



Instrument No.  
ME 20060097

Grantee: Louis Dregfus Pipeline, LP

County: Bosque + Johnson Waterbody: Brazos River

State Tract No.(s): \_\_\_\_\_ Control No.(s): \_\_\_\_\_

Description: 8 5/8-inch pipeline

Annual Fee: -0- Total Consideration: \$500.00 Term: 5 yrs

Effective Date: 5-1-2006 Expiration Date: 4-30-11

Assignee: \_\_\_\_\_ Date: \_\_\_\_\_

Amended Date: \_\_\_\_\_

Comments: \_\_\_\_\_



**CAUTION**

Documents in this file have been placed in Table of Contents order and scanned.

Please help keep documents in content order and let the ScanLab know when new documents are added to this file.

Thank you for your assistance.

*Archives and Records Staff*



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**CONESTOGA-ROVERS**  
& ASSOCIATES  
formerly **BNC Environmental Services, Inc.**

April 7, 2006

Reference No.043904

Mr. Glen Rosenbaum  
**TEXAS GENERAL LAND OFFICE**  
Asset Inspection, Stephen F. Austin Bldg., Room 735  
1700 North Congress Ave.  
Austin, TX 78701-1495

**Re: Application for State Land Use Lease - ME**  
Louis Dreyfus Pipeline L.P.

Dear Mr. Rosenbaum:

On behalf of Louis Dreyfus Pipeline L.P., I am submitting the Application for State Land Use Lease - ME. Included are the application, exhibits, certificate of good standing and the \$50.00 filing fee.

If you have any questions or need additional information, please contact me at (713) 734-3090 or Mr. Mark Bullock with Louis Dreyfus (281) 378-1100.

Sincerely,

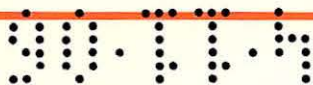
*Conestoga-Rovers & Associates*

Eunice Klinski  
Environmental Scientist

**Prepared by:**  
**Conestoga-Rovers**  
& **Associates**

13431 Cullen Boulevard  
Houston, Texas  
77047

Tel: 713.734.3090  
Fax: 713.734.3391





①

File No. ME 20060097

Lutter

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By lg

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**For GLO Use Only**

Working File # :

AUS24040

Staff Initials :

ME

Lease # :

ME 2006 0097

**State of Texas  
Texas General Land Office  
Application for State Land Use Lease - ME**

**I. GENERAL INFORMATION**

This application form is to be used to request a right-of-way across state-owned land under the management authority of the General Land Office (Section 51.291, T.N.R.C.), or under the management authority of another state agency on whose behalf the General Land Office (GLO) will issue a land-use agreement.

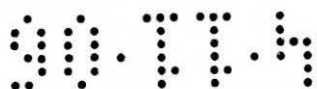
Types of actions covered by this application include, but are not limited to, the following: pipelines, electric power lines, communication lines, sub-surface easements, roads, canals, etc. If you are unsure if this application form is appropriate for your project, please contact the GLO.

**II. INSTRUCTIONS**

The GLO is committed to prompt processing of this application. Our goal is to provide you with an executed contract within 90-days of the date a COMPLETE application is received. To minimize the length of time required to process this application, please note the following:

If obtaining a permit from the U.S. Army Corps of Engineers (COE) is required for this project, it DOES NOT authorize construction on state land. You may avoid processing delays by filing your state application CONCURRENTLY with a COE application.

- A. If obtaining a permit from the U.S. Army Corps of Engineers (COE) is required for this project, it DOES NOT authorize construction on state land. You may avoid processing delays by filing your state application CONCURRENTLY with a COE application.
- B. Submitting this application to the GLO does not authorize work on state land. You are not authorized to use state land prior to receipt of a contract executed by the Commissioner of the General Land Office. Placement or maintenance of structures on State Land without proper authorization from the GLO may result in civil penalties (V.C.T.A. Natural Resources Code, Section 51.302). In addition, the Commissioner may have unauthorized structures removed from Coastal Public Land and seek restitution for costs incurred from the responsible party (V.C.T.A. Natural Resources Code, Section 51.3021). Mitigation costs may also be assessed when necessary to compensate for damage to natural resources (31 TAC, Section 155.3(g)(1)).
- C. Remote project locations typically require longer processing times due to the logistics of conducting an on-site inspection. Although it is not required, an applicant may reduce processing times by providing transportation to and from a project site for the GLO field inspectors and by working closely with GLO staff during habitat surveys, development of project plans, etc.





D. The GLO is required by state law to deposit application fees received. Receipt of an application form and deposit of the application fee does not, however, begin the GLO 90-day processing timeline. The 90-day GLO processing timeline does not begin until the application has been reviewed and found to be complete, containing all information necessary for processing. This includes: (a) payment of the Application Processing Fee; (b) the application form with all sections properly completed; and (c) all exhibits required in the "Instructions for Preparation of ME Exhibits" (copy attached). Additional information may be required by the GLO on a case-by-case basis as needed to ensure a full evaluation of impacts to state resources and protection of the public's interest in state lands. Failure to provide information requested by the GLO may result in cancellation of the application and forfeiture of the filing fee.

E. Type or print information requested in all spaces. DO NOT LEAVE SPACES BLANK. Enter "N/A" on any blank that does not apply to your project.

F. **NOTE:** by signature on the final page of this application, the applicant certifies that all information contained herein is true and correct. Providing false or incomplete information may result in contract termination, forfeiture of all rights granted on the basis of this application, and the assessment of penalties, if appropriate.

If you need assistance in completing any portion of this application, please contact the General Land Office at:

Asset Inspection, Stephen F. Austin Bldg., Room 735  
1700 North Congress Ave., Austin, Texas 78701-1495  
Office: (512) 475-2281, Fax: (512) 463-5304

**For Coastal Projects North of the Colorado River**  
Texas General Land Office  
La Porte Field Office  
11811 North D Street  
La Porte, Texas 77571-9135  
Office: (281) 470-1191, Fax : (281) 470-8071

**For Coastal Projects South of the Colorado River**  
Natural Resources Center  
Texas General Land Office - Corpus Christi Field Office  
6300 Ocean Drive, Suite 2400  
Corpus Christi 78412-5599  
Office: (361) 825-3030, Fax: (361) 825-3040

### III. APPLICANT INFORMATION

A. **Business Name\*:** Louis Dreyfus Pipeline L.P.

\*If a Corporation, Limited Partnership or Limited Liability Partnership, entity name must be given exactly as registered with the Texas Secretary Of State.

\*If a Recorded Texas General Partnership, list name of partnership exactly as recorded, name of county in which partnership is recorded, and date and file number of recordation.

\*If an Un-recorded Texas General Partnership or out-of-state entity (not registered with Texas Secretary Of State to do business in Texas), contact the GLO to determine information requirements.

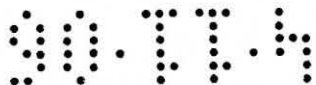
B. **Business Form:** (check one)

Corporation

Partnership: Type Limited  
(General, Limited, Limited Liability, Other-specify)

Joint Venture (Partnership Type) \_\_\_\_\_

Subsidiary (if a subsidiary, provide name and address of parent company in III. D.)







**III. Applicant Information cont.**

**2. If a Partnership or Joint Venture, complete the following for each General Partner.**

(Attach additional sheets as needed)

**Registered Agent** (if applicable) N/A

**Address for Notice:** N/A

**General Partner:** Louis Dreyfus Resources LLC

**Address:** 13430 Northwest Freeway Suite 1200  
(Street or Post Office Box)

Houston TX 77040  
(City) (State) (Zip)

**Telephone:** (281) 378-1100 **Fax:** (281) 378-1200  
(with area code) (with area code)

**General Partner:** N/A

**Address:** N/A  
(Street or Post Office Box)

N/A N/A N/A  
(City) (State) (Zip)

**Telephone:** N/A **Fax:** N/A  
(with area code) (with area code)

**General Partner:** N/A

**Address:** N/A  
(Street or Post Office Box)

N/A N/A N/A  
(City) (State) (Zip)

**Telephone:** N/A **Fax:** N/A  
(with area code) (with area code)

**3. State of Incorporation:** (if applicable) Delaware

**4. State or County of Partnership Registration:** Delaware

**5. Federal Tax Identification Number:** 20-046-4206

**6. Texas or other State Tax I.D. No.** (if different than No. 5 above) 1-20-0464206-7

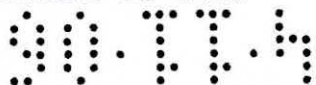
**7. Application Contact Person, Agent or Attorney Information:** (Person, firm or attorney authorized to file this application and to address any questions or additional information requirements.)

**Name:** Mark Bullock

**Address:** 13430 Northwest Freeway Suite 1200

**Telephone:** (281) 378-1100 **Fax:** (281) 378-1200  
(with area code) (with area code)

**IV. LOCATION OF RIGHT-OF-WAY**



**A. General:**

1. County(ies) in which ROW is to be located: Johnson and Bosque

2. If all or part of the proposed ROW is within city limits, Name of City(ies):  
N/A

**B. Survey Plat Requirements:**

See enclosed "Instructions for Preparing Maps, Plats and Project Plans" for information to be attached to this application as Exhibits A, B and C.

**C. Legal Description:**

**1. Submerged, Tidally Influenced Areas:**

If all, or a part, of the proposed ROW will transverse submerged State Lands, Gulf of Mexico, bays, inlets, islands, saltwater lakes, marshes, reefs and tidally influenced portions of rivers, streams and bayous, list the Waterbody(ies). If the Waterbody(ies) is demarcated by State Tract Numbers list the number(s) associated with it. This information should be provided on Exhibit B. Use additional sheets as needed to list all state tracts.

N/A  
(Waterbody)

N/A  
(State Trace No.[s])

N/A  
(Waterbody)

N/A  
(State Trace No.[s])

N/A  
(Waterbody)

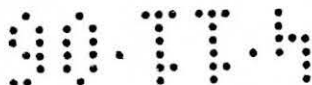
N/A  
(State Trace No.[s])

**2. State-owned Uplands:**

County: N/A  
Abstract No.: N/A  
Survey or Section No.: N/A  
Block No.: N/A  
Township No.: N/A  
Survey Name: N/A

County: N/A  
Abstract No.: N/A  
Survey or Section No.: N/A  
Block No.: N/A  
Township No.: N/A  
Survey Name: N/A

(Insert additional sheets as needed if ROW falls in more than two surveys.)





**IV. LOCATION OF RIGHT-OF-WAY (cont.)**

**3. State-owned Riverbed or Navigable Stream that is not tidally influenced:** (Use information from Exhibit B to complete the following.)

(a) List names of rivers or navigable streams crossed by the proposed line(s).

Brazos River

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(b) Instructions for Preparing Exhibits," requires that application exhibits for new projects crossing state-owned riverbeds or navigable streams above tidal influence include the "course and distance from one end of the easement to the nearest survey corner or subdivision survey corner." Provide that information in the spaces below, as well as on the Exhibit to be submitted with this application.

**County:** Johnson; Bosque

**Abstract No.:** A-508; A-844

**Survey or Section No.:** N/A

**Block No.:** N/A

**Township No.:** N/A

**Survey Name:** W.B Wilson; Joseph Lyon

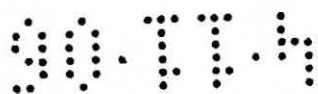
(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)

**D. Mineral Lease Holdings:**

If the pipeline route will cross a state-owned tract held by a state Mineral Lease or covered by a Pooling Agreement, list below the state tract number, mineral lease number, lease holder name and whether held by lease or pooling agreement for each state tract.

Tract #	Mineral Lease #	Lease Holder	Held by Lease? (Y/N)	Held by Pooling? (Y/N)
N/A	N/A	N/A	N/A	N/A

(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)



## V. Use of Right-of-Way

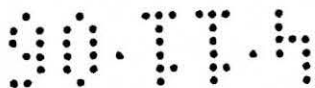
### A. Pipelines:

For the purpose of this application a "pipeline" is defined as a line of pipe for transporting liquids, gases, finely divided solids, or any combination of these.

#### 1. Pipeline Identification:

Name given to this Pipeline by the Applicant:	Barnett Shale NGL Gathering System	
Applicable Governing Regulatory Agency: (DOT, RRC, TNRCC, etc.)	RRC	
RailRoad Commission's T-4 Permit Number:	6792	
RailRoad Commission's P-5 Permit Number for the current Operator of this Pipeline:	509367	
U.S. Army Corps of Engineers' Permit Number: (if applicable)	N/A	
Is this pipeline interstate or intrastate?	Intrastate	
Pipeline Designation (e.g., distribution, gathering, transmission, flow, trunk, etc.)	Transmission	
If this pipeline already exists, what year was it installed?	N/A	
What is the system name and the system ID # that the Applicable Regulator can identify this pipeline with?	WT-NGL Midland to Hull 95001	
If pipeline will be in tidally influenced waters, give the name of the oil field.	N/A	
If pipeline will be in tidally influenced waters and is attached to a platform(s), what is the name of the platform(s) it is connected to.	N/A	
If application is for "flowlines" or "gathering lines", give API number for the well bores that the pipelines will service.	42-	N/A
	42-	N/A
	42-	N/A
If the pipeline connects to a platform and the platform is owned by the easement applicant but is not on an active GLO Mineral Lease, give the GLO Surface Lease number that authorized placement of the platform.	N/A	
If the pipeline connects to a platform and the platform is NOT owned by the easement applicant list the current owner of each platform along with a contact person and telephone number.	N/A	

(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)



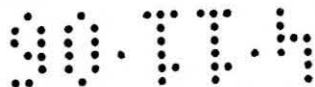


V. Use of Right-of-Way (cont.)

2. Pipeline Technical Specifications:

Pipe Outside Diameter (in.)	8 5/8
Pipe Wall Thickness (in.)	0.375
Pipe Grade (ksi)	API 5LX-42
Easement Length of Pipeline on State Land (Rods)	33.3
Total Length of Pipeline on State Land (Rods)	33.33
If this Pipeline is to be Installed Underwater, Give the Range of Water Depths. (ft.)	N/A
What is the Desired Temporary Construction Easement Width?(ft.)	Directional Drill
What is the Desired Permanent Easement Width? (ft.)	20
What is the Name of the Product being Transported and What is its Classification, i.e., Gas, Hazardous Liquid, or Neither?	Natural Gas Liquid (NGL); Hazardous Liquid
Is the Product being Transported, Sweet or Sour?	Sweet
Pipeline Design Pressure (psi)	1480 psig
Hydrostatic Test Information	PSI: 2250 psig
	Duration in Hours: 8 hours
	Test Medium: Water
Will the Test Medium have Inhibitors? If yes, List Them and their Concentrations in ppm.	No
Maximum Allowable Operating Pressure (psi.)	1480 psig
Cathodic Protection Information	Type: Impressed current
	Anticipated Life: 50 years
	Anode number/spacing: N/A
Coating System	Type: Fusion Bond Epoxy-Epoxy Polymer Concrete
	Thickness in mm of inches: 16 mm-40mm
	Density in lbs./cf: 111.7

(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)



V. Use of Right-of-Way (cont.)

2. Pipeline Installation Data:

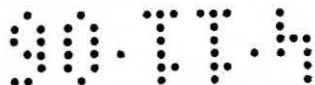
Depth of Burial in Feet:	20
Describe method of burial and equipment to be used. (e.g. dredging, jetting, plowing, backhoe, trenching machine, directional drill, etc.)*	Directional Drill
Special Considerations: ** (e.g., Crossovers, Subsea Tie-ins, etc.)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO      If Yes, list type(s). Provide the necessary documentation to fully describe the habitat for the project site.
Explain the type of "Hazard Survey" that will be performed prior to construction in order to avoid Historical and/or Archaeological resources and other buried obstacles (e.g., aerial magnetometer, towed array, physical inspection, etc.). <i>Be aware that a copy of this Hazard Survey prepared prior to construction must be submitted to the GLO within 90-days following completion of installation .</i>	Physical inspection and subsurface clearance.

**NOTE: APPLICANT IS EXPRESSLY PLACED ON NOTICE OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STATUTE 915; §470) AND THE ANTIQUITIES CODE OF TEXAS, CHAPTER 191, TEX. NAT. RES. CODE ANN. (VERNON 1996 SUPP.). IN THE EVENT THAT ANY SITE, OBJECT, LOCATION, ARTIFACT OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING THE ACTIVITIES AUTHORIZED BY THIS APPLICATION OR ANY EASEMENT GRANTED ON THE BASIS OF THIS APPLICATION, GRANTEE WILL IMMEDIATELY CEASE SUCH ACTIVITIES AND WILL IMMEDIATELY NOTIFY GRANTOR AND THE TEXAS HISTORICAL COMMISSION, P.O. BOX 12276, AUSTIN, TEXAS 78711, SO THAT ADEQUATE MEASURES MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE.**

Environmental Considerations:** Will any of the natural resources listed below be impacted by the proposed work? (oysters, seagrass, tidal sand/mud/algal flats, marsh, reefs, sand dunes, gulf beach, endangered species habitat, other)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO      If Yes, list type(s). Provide the necessary documentation to fully describe the habitat for the project site.
Construction Duration (Anticipated Start of Installation and Expected Completion Date)	Start Date: <u>15-Aug-06</u> End Date: <u>15-Sep-06</u>

\* Will require a description of the equipment to be used with a written procedure and an estimate of soil or sediment to be displaced.

\*\* If there are these considerations, a more detailed description is required with the location, size, procedures, clearances, precautions, etc. to be utilized during construction.





V. Use of Right-of-Way (cont.)

4. Pipeline Fee Calculations:

Use this section for any pipeline described above. Fees are calculated PER PIPELINE even if the pipelines are bundled and/or installed in a single casing pipe. Any ancillary electric lines associated with a pipeline are to be described in Section C, below. The fee for pipeline ROW's is based on length (in rods), outside diameter of the pipe in inches, and geographic location or region. The **minimum fee per pipeline is \$500.00**. A current Fee Schedule (Attachment A) is included with this application to assist in completing the table below.

If the pipeline will be located in more than one region, segment the line and enter that portion in each region separately in the table below. Complete the following table. Note that, for the purposes of this application, Item A below is determined from the enclosed Fee Schedule based upon the region and pipeline outside diameter. (One rod = 16.5 feet.)

No. of Lines	Material to be Transported	Outside Diameter (inches)	A Ten - Year Fee Per Rod by Region *	B Length in Rods **	C Greater of \$500.00 or (A x B) for each pipe Estimated Fee
1	NGL	8 5/8	7.00	33	\$233.31
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
Estimated Total Fee =					\$233.31

**\* Fees per rod listed on the enclosed Fee Schedule are for the full ten year contract term and are payable in advance upon execution of the easement contract. DO NOT SEND THIS FEE WITH THE APPLICATION.**

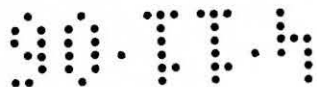
\*\* Explain different pipeline lengths in the same ROW here:

5. Letters of Consent:

If this pipeline is being installed across a state mineral lease tract that is owned by someone other than the easement applicant, a letter of consent is required from the current leaseholder giving their consent to the location of this project. If this pipeline crosses over another pipeline that is not owned by the easement applicant, a letter of consent as to the location of the crossover is also required.

Consent letters must be addressed to the General Land Office, Asset Inspection Division, as well as to the applicant and must specifically reference this application and specifically identify the subject project. In the consent letter, please give the current leaseholder a 30-day deadline to respond to your request for consent. Also please state that if they do not respond that will be construed as their acceptance of the proposed project.

In the event the applicant is unable to obtain a letter of consent, the GLO reserves the right to require that the proposed location of the project be repositioned to avoid unreasonable interference with the mineral lease development.



**V. Use of Right-of-Way (cont.)**

**B. Transmission Lines:**

For the purpose of this application a "transmission line" is defined as a conduit of any material (steel, copper, etc.) which is used to convey electrical power or telecommunication data.

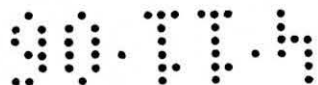
**1. Transmission Line Identification:**

Company's Name for this Transmission Line:	N/A
Governing Regulatory Agency, if applicable: (e.g., DOT, FCC, etc.):	
U.S. Army Corps of Engineer's Permit Number, if applicable:	

**2. Transmission Line Technical Specifications:**

If Electric Power, provide KV rating:	_____ KV
If Communication Line, designate type:	Copper Cable: _____
	Other: _____
If Above Ground Installation, indicate type:	Single Pole: _____
	H-Frame: _____
	Lattice Tower: _____
	Guyed Y-Tower: _____
	Other (explain): _____
If Below Ground Installation:	Depth of Burial: _____
	Diameter of Cable: _____
	Diameter of Casing: _____

(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)





V. Use of Right-of-Way (cont.)

3. Transmission Line Installation Data:

Describe method of installation and equipment to be used. (e.g., trenching, backhoe, barge and crane, directional drill, etc.)	N/A
Special Design Considerations: *(e.g., Crossovers, Subsea Tie-ins, etc.)	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, list design considerations. Use additional page if necessary to fully document.
Historical Considerations: *	<input type="checkbox"/> YES <input type="checkbox"/> NO

4. Transmission Line Fee Calculations:

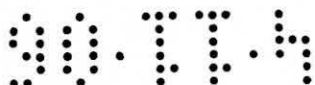
Transmission line fees are calculated by multiplying the length of the Right of Way in rods (1 Rod = 16.5 ft.) by the dollar amount listed in the fee schedule. A current Fee Schedule (Attachment B) is included with this application to assist in completing the table below. For example, a ROW one mile long and sixty feet wide for a H-framed 128KV electrical power line would be calculated as follows: 1 X 320 rods (5,280 ft. ÷ 16.5 ft. per rod) X \$15.00/rod (ROW 51 to 100 ft. in width = \$15.00/Rod) = \$4,800.00 for a 10-year term.

Use the following section to calculate fees for transmission line ROWs. This category includes electric lines installed with pipelines (in the same casing or bundled), telephone, telegraph, and power transmission.

No. of Lines	Line Type (Power, Telephone, etc.)	A x B = C		
		Fee per Rod * on ROW Width shown above)	Based (as in ROW Length Rods**)	Fee for 10-year term
				\$0.00
				\$0.00
				\$0.00
Estimated Total Fee =				\$0.00

**\* Fees per rod listed on the enclosed Fee Schedule are for the full ten year contract term and are payable in advance upon execution of the easement contract. DO NOT SEND THIS FEE WITH THE APPLICATION.**

\*\* Explain different pipeline lengths in the same ROW here:



**V. Use of Right-of-Way (cont.)**

**C. Sub-Surface Easement:**

For the purpose of this application a "sub-surface easement" is defined as a directionally drilled well bore for the exploration and production of crude oil, natural gas and/or other mineral products.

**1. Sub-Surface Easement Identification:**

Company's Name for this Well Bore	N/A
If Governing Regulatory Agency is other than the RRC, please name.	
RailRoad Commission's Drilling Permit Number (W-1)	
U.S. Army Corps of Engineers' Permit Number	
If this Well Bore already exists, what year was it drilled?	
If this Well Bore already exists, what is the Lease I.D. #?	
What is the API number for this Well Bore?	42-

**2. Sub-Surface Easement Technical Specifications:**

Total Length of the Well Bore on State Land (Rods)	N/A
Easement Length of the Well Bore on State Land (Rods)	
Outside Diameter of Drill Casing (in.) that is under Easement. If Multiple casings, give both diameters.	
What is the anticipated product to be transported?	

(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)

**3. Sub-Surface Easement Fee Calculations:**

Reference previous Section V.A.4., titled, "Pipeline Fee Calculations" for assistance.

**4. Additional Information:**

**a. Consent Letters**

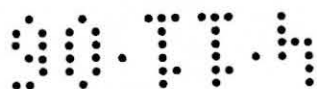
If the applicant's surface location is in a state tract that is not currently leased by the sub-surface easement applicant, a letter of consent, issued by the easement applicant, is required from the current leaseholder giving their consent to the location of this project.

Consent letters must be addressed to the General Land Office, Asset Inspection Division, as well as to the applicant and must specifically reference this application and specifically identify the subject project. In the consent letter, please give the current leaseholder a 30-day deadline to respond to your request for consent. Also please state that if they do not respond that will be construed as their acceptance of the proposed project.

In the event the applicant is unable to obtain a letter of consent, the GLO reserves the right to require that the proposed location of the project be repositioned to avoid unreasonable interference with the mineral lease development.

**b. Down-Hole Survey**

If a Preliminary Down-Hole Survey is available, please submit it with the application.





V. Use of Right-of-Way (cont.)

D. Other Activities (Roads, Canals, Other Items):

If your proposed work cannot be classified as a Pipeline, Transmission Line or Sub-Surface Easement as described in Sections V.A., V.B. and V.C. above, explain the project in the area below. Contact the General Land Office staff at the numbers provided on page 2 for assistance as needed, and to determine how fees will be calculated.

1. Identification Details:

Activity Description -- Explain briefly what work you propose to conduct on state land. Print or type this information to ensure legibility.	
N/A	
Company Identification Terminology	
Governing Regulatory Agency Authorization, applicable (e.g., COE, DOT, RRC, etc.)	if

2. Technical Specifications:

Describe technical aspects of the proposed activity (e.g., width, length, depth, volumes, etc.)


3. Construction Details:

Describe methods and timing for project construction. Include types of equipment to will be used (e.g., backhoe, trenching machine, etc.), construction start/end dates, volumes of fill) etc..

(Place "N/A" on the first line of this section if it is not applicable to your project. Use additional sheets as needed if more space is required.)

VI. Signature:

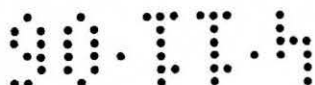
I HEREBY AFFIRM THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT.

  
\_\_\_\_\_  
Signature of Applicant or Authorized Agent

JOSEPH E. ROTHBAUER  
\_\_\_\_\_  
Print Name

VP-OPS  
\_\_\_\_\_  
Title

4/7/06  
\_\_\_\_\_  
Date





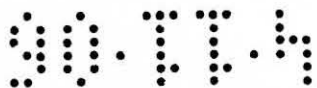
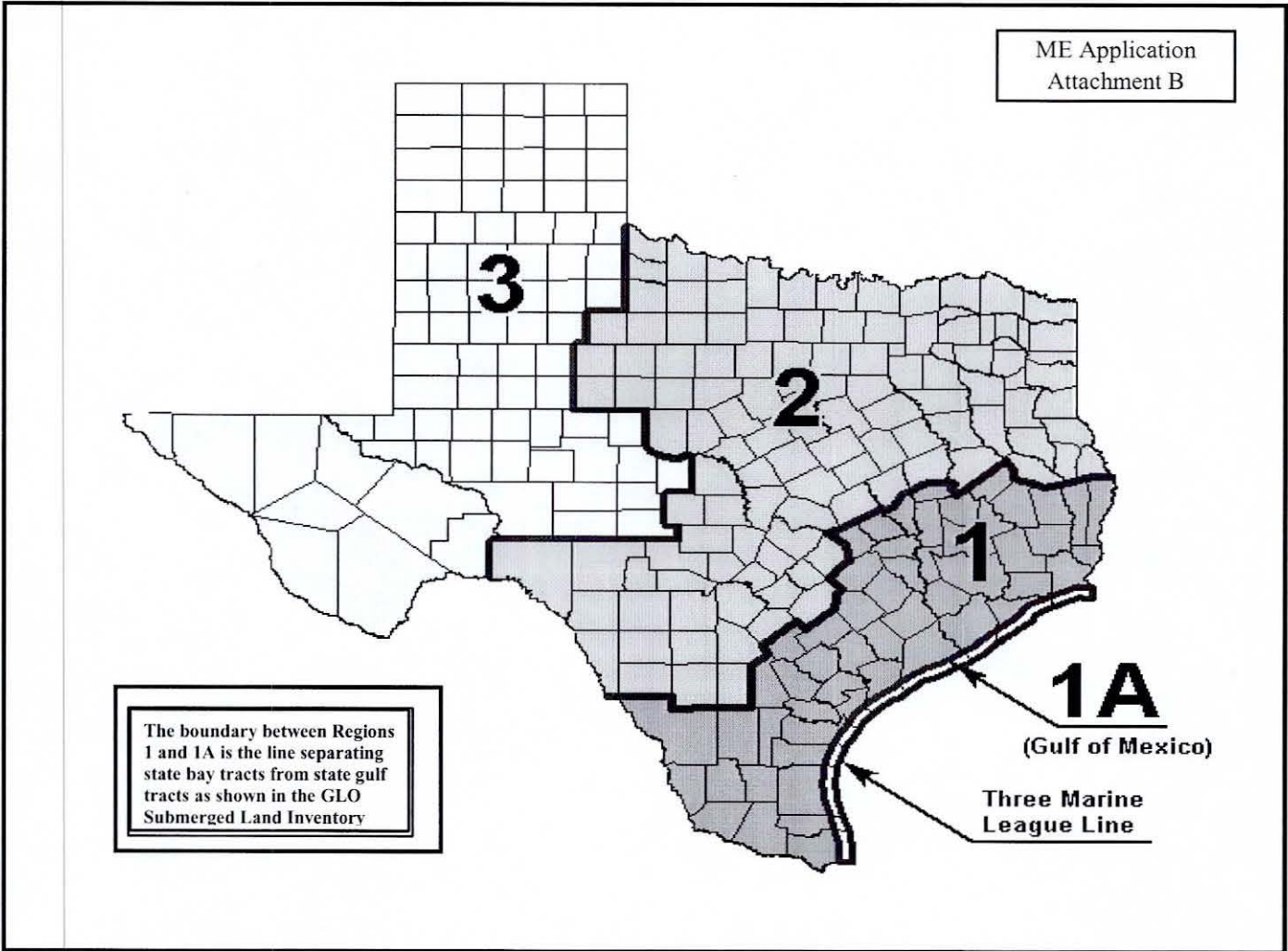
TEXAS GENERAL LAND OFFICE  
FEE SCHEDULE

Outside Pipeline Diameter	Cost per Rod by Region*				Term
	Region 1**	Region 1A**	Region 2	Region 3	
0" - 13"	\$9.00	\$5.00	\$7.00	\$5.00	10 years
Over 13"	\$21.00	\$13.00	\$17.00	\$13.00	10 years

\* Regions are shown on map below. Region 1A is defined as the Gulf of Mexico

\*\* Rates for a pipeline carrying non-state oil and gas through Region 1 and Region 1A may be negotiated at the discretion of the Commissioner of the General Land Office. The current standard minimum rate is \$45.00/rod for out of state product.

Non-refundable Filing Fee: \$50.00  
Minimum Right-of-Way Fee: \$500.00 for a 10 year term.







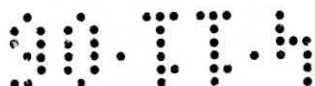
## FEE SCHEDULE

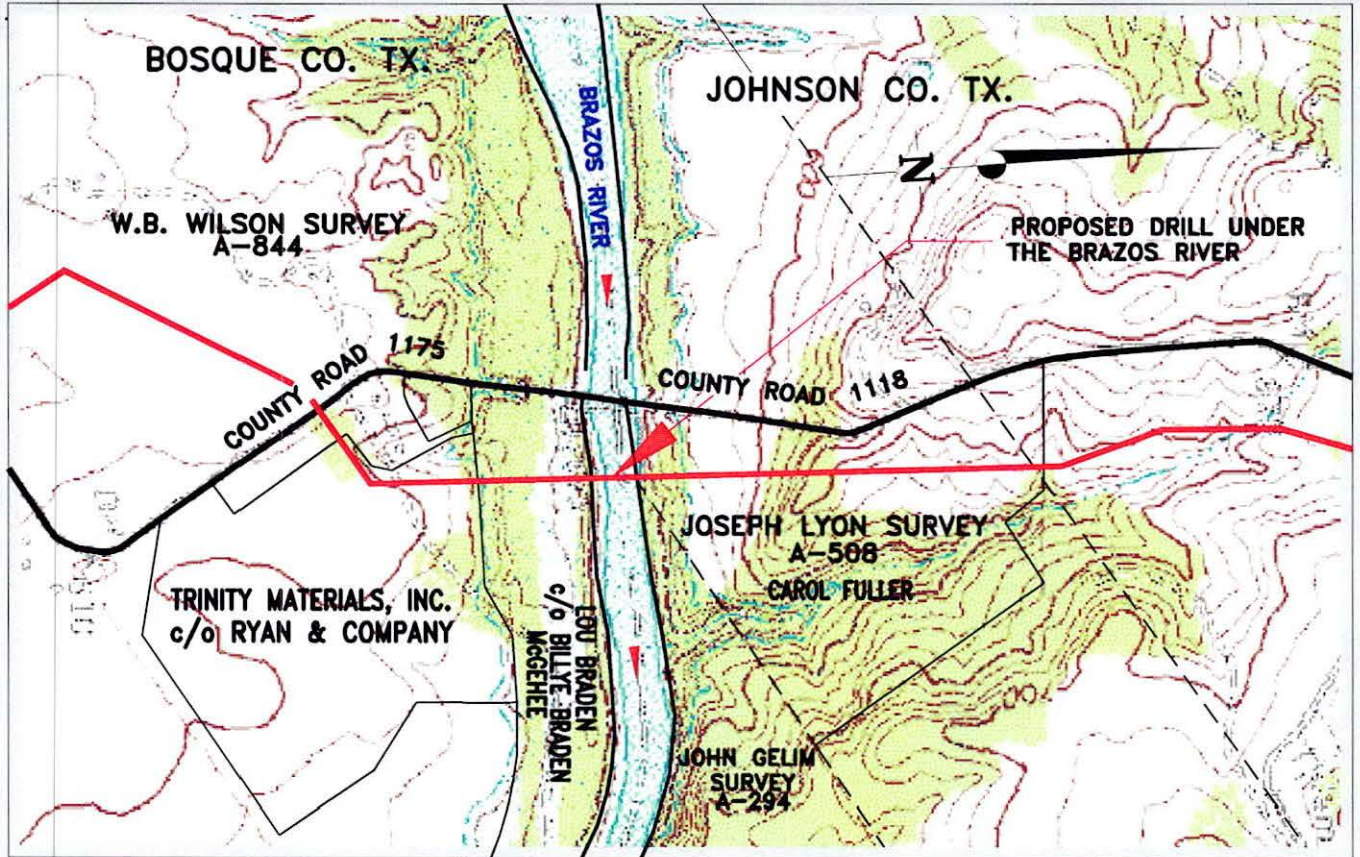
### Right-of Way Easement Fees for Electric Power Lines and Communication Transmission Lines

ROW	Width	Cost per Rod*	Term
	0 - 50 ft.	\$10.00	10-years
	51 - 100 ft.	\$15.00	10-years
	101 - 200 ft.	\$25.00	10-years
	Over 200 ft.	\$35.00	10-years
		Non-Refundable Filing Fee:	\$50.00
		Minimum ROW Fee:	\$500.00 for a 10 year term

### Easement Fees For Other Uses of State Land Authorized by Section 51.291, T.N.R.A.C.

Instrument	Fees		Term
	Non-Refundable Filing Fee	Contract Fee	
Surface Lease for: Electric Substations Pumping Stations Loading Racks Tank Farms	\$50.00	Negotiable	Negotiable with 10-year Maximum
Directional Drilling Locations, Platforms, etc. for NON-STATE Oil and Gas	\$50.00	Negotiable with \$1,000.00/yr minimum.	Negotiable with 50-year Maximum
Directional Drilling Locations, Platforms, etc. for STATE Oil and Gas	\$50.00	Negotiable \$100.00 per acre/per year minimum.	Negotiable with 50-year Maximum
Other	\$50.00	Negotiable \$100.00 per year minimum.	Negotiable with 50-year Maximum





VICINITY MAP 1" = 1000'

Mappeo, edited, and published by the Geological Survey.  
 Control by USGS and USACE.  
 Topography by photogrammetric methods from aerial photographs taken 1947. Field tracks 1958.  
 Polygonal sections... 1927 North American Datum  
 10,000-foot lands based on Texas coordinate system.  
 Each section and section area.  
 1000-foot contour lines.  
 1948 14, shown in blue.  
 The red dashed lines indicate uncharted service lines.  
 Areas covered by dotted light-blue pattern are subject to partitioned ownership.  
 There may be private encroachments within the boundaries of the National or State boundaries shown on this map.



