: 10/28/03	APPROVED BY:	DATED:

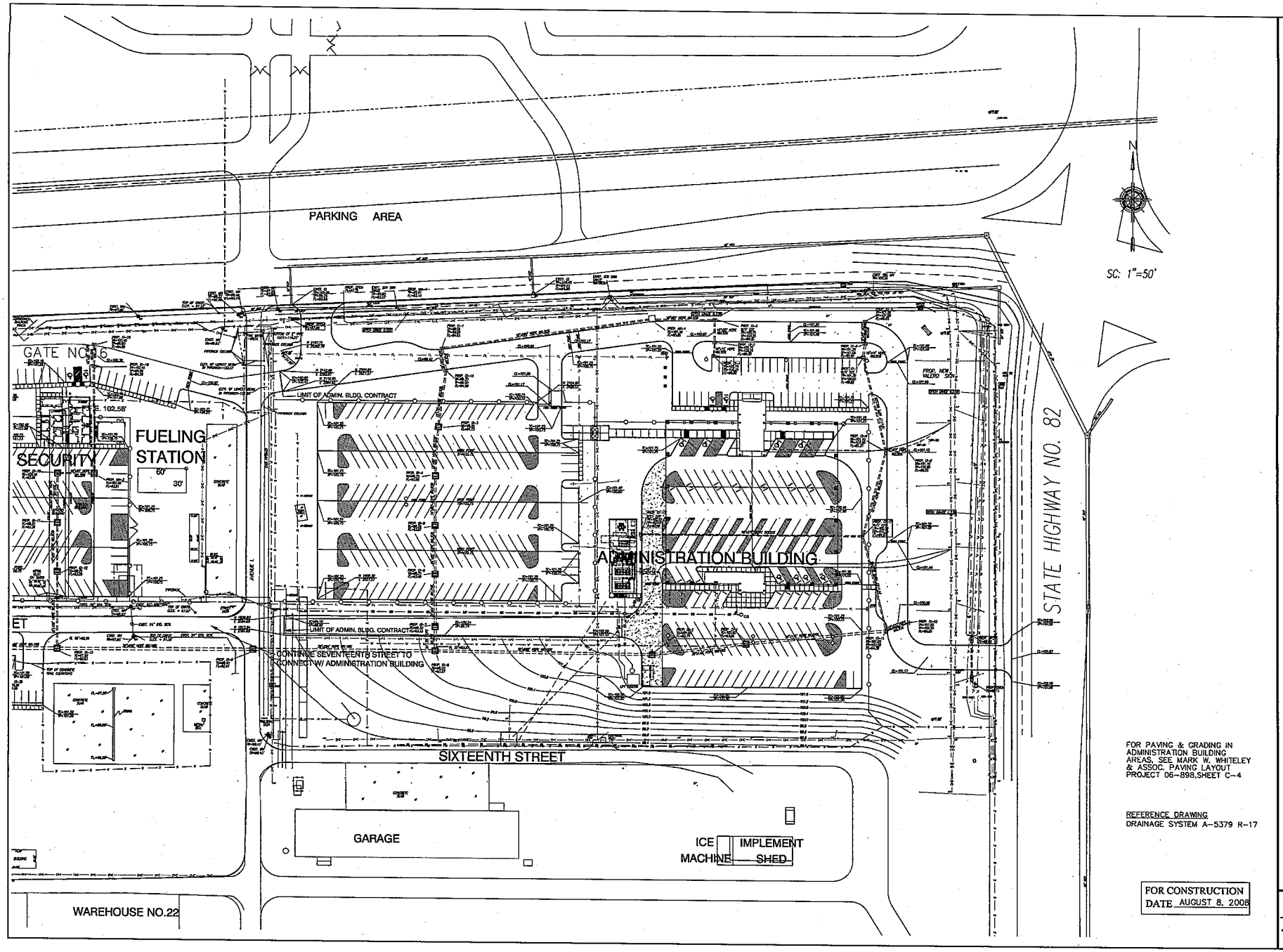
PROJECT No. 13-108707-06 SCALE 1" = 20'

DRAWING No. 109999-05-2-51-003 REV. No. A

CAD REV. DATED


GFU-243
BATTERY LIMIT
FIRE MONITOR
MOTOR CONTROL CENTER
GFU-243 CONTROL ROOM
AVENUE F
AVENUE E
LOOKING NORTH
EQUIPMENT LIST
243-D-301 A/B REACTORS (MODIFY)
243-K-301 RECYCLE GAS AMINE CONTACTOR (MODIFY)
243-D-301 A/B/C FEED EFFLUENT EXCHANGERS (MODIFY)
243-D-305A MAKE-UP COMPR. SPIL BACK COOLER (NEW)
243-J-302 RECYCLE GAS COMPRESSOR (NEW)
243-C-303 HP HOT FLASH TRH COOLER (NEW)
NEW EQUIPMENT (PHASE 3)
MODIFY (PHASE 3)
Premcor
The Premcor Refining Group
PORT ARTHUR, TEXAS
GFU-243 REVAMP PROJECT
PHASE-III
PIPING PLOT PLAN
FOSTER WHEELER USA CORP.
DESIGNED BY RF DATE 1-25-04
DRAWN BY RF DATE 1-30-04
PROJECT No. 13-108707-03
SCALE 1"=20'-0"
DRAWING No. SK243\98-007\H100
REV. No. A
4-27-04


GATE NO.109
PROPOSED DRIVEWAY
44.00'± 37.00'
826.00'±
STATE HIGHWAY 87
DRIVEWAY TO BE ABANDONED
STATE HIGHWAY 82
400.00'±
30.00'
615.00'±
20.00'
PROPOSED DRIVEWAY SH 82
PROP. LIFT STATION
SIXTEENTH STREET
PS-337
GARAGE
SCALE 1'=100'
CLIENT: VALERO PORT ARTHUR
DR. BY: JWK
SCALE: 1"=100'
SHEET No.: 1 of 1
VER: ACAD 2005
JOB NO. 06-898
FILE: W:\2006\06-898 Drive Way Permit.dwg
REV. 1
MARK W. WHITELEY AND ASSOCIATES INCORPORATED
CONSULTING ENGINEERS, SURVEYORS, AND PLANNERS
P. O. BOX 5492 BEAUMONT, TEXAS 77705-5492 409-898-0423
3980 EASTEX FRWY. BEAUMONT, TEXAS 77703 (FAX) 409-898-1948
DRIVE WAY PERMIT FOR PROPOSED VALERO PORT ARTHUR OFFICE COMPLEX



FOR PAVING & GRADING IN ADMINISTRATION BUILDING AREAS, SEE MARK W. WHITELEY & ASSOC. PAVING LAYOUT PROJECT 06-898, SHEET C-4

REFERENCE DRAWING
DRAINAGE SYSTEM A-5379 R-17

FOR CONSTRUCTION
DATE AUGUST 8, 2008

NEW ADMINISTRATION BUILDING FOR

VALERO REFINERY - PORT ARTHUR

PORT ARTHUR, TEXAS

MARK W. WHITELEY AND ASSOCIATES INCORPORATED CONSULTING ENGINEERS, SURVEYORS, AND PLANNERS

KEMLER VARGEY & SOOTOS, INC.
715 E. Mulberry Ave. Sixth Floor
San Antonio, Texas 78212-3198
Fax 830-732-8648 Tel 830-736-3535

Architects
Interior Designers
Landscape Architects

STORM SEWER LAYOUT

BOB SHAW
Consulting Engineers

EXHIBIT 3

ATTACHMENT A-3

DESCRIPTION OF PROJECT

Port Arthur Feed Rate Expansion Project and Tier II Diesel Project

Premcor is expanding their Port Arthur, Texas Refinery beyond its current crude capacity of 250,000 BPSD to a capacity of ~330,000 BPSD. During this same time work will be done to produce a 10 wppm ultra low sulfur diesel to meet Tier II regulations effective June 2006. ISBL changes include the following:

AVU-147 Atmospheric Vacuum Unit

A new 150,000 BPSD Crude Vacuum Unit will be located within the existing LVU-147 unit plot (Lube Oil Vacuum Unit) which is currently out of service. The existing LVU facility will be demolished except for some foundation elements that may be utilized for the new facility (Vacuum Tower Foundation, piles, etc.).

GFU 243 Diesel Hydrotreater Unit Revamp

Premcor is revamping their Existing GFU 243 located at their Port Arthur Texas Refinery. The revamp of GFU 243 is being executed in three phases:

Phase 1: Work required to install a Vacuum Dryer System to meet the haze quality requirement of the diesel product, which is especially critical during the Summer months.

Phase 2: Modifications required to operate the GFU 243 Unit at a higher capacity (56,000 BPSD) of current diesel during the interim period prior to completion of the New Diesel Hydrotreater (DHU 246). .

Phase 3: The balance of the GFU 243 revamp work will be to produce a 10 wppm ultra low sulfur diesel to meet Tier II regulations effective June 2006, based on processing 42,000 BPSD of heavy distillate fuel (HDF).

GFU 241 Kerosene Hydrotreater Unit Revamp

The revamp is based on processing 45,000 BPSD of straight run kerosene for a production of Jet A, containing less than 800 wppm max sulfur or for processing 35,000 BPSD of the same straight run kerosene for production of ultra low sulfur kerosene (ULSK), containing 10 wppm

max. sulfur that could be used for blending into diesel (ULSD). During normal operation, the revamped Kerosene Hydrotreater will process ultra low sulfur kerosene.

DHU 246 New Diesel Hydrotreater
Premcor is adding a new Diesel Hydrotreater to the POli Arthur Texas Refinery to produce ultra low sulfur diesel. The unit will process 45,000 BPSD of a blended mix of Light Coker Gas Oil (LCGO), Light Cycle Oil (LCO), and Coker Naphtha Splitter Bottoms (CNSB).

Sulfur Plants
The sulfur recovery system will be upgraded to handle the increased sulfur load and to provide redundancy in case of loss of Sulfur Recovery Unit (SRU) capacity, in the north side, one new SRU train will add a nominal 200 LT/D of sulfur capacity. Two new 200 LTPD Sulfur Recovery Units (SRU) with a 400 LTPD Tail Gas Treating Unit (TGTU) are required on the south side. The south side complex will also include an upgrade of the existing Sour Water Stripper.

DCU 843 Coker Expansion
Premcor is expanding their existing DCU-843 unit located at the Port Arthur Texas Refinery from 80,000BPSD to 99,700BPSD. The revamp includes replacement of the existing coke drum bottom unheading devices with Delta Valves, alterations within the DCU-843 Coker Section, alterations within the Naphtha Pretreater Section, and alterations within the CRU-1344 Unit including modifications to Naphtha Splitter Tower and associated equipment.

Offsites
The existing offsites, utilities and infrastructure will be upgraded as required to accommodate new units and revamped units that are considered part of the Feed Rate Expansion Project and Tier II Diesel. This work will include:

A new Cooling Tower
A new Amine Regeneration Unit that duplicates ARU-7841
A revamp of a Sour Water Stripper Unit, SWS-8747 from 650 gpm to 900 gpm
A revamp of Crude Pump House #41
Upgrades of the electrical distribution system
Addition of interconnecting pipe and pipe racks.

Plant Operations Building

A 92,000 sq.ft., 3-story building that houses: Safety, Operations, Operations Services, Engineering, as well as other necessary departments. The building includes natural gas generator for power and HVAC to the EOC, I/S server room, IDF closets and sanitary sewer lift station; connection for trailer-mounted generator to power entire building and all tangible personal property located in the building that is ancillary and necessary to the business conducted therein.