



50-300 (Rev. 7-03/2)  
[313.103, Rule 9.107]



**APPLICATION FOR TAX CREDIT ON QUALIFIED PROPERTY (Chapter 313, Subchapter D, Tax Code)**

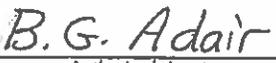
School district name <b>Sweeny Independent School District</b>	Phone (area code and number) <b>(979) 491-8000</b>
Address <b>1310 Elm Street, Sweeny, TX 77480</b>	Application filing date <b>7/26/07</b>

This application is for credit for taxes paid on the portion of value in excess of the value limit under Chapter 313, Subchapter B or C, Tax Code, in the two-year qualifying period. You must file this completed application with the school district before September 1 of the year immediately following the second year of the qualifying time period under Subchapter B or C. The school board must determine eligibility of this application before the 90th day from the application filing date. Subject to certain limitations, the school's tax assessor will apply annually one-seventh of the credit to taxes imposed on the qualified property for a seven-year period beginning with the tax year after the date the school board approves the application.

Step 1: Corporation or limited liability company name and address	Only corporations and limited liability companies that received an appraised value limitation under Chapter 313, Subchapter B or C, Tax Code, are eligible for this tax credit.		
	Corporation or limited liability company's name: <b>ConocoPhillips Company</b>		
	Mailing address: <b>PO Box 2197 - MO 1021</b>	City, State: <b>Houston, TX</b>	ZIP code + 4: <b>77252-2197</b>
	Taxpayer ID. Number (11 digits): <b>73-0400345</b>	Appraisal district account number: <b>ABAT-CONO-001</b>	
	Name of person preparing this application: <b>Bob Adair</b>	Title: <b>Senior Consultant</b>	
	Phone (area code and number): <b>(281) 293-4913</b>		

Step 2: Show tax credit amount	What is the full amount of tax credit for which you are applying? The credit will be applied over a seven year period, but please show the total cumulative amount. .... \$ <u>155,959.82</u>
-----------------------------------	--

Step 3: Provide attachments and supplements	Attach the following items to this application: 1. A copy of the agreement between the applicant and the school district under Section 313.027 or 313.051, Tax Code. 2. A copy of receipts for taxes paid on qualified property during the first two years of the qualifying time period.
--	---

Step 4: Sign and date application	By signing this application, you certify that this information is true and correct and that you are in full compliance with the terms of the attached agreement to the best of your knowledge and belief.
	<p style="text-align: center;">             _____            Authorized signature         </p> <p style="text-align: center;">             _____            Authorized signature         </p> <p style="text-align: right;"> <u>7/26/07</u>            Date         </p> <p>           On behalf of <u>ConocoPhillips Company</u> <u>Senior Consultant</u>            Name of corporation/company Title         </p>

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 Section 37.10.

Calculation of 2006 Property Tax Credit in Value Limitation Agreement  
 ConocoPhillips Company  
 Ultra Low Sulfur Diesel Unit, Sweeny Refinery

Brazoria CAD Account #: ABAT-CONO-001  
 Legal Description: Tax Abatement (Imp Only)  
 Ultra Low Sulfur Diesel Project (2005-2011)

2006 Taxable Value <sup>1</sup>	109,687,500
Value Limitation <sup>2</sup>	<u>30,000,000</u>
Value Eligible for Calculation of 2006 Tax Credit <sup>3</sup>	79,687,500
2006 School Maintenance & Operations Tax Rate per \$100 <sup>4</sup>	<u>1.37</u>
Total 2006 Tax Credit Eligible per Agreement and Law	1,091,718.75
Years Required to Allocate Credit <sup>5</sup>	<u>7</u>
Calculated 2006 Tax Credit Applied in 2007	155,959.82
Maximum 2006 Tax Credit Eligible in 2007 (see calculation below)	751,359.38
<b>Eligible 2006 Tax Credit Applied in 2007</b>	<b><u>155,959.82</u></b>

Maximum 2006 Tax Credit Eligible in 2007 (First Year)

2006 Taxable Value <sup>1</sup>	109,687,500
2006 School Maintenance & Operations Tax Rate per \$100 <sup>4</sup>	<u>1.37</u>
Total 2006 M&O School Property Tax on Account	1,502,718.75
Maximum Percentage for Annual Tax Credit <sup>5</sup>	<u>50%</u>
Maximum 2006 Tax Credit Eligible in 2007 (First Year)	<u><u>751,359.38</u></u>

Footnotes

- 1 2006 Property Tax Bill for Account ABAT-CONO-001
- 2 12/14/04 "Texas Economic Development Act Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes" between Sweeny ISD and ConocoPhillips Company.
- 3 Section 313.103(a) indicates the valuation basis for the tax credit is the "portion of the appraised value of the qualified property that exceeds the amount of the limitation agreed to by the governing body of the school district."
- 4 Section 313.025(a) provides for a value limitation only for school maintenance and operations ad valorem taxes. The indicated tax rate is from the Brazoria County Tax Office's web site.
- 5 Section 313.104(2)(A) requires the tax credit in "an amount equal to one-seventh of the total amount of tax credit to which the person is entitled under Section 313.102, except that the amount of a credit granted in any of those tax years may not exceed 50 percent of the total amount of ad valorem school taxes imposed on the qualified property by the school district in that tax year."

Prepared 7/26/07 by: Bob Adair  
 ConocoPhillips Company  
 (281) 639-4913  
 bob.adair@conocophillips.com

## 2006 Rates & Entities

ENTITY	M & O	I & S	TOTAL RATE
01-BRAZORIA COUNTY			
GENERAL FUND	0.266000	0.021201	0.287201
ROAD & BRIDGE M & O	0.034500		0.034500
TOTAL GENERAL FUND TAX RATE			0.321701
09- ROAD & BRIDGE SPECIAL	0.060000		0.060000
TOTAL COUNTY TAX RATE			0.381701
21-ANGLETON ISD	1.294700	0.169100	1.463800
22-BRAZOSPORT ISD	1.225200	0.195500	1.420700
23-DANBURY ISD	1.333000	0.085000	1.418000
24-SWEENEY ISD	1.370000	0.171700	1.541700
25-COLUMBIA-BRAZORIA ISD	1.370000	0.270000	1.640000
26-DAMON ISD	1.299100		1.299100
27-ALVIN ISD	1.317700	0.228200	1.545900
28-BEARLAND ISD	1.370000	0.292200	1.662200
31-SWEENEY HOSPITAL DISTRICT	0.273770		0.273770
32-ANGLETON-DANBURY MEDICAL CENTER	0.181555	0.171484	0.353039
41-BRAZOS RIVER HARBOR NAV DISTRICT	0.046941	0.012730	0.059671
42-BRAZORIA CO EMERGENCY SERV DIST NO. 2	0.080000		0.080000
43-BRAZORIA CO EMERGENCY SERV DIST NO. 1	0.080000		0.080000
44-BRAZORIA CO EMERGENCY SERV DIST NO. 3	0.093411		0.093411
45-BRAZOSPORT COLLEGE	0.122000		0.122000
46-ALVIN COMMUNITY COLLEGE	0.193221	0.026380	0.219601
47-BRAZORIA CO FRESH WATER SUP DIST NO. 1		0.350000	0.350000

DUPLICATE TAX RECEIPT



RO'VIN GARRETT, RTA  
 BRAZORIA COUNTY TAX ASSESSOR - COLLECTOR  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515

**Certified Owner:**

CONOCO/PHILLIPS COMPANY  
 ATTN: PTRRC DEPT  
 PO BOX 2197-M01021  
 HOUSTON, TX 77252

**Legal Description:**

TAX ABATEMENT (IMP ONLY) ULTRA LOW SULFU  
 R DIESEL PROJECT (2005-2011)

**Parcel Address:**

Legal Acres: 0.0000

Remit Seq No: 5265865  
 Receipt Date: 11/18/2005  
 Deposit Date: 11/18/2005  
 Print Date: 04/22/2009

>--  
 Deposit No: HSPH0001  
 Validation No: 1  
 Account No: ABAT-CONO-001  
 Operator Code: help

Year	Tax Unit Name	Tax Value	Tax Rate	Levy Paid	P&I	Atty Paid	Total
2005	Sweeny Ind	19,500,000	1.671000	162,922.50	0.00	0.00	162,922.50
2005	Sweeny Community Hospital	19,500,000	0.343781	33,518.65	0.00	0.00	33,518.65
2005	West Brazoria Drngs Dist #11	19,500,000	0.020000	1,950.00	0.00	0.00	1,950.00
				<b>\$198,391.15</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$198,391.15</b>

>--  
Check Number(s):  
 295277

Credit Card Authorization No: 0

Exemptions on this property:  
 ABATEMENT

**PAYMENT TYPE: PARTIAL PAYMENT**

Checks: \$198,391.15

Total Applied: \$198,391.15

Change Paid: \$0.00

**BALANCE DUE AS OF 04/22/2009 IS \$619,333.97**

**PAYER:**  
 CONOCO/PHILLIPS COMPANY  
 ATTN:RPA-PTRRC DEPT  
 PO BOX 2197-M01021  
 HOUSTON, TX 77252-2197

(979) 864-1320, (979) 388-1320, (281) 756-1320

# 2006 TAX STATEMENT

(979) 388-1320  
(979) 864-1320  
(281) 756-1320



**Ro'Vin Garrett, RTA**  
**BRAZORIA COUNTY TAX ASSESSOR- COLLECTOR**  
**111 E. LOCUST**  
**ANGLETON, TEXAS 77515**

Mail To

CONOCO/PHILLIPS COMPANY  
ATTN: RPA-PTRRC DEPT  
PO BOX 2197--MO1021  
HOUSTON TX 77252-2197

Legal Description

TAX ABATEMENT (IMP ONLY) ULTRA LOW  
SULFUR DIESEL PROJECT (2005-2011)

Legal Acres: .0000  
Parcel Address: 0 00000

Account No: ABAT-COND-001

As of Date: 10/28/06

Print Date: 10/28/06

Market Value Land	Improvement	Appraised Value	Assessed Value	Capped Value	Homestead Value	Agricultural Value	Non-Qualifying Value
	\$109,887,500	\$109,887,500	\$109,887,500				\$109,887,500

Taxing Unit	Assessed Value (100%)	Exemptions		Taxable Value	Tax Rate	2006 Tax
		Code	Amount			
BRAZORIA COUNTY	\$109,887,500	ABT	109,887,500	\$0	.32170100	\$0.00
SPECIAL ROAD & BRIDGE	\$109,887,500	ABT	109,887,500	\$0	.08000000	\$0.00
SWEENEY ISD	\$109,887,500		\$0	\$109,887,500	1.54170000	\$1,891,062.18
SWEENEY COMMUNITY HOSPITAL	\$109,887,500		\$0	\$109,887,500	.27377000	\$300,281.47
BRAZOS RIVER HARBOR NAVIGATION	\$109,887,500	ABT	109,887,500	\$0	.08867100	\$0.00
WEST BRAZORIA DRNGE DIST #11	\$109,887,500		\$0	\$109,887,500	.02000000	\$21,937.50

Exemptions:

ABT ABATEMENT

TOTAL TAX: \$2,013,281.18  
TOTAL TAX PAID TO DATE: \$0.00  
TOTAL TAX REMAINING: \$2,013,281.18

**AMOUNT DUE IF PAID BY END OF:**

JANUARY 2007	FEBRUARY 2007	MARCH 2007	APRIL 2007	MAY 2007	JUNE 2007
\$2,013,281.16	\$2,154,210.84	\$2,194,476.47	\$2,234,742.09	\$2,275,007.71	\$2,315,273.34

**PLEASE PUT YOUR ACCOUNT NUMBER ON ALL CORRESPONDENCE**

TAXES ARE DUE UPON RECEIPT. TAXES WILL BECOME DELINQUENT FEB. 1, 2007. PENALTY AND INTEREST WILL BE ADDED MONTHLY BEGINNING FEB. 1, 2007 AS FOLLOWS:

FEBRUARY -- 7%    MARCH -- 9%    APRIL -- 11%    MAY -- 13%    JUNE -- 15%    JULY -- 18%    + UP TO 20% ATTORNEY FEE

**TO PAY BY CREDIT CARD VISIT [www.brazoria-county.com/tax](http://www.brazoria-county.com/tax)**  
**OR DIAL 1-866-549-1010 - BUREAU CODE 5820032**



**PAY IN U.S. CURRENCY ONLY**  
IF NOT MAKING FULL PAYMENT, MARK A BOX

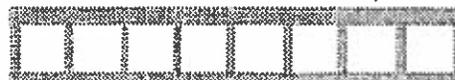
PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT  
Please DO NOT staple payment to coupon!

- SPLIT PAYMENT - PAY ONE-HALF BY NOVEMBER 30, 2006 AND ONE-HALF BY JUNE 30, 2007 WITHOUT PENALTY OR INTEREST
- OVER / 65 OR DISABILITY HOMESTEAD INSTALLMENTS - PAY 1/4 OF TAXES DUE BY JAN. 01, AND 3 EQUAL INSTALLMENTS BY MARCH 31, MAY 31, AND JULY 31, WITHOUT PENALTY OR INTEREST. (YOU MUST BE RECEIVING THE HOMESTEAD/OVER 65 OR DISABILITY EXEMPTION) PAYMENT OPTION DOES NOT APPLY TO DISABLED VETERANS EXEMPTION.
- PARTIAL PAYMENT - PARTIAL PAYMENTS IN ANY AMOUNT ACCEPTED

VISA # \_\_\_\_\_  
 MASTERCARD # \_\_\_\_\_  
 DISCOVER CARD # \_\_\_\_\_  
 PHONE NUMBER: \_\_\_\_\_  
 EXPIRATION DATE: \_\_\_\_\_  
 SIGNATURE: \_\_\_\_\_

(THERE WILL BE A SERVICE FEE CHARGED FOR USING YOUR CREDIT CARD)

ACCOUNT NUMBER	CAD NUMBER	PAY BY	AMOUNT DUE
ABAT-COND-001	R564942	JANUARY 31, 2007	\$2,013,281.16



MARK THIS BOX FOR CHANGE OF ADDRESS. PRINT YOUR NEW ADDRESS ON THE BACK OF COUPON

CONOCO/PHILLIPS COMPANY  
ATTN: RPA-PTRRC DEPT  
PO BOX 2197--MO1021  
  
HOUSTON TX 77252-2197

**PAY TO:**  
Ro'Vin Garrett, RTA  
TAX ASSESSOR- COLLECTOR  
P.O. BOX 1586  
LAKE JACKSON, TEXAS 77566



A B A T C O N 0 0 1

ABATCON001 2006 102006 00201328116 00215421084 00219447647 6



Tuesday, July 24 2007

### Property Tax Status

[Begin a New Search](#)   [Go to Your Portfolio](#)   [Tax Office FAQ's](#)

Make your check or money order payable to:  
Ro'Vin Garrett, RTA  
111 E Locust  
Angleton, Texas 77515



A convenience fee of up to 3% will be charged for all credit card payments by the vendor providing this service. The fee covers the cost of making payments by credit card possible. No part of this fee is retained by Brazoria County.

Unless otherwise noted, all data refers to tax information for 2006. All amounts due include penalty, interest, and attorney fees when applicable. Due to the large volume of work during heavy payment periods amounts due may not reflect payments that have been received but not yet processed.

**Account Number:** ABATCON0001

**Address:**  
CONOCO/PHILLIPS COMPANY  
ATTN: PTRRC DEPT  
PO BOX 2197--M01021  
HOUSTON, TX 77252-2197

**Property Site Address:**  
00000-00000

**Legal Description:**  
TAX ABATEMENT (IMP ONLY) ULTRA LOW  
SULFUR DIESEL PROJECT (2005-2011)

**Current Tax Levy:** \$2,013,281.16

**Current Amount Due:** \$0.00

**Prior Year Amount Due:** \$0.00

**Total Amount Due:** \$0.00

**Last Payment Amount for Current Year Taxes:**  
\$1,006,640.57

**Pending Credit Card Payments:**  
No Credit Card Payment Pending

[Click Here to Pay Now](#)

**Jurisdictions:**  
BRAZORIA COUNTY  
PORT FREEPORT  
SPECIAL ROAD & BRIDGE  
SWEENEY COMMUNITY HOSPITAL  
SWEENEY ISD  
WEST BRAZORIA DRNGE DIST #11

**Market Value:** \$109,687,500

**Land Value:** \$0

**Improvement Value:** \$109,687,500

**Capped Value:** \$0

**Agricultural Value:** \$0

**Exemptions:** ABT

**Last Certified Date:** 07/25/2006

[Taxes Due Detail by Year and Jurisdiction](#)

[Payment Information](#)

[Click Here](#) to see your estimated amount due for a future date. You can see this information by year

# 2006 TAX STATEMENT



(979) 388-1320  
 (979) 864-1320  
 (281) 756-1320

**Ro'Vin Garrett, RTA**  
**BRAZORIA COUNTY TAX ASSESSOR-COLLECTOR**  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515

**Mail To**

CONOCO/PHILLIPS COMPANY  
 ATTN: RPA-PTTRC DEPT  
 PO BOX 2197--MD1021  
 HOUSTON TX 77252-2197

**Legal Description**

TAX ABATEMENT (IMP ONLY) ULTRA LOW  
 SULFUR DIESEL PROJECT (2005-2011)

Legal Acres: .0000  
 Parcel Address: 0 00000

Account No: ABAT-COND-001

As of Date: 10/28/08

Print Date: 10/28/08

Market Value	Appraised Value	Assessed Value	Exempt Value	Homestead Value	Agricultural Value	Non-Qualifying Value
Land	Improvement					
	\$108,887,500	\$108,887,500	\$108,887,500			\$108,887,500

Taxing Unit	Assessed Value (100%)	Exemptions Code	Amount	Taxable Value	Tax Rate	2006 Tax
BRAZORIA COUNTY	\$108,887,500	ABT	108,887,500	\$0	.32170100	\$0.00
SPECIAL ROAD & BRIDGE	\$108,887,500	ABT	108,887,500	\$0	.08000000	\$0.00
SWEENEY ISD	\$108,887,500		\$0	\$108,887,500	1.5417000	\$1,881,062.18
SWEENEY COMMUNITY HOSPITAL	\$108,887,500		\$0	\$108,887,500	.27377000	\$300,291.47
BRAZOS RIVER HARBOR NAVIGATION	\$108,887,500	ABT	108,887,500	\$0	.08867100	\$0.00
WEST BRAZORIA DRNGE DIST #11	\$108,887,500		\$0	\$108,887,500	.02000000	\$21,837.50

**Exemptions:**

ABT ABATEMENT

TOTAL TAX: \$2,013,281.18  
 TOTAL TAX PAID TO DATE: \$0.00  
 TOTAL TAX REMAINING: \$2,013,281.18

**AMOUNT DUE IF PAID BY END OF:**

JANUARY 2007	FEBRUARY 2007	MARCH 2007	APRIL 2007	MAY 2007	JUNE 2007
\$2,013,281.16	\$2,154,210.84	\$2,194,476.47	\$2,234,742.09	\$2,275,007.71	\$2,315,273.34

**PLEASE PUT YOUR ACCOUNT NUMBER ON ALL CORRESPONDENCE**

TAXES ARE DUE UPON RECEIPT. TAXES WILL BECOME DELINQUENT FEB. 1, 2007. PENALTY AND INTEREST WILL BE ADDED MONTHLY BEGINNING FEB. 1, 2007 AS FOLLOWS:  
 FEBRUARY -- 7%    MARCH -- 9%    APRIL -- 11%    MAY -- 13%    JUNE -- 18%    JULY -- 18%    + UP TO 20% ATTORNEY FEE

**TO PAY BY CREDIT CARD VISIT [www.brazoria-county.com/tax](http://www.brazoria-county.com/tax)**  
**OR DIAL 1-866-549-1010 - BUREAU CODE 5820032**



**PAY IN U.S. CURRENCY ONLY**  
 IF NOT MAKING FULL PAYMENT, MARK A BOX

PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT  
 Please DO NOT staple payment to coupon

- SPLIT PAYMENT - PAY ONE-HALF BY NOVEMBER 30, 2006 AND ONE-HALF BY JUNE 30, 2007 WITHOUT PENALTY OR INTEREST
- OVER / 65 OR DISABILITY HOMESTEAD INSTALLMENTS - PAY 1/4 OF TAXES DUE BY JAN. 31, AND 3 EQUAL INSTALLMENTS BY MARCH 31, MAY 31, AND JULY 31, WITHOUT PENALTY OR INTEREST. (YOU MUST BE RECEIVING THE HOMESTEAD/OVER 65 OR DISABILITY EXEMPTION) PAYMENT OPTION DOES NOT APPLY TO DISABLED VETERANS EXEMPTION.
- PARTIAL PAYMENT - PARTIAL PAYMENTS IN ANY AMOUNT ACCEPTED

VISA # \_\_\_\_\_  
 MASTERCARD # \_\_\_\_\_  
 DISCOVER CARD # \_\_\_\_\_  
 PHONE NUMBER: \_\_\_\_\_  
 EXPIRATION DATE: \_\_\_\_\_  
 SIGNATURE: \_\_\_\_\_  
 (THERE WILL BE A SERVICE FEE CHARGED FOR USING YOUR CREDIT CARD)

ACCOUNT NUMBER	LOAD NUMBER	PAY BY	AMOUNT DUE
ABAT-COND-001	R564942	JANUARY 31, 2007	\$2,013,281.16

MARK THIS BOX FOR CHANGE OF ADDRESS. PRINT YOUR NEW ADDRESS ON THE BACK OF COUPON

CONOCO/PHILLIPS COMPANY  
 ATTN: RPA-PTTRC DEPT  
 PO BOX 2197--MD1021  
 HOUSTON TX 77252-2197

**AMOUNT PAID**

**PAY TO:**  
 Ro'Vin Garrett, RTA  
 TAX ASSESSOR- COLLECTOR  
 P.O. BOX 1586  
 LAKE JACKSON, TEXAS 77566



ABATCON001 2006 102006 00201328116 00215421084 00219447647 6

**Brazoria CAD**

**Property Search Results > 564942 CONOCO/PHILLIPS COMPANY for Year 2006**

**Property**

**Account**

Property ID: 564942      Legal Description: TAX ABATEMENT (IMP ONLY) ULTRA LOW SULFUR DIESEL PROJECT (2005-2011)  
 Geographic ID: ABAT-CONO-001      Agent Code:  
 Type: Real

**Location**

Address: TX      Mapsco:  
 Neighborhood:      Map ID:  
 Neighborhood CD:

**Owner**

Name: CONOCO/PHILLIPS COMPANY      Owner ID: 10036  
 Mailing Address: ATTN: PTRRC DEPT      % Ownership: 100.0000000000%  
 PO BOX 2197-M01021  
 HOUSTON, TX 77252  
 Exemptions: AB

**Values**

(+) Improvement Homesite Value: + \$0  
 (+) Improvement Non-Homesite Value: + \$109,687,500  
 (+) Land Homesite Value: + \$0  
 (+) Land Non-Homesite Value: + \$0 Ag / Timber Use Value  
 (+) Agricultural Market Valuation: + \$0 \$0  
 (+) Timber Market Valuation: + \$0 \$0  
 -----  
 (=) Market Value: = \$109,687,500  
 (-) Ag or Timber Use Value Reduction: - \$0  
 -----  
 (=) Appraised Value: = \$109,687,500  
 (-) HS Cap: - \$0  
 -----  
 (=) Assessed Value: = \$109,687,500

**Taxing Jurisdiction**

Owner: CONOCO/PHILLIPS COMPANY  
 % Ownership: 100.0000000000%  
 Total Value: \$109,687,500

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax	Tax Ceiling
DR9	WEST BRAZORIA COUNTY DRAINAGE DISTRICT #11	0.020000	\$109,687,500	\$109,687,500	\$21,937.50 *	\$0.00
GBC	BRAZORIA COUNTY	0.321701	\$109,687,500	\$0	\$352,865.78 *	\$0.00
HSW	SWEENEY HOSPITAL DISTRICT	0.273770	\$109,687,500	\$109,687,500	\$300,291.47 *	\$0.00
NAV	PORT FREEPORT	0.059671	\$109,687,500	\$0	\$65,451.63 *	\$0.00

RDB	ROAD & BRIDGE FUND	0.060000	\$109,687,500	\$0	\$65,812.50 *	\$0.00
SSW	SWEENEY INDEPENDENT SCHOOL DISTRICT	1.541700	\$109,687,500	\$109,687,500	\$1,691,052.19 *	\$0.00
<b>Total Tax Rate:</b>		<b>2.276842</b>				
					<b>Taxes w/Current Exemptions:</b>	<b>\$2,497,411.07</b>
					<b>Taxes w/o Exemptions:</b>	<b>\$2,497,411.07</b>

\*Not all taxes covered by Tax Ceiling when Homesite and Non-Homesite values exist.

**Improvement / Building**

<b>Improvement #1:</b>	Residential	<b>State Code:</b>	F2	<b>Living Area:</b>	sqft	<b>Value:</b>	\$109,687,500
------------------------	-------------	--------------------	----	---------------------	------	---------------	---------------

**Land**

No land segments exist for this property.

**Roll Value History**

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2009	N/A	N/A	N/A	N/A	N/A	N/A
2008	\$179,980,960	\$0	0	179,980,960	\$0	\$179,980,960
2007	\$191,008,170	\$0	0	191,008,170	\$0	\$191,008,170
2006	\$109,687,500	\$0	0	109,687,500	\$0	\$109,687,500
2005	\$19,500,000	\$0	0	19,500,000	\$0	\$19,500,000

**Deed History - (Last 3 Deed Transactions)**

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page
---	-----------	------	-------------	---------	---------	--------	------

**Questions Please Call (979) 849-7792**

Website version: 1.2.2.2

Database last updated on: 3/24/2009 8:19 PM

© 2009 True Automation, Inc. All Rights Reserved. Privacy Notice

This site only supports Internet Explorer 6+, Netscape 7+ and Firefox 1.5+.

**Brazoria CAD**

**Property Search Results > 564942 CONOCO/PHILLIPS COMPANY for Year 2005**

**Property**

**Account**

Property ID: 564942 Legal Description: TAX ABATEMENT (IMP ONLY) ULTRA LOW SULFUR DIESEL PROJECT (2005-2011)  
 Geographic ID: ABAT-CONO-001 Agent Code:  
 Type: Real

**Location**

Address: TX Mapsco:  
 Neighborhood: Map ID:  
 Neighborhood CD:

**Owner**

Name: CONOCO/PHILLIPS COMPANY Owner ID: 10036  
 Mailing Address: ATTN: PTRRC DEPT % Ownership: 100.000000000000%  
 PO BOX 2197--M01021  
 HOUSTON, TX 77252  
 Exemptions: AB

**Values**

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$19,500,000	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
		<hr/>	
(=) Market Value:	=	\$19,500,000	
(-) Ag or Timber Use Value Reduction:	-	\$0	
		<hr/>	
(=) Appraised Value:	=	\$19,500,000	
(-) HS Cap:	-	\$0	
		<hr/>	
(=) Assessed Value:	=	\$19,500,000	

**Taxing Jurisdiction**

Owner: CONOCO/PHILLIPS COMPANY  
 % Ownership: 100.000000000000%  
 Total Value: \$19,500,000

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax	Tax Ceiling
DR9	WEST BRAZORIA COUNTY DRAINAGE DISTRICT #11	0.020000	\$19,500,000	\$19,500,000	\$3,900.00 *	\$0.00
GBC	BRAZORIA COUNTY	0.347987	\$19,500,000	\$0	\$67,857.47 *	\$0.00
HSW	SWEENEY HOSPITAL DISTRICT	0.343781	\$19,500,000	\$19,500,000	\$67,037.30 *	\$0.00
NAV	PORT FREEPORT	0.065000	\$19,500,000	\$0	\$12,675.00 *	\$0.00

RDB	ROAD & BRIDGE FUND	0.060000	\$19,500,000	\$0	\$11,700.00 *	\$0.00
SSW	SWEENEY INDEPENDENT SCHOOL DISTRICT	1.671000	\$19,500,000	\$19,500,000	\$325,845.00 *	\$0.00
Total Tax Rate:		2.507768				
					Taxes w/Current Exemptions:	\$489,014.76
					Taxes w/o Exemptions:	\$489,014.76

\*Not all taxes covered by Tax Ceiling when Homesite and Non-Homesite values exist.

**Improvement / Building**

Improvement #1: Residential State Code: F2 Living Area: sqft Value: \$19,500,000

**Land**

No land segments exist for this property.

**Roll Value History**

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2009	N/A	N/A	N/A	N/A	N/A	N/A
2008	\$179,980,960	\$0	0	179,980,960	\$0	\$179,980,960
2007	\$191,008,170	\$0	0	191,008,170	\$0	\$191,008,170
2006	\$109,687,500	\$0	0	109,687,500	\$0	\$109,687,500
2005	\$19,500,000	\$0	0	19,500,000	\$0	\$19,500,000

**Deed History - (Last 3 Deed Transactions)**

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page
---	-----------	------	-------------	---------	---------	--------	------

Questions Please Call (979) 849-7792

Website version: 1.2.2.2

Database last updated on: 3/24/2009 8:19 PM

© 2009 True Automation, Inc. All Rights Reserved. Privacy Notice

This site only supports Internet Explorer 6+, Netscape 7+ and Firefox 1.5+.

DUPLICATE TAX RECEIPT



RO'VIN GARRETT, RTA  
 BRAZORIA COUNTY TAX ASSESSOR - COLLECTOR  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515

**Certified Owner:**

CONOCO/PHILLIPS COMPANY  
 ATTN: PTRRC DEPT  
 PO BOX 2197--M01021  
 HOUSTON, TX 77252

**Legal Description:**

TAX ABATEMENT (IMP ONLY) ULTRA LOW SULFU  
 R DIESEL PROJECT (2005-2011)

**Parcel Address:**

Legal Acres: 0.0000

Remit Seq No: 12536904  
 Receipt Date: 11/30/2008  
 Deposit Date: 12/08/2008  
 Print Date: 04/22/2009

> --  
 Deposit No: 08CONPHI0001  
 Validation No: 1  
 Account No: ABAT-CONO-001  
 Operator Code: SOFI

Year	Tax Unit Name	Tax Value	Tax Rate	Levy Paid	P&I	Attr Paid	Total
2008	Sweeny Isd M-D	30,000,000	1.211700	181,755.00	0.00	0.00	181,755.00
2008	Sweeny Community Hospital	179,980,960	0.323170	290,822.24	0.00	0.00	290,822.24
2008	West Brazoria Drngc Dist #11	179,980,960	0.020000	17,998.10	0.00	0.00	17,998.10
2008	Sweeny Isd - Hb1200 - 1a	149,980,960	0.171700	128,758.66	0.00	0.00	128,758.66
				<b>\$619,334.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$619,334.00</b>

> --  
Check Number(s):  
 00813918  
Credit Card Authorization No: 0

**PAYMENT TYPE: PARTIAL PAYMENT**

Checks: 5619,334.00

Exemptions on this property:

ABATEMENT

Total Applied: 5619,334.00

Change Paid: \$0.00

BALANCE DUE AS OF 04/22/2009 IS \$619,333.97

**PAYER:**  
 CONOCO PHILLIPS  
 ATTN RPA-PTRRC DEPT  
 PO BOX 2197-MO 1021  
 HOUSTON, TX 77252-2197

(979) 864-1320, (979) 388-1320, (281) 756-1320

SWEENEY INDEPENDENT SCHOOL DISTRICT

Vendor Key	Vendor Name	Check Date	Check Number	Check Total
CONOCO P000	CONOCO PHILLIPS COMPANY	05/12/2009	50574	\$155,959.82

Invoice Number	Invoice Description	PO Number	Invoice Date	Gross Amt	Discount Amt	Adjustment Amt	Net Amt
2006 PROPERTY	2006 PROPERTY TAX CREDIT ON VALUATION LIMITATION AGREEMENT	0	05/11/2009	155,959.82	0.00	0.00	155,959.82
<b>Totals</b>				\$155,959.82	\$0.00	\$0.00	\$155,959.82

THIS CHECK IS VOID WITHOUT A GREEN & RED BACKGROUND AND A WATERMARK - HOLD TO THE LIGHT TO VIEW

SWEENEY INDEPENDENT SCHOOL DISTRICT  
 1310 N. ELM STREET  
 SWEENEY, TEXAS 77480

FIRST STATE BANK OF LOUISE  
 SWEENEY, TEXAS 77480

CHECK NO. 50574

Check Date 05/12/2009  
 Check Amount \$155,959.82

Pay **\*\*One Hundred Fifty-Five Thousand Nine Hundred Fifty-Nine Dollars & 82 Cents**

VOID AFTER 90 DAYS

To the Order Of: CONOCO-PHILLIPS COMPANY  
 ATTN: BOB ADAIR  
 PO BOX 2197MO1021  
 HOUSTON TX 77252-2197

*Say F. Zuber*  
*Jan Reddock*

SIGNATURE HAS A COLORED BACKGROUND • BORDER CONTAINS MICROPRINTING

⑈0050574⑈ ⑆113123065⑆ 000⑈034⑈

**TEXAS ECONOMIC DEVELOPMENT ACT**  
**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY**  
**FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

---

by and between

**SWEENY INDEPENDENT SCHOOL DISTRICT,**

and

**CONOCOPHILLIPS COMPANY**

---

Dated as of

December 14, 2004

STATE OF TEXAS §

COUNTY OF BRAZORIA §

**THIS 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 between **Sweeny Independent School District** (the "District"), a lawfully created independent school district of the State of Texas operating under and subject to The Texas Education Code, and **ConocoPhillips Company**, hereinafter referred to as the "Applicant."

#### RECITALS

*WHEREAS*, on September 3, 2004, the Superintendent of Schools of the Sweeny Independent School District acting as agent of the Board of Trustees received an Application from ConocoPhillips Company for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Property Tax Code; and

*WHEREAS*, on September 3, 2004 the District received the Application fee as established pursuant to Texas Property Tax Code § 313.025(a)(1), thus establishing the filing date of such Application; and

*WHEREAS*, on November 29, 2004, the Superintendent of Schools of the Sweeny Independent School District acting as agent of the Board of Trustees received an amended Application from ConocoPhillips Company for an Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, Texas Property Tax Code); and

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

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

*WHEREAS*, the Board of Trustees has directed that an economic impact evaluation on the Application, as amended, be conducted in conformance with Texas Property Tax Code § 313.026, and the Board has carefully considered such evaluation; and

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

*WHEREAS*, on December 14, 2004 the Board of Trustees conducted a Public Hearing on the amended Application, at which it solicited input into its deliberations on

---

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

the application from all interested parties within the District; and has carefully considered the information presented at the Public Hearing; and

*WHEREAS*, the Board of Trustees at its Board meeting held on December 14, 2004 made factual findings in accordance with the Texas Economic Development Act that this Agreement is in the best interest of the District

*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 by Section 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 Tax Code § 313.021(4). The limitation on the local ad valorem property values shall terminate in the tax year 2014.

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

<u>Year of Agreement</u>	<u>Date of Appraisal</u>	<u>School Year</u>	<u>Tax Year</u>	<u>Summary Description of Provisions</u>
1	January 1, 2005	2005-06	2005	No limitation on value. Tax credit in future years.
2	January 1, 2006	2006-07	2006	No limitation on value. Tax credit in future years.
3	January 1, 2007	2007-08	2007	\$ 30 million property value limitation.

<u>Year of Agreement</u>	<u>Date of Appraisal</u>	<u>School Year</u>	<u>Tax Year</u>	<u>Summary Description of Provisions</u>
4	January 1, 2008	2007-09	2008	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
5	January 1, 2009	2009-10	2009	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
6	January 1, 2010	2010-11	2010	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
7	January 1, 2011	2011-12	2011	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
8	January 1, 2012	2012-13	2012	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
9	January 1, 2013	2013-14	2013	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
10	January 1, 2014	2014-15	2014	\$ 30 million property value limitation. Possible tax credit payment due to Applicant.
11	January 1, 2015	2015-16	2015	No tax limitation. Possible tax credit due to Applicant. Applicant obligated to maintain viable presence if no early termination.
12	January 1, 2016	2016-17	2016	No tax limitation. Applicant obligated to maintain viable presence if no early termination.
13	January 1, 2017	2017-18	2017	No tax limitation. Applicant obligated to maintain viable presence if no early termination.

### 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.

"Agreement" means this Agreement.

"Applicant" means ConocoPhillips Company, the company listed in the Preamble of this Agreement who, on September 3, 2004 filed its 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 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 Code 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 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 which may be adopted in the future which 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, Property Tax Code) which filing with the District by Applicant was completed on September 3, 2004 by the tender of its Application fee. The term also includes the amendment filed thereto on November 29, 2004.

"Comptroller" means the Texas Comptroller of Public Accounts.

"Comptroller's Rules" means the applicable rules and regulations of the Comptroller set forth at 34 Texas Administrative Code § 9.107 together with any court or administrative decisions interpreting same.

"County" means Brazoria County, Texas.

"County Appraisal District" means the Brazoria County Appraisal District.

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

"Employment Positions" shall mean non-temporary full time employment positions of the Applicant, its permitted assigns and affiliates at the facility to which this tax limitation agreement applies, including employees of contractors assigned to the facility to which this tax limitation agreement applies as shown on Applicant's internal

contingent labor management systems. Two (2) or more part time employees, totaling thirty (30) hours or more per week may be substituted for one (1) full time employee.

"Foundation" means Sweeny ISD Education Foundation, a Texas Non-Profit Corporation, founded and operated to support the educational mission of the Sweeny Independent School District.

"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 Qualifying Jobs set forth in the Application, with the minimum salaries required by Texas 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 within ninety (90) days of the catastrophic event. In the event a 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 which 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 exclude 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.

"Minimum Capital Investment" for purposes of maintenance of a viable presence means the total capitalized costs of the Applicant of improvements and tangible personal property added to the facility to which this tax limitation agreement applies (but not including land) that are the subject of the Agreement.

"Qualified Investment" means an investment that Applicant proposes to build or install and that will qualify the Applicant for a limitation in the appraised value of qualified property. The term does not include land, but means:

(A) tangible personal property owned and operated on the Qualified Property by Applicant that is described as Section 1245 property by Internal Revenue Code of 1986, § 1245(a), and that is first placed in service in Texas during the applicable qualifying time period that begins after December 31, 2001;

(B) tangible personal property owned and operated on the Qualified Property by Applicant that is first placed in service in Texas during the applicable qualifying time period that begins after December 31, 2001, and that is used in connection with the manufacturing, processing, or fabrication in a cleanroom

environment of a semiconductor product. For purposes of this subparagraph, tangible personal property is neither required to be affixed to or incorporated into real property, nor required to be actually located in the cleanroom environment. Examples include, but are not limited to, integrated systems, fixtures, and piping; property that is necessary or adapted to reduce contamination or to control environmental conditions (e.g. airflow, temperature, humidity, or chemical purity) or to control manufacturing tolerances; and production equipment and machinery, moveable cleanroom partitions, and cleanroom lighting;

(C) a building or a permanent, non-removable component of a building that is built or constructed, owned and operated on the Qualified Property by Applicant during the applicable qualifying time period that begins after December 31, 2001, and that houses tangible personal property described by subparagraph (A) or (B) of this paragraph; or,

(D) any property that is described in subparagraphs (A)-(C) of this paragraph that is leased under a capitalized lease, but excludes any property that is leased under an operating lease.

"Qualified Property" means property that is owned by the Applicant and is used either as an integral part, or, as described in the Comptroller's Rules set forth 34 Tex. Admin. Code, § 9.107(b)(6), as a necessary auxiliary part, in manufacturing, research and development, or renewable energy generation and consists of:

(A) a new building or other new improvement that does not exist before the date on which the Applicant applies for an appraised value limitation;

(B) land that is not subject to a tax abatement agreement into which a school district has entered under Tax Code, Chapter 312; and is located in an area that is designated as a reinvestment zone under Tax Code, Chapter 311 or Chapter 312, or as an enterprise zone under Government Code, Chapter 21003, on which the Applicant:

(i) proposes to construct, erect, or affix a new building or new improvement that does not exist before the date on which the Applicant applies for an appraised value limitation; and,

(ii) in connection with that new building or new improvement, also proposes to make at least the minimum amount of qualified investment required by this section; and,

(iii) proposes to create at least 10 new jobs if the land is in a rural school district as defined by the Comptroller pursuant to 34 Tex. Admin. Code § 9.107(e)(1)(B), or at least 25 new jobs if the land is in a school district that is not a rural school district.

(C) tangible personal property owned and occupied by Applicant that is either first placed in service in the new building or in or on the new improvement that did not exist before the date on which the Applicant applies for an appraised value limitation (unless the property is considered a semiconductor fabrication cleanroom or equipment under Tax Code, § 151.318(q)) or first placed in service on the land on which that new building or new improvement is located, if the personal property is ancillary and necessary to the business that is conducted in that new building or in or on that new improvement. To qualify, tangible personal property may not be subject to a tax abatement agreement into which a school district has entered under Tax Code, Chapter 312.

"Qualifying Job" means a new permanent full-time job that:

- (A) requires at least 1,600 hours of work per year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan, as defined by Texas Government Code, § 481.151, for which the business pays or offers to pay at least 80% of the premiums or other charges that are assessed for employee-only coverage under the plan; and,
- (E) pays at least 110% of the county average weekly wage for manufacturing jobs as computed by the Texas Workforce Commission for the county where the job is located.

"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 34 Tex. Admin. Code § 9.107(o), 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 Tax Code and 34 Tex. Admin. Code § 9.107(o)(2) before September 4, 2006.

"Tax Limitation Amount" means the minimum amount which 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 upon which the Qualified Investment will be located is within an area designated as a reinvestment zone under Chapters 311 or 312 of the Texas Property Tax Code or as an enterprise zone under Chapter 21003 of the Texas 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 upon which the Qualified Investment will be located is 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 materially changed from its current configuration without the express authorization of each of the parties.

#### Section 2.3. DESCRIPTION OF QUALIFIED INVESTMENT

The Qualified Investment that Applicant is seeking this tax limitation Agreement is described in Exhibit 3 that is incorporated herein by reference for all purposes. Property which 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 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) 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 AMOUNT OF LOSS OF REVENUES BY SWEENEY ISD**

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

The M&O amount owed by Applicant to District = Original M&O Revenue minus New M&O Revenue;

Where:

- (i) Original M&O Revenue = the total State and local Maintenance & Operations Revenue that the District would have received for the school year had this Agreement not been made.
- (ii) New M&O Revenue = 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 Finance School Law.
- (iv) All calculations made for years three (3) through ten (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).
- (v) All calculations made under this Section shall be made by a methodology which 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, including, but not limited to:

- (i) 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.
- (ii) Any loss to the District that may accrue to the District in the event of a successful judicial challenge to this Agreement.
- (iii) Any attorneys fees or other costs incurred by the District while engaged in any legal defense of this Agreement whether or not the Agreement is ultimately determined to be valid.

#### **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. Except as agreed in advance in no year shall Applicant be responsible for the payment of a fee to the third party in excess of Five Thousand Dollars (\$5,000.00) per year of this Agreement.

#### **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 calculations required under Sections 3.2 and/or 3.3 of this Agreement, the third party appointed pursuant to Section 3.4 of this Agreement shall forward to the Applicant a certification containing the required calculations 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.

**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 OR OTHER LEGAL 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, the Commissioner of Education or the Texas Education Agency, the Courts of the State of Texas, and/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, that 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 years four (tax year 2008) and/or through ten (tax year 2014) of this Agreement Applicant shall not be responsible for payment of a revenue protection amount to the District in excess of the amount of taxes which 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, the Applicant shall have the option to terminate this Agreement. Applicant may exercise their 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**

### **ADDITIONAL EDUCATIONAL SUPPORT PAYMENTS BY APPLICANT**

#### **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 agrees to make additional educational support payments as calculated under this Article to the Sweeny ISD Education Foundation, a Texas Non-Profit Corporation, or to such other entity as designated in writing by the District under Section 4.4, below. It is the express intent of the parties that the obligation for payments under this Article are separate and independent of the obligation of Applicant to pay the amounts described in Article III of this Agreement.

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

- (a) For each of years three (tax year 2007) through ten (tax year 2014) of this Agreement the Foundation, or successor designee, shall be entitled to receive as payments as set forth herein, in an amount equal to Forty-Eight Percent (48%) 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 three (tax year 2007) through ten (tax year 2014) of this Agreement by determining the amount of maintenance and operations taxes which the Applicant would have paid in the absence of this Agreement, adding to that amount any credit received by Applicant in the applicable year, and subtracting from that sum the amount of taxes actually due for that year. 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) Payments under this Section shall be made on or before the same time as any payments, if due, would be due pursuant to Section 3.7 of this Agreement.

#### Section 4.3. RECALCULATION OF PAYMENT IN LIEU OF TAXATION

The parties agree that the payment set forth in Section 4.2 of this Agreement will initially be based upon the current estimate of tax savings to the Applicant which will be made based upon assumptions of student counts, tax collections or other applicable data. For each of years three (tax year 2007) 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 this Agreement not been made (The taxable values used for interest and sinking fund purposes.)

Minus

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

Multiplied by

The District's maintenance and operations tax rate for the applicable year.

Plus

Any tax credit received by Applicant pursuant to Tex. Prop. Tax Code Chapter 313, Subchapter D.

Multiplied by

The number 0.48

Minus

Any amounts previously paid under Sections 3.2, 3.3(i), 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. DESIGNATION OF SUCCESSOR BENEFICIARY**

At any time during this Agreement District's Board of Trustees may, in its sole discretion, designate an alternative entity to receive any remaining payments under this Article. The alternative entity may only use funds paid under this Article to support the educational mission of the District. The alternative entity designated by the Board may include the District itself. 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 6.1, below.

### **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 Brazoria County Appraisal District with all data, necessary under the Texas 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 which the Applicant regards as being technical or business information which 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 which 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 the Agreement and that it will maintain a viable presence in the District as is defined by the specific guidelines set forth in the definition of "Maintain a Viable Presence" as that term is defined in Section 1.3, above, and for an additional 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 BY APPLICANT**

In the event that Applicant terminates this Agreement without the consent of the District, or in the event that 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 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 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 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 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 which 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 argument 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 which 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 MATERIAL OF BREACH**

After receipt of notice of the Board's determination of a breach under Section 5.4 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 5.3 as

are set forth at Texas 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 Tax Code § 33.07 to the attorneys representing the District pursuant to Texas Property Tax Code § 6.100.

## 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:

Randy Miksch, Superintendent  
Sweeny Independent School District  
1310 North Elm Street  
Sweeny, Texas 77480-7399

To the Applicant:

Greg L. Cardwell  
ConocoPhillips Company  
P.O. Box 2197 M01006  
Houston, Texas 77252-2197

To the Foundation:

Sweeny ISD Education Foundation  
1310 North Elm Street  
Sweeny, Texas 77480-7399  
Attention: Randy Miksch, President

#### 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 this 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 Applicant 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 Appraisal District shall determine the market value of the property and include both the market value and the appropriate value under this Agreement in its appraisal 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 which 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 Agreement has been executed by the District, the Foundation, and the Applicant in multiple originals on this 14<sup>th</sup> day of December 2004.

**CONOCOPHILLIPS COMPANY**

**SWEENEY INDEPENDENT SCHOOL DISTRICT**

By: \_\_\_\_\_  
Tom J. Rich, General Manager-  
Sweeny Refinery

By: \_\_\_\_\_  
Glenn Salyer, President

ATTEST:

**Sweeny ISD Education Foundation**

By: \_\_\_\_\_  
Tom Ronayne, Secretary

By: \_\_\_\_\_  
Randy Miksch, President

CONOCOPHILLIPS COMPANY

SWEENEY INDEPENDENT SCHOOL DISTRICT

By: Tom J. Rich  
Tom J. Rich, General Manager-  
Sweeny Refinery

By: Glenn W. Salyer  
Glenn Salyer, President

ATTEST:

By: Jam Reddock  
Board Member

Sweeny ISD Education Foundation

By: Randy Miksch  
Randy Miksch, President

---

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

**EXHIBIT 1**

**DESCRIPTION OF REINVESTMENT  
OR ENTERPRISE ZONE**

---

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 1

ATTACHMENT 1  
138 KV UNIT

DESCRIPTION OF A 1.047-ACRE TRACT  
OF LAND OUT OF THE POLLY & CHANCE  
LEAGUE, A-119, BRAZORIA COUNTY, TEXAS

Being a tract of land containing 1.047 acres (43,600 square feet) out of the Polly & Chance League, A-119, Brazoria County, Texas. Said 1.047-acre tract being part of the residue of a 288.14-acre tract described as Tract No. 5 as conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas. Said 1.047-acre tract being more particularly described by metes and bounds as follows:

COMMENCING FOR REFERENCE at the northeast corner of the residue of a 22.45-acre tract described as Tract No. 33 being conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas, located in the west right-of-way line of F.M. Road 524 (100 feet wide); from which a 5/8-inch iron rod found for the southeast corner of the residue of a 10.13-acre tract as described by deed recorded in Volume 1336, Page 830 Brazoria County Deed Records, Brazoria County, Texas, bears South 00°11'14" East (called South 44°54'00" East in deed of said 22.45-acre tract), a distance of 3063.02 feet;

THENCE North 89°59'32" West with the north line of the residue of said 22.45-acre tract, at a distance of 953.72 feet pass the northwest corner of said 22.45-acre tract and a northeast corner of the residue of said 288.14-acre tract and continuing for a total distance of 1580.26 feet to a angle point;

THENCE South, a distance of 1017.02 feet to Plant Coordinate S 217.00, W 440.00 for the northeast corner and the POINT OF BEGINNING of said tract herein described;

THENCE South with the east line of said tract herein described, a distance of 240.00 feet to Plant Coordinate S 457.00, W 440.00 for the southeast corner of said tract herein described;

THENCE West with the south line of said tract herein described, a distance of 190.00 feet to Plant Coordinate S 457.00, W 630.00 for the southwest corner of said tract herein described;

THENCE North with the west line of said tract herein described, a distance of 240.00 feet to Plant Coordinate S 217.00, W 630.00 for the northwest corner of said tract herein described;

THENCE East with the north line of said tract herein described, a distance of 190.00 feet to the POINT OF BEGINNING and containing 1.047 acre (43,600 square feet) of land.

Note: Bearing and Coordinates called in the above description are based on the Phillips Petroleum Company Sweeny Refinery horizontal control grid as defined by a 60d Nail (Pt. #8) located at North 872.09, East 1143.39 and a 60d Nail (Pt. #9) located at South 1436.56, East 1184.62.

Compiled By:

Weisser Engineering Company  
19500 Park Row, Suite 100  
Houston, Texas 77084

Job No.: F0441 (399-441)  
Date: 09/23/04



AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 1

ATTACHMENT 1

UNIT 38

DESCRIPTION OF A 2.476-ACRE TRACT  
OF LAND OUT OF THE POLLY & CHANCE  
LEAGUE, A-119, BRAZORIA COUNTY, TEXAS

Being a tract of land containing 2.476 acres (107,870 square feet) out of the Polly & Chance League, A-119, Brazoria County, Texas. Said 2.476-acre tract being part of the residue of a 288.14-acre tract described as Tract No. 5 as conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas. Said 2.476-acre tract being more particularly described by metes and bounds as follows:

COMMENCING FOR REFERENCE at the northeast corner of the residue of a 22.45-acre tract described as Tract No. 33 being conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas, located in the west right-of-way line of F.M. Road 524 (100 feet wide); from which a 3/8-inch iron rod found for the southeast corner of the residue of a 10.13-acre tract as described by deed recorded in Volume 1336, Page 830 Brazoria County Deed Records, Brazoria County, Texas, bears South 00°11'14" East (called South 44°34'00" East in deed of said 22.45-acre tract), a distance of 3065.02 feet;

THENCE North 89°59'32" West with the north line of the residue of said 22.45-acre tract, at a distance of 953.72 feet pass the northwest corner of said 22.45-acre tract and a northeast corner of the residue of said 288.14-acre tract and continuing for a total distance of 2060.26 feet to a angle point;

THENCE South, a distance of 1223.09 feet to Plant Coordinate S 423.00, W 920.00 for the northeast corner and the POINT OF BEGINNING of said tract herein described;

THENCE South with the east line of said tract herein described, a distance of 323.00 feet to Plant Coordinate S 745.00, W 920.00 for the southeast corner of said tract herein described;

THENCE West with the south line of said tract herein described, a distance of 335.00 feet to Plant Coordinate S 745.00, W 1255.00 for the southwest corner of said tract herein described;

THENCE North with the west line of said tract herein described, a distance of 322.00 feet to Plant Coordinate S 423.00, W 1255.00 for the northwest corner of said tract herein described;

THENCE East with the north line of said tract herein described, a distance of 335.00 feet to the POINT OF BEGINNING and containing 2.476 acres (107,870 square feet) of land.

Note: Bearing and Coordinates called in the above description are based on the Phillips Petroleum Company Sweeny Refinery horizontal control grid as defined by a 60d Nail (Pt. #8) located at North 872.09, East 1145.99 and a 60d Nail (Pt. #9) located at South 1436.56, East 1184.82.

Compiled By:

Weisser Engineering Company  
19500 Park Row, Suite 100  
Houston, Texas 77084

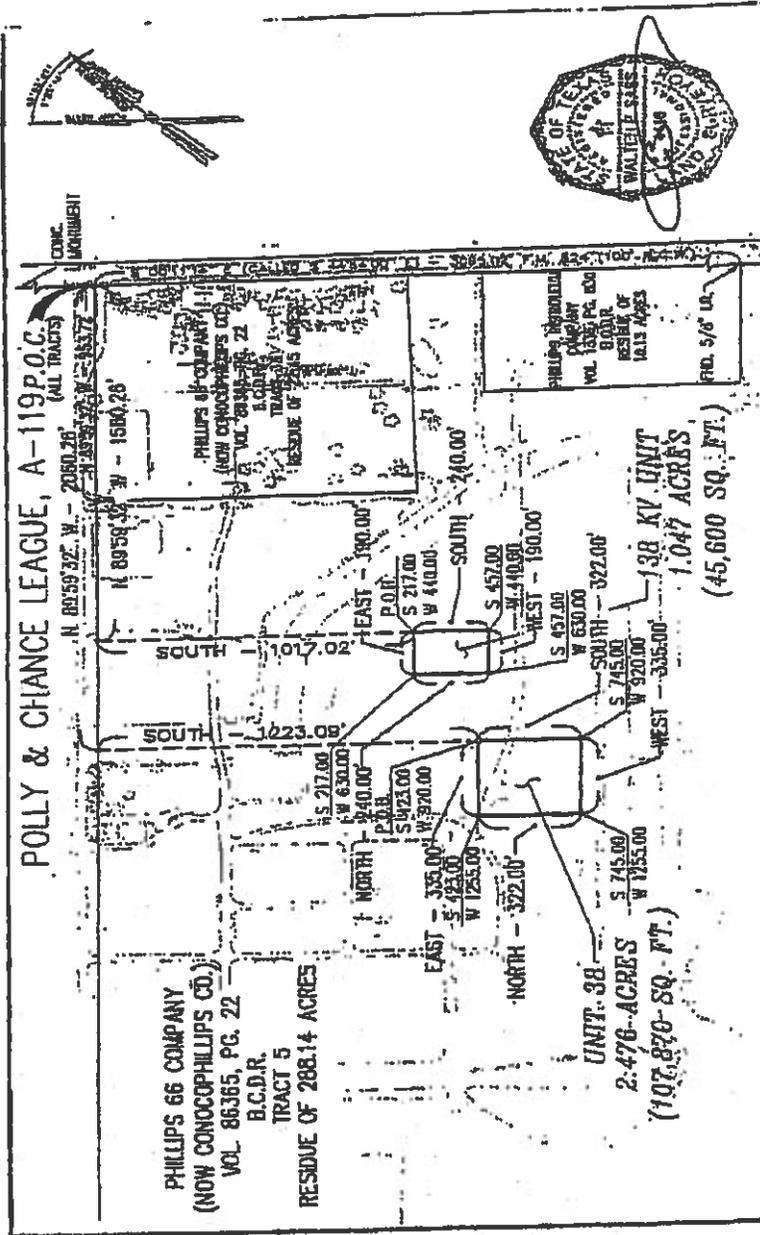
Job No.: P0441 (399-441)  
Date: 09/23/04



AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 1

EXHIBIT 1



CONOCOPHILLIPS COMPANY	
138 KV UNIT & UNIT 3B SURVEY	
BRAZORIA COUNTY, TX	
PROPERTY OWNER: CONOCOPHILLIPS COMPANY	
DATE: 11-4-00	SCALE: M.L.D.
BY: [Signature]	DATE: 09/23/04

**WEISSER Engineering Co.**  
 19500 Park Row, Suite 100  
 Houston, Texas 77064  
 (761) 579 - 7500

NOTE: BEARING AND COORDINATES CALLED IN ARE BASED ON THE CONOCOPHILLIPS COMPANY SWEENEY RECOVERY HORIZONTAL CONTROL GRID AS OBTAINED BY A 600 HAZ (PT. 10) LOCATED AT NORTH 872.09, EAST 1145.39 AND A 600 HAZ (PT. 10) LOCATED AT SOUTH 1438.56, EAST 1084.62.

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 1

## **EXHIBIT 2**

### **DESCRIPTION OF QUALIFIED PROPERTY**

---

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS**

**EXHIBIT 2**

138 KV UNIT

**DESCRIPTION OF A 1.047-ACRE TRACT  
OF LAND OUT OF THE POLLY & CHANCE  
LEAGUE, A-119, BRAZORIA COUNTY, TEXAS**

Being a tract of land containing 1.047 acres (45,600 square feet) out of the Polly & Chance League, A-119, Brazoria County, Texas. Said 1.047-acre tract being part of the residue of a 288.14-acre tract described as Tract No. 5 as conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas. Said 1.047-acre tract being more particularly described by metes and bounds as follows:

COMMENCING FOR REFERENCE at the northeast corner of the residue of a 22.45-acre tract described as Tract No. 33 being conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas, located in the west right-of-way line of F.M. Road 524 (100 feet wide); from which a 5/8-inch iron rod found for the southeast corner of the residue of a 10.13-acre tract as described by deed recorded in Volume 1336, Page 830 Brazoria County Deed Records, Brazoria County, Texas, bears South 00°11'14" East (called South 44°54'00" East in deed of said 22.45-acre tract), a distance of 3065.02 feet:

THENCE North 89°59'32" West with the north line of the residue of said 22.45-acre tract, at a distance of 953.72 feet pass the northwest corner of said 22.45-acre tract and a northeast corner of the residue of said 288.14-acre tract and continuing for a total distance of 1580.26 feet to a angle point;

THENCE South, a distance of 1017.02 feet to Plant Coordinate S 217.00, W 440.00 for the northeast corner and the POINT OF BEGINNING of said tract herein described;

THENCE South with the east line of said tract herein described, a distance of 240.00 feet to Plant Coordinate S 457.00, W 440.00 for the southeast corner of said tract herein described;

THENCE West with the south line of said tract herein described, a distance of 190.00 feet to Plant Coordinate S 457.00, W 630.00 for the southwest corner of said tract herein described;

THENCE North with the west line of said tract herein described, a distance of 240.00 feet to Plant Coordinate S 217.00, W 630.00 for the northwest corner of said tract herein described;

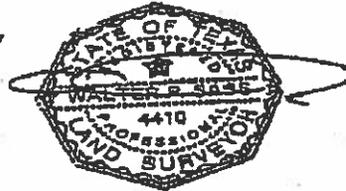
THENCE East with the north line of said tract herein described, a distance of 190.00 feet to the POINT OF BEGINNING and containing 1.047 acres (45,600 square feet) of land.

Note: Bearing and Coordinates called in the above description are based on the Phillips Petroleum Company Sweeny Refinery horizontal control grid as defined by a 60d Nail (Pt. #8) located at North 872.09, East 1143.39 and a 60d Nail (Pt. #9) located at South 1436.56, East 1184.62.

Compiled By:

Weisser Engineering Company  
19500 Park Row, Suite 100  
Houston, Texas 77084

Job No.: P0441 (399-441)  
Date: 09/23/04



AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 2

UNIT 38

DESCRIPTION OF A 2.476-ACRE TRACT  
OF LAND OUT OF THE POLLY & CHANCE  
LEAGUE, A-119, BRAZORIA COUNTY, TEXAS

Being a tract of land containing 2.476 acres (107,870 square feet) out of the Polly & Chance League, A-119, Brazoria County, Texas. Said 2.476-acre tract being part of the residue of a 288.14-acre tract described as Tract No. 5 as conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas. Said 2.476-acre tract being more particularly described by metes and bounds as follows:

COMMENCING FOR REFERENCE at the northeast corner of the residue of a 22.45-acre tract described as Tract No. 33 being conveyed to Phillips 66 Company (now ConocoPhillips Company) by deed recorded in Volume 86365, Page 22, Brazoria County Deed Records, Brazoria County, Texas, located in the west right-of-way line of F.M. Road 524 (100 feet wide); from which a 3/8-inch iron rod found for the southeast corner of the residue of a 10.13-acre tract as described by deed recorded in Volume 1336, Page 830 Brazoria County Deed Records, Brazoria County, Texas, bears South 00°11'14" East (called South 44°54'00" East in deed of said 22.45-acre tract), a distance of 3065.02 feet;

THENCE North 89°59'32" West with the north line of the residue of said 22.45-acre tract, at a distance of 953.72 feet pass the northwest corner of said 22.45-acre tract and a northeast corner of the residue of said 288.14-acre tract and continuing for a total distance of 2060.26 feet to a angle point;

THENCE South, a distance of 1223.09 feet to Plant Coordinate S 423.00, W 920.00 for the northeast corner and the POINT OF BEGINNING of said tract herein described;

THENCE South with the east line of said tract herein described, a distance of 323.00 feet to Plant Coordinate S 745.00, W 920.00 for the southeast corner of said tract herein described;

THENCE West with the south line of said tract herein described, a distance of 335.00 feet to Plant Coordinate S 745.00, W 1255.00 for the southwest corner of said tract herein described;

THENCE North with the west line of said tract herein described, a distance of 322.00 feet to Plant Coordinate S 423.00, W 1255.00 for the northwest corner of said tract herein described;

THENCE East with the north line of said tract herein described, a distance of 335.00 feet to the POINT OF BEGINNING and containing 2.476 acres (107,870 square feet) of land.

Note: Bearing and Coordinates called in the above description are based on the Phillips Petroleum Company Sweeny Refinery horizontal control grid as defined by a 60d Nail (Pt. #8) located at North 872.09, East 1145.39 and a 60d Nail (Pt. #9) located at South 1436.56, East 1184.62.

Compiled By:

Weisser Engineering Company  
19500 Park Row, Suite 100  
Houston, Texas 77084

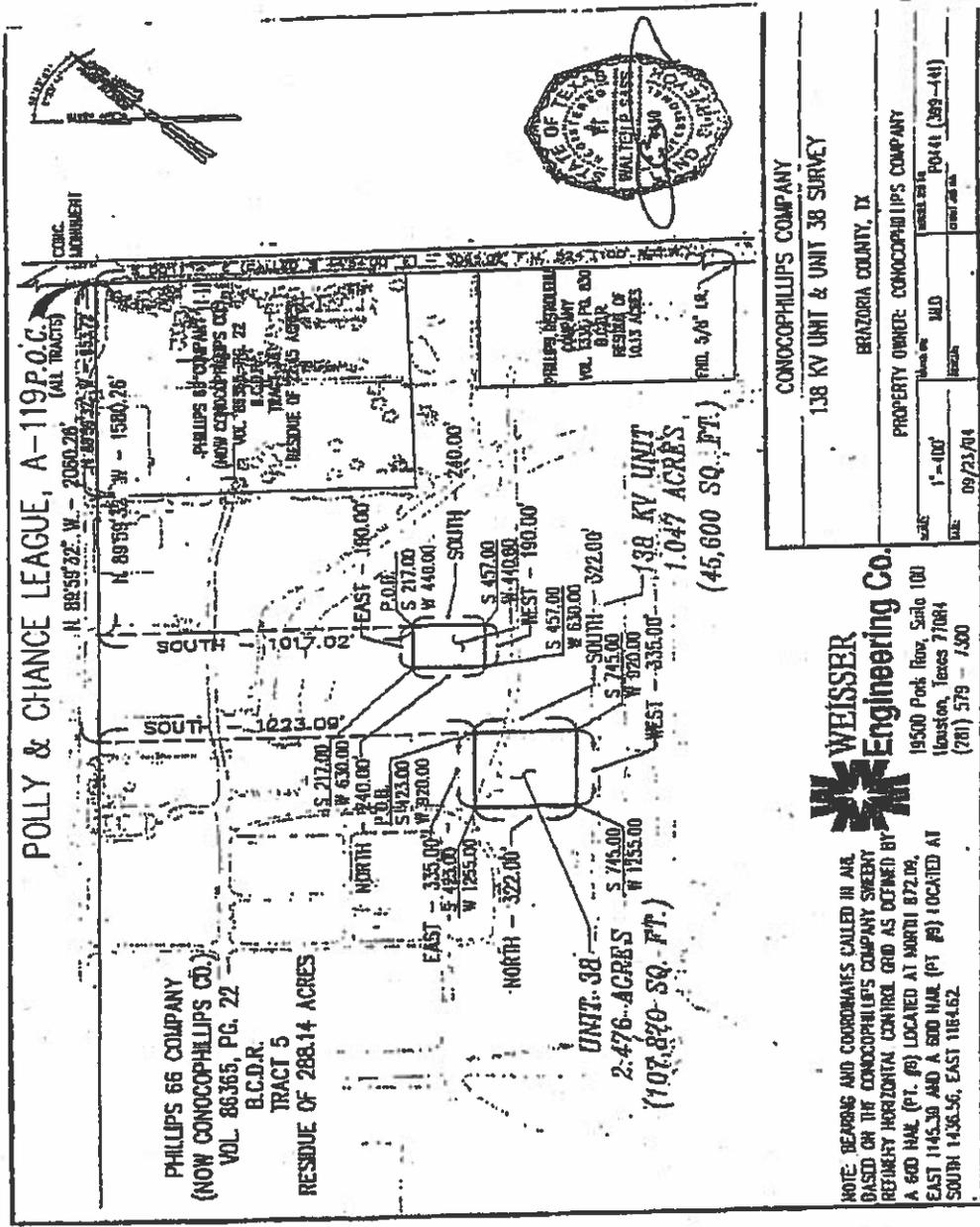
Job No.: P0441 (399-441)  
Date: 09/23/04



AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 2

ATTACHMENT 1



**WEISSER Engineering Co.**  
 19500 Park Blvd, Suite 100  
 Houston, Texas 77064  
 (781) 579 - 1300

NOTE: BEARINGS AND COORDINATES CALLED IN ARE BASED ON THE CONOCOPHILLIPS COMPANY SWEENEY REFERENCE HORIZONTAL CONTROL GRID AS DEFINED BY A 600 HAIL (PT. #9) LOCATED AT NORTH 872.04, EAST 1145.38 AND A 600 HAIL (PT. #8) LOCATED AT SOUTH 1436.56, EAST 1184.62.

CONOCOPHILLIPS COMPANY	
138 KV UNIT & UNIT 38 SURVEY	
BRAZORIA COUNTY, TX	
PROPERTY OWNER: CONOCOPHILLIPS COMPANY	
DATE	09/23/04
SCALE	1" = 100'
BY	WJD
DATE	09/23/04

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES BETWEEN SWEENEY ISD AND CONOCOPHILLIPS.

EXHIBIT 2

## **EXHIBIT 3**

# **DESCRIPTION OF QUALIFIED INVESTMENT**

---

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF  
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES  
BETWEEN SWEENEY ISD AND CONOCOPHILLIPS**

**EXHIBIT 3**

### **Project Description**

The proposed project is called the Clean Diesel Project. It is proposed to be constructed at ConocoPhillips' Sweeny Petrochemical Complex. The project would enable the production Ultra Low Sulfur Diesel (ULSD) to meet Environmental Protection Agency regulations requiring refiners to produce ULSD by June 1, 2006.

The project would be developed on vacant land within the Sweeny Complex.

Major features of the Clean Diesel Project would include:

- Ultra Low Sulfur Diesel Hydrotreater Unit – a new 70,000 BPSD unit to produce ULSD.
- Revamp Existing Units – modifications will be required to the existing refinery facilities to connect the new ULSD Hydrotreater.
- Utilities and Off Sites for New Units
- Utilities and Off Sites for Revamp Units