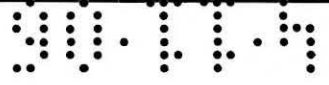
ROAD CLASSIFICATION  
 Secondary highway all-weather, lightly used, all-weather hard surface  
 Improved surface  
 Unimproved road for dry weather  
 State Route  
 BRAZOS POINT, TEX.  
 N 100° 51' 00" W 3.073  
 1968  
 AND SAAS C 16E-SERIES 1968

NAD 27  
 TEXAS NORTH CENTRAL  
 NORTH BANK  
 LAT. 32° 12' 17.55481"  
 LONG. 97° 36' 13.80506"  
 SOUTH BANK  
 LAT. 32° 12' 12.08563"  
 LONG. 97° 36' 14.12114"

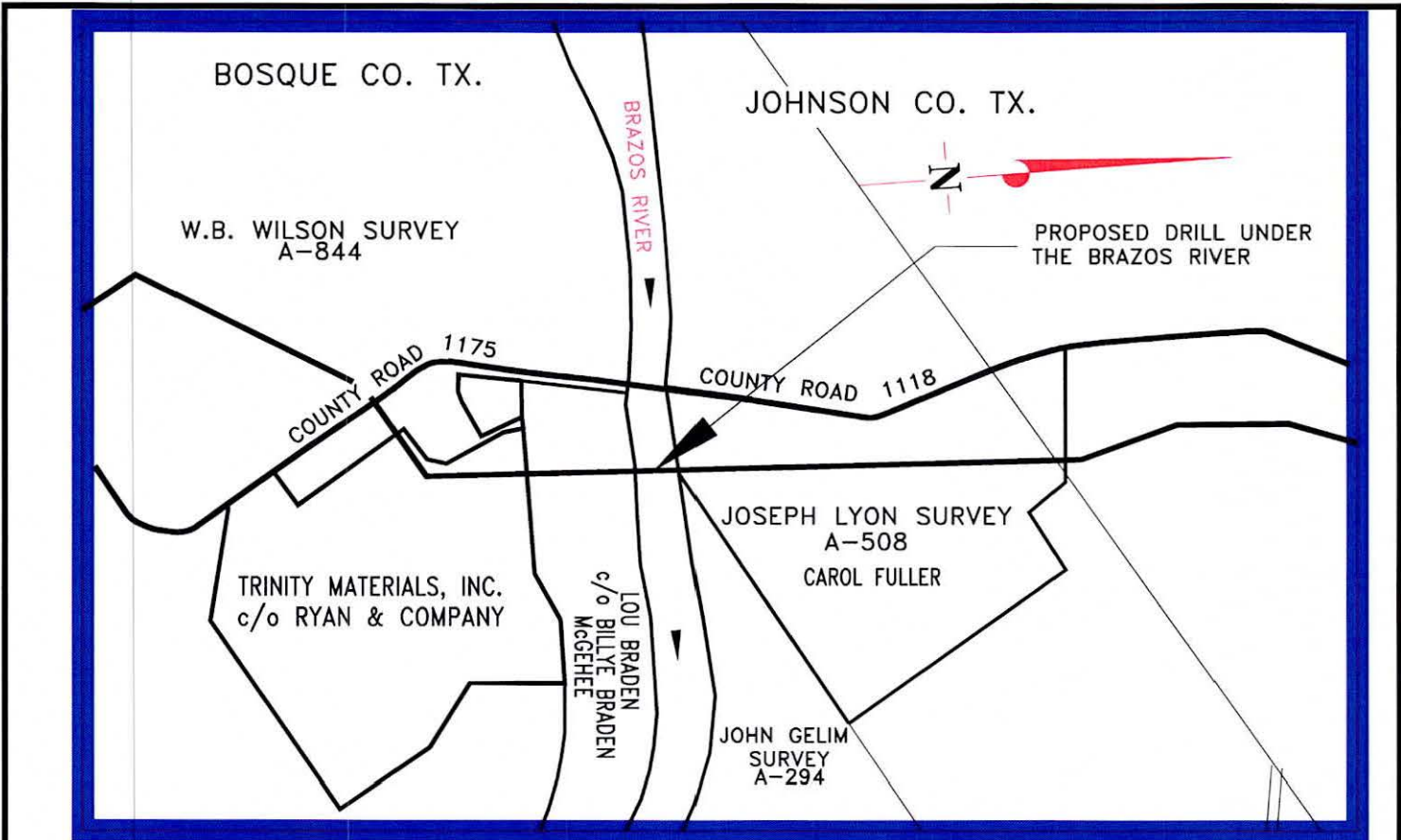


EXHIBIT "A"

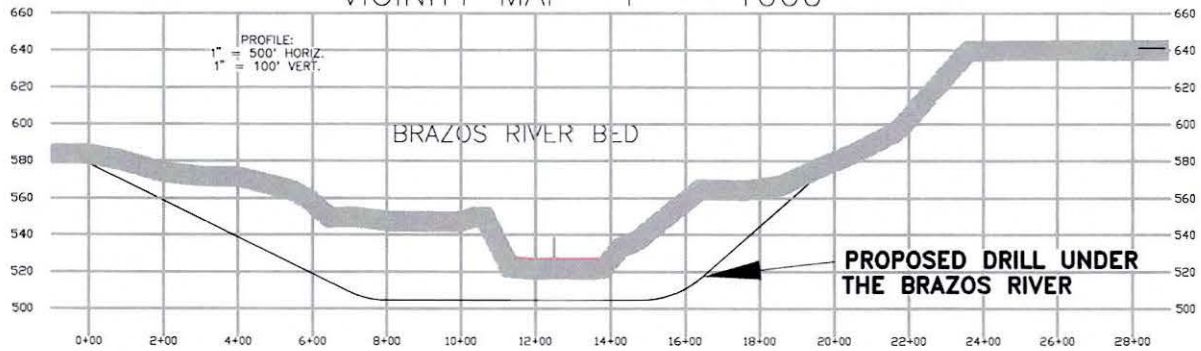
Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
SURVEYED BY: R.KUYKENDALL DRAWN BY: J.WILLIAMS	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS	DATE: 3-03-06
CHECKED BY:	2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH.# (806)665-7218	JOB NO.:
		DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER
		SHEET 1 OF 1







VICINITY MAP 1" = 1000'

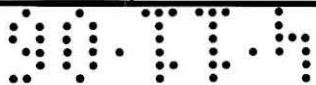


NAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.55481"  
LONG. 97° 36' 13.80506"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"



EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	<b>Barnett Shale NGL Gathering System</b>	SCALE: AS-SHOWN
SURVEYED BY: R.KUYKENDALL DRAWN BY: J.WILLIAMS CHECKED BY:	SURVEYING AND MAPPING BY <b>TOPOGRAPHIC LAND SURVEYORS</b> 2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH.# (806)665-7218	DATE: 3-28-06 JOB NO.: DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER SHEET 1 OF 1





## Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Application for Certificate of Authority for Louis Dreyfus Resources LLC (filing number: 800320516), a DELAWARE, USA, Foreign Limited Liability Company (LLC), was filed in this office on March 24, 2004.

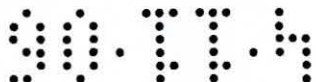
It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on March 13, 2006.



A handwritten signature in black ink that reads "Roger Williams".

Roger Williams  
Secretary of State





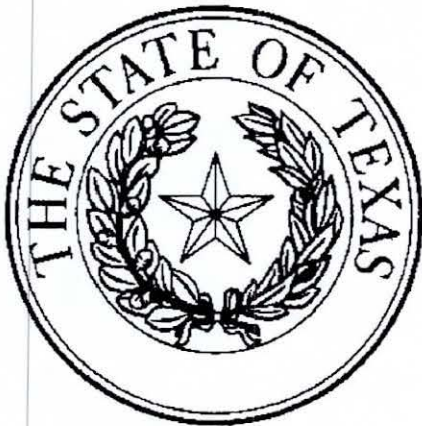


## Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Registration of Limited Partnership for LOUIS DREYFUS PIPELINE L.P. (filing number: 800277408), a DELAWARE, USA, Foreign Limited Partnership, was filed in this office on December 09, 2003.

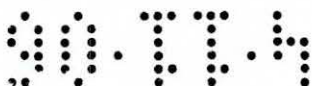
It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on March 13, 2006.



A handwritten signature in black ink that reads "Roger Williams".

Roger Williams  
Secretary of State



3

File No. ME20060097

Application

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By lg

4700



DETACH AND RETAIN THIS STATEMENT

CONESTOGA-ROVERS & ASSOCIATES, INC.  
FORMERLY BNC ENVIRONMENTAL SERVICES, INC.

THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.  
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

DELUXE BUSINESS FORMS 1+800-328-0304 www.deluxeforms.com

1099

DELUXE - FORM WVCB-3 V-2

DATE	DESCRIPTION	AMOUNT
4-6-06	Application Permit  <i>Attn: Glenn</i>  06036534	\$50.00  <i>156</i>

90114





File No. ME 20060097

fee

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By lg

**ASSET INSPECTION  
CONTRACT REVIEW ROUTING**

**File Manager:** Lillie Givens      **Ph.#:** (512)463-7117

**File #:** **ME20060097**

**Date Initiated:** April 13, 2006

**Expiration Date:**

**Applicant:** **Louis Dreyfus Pipeline, L.P.**

**Application Type:** NEW

**Field Office:** Upland

**State Owned:** \_\_\_\_\_ Sub. CLP     Non-Tidal Riverbed

\_\_\_\_\_ Other Agency Land

**Control # (s):**

**Legal Description:** BRAZOS RIVER, Johnson County - 01-000696

**Surveying Comments:** BRAZOS RIVER, Bosque County - 01-000687

④ Needs As-Built PLATS and certificate desc. w/ (x,y) coords. 687

**REVIEWERS:**

	Received		Due		Reviewer's Initials
Surveying	4 / 15 / 06	--	4 / 17 / 06	by	JE
Lease Manager - QA/QC	4 / 28 / 06	--	5 / 01 / 06	by	LGM
Director	5 / 5 / 06	--	5 / 5 / 06	by	NLP
Legal	5 / 8 / 06	--	6 / 6 / 06	by	JEM
Deputy Commissioner	6 / 16 / 2006	--	6 / 17 / 2006	by	BT
Executive	/ /	--	/ /	by	_____

**PACKET CONTENTS:**

SLB Briefing Memo (Chpt. 33) : \_\_\_\_\_

SLB Docket Sheet (Chpt. 33) : \_\_\_\_\_

Commissioner's Briefing Memo (Chpt. 51) : \_\_\_\_\_

Field Report Information : \_\_\_\_\_

Contract Red-Line : \_\_\_\_\_

Contract (2) Originals : \_\_\_\_\_

**Comments :** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7/29/06

File No. MF20060097

Route sheet

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By lg

1000  
1000  
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1000





# MEMORANDUM

Texas General Land Office • Jerry Patterson • Commissioner

---

**To:** Commissioner Jerry E. Patterson  
**From:** Lillie Givens (512)463-7117  
**Through:** Ned Polk, Rene Truan, and Larry L. Laine  
**Date:** April 28, 2006  
**Re:** ME20060097

---

Attached is a **new** Miscellaneous Easement Contract for your approval and signature on the pages indicated.

This contract is issued under Chapter 51 et seq. of the Texas Natural Resources Code which authorizes the Commissioner of the General Land Office to issue grants of interest for use of the surface estate of unsold Permanent School Fund Lands under the management authority of the General Land Office. Chapter 51 Leases and Easements do not require approval by the School Land Board.

Authorization for the project, as described below, will be consistent with past action by the agency on similar activities. The contract has been reviewed by technical and legal staff and determined to be consistent with existing GLO rules and policies.

Document Number	-	<b>ME20060097</b>
Lessee/Grantee	-	<b>Louis Dreyfus Pipeline, L.P.</b>
Location	-	<b>Brazos River</b>
County	-	<b>Bosque and Johnson</b>
Purpose	-	<b>This easement is 33.3 rods long and 20 feet wide.</b>
Term	-	<b>Five (5) Years</b>
Consideration/Schedule	-	<b>\$500.00</b>
Special Conditions	-	<b>See Article 5.03A</b>

Please return to **Lillie Givens**, Asset Inspection Division, Room 111, phone # (512) 463-7117.

5

File No. ME20060097

Comm memo

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By lg

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

June 7, 2006

Conestoga-Rovers & Associates

Attention: Eunice Klinski

6320 Rothway, Suite 100

Houston, Texas 77040

RE: Miscellaneous Easement No. ME20060097

Louis Dreyfus Pipeline L.P.

Bosque and Johnson Counties, Texas

Dear Ms. Klinski:

Enclosed are two (2) original contracts for the above-referenced Miscellaneous Easement. Please review and sign both originals before a notary public and return them. When the contracts are received and executed by the GLO one original will be returned to you and one retained for our files. The consideration for the easement is \$500.00. The filing fee of \$50.00 has been received.

Submission of the signed and notarized contracts to the GLO will constitute your acceptance of the contract provisions. One of these provisions require the recording of the fully executed Miscellaneous Easement contract in the county deed records of Bosque and Johnson Counties, Texas, and providing proof of said recording to this office within a time frame specified in the contract.

If you should have any questions, please call me at (512) 463-7117.

Sincerely,

Lillie Givens  
Professional Services  
Uplands Division

Enclosure

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

Post Office Box 12873 • Austin, Texas 78711-2873

512-463-5001 • 800-998-4GLO

[www.glo.state.tx.us](http://www.glo.state.tx.us)

menewex



6

File No. ME 20060097

Sig letter

Date Filed: 26-28-06

Jerry E. Patterson, Commissioner

By JEP



**CONESTOGA-ROVERS  
& ASSOCIATES**

6320 Rothway, Suite 100  
Houston, Texas 77040  
Telephone: (713) 734-3090 Fax: (713) 734-3391  
<http://www.craworld.com>

June 15, 2006

Reference No. 043904

**TEXAS GENERAL LAND OFFICE**

Attn: Ms. Lillie Givens  
P.O. Box 12873  
Austin, Texas 78711-2873

**Re: Miscellaneous Easement No. ME20060097**  
Louis Dreyfus Pipeline L.P.  
Bosque and Johnson Counties, Texas

Dear Ms. Givens:

Enclosed are the two (2) original contracts for the above referenced Miscellaneous Easement. Both contracts have been signed before a notary public. Included with the signed contracts is the \$500.00 easement fee.

If you have any questions or need additional information, please contact me at (713) 734-3090 or Mr. Mark Bullock with Louis Dreyfus (281) 378-1100.

Sincerely,

*Conestoga-Rovers & Associates*

Eunice Klinski  
Environmental Scientist

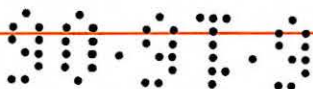
Enclosures

Cc: Mark Bullock - Louis Dreyfus

---

Equal  
Employment Opportunity  
Employer

---



File No. ME 2006 0097

*J. Patton*

Date Filed: 6-28-06

By *Jg*  
Jerry E. Patterson, Commissioner





**§ REMITTANCE DISTRIBUTION - DO NOT FILE §**

Name	Remittance Description					Fiscal Year	Register Number	Amount
	Refer	Type	Mo	Day	Year			
CONESTOGA ROVERS ASSET INSP/MGMT (00)(C)	156	C	06	16	2006	2006	046121	500.00
File Number	GLA	Amount		File Number	GLA	Amount		
ME060097	3340027	\$500.00						

**CASH/MM00002**

Attn: Lillie

156

06046121

CONESTOGA-ROVERS & ASSOCIATES, INC. ✓  
FORMERLY BNC ENVIRONMENTAL SERVICES, INC.  
13431 CULLEN BLVD.  
HOUSTON, TX 77047

**CHASE**  
JPMorgan Chase Bank, N.A.  
Houston, TX 77002

1123  
32-115-1110

DATE 6-15-06

PAY FIVE HUNDRED DOLLARS & NO CENTS----- DOLLARS ~~X~~ \$ 500.00\*\*

TO  
THE  
ORDER  
OF

Texas General Land Office  
Asset Inspection, Stephen F. Austin  
Bldg., Room 735  
1700 North Congress Ave.  
Austin, TX 78701-1495

*Em Quintan*

MP

00019

File No. ME20060097

Print

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By lg

ESL04030

2

01/11/06





# The State of Texas



Austin, Texas

## MISCELLANEOUS EASEMENT (PIPELINES) ME20060097

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF BOSQUE & JOHNSON

§

§

This Miscellaneous Easement (the "Agreement"), ME20060097, is granted by virtue of the authority granted in Section 51.291, *et seq.*, TEX. NAT. RES. CODE ANN. (Vernon 2001), 31 TEX. ADMIN. CODE §13.11, *et seq.*, and all other applicable statutes and rules, as the same exist on the date hereof or as they may be amended from time to time.

### ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office, (the "Grantor"), hereby grants to Louis Dreyfus Pipeline, L.P., a Delaware, whose address is 13430 Northwest Freeway, Houston, TX 77040-6000, phone number (281) 378-1100, (the "Grantee"), a non-exclusive easement for the purposes identified in Article V.

### ARTICLE II. PREMISES

2.01. The easement is located across State-owned land in Bosque and Johnson Counties, Texas, described as follows:

Being the Brazos River and the easement is a right-of-way 33.3 rods long and 20 feet wide, being 10 feet either side of a centerline formed by the improvements (as hereinafter defined), as constructed (the "Premises"). Notwithstanding the foregoing, during the period of initial construction not to exceed 120 days, the easement width shall be 100 feet wide, being 50 feet either side of the centerline instead of the easement width mentioned above. In addition, if repair and/or replacement of the pipeline is necessary, for a period not to exceed 60 days, Grantee shall again be granted additional easement width which shall be 100 feet wide being 50 feet either side of the centerline.

The Premises are further described or depicted on the Vicinity Map attached hereto as Exhibit A and the Survey Plat attached hereto as Exhibit B, collectively incorporated by reference for descriptive purposes.

2.02. Grantee acknowledges and agrees that when the Improvements (as hereinafter defined) are placed on the Premises, the location of such Improvements within the easement shall thereby become fixed at such location and shall not be changed except by an amendment to this Agreement signed by both parties hereto and subject to any approval by any other governmental agency with jurisdiction over same.





2.03. GRANTEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE PREMISES AND ACCEPTS THE SAME "AS IS", IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. THE GRANTOR DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. THE GRANTOR AND GRANTEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERM "GRANT" IN NO WAY IMPLIES THAT THIS EASEMENT IS FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. NOTICE IS HEREBY GIVEN TO GRANTEE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCE MAY BE OF RECORD, AND GRANTEE TAKES SUBJECT TO ANY SUCH PRIOR GRANT AND/OR ENCUMBRANCE. GRANTEE IS ADVISED TO EXAMINE THE RECORDS IN THE ARCHIVES AND RECORDS DIVISION OF THE GENERAL LAND OFFICE, 1700 NORTH CONGRESS AVENUE, AUSTIN, TEXAS 78701-1495, AND ALL OTHER LAND TITLE RECORDS OF THE COUNTY OR COUNTIES IN WHICH THE PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS EASEMENT.

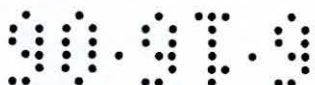
### ARTICLE III. TERM

3.01. This Agreement is for a period of five (5) years, beginning on May 1, 2006, and ending on April 30, 2011, unless renewed, amended, or sooner terminated as authorized by law or as set forth herein.

3.02. Provided that Grantee has complied with all provisions of this Agreement, Grantee shall have the right to extend and renew this Agreement pursuant to 31 TAC §13.17(c) and (d) for an additional term of 10 years on the same terms and conditions provided hereunder, by taking the following actions:

- (i) providing written notice to the Grantor of Grantee's intent to renew the Agreement not less than ninety (90) days prior to expiration of the term of this Agreement; and
- (ii) completing and submit to the Grantor for approval, an application for renewal within thirty (30) days following the notice provided in Section 3.02(i); and
- (iii) paying the applicable renewal fee, pursuant to the rate schedule in effect at the time of renewal; and
- (iv) providing documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the pipeline(s) lie within the approved Premises. Such information may be in the form provided to the U.S. Department of Transportation, provided that such documentation includes the current location and spatial coordinates. Notwithstanding the foregoing, and provided that the pipeline has been in place for at least twenty (20) years (an "older pipeline"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of this subsection (iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such existing pipeline from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of an older pipeline, Grantee agrees to submit such documentation to Grantor. If either Grantor or Grantee determine that an older pipeline is not actually located within the right of way described in this Agreement, both Grantor and Grantee will enter into an amendment to this Agreement to correct the right of way description provided such right of way is located on State-owned land. In any event, Grantee **will indemnify** Grantor pursuant to Section 8.01 of this Agreement even if some or all of the Improvements are not located on State-owned land.

3.03. In the event that Grantee shall fail to comply with the requirements of Section 3.02, Grantee shall be in default hereunder; however, the Easement shall not terminate until Grantor provides notice of such failure and allows a period of thirty (30) days for Grantee to cure such failure and default. Grantee's failure to comply with Section 3.02,





even if subsequently cured to Grantor's satisfaction, shall be deemed a forfeiture of any right Grantee may have to renew the Agreement at a reduced fee. Grantor may require (i) the full then-current fee as calculated for a new easement, or, (ii) the applicable renewal fee pursuant to the rate schedule in effect at the time of renewal, plus an administrative penalty as determined by Grantor.

#### ARTICLE IV. CONSIDERATION AND TAXES

4.01. A. As consideration (Consideration) for the granting, or if applicable, renewal of this easement, Grantee agrees to pay the Grantor (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Five Hundred And 00/100 Dollars (\$500.00), due and payable upon the execution of this Agreement.

B. Past due Consideration and other past due payments shall bear interest from maturity at the rate of ten percent (10%) per annum from the date when due until actually paid, as provided in Section 51.301 in TEX. NAT. RES. CODE ANN. (Vernon 2001). Failure of Grantee to make a payment on or before the date the same becomes due shall be deemed an act of default and, at the Grantor's option, cause all payments to become due and payable immediately; provided, however, Grantor shall give Grantee notice of such default and allow a period of thirty (30) days within which to cure the default before exercising such option to accelerate such payments.

4.02. In addition to the above, Grantee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against Grantee's interest in the Premises or on the Improvements constructed thereon.

4.03. Grantee agrees to and shall protect and hold the Grantor harmless from liability for any and all such taxes, charges, and assessments, together with any penalties and interest thereon, and from any sale or other proceeding to enforce payment thereof.

#### ARTICLE V. USE OF THE PREMISES

5.01. Grantee and Grantee's employees, contractors, and agents shall have the right to use the Premises for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, relocate, and replace one (1) 8 5/8-inch pipeline for the purpose of transporting natural gas liquid; hazardous liquid (the "Improvements"). Grantee shall not change (i) the operation of the pipeline in any material respect or (ii) the category of products therein, without Grantor's written permission, such permission not to be unreasonably withheld. It shall not be unreasonable for Grantor to withhold its consent for reasons that include, but are not limited to, Grantee's request for: a change in the category of products to be transported that is more "sour" (with reference to hydrogen sulfide content), or that is more volatile, than the original product category to be transported as contemplated by the Agreement; or, a change to a category of products that includes any non-hydrocarbon substances. Also, it shall not be unreasonable for Grantor to (a) condition its consent on Grantee procuring and providing proof to Grantor of adequate insurance to protect the Premises and (b) charge fees for (i) additional pipelines, and (ii) changes in use operation, including but not limited to, a use separate and apart from the original use contemplated by the Agreement, e.g. fiber optics and reverse flow. Grantor agrees to grant or deny such permission within thirty (30) days following Grantee's request for a category use change, provided such request includes all information necessary for Grantor to make an informed decision.

5.02. A. The Grantor and Grantee hereby acknowledge and agree that each shall have reciprocal rights of ingress and egress to and from the Premises across contiguous or adjacent Permanent School Fund land or land owned by Grantee, provided in the exercise of this right the Grantor and Grantee agree not to unreasonably interfere with the other party's (or that party's agents, assignees, or designees) use of its property. At its sole cost, risk, and expense, Grantee shall have the right of ingress and egress for the purposes authorized by Section 5.01 and such right is not granted for any other purpose. Grantee and the Grantor mutually agree to coordinate the use of contiguous or adjacent Permanent School Fund land or land owned by Grantee, respectively, and to exercise such right of use only to the extent and in the manner allowed by the respective interests of the parties in the subjects lands and for the length of time necessary to provide access to and from the Premises. Notwithstanding any other provisions to the





contrary, no easement is created by this Section 5.02; instead, a license is granted to the parties and their respective officers, employees, agents and contractors for the limited purposes set forth herein.

B. Grantee acknowledges and agrees that the Grantor's right of ingress and egress described in Section 5.02.A. of this Agreement shall be and remain in effect as long as the Improvements and any other structure placed on the Premises by Grantee remain on the Premises, as necessary for the Grantor to confirm the removal (in whole or in part) of the Improvements, and/or until any claims of liability against Grantor arising in connection with the Improvements are finally resolved. Such right of ingress and egress shall survive the expiration or earlier termination of this Agreement, but only for so long as the Improvements remain on the Premises and/or any claims for liability have not been finally resolved.

5.03. A. Grantee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions"):

1. If a leak occurs in a pipeline, Grantee shall take all immediate action to prevent further release, as comports with industry practice or complies with applicable regulatory requirements.
2. In light of the pipeline industry's indicated willingness to improve safety standards, as well as new regulations being promulgated by the Department of Transportation's Office of Pipeline Safety, and also the new federal pipeline health and safety legislation pending in the U. S. Congress, this easement is granted upon condition of applicant's specific compliance with all applicable federal, state and local statutes, rules and regulations, and generally accepted industry practices and standards presently in force and as amended in the future.
3. Grantee is required to perform mitigation and/or pay surface damage fees according to the Grantor's policy in effect at the time damages occur for any and all surface damages resulting from actions of Grantee's employees, contractors, and/or agents during the term of this easement. If mitigation is required Grantee will be notified in writing by the Grantor of the terms and conditions under which the mitigation shall be conducted. Such mitigation and/or payment of damage fees shall be performed in the manner and within the time frame specified in written notice provided by the Grantor to Grantee following said damages.
4. Brush and other materials cleared from the right-of-way are to be disposed of by (sale of forest products/on-site stacking/chipping/burial/piling of brush and tree branches for wildlife protective cover at specific locations). In no event shall Grantee burn materials removed from the right-of-way without Grantor's prior written approval.

B. Prior to any construction, installation, repair, or other activities on the Premises, Grantee shall provide written notice of all the terms of this Agreement relating to the particular activity to any contractor and/or agent involved in any such activity. On request, Grantee shall send a copy of such notice to the General Land Office, ATTN: Asset Inspection, 1700 N. Congress Avenue, Austin, Texas 78701-1495.

5.04. Grantor shall have the right to use or to permit the use of any or all of the Premises for any purpose deemed, in Grantor's sole discretion, not to be inconsistent with Grantee's easement grant. Grantor, its agents, representatives and employees shall have the right to enter upon the Premises at any reasonable time (or any time in case of emergency) for purposes of inspection, repair, and any other purpose necessary to protect Grantor's interests therein. Except in the event of an emergency, in which case no notice is required by Grantor, if Grantor reasonably believes that a repair is necessary to protect the health and safety of the public, the environment, or the value of Grantor's property, Grantor shall give Grantee reasonable prior written notice of the necessary repair. If Grantor gives such notice, and Grantee does not initiate immediate action to pursue to completion such repair with diligence, Grantor may, but shall not be obligated to, undertake that repair, all costs of which shall be immediately due and payable by Grantee on Grantor's demand. This Section 5.04 is for the sole purpose of providing a mechanism for Grantor to respond to a situation in which immediate action is required to protect the State and/or public interest and such





immediate action has not been initiated by or on behalf of Grantee.

5.05. Grantee shall not use, or permit the use of the Premises for any illegal purpose. Grantee shall comply, and will cause its officers, employees, agents, contractors and invitees to comply, with all applicable laws, ordinances, rules, and regulations of governing agencies concerning use of the Premises.

5.06. Failure by Grantee to construct, maintain and operate the Improvements in accordance with this Article V may render such Improvements "unauthorized structures" as defined under in TEX. NAT. RES. CODE ANN. §51.302 (Vernon 2001 & Supp. 2003) and subject them to sanctions provided therein.

#### ARTICLE VI. ASSIGNMENTS

6.01. A. Grantee shall not assign the premises or the rights granted herein, in whole or part, to any third party for any purpose without prior written consent of the Grantor, which consent may not be unreasonably withheld. For purposes of this Section 6.01 A, the phrase "third party" shall not include any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest.

B. Grantee may assign this Agreement without Grantor's consent to (a) a parent entity, (b) any affiliate of Grantee controlled by the same parent entity, or (c) any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest, provided that, in any of the foregoing events, (i) the resulting entity agrees in writing to assume and perform all of the terms and conditions of this Agreement, and (ii) Grantee provides notice to Grantor of any such assignment within thirty (30) days of such assignment. In the event of such assignment, it is understood and agreed by both Grantee and Grantor that the original Grantee remains liable to Grantor under all terms and provisions of the Agreement.

C. Any assignment which fails to comply with the foregoing provisions shall be void and of no effect.

D. This provision and the prohibition against unauthorized assignments contained herein shall survive expiration or earlier termination of this Agreement. For purposes of this Agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.

#### ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

7.01. With regard to all activities authorized herein, Grantee shall use all reasonable best efforts to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Grantee shall comply with all applicable rules and regulations of the General Land Office, the School Land Board, and other governmental agencies responsible for the protection and preservation of public lands and waters, natural resources, and wildlife habitat. In the event of a pipeline incident that is reportable to the U.S. Department of Transportation, the General Land Office, or the Railroad Commission of Texas (or any other applicable regulatory agency) that may result in pollution of the Premises or adjacent property, Grantee shall notify the Grantor immediately upon discovery of such incident, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resource damages caused thereby.

7.02. **GRANTEE IS HEREBY EXPRESSLY NOTIFIED OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STAT. 915, 16 U.S.C.A. SECTION 470, ET. SEQ.) AND THE ANTIQUITIES CODE, [TITLE 9, CHAPTER 191, TEX. NAT. RES. CODE ANN. (VERNON 2001 & SUPP. 2003)]. IN CONFORMANCE WITH THESE LAWS, IN THE EVENT THAT ANY SITE, FOUNDATION, BUILDING, STRUCTURE, LOCATION, OBJECT, ARTIFACT, ITEM OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING THE ACTIVITIES AUTHORIZED BY THIS EASEMENT, GRANTEE SHALL IMMEDIATELY CEASE ANY AND ALL ACTIVITIES, AND NOTIFY THE COMMISSIONER OF THE GENERAL LAND OFFICE AND THE TEXAS HISTORICAL COMMISSION, PO BOX 12276, AUSTIN, TEXAS 78711, SO THAT APPROPRIATE ACTION MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE. IN THE EVENT THAT GRANTEE IS REQUIRED TO CEASE**



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ACTIVITIES, THE GRANTOR SHALL NOT BE LIABLE FOR ANY COSTS OF GRANTEE, GRANTEE'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR ANY OTHER PERSON OR ENTITY AS A RESULT OF ANY INTERRUPTION OF GRANTEE'S ACTIVITIES OR INABILITY TO USE THE PREMISES AS HEREIN CONTEMPLATED.

#### ARTICLE VIII. INDEMNITY

8.01. GRANTEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM OR ATTRIBUTABLE TO GRANTEE'S USE GRANTED HEREIN OR THE ACTS OR OMISSIONS OF GRANTEE, ITS AGENTS OR CONTRACTORS RELATED TO GRANTEE'S EXERCISE OF THE RIGHTS GRANTED HEREIN. GRANTEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, COSTS OF COURT, ATTORNEY'S FEES AND COSTS OF INVESTIGATION OR EXPERTS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGE OR THE NEGLIGENCE OF ANY PARTY, (EXCEPT TO THE EXTENT OF THE PROPORTIONATE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS) ARISING DIRECTLY OR INDIRECTLY FROM OR ATTRIBUTABLE TO GRANTEE'S USE OF THE PREMISES (INCLUDING ANY ADJACENT OR CONTIGUOUS LAND) OR FROM ANY BREACH BY GRANTEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

#### ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

9.01 If, within thirty (30) days after receipt of written notice from the Grantor specifying an act of default or breach, Grantee fails to pay any money due hereunder or continues in breach of any term or condition of this Agreement, the Grantor shall have the right to terminate this Agreement and all rights inuring to Grantee herein. Should Grantee fail to cure the specified default or breach within the allowed thirty (30) day period, this Agreement shall be subject to termination, and upon such termination all rights granted herein to Grantee shall revert to the Grantor. Such termination shall not prejudice the rights of the Grantor to collect any money due or to seek recovery on any claim arising hereunder.

9.02. Except as otherwise provided by applicable law or rule and subject to obtaining necessary approval from state or federal agencies having applicable jurisdiction, or making best efforts to obtain such permits, Grantee shall, within one hundred twenty (120) days from the date of expiration or sooner termination of this Agreement, initiate removal of all personal property, structures, and the Improvements, and shall restore the Premises (and any other property affected by such removal activities) to the same condition that existed before Grantee entered thereon. Such removal and restoration activities shall be coordinated with the General Land Office in accordance with guidelines in effect at the time of removal/restoration which may include, without limitation, specific removal techniques required for protection of natural resources and mitigation or payment in lieu of mitigation for any and all damages resulting from removal activities, all of which shall be in accordance with generally accepted current pipeline industry standards using available technology. Grantee shall notify the Grantor at least ten (10) days before commencing removal/restoration activities so that a General Land Office field inspector may be present.

#### ARTICLE X. NOTICE

10.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the Grantor to Deputy Commissioner, Professional Services, addressed to his attention, 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 936-1961, and if for Grantee, to it at 13430 Northwest Freeway, Houston, TX 77040-6000, and FAX: (281)378-1152. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Grantee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.





10.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

#### ARTICLE XI. INFORMATIONAL REQUIREMENTS

11.01. A. For newly constructed pipelines, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements authorized in this Agreement, an "as-built" survey and field notes prepared by a surveyor duly licensed by the State of Texas. The as-built survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the as-built survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

B. Upon receipt of the as-built survey, prepared in accordance with this Section 11.01, the Grantor shall compare the as-built survey with the proposed location of the Improvements, as represented by Grantee's application to the Grantor and set forth in Section 2.01 (and referenced Exhibits) hereof. If there are changes or discrepancies in the location of the Improvements authorized by this Agreement, the Grantor may either terminate this Agreement, or: (i) upon determination that the changed location results in unacceptable adverse impacts, require relocation of the Improvements to conform to the authorized right of way, or (ii) upon determination of no unacceptable adverse impacts, agree to replace Exhibit B attached hereto with a substitute exhibit denoted as Exhibit B-1. The substitute exhibit shall be consistent with the as-built survey and signed by both parties. Upon attachment of Exhibit B-1 hereto, Exhibit B shall be void and of no further effect.

C. If all or any part of the Improvements are buried, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements, a survey which includes coordinates, or at Grantor's option, "depth of cover" data, prepared by a surveyor duly licensed by the State of Texas. The survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

11.02. A. Grantee shall provide written notice to the Grantor of any change in Grantee's name, address, or legal status (from a corporate entity to a partnership, etc.) and any change to other information required by this Agreement within thirty (30) days of the effective date of the change.

B. Grantee shall provide to the Grantor any other information reasonably requested by the Grantor in writing within thirty (30) days following such request.

C. If any information required to be submitted within a certain time under the terms of this Agreement shall not be received by the Grantor on or before ten (10) days after the date when due, after notice to Grantee and opportunity to cure, then, at Grantor's discretion, Grantee may be required to pay the Grantor a "Late Charge" not to exceed One Hundred Dollars (\$100.00) for each day so past due until the date on which the information is received or the Agreement is terminated.





11.03. Except with regard to initial construction/installation of the Improvements and emergencies, prior to conducting any activities at the Premises which may materially impact natural resources in or around the Premises, Grantee shall provide written notice to the Grantor describing the proposed activities in detail and any procedures which will be used to protect natural resources. Such notice shall be provided by Grantee to the Grantor at least sixty (60) days prior to conducting re-burial activities, and at least thirty (30) days prior to conducting major repairs, modification, or other activities. Grantee acknowledges and agrees that the Grantor shall have at least twenty (20) days following receipt of the notice to review the proposed activities and to impose specific conditions for conducting such activities which, in the Grantor's sole determination, are necessary to protect natural resources or to mitigate for actual damages to natural resources. If the Grantor has not provided notice to Grantee within twenty (20) days following receipt of Grantee's notice, the Grantor is deemed to have approved, subject to the terms of this Agreement, the proposed activities to be conducted at the Premises. In case of emergencies, Grantee may undertake all actions necessary to prevent imminent injury or damage to public health, safety or welfare, and/or to protect natural resources, and Grantee shall undertake any such actions as are, in the pipeline industry, ordinary and commercially reasonable responses to such emergencies. Within twenty-four (24) hours following such emergency actions, Grantee shall provide notice to the Grantor of such actions as hereinabove provided.

## ARTICLE XII. MISCELLANEOUS PROVISIONS

12.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.

12.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the Grantor, its successors and assigns, Grantee, Grantee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the Grantor to any assignment by Grantee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person grantee, refers to the instances previously referred to in this sentence and also circumstances in which title to Grantee's interest under this Agreement passes, after the demise of Grantee, pursuant to Grantee's will or the laws of intestate succession. The words "hereof," "herein," "hereunder," "hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.

12.03. Neither tender nor acceptance of any sums payable hereunder nor failure by either party to complain of any action, non-action or default of the other shall constitute a waiver as to any breach of any covenant or condition contained herein nor a waiver of any of the rights hereunder. Waiver by the Grantor of any right for any default of Grantee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of either party hereunder or covenant, duty or obligation hereunder shall be deemed waived by the other party unless such waiver be in writing, signed by a duly authorized representative of the party.

12.04. No provision of this Agreement shall be construed in such a way as to constitute the Grantor and Grantee joint venturers or co-partners or to make Grantee the agent of the Grantor or make the Grantor liable for the debts of Grantee.

12.05. In all instances where Grantee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

12.06. The terms of this Agreement shall only be binding on the Grantor during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the Grantor shall thereupon be released and





discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.

12.07. All monetary obligations of the Grantor and Grantee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.

12.08. The obligation of Grantee to pay all Consideration and other sums hereunder provided to be paid by Grantee and the obligation of Grantee to perform Grantee's other covenants and duties under this Agreement constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Grantee waives and relinquishes all rights which Grantee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the Grantor by Grantee. Grantee waives and relinquishes any right to assert, either as a claim or as a defense, that the Grantor is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.

12.09. Subject in all respects to Section 12.01 of this Agreement, this Agreement is and shall be subject to any applicable federal or state law, rule, order, or regulation presently or hereafter enacted or adopted to the extent, but only to the extent, that such law, rule, order, or regulation preempts or supersedes Grantor's authority to issue this Agreement or to require any particular obligation of Grantee, provided, however, that in the event of a conflict between any provision of this Agreement and any administrative rule promulgated by the General Land Office and/or the School Land Board, this Agreement shall control.

#### ARTICLE XIII. RECORDING

13.01. Grantee shall, at its sole cost and expense, record this Agreement in the Bosque and Johnson Counties Real Property Records and provide a file marked copy to the Grantor within 60 days after the recorded original of this Agreement is returned by the county clerk responsible for such records.

#### ARTICLE XIV. ENTIRE AGREEMENT

14.01. This instrument, including exhibits, constitutes the entire agreement between the Grantor and Grantee and no prior written, or prior or contemporaneous oral promises, warranties or representations shall be binding. This Agreement shall not be amended, changed, altered, or extended except by written instrument signed by all parties hereto.

14.02. This Agreement shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart to each party.

\_\_\_\_\_

\_\_\_\_\_



IN TESTIMONY WHEREOF, witness our hands and the seal of the General Land Office.

GRANTOR: THE STATE OF TEXAS

GRANTEE: LOUIS DREYFUS PIPELINE, L.P.

By: Louis Dreyfus Resources LLC,  
its general partner

By: Jerry E. Patterson  
JERRY E. PATTERSON  
Commissioner, General Land Office

By: Joseph E. Rothbauer  
(Printed Name)

Title: VP-OPS

Date: 6/22/06

Date: 6/13/06

APPROVED:

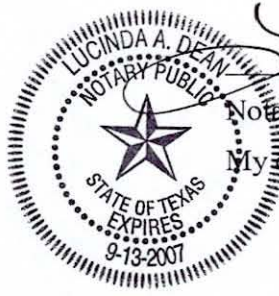
Contents: WSP  
Legal: WSP  
Deputy: WSP  
Executive: WSP

ACKNOWLEDGMENT

STATE OF Texas §

COUNTY OF Harris §

This instrument was acknowledged before me on the 13<sup>th</sup> day of June, 2006,  
by Joseph Rothbauer, VP-OPS of  
(Title)  
Louis Dreyfus Resources LLC, a Texas  
(Company Name) (State)  
General Partner, on behalf of the Conestoga-Rovers & Associates  
(Business entity type) (Business entity type)

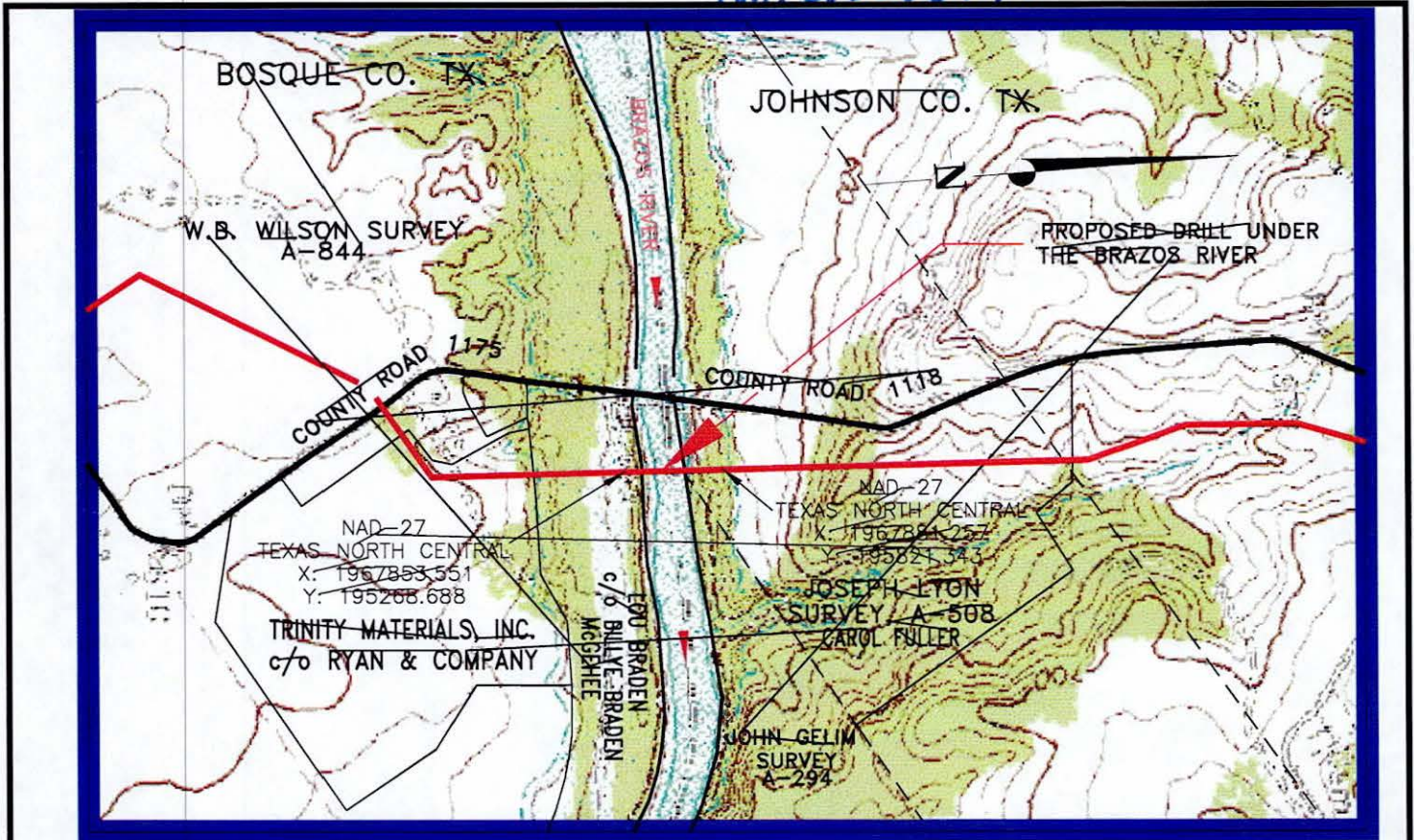


Lucinda A. Dean  
Notary Public, State of Texas  
My Commission expires: 9-13-07





Exhibit A  
ME 20060097



VICINITY MAP 1" = 1000'

Map prepared, edited, and published by the Geological Survey  
Control by UTM and UTM4205  
Photography by photogrammetric methods from aerial  
photographs taken 1967. Field checked 1988  
Polyconic projection. 1927 North American datum.  
10,000-foot grid with Texas coordinate system.  
North central and central zones.  
1000-meter UTM zones. Transverse Mercator and NAD.  
Scale 1:25,000 at 30°N  
Fine red dashed lines indicate selected fence lines.  
Areas covered by hatched topographic patterns are subject  
to controlled inundation.  
There may be private buildings within the boundaries of  
the National or State reservations shown on this map.

Scale 1:25,000  
SCALE 1:25,000  
CONTOUR INTERVAL 25 FEET  
NATIONAL GEODETIC VERTICAL DATUM OF 1929

ROAD CLASSIFICATION  
Secondary highway, all weather, light duty road, all weather  
hard surface. Improved surface.  
Unimproved road, fair or dry  
weather.  
State Road

BRAZOS POINT, TEX.  
N 207 5--497307.5  
1968  
4 AND 5 AND 10--66--66--66

THIS MAP COMPLEYS WITH NATIONAL MAP ACCURACY STANDARDS  
FOR SALE BY U.S. GEOLOGICAL SURVEY, DRIVE, FOSBERG BOULEVARD, RESTON, VIRGINIA 20192  
A FULLER DESCRIPTION OF THIS MAP AND SYMBOLS IS AVAILABLE ON REQUEST

3297-214

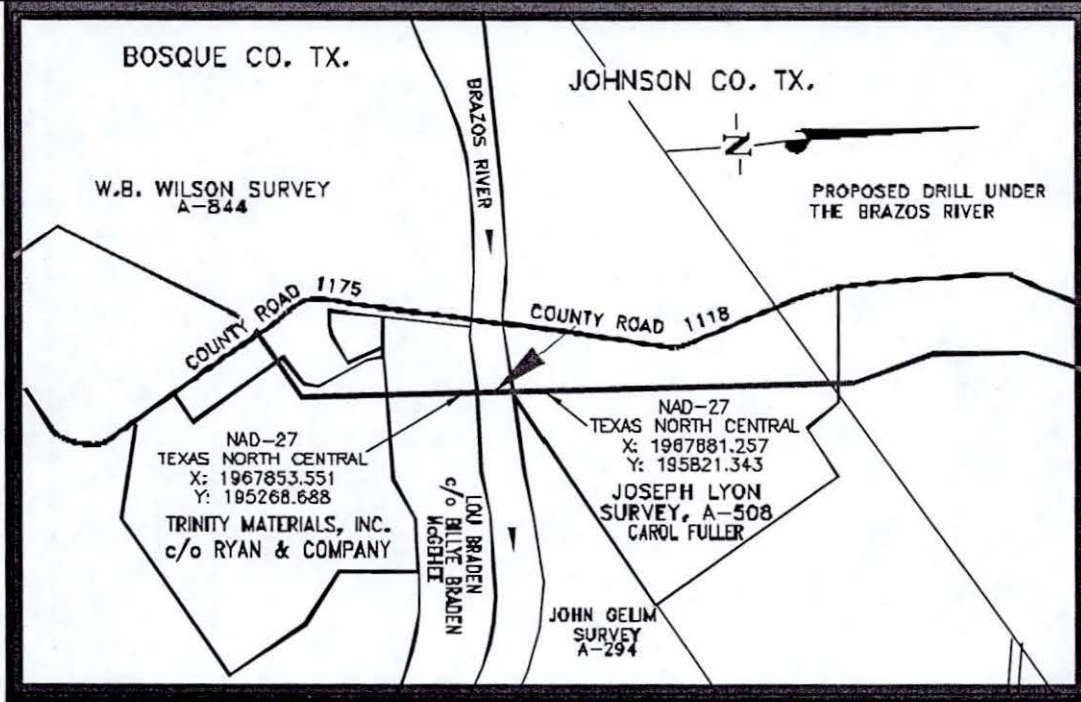
EXHIBIT "A"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	<del>Barnett Shale NGL Gathering System</del>	SCALE: AS SHOWN DATE: 4-18-08 JOB NO.:
SURVEYED BY: R. KUYKENDALL DRAWN BY: J. WILLIAMS CHECKED BY:	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS 2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH.# (806)665-7278	DRAWING NUMBER: LOUIS DREYFUS BRAZOS RIVER SHEET 1 OF 1

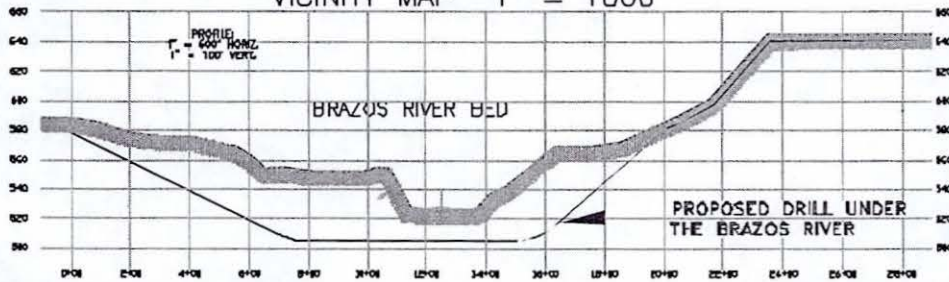




Exhibit B  
ME 20060097



VICINITY MAP 1" = 1000'



NAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.55481"  
LONG. 97° 36' 13.80506"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"  
551' OR 33.39 RODS

**LouisDreyfus**

EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
		DATE: 4-18-06
SURVEYED BY: R.KUYKENDALL	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS 2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH.# (806)665-7218	JOB NO.:
DRAWN BY: J.WILLIAMS		DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER
CHECKED BY:		SHEET 1 OF 1





# Instructions for Preparing Exhibits for the following General Land Office Applications:

## Miscellaneous Easements (Pipeline)

Maps (or plats) showing the location of proposed and as-built projects on state-owned lands are required as part of the General Land Office (GLO) application process. The following instructions are to be followed when applying for new work (proposed project), or for reporting as-built conditions for a previously approved project, when the activity is a **Miscellaneous Easement (Pipeline)** on state land.

The information specified below represents minimum requirements of the GLO and additional information may be requested on a project-by-project basis to facilitate a full evaluation of the proposed activity.

The information should be submitted along with the required application form and processing fees. Each map or plat must conform to the specifications contained herein. An application is not considered complete, and processing of the application will not be initiated, until all information requested has been submitted and GLO staff has determined that it is adequate.

NOTE: Surveys and survey plats required by other entities, Federal, State, County and/or City, are PERMISSIBLE and USABLE for GLO applications provided they meet the following requirements.

### IF SUBMITTING SURVEY PLATS DIGITALLY, PLEASE PROVIDE THE INFORMATION IN ONE OF THE FOLLOWING FORMATS:

1. In an ESRI format (i.e. Shape file, E00, or Geodatabase)
2. AutoDesk Map 6 or earlier version in a DWG format.
3. **And Projection Information of the data set submitted.**

### A. GENERAL INSTRUCTIONS for ALL APPLICATIONS:

1. Each map or plat should be 8-1/2" X 11".
2. A one-inch margin should be left at the top edge of each sheet for binding purposes.
3. Any shading used to identify specific areas must be reproducible by ordinary copy machines.
4. Each map or plat submitted must have a title block identifying, at a minimum: (a) applicant name; (b) applicant address; (c) project name; (d) date of preparation; (e) name of preparer, and (d) project location as follows:
  - (1) if on state-owned uplands, then provide county, survey name (original grantee) and, as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number;
  - (2) if on submerged land, then provide county, waterbody name, and state tract number.
5. The scale for each map or plat must be clearly indicated both digitally and by graphic scale.
6. Vicinity Maps -- Exhibit A for each project application must be a Vicinity Map showing the general location of the proposed work. The Vicinity Map must be produced using either a U.S.G.S. 7.5 minute Topographic Map, a Texas Department of Transportation County Road Map, or navigation chart as its base layer. The project location should be indicated by a prominent arrow on the map. An 8 1/2" X 11" Xerox copy from the original Topo, county map, or navigation chart showing the project location is sufficient. It is not necessary to submit the entire Topo or county map, so long as the map is appropriately identified as to the origin of the base information (e.g., name, and date of base map information used). This is most easily accomplished by copying the legend of the base map and making it part of the Vicinity Map.





7. Project Site Map -- Exhibit B for each project application should be a Project Site Map (in Survey Plat format) which provides specific project location information. The Project Site Map should be produced at sufficient scale and detail to enable field inspectors to locate the project on the ground with minimal difficulty. Demographic features such as road numbers, stream names, railroad crossings, corporate city limits, and other prominent locative features should be included on the Project Site Map. The project location should be indicated by a prominent arrow on the map and a North arrow must be provided. Annotation may be included on the map regarding distance of the project from known points (e.g., highway intersections, road stream crossings, etc.). **Additional guidance for preparing Project Site Maps is provided in Section B of this document.**

8. Detailed Project Plan -- Exhibit C for each project application should be a Detailed Project Plan, consisting of an aerial plan-view drawing and a cross-sectional drawing of all proposed or existing structures on state-owned lands at the project site.

Page 1 of the Detailed Project Plan should contain, at a minimum:

- a. Location of the shoreline or banks if the project is on or adjacent to tidally influenced waters or crosses a state-owned river, stream, creek, or bayou.
- b. The direction of ebb and flow if in or adjacent to tidal waters, or the direction of water flow if the project crosses a river, creek, stream, or bayou.
- c. A North arrow.
- d. The location of state tract lines (on tidally influenced lands), survey lines, or property lines, as applicable.
- e. The location of any marshes, submerged grass flats, oyster reefs, mud or sand flats, or other sensitive natural/cultural resources known to exist in the project area.
- f. The lines of mean high water and mean low water when applicable.
- g. The Detailed Project Plan cross-sectional drawing must include notation as to the outside diameter (OD) of all pipelines covered by the easement, and the relationship of the pipeline(s) to any other pipeline(s) in the immediate vicinity.
- h. The registration, easement, or lease numbers for any structures at the site previously authorized by the GLO (available from GLO field offices upon request).
- i. Any applicable Corps of Engineers application numbers covering the proposed work, as soon as that application number is available, but, in any event, prior to issuance of the easement.

Page 2 of the Detailed Project Plan should contain, as applicable, an explanation of construction methodology, techniques, and equipment that will be used at the site.

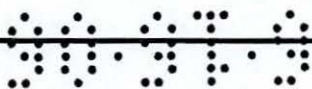
9. As-Built Survey -- A survey showing the depth of burial must be furnished for all projects on state-owned tidally influenced lands (Gulf of Mexico, bays, estuaries, etc.), crossings of state-owned rivers/streams/creeks/bayous. The survey shall show plan view only for projects on state-owned upland tracts. Failure to provide this information is, by terms of the state contract, grounds for termination of the easement and removal of the structure from state-owned land.

**New Pipeline Installations:** Each application for installation of a new pipeline must include with the application a profile drawing showing the proposed depth of burial at not fewer than 36" below the surface.

GLO will issue an easement using the proposed ROW and depth of burial information. Following installation of the pipeline, however, the applicant is required by terms of the GLO contract to provide a survey of actual burial depth measurements for that portion of the ROW length occupying state-owned land. The spacing between depth-of-burial measurement points is a function of the length of ROW. If the easement length is less than 500 feet, the depth of cover of the structure and waterway bottom elevation shall be determined at intervals not to exceed 50 feet. If the easement length is greater than 500 feet but less than 5,000 feet the interval between measurement points shall be 100 feet. Easements greater than 5,000 feet in length shall be surveyed at 250-foot intervals.

All work shall be performed under the supervision of, and sealed by, a registered public land surveyor. All submitted drawings must be sealed by the supervising registered public land surveyor. All elevations must be referenced to a common datum (Mean Sea Level, National Geodetic Vertical Datum, Mean Low Water, etc.) and grid coordinates must reference Texas State Plane coordinate System of 1927 or 1983. The accuracy of the waterway bottom and pipeline elevations shall be +/- one-half (.5') foot for the waterway bottom and +/- one-half (0.5') foot for depth of burial less than or equal to 10 feet and +/- fifteen (15%) percent for depth of burial greater than ten (10) feet. Manual probing and electronic means (both active and passive) of survey type shall be acceptable for depth of burial determinations.

**Existing Pipelines:** At time of renewal of a contract for an existing underground pipeline easement, provide the data as required under Section 3.02.(iv) of this easement contract.





**CERTIFICATION BY A TEXAS REGISTERED PUBLIC LAND SURVEYOR IS REQUIRED ON ALL OF THE FOLLOWING WITH THE EXCEPTION OF DIRECTIONALLY DRILLED WELL BORE LOGS .**

**B. SPECIFIC INSTRUCTIONS:**

Maps or Survey Plats to be submitted as the Project Site Map and/or the Detailed Project Plan (see A7 and 8 above) must contain the information described below.

Upland survey data should be reported to normal boundary land surveying minimum standards. Offshore or submerged sites shall be located to a specified accuracy of +/- 5 feet of any reported location.

**1. Projects located on Tidally Influenced State-owned lands** (Including the Gulf of Mexico, bay tracts, and the tidally influenced portions of rivers, creeks, streams, and bayous):

Coordinates must be provided at the beginning and ending points of the ROW's centerline, or on the principal point or points of tracts described by other means (directional well bores, etc.). These coordinates must be based on the Texas State Plane Coordinate System of 1927 or 1983. Courses and distances must be specified as either grid or geodetic for all centerlines and perimeter lines, and ties must be made from specific improvements (e.g., well heads, platforms, pilings, etc.) to a corner or corners of the lease or easement tract. All submerged state land tracts crossed by any part of the ROW must be shown and identified, and the points of each ROW crossing of a state-tract boundary identified in the Texas State Plane Coordinate System of 1927 or 1983. The distance between crossings of a state-tract boundary must be indicated in both feet and rods on the plat.

As-built plats (and confirmation surveys at time of renewal) must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the ROW, the plat shall provide a minimum of one identified point for each 1,000 feet of ROW length. A ROW less than 1,000 feet long but greater than 500 feet in length requires one mid-point to be identified on the survey plat.

**2. Projects Across State-owned Upland Property, or the state-owned portion of a river, creek, stream, or bayou above the limit of tidal influence:**

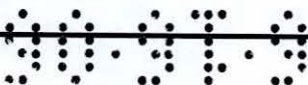
**a. Upland Tract (State Fee Lands):**

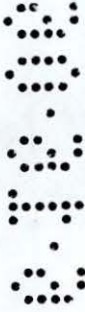
For new project applications, information provided for projects on state-owned upland tracts shall include the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the proposed easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with the survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.

At completion of construction, or at time of renewal, an as-built plat or confirmation survey (which ever is applicable) must be submitted. This plat must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the easement route, the plat shall provide a minimum of one identified point for each 1,000 feet of length. For easement routes fewer than 1,000 feet long but greater than 500 feet, one mid-point shall be identified on the survey plat.

**b. Crossing the State-owned portion of a river, creek, stream, or bayou above the limit of tidal influence.**

Information provided for projects crossing non-tidal state-owned rivers, creeks, streams, or bayous shall include an identification of the stream or water body by local and any other names known (historic, from topographic or other maps, etc.). In addition, the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with a cross section or profile of the crossing between the top of the high banks, survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.






File No. MF20060097

Contract

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner





TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

June 22, 2006

Conestoga-Rovers & Associates  
Attention: Eunice Klinski  
6320 Rothway, Suite 100  
Houston, Texas 77040

RE: Miscellaneous Easement No. ME20060097  
Louis Dreyfus Pipeline, L.P.  
Bosque & Johnson Counties, Texas

Dear Ms. Klinski:

Enclosed is the above-referenced Miscellaneous Easement contract fully executed by the Commissioner of the General Land Office. A duplicate original has been retained for our files.

As required in Article XIII of the contract, this instrument must be recorded with the county clerk of Bosque and Johnson Counties, Texas, within 60 days from the date of this letter, and proof of recording provided to this office.

If you should have any questions, please call me at (512) 463-7117.

Sincerely,

Lillie Givens

File No. ME20060097

Executed Contract Letter

Date Filed: 6-28-06

Jerry E. Patterson, Commissioner

By ly



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# The State of Texas



Austin, Texas

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INST. # 20779  
ATTEST: 4-30-00  
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COUNTY CLERK JOHNSON  
COUNTY, TEXAS  
By: Russ Eaton

## MISCELLANEOUS EASEMENT (PIPELINES) ME20060097

STATE OF TEXAS

§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF BOSQUE & JOHNSON

This Miscellaneous Easement (the "Agreement"), ME20060097, is granted by virtue of the authority granted in Section 51.291, *et seq.*, TEX. NAT. RES. CODE ANN. (Vernon 2001), 31 TEX. ADMIN. CODE §13.11, *et seq.*, and all other applicable statutes and rules, as the same exist on the date hereof or as they may be amended from time to time.

### ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office, (the "Grantor"), hereby grants to Louis Dreyfus Pipeline, L.P., a Delaware, whose address is 13430 Northwest Freeway, Houston, TX 77040-6000, phone number (281) 378-1100, (the "Grantee"), a non-exclusive easement for the purposes identified in Article V.

### ARTICLE II. PREMISES

2.01. The easement is located across State-owned land in Bosque and Johnson Counties, Texas, described as follows:

Being the Brazos River and the easement is a right-of-way 33.3 rods long and 20 feet wide, being 10 feet either side of a centerline formed by the improvements (as hereinafter defined), as constructed (the "Premises"). Notwithstanding the foregoing, during the period of initial construction not to exceed 120 days, the easement width shall be 100 feet wide, being 50 feet either side of the centerline instead of the easement width mentioned above. In addition, if repair and/or replacement of the pipeline is necessary, for a period not to exceed 60 days, Grantee shall again be granted additional easement width which shall be 100 feet wide being 50 feet either side of the centerline.

The Premises are further described or depicted on the Vicinity Map attached hereto as Exhibit A and the Survey Plat attached hereto as Exhibit B, collectively incorporated by reference for descriptive purposes.

2.02. Grantee acknowledges and agrees that when the Improvements (as hereinafter defined) are placed on the Premises, the location of such Improvements within the easement shall thereby become fixed at such location and shall not be changed except by an amendment to this Agreement signed by both parties hereto and subject to any approval by any other governmental agency with jurisdiction over same.



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By: \_\_\_\_\_





2.03. GRANTEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE PREMISES AND ACCEPTS THE SAME "AS IS", IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. THE GRANTOR DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. THE GRANTOR AND GRANTEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERM "GRANT" IN NO WAY IMPLIES THAT THIS EASEMENT IS FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. NOTICE IS HEREBY GIVEN TO GRANTEE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCE MAY BE OF RECORD, AND GRANTEE TAKES SUBJECT TO ANY SUCH PRIOR GRANT AND/OR ENCUMBRANCE. GRANTEE IS ADVISED TO EXAMINE THE RECORDS IN THE ARCHIVES AND RECORDS DIVISION OF THE GENERAL LAND OFFICE, 1700 NORTH CONGRESS AVENUE, AUSTIN, TEXAS 78701-1495, AND ALL OTHER LAND TITLE RECORDS OF THE COUNTY OR COUNTIES IN WHICH THE PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS EASEMENT.

### ARTICLE III. TERM

3.01. This Agreement is for a period of five (5) years, beginning on May 1, 2006, and ending on April 30, 2011, unless renewed, amended, or sooner terminated as authorized by law or as set forth herein.

3.02. Provided that Grantee has complied with all provisions of this Agreement, Grantee shall have the right to extend and renew this Agreement pursuant to 31 TAC §13.17(c) and (d) for an additional term of 10 years on the same terms and conditions provided hereunder, by taking the following actions:

- (i) providing written notice to the Grantor of Grantee's intent to renew the Agreement not less than ninety (90) days prior to expiration of the term of this Agreement; and
- (ii) completing and submit to the Grantor for approval, an application for renewal within thirty (30) days following the notice provided in Section 3.02(i); and
- (iii) paying the applicable renewal fee, pursuant to the rate schedule in effect at the time of renewal; and
- (iv) providing documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the pipeline(s) lie within the approved Premises. Such information may be in the form provided to the U.S. Department of Transportation, provided that such documentation includes the current location and spatial coordinates. Notwithstanding the foregoing, and provided that the pipeline has been in place for at least twenty (20) years (an "older pipeline"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of this subsection (iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such existing pipeline from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of an older pipeline, Grantee agrees to submit such documentation to Grantor. If either Grantor or Grantee determine that an older pipeline is not actually located within the right of way described in this Agreement, both Grantor and Grantee will enter into an amendment to this Agreement to correct the right of way description provided such right of way is located on State-owned land. In any event, Grantee **will indemnify** Grantor pursuant to Section 8.01 of this Agreement even if some or all of the Improvements are not located on State-owned land.

3.03. In the event that Grantee shall fail to comply with the requirements of Section 3.02, Grantee shall be in default hereunder; however, the Easement shall not terminate until Grantor provides notice of such failure and allows a period of thirty (30) days for Grantee to cure such failure and default. Grantee's failure to comply with Section 3.02,



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even if subsequently cured to Grantor's satisfaction, shall be deemed a forfeiture of any right Grantee may have to renew the Agreement at a reduced fee. Grantor may require (i) the full then-current fee as calculated for a new easement, or, (ii) the applicable renewal fee pursuant to the rate schedule in effect at the time of renewal, plus an administrative penalty as determined by Grantor.

#### ARTICLE IV. CONSIDERATION AND TAXES

4.01. A. As consideration (Consideration) for the granting, or if applicable, renewal of this easement, Grantee agrees to pay the Grantor (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Five Hundred And 00/100 Dollars (\$500.00), due and payable upon the execution of this Agreement.

B. Past due Consideration and other past due payments shall bear interest from maturity at the rate of ten percent (10%) per annum from the date when due until actually paid, as provided in Section 51.301 in TEX. NAT. RES. CODE ANN. (Vernon 2001). Failure of Grantee to make a payment on or before the date the same becomes due shall be deemed an act of default and, at the Grantor's option, cause all payments to become due and payable immediately; provided, however, Grantor shall give Grantee notice of such default and allow a period of thirty (30) days within which to cure the default before exercising such option to accelerate such payments.

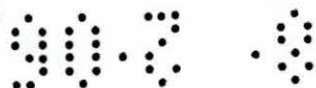
4.02. In addition to the above, Grantee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against Grantee's interest in the Premises or on the Improvements constructed thereon.

4.03. Grantee agrees to and shall protect and hold the Grantor harmless from liability for any and all such taxes, charges, and assessments, together with any penalties and interest thereon, and from any sale or other proceeding to enforce payment thereof.

#### ARTICLE V. USE OF THE PREMISES

5.01. Grantee and Grantee's employees, contractors, and agents shall have the right to use the Premises for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, relocate, and replace one (1) 8 5/8-inch pipeline for the purpose of transporting natural gas liquid; hazardous liquid (the "Improvements"). Grantee shall not change (i) the operation of the pipeline in any material respect or (ii) the category of products therein, without Grantor's written permission, such permission not to be unreasonably withheld. It shall not be unreasonable for Grantor to withhold its consent for reasons that include, but are not limited to, Grantee's request for: a change in the category of products to be transported that is more "sour" (with reference to hydrogen sulfide content), or that is more volatile, than the original product category to be transported as contemplated by the Agreement; or, a change to a category of products that includes any non-hydrocarbon substances. Also, it shall not be unreasonable for Grantor to (a) condition its consent on Grantee procuring and providing proof to Grantor of adequate insurance to protect the Premises and (b) charge fees for (i) additional pipelines, and (ii) changes in use operation, including but not limited to, a use separate and apart from the original use contemplated by the Agreement, e.g. fiber optics and reverse flow. Grantor agrees to grant or deny such permission within thirty (30) days following Grantee's request for a category use change, provided such request includes all information necessary for Grantor to make an informed decision.

5.02. A. The Grantor and Grantee hereby acknowledge and agree that each shall have reciprocal rights of ingress and egress to and from the Premises across contiguous or adjacent Permanent School Fund land or land owned by Grantee, provided in the exercise of this right the Grantor and Grantee agree not to unreasonably interfere with the other party's (or that party's agents, assignees, or designees) use of its property. At its sole cost, risk, and expense, Grantee shall have the right of ingress and egress for the purposes authorized by Section 5.01 and such right is not granted for any other purpose. Grantee and the Grantor mutually agree to coordinate the use of contiguous or adjacent Permanent School Fund land or land owned by Grantee, respectively, and to exercise such right of use only to the extent and in the manner allowed by the respective interests of the parties in the subjects lands and for the length of time necessary to provide access to and from the Premises. Notwithstanding any other provisions to the



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contrary, no easement is created by this Section 5.02; instead, a license is granted to the parties and their respective officers, employees, agents and contractors for the limited purposes set forth herein.

B. Grantee acknowledges and agrees that the Grantor's right of ingress and egress described in Section 5.02.A. of this Agreement shall be and remain in effect as long as the Improvements and any other structure placed on the Premises by Grantee remain on the Premises, as necessary for the Grantor to confirm the removal (in whole or in part) of the Improvements, and/or until any claims of liability against Grantor arising in connection with the Improvements are finally resolved. Such right of ingress and egress shall survive the expiration or earlier termination of this Agreement, but only for so long as the Improvements remain on the Premises and/or any claims for liability have not been finally resolved.

5.03. A. Grantee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions"):

1. If a leak occurs in a pipeline, Grantee shall take all immediate action to prevent further release, as comports with industry practice or complies with applicable regulatory requirements.
2. In light of the pipeline industry's indicated willingness to improve safety standards, as well as new regulations being promulgated by the Department of Transportation's Office of Pipeline Safety, and also the new federal pipeline health and safety legislation pending in the U. S. Congress, this easement is granted upon condition of applicant's specific compliance with all applicable federal, state and local statutes, rules and regulations, and generally accepted industry practices and standards presently in force and as amended in the future.
3. Grantee is required to perform mitigation and/or pay surface damage fees according to the Grantor's policy in effect at the time damages occur for any and all surface damages resulting from actions of Grantee's employees, contractors, and/or agents during the term of this easement. If mitigation is required Grantee will be notified in writing by the Grantor of the terms and conditions under which the mitigation shall be conducted. Such mitigation and/or payment of damage fees shall be performed in the manner and within the time frame specified in written notice provided by the Grantor to Grantee following said damages.
4. Brush and other materials cleared from the right-of-way are to be disposed of by (sale of forest products/on-site stacking/chipping/burial/piling of brush and tree branches for wildlife protective cover at specific locations). In no event shall Grantee burn materials removed from the right-of-way without Grantor's prior written approval.

B. Prior to any construction, installation, repair, or other activities on the Premises, Grantee shall provide written notice of all the terms of this Agreement relating to the particular activity to any contractor and/or agent involved in any such activity. On request, Grantee shall send a copy of such notice to the General Land Office, ATTN: Asset Inspection, 1700 N. Congress Avenue, Austin, Texas 78701-1495.

5.04. Grantor shall have the right to use or to permit the use of any or all of the Premises for any purpose deemed, in Grantor's sole discretion, not to be inconsistent with Grantee's easement grant. Grantor, its agents, representatives and employees shall have the right to enter upon the Premises at any reasonable time (or any time in case of emergency) for purposes of inspection, repair, and any other purpose necessary to protect Grantor's interests therein. Except in the event of an emergency, in which case no notice is required by Grantor, if Grantor reasonably believes that a repair is necessary to protect the health and safety of the public, the environment, or the value of Grantor's property, Grantor shall give Grantee reasonable prior written notice of the necessary repair. If Grantor gives such notice, and Grantee does not initiate immediate action to pursue to completion such repair with diligence, Grantor may, but shall not be obligated to, undertake that repair, all costs of which shall be immediately due and payable by Grantee on Grantor's demand. This Section 5.04 is for the sole purpose of providing a mechanism for Grantor to respond to a situation in which immediate action is required to protect the State and/or public interest and such

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By: Kris Eaton

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immediate action has not been initiated by or on behalf of Grantee.

5.05. Grantee shall not use, or permit the use of the Premises for any illegal purpose. Grantee shall comply, and will cause its officers, employees, agents, contractors and invitees to comply, with all applicable laws, ordinances, rules, and regulations of governing agencies concerning use of the Premises.

5.06. Failure by Grantee to construct, maintain and operate the Improvements in accordance with this Article V may render such Improvements "unauthorized structures" as defined under in TEX. NAT. RES. CODE ANN. §51.302 (Vernon 2001 & Supp. 2003) and subject them to sanctions provided therein.

#### ARTICLE VI. ASSIGNMENTS

6.01. A. Grantee shall not assign the premises or the rights granted herein, in whole or part, to any third party for any purpose without prior written consent of the Grantor, which consent may not be unreasonably withheld. For purposes of this Section 6.01 A, the phrase "third party" shall not include any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest.

B. Grantee may assign this Agreement without Grantor's consent to (a) a parent entity, (b) any affiliate of Grantee controlled by the same parent entity, or (c) any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest, provided that, in any of the foregoing events, (i) the resulting entity agrees in writing to assume and perform all of the terms and conditions of this Agreement, and (ii) Grantee provides notice to Grantor of any such assignment within thirty (30) days of such assignment. In the event of such assignment, it is understood and agreed by both Grantee and Grantor that the original Grantee remains liable to Grantor under all terms and provisions of the Agreement.

C. Any assignment which fails to comply with the foregoing provisions shall be void and of no effect.

D. This provision and the prohibition against unauthorized assignments contained herein shall survive expiration or earlier termination of this Agreement. For purposes of this Agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.

#### ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

7.01. With regard to all activities authorized herein, Grantee shall use all reasonable best efforts to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Grantee shall comply with all applicable rules and regulations of the General Land Office, the School Land Board, and other governmental agencies responsible for the protection and preservation of public lands and waters, natural resources, and wildlife habitat. In the event of a pipeline incident that is reportable to the U.S. Department of Transportation, the General Land Office, or the Railroad Commission of Texas (or any other applicable regulatory agency) that may result in pollution of the Premises or adjacent property, Grantee shall notify the Grantor immediately upon discovery of such incident, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resource damages caused thereby.

7.02. **GRANTEE IS HEREBY EXPRESSLY NOTIFIED OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STAT. 915, 16 U.S.C.A. SECTION 470, ET. SEQ.) AND THE ANTIQUITIES CODE, [TITLE 9, CHAPTER 191, TEX. NAT. RES. CODE ANN. (VERNON 2001 & SUPP. 2003)]. IN CONFORMANCE WITH THESE LAWS, IN THE EVENT THAT ANY SITE, FOUNDATION, BUILDING, STRUCTURE, LOCATION, OBJECT, ARTIFACT, ITEM OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING THE ACTIVITIES AUTHORIZED BY THIS EASEMENT, GRANTEE SHALL IMMEDIATELY CEASE ANY AND ALL ACTIVITIES, AND NOTIFY THE COMMISSIONER OF THE GENERAL LAND OFFICE AND THE TEXAS HISTORICAL COMMISSION, PO BOX 12276, AUSTIN, TEXAS 78711, SO THAT APPROPRIATE ACTION MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE. IN THE EVENT THAT GRANTEE IS REQUIRED TO CEASE**

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COUNTY, TEXAS  
By: Kris Eaton

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ACTIVITIES, THE GRANTOR SHALL NOT BE LIABLE FOR ANY COSTS OF GRANTEE, GRANTEE'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR ANY OTHER PERSON OR ENTITY AS A RESULT OF ANY INTERRUPTION OF GRANTEE'S ACTIVITIES OR INABILITY TO USE THE PREMISES AS HEREIN CONTEMPLATED.

#### ARTICLE VIII. INDEMNITY

8.01. GRANTEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM OR ATTRIBUTABLE TO GRANTEE'S USE GRANTED HEREIN OR THE ACTS OR OMISSIONS OF GRANTEE, ITS AGENTS OR CONTRACTORS RELATED TO GRANTEE'S EXERCISE OF THE RIGHTS GRANTED HEREIN. GRANTEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, COSTS OF COURT, ATTORNEY'S FEES AND COSTS OF INVESTIGATION OR EXPERTS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGE OR THE NEGLIGENCE OF ANY PARTY, (EXCEPT TO THE EXTENT OF THE PROPORTIONATE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS) ARISING DIRECTLY OR INDIRECTLY FROM OR ATTRIBUTABLE TO GRANTEE'S USE OF THE PREMISES (INCLUDING ANY ADJACENT OR CONTIGUOUS LAND) OR FROM ANY BREACH BY GRANTEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

#### ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

9.01 If, within thirty (30) days after receipt of written notice from the Grantor specifying an act of default or breach, Grantee fails to pay any money due hereunder or continues in breach of any term or condition of this Agreement, the Grantor shall have the right to terminate this Agreement and all rights inuring to Grantee herein. Should Grantee fail to cure the specified default or breach within the allowed thirty (30) day period, this Agreement shall be subject to termination, and upon such termination all rights granted herein to Grantee shall revert to the Grantor. Such termination shall not prejudice the rights of the Grantor to collect any money due or to seek recovery on any claim arising hereunder.

9.02. Except as otherwise provided by applicable law or rule and subject to obtaining necessary approval from state or federal agencies having applicable jurisdiction, or making best efforts to obtain such permits, Grantee shall, within one hundred twenty (120) days from the date of expiration or sooner termination of this Agreement, initiate removal of all personal property, structures, and the Improvements, and shall restore the Premises (and any other property affected by such removal activities) to the same condition that existed before Grantee entered thereon. Such removal and restoration activities shall be coordinated with the General Land Office in accordance with guidelines in effect at the time of removal/restoration which may include, without limitation, specific removal techniques required for protection of natural resources and mitigation or payment in lieu of mitigation for any and all damages resulting from removal activities, all of which shall be in accordance with generally accepted current pipeline industry standards using available technology. Grantee shall notify the Grantor at least ten (10) days before commencing removal/restoration activities so that a General Land Office field inspector may be present.

#### ARTICLE X. NOTICE

10.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the Grantor to Deputy Commissioner, Professional Services, addressed to his attention, 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 936-1961, and if for Grantee, to it at 13430 Northwest Freeway, Houston, TX 77040-6000, and FAX: (281)378-1152. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Grantee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.



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By: Kris Eaton

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10.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

#### ARTICLE XI. INFORMATIONAL REQUIREMENTS

11.01. A. For newly constructed pipelines, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements authorized in this Agreement, an "as-built" survey and field notes prepared by a surveyor duly licensed by the State of Texas. The as-built survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the as-built survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

B. Upon receipt of the as-built survey, prepared in accordance with this Section 11.01, the Grantor shall compare the as-built survey with the proposed location of the Improvements, as represented by Grantee's application to the Grantor and set forth in Section 2.01 (and referenced Exhibits) hereof. If there are changes or discrepancies in the location of the Improvements authorized by this Agreement, the Grantor may either terminate this Agreement, or: (i) upon determination that the changed location results in unacceptable adverse impacts, require relocation of the Improvements to conform to the authorized right of way, or (ii) upon determination of no unacceptable adverse impacts, agree to replace Exhibit B attached hereto with a substitute exhibit denoted as Exhibit B-1. The substitute exhibit shall be consistent with the as-built survey and signed by both parties. Upon attachment of Exhibit B-1 hereto, Exhibit B shall be void and of no further effect.

C. If all or any part of the Improvements are buried, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements, a survey which includes coordinates, or at Grantor's option, "depth of cover" data, prepared by a surveyor duly licensed by the State of Texas. The survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

11.02. A. Grantee shall provide written notice to the Grantor of any change in Grantee's name, address, or legal status (from a corporate entity to a partnership, etc.) and any change to other information required by this Agreement within thirty (30) days of the effective date of the change.

B. Grantee shall provide to the Grantor any other information reasonably requested by the Grantor in writing within thirty (30) days following such request.

C. If any information required to be submitted within a certain time under the terms of this Agreement shall not be received by the Grantor on or before ten (10) days after the date when due, after notice to Grantee and opportunity to cure, then, at Grantor's discretion, Grantee may be required to pay the Grantor a "Late Charge" not to exceed One Hundred Dollars (\$100.00) for each day so past due until the date on which the information is received or the Agreement is terminated.

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By: Kris Eaton

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11.03. Except with regard to initial construction/installation of the Improvements and emergencies, prior to conducting any activities at the Premises which may materially impact natural resources in or around the Premises, Grantee shall provide written notice to the Grantor describing the proposed activities in detail and any procedures which will be used to protect natural resources. Such notice shall be provided by Grantee to the Grantor at least sixty (60) days prior to conducting re-burial activities, and at least thirty (30) days prior to conducting major repairs, modification, or other activities. Grantee acknowledges and agrees that the Grantor shall have at least twenty (20) days following receipt of the notice to review the proposed activities and to impose specific conditions for conducting such activities which, in the Grantor's sole determination, are necessary to protect natural resources or to mitigate for actual damages to natural resources. If the Grantor has not provided notice to Grantee within twenty (20) days following receipt of Grantee's notice, the Grantor is deemed to have approved, subject to the terms of this Agreement, the proposed activities to be conducted at the Premises. In case of emergencies, Grantee may undertake all actions necessary to prevent imminent injury or damage to public health, safety or welfare, and/or to protect natural resources, and Grantee shall undertake any such actions as are, in the pipeline industry, ordinary and commercially reasonable responses to such emergencies. Within twenty-four (24) hours following such emergency actions, Grantee shall provide notice to the Grantor of such actions as hereinabove provided.

## ARTICLE XII. MISCELLANEOUS PROVISIONS

12.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.

12.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the Grantor, its successors and assigns, Grantee, Grantee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the Grantor to any assignment by Grantee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person grantee, refers to the instances previously referred to in this sentence and also circumstances in which title to Grantee's interest under this Agreement passes, after the demise of Grantee, pursuant to Grantee's will or the laws of intestate succession. The words "hereof," "herein," "hereunder," "hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.

12.03. Neither tender nor acceptance of any sums payable hereunder nor failure by either party to complain of any action, non-action or default of the other shall constitute a waiver as to any breach of any covenant or condition contained herein nor a waiver of any of the rights hereunder. Waiver by the Grantor of any right for any default of Grantee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of either party hereunder or covenant, duty or obligation hereunder shall be deemed waived by the other party unless such waiver be in writing, signed by a duly authorized representative of the party.

12.04. No provision of this Agreement shall be construed in such a way as to constitute the Grantor and Grantee joint venturers or co-partners or to make Grantee the agent of the Grantor or make the Grantor liable for the debts of Grantee.

12.05. In all instances where Grantee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

12.06. The terms of this Agreement shall only be binding on the Grantor during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the Grantor shall thereupon be released and



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discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.

12.07. All monetary obligations of the Grantor and Grantee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.

12.08. The obligation of Grantee to pay all Consideration and other sums hereunder provided to be paid by Grantee and the obligation of Grantee to perform Grantee's other covenants and duties under this Agreement constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Grantee waives and relinquishes all rights which Grantee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the Grantor by Grantee. Grantee waives and relinquishes any right to assert, either as a claim or as a defense, that the Grantor is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.

12.09. Subject in all respects to Section 12.01 of this Agreement, this Agreement is and shall be subject to any applicable federal or state law, rule, order, or regulation presently or hereafter enacted or adopted to the extent, but only to the extent, that such law, rule, order, or regulation preempts or supersedes Grantor's authority to issue this Agreement or to require any particular obligation of Grantee, provided, however, that in the event of a conflict between any provision of this Agreement and any administrative rule promulgated by the General Land Office and/or the School Land Board, this Agreement shall control.

#### ARTICLE XIII. RECORDING

13.01. Grantee shall, at its sole cost and expense, record this Agreement in the Bosque and Johnson Counties Real Property Records and provide a file marked copy to the Grantor within 60 days after the recorded original of this Agreement is returned by the county clerk responsible for such records.

#### ARTICLE XIV. ENTIRE AGREEMENT

14.01. This instrument, including exhibits, constitutes the entire agreement between the Grantor and Grantee and no prior written, or prior or contemporaneous oral promises, warranties or representations shall be binding. This Agreement shall not be amended, changed, altered, or extended except by written instrument signed by all parties hereto.

14.02. This Agreement shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart to each party.

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COUNTY, TEXAS  
By: Kevin Eaton





IN TESTIMONY WHEREOF, witness our hands and the seal of the General Land Office.

GRANTOR: THE STATE OF TEXAS

GRANTEE: LOUIS DREYFUS PIPELINE, L.P.

By: Louis Dreyfus Resources LLC,  
its general partner

By: Jerry E. Patterson  
JERRY E. PATTERSON  
Commissioner, General Land Office

By: Joseph E. Rothbauer  
JOSEPH E. ROTHBAUER  
(Printed Name)

Title: VP-OPS

Date: 6/22/06

Date: 6/13/06

APPROVED:

Contents: NSP  
Legal: NSP  
Deputy: NSP  
Executive: NSP

ACKNOWLEDGMENT

STATE OF Texas §  
COUNTY OF Harris §

This instrument was acknowledged before me on the 13<sup>th</sup> day of June, 2004,  
by Joseph Rothbauer, VP-OPS of  
(Title)  
Louis Dreyfus Resources LLC, a Texas  
(Company Name) (State)  
General Partner, on behalf of the Conestoga-Rovers & Associates  
(Business entity type) (Business entity type)



Lucinda A. Dean  
Notary Public, State of Texas  
My commission expires: 9-13-07

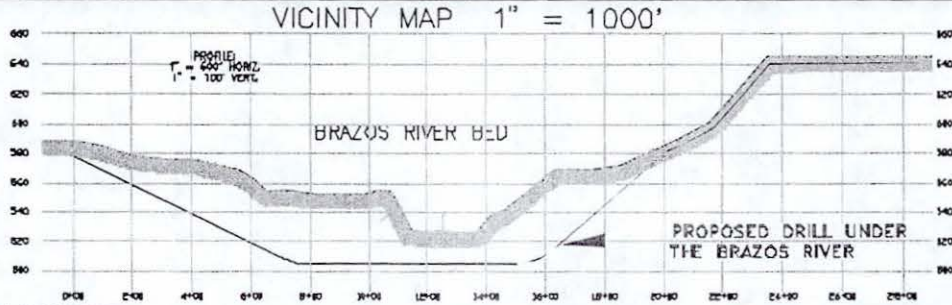
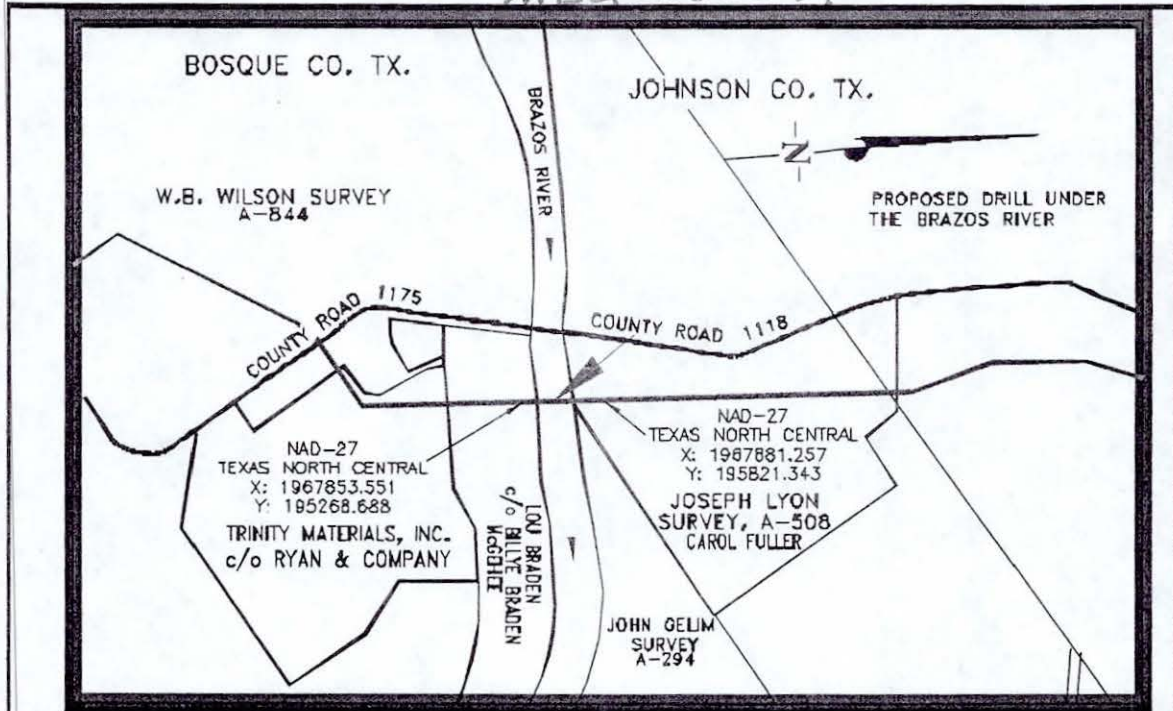
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COUNTY, TEXAS  
By: Kris Eaton







Exhibit B  
ME20060097



NAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.55481"  
LONG. 97° 36' 13.80506"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"  
551' OR 33.39 RODS

**LouisDreyfus**

EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
		DATE: 4-18-06
SURVEYED BY: R.KUYKENDALL	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS 2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH.# (806)665-7218	JOB NO.:
DRAWN BY: J.WILUAMS		DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER
CHECKED BY:		SHEET 1 OF 1

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COUNTY TEXAS  
By: Mrs Eaton





## Instructions for Preparing Exhibits for the following General Land Office Applications:

### Miscellaneous Easements (Pipeline)

Maps (or plats) showing the location of proposed and as-built projects on state-owned lands are required as part of the General Land Office (GLO) application process. The following instructions are to be followed when applying for new work (proposed project), or for reporting as-built conditions for a previously approved project, when the activity is a **Miscellaneous Easement (Pipeline)** on state land.

The information specified below represents minimum requirements of the GLO and additional information may be requested on a project-by-project basis to facilitate a full evaluation of the proposed activity.

The information should be submitted along with the required application form and processing fees. Each map or plat must conform to the specifications contained herein. An application is not considered complete, and processing of the application will not be initiated, until all information requested has been submitted and GLO staff has determined that it is adequate.

NOTE: Surveys and survey plats required by other entities, Federal, State, County and/or City, are PERMISSIBLE and USABLE for GLO applications provided they meet the following requirements.

### IF SUBMITTING SURVEY PLATS DIGITALLY, PLEASE PROVIDE THE INFORMATION IN ONE OF THE FOLLOWING FORMATS:

1. In an ESRI format (i.e. Shape file, E00, or Geodatabase)
2. AutoDesk Map 6 or earlier version in a DWG format.
3. **And Projection Information of the data set submitted.**

### A. GENERAL INSTRUCTIONS for ALL APPLICATIONS:

1. Each map or plat should be 8-1/2" X 11".
2. A one-inch margin should be left at the top edge of each sheet for binding purposes.
3. Any shading used to identify specific areas must be reproducible by ordinary copy machines.
4. Each map or plat submitted must have a title block identifying, at a minimum: (a) applicant name; (b) applicant address; (c) project name; (d) date of preparation; (e) name of preparer, and (d) project location as follows:
  - (1) if on state-owned uplands, then provide county, survey name (original grantee) and, as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number;
  - (2) if on submerged land, then provide county, waterbody name, and state tract number.
5. The scale for each map or plat must be clearly indicated both digitally and by graphic scale.
6. Vicinity Maps -- Exhibit A for each project application must be a Vicinity Map showing the general location of the proposed work. The Vicinity Map must be produced using either a U.S.G.S. 7.5 minute Topographic Map, a Texas Department of Transportation County Road Map, or navigation chart as its base layer. The project location should be indicated by a prominent arrow on the map. An 8 1/2" X 11" Xerox copy from the original Topo, county map, or navigation chart showing the project location is sufficient. It is not necessary to submit the entire Topo or county map, so long as the map is appropriately identified as to the origin of the base information (e.g., name, and date of base map information used). This is most easily accomplished by copying the legend of the base map and making it part of the Vicinity Map.



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7. Project Site Map -- Exhibit B for each project application should be a Project Site Map (in Survey Plat format) which provides specific project location information. The Project Site Map should be produced at sufficient scale and detail to enable field inspectors to locate the project on the ground with minimal difficulty. Demographic features such as road numbers, stream names, railroad crossings, corporate city limits, and other prominent locative features should be included on the Project Site Map. The project location should be indicated by a prominent arrow on the map and a North arrow must be provided. Annotation may be included on the map regarding distance of the project from known points (e.g., highway intersections, road stream crossings, etc.). **Additional guidance for preparing Project Site Maps is provided in Section B of this document.**

8. Detailed Project Plan -- Exhibit C for each project application should be a Detailed Project Plan, consisting of an aerial plan-view drawing and a cross-sectional drawing of all proposed or existing structures on state-owned lands at the project site.

Page 1 of the Detailed Project Plan should contain, at a minimum:

- a. Location of the shoreline or banks if the project is on or adjacent to tidally influenced waters or crosses a state-owned river, stream, creek, or bayou.
- b. The direction of ebb and flow if in or adjacent to tidal waters, or the direction of water flow if the project crosses a river, creek, stream, or bayou.
- c. A North arrow.
- d. The location of state tract lines (on tidally influenced lands), survey lines, or property lines, as applicable.
- e. The location of any marshes, submerged grass flats, oyster reefs, mud or sand flats, or other sensitive natural/cultural resources known to exist in the project area.
- f. The lines of mean high water and mean low water when applicable.
- g. The Detailed Project Plan cross-sectional drawing must include notation as to the outside diameter (OD) of all pipelines covered by the easement, and the relationship of the pipeline(s) to any other pipeline(s) in the immediate vicinity.
- h. The registration, easement, or lease numbers for any structures at the site previously authorized by the GLO (available from GLO field offices upon request).
- i. Any applicable Corps of Engineers application numbers covering the proposed work, as soon as that application number is available, but, in any event, prior to issuance of the easement.

Page 2 of the Detailed Project Plan should contain, as applicable, an explanation of construction methodology, techniques, and equipment that will be used at the site.

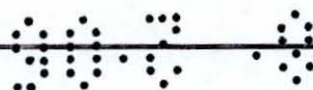
9. As-Built Survey -- A survey showing the depth of burial must be furnished for all projects on state-owned tidally influenced lands (Gulf of Mexico, bays, estuaries, etc.), crossings of state-owned rivers/streams/creeks/bayous. The survey shall show plan view only for projects on state-owned upland tracts. Failure to provide this information is, by terms of the state contract, grounds for termination of the easement and removal of the structure from state-owned land.

**New Pipeline Installations:** Each application for installation of a new pipeline must include with the application a profile drawing showing the proposed depth of burial at not fewer than 36" below the surface.

GLO will issue an easement using the proposed ROW and depth of burial information. Following installation of the pipeline, however, the applicant is required by terms of the GLO contract to provide a survey of actual burial depth measurements for that portion of the ROW length occupying state-owned land. The spacing between depth-of-burial measurement points is a function of the length of ROW. If the easement length is less than 500 feet, the depth of cover of the structure and waterway bottom elevation shall be determined at intervals not to exceed 50 feet. If the easement length is greater than 500 feet but less than 5,000 feet the interval between measurement points shall be 100 feet. Easements greater than 5,000 feet in length shall be surveyed at 250-foot intervals.

All work shall be performed under the supervision of, and sealed by, a registered public land surveyor. All submitted drawings must be sealed by the supervising registered public land surveyor. All elevations must be referenced to a common datum (Mean Sea Level, National Geodetic Vertical Datum, Mean Low Water, etc.) and grid coordinates must reference Texas State Plane coordinate System of 1927 or 1983. The accuracy of the waterway bottom and pipeline elevations shall be +/- one-half (.5') foot for the waterway bottom and +/- one-half (0.5') foot for depth of burial less than or equal to 10 feet and +/- fifteen (15%) percent for depth of burial greater than ten (10) feet. Manual probing and electronic means (both active and passive) of survey type shall be acceptable for depth of burial determinations.

**Existing Pipelines:** At time of renewal of a contract for an existing underground pipeline easement, provide the data as required under Section 3.02.(iv) of this easement contract.



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By: Kris Eaton

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**CERTIFICATION BY A TEXAS REGISTERED PUBLIC LAND SURVEYOR IS REQUIRED ON ALL OF THE FOLLOWING WITH THE EXCEPTION OF DIRECTIONALLY DRILLED WELL BORE LOGS .**

**B. SPECIFIC INSTRUCTIONS:**

Maps or Survey Plats to be submitted as the Project Site Map and/or the Detailed Project Plan (see A7 and 8 above) must contain the information described below.

Upland survey data should be reported to normal boundary land surveying minimum standards. Offshore or submerged sites shall be located to a specified accuracy of +/- 5 feet of any reported location.

**1. Projects located on Tidally Influenced State-owned lands (Including the Gulf of Mexico, bay tracts, and the tidally influenced portions of rivers, creeks, streams, and bayous):**

Coordinates must be provided at the beginning and ending points of the ROW's centerline, or on the principal point or points of tracts described by other means (directional well bores, etc.). These coordinates must be based on the Texas State Plane Coordinate System of 1927 or 1983. Courses and distances must be specified as either grid or geodetic for all centerlines and perimeter lines, and ties must be made from specific improvements (e.g., well heads, platforms, pilings, etc.) to a corner or corners of the lease or easement tract. All submerged state land tracts crossed by any part of the ROW must be shown and identified, and the points of each ROW crossing of a state-tract boundary identified in the Texas State Plane Coordinate System of 1927 or 1983. The distance between crossings of a state-tract boundary must be indicated in both feet and rods on the plat.

As-built plats (and confirmation surveys at time of renewal) must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the ROW, the plat shall provide a minimum of one identified point for each 1,000 feet of ROW length. A ROW less than 1,000 feet long but greater than 500 feet in length requires one mid-point to be identified on the survey plat.

**2. Projects Across State-owned Upland Property, or the state-owned portion of a river, creek, stream, or bayou above the limit of tidal influence:**

**a. Upland Tract (State Fee Lands):**

For new project applications, information provided for projects on state-owned upland tracts shall include the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the proposed easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with the survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.

At completion of construction, or at time of renewal, an as-built plat or confirmation survey (which ever is applicable) must be submitted. This plat must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the easement route, the plat shall provide a minimum of one identified point for each 1,000 feet of length. For easement routes fewer than 1,000 feet long but greater than 500 feet, one mid-point shall be identified on the survey plat.

**b. Crossing the State-owned portion of a river, creek, stream, or bayou above the limit of tidal influence.**

Information provided for projects crossing non-tidal state-owned rivers, creeks, streams, or bayous shall include an identification of the stream or water body by local and any other names known (historic, from topographic or other maps, etc.). In addition, the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with a cross section or profile of the crossing between the top of the high banks, survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.



A CERTIFIED COPY  
VOL. \_\_\_\_\_ PAGE \_\_\_\_\_ OR  
INST. # 20779  
ATTEST: 6-30 2004  
CURTIS H. DOUGLAS  
COUNTY CLERK JOHNSON  
COUNTY, TEXAS  
By: Kris Eaton





After Recording, Please Return to:  
Rick Hoyer  
Contract Land Staff, Inc.  
1603 B Sun Valley Dr.  
Cleburne, TX 76033

A CERTIFIED COPY  
VOL \_\_\_\_\_ PAGE \_\_\_\_\_ OR  
INST. # 26779  
ATTEST: 6-30 2006  
CURTIS H. DOUGLAS  
COUNTY CLERK JOHNSON  
COUNTY, TEXAS  
By: Rick Eaton

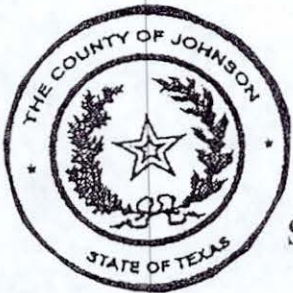


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**DO NOT DESTROY**

Filed For Record 3:18 AM  PM

JUN 30 2006

County Clerk Johnson County  
By mc Deputy



STATE OF TEXAS  
COUNTY OF JOHNSON

that I hereby certify this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC RECORDS OF JOHNSON COUNTY, TEXAS in the Volume and Page as shown heron.

  
CURTIS H. DOUGLAS, COUNTY CLERK  
JOHNSON COUNTY, TEXAS

A CERTIFIED COPY  
VOL \_\_\_\_\_ PAGE \_\_\_\_\_ OR  
INST. # 26779  
ATTEST: 6.30.20 06  
CURTIS H. DOUGLAS  
COUNTY CLERK JOHNSON  
COUNTY, TEXAS  
By: Kris Eaton







File No. SL-20060097  
Recording  
Date Filed: 8-16-06  
By J Jerry E. Patterson, Commissioner

(11)

026779

The State of Texas

BK 3842 PG 0645



Austin, Texas

MISCELLANEOUS EASEMENT (PIPELINES) ME20060097

Filed For Record Jul 21, 2006 at 12:17P Betty Outlaw County Clerk, Bosque CO, TX By [Signature] Deputy Clerk

STATE OF TEXAS

§ § §

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF BOSQUE & JOHNSON

This Miscellaneous Easement (the "Agreement"), ME20060097, is granted by virtue of the authority granted in Section 51.291, et seq., TEX. NAT. RES. CODE ANN. (Vernon 2001), 31 TEX. ADMIN. CODE §13.11, et seq., and all other applicable statutes and rules, as the same exist on the date hereof or as they may be amended from time to time.

ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office, (the "Grantor"), hereby grants to Louis Dreyfus Pipeline, L.P., a Delaware, whose address is 13430 Northwest Freeway, Houston, TX 77040-6000, phone number (281) 378-1100, (the "Grantee"), a non-exclusive easement for the purposes identified in Article V.

ARTICLE II. PREMISES

2.01. The easement is located across State-owned land in Bosque and Johnson Counties, Texas, described as follows:

Being the Brazos River and the easement is a right-of-way 33.3 rods long and 20 feet wide, being 10 feet either side of a centerline formed by the improvements (as hereinafter defined), as constructed (the "Premises"). Notwithstanding the foregoing, during the period of initial construction not to exceed 120 days, the easement width shall be 100 feet wide, being 50 feet either side of the centerline instead of the easement width mentioned above. In addition, if repair and/or replacement of the pipeline is necessary, for a period not to exceed 60 days, Grantee shall again be granted additional easement width which shall be 100 feet wide being 50 feet either side of the centerline.

The Premises are further described or depicted on the Vicinity Map attached hereto as Exhibit A and the Survey Plat attached hereto as Exhibit B, collectively incorporated by reference for descriptive purposes.

2.02. Grantee acknowledges and agrees that when the Improvements (as hereinafter defined) are placed on the Premises, the location of such Improvements within the easement shall thereby become fixed at such location and shall not be changed except by an amendment to this Agreement signed by both parties hereto and subject to any approval by any other governmental agency with jurisdiction over same.





2.03. GRANTEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE PREMISES AND ACCEPTS THE SAME "AS IS", IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. THE GRANTOR DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. THE GRANTOR AND GRANTEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERM "GRANT" IN NO WAY IMPLIES THAT THIS EASEMENT IS FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. NOTICE IS HEREBY GIVEN TO GRANTEE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCE MAY BE OF RECORD, AND GRANTEE TAKES SUBJECT TO ANY SUCH PRIOR GRANT AND/OR ENCUMBRANCE. GRANTEE IS ADVISED TO EXAMINE THE RECORDS IN THE ARCHIVES AND RECORDS DIVISION OF THE GENERAL LAND OFFICE, 1700 NORTH CONGRESS AVENUE, AUSTIN, TEXAS 78701-1495, AND ALL OTHER LAND TITLE RECORDS OF THE COUNTY OR COUNTIES IN WHICH THE PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS EASEMENT.

### ARTICLE III. TERM

3.01. This Agreement is for a period of five (5) years, beginning on May 1, 2006, and ending on April 30, 2011, unless renewed, amended, or sooner terminated as authorized by law or as set forth herein.

3.02. Provided that Grantee has complied with all provisions of this Agreement, Grantee shall have the right to extend and renew this Agreement pursuant to 31 TAC §13.17(c) and (d) for an additional term of 10 years on the same terms and conditions provided hereunder, by taking the following actions:

- (i) providing written notice to the Grantor of Grantee's intent to renew the Agreement not less than ninety (90) days prior to expiration of the term of this Agreement; and
- (ii) completing and submit to the Grantor for approval, an application for renewal within thirty (30) days following the notice provided in Section 3.02(i); and
- (iii) paying the applicable renewal fee, pursuant to the rate schedule in effect at the time of renewal; and
- (iv) providing documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the pipeline(s) lie within the approved Premises. Such information may be in the form provided to the U.S. Department of Transportation, provided that such documentation includes the current location and spatial coordinates. Notwithstanding the foregoing, and provided that the pipeline has been in place for at least twenty (20) years (an "older pipeline"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of this subsection (iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such existing pipeline from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of an older pipeline, Grantee agrees to submit such documentation to Grantor. If either Grantor or Grantee determine that an older pipeline is not actually located within the right of way described in this Agreement, both Grantor and Grantee will enter into an amendment to this Agreement to correct the right of way description provided such right of way is located on State-owned land. In any event, Grantee **will indemnify** Grantor pursuant to Section 8.01 of this Agreement even if some or all of the Improvements are not located on State-owned land.

3.03. In the event that Grantee shall fail to comply with the requirements of Section 3.02, Grantee shall be in default hereunder; however, the Easement shall not terminate until Grantor provides notice of such failure and allows a period of thirty (30) days for Grantee to cure such failure and default. Grantee's failure to comply with Section 3.02,





even if subsequently cured to Grantor's satisfaction, shall be deemed a forfeiture of any right Grantee may have to renew the Agreement at a reduced fee. Grantor may require (i) the full then-current fee as calculated for a new easement, or, (ii) the applicable renewal fee pursuant to the rate schedule in effect at the time of renewal, plus an administrative penalty as determined by Grantor.

#### ARTICLE IV. CONSIDERATION AND TAXES

4.01. A. As consideration (Consideration) for the granting, or if applicable, renewal of this easement, Grantee agrees to pay the Grantor (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Five Hundred And 00/100 Dollars (\$500.00), due and payable upon the execution of this Agreement.

B. Past due Consideration and other past due payments shall bear interest from maturity at the rate of ten percent (10%) per annum from the date when due until actually paid, as provided in Section 51.301 in TEX. NAT. RES. CODE ANN. (Vernon 2001). Failure of Grantee to make a payment on or before the date the same becomes due shall be deemed an act of default and, at the Grantor's option, cause all payments to become due and payable immediately; provided, however, Grantor shall give Grantee notice of such default and allow a period of thirty (30) days within which to cure the default before exercising such option to accelerate such payments.

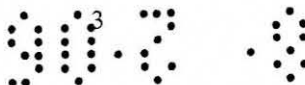
4.02. In addition to the above, Grantee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against Grantee's interest in the Premises or on the Improvements constructed thereon.

4.03. Grantee agrees to and shall protect and hold the Grantor harmless from liability for any and all such taxes, charges, and assessments, together with any penalties and interest thereon, and from any sale or other proceeding to enforce payment thereof.

#### ARTICLE V. USE OF THE PREMISES

5.01. Grantee and Grantee's employees, contractors, and agents shall have the right to use the Premises for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, relocate, and replace one (1) 8 5/8-inch pipeline for the purpose of transporting natural gas liquid; hazardous liquid (the "Improvements"). Grantee shall not change (i) the operation of the pipeline in any material respect or (ii) the category of products therein, without Grantor's written permission, such permission not to be unreasonably withheld. It shall not be unreasonable for Grantor to withhold its consent for reasons that include, but are not limited to, Grantee's request for: a change in the category of products to be transported that is more "sour" (with reference to hydrogen sulfide content), or that is more volatile, than the original product category to be transported as contemplated by the Agreement; or, a change to a category of products that includes any non-hydrocarbon substances. Also, it shall not be unreasonable for Grantor to (a) condition its consent on Grantee procuring and providing proof to Grantor of adequate insurance to protect the Premises and (b) charge fees for (i) additional pipelines, and (ii) changes in use operation, including but not limited to, a use separate and apart from the original use contemplated by the Agreement, e.g. fiber optics and reverse flow. Grantor agrees to grant or deny such permission within thirty (30) days following Grantee's request for a category use change, provided such request includes all information necessary for Grantor to make an informed decision.

5.02. A. The Grantor and Grantee hereby acknowledge and agree that each shall have reciprocal rights of ingress and egress to and from the Premises across contiguous or adjacent Permanent School Fund land or land owned by Grantee, provided in the exercise of this right the Grantor and Grantee agree not to unreasonably interfere with the other party's (or that party's agents, assignees, or designees) use of its property. At its sole cost, risk, and expense, Grantee shall have the right of ingress and egress for the purposes authorized by Section 5.01 and such right is not granted for any other purpose. Grantee and the Grantor mutually agree to coordinate the use of contiguous or adjacent Permanent School Fund land or land owned by Grantee, respectively, and to exercise such right of use only to the extent and in the manner allowed by the respective interests of the parties in the subjects lands and for the length of time necessary to provide access to and from the Premises. Notwithstanding any other provisions to the





contrary, no easement is created by this Section 5.02; instead, a license is granted to the parties and their respective officers, employees, agents and contractors for the limited purposes set forth herein.

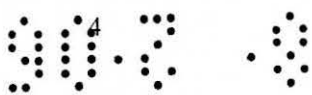
B. Grantee acknowledges and agrees that the Grantor's right of ingress and egress described in Section 5.02.A. of this Agreement shall be and remain in effect as long as the Improvements and any other structure placed on the Premises by Grantee remain on the Premises, as necessary for the Grantor to confirm the removal (in whole or in part) of the Improvements, and/or until any claims of liability against Grantor arising in connection with the Improvements are finally resolved. Such right of ingress and egress shall survive the expiration or earlier termination of this Agreement, but only for so long as the Improvements remain on the Premises and/or any claims for liability have not been finally resolved.

5.03. A. Grantee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions"):

1. If a leak occurs in a pipeline, Grantee shall take all immediate action to prevent further release, as comports with industry practice or complies with applicable regulatory requirements.
2. In light of the pipeline industry's indicated willingness to improve safety standards, as well as new regulations being promulgated by the Department of Transportation's Office of Pipeline Safety, and also the new federal pipeline health and safety legislation pending in the U. S. Congress, this easement is granted upon condition of applicant's specific compliance with all applicable federal, state and local statutes, rules and regulations, and generally accepted industry practices and standards presently in force and as amended in the future.
3. Grantee is required to perform mitigation and/or pay surface damage fees according to the Grantor's policy in effect at the time damages occur for any and all surface damages resulting from actions of Grantee's employees, contractors, and/or agents during the term of this easement. If mitigation is required Grantee will be notified in writing by the Grantor of the terms and conditions under which the mitigation shall be conducted. Such mitigation and/or payment of damage fees shall be performed in the manner and within the time frame specified in written notice provided by the Grantor to Grantee following said damages.
4. Brush and other materials cleared from the right-of-way are to be disposed of by (sale of forest products/on-site stacking/chipping/burial/piling of brush and tree branches for wildlife protective cover at specific locations). In no event shall Grantee burn materials removed from the right-of-way without Grantor's prior written approval.

B. Prior to any construction, installation, repair, or other activities on the Premises, Grantee shall provide written notice of all the terms of this Agreement relating to the particular activity to any contractor and/or agent involved in any such activity. On request, Grantee shall send a copy of such notice to the General Land Office, ATTN: Asset Inspection, 1700 N. Congress Avenue, Austin, Texas 78701-1495.

5.04. Grantor shall have the right to use or to permit the use of any or all of the Premises for any purpose deemed, in Grantor's sole discretion, not to be inconsistent with Grantee's easement grant. Grantor, its agents, representatives and employees shall have the right to enter upon the Premises at any reasonable time (or any time in case of emergency) for purposes of inspection, repair, and any other purpose necessary to protect Grantor's interests therein. Except in the event of an emergency, in which case no notice is required by Grantor, if Grantor reasonably believes that a repair is necessary to protect the health and safety of the public, the environment, or the value of Grantor's property, Grantor shall give Grantee reasonable prior written notice of the necessary repair. If Grantor gives such notice, and Grantee does not initiate immediate action to pursue to completion such repair with diligence, Grantor may, but shall not be obligated to, undertake that repair, all costs of which shall be immediately due and payable by Grantee on Grantor's demand. This Section 5.04 is for the sole purpose of providing a mechanism for Grantor to respond to a situation in which immediate action is required to protect the State and/or public interest and such





immediate action has not been initiated by or on behalf of Grantee.

5.05. Grantee shall not use, or permit the use of the Premises for any illegal purpose. Grantee shall comply, and will cause its officers, employees, agents, contractors and invitees to comply, with all applicable laws, ordinances, rules, and regulations of governing agencies concerning use of the Premises.

5.06. Failure by Grantee to construct, maintain and operate the Improvements in accordance with this Article V may render such Improvements "unauthorized structures" as defined under in TEX. NAT. RES. CODE ANN. §51.302 (Vernon 2001 & Supp. 2003) and subject them to sanctions provided therein.

ARTICLE VI. ASSIGNMENTS

6.01. A. Grantee shall not assign the premises or the rights granted herein, in whole or part, to any third party for any purpose without prior written consent of the Grantor, which consent may not be unreasonably withheld. For purposes of this Section 6.01 A, the phrase "third party" shall not include any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest.

B. Grantee may assign this Agreement without Grantor's consent to (a) a parent entity, (b) any affiliate of Grantee controlled by the same parent entity, or (c) any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest, provided that, in any of the foregoing events, (i) the resulting entity agrees in writing to assume and perform all of the terms and conditions of this Agreement, and (ii) Grantee provides notice to Grantor of any such assignment within thirty (30) days of such assignment. In the event of such assignment, it is understood and agreed by both Grantee and Grantor that the original Grantee remains liable to Grantor under all terms and provisions of the Agreement.

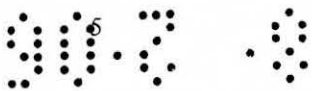
C. Any assignment which fails to comply with the foregoing provisions shall be void and of no effect.

D. This provision and the prohibition against unauthorized assignments contained herein shall survive expiration or earlier termination of this Agreement. For purposes of this Agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.

ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

7.01. With regard to all activities authorized herein, Grantee shall use all reasonable best efforts to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Grantee shall comply with all applicable rules and regulations of the General Land Office, the School Land Board, and other governmental agencies responsible for the protection and preservation of public lands and waters, natural resources, and wildlife habitat. In the event of a pipeline incident that is reportable to the U.S. Department of Transportation, the General Land Office, or the Railroad Commission of Texas (or any other applicable regulatory agency) that may result in pollution of the Premises or adjacent property, Grantee shall notify the Grantor immediately upon discovery of such incident, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resource damages caused thereby.

7.02. GRANTEE IS HEREBY EXPRESSLY NOTIFIED OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STAT. 915, 16 U.S.C.A. SECTION 470, ET. SEQ.) AND THE ANTIQUITIES CODE, [TITLE 9, CHAPTER 191, TEX. NAT. RES. CODE ANN. (VERNON 2001 & SUPP. 2003)]. IN CONFORMANCE WITH THESE LAWS, IN THE EVENT THAT ANY SITE, FOUNDATION, BUILDING, STRUCTURE, LOCATION, OBJECT, ARTIFACT, ITEM OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING THE ACTIVITIES AUTHORIZED BY THIS EASEMENT, GRANTEE SHALL IMMEDIATELY CEASE ANY AND ALL ACTIVITIES, AND NOTIFY THE COMMISSIONER OF THE GENERAL LAND OFFICE AND THE TEXAS HISTORICAL COMMISSION, PO BOX 12276, AUSTIN, TEXAS 78711, SO THAT APPROPRIATE ACTION MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE. IN THE EVENT THAT GRANTEE IS REQUIRED TO CEASE





ACTIVITIES, THE GRANTOR SHALL NOT BE LIABLE FOR ANY COSTS OF GRANTEE, GRANTEE'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR ANY OTHER PERSON OR ENTITY AS A RESULT OF ANY INTERRUPTION OF GRANTEE'S ACTIVITIES OR INABILITY TO USE THE PREMISES AS HEREIN CONTEMPLATED.

#### ARTICLE VIII. INDEMNITY

8.01. GRANTEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM OR ATTRIBUTABLE TO GRANTEE'S USE GRANTED HEREIN OR THE ACTS OR OMISSIONS OF GRANTEE, ITS AGENTS OR CONTRACTORS RELATED TO GRANTEE'S EXERCISE OF THE RIGHTS GRANTED HEREIN. GRANTEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, COSTS OF COURT, ATTORNEY'S FEES AND COSTS OF INVESTIGATION OR EXPERTS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGE OR THE NEGLIGENCE OF ANY PARTY, (EXCEPT TO THE EXTENT OF THE PROPORTIONATE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS) ARISING DIRECTLY OR INDIRECTLY FROM OR ATTRIBUTABLE TO GRANTEE'S USE OF THE PREMISES (INCLUDING ANY ADJACENT OR CONTIGUOUS LAND) OR FROM ANY BREACH BY GRANTEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

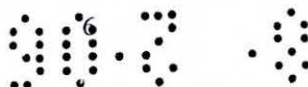
#### ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

9.01 If, within thirty (30) days after receipt of written notice from the Grantor specifying an act of default or breach, Grantee fails to pay any money due hereunder or continues in breach of any term or condition of this Agreement, the Grantor shall have the right to terminate this Agreement and all rights inuring to Grantee herein. Should Grantee fail to cure the specified default or breach within the allowed thirty (30) day period, this Agreement shall be subject to termination, and upon such termination all rights granted herein to Grantee shall revert to the Grantor. Such termination shall not prejudice the rights of the Grantor to collect any money due or to seek recovery on any claim arising hereunder.

9.02. Except as otherwise provided by applicable law or rule and subject to obtaining necessary approval from state or federal agencies having applicable jurisdiction, or making best efforts to obtain such permits, Grantee shall, within one hundred twenty (120) days from the date of expiration or sooner termination of this Agreement, initiate removal of all personal property, structures, and the Improvements, and shall restore the Premises (and any other property affected by such removal activities) to the same condition that existed before Grantee entered thereon. Such removal and restoration activities shall be coordinated with the General Land Office in accordance with guidelines in effect at the time of removal/restoration which may include, without limitation, specific removal techniques required for protection of natural resources and mitigation or payment in lieu of mitigation for any and all damages resulting from removal activities, all of which shall be in accordance with generally accepted current pipeline industry standards using available technology. Grantee shall notify the Grantor at least ten (10) days before commencing removal/restoration activities so that a General Land Office field inspector may be present.

#### ARTICLE X. NOTICE

10.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the Grantor to Deputy Commissioner, Professional Services, addressed to his attention, 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 936-1961, and if for Grantee, to it at 13430 Northwest Freeway, Houston, TX 77040-6000, and FAX: (281)378-1152. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Grantee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.





10.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

#### ARTICLE XI. INFORMATIONAL REQUIREMENTS

11.01. A. For newly constructed pipelines, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements authorized in this Agreement, an "as-built" survey and field notes prepared by a surveyor duly licensed by the State of Texas. The as-built survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the as-built survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

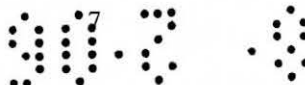
B. Upon receipt of the as-built survey, prepared in accordance with this Section 11.01, the Grantor shall compare the as-built survey with the proposed location of the Improvements, as represented by Grantee's application to the Grantor and set forth in Section 2.01 (and referenced Exhibits) hereof. If there are changes or discrepancies in the location of the Improvements authorized by this Agreement, the Grantor may either terminate this Agreement, or: (i) upon determination that the changed location results in unacceptable adverse impacts, require relocation of the Improvements to conform to the authorized right of way, or (ii) upon determination of no unacceptable adverse impacts, agree to replace Exhibit B attached hereto with a substitute exhibit denoted as Exhibit B-1. The substitute exhibit shall be consistent with the as-built survey and signed by both parties. Upon attachment of Exhibit B-1 hereto, Exhibit B shall be void and of no further effect.

C. If all or any part of the Improvements are buried, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements, a survey which includes coordinates, or at Grantor's option, "depth of cover" data, prepared by a surveyor duly licensed by the State of Texas. The survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

11.02. A. Grantee shall provide written notice to the Grantor of any change in Grantee's name, address, or legal status (from a corporate entity to a partnership, etc.) and any change to other information required by this Agreement within thirty (30) days of the effective date of the change.

B. Grantee shall provide to the Grantor any other information reasonably requested by the Grantor in writing within thirty (30) days following such request.

C. If any information required to be submitted within a certain time under the terms of this Agreement shall not be received by the Grantor on or before ten (10) days after the date when due, after notice to Grantee and opportunity to cure, then, at Grantor's discretion, Grantee may be required to pay the Grantor a "Late Charge" not to exceed One Hundred Dollars (\$100.00) for each day so past due until the date on which the information is received or the Agreement is terminated.





11.03. Except with regard to initial construction/installation of the Improvements and emergencies, prior to conducting any activities at the Premises which may materially impact natural resources in or around the Premises, Grantee shall provide written notice to the Grantor describing the proposed activities in detail and any procedures which will be used to protect natural resources. Such notice shall be provided by Grantee to the Grantor at least sixty (60) days prior to conducting re-burial activities, and at least thirty (30) days prior to conducting major repairs, modification, or other activities. Grantee acknowledges and agrees that the Grantor shall have at least twenty (20) days following receipt of the notice to review the proposed activities and to impose specific conditions for conducting such activities which, in the Grantor's sole determination, are necessary to protect natural resources or to mitigate for actual damages to natural resources. If the Grantor has not provided notice to Grantee within twenty (20) days following receipt of Grantee's notice, the Grantor is deemed to have approved, subject to the terms of this Agreement, the proposed activities to be conducted at the Premises. In case of emergencies, Grantee may undertake all actions necessary to prevent imminent injury or damage to public health, safety or welfare, and/or to protect natural resources, and Grantee shall undertake any such actions as are, in the pipeline industry, ordinary and commercially reasonable responses to such emergencies. Within twenty-four (24) hours following such emergency actions, Grantee shall provide notice to the Grantor of such actions as hereinabove provided.

## ARTICLE XII. MISCELLANEOUS PROVISIONS

12.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.

12.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the Grantor, its successors and assigns, Grantee, Grantee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the Grantor to any assignment by Grantee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person grantee, refers to the instances previously referred to in this sentence and also circumstances in which title to Grantee's interest under this Agreement passes, after the demise of Grantee, pursuant to Grantee's will or the laws of intestate succession. The words "hereof," "herein," "hereunder," "hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.

12.03. Neither tender nor acceptance of any sums payable hereunder nor failure by either party to complain of any action, non-action or default of the other shall constitute a waiver as to any breach of any covenant or condition contained herein nor a waiver of any of the rights hereunder. Waiver by the Grantor of any right for any default of Grantee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of either party hereunder or covenant, duty or obligation hereunder shall be deemed waived by the other party unless such waiver be in writing, signed by a duly authorized representative of the party.

12.04. No provision of this Agreement shall be construed in such a way as to constitute the Grantor and Grantee joint venturers or co-partners or to make Grantee the agent of the Grantor or make the Grantor liable for the debts of Grantee.

12.05. In all instances where Grantee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

12.06. The terms of this Agreement shall only be binding on the Grantor during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the Grantor shall thereupon be released and





discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.

12.07. All monetary obligations of the Grantor and Grantee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.

12.08. The obligation of Grantee to pay all Consideration and other sums hereunder provided to be paid by Grantee and the obligation of Grantee to perform Grantee's other covenants and duties under this Agreement constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Grantee waives and relinquishes all rights which Grantee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the Grantor by Grantee. Grantee waives and relinquishes any right to assert, either as a claim or as a defense, that the Grantor is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.

12.09. Subject in all respects to Section 12.01 of this Agreement, this Agreement is and shall be subject to any applicable federal or state law, rule, order, or regulation presently or hereafter enacted or adopted to the extent, but only to the extent, that such law, rule, order, or regulation preempts or supersedes Grantor's authority to issue this Agreement or to require any particular obligation of Grantee, provided, however, that in the event of a conflict between any provision of this Agreement and any administrative rule promulgated by the General Land Office and/or the School Land Board, this Agreement shall control.

#### ARTICLE XIII. RECORDING

13.01. Grantee shall, at its sole cost and expense, record this Agreement in the Bosque and Johnson Counties Real Property Records and provide a file marked copy to the Grantor within 60 days after the recorded original of this Agreement is returned by the county clerk responsible for such records.

#### ARTICLE XIV. ENTIRE AGREEMENT

14.01. This instrument, including exhibits, constitutes the entire agreement between the Grantor and Grantee and no prior written, or prior or contemporaneous oral promises, warranties or representations shall be binding. This Agreement shall not be amended, changed, altered, or extended except by written instrument signed by all parties hereto.

14.02. This Agreement shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart to each party.





IN TESTIMONY WHEREOF, witness our hands and the seal of the General Land Office.

GRANTOR: THE STATE OF TEXAS

GRANTEE: LOUIS DREYFUS PIPELINE, L.P.  
By: Louis Dreyfus Resources LLC,  
its general partner

By: Jerry E. Patterson  
JERRY E. PATTERSON  
Commissioner, General Land Office

By: Joseph E Rothbauer  
JOSEPH E ROTHBAUER  
(Printed Name)

Title: VP - OPS

Date: 6/22/06

Date: 6/13/06

APPROVED:

Contents: MSP  
Legal: ERM  
Deputy: LS  
Executive: [Signature]

ACKNOWLEDGMENT

STATE OF Texas §  
COUNTY OF Harris §

This instrument was acknowledged before me on the 13<sup>th</sup> day of June, 2004,  
by Joseph Rothbauer, VP - OPS of  
Louis Dreyfus Resources LLC, a Texas  
General Partner, on behalf of the Conestoga-Rovers & Associates

Lucinda A. Dean  
Notary Public, State of Texas  
My commission expires: 9-13-07

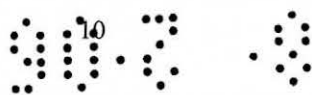
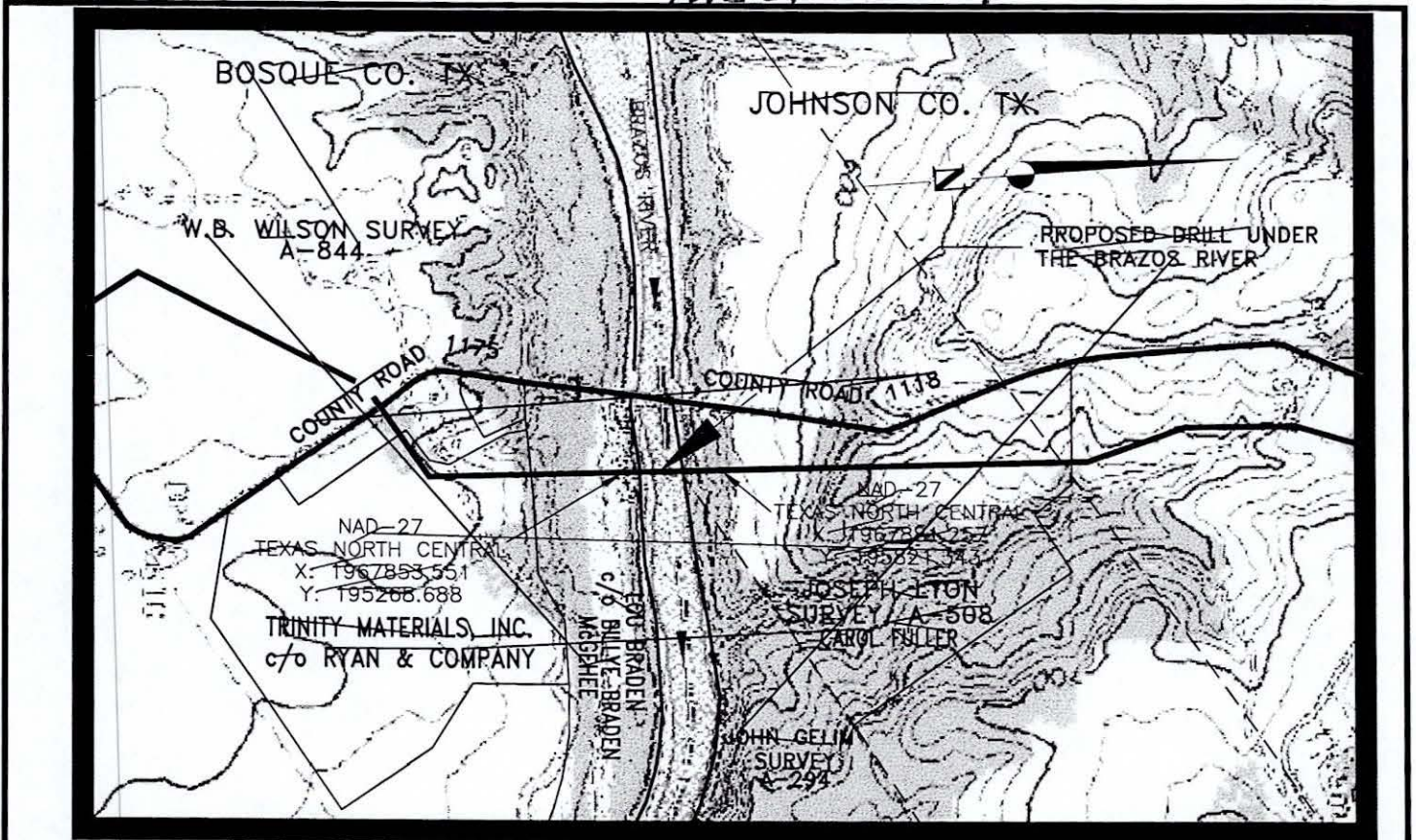


Exhibit A  
ME 20060097



VICINITY MAP 1" = 1000'

Map: 76  
 Maps: edited and published by the Geological Survey  
 (Checked by USGS) and 150425  
 Topography by photogrammetric methods from aerial  
 photographs taken 1967. Field checked 1968.  
 Population: 1927 North American Datum  
 10,000-foot grid based on Texas coordinate system  
 with central and central zones  
 1000-foot Universal Transverse Mercator grid lines,  
 zone 14, extend in line  
 Five red dashed lines indicate watershed divide lines  
 Areas covered by shaded light blue pattern are subject  
 to controlled inundation  
 There may be private recordings within the boundaries of  
 the National or State reservations shown on this map.

SCALE 1:20,000  
 CONTOUR INTERVAL 10 FEET  
 NATIONAL GEODESIC VERTICAL DATUM OF 1988

ROAD CLASSIFICATION  
 Secondary highway at weather, Light duty road, at weather  
 hard surface improved surface  
 Unimproved road fair at dry  
 weather  
 State Route

BRAZOS POINT, TEX.  
 N 1027 S—W 1/4 S 17 T 5  
 1968  
 AND 6448 C. N.E.—SERIES 1961

3297-214

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040		<b>Barnett Shale NGL Gathering System</b>		SCALE: AS SHOWN
SURVEYED BY: R. KUYKENDALL		SURVEYING AND MAPPING BY		DATE: 4-18-06
DRAWN BY: J. WILLIAMS		TOPOGRAPHIC LAND SURVEYORS		JOB NO.:
CHECKED BY:		2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH. # (806) 665-7278		DRAWING NUMBER: LOUIS DREYFUS BRAZOS RIVER
				SHEET 1 OF 1

EXHIBIT "A"

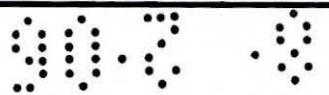
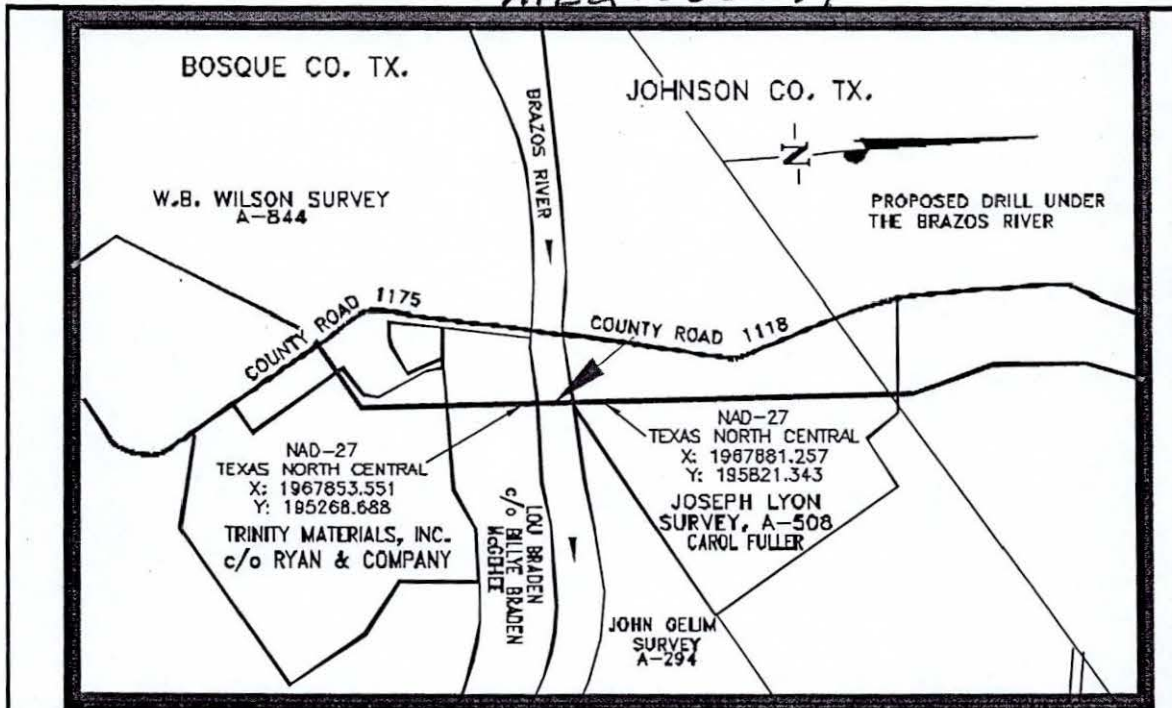


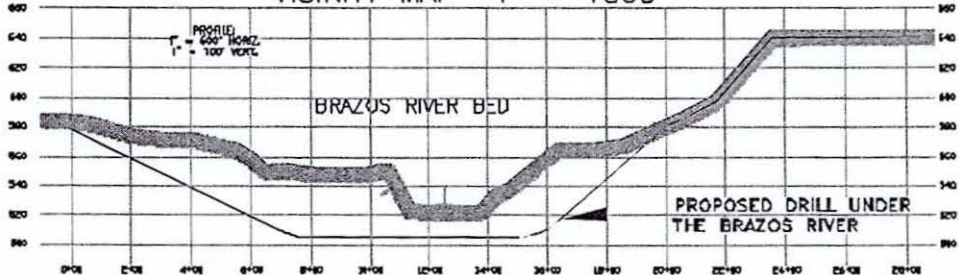


Exhibit B  
ME20060097

BK 3842 PG 0656



VICINITY MAP 1" = 1000'

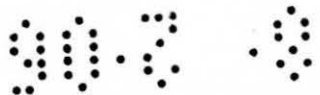


NAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.55481"  
LONG. 97° 36' 13.80506"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"  
551' OR 33.39 RODS

**LouisDreyfus**

EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway, Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
		DATE: 4-18-06
SURVEYED BY: R.KUYKENDALL	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS 2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH.# (806)665-7218	JOB NO.:
DRAWN BY: J.WILLIAMS		DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER
CHECKED BY:		SHEET 1 OF 1



## Instructions for Preparing Exhibits for the following General Land Office Applications:

### Miscellaneous Easements (Pipeline)

Maps (or plats) showing the location of proposed and as-built projects on state-owned lands are required as part of the General Land Office (GLO) application process. The following instructions are to be followed when applying for new work (proposed project), or for reporting as-built conditions for a previously approved project, when the activity is a **Miscellaneous Easement (Pipeline)** on state land.

The information specified below represents **minimum** requirements of the GLO and additional information may be requested on a project-by-project basis to facilitate a full evaluation of the proposed activity.

The information should be submitted along with the required application form and processing fees. Each map or plat must conform to the specifications contained herein. An application is not considered complete, and processing of the application will not be initiated, until all information requested has been submitted and GLO staff has determined that it is adequate.

NOTE: Surveys and survey plats required by other entities, Federal, State, County and/or City, are PERMISSIBLE and USABLE for GLO applications provided they meet the following requirements.

#### IF SUBMITTING SURVEY PLATS DIGITALLY, PLEASE PROVIDE THE INFORMATION IN ONE OF THE FOLLOWING FORMATS:

1. In an ESRI format (i.e. Shape file, E00, or Geodatabase)
2. AutoDesk Map 6 or earlier version in a DWG format.
3. **And Projection Information of the data set submitted.**

#### A. GENERAL INSTRUCTIONS for ALL APPLICATIONS:

1. Each map or plat should be 8-1/2" X 11".
2. A one-inch margin should be left at the top edge of each sheet for binding purposes.
3. Any shading used to identify specific areas must be reproducible by ordinary copy machines.
4. Each map or plat submitted must have a title block identifying, at a minimum: (a) applicant name; (b) applicant address; (c) project name; (d) date of preparation; (e) name of preparer, and (d) project location as follows:
  - (1) if on state-owned uplands, then provide county, survey name (original grantee) and, as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number;
  - (2) if on submerged land, then provide county, waterbody name, and state tract number.
5. The scale for each map or plat must be clearly indicated both digitally and by graphic scale.
6. Vicinity Maps -- Exhibit A for each project application must be a Vicinity Map showing the general location of the proposed work. The Vicinity Map must be produced using either a U.S.G.S. 7.5 minute Topographic Map, a Texas Department of Transportation County Road Map, or navigation chart as its base layer. The project location should be indicated by a prominent arrow on the map. An 8 1/2" X 11" Xerox copy from the original Topo, county map, or navigation chart showing the project location is sufficient. It is not necessary to submit the entire Topo or county map, so long as the map is appropriately identified as to the origin of the base information (e.g., name, and date of base map information used). This is most easily accomplished by copying the legend of the base map and making it part of the Vicinity Map.



BK 3842 PG 0658

7. Project Site Map -- Exhibit B for each project application should be a Project Site Map (in Survey Plat format) which provides specific project location information. The Project Site Map should be produced at sufficient scale and detail to enable field inspectors to locate the project on the ground with minimal difficulty. Demographic features such as road numbers, stream names, railroad crossings, corporate city limits, and other prominent locative features should be included on the Project Site Map. The project location should be indicated by a prominent arrow on the map and a North arrow must be provided. Annotation may be included on the map regarding distance of the project from known points (e.g., highway intersections, road stream crossings, etc.). **Additional guidance for preparing Project Site Maps is provided in Section B of this document.**

8. Detailed Project Plan -- Exhibit C for each project application should be a Detailed Project Plan, consisting of an aerial plan-view drawing and a cross-sectional drawing of all proposed or existing structures on state-owned lands at the project site.

Page 1 of the Detailed Project Plan should contain, at a minimum:

- a. Location of the shoreline or banks if the project is on or adjacent to tidally influenced waters or crosses a state-owned river, stream, creek, or bayou.
- b. The direction of ebb and flow if in or adjacent to tidal waters, or the direction of water flow if the project crosses a river, creek, stream, or bayou.
- c. A North arrow.
- d. The location of state tract lines (on tidally influenced lands), survey lines, or property lines, as applicable.
- e. The location of any marshes, submerged grass flats, oyster reefs, mud or sand flats, or other sensitive natural/cultural resources known to exist in the project area.
- f. The lines of mean high water and mean low water when applicable.
- g. The Detailed Project Plan cross-sectional drawing must include notation as to the outside diameter (OD) of all pipelines covered by the easement, and the relationship of the pipeline(s) to any other pipeline(s) in the immediate vicinity.
- h. The registration, easement, or lease numbers for any structures at the site previously authorized by the GLO (available from GLO field offices upon request).
- i. Any applicable Corps of Engineers application numbers covering the proposed work, as soon as that application number is available, but, in any event, prior to issuance of the easement.

Page 2 of the Detailed Project Plan should contain, as applicable, an explanation of construction methodology, techniques, and equipment that will be used at the site.

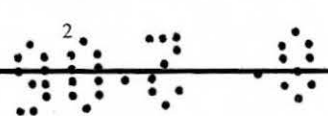
9. As-Built Survey -- A survey showing the depth of burial must be furnished for all projects on state-owned tidally influenced lands (Gulf of Mexico, bays, estuaries, etc.), crossings of state-owned rivers/streams/creeks/bayous. The survey shall show plan view only for projects on state-owned upland tracts. Failure to provide this information is, by terms of the state contract, grounds for termination of the easement and removal of the structure from state-owned land.

**New Pipeline Installations:** Each application for installation of a new pipeline must include with the application a profile drawing showing the **proposed** depth of burial at not fewer than 36" below the surface.

GLO will issue an easement using the **proposed** ROW and depth of burial information. Following installation of the pipeline, however, the applicant is required by terms of the GLO contract to provide a survey of actual burial depth measurements for that portion of the ROW length occupying state-owned land. The spacing between depth-of-burial measurement points is a function of the length of ROW. If the easement length is less than 500 feet, the depth of cover of the structure and waterway bottom elevation shall be determined at intervals not to exceed 50 feet. If the easement length is greater than 500 feet but less than 5,000 feet the interval between measurement points shall be 100 feet. Easements greater than 5,000 feet in length shall be surveyed at 250-foot intervals.

All work shall be performed under the supervision of, and sealed by, a registered public land surveyor. All submitted drawings must be sealed by the supervising registered public land surveyor. All elevations must be referenced to a common datum (Mean Sea Level, National Geodetic Vertical Datum, Mean Low Water, etc.) and grid coordinates must reference Texas State Plane coordinate System of 1927 or 1983. The accuracy of the waterway bottom and pipeline elevations shall be +/- one-half (.5') foot for the waterway bottom and +/- one-half (0.5') foot for depth of burial less than or equal to 10 feet and +/- fifteen (15%) percent for depth of burial greater than ten (10) feet. Manual probing and electronic means (both active and passive) of survey type shall be acceptable for depth of burial determinations.

**Existing Pipelines:** At time of renewal of a contract for an existing underground pipeline easement, provide the data as required under Section 3.02.(iv) of this easement contract.





**CERTIFICATION BY A TEXAS REGISTERED PUBLIC LAND SURVEYOR IS REQUIRED ON ALL OF THE FOLLOWING WITH THE EXCEPTION OF DIRECTIONALLY DRILLED WELL BORE LOGS .**

**B. SPECIFIC INSTRUCTIONS:**

Maps or Survey Plats to be submitted as the Project Site Map and/or the Detailed Project Plan (see A7 and 8 above) must contain the information described below.

Upland survey data should be reported to normal boundary land surveying minimum standards. Offshore or submerged sites shall be located to a specified accuracy of +/- 5 feet of any reported location.

**1. Projects located on Tidally Influenced State-owned lands** (Including the Gulf of Mexico, bay tracts, and the tidally influenced portions of rivers, creeks, streams, and bayous):

Coordinates must be provided at the beginning and ending points of the ROW's centerline, or on the principal point or points of tracts described by other means (directional well bores, etc.). These coordinates must be based on the Texas State Plane Coordinate System of 1927 or 1983. Courses and distances must be specified as either grid or geodetic for all centerlines and perimeter lines, and ties must be made from specific improvements (e.g., well heads, platforms, pilings, etc.) to a corner or corners of the lease or easement tract. All submerged state land tracts crossed by any part of the ROW must be shown and identified, and the points of each ROW crossing of a state-tract boundary identified in the Texas State Plane Coordinate System of 1927 or 1983. The distance between crossings of a state-tract boundary must be indicated in both feet and rods on the plat.

As-built plats (and confirmation surveys at time of renewal) must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the ROW, the plat shall provide a minimum of one identified point for each 1,000 feet of ROW length. A ROW less than 1,000 feet long but greater than 500 feet in length requires one mid-point to be identified on the survey plat.

**2. Projects Across State-owned Upland Property, or the state-owned portion of a river, creek, stream, or bayou above the limit of tidal influence:**

**a. Upland Tract (State Fee Lands):**

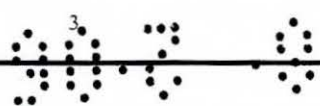
For new project applications, information provided for projects on state-owned upland tracts shall include the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the proposed easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with the survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.

At completion of construction, or at time of renewal, an as-built plat or confirmation survey (which ever is applicable) must be submitted. This plat must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the easement route, the plat shall provide a minimum of one identified point for each 1,000 feet of length. For easement routes fewer than 1,000 feet long but greater than 500 feet, one mid-point shall be identified on the survey plat.

**b. Crossing the State-owned portion of a river, creek, stream, or bayou above the limit of tidal influence.**

Information provided for projects crossing non-tidal state-owned rivers, creeks, streams, or bayous shall include an identification of the stream or water body by local and any other names known (historic, from topographic or other maps, etc.). In addition, the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with a cross section or profile of the crossing between the top of the high banks, survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.

BK 3.842 PG 06.59





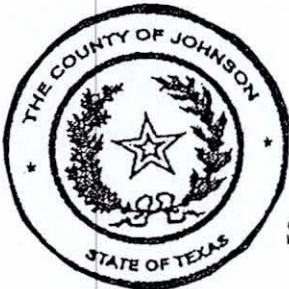
BK 3842 PG 0661

**WARNING --- THIS IS PART OF THE OFFICIAL RECORD**  
**DO NOT DESTROY**

Filed For Record 3:18 AM  PM


JUN 30 2006

County Clerk Johnson County  
By ma Deputy



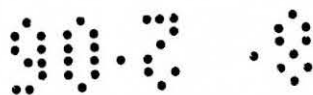
STATE OF TEXAS  
COUNTY OF JOHNSON

that I hereby certify this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC RECORDS OF JOHNSON COUNTY, TEXAS in the Volume and Page as shown heron.

  
CURTIS H. DOUGLAS, COUNTY CLERK  
JOHNSON COUNTY, TEXAS

Filed For Record  
Jul 21, 2006 at 12:17P

Betty Outlaw  
County Clerk, Bossque Co., TX  
  
Deputy Clerk



(12)

File No. ME 20060097

Recording

Date Filed: 8-16-06

Jerry E. Patterson, Commissioner

By ly





**State of Texas  
Texas General Land Office  
Application for State Land Use Lease  
Miscellaneous Easement Renewal, Assignment, Amendment**



exp 4-30-11

2/14/11

Easement No. ME20060097

**Grantee/Official Company Name/Applicant**

Individual, Company, Partnership or Trust Name

LDH Energy Pipeline L.P.

Authorized Agent  Company Contact

Individual, Company, Partnership or Trust Name

LDH Energy Pipeline L.P.

Agent/Company Contact

(Title, First Name, Last Name, Salutation)

Send contracts to Agent/ Company Contact

Mr.

Rick

Hoyer

Work # +1 (713) 634-6217

Mobile # +1 (281) 216-0810

Street Address 13430 Northwest Freeway, Suite 600

City Houston

State TX

Zip Code 77040-6014

Country USA Email rick.hoyer@ldhenergy.com

Street Address 13430 Northwest Freeway, Suite 600

City Houston

State TX

Zip Code 77040-6014

Work # +1 (713) 634-6217

Fax # +1 (713) 634-6201

Country USA Website LDHEnergy.com

**\*\*\*\* For Oil and Gas Related Pipelines Only \*\*\*\***

**Note: There are options for a 10 year or a 20 year Term**

Select Term  10 Year Term  20 Year Term

Operator LDH Energy Pipeline L.P.

Operator Contact Mike Adams

Operator Phone Number 9038725030

Email Mike.Adams@LDHEnergy.com

RRC T-4 # (Copy of permit preferred) 06792

Last Safety Evaluation # 103214

System Name Barnett-Shale NGL

Year Built 2006 Interstate  Intrastate

Is the area Pooled/ Unitized Yes  No

Is the pipeline operating and used for the originally stated purpose stated in original contract? Yes  No

If no, what is the purpose?

**Type of Business and State of Domicile of Grantee/Official Co.**

Type of Business Limited Partnership

If LP Name Of General Partner LDH Energy Asset GP LLC

State of Domicile Rhode Island

Tax Id #

Please note what is being **amended** (if applicable):

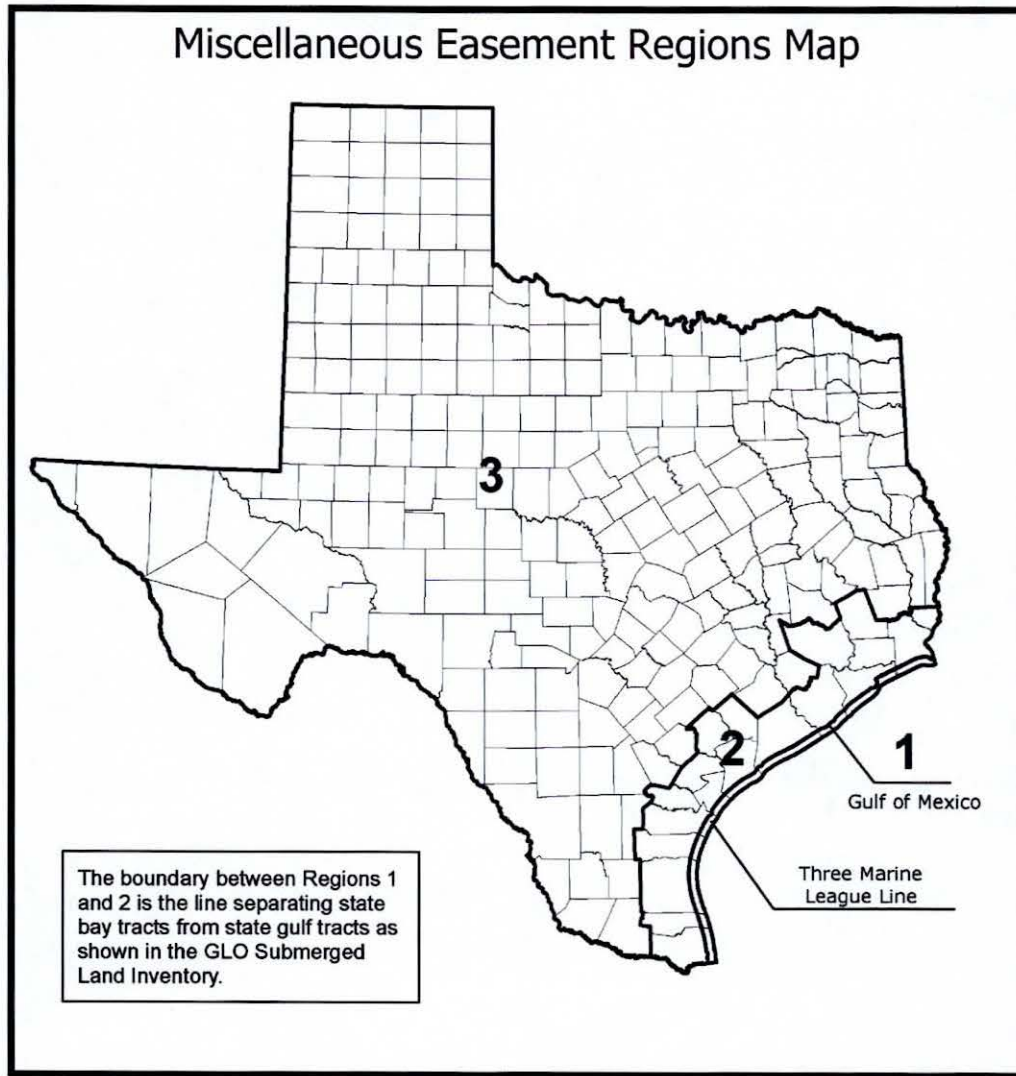
Signature of Applicant/Agent

Feb 8, 2011

Date

For **assignments**, the assignor and assignee must each fill out and submit an application. Also, send one copy of the executed Bill of Sale either by attaching it to the e-mail that is created when you click the "Submit by PDF Email" button or by mailing it to the Texas General Land Office c/o Right-of-Way Dept., PO Box 12873, Austin TX 78711-2873. We will issue an assignment contract for all parties to sign once we receive all requested information. Fees are located at the bottom of the next page.

## Miscellaneous Easement Regions Map



General Land Office Rates for Oil & Gas Related Pipelines					
All rates based on price per rod (1 rod = 16.5 feet)					
10-Year Term					
Size	Region 1	Region 2	Region 3	Damages	Non-State Oil & Gas
Up to 13"	\$14	\$25	\$20	\$18	\$128
>13"	\$36	\$60	\$49	\$24	\$128
20-Year Term					
Up to 13"	\$19	\$34	\$27	\$18	\$174
>13"	\$51	\$81	\$66	\$24	\$174

Minimum amount for a 10-year pipeline contract is \$678.

Minimum amount for a 20-year pipeline contract is \$1357.

Fees are \$350 per event of application, renewal, assignment, or amendment.

### PLEASE NOTE:

- Rates for PSF acquired properties and properties within a municipality or its extraterritorial jurisdiction are negotiated, based upon the appraised value.
- Damages charged per rod and are applied to new easements only.
- Damages will not be assessed for lines that are directionally drilled/bored under State riverbeds, creeks, etc.

General Land Office Rates for Electric Power Lines				
All rates based on price per rod (1 rod = 16.5 feet)				
10-Year Term				
Power Line Capacity	Base Rate (per rod)			
	Region 1	Region 2	Region 3	Damages (per rod)
<69 KV	\$15	\$25	\$20	\$10
69-137 KV	\$25	\$35	\$30	\$15
138 KV	\$46	\$56	\$51	\$17
>138 KV	\$66	\$76	\$71	\$20

Fees are \$350 per event of application, renewal, assignment, or amendment.

Minimum of \$1012 consideration per line, per crossing, per 10-year contract term.

Base rate to increase annually (but not decrease) September 1 of each year by the Consumer Price Index for all Urban Consumers (CPI-U).

Damages apply to new easements only.

Rates for ROW easements over or across properties acquired by the PSF and properties within a municipality or its extraterritorial jurisdiction (ETJ) are based on the appraised value of the property and are negotiated.



# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "LOUIS DREYFUS PIPELINE L.P.", CHANGING ITS NAME FROM "LOUIS DREYFUS PIPELINE L.P." TO "LDH ENERGY PIPELINE L.P.", FILED IN THIS OFFICE ON THE FIFTH DAY OF APRIL, A.D. 2007, AT 4:50 O'CLOCK P.M.

3737249 8100

070406486



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5579104

DATE: 04-10-07

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 05:34 PM 04/05/2007  
FILED 04:50 PM 04/05/2007  
SRV 070406486 - 3737249 FILE

**STATE OF DELAWARE  
AMENDMENT TO THE CERTIFICATE OF  
LIMITED PARTNERSHIP**

The undersigned, desiring to amend the Certificate of Limited Partnership pursuant to the provisions of Section 17-202 of the Revised Uniform Limited Partnership Act of the State of Delaware, does hereby certify as follows:

FIRST: The name of the Limited Partnership is LOUIS DREYFUS PIPELINE L.P.

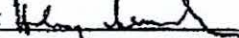
SECOND: Article 1 & 4 of the Certificate of Limited Partnership shall be amended as follows: ARTICLE 1: The name of the Limited Partnership is

LDH ENERGY PIPELINE L.P. ARTICLE 4: The name and address of the General Partner

is Louis Dreyfus Resources LLC, 20 Westport Road, Wilton, CT 06897-0810.

IN WITNESS WHEREOF, the undersigned executed this Amendment to the Certificate of Limited Partnership on this 4th day of April, A.D. 2007.

Louis Dreyfus Resources LLC, its general partner

By:   
Authorized Person

Name: Helen Lovcly  
Print or Type



**ROD AND FEE DETERMINATION**

**ME 20060097**

SECTION	X COORDINATE BEGINNING	Y COORDINATE BEGINNING	X COORDINATE ENDING	Y COORDINATE ENDING	LENGTH (ft)	LENGTH (rods)	FEE (\$/rod)	TOTAL COST (\$)
1	1,967,853.55	195,268.69	1,967,881.26	195,821.34	553.35	33.5	\$20.00	\$670.00
2					0.00	0.0	\$20.00	\$0.00
3					0.00	0.0	\$20.00	\$0.00
4					0.00	0.0	\$20.00	\$0.00
5					0.00	0.0	\$20.00	\$0.00
6					0.00	0.0	\$20.00	\$0.00
7					0.00	0.0	\$20.00	\$0.00
8					0.00	0.0	\$20.00	\$0.00
9					0.00	0.0	\$20.00	\$0.00
10					0.00	0.0	\$20.00	\$0.00
11					0.00	0.0	\$20.00	\$0.00
12					0.00	0.0	\$20.00	\$0.00
13					0.00	0.0	\$20.00	\$0.00
14					0.00	0.0	\$20.00	\$0.00
15					0.00	0.0	\$20.00	\$0.00
16					0.00	0.0	\$20.00	\$0.00
<b>CURVES</b>	<b>R</b>	<b>A (deg)</b>	<b>A (min)</b>	<b>A (sec)</b>	<b>553.35</b>	<b>33.5</b>		<b>\$670.00</b>
1					0.00	0.0	\$20.00	\$0.00
2					0.00	0.0	\$20.00	\$0.00
3					0.00	0.0	\$20.00	\$0.00
<b>TOTALS</b>					<b>553.35</b>	<b>33.5</b>		<b>\$670.00</b>



**NOTES**

LIGHT BLUE FIELDS INDICATE FIELDS REQUIRING DATA INPUT

min \$678.<sup>00</sup>

GLOBase Main Menu | Business Entity Search | Energy Paper Search | PSF Land Search | Well Inventory Search

## PSF Land Details

### PSF Land ID: 01-000687

### Land Status: Active

Related Business Entities | Related Leases/Units | Related PSF Land | View Map  
 County | Interest | Parent Land | Quad Maps | Restrictions | Survey

#### Land Information

Base File ID  
 PSF Land ID: 01-000687  
 Class/Sub Class: PERMANENT SCHOOL FUND LAND / COASTAL  
 Land Type: 01 / RIVERS / CREEKS / BAYOUS  
 County Code/Name: 18 / BOSQUE  
 Certificate Number  
 Acquisition Cost: \$0.00      Acquisition Date  
 Within City      Out Date

#### Land Comments

Updated On		By	
------------	--	----	--

#### Survey Information

Survey Name  
 Part Of  
 Section/Tract      Lot  
 Block      Block Name  
 Water Body: BRAZOS RIVER  
 Township      Sub Division  
 Abstract: 0      Addition  
 Orig Townsite  
 Acres: 0.000      Energy Leased Acres: 320.000

Updated On		By	
------------	--	----	--



GLOBase Main Menu

Business Entity Search

Energy Paper Search

PSF Land Search

Well Inventory Search

## PSF Land Details

### PSF Land ID: 01-000696

### Land Status: Active

Related Business Entities

Related Leases/Units

Related PSF Land

View Map

County | Interest

Parent Land

Quad Maps

Restrictions

Survey

#### Land Information

Base File ID

PSF Land ID            01-000696

Class/Sub Class        PERMANENT SCHOOL FUND LAND / COASTAL

Land Type                01 / RIVERS / CREEKS / BAYOUS

County Code/Name      126 / JOHNSON

Certificate Number

Acquisition Cost       \$0.00

Acquisition Date

Within City

Out Date

#### Land Comments

Updated On		By	
------------	--	----	--

#### Survey Information

Survey Name

Part Of

Section/Tract

Block

Water Body              BRAZOS RIVER

Township

Abstract                 0

Orig Townsite

Acres                      0.000

Lot

Block Name

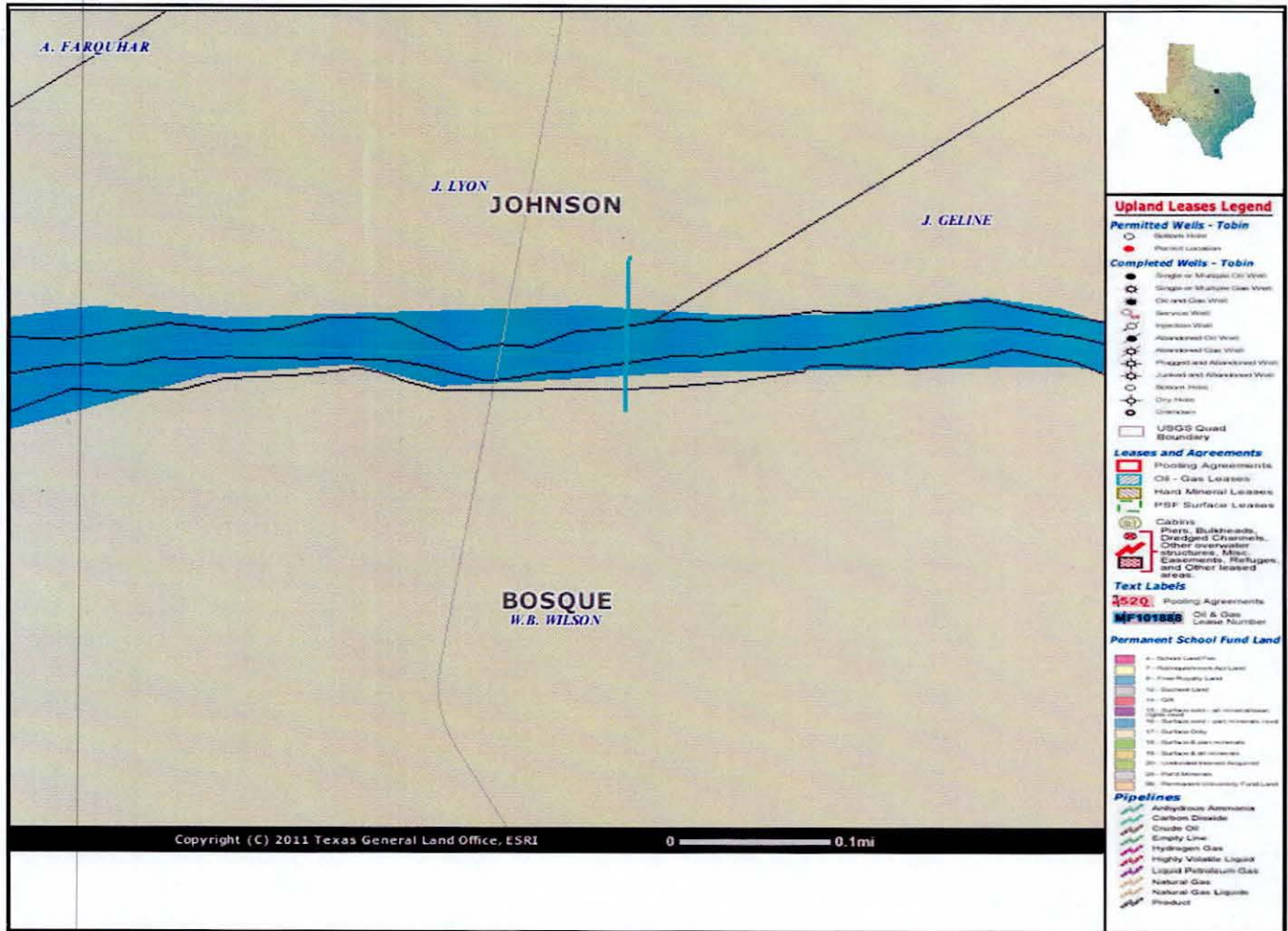
Sub Division

Addition

Energy Leased Acres

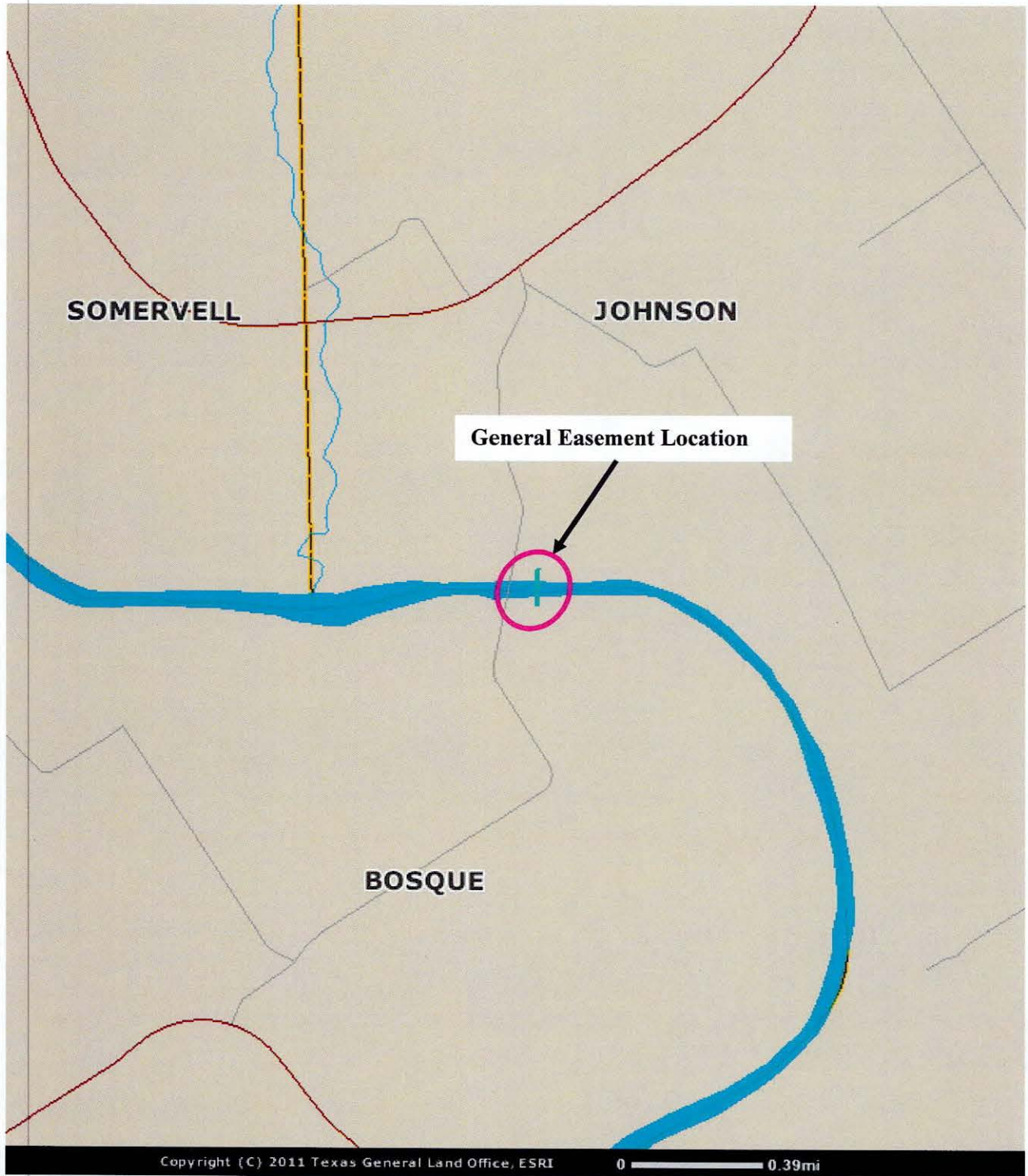
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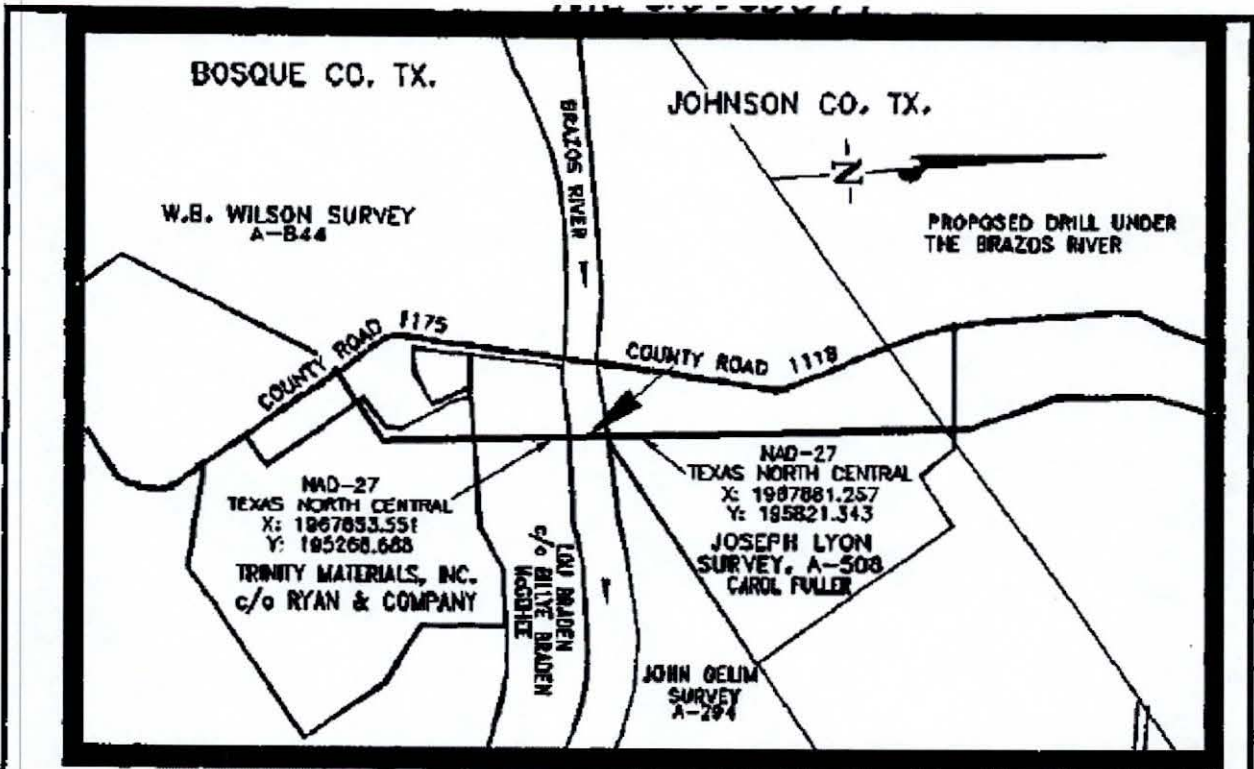
Updated On		By	
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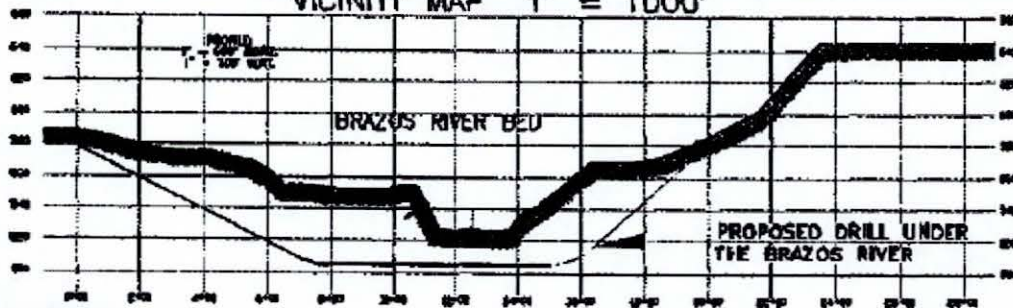


VICINITY MAP  
BRAZOS RIVER, BOSQUE COUNTY AND JOHNSON COUNTY, TEXAS





VICINITY MAP 1" = 1000'



NAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.55481"  
LONG. 97° 36' 13.80506"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"  
551' OR 33.39 RODS

**LouisDreyfus**

EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
		DATE: 4-18-06
SURVEYED BY: R.KUYKENDALL DRAWN BY: J.WILLIAMS CHECKED BY:	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS 2225 PERRYTON PARKWAY, PAMPA, TX. 79065, PH# (806)865-7218	JOB NO.:
		DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER SHEET 1 OF 1





February 28, 2011

Railroad Commission of Texas  
Pipeline Safety Division  
Attention: Bruce Waterman

RE: Pipeline Safety Evaluation of ME20060097

Dear Mr. Waterman:

The General Land Office is in the process of reviewing the referenced easement crossing state-owned land or riverbeds in **Bosque and Johnson Counties**, as depicted in the attached exhibits. Part of this review process verifies that a pipeline safety evaluation has been conducted by your agency. To assist us in this effort, we request that you review your records to determine if the following company is in compliance with all applicable safety regulations.

LDH Energy Pipeline L.P.  
13430 Northwest Freeway, Suite 600  
Houston, TX 77040-6014

The company's T-4 No.: 06792

Operator: LDH Energy Pipeline L.P.

Last Safety Evaluation Date: 12/18/09

Last Safety Evaluation # 20093395

Is this system in substantial compliance with RRC safety requirements? Yes  No

If no, please attach relevant information or explain below.

No uncorrected violations at last inspection, permit is up to date

Signature

Title

Bruce Waterman

March 1, 2011

Print Name

Date

Please sign and e-mail this form to my attention. Should you have any questions or need assistance in completing this form, please call me at (512) 475-1581.

Sincerely,  
Diane Jasek  
Asset Inspection

Texas General Land Office  
Stephen F. Austin Building • 1700 North Congress Avenue, Texas 78701-1495  
Post Office Box 12873 • Austin, Texas 78711-2873  
Phone: 512-463-5001 • 800-998-4GLO  
www.glo.state.tx.us

File No. ME 20060097

Application

Date Filed: 6/02/2011

Jerry E. Patterson, Commissioner

By [Signature]



**ASSET INSPECTION  
CONTRACT REVIEW ROUTING**

**File Manager:** Diane Jasek      **Ph.#:** 475-1581      **File #:** **ME20060097**  
**Date Initiated:** February 15, 2011      **Expiration Date:** 4/30/11  
**Applicant:** BDH Energy Pipeline L.P.  
**Application Type:** Renewal      **Field Office:**  
**State Owned:** \_\_\_\_\_ Sub. CLP     Non-Tidal Riverbed    \_\_\_\_\_ Other Agency Land  
**Control # (s):** 01-000687    01-000696  
**Legal Description:** \_\_\_\_\_  
**Surveying Comments: (Waterbody, County, State Tract)**  
Brazos River, Bosque County 01-000687  
Brazos River, Johnson County 01-000696

<b>REVIEWERS:</b>	<b>Received</b>	<b>Due</b>	<b>Reviewer's Initials</b>
Surveying	2 / 16 / 11	02 / 22 / 11	by JS
Lease Manager - QA/QC	2 / 28 / 11	3 / 1 / 11	by JS
Director	3 / 10 / 11	3 / 1 / 11	by WSP
Legal	3 / 03 / 11	4 / 5 / 11	by JFM
Deputy Commissioner	4 / 10 / 11	4 / 12 / 11	by RST
Executive	5 / 19 / 11	5 / 23 / 11	by la

4/12/2011 - Mailed

**PACKET CONTENTS:**

SLB Briefing Memo (Chpt. 33) :   X    
 SLB Docket Sheet (Chpt. 33) :   X    
 Commissioner's Briefing Memo (Chpt. 51) :   X    
 Field Report Information :   X    
 Contract Red-Line :   X    
 Contract (2) Originals :   X  

**Comments :** PMC letter emailed 2/28 rec'd ✓ 3/1/11

File No. NE 20060097

Routing Sheet

Date Filed: 6/02/2011  
Jerry E. Patterson, Commissioner

By J

*[Faint handwritten notes on the left side of the page]*

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*[Faint handwritten notes in the lower center of the page]*

*[Faint handwritten notes on the right side of the page]*








# MEMORANDUM

Texas General Land Office • Jerry Patterson • Commissioner

---

**To:** Commissioner Jerry E. Patterson

**From:** Diane Jasek (512) 475-1581 

**Through:**   Ned Polk, Rene Truan, and Larry L. Laine

**Date:** April 7, 2011

**Re:** ME20060097

---

Attached is a **Renewal** of a Miscellaneous Easement Contract for your approval and signature on the pages indicated.

This contract is issued under Chapter 51 et seq. of the Texas Natural Resources Code which authorizes the Commissioner of the General Land Office to issue grants of interest for use of the surface estate of unsold Permanent School Fund Lands under the management authority of the General Land Office. Chapter 51 Leases and Easements do not require approval by the School Land Board.

Authorization for the project, as described below, will be consistent with past action by the agency on similar activities. The contract has been reviewed by technical and legal staff and determined to be consistent with existing GLO rules and policies.

Document Number	-	<b>ME20060097</b>
Lessee/Grantee	-	<b>LDH Energy Pipeline L.P.</b>
Location	-	<b>Brazos River</b>
Counties	-	<b>Bosque, Johnson</b>
Purpose	-	<b>One (1) 8.625 inch O.D. pipeline for the purpose of transporting natural gas liquid. This easement is 33.5 rods long and 20 feet wide.</b>
Term	-	<b>Ten (10) Years</b>
Consideration/Schedule	-	<b>\$678.00</b>
Special Conditions	-	<b>See Article 5.03 A</b>

Please return to Diane Jasek, Asset Inspection Division, Room 110, phone # 475-1581.

File No. ME 20060097

Memo to Commissioner

Date Filed: 6/02/2011

Jerry E. Patterson, Commissioner

By [Signature]

B

3

3



TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

April 12, 2011

Rick Hoyer  
LDH Energy Pipeline L.P.  
13430 Northwest Freeway Suite 600  
Houston TX 77040-6014

Re: Miscellaneous Easement No.ME20060097  
Bosque County and Johnson County, Texas

Dear Mr. Hoyer:

Enclosed are two originals of the contract for the above referenced project. A consideration of \$1,028.00 has been assessed.

Please sign both original contracts before a notary public and return them, along with a check in the amount of \$1,028.00, made payable to the Commissioner of the General Land Office (GLO), to the attention of Asset Inspection, at the address below within twenty (20) days of receipt of this letter. This figure represents the 10-year land-use fee and the required \$350.00 application fee.

Please return the enclosed invoice with your signed contracts and payment. This will ensure that the payment is properly credited to your account.

When the contracts are received and executed by the GLO one original will be returned to you and one retained for our files.

Submission of the signed and notarized contracts to the GLO will constitute LDH Energy Pipeline L.P.'s acceptance of all contract provisions. **Please note all Special Conditions and requirements stated in the contract.**

If you have any questions or if I may be of assistance, please email me at [diane.jasek@glo.texas.gov](mailto:diane.jasek@glo.texas.gov) or call me at (512) 475-1581.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Jasek".

Diane Jasek  
Asset Inspection

Enclosures

**Texas General Land Office**  
**Stephen F. Austin Building • 1700 North Congress Avenue, Texas 78701-1495**  
**Post Office Box 12873 • Austin, Texas 78711-2873**  
**Phone: 512-463-5001 • 800-998-4GLO**  
**[www.glo.state.tx.us](http://www.glo.state.tx.us)**

File No. ME 20060097

Signature Letter

Date Filed: 6/02/2011

Jerry E. Patterson, Commissioner

By AJ



5/17/2011

# USE THIS STATEMENT, AS THE FIRST PAGE, WHEN RETURNING THE SIGNED CONTRACT



## Invoice for Account C000021587

Texas General Land Office - Jerry Patterson, Commissioner  
PO Box 12873 Austin, TX 78711-2873

Customer Service (800) 998-4456 7:30am – 5:30pm Monday – Friday

Customer Information

Statement date: April 12, 2011  
CustomerID: C000021587

LDH Energy Pipeline L.P.  
13430 Northwest Freeway, Suite 600  
Houston, TX 77040-6014

Activity Description  
Pipeline-Natural Gas

### Invoice Summary

Contract Term: Effective Date 05/01/2011 Expiration Date 04/30/2021  
Total Consideration Payment: \$ 678.00

### Amount Due

Invoice Date	Due Date	Lease Number	Description	GLA	Amount
April 12, 2011	05/02/2011	ME20060097 AUS34319	Fee	3301040	\$350.00
April 12, 2011	05/02/2011	ME20060097 AUS34319	Rental Payment	3340027	\$ 678.00
<b>Total Amount Due</b>					<b>\$1,028.00</b>

Preparer: djasek

CustomerID: C000021587



**CONTRACT LAND STAFF LLC**  
**LDH ENERGY LAND & RIGHT OF WAY**  
2245 TEXAS DRIVE SUITE 200  
SUGAR LAND, TX 77479

11710601

2353

35-1125/1130  
107

DATE 5/11/2011

PAY TO THE  
ORDER OF

*Commissioner of the General Land Office*

~~\$~~ 1028<sup>00</sup>

*One thousand twenty eight and 00/100*

DOLLARS



**Amegy Bank**  
of Texas  
**Amegy Bank N.A.**  
P.O. Box 27459  
Houston, Texas 77227-7459  
713-235-8810 / www.amegybank.com

*[Handwritten Signature]*

FOR *Renewal of misc. License Assort. ME20060097*



156





May 16, 2011

**VIA FEDERAL EXPRESS MAIL**  
**TRK 7971 0009 7203**

Ms. Diane Jasek  
Asset Inspection  
Texas General Land Office  
1700 North Congress Avenue  
Austin, Texas 78701-1495

Re: Miscellaneous Easement (Pipelines) ME20060097  
Bosque and Johnson Counties, Texas  
(Our File BS-NGL BO-10A)

Dear Ms. Jasek:

Enclosed are the duplicate originals of the captioned Easement which have been signed by LDH Energy Pipeline L.P. Also enclosed is our check in the amount of \$1,028.00 in payment of your easement fee.

Thank you for your assistance in this matter. We await receipt of our copy of the easement signed by all parties at which time the easement will be recorded in Bosque and in Johnson Counties, and a copy of the recorded easement will be furnished to your office.

Sincerely,

A handwritten signature in blue ink that reads 'Coral'.

Coral Ibarra  
Administrative Land Specialist

:ci  
Encl.

Ck No. 2353

2245 Texas Drive, Suite 200, Sugar Land, TX 77479

Phone: 281.240.8855 Toll Free: 800.874.4519 Fax: 281.240.5009

11  
File No. ME 20060097

Invoice / Payment

Date Filed: 6/02/2011

Jerry E. Patterson, Commissioner

By J

2011



TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

May 27, 2011

Rick Hoyer  
LDH Energy Pipeline L.P.  
13430 Northwest Freeway, Suite 600  
Houston, TX 77040-6014

RE: Miscellaneous Easement No. ME20060097  
Bosque, Johnson County, Texas

Dear Mr. Hoyer:

Enclosed is the above-referenced Miscellaneous Easement contract fully executed by the Commissioner of the General Land Office. A duplicate original has been retained for our files.

As required in the contract, this instrument must be recorded with the county clerk of Bosque and Johnson Counties Texas, within 60 days from the date of this letter, and proof of recording provided to this office.

If you should have any questions, please call me at (512) 475-1581.

Sincerely,

Diane Jasek  
Asset Inspection

Enclosure

**Texas General Land Office**  
**Stephen F. Austin Building • 1700 North Congress Avenue, Texas 78701-1495**  
**Post Office Box 12873 • Austin, Texas 78711-2873**  
**Phone: 512-463-5001 • 800-998-4GLO**  
**[www.glo.state.tx.us](http://www.glo.state.tx.us)**

File No. ME 50060097

Execution Letter

Date Filed: 6/2/2011

Jerry E. Patterson, Commissioner

By [Signature]



# The State of Texas



Austin, Texas

## MISCELLANEOUS EASEMENT (PIPELINES) ME20060097

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF BOSQUE & JOHNSON

§

§

This Miscellaneous Easement (the "Agreement"), ME20060097, is granted by virtue of the authority granted in Section 51.291, *et seq.*, TEX. NAT. RES. CODE, 31 TEX. ADMIN. CODE §13.12, *et seq.*, and all other applicable statutes and rules, as the same exist on the date hereof or as they may be amended from time to time.

### ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office, (the "Grantor"), hereby grants to LDH Energy Pipeline L.P., a Delaware limited partnership, whose address is 13430 Northwest Freeway, Suite 600, Houston, TX 77040-6014, phone number (713) 634-6217, (the "Grantee"), a non-exclusive easement for the purposes identified in Article V.

### ARTICLE II. PREMISES

2.01. The easement is located across State-owned land in Bosque and Johnson Counties, Texas, described as follows:

Brazos River and the easement is a right-of-way 33.5 rods long and 20 feet wide, being 10 feet either side of a centerline formed by the Improvements (as hereinafter defined), as constructed (the "Premises"). In addition, if repair and/ or replacement of the pipeline is necessary, for a period not to exceed 60 days, Grantee shall again be granted additional easement width which shall be 100 feet wide being 50 feet either side of the centerline.

The Premises are further described or depicted on the Vicinity Map attached hereto as Exhibit A and the Survey Map attached hereto as Exhibit B, collectively incorporated by reference for descriptive purposes.

2.02. Grantee acknowledges and agrees that when the Improvements (as hereinafter defined) are placed on the Premises, the location of such Improvements within the easement shall thereby become fixed at such location and shall not be changed except by an amendment to this Agreement signed by both parties hereto and subject to any approval by any other governmental agency with jurisdiction over same.

2.03. **GRANTEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE PREMISES AND ACCEPTS THE SAME "AS IS", IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. THE GRANTOR DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND**



ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. THE GRANTOR AND GRANTEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERM "GRANT" IN NO WAY IMPLIES THAT THIS EASEMENT IS FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. NOTICE IS HEREBY GIVEN TO GRANTEE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCE MAY BE OF RECORD, AND GRANTEE TAKES SUBJECT TO ANY SUCH PRIOR GRANT AND/OR ENCUMBRANCE. GRANTEE IS ADVISED TO EXAMINE THE RECORDS IN THE ARCHIVES AND RECORDS DIVISION OF THE GENERAL LAND OFFICE, 1700 NORTH CONGRESS AVENUE, AUSTIN, TEXAS 78701-1495, AND ALL OTHER LAND TITLE RECORDS OF THE COUNTY OR COUNTIES IN WHICH THE PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS EASEMENT.

### ARTICLE III. TERM

3.01. This Agreement is for a period of ten (10) years, beginning on May 1, 2011, and ending on April 30, 2021, unless renewed, amended, or sooner terminated as authorized by law or as set forth herein.

3.02. Provided that Grantee has complied with all provisions of this Agreement, Grantee shall have the right to extend and renew this Agreement pursuant to 31 TAC §13.17(c) and (d) for an additional like term based on the then current rate schedule and on the terms and conditions provided hereunder, by taking the following actions:

- (i) providing written notice to the Grantor of Grantee's intent to renew the Agreement not less than ninety (90) days prior to expiration of the term of this Agreement; and
- (ii) completing and submit to the Grantor for approval, an application for renewal within thirty (30) days following the notice provided in Section 3.02(i); and
- (iii) paying the applicable renewal fee, pursuant to the rate schedule in effect at the time of renewal; and
- (iv) providing documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the pipeline(s) lie within the approved Premises. Such information may be in the form provided to the U.S. Department of Transportation, provided that such documentation includes the current location and spatial coordinates. Notwithstanding the foregoing, and provided that the pipeline has been in place for at least twenty (20) years (an "older pipeline"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of this subsection (iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such existing pipeline from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of an older pipeline, Grantee agrees to submit such documentation to Grantor. If either Grantor or Grantee determine that an older pipeline is not actually located within the right of way described in this Agreement, both Grantor and Grantee will enter into an amendment to this Agreement to correct the right of way description provided such right of way is located on State-owned land. In any event, Grantee **will indemnify** Grantor pursuant to Section 8.01 of this Agreement even if some or all of the Improvements are not located on State-owned land.

3.03. In the event that Grantee shall fail to comply with the requirements of Section 3.02, Grantee shall be in default hereunder; however, the Easement shall not terminate until Grantor provides notice of such failure and allows a period of thirty (30) days for Grantee to cure such failure and default. Grantee's failure to comply with Section 3.02, even if subsequently cured to Grantor's satisfaction, shall be deemed a forfeiture of any right Grantee may have to renew the Agreement at a reduced fee. Grantor may require (i) the full then-current fee as calculated for a new easement, or, (ii) the applicable renewal fee pursuant to the rate schedule in effect at the time of renewal, plus an administrative penalty as determined by Grantor.



#### ARTICLE IV. CONSIDERATION AND TAXES

4.01. A. As consideration (Consideration) for the granting, or if applicable, renewal of this easement, Grantee agrees to pay the Grantor (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Six Hundred Seventy-Eight And 00/100 Dollars (\$678.00), due and payable upon the execution of this Agreement.

B. Past due Consideration and other past due payments shall bear interest as provided in TEX. NAT. RES. CODE Section 51.301, as amended from time to time. Failure of Grantee to make a payment on or before the date the same becomes due shall be deemed an act of default and, at the Grantor's option, cause all payments to become due and payable immediately; provided, however, Grantor shall give Grantee notice of such default and allow a period of thirty (30) days within which to cure the default before exercising such option to accelerate such payments.

4.02. In addition to the above, Grantee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against Grantee's interest in the Premises or on the Improvements constructed thereon.

4.03. Grantee agrees to and shall protect and hold the Grantor harmless from liability for any and all such taxes, charges, and assessments, together with any penalties and interest thereon, and from any sale or other proceeding to enforce payment thereof.

#### ARTICLE V. USE OF THE PREMISES

5.01. Grantee and Grantee's employees, contractors, and agents shall have the right to use the Premises for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, and replace one (1) 8.625 inch O.D. pipeline for the purpose of transporting natural gas liquid (the "Improvements"). Grantee shall not change (i) the operation of the pipeline in any material respect or (ii) the category of products therein, without Grantor's written permission, such permission not to be unreasonably withheld. It shall not be unreasonable for Grantor to withhold its consent for reasons that include, but are not limited to, Grantee's request for: a change in the category of products to be transported that is more "sour" (with reference to hydrogen sulfide content), or that is more volatile, than the original product category to be transported as contemplated by the Agreement; or, a change to a category of products that includes any non-hydrocarbon substances. Also, it shall not be unreasonable for Grantor to (a) condition its consent on Grantee procuring and providing proof to Grantor of adequate insurance to protect the Premises and (b) charge fees for (i) additional pipelines, and (ii) changes in use operation, including but not limited to, a use separate and apart from the original use contemplated by the Agreement, e.g. fiber optics and reverse flow. Grantor agrees to grant or deny such permission within thirty (30) days following Grantee's request for a category use change, provided such request includes all information necessary for Grantor to make an informed decision.

5.02. A. The Grantor and Grantee hereby acknowledge and agree that each shall have reciprocal rights of ingress and egress to and from the Premises across contiguous or adjacent State-owned land or land owned by Grantee, provided in the exercise of this right the Grantor and Grantee agree not to unreasonably interfere with the other party's (or that party's agents, assignees, or designees) use of its property. At its sole cost, risk, and expense, Grantee shall have the right of ingress and egress for the purposes authorized by Section 5.01 and such right is not granted for any other purpose. Grantee and the Grantor mutually agree to coordinate the use of contiguous or adjacent State-owned land or land owned by Grantee, respectively, and to exercise such right of use only to the extent and in the manner allowed by the respective interests of the parties in the subjects lands and for the length of time necessary to provide access to and from the Premises. Notwithstanding any other provisions to the contrary, no easement is created by this Section 5.02; instead, a license is granted to the parties and their respective officers, employees, agents and contractors for the limited purposes set forth herein.

B. Grantee acknowledges and agrees that the Grantor's right of ingress and egress described in Section 5.02.A. of this Agreement shall be and remain in effect as long as the Improvements and any other structure placed on



the Premises by Grantee remain on the Premises, as necessary for the Grantor to confirm the removal (in whole or in part) of the Improvements, and/or until any claims of liability against Grantor arising in connection with the Improvements are finally resolved. Such right of ingress and egress shall survive the expiration or earlier termination of this Agreement, but only for so long as the Improvements remain on the Premises and/or any claims for liability have not been finally resolved.

5.03. A. Grantee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions"):

1. If a leak occurs in a pipeline, Grantee shall take all immediate action to prevent further release, as comports with industry practice or complies with applicable regulatory requirements.
2. In light of the pipeline industry's indicated willingness to improve safety standards, as well as new regulations being promulgated by the Department of Transportation's Office of Pipeline Safety, and also the new federal pipeline health and safety legislation pending in the U. S. Congress, this easement is granted upon condition of applicant's specific compliance with all applicable federal, state and local statutes, rules and regulations, and generally accepted industry practices and standards presently in force and as amended in the future.
3. Grantee is required to perform mitigation and/or pay surface damage fees according to the Grantor's policy in effect at the time damages occur for any and all surface damages resulting from actions of Grantee's employees, contractors, and/or agents during the term of this easement. If mitigation is required Grantee will be notified in writing by the Grantor of the terms and conditions under which the mitigation shall be conducted. Such mitigation and/or payment of damage fees shall be performed in the manner and within the time frame specified in written notice provided by the Grantor to Grantee following said damages.
4. Grantee is required to provide the Grantor an "as built" survey of the Improvements within 180 days of contract execution. Grantee agrees to provide the documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the Improvements lie within the approved Premises. Upon receipt and acceptance by the Grantor, the "as built" survey shall be attached to and become a part of this Agreement as Exhibit "B-1" and shall be included in the Premises as described in Section 2.01 of this Agreement. Notwithstanding the foregoing, and provided that the Improvements have been in place for at least twenty (20) years ("a legacy Improvement"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of Article III §3.02(iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such legacy Improvement from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of a legacy Improvement, Grantee agrees to submit such documentation to Grantor. If it is determined that the Improvements or legacy Improvements are not actually located within the Premises as described in this Agreement, the Grantee shall, at the time of submission of the as built survey or other documentation, provide written notice to Grantor of the discrepancy. The Grantor will then provide written notice to the Grantee of the amount of additional consideration, if any, due to the Grantor as a result of the discrepancy. Grantee agrees to pay the additional consideration within 30 days of receipt of the written notice from Grantor. Failure to pay the additional consideration within the time specified will constitute an event of default under Article IX of this Agreement. Grantee acknowledges that Grantee's failure to submit the as built survey of the Improvements, or certified statement by a Professional Engineer for legacy Improvements, within 180 days, or for new projects, upon completion of construction, will result in a waiver by Grantee of any claim to a reduction or refund of consideration tendered or to be tendered under this Agreement that may have resulted from any



discrepancy. In addition Grantor may, at its discretion, require an amendment to this Agreement with regard to the description of the Premises.

B. Prior to any construction, installation, repair, or other activities on the Premises, Grantee shall provide written notice of all the terms of this Agreement relating to the particular activity to any contractor and/or agent involved in any such activity. On request, Grantee shall send a copy of such notice to the General Land Office, ATTN: Asset Inspection, 1700 N. Congress Avenue, Austin, Texas 78701-1495.

5.04. Grantor shall have the right to use or to permit the use of any or all of the Premises for any purpose deemed, in Grantor's sole discretion, not to be inconsistent with Grantee's easement grant. Grantor, its agents, representatives and employees shall have the right to enter upon the Premises at any reasonable time (or any time in case of emergency) for purposes of inspection, repair, and any other purpose necessary to protect Grantor's interests therein. Except in the event of an emergency, in which case no notice is required by Grantor, if Grantor reasonably believes that a repair is necessary to protect the health and safety of the public, the environment, or the value of Grantor's property, Grantor shall give Grantee reasonable prior written notice of the necessary repair. If Grantor gives such notice, and Grantee does not initiate immediate action to pursue to completion such repair with diligence, Grantor may, but shall not be obligated to, undertake that repair, all costs of which shall be immediately due and payable by Grantee on Grantor's demand. This Section 5.04 is for the sole purpose of providing a mechanism for Grantor to respond to a situation in which immediate action is required to protect the State and/or public interest and such immediate action has not been initiated by or on behalf of Grantee.

5.05. Grantee shall not use, or permit the use of the Premises for any illegal purpose. Grantee shall comply, and will cause its officers, employees, agents, contractors and invitees to comply, with all applicable laws, ordinances, rules, and regulations of governing agencies concerning use of the Premises.

5.06. Failure by Grantee to construct, maintain and operate the Improvements in accordance with this Article V may render such Improvements "unauthorized structures" as defined under in TEX. NAT. RES. CODE §51.302 and subject them to sanctions provided therein.

#### ARTICLE VI. ASSIGNMENTS

6.01. A. Grantee shall not assign the premises or the rights granted herein, in whole or part, to any third party for any purpose without prior written consent of the Grantor, which consent may not be unreasonably withheld. For purposes of this Section 6.01 A, the phrase "third party" shall not include any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest.

B. Grantee may assign this Agreement without Grantor's consent to (a) a parent entity, (b) any affiliate of Grantee controlled by the same parent entity, or (c) any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest, provided that, in any of the foregoing events, (i) the resulting entity agrees in writing to assume and perform all of the terms and conditions of this Agreement, and (ii) Grantee provides notice to Grantor of any such assignment within thirty (30) days of such assignment. In the event of such assignment, it is understood and agreed by both Grantee and Grantor that the original Grantee remains liable to Grantor under all terms and provisions of the Agreement.

C. Any assignment which fails to comply with the foregoing provisions shall be void and of no effect.

D. This provision and the prohibition against unauthorized assignments contained herein shall survive expiration or earlier termination of this Agreement. For purposes of this Agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.



## ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

7.01. With regard to all activities authorized herein, Grantee shall use all reasonable best efforts to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Grantee shall comply with all applicable rules and regulations of the General Land Office and other governmental agencies responsible for the protection and preservation of public lands and waters, natural resources, and wildlife habitat. In the event of a pipeline incident that is reportable to the U.S. Department of Transportation, the General Land Office, or the Railroad Commission of Texas (or any other applicable regulatory agency) that may result in pollution of the Premises or adjacent property, Grantee shall notify the Grantor immediately upon discovery of such incident, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resource damages caused thereby.

7.02. **GRANTEE IS HEREBY EXPRESSLY NOTIFIED OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STAT. 915, 16 U.S.C.A. SECTION 470, ET. SEQ.) AND THE ANTIQUITIES CODE, [TITLE 9, CHAPTER 191, TEX. NAT. RES. CODE]. IN CONFORMANCE WITH THESE LAWS, IN THE EVENT THAT ANY SITE, FOUNDATION, BUILDING, STRUCTURE, LOCATION, OBJECT, ARTIFACT, ITEM OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING THE ACTIVITIES AUTHORIZED BY THIS EASEMENT, GRANTEE SHALL IMMEDIATELY CEASE ANY AND ALL ACTIVITIES, AND NOTIFY THE COMMISSIONER OF THE GENERAL LAND OFFICE AND THE TEXAS HISTORICAL COMMISSION, PO BOX 12276, AUSTIN, TEXAS 78711, SO THAT APPROPRIATE ACTION MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE. IN THE EVENT THAT GRANTEE IS REQUIRED TO CEASE ACTIVITIES, THE GRANTOR SHALL NOT BE LIABLE FOR ANY COSTS OF GRANTEE, GRANTEE'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR ANY OTHER PERSON OR ENTITY AS A RESULT OF ANY INTERRUPTION OF GRANTEE'S ACTIVITIES OR INABILITY TO USE THE PREMISES AS HEREIN CONTEMPLATED.**

## ARTICLE VIII. INDEMNITY

8.01. **GRANTEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM OR ATTRIBUTABLE TO GRANTEE'S USE GRANTED HEREIN OR THE ACTS OR OMISSIONS OF GRANTEE, ITS AGENTS OR CONTRACTORS RELATED TO GRANTEE'S EXERCISE OF THE RIGHTS GRANTED HEREIN. GRANTEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, COSTS OF COURT, ATTORNEY'S FEES AND COSTS OF INVESTIGATION OR EXPERTS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGE OR THE NEGLIGENCE OF ANY PARTY, (EXCEPT TO THE EXTENT OF THE PROPORTIONATE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS) ARISING DIRECTLY OR INDIRECTLY FROM OR ATTRIBUTABLE TO GRANTEE'S USE OF THE PREMISES (INCLUDING ANY ADJACENT OR CONTIGUOUS LAND) OR FROM ANY BREACH BY GRANTEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.**

## ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

9.01 If, within thirty (30) days after receipt of written notice from the Grantor specifying an act of default or breach, Grantee fails to pay any money due hereunder or continues in breach of any term or condition of this Agreement, the Grantor shall have the right to terminate this Agreement and all rights inuring to Grantee herein. Should Grantee fail to cure the specified default or breach within the allowed thirty (30) day period, this Agreement shall be subject to termination, and upon such termination all rights granted herein to Grantee shall revert to the Grantor. Such termination shall not prejudice the rights of the Grantor to collect any money due or to seek recovery on any claim arising hereunder.



9.02. Except as otherwise provided by applicable law or rule and subject to obtaining necessary approval from state or federal agencies having applicable jurisdiction, or making best efforts to obtain such permits, Grantee shall, within one hundred twenty (120) days from the date of expiration or sooner termination of this Agreement, initiate removal of all personal property, structures, and the Improvements, and shall restore the Premises (and any other property affected by such removal activities) to the same condition that existed before Grantee entered thereon. Such removal and restoration activities shall be coordinated with the General Land Office in accordance with guidelines in effect at the time of removal/restoration which may include, without limitation, specific removal techniques required for protection of natural resources and mitigation or payment in lieu of mitigation for any and all damages resulting from removal activities, all of which shall be in accordance with generally accepted current pipeline industry standards using available technology. Grantee shall notify the Grantor at least ten (10) days before commencing removal/restoration activities so that a General Land Office field inspector may be present.

#### ARTICLE X. NOTICE

10.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the Grantor to Deputy Commissioner, Professional Services, addressed to his attention, 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 463-5304, and if for Grantee, to it at 13430 Northwest Freeway, Suite 600, Houston, TX 77040-6014, and FAX: (713) 634-6201. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Grantee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.

10.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

#### ARTICLE XI. INFORMATIONAL REQUIREMENTS

11.01. A. For newly constructed pipelines, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements authorized in this Agreement, an "as-built" survey and field notes prepared by a surveyor duly licensed by the State of Texas. The as-built survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the as-built survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

B. Upon receipt of the as-built survey, prepared in accordance with this Section 11.01, the Grantor shall compare the as-built survey with the proposed location of the Improvements, as represented by Grantee's application to the Grantor and set forth in Section 2.01 (and referenced Exhibits) hereof. If there are changes or discrepancies in the location of the Improvements authorized by this Agreement, the Grantor may either terminate this Agreement, or: (i) upon determination that the changed location results in unacceptable adverse impacts, require relocation of the Improvements to conform to the authorized right of way, or (ii) upon determination of no unacceptable adverse impacts, agree to replace Exhibit B attached hereto with a substitute exhibit denoted as Exhibit B-1. The substitute exhibit shall be consistent with the as-built survey and signed by both parties. Upon attachment of Exhibit B-1 hereto, Exhibit B shall be void and of no further effect.

C. If all or any part of the Improvements are buried, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements, a survey which includes coordinates, or



at Grantor's option, "depth of cover" data, prepared by a surveyor duly licensed by the State of Texas. The survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

11.02. A. Grantee shall provide written notice to the Grantor of any change in Grantee's name, address, or legal status (from a corporate entity to a partnership, etc.) and any change to other information required by this Agreement within thirty (30) days of the effective date of the change.

B. Grantee shall provide to the Grantor any other information reasonably requested by the Grantor in writing within thirty (30) days following such request.

C. If any information required to be submitted within a certain time under the terms of this Agreement shall not be received by the Grantor on or before ten (10) days after the date when due, after notice to Grantee and opportunity to cure, then, at Grantor's discretion, Grantee may be required to pay the Grantor a "Late Charge" not to exceed One Hundred Dollars (\$100.00) for each day so past due until the date on which the information is received or the Agreement is terminated.

11.03. Except with regard to initial construction/installation of the Improvements and emergencies, prior to conducting any activities at the Premises which may materially impact natural resources in or around the Premises, Grantee shall provide written notice to the Grantor describing the proposed activities in detail and any procedures which will be used to protect natural resources. Such notice shall be provided by Grantee to the Grantor at least sixty (60) days prior to conducting re-burial activities, and at least thirty (30) days prior to conducting major repairs, modification, or other activities. Grantee acknowledges and agrees that the Grantor shall have at least twenty (20) days following receipt of the notice to review the proposed activities and to impose specific conditions for conducting such activities which, in the Grantor's sole determination, are necessary to protect natural resources or to mitigate for actual damages to natural resources. If the Grantor has not provided notice to Grantee within twenty (20) days following receipt of Grantee's notice, the Grantor is deemed to have approved, subject to the terms of this Agreement, the proposed activities to be conducted at the Premises. In case of emergencies, Grantee may undertake all actions necessary to prevent imminent injury or damage to public health, safety or welfare, and/or to protect natural resources, and Grantee shall undertake any such actions as are, in the pipeline industry, ordinary and commercially reasonable responses to such emergencies. Within twenty-four (24) hours following such emergency actions, Grantee shall provide notice to the Grantor of such actions as hereinabove provided.

## ARTICLE XII. MISCELLANEOUS PROVISIONS

12.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.

12.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the Grantor, its successors and assigns, Grantee, Grantee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the Grantor to any assignment by Grantee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person grantee, refers to the instances previously referred to in this sentence and also circumstances in which title to Grantee's interest under this Agreement passes, after the demise of Grantee, pursuant to Grantee's will or the laws of intestate succession. The words "hereof," "herein," "hereunder,"



"hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.

12.03. Neither tender nor acceptance of any sums payable hereunder nor failure by either party to complain of any action, non-action or default of the other shall constitute a waiver as to any breach of any covenant or condition contained herein nor a waiver of any of the rights hereunder. Waiver by the Grantor of any right for any default of Grantee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of either party hereunder or covenant, duty or obligation hereunder shall be deemed waived by the other party unless such waiver be in writing, signed by a duly authorized representative of the party.

12.04. No provision of this Agreement shall be construed in such a way as to constitute the Grantor and Grantee joint venturers or co-partners or to make Grantee the agent of the Grantor or make the Grantor liable for the debts of Grantee.

12.05. In all instances where Grantee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

12.06. The terms of this Agreement shall only be binding on the Grantor during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the Grantor shall thereupon be released and discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.

12.07. All monetary obligations of the Grantor and Grantee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.

12.08. The obligation of Grantee to pay all Consideration and other sums hereunder provided to be paid by Grantee and the obligation of Grantee to perform Grantee's other covenants and duties under this Agreement constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Grantee waives and relinquishes all rights which Grantee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the Grantor by Grantee. Grantee waives and relinquishes any right to assert, either as a claim or as a defense, that the Grantor is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.

12.09. Subject in all respects to Section 12.01 of this Agreement, this Agreement is and shall be subject to any applicable federal or state law, rule, order, or regulation presently or hereafter enacted or adopted to the extent, but only to the extent, that such law, rule, order, or regulation preempts or supersedes Grantor's authority to issue this Agreement or to require any particular obligation of Grantee, provided, however, that in the event of a conflict between any provision of this Agreement and any administrative rule promulgated by the General Land Office and/or the School Land Board, this Agreement shall control.

### ARTICLE XIII. RECORDING

13.01. Grantee shall, at its sole cost and expense, record this Agreement in the Bosque County and Johnson County Real Property Records and provide a file marked copy to the Grantor within 60 days after the recorded original of this Agreement is returned by the county clerk responsible for such records.

ARTICLE XIV. ENTIRE AGREEMENT

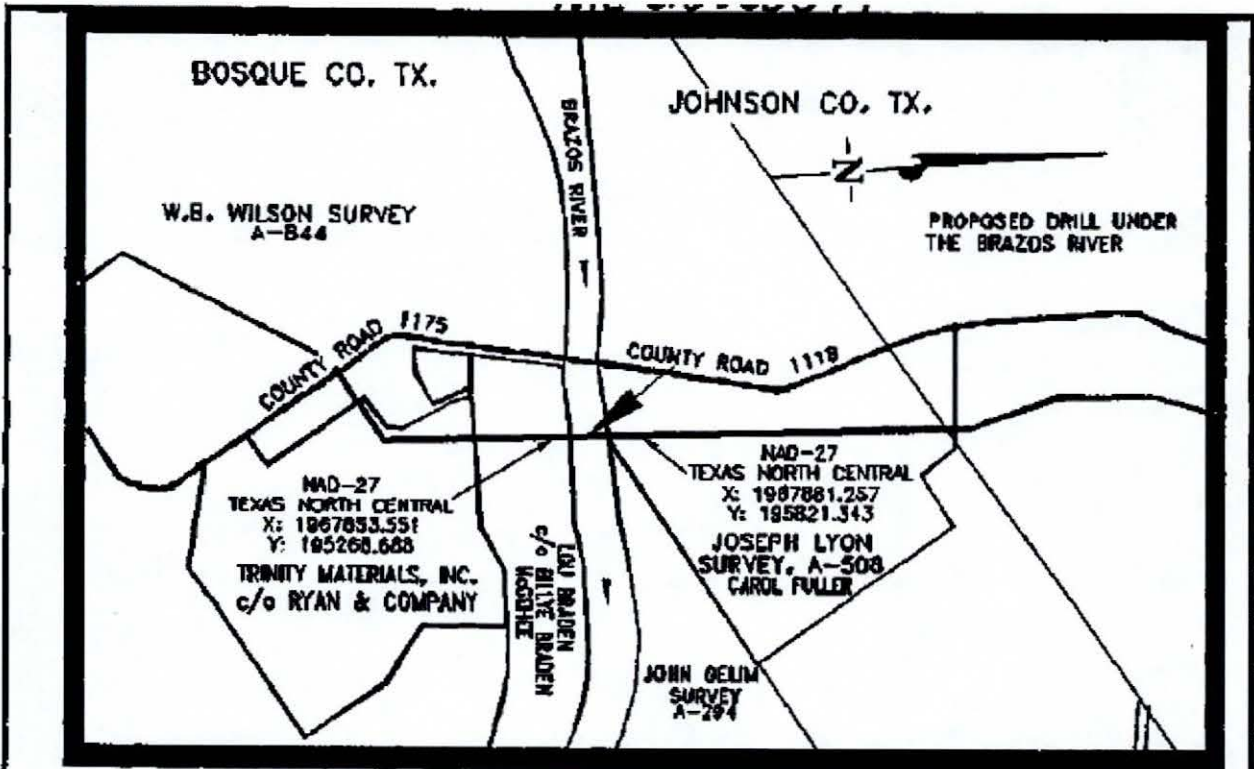
14.01. This instrument, including exhibits, constitutes the entire agreement between the Grantor and Grantee and no prior written, or prior or contemporaneous oral promises, warranties or representations shall be binding. This Agreement shall not be amended, changed, altered, or extended except by written instrument signed by all parties hereto.

14.02. This Agreement shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart to each party.

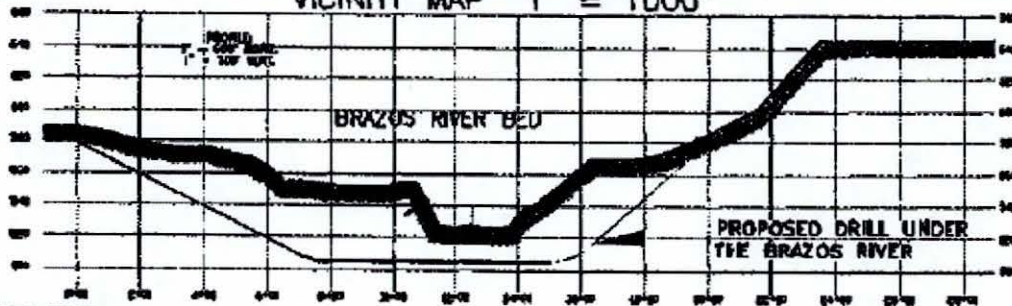
14.01  
14.02







VICINITY MAP 1" = 1000'



NAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.33451"  
LONG. 97° 36' 13.80506"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"  
551' OR 33.39 RODS

**LouisDreyfus**

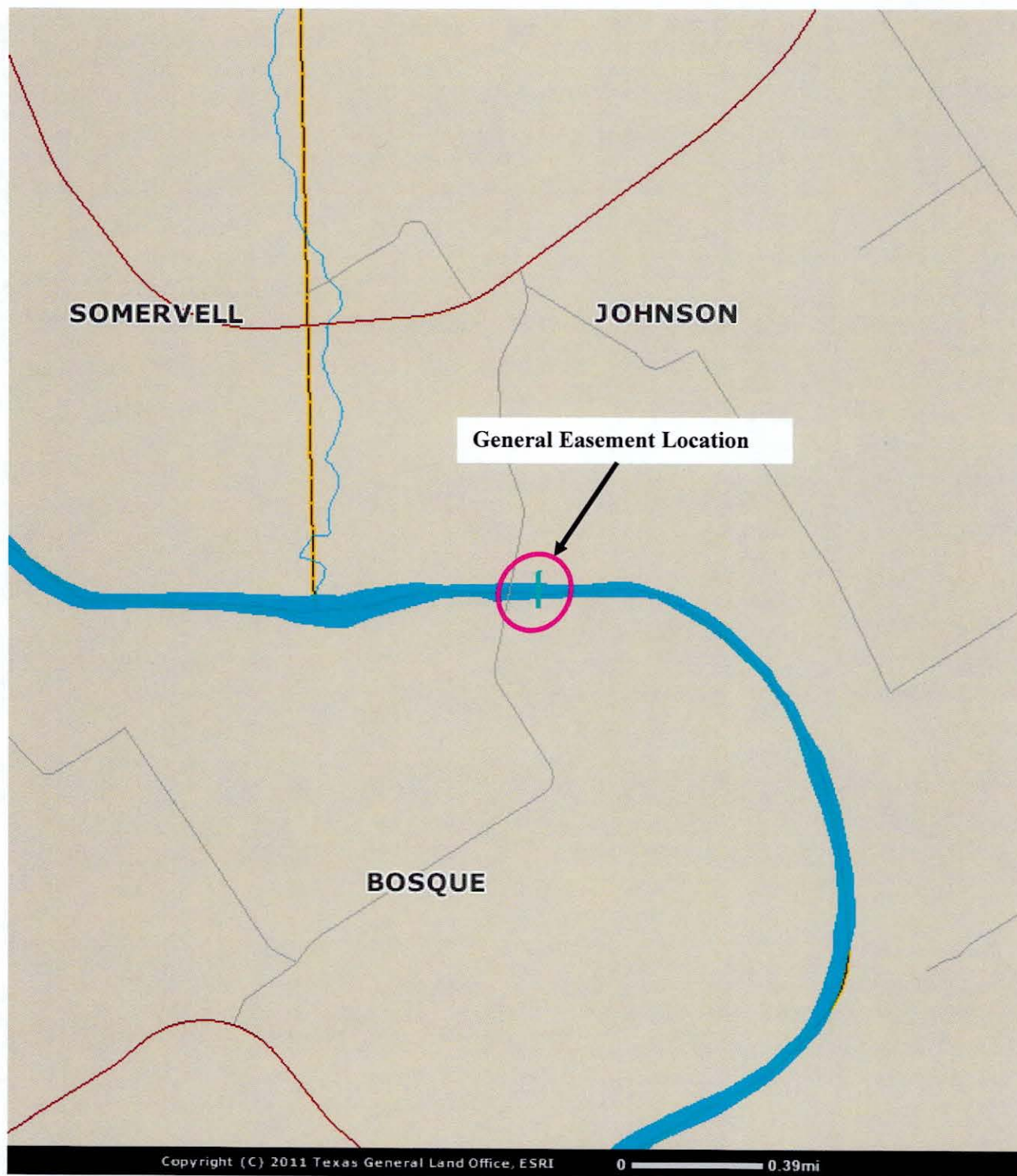
EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
SURVEYED BY: R.KUYKENDALL	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS	DATE: 4-18-06
DRAWN BY: J.WILLIAMS	2225 PERRYTON PARKWAY, PAMPA, TX. 79065, P.L.L. (806)965-7218	JOB NO.:
CHECKED BY:	2225 PERRYTON PARKWAY, PAMPA, TX. 79065, P.L.L. (806)965-7218	DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER
		SHEET 1 OF 1



VICINITY MAP

BRAZOS RIVER, BOSQUE COUNTY AND JOHNSON COUNTY, TEXAS



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## Instructions for Preparing Exhibits For The Following General Land Office Application:

### Miscellaneous Easements (Pipeline)

Maps (or plats) showing the location of proposed and as-built projects on state-owned lands are required as part of the General Land Office (GLO) application process. The following instructions are to be followed when applying for new work (proposed project), or for reporting as-built conditions for a previously approved project, when the activity is a **Miscellaneous Easement (Pipeline/Right-of-Way)** on state land.

The information specified below represents **minimum** requirements of the GLO; additional information may be requested on a project-by-project basis to facilitate a full evaluation of the proposed activity.

The information should be submitted along with the required application form and processing fees. Each map or plat must conform to the specifications contained herein. An application is not considered complete, and processing of the application will not be initiated, until all information requested has been submitted and GLO staff has determined that it is adequate.

NOTE: Surveys and survey plats required by other entities, Federal, State, County and/or City, are PERMISSIBLE and USABLE for GLO applications provided they meet the following requirements.

### **IF SUBMITTING SURVEY PLATS DIGITALLY, PLEASE PROVIDE THE INFORMATION IN ONE OF THE FOLLOWING FORMATS:**

1. In an ESRI format (i.e. Shape file, E00, or Geodatabase)
2. AutoDesk Map 6 or earlier version in a DWG format.
3. **And Projection Information of the data set submitted.**

### **A. GENERAL INSTRUCTIONS FOR ALL APPLICATIONS:**

1. Each map or plat should be 8-1/2" x 11".
2. A one-inch margin should be left at the top edge of each sheet for binding purposes.
3. Any shading used to identify specific areas must be reproducible by ordinary copy machines.
4. Each map or plat submitted must have a title block identifying, at a minimum: (a) applicant name; (b) applicant address; (c) project name; (d) date of preparation; (e) name of preparer, and (f) project location as follows:
  - (1) if on state-owned uplands, then provide county, survey name (original grantee) and, as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number;
  - (2) if on submerged land, then provide county name, waterbody name, and state tract number.
5. The scale for each map or plat must be clearly indicated both digitally and by graphic scale.
6. Vicinity Maps -- Exhibit A for each project application must be a Vicinity Map showing the general location of the proposed work. The Vicinity Map must be produced using a U.S.G.S. 7.5-minute topographic map, a Texas Department of Transportation County Road Map, or navigation chart as its base layer. The project location should be indicated by a prominent arrow on the map. An 8 1/2" x 11" Xerox copy from the original Topo, county map, or navigation chart showing the project location is sufficient. It is not necessary to submit the entire Topo or county map, so long as the map is appropriately identified as to the origin of the base information (e.g., name, and date of base map information used). This is most easily accomplished by copying the legend of the base map and making it part of the Vicinity Map.



7. Project Site Map -- Exhibit B for each project application should be a Project Site Map (in Survey Plat format) which provides specific project location information. The Project Site Map should be produced at sufficient scale and detail to enable field inspectors to locate the project on the ground with minimal difficulty. Demographic features such as road numbers, stream names, railroad crossings, corporate city limits, and other prominent locative features should be included on the Project Site Map. The project location should be indicated by a prominent arrow on the map and a North arrow must be provided. Annotation may be included on the map regarding distance of the project from known points (e.g., highway intersections, road stream crossings, etc.). **Additional requirements for preparing Project Site Maps are provided in Section B of this document.**

8. Detailed Project Plan -- Exhibit C for each project application should be a Detailed Project Plan, consisting of an aerial plan-view drawing and a cross-sectional drawing of all proposed or existing structures on state-owned lands at the project site.

Page 1 of the Detailed Project Plan should contain, at a minimum:

- a. Location of the shoreline or banks if the project is on or adjacent to tidally influenced waters or crosses a state-owned river, stream, creek, or bayou.
- b. The direction of ebb and flow if in or adjacent to tidal waters, or the direction of water flow if the project crosses a river, creek, stream, or bayou.
- c. A North arrow.
- d. The location of state tract lines (on tidally influenced lands), survey lines, or property lines, as applicable.
- e. The location of any marshes, submerged grass flats, oyster reefs, mud or sand flats, or other sensitive natural/cultural resources known to exist in the project area.
- f. The lines of mean high water and mean low water when applicable.
- g. The Detailed Project Plan cross-sectional drawing must include notation as to the outside diameter (OD) of all pipelines covered by the easement, and the relationship of the pipeline(s) to any other pipeline(s) in the immediate vicinity.
- h. The registration, easement, or lease numbers for any structures at the site previously authorized by the GLO (available from GLO field offices upon request).
- i. Any applicable Corps of Engineers application numbers covering the proposed work, as soon as that application number is available, but, in any event, prior to issuance of the easement.

Page 2 of the Detailed Project Plan should contain, as applicable, an explanation of construction methodology, techniques, and equipment that will be used at the site.

9. As-Built Survey -- A survey showing the depth of burial must be furnished for all projects on state-owned tidally influenced lands (Gulf of Mexico, bays, estuaries, etc.), crossings of state-owned rivers/streams/creeks/bayous. The survey shall show plan view only for projects on state-owned upland tracts. Failure to provide this information is, by terms of the state contract, grounds for termination of the easement and removal of the structure from state-owned land.

**New Pipeline Installations:** Each application for installation of a **new** pipeline must include with the application a profile drawing showing the **proposed** depth of burial at not fewer than 36" below the surface.

GLO will issue an easement using the **proposed** ROW and depth of burial information. Following installation of the pipeline, however, the applicant is required by terms of the GLO contract to provide a survey of actual burial depth measurements for that portion of the ROW length occupying state-owned land. The spacing between depth-of-burial measurement points is a function of the length of ROW. If the easement length is less than 500 feet, the depth of cover of the structure and waterway bottom elevation shall be determined at intervals not to exceed 50 feet. If the easement length is greater than 500 feet but less than 5,000 feet the interval between measurement points shall be 100 feet. Easements greater than 5,000 feet in length shall be surveyed at 250-foot intervals.

All work shall be performed under the supervision of, and sealed by, a registered professional land surveyor. All submitted drawings must be sealed by the supervising registered public land surveyor. All elevations must be referenced to a common datum (Mean Sea Level, National Geodetic Vertical Datum, Mean Low Water, etc.) and grid coordinates must reference Texas State Plane coordinate System of 1927 or 1983. The accuracy of the waterway bottom and pipeline elevations shall be +/- one-half (.5') foot for the waterway bottom and +/- one-half (0.5') foot for depth of burial less than or equal to 10 feet and +/- fifteen (15%) percent for depth of burial greater than ten (10) feet. Manual probing and electronic means (both active and passive) of survey type shall be acceptable for depth of burial determinations.

**Existing Pipelines:** At time of renewal of a contract for an existing underground pipeline easement, provide the data as required under Section 3.02.(iv) of this easement contract.



**CERTIFICATION BY A TEXAS REGISTERED PUBLIC LAND SURVEYOR IS REQUIRED ON ALL OF THE FOLLOWING WITH THE EXCEPTION OF DIRECTIONALLY DRILLED WELL BORE LOGS .**

**B. SPECIFIC INSTRUCTIONS:**

Maps or Survey Plats to be submitted as the Project Site Map and/or the Detailed Project Plan (see A7 and 8 above) must contain the information described below.

Upland survey data should be reported to normal boundary land surveying minimum standards. Offshore or submerged sites shall be located to a specified accuracy of +/- 5 feet of any reported location.

**1. Projects located on Tidally Influenced State-owned lands** (Including the Gulf of Mexico, bay tracts, and the tidally influenced portions of rivers, creeks, streams, and bayous):

Coordinates must be provided at the beginning and ending points of the Rights-of-Way (ROWs) centerline, or on the principal point or points of tracts described by other means (directional well bores, etc.). These coordinates must be based on the Texas State Plane Coordinate System of 1927 or 1983. Courses and distances must be specified as either grid or geodetic for all centerlines and perimeter lines, and ties must be made from specific improvements (e.g., well heads, platforms, pilings, etc.) to a corner or corners of the lease or easement tract. All submerged state land tracts crossed by any part of the ROW must be shown and identified, and the points of each ROW crossing of a state-tract boundary identified in the Texas State Plane Coordinate System of 1927 or 1983. The distance between crossings of a state-tract boundary must be indicated in both feet and rods on the plat.

As-built plats (and confirmation surveys at time of renewal) must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the ROW, the plat shall provide a minimum of one identified point for each 1,000 feet of ROW length. A ROW less than 1,000 feet long but greater than 500 feet in length requires one mid-point to be identified on the survey plat.

**2. Projects Across State-owned Upland Property, or the state-owned portion of a river, creek, stream, or bayou above the limit of tidal influence:**

**a. Upland Tract (State Fee Lands):**

For new project applications, information provided for projects on state-owned upland tracts shall include the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the proposed easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with the survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.

At completion of construction, or at time of renewal, an as-built plat or confirmation survey (whichever is applicable) must be submitted. This plat must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the easement route, the plat shall provide a minimum of one identified point for each 1,000 feet of length. For easement routes, fewer than 1,000 feet long but greater than 500 feet long, one mid-point shall be identified on the survey plat.

**b. Crossing the State-owned portion of a river, creek, stream, or bayou above the limit of tidal influence.**

Information provided for projects crossing non-tidal state-owned rivers, creeks, streams, or bayous shall include an identification of the stream or water body by local and any other names known (historic, from topographic or other maps, etc.). In addition, the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with a cross section or profile of the crossing between the top of the high banks, survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.



File No. ME 20060097

CONTRACT

Date Filed: 6/2/2011

Jerry E. Patterson, Commissioner

By [Signature]

2011

June 16, 2011

Mr. Brice Finley  
Texas General Land Office  
Asset Inspection Division – Coastal Leasing  
P. O. Box 12873  
Austin, Texas 78711-2873

Re: Easement No. ME20060097  
Grantee: LDH Energy Pipeline L.P.  
Tract No. BS-NGL/BO-0010A

Dear Brice:

Please be advised that LDH Energy Pipeline L.P. has changed its name to:

Lone Star NGL Pipeline LP

Enclosed is a copy of the certificate regarding this change of name. If any further information is required, please let me know.

Very truly yours,



Coral Ibarra  
Administrative Land Specialist

:ci  
Encl.



# Delaware

PAGE 1

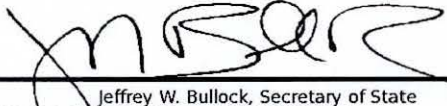
*The First State*

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "LDH ENERGY PIPELINE L.P.", CHANGING ITS NAME FROM "LDH ENERGY PIPELINE L.P." TO "LONE STAR NGL PIPELINE LP", FILED IN THIS OFFICE ON THE FIFTH DAY OF MAY, A.D. 2011, AT 7:56 O'CLOCK P.M.

3737249 8100

110501564



  
Jeffrey W. Bullock, Secretary of State  
AUTHENTICATION: 8745255

DATE: 05-06-11

**STATE OF DELAWARE  
AMENDMENT TO THE CERTIFICATE OF  
LIMITED PARTNERSHIP OF  
LDH ENERGY PIPELINE L.P.**

The undersigned, desiring to amend the Certificate of Limited Partnership pursuant to the provisions of Section 17-202 of the Revised Uniform Limited Partnership Act of the State of Delaware, does hereby certify as follows:

1. Name of Limited Partnership is:

**LDH Energy Pipeline L.P.**

2. The First, Second and Third articles of the Certificate of Limited Partnership is hereby amended as follows:

FIRST: The name of the limited partnership is:

**Lone Star NGL Pipeline LP**

SECOND: The address of the registered office of the limited partnership in the State of Delaware is:

1209 Orange Street  
Wilmington, DE 19801

The name of the Registered Agent at such address whom process against this limited partnership may be served is:

The Corporation Trust Company

THIRD: The name and address of the general partners are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Lone Star NGL Asset GP LLC	3738 Oak Lawn Ave. Dallas, Texas 75219

IN WITNESS WHEREOF, the undersigned have executed this certificate on the 5<sup>th</sup> day of May, 2011.

By: Peggy J. Harrison  
Authorized Person of

Lone Star NGL Asset GP LLC - General Partner

Name: Peggy J. Harrison  
Print or Type



ME 20060097  
Name change

20

File No. ME 20060097

name change

Date Filed: 9-16-11

Jerry E. Patterson, Commissioner

By W



ENERGY TRANSFER  
LONE STAR NGL MONT BELVIEU LP

July 2, 2012

Ms. Diane Jasek  
Asset Inspection  
Texas General Land Office  
1700 North Congress Avenue  
Austin, Texas 78701-1495

Re: Miscellaneous Easement (Pipelines) ME20060097  
Bosque and Johnson Counties, Texas  
(Our File BS-NGL BO-10A)

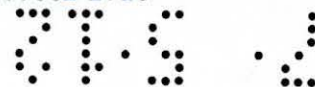
Dear Ms. Jasek:

Enclosed for your records is a copy of the above recorded document. Thank you for your assistance in this matter.

Yours very truly,

Coral Ibarra  
Administrative Land Specialist

:ci  
Encl.





Bosque County  
Betty Outlaw  
County Clerk  
Meridian, Tx 76665



70 2012 00002007

Instrument Number: 2012-00002007

Recorded On: June 18, 2012

As  
Easement and R.O.W

Parties: TEXAS STATE OF

Billable Pages: 17

To LDH ENERGY PIPELINE LP

Number of Pages: 18

Comment:

( Parties listed above are for Clerks reference only )

**\*\* Examined and Charged as Follows: \*\***

Easement and R.O.W	80.00
Total Recording:	80.00

\*\*\*\*\* DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 2012-00002007  
Receipt Number: 29183  
Recorded Date/Time: June 18, 2012 10:36:41A  
User / Station: N Gomez - Cash Station 01

**Record and Return To:**

CORAL IBARRA-ROW DEPARTMENT  
LONE STAR NGL PIPELINE LP  
711 LOUISIANA, SUITE 900  
HOUSTON TX 77002



*Betty Outlaw*  
Betty Outlaw Bosque County Clerk





*Becky Williams*

BECKY WILLIAMS, COUNTY CLERK  
JOHNSON COUNTY, TEXAS

FILED FOR RECORD IN:

JOHNSON CO CLERK - RECORDING

ON: APR 20, 2012 AT 10:54A

AS A(N) REAL PROPERTY

Becky Williams, COUNTY CLERK

CLERK NUMBER 8874 PAGES 17

AMOUNT: 76.00

RECEIPT NUMBER 12009614

BY MDAVIS  
STATE OF TEXAS JOHNSON CO CLERK -  
AS STAMPED HEREON BY ME. APR 20, 2012

Becky Williams, COUNTY CLERK

Recorded# \_\_\_\_\_

Filed For Record  
Jun 18, 2012 at 10:36A

Betty Outlaw  
County Clerk, Bosque CO, TX

By *[Signature]*  
Deputy Clerk

**WARNING --- THIS IS PART OF THE OFFICIAL RECORD**  
**DO NOT DESTROY**

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL  
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR  
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.





# The State of Texas



Austin, Texas

## MISCELLANEOUS EASEMENT (PIPELINES) ME20060097

STATE OF TEXAS

§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF BOSQUE & JOHNSON

This Miscellaneous Easement (the "Agreement"), ME20060097, is granted by virtue of the authority granted in Section 51.291, *et seq.*, TEX. NAT. RES. CODE, 31 TEX. ADMIN. CODE §13.12, *et seq.*, and all other applicable statutes and rules, as the same exist on the date hereof or as they may be amended from time to time.

### ARTICLE I. PARTIES

1.01. In consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the STATE OF TEXAS, acting by and through the Commissioner of the General Land Office, (the "Grantor"), hereby grants to LDH Energy Pipeline L.P., a Delaware limited partnership, whose address is 13430 Northwest Freeway, Suite 600, Houston, TX 77040-6014, phone number (713) 634-6217, (the "Grantee"), a non-exclusive easement for the purposes identified in Article V.

### ARTICLE II. PREMISES

2.01. The easement is located across State-owned land in Bosque and Johnson Counties, Texas, described as follows:

Brazos River and the easement is a right-of-way 33.5 rods long and 20 feet wide, being 10 feet either side of a centerline formed by the Improvements (as hereinafter defined), as constructed (the "Premises"). In addition, if repair and/ or replacement of the pipeline is necessary, for a period not to exceed 60 days, Grantee shall again be granted additional easement width which shall be 100 feet wide being 50 feet either side of the centerline.

The Premises are further described or depicted on the Vicinity Map attached hereto as Exhibit A and the Survey Map attached hereto as Exhibit B, collectively incorporated by reference for descriptive purposes.

2.02. Grantee acknowledges and agrees that when the Improvements (as hereinafter defined) are placed on the Premises, the location of such Improvements within the easement shall thereby become fixed at such location and shall not be changed except by an amendment to this Agreement signed by both parties hereto and subject to any approval by any other governmental agency with jurisdiction over same.

2.03. GRANTEE HAS INSPECTED THE PHYSICAL AND TOPOGRAPHIC CONDITION OF THE PREMISES AND ACCEPTS THE SAME "AS IS", IN ITS EXISTING PHYSICAL AND TOPOGRAPHIC CONDITION. THE GRANTOR DISCLAIMS ANY AND ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PURPOSE, AND





ANY OTHER WARRANTY WHATSOEVER NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. THE GRANTOR AND GRANTEE HEREBY AGREE AND ACKNOWLEDGE THAT THE USE OF THE TERM "GRANT" IN NO WAY IMPLIES THAT THIS EASEMENT IS FREE OF LIENS, ENCUMBRANCES AND/OR PRIOR RIGHTS. NOTICE IS HEREBY GIVEN TO GRANTEE THAT ANY PRIOR GRANT AND/OR ENCUMBRANCE MAY BE OF RECORD, AND GRANTEE TAKES SUBJECT TO ANY SUCH PRIOR GRANT AND/OR ENCUMBRANCE. GRANTEE IS ADVISED TO EXAMINE THE RECORDS IN THE ARCHIVES AND RECORDS DIVISION OF THE GENERAL LAND OFFICE, 1700 NORTH CONGRESS AVENUE, AUSTIN, TEXAS 78701-1495, AND ALL OTHER LAND TITLE RECORDS OF THE COUNTY OR COUNTIES IN WHICH THE PREMISES ARE LOCATED. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS EASEMENT.

### ARTICLE III. TERM

3.01. This Agreement is for a period of ten (10) years, beginning on May 1, 2011, and ending on April 30, 2021, unless renewed, amended, or sooner terminated as authorized by law or as set forth herein.

3.02. Provided that Grantee has complied with all provisions of this Agreement, Grantee shall have the right to extend and renew this Agreement pursuant to 31 TAC §13.17(c) and (d) for an additional like term based on the then current rate schedule and on the terms and conditions provided hereunder, by taking the following actions:

- (i) providing written notice to the Grantor of Grantee's intent to renew the Agreement not less than ninety (90) days prior to expiration of the term of this Agreement; and
- (ii) completing and submit to the Grantor for approval, an application for renewal within thirty (30) days following the notice provided in Section 3.02(i); and
- (iii) paying the applicable renewal fee, pursuant to the rate schedule in effect at the time of renewal; and
- (iv) providing documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the pipeline(s) lie within the approved Premises. Such information may be in the form provided to the U.S. Department of Transportation, provided that such documentation includes the current location and spatial coordinates. Notwithstanding the foregoing, and provided that the pipeline has been in place for at least twenty (20) years (an "older pipeline"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of this subsection (iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such existing pipeline from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of an older pipeline, Grantee agrees to submit such documentation to Grantor. If either Grantor or Grantee determine that an older pipeline is not actually located within the right of way described in this Agreement, both Grantor and Grantee will enter into an amendment to this Agreement to correct the right of way description provided such right of way is located on State-owned land. In any event, Grantee **will indemnify** Grantor pursuant to Section 8.01 of this Agreement even if some or all of the Improvements are not located on State-owned land.

3.03. In the event that Grantee shall fail to comply with the requirements of Section 3.02, Grantee shall be in default hereunder; however, the Easement shall not terminate until Grantor provides notice of such failure and allows a period of thirty (30) days for Grantee to cure such failure and default. Grantee's failure to comply with Section 3.02, even if subsequently cured to Grantor's satisfaction, shall be deemed a forfeiture of any right Grantee may have to renew the Agreement at a reduced fee. Grantor may require (i) the full then-current fee as calculated for a new easement, or, (ii) the applicable renewal fee pursuant to the rate schedule in effect at the time of renewal, plus an administrative penalty as determined by Grantor.



#### ARTICLE IV. CONSIDERATION AND TAXES

4.01. A. As consideration (Consideration) for the granting, or if applicable, renewal of this easement, Grantee agrees to pay the Grantor (payable to the Commissioner of the General Land Office at Austin, Texas) the sum of Six Hundred Seventy-Eight And 00/100 Dollars (\$678.00), due and payable upon the execution of this Agreement.

B. Past due Consideration and other past due payments shall bear interest as provided in TEX. NAT. RES. CODE Section 51.301, as amended from time to time. Failure of Grantee to make a payment on or before the date the same becomes due shall be deemed an act of default and, at the Grantor's option, cause all payments to become due and payable immediately; provided, however, Grantor shall give Grantee notice of such default and allow a period of thirty (30) days within which to cure the default before exercising such option to accelerate such payments.

4.02. In addition to the above, Grantee shall pay and discharge any and all taxes, general and special assessments, and other charges which during the term of this Agreement may be levied on or assessed against Grantee's interest in the Premises or on the Improvements constructed thereon.

4.03. Grantee agrees to and shall protect and hold the Grantor harmless from liability for any and all such taxes, charges, and assessments, together with any penalties and interest thereon, and from any sale or other proceeding to enforce payment thereof.

#### ARTICLE V. USE OF THE PREMISES

5.01. Grantee and Grantee's employees, contractors, and agents shall have the right to use the Premises for a right-of-way to construct, maintain, operate, inspect, repair, change the size of, and replace one (1) 8.625 inch O.D. pipeline for the purpose of transporting natural gas liquid (the "Improvements"). Grantee shall not change (i) the operation of the pipeline in any material respect or (ii) the category of products therein, without Grantor's written permission, such permission not to be unreasonably withheld. It shall not be unreasonable for Grantor to withhold its consent for reasons that include, but are not limited to, Grantee's request for: a change in the category of products to be transported that is more "sour" (with reference to hydrogen sulfide content), or that is more volatile, than the original product category to be transported as contemplated by the Agreement; or, a change to a category of products that includes any non-hydrocarbon substances. Also, it shall not be unreasonable for Grantor to (a) condition its consent on Grantee procuring and providing proof to Grantor of adequate insurance to protect the Premises and (b) charge fees for (i) additional pipelines, and (ii) changes in use operation, including but not limited to, a use separate and apart from the original use contemplated by the Agreement, e.g. fiber optics and reverse flow. Grantor agrees to grant or deny such permission within thirty (30) days following Grantee's request for a category use change, provided such request includes all information necessary for Grantor to make an informed decision.

5.02. A. The Grantor and Grantee hereby acknowledge and agree that each shall have reciprocal rights of ingress and egress to and from the Premises across contiguous or adjacent State-owned land or land owned by Grantee, provided in the exercise of this right the Grantor and Grantee agree not to unreasonably interfere with the other party's (or that party's agents, assignees, or designees) use of its property. At its sole cost, risk, and expense, Grantee shall have the right of ingress and egress for the purposes authorized by Section 5.01 and such right is not granted for any other purpose. Grantee and the Grantor mutually agree to coordinate the use of contiguous or adjacent State-owned land or land owned by Grantee, respectively, and to exercise such right of use only to the extent and in the manner allowed by the respective interests of the parties in the subjects lands and for the length of time necessary to provide access to and from the Premises. Notwithstanding any other provisions to the contrary, no easement is created by this Section 5.02; instead, a license is granted to the parties and their respective officers, employees, agents and contractors for the limited purposes set forth herein.

B. Grantee acknowledges and agrees that the Grantor's right of ingress and egress described in Section 5.02.A. of this Agreement shall be and remain in effect as long as the Improvements and any other structure placed on



the Premises by Grantee remain on the Premises, as necessary for the Grantor to confirm the removal (in whole or in part) of the Improvements, and/or until any claims of liability against Grantor arising in connection with the Improvements are finally resolved. Such right of ingress and egress shall survive the expiration or earlier termination of this Agreement, but only for so long as the Improvements remain on the Premises and/or any claims for liability have not been finally resolved.

5.03. A. Grantee's use of the Premises is subject to and contingent upon compliance with the following covenants, obligations and conditions (the "Special Conditions"):

1. If a leak occurs in a pipeline, Grantee shall take all immediate action to prevent further release, as comports with industry practice or complies with applicable regulatory requirements.
2. In light of the pipeline industry's indicated willingness to improve safety standards, as well as new regulations being promulgated by the Department of Transportation's Office of Pipeline Safety, and also the new federal pipeline health and safety legislation pending in the U. S. Congress, this easement is granted upon condition of applicant's specific compliance with all applicable federal, state and local statutes, rules and regulations, and generally accepted industry practices and standards presently in force and as amended in the future.
3. Grantee is required to perform mitigation and/or pay surface damage fees according to the Grantor's policy in effect at the time damages occur for any and all surface damages resulting from actions of Grantee's employees, contractors, and/or agents during the term of this easement. If mitigation is required Grantee will be notified in writing by the Grantor of the terms and conditions under which the mitigation shall be conducted. Such mitigation and/or payment of damage fees shall be performed in the manner and within the time frame specified in written notice provided by the Grantor to Grantee following said damages.
4. Grantee is required to provide the Grantor an "as built" survey of the Improvements within 180 days of contract execution. Grantee agrees to provide the documentation showing the current location of the Improvements. This documentation shall include spatial coordinates sufficient for determining that the Improvements lie within the approved Premises. Upon receipt and acceptance by the Grantor, the "as built" survey shall be attached to and become a part of this Agreement as Exhibit "B-1" and shall be included in the Premises as described in Section 2.01 of this Agreement. Notwithstanding the foregoing, and provided that the Improvements have been in place for at least twenty (20) years ("a legacy Improvement"), Grantee may, in lieu of providing such actual dimensions and spatial coordinates, satisfy the requirements of Article III §3.02(iv) by providing a certified written statement by a Professional Engineer which states that the engineer, despite having employed best efforts to do so, can not ascertain the burial depth and/or location coordinates of such legacy Improvement from Grantee's existing records and documentation. Any such certified statement shall also include any documentation in Grantee's possession relating to either the actual dimensions or spatial coordinates of the Improvements. If Grantee, at any time, later discovers or determines the actual burial depth and/or location coordinates of a legacy Improvement, Grantee agrees to submit such documentation to Grantor. If it is determined that the Improvements or legacy Improvements are not actually located within the Premises as described in this Agreement, the Grantee shall, at the time of submission of the as built survey or other documentation, provide written notice to Grantor of the discrepancy. The Grantor will then provide written notice to the Grantee of the amount of additional consideration, if any, due to the Grantor as a result of the discrepancy. Grantee agrees to pay the additional consideration within 30 days of receipt of the written notice from Grantor. Failure to pay the additional consideration within the time specified will constitute an event of default under Article IX of this Agreement. Grantee acknowledges that Grantee's failure to submit the as built survey of the Improvements, or certified statement by a Professional Engineer for legacy Improvements, within 180 days, or for new projects, upon completion of construction, will result in a waiver by Grantee of any claim to a reduction or refund of consideration tendered or to be tendered under this Agreement that may have resulted from any





discrepancy. In addition Grantor may, at its discretion, require an amendment to this Agreement with regard to the description of the Premises.

B. Prior to any construction, installation, repair, or other activities on the Premises, Grantee shall provide written notice of all the terms of this Agreement relating to the particular activity to any contractor and/or agent involved in any such activity. On request, Grantee shall send a copy of such notice to the General Land Office, ATTN: Asset Inspection, 1700 N. Congress Avenue, Austin, Texas 78701-1495.

5.04. Grantor shall have the right to use or to permit the use of any or all of the Premises for any purpose deemed, in Grantor's sole discretion, not to be inconsistent with Grantee's easement grant. Grantor, its agents, representatives and employees shall have the right to enter upon the Premises at any reasonable time (or any time in case of emergency) for purposes of inspection, repair, and any other purpose necessary to protect Grantor's interests therein. Except in the event of an emergency, in which case no notice is required by Grantor, if Grantor reasonably believes that a repair is necessary to protect the health and safety of the public, the environment, or the value of Grantor's property, Grantor shall give Grantee reasonable prior written notice of the necessary repair. If Grantor gives such notice, and Grantee does not initiate immediate action to pursue to completion such repair with diligence, Grantor may, but shall not be obligated to, undertake that repair, all costs of which shall be immediately due and payable by Grantee on Grantor's demand. This Section 5.04 is for the sole purpose of providing a mechanism for Grantor to respond to a situation in which immediate action is required to protect the State and/or public interest and such immediate action has not been initiated by or on behalf of Grantee.

5.05. Grantee shall not use, or permit the use of the Premises for any illegal purpose. Grantee shall comply, and will cause its officers, employees, agents, contractors and invitees to comply, with all applicable laws, ordinances, rules, and regulations of governing agencies concerning use of the Premises.

5.06. Failure by Grantee to construct, maintain and operate the Improvements in accordance with this Article V may render such Improvements "unauthorized structures" as defined under in TEX. NAT. RES. CODE §51.302 and subject them to sanctions provided therein.

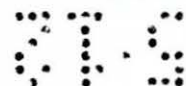
#### ARTICLE VI. ASSIGNMENTS

6.01. A. Grantee shall not assign the premises or the rights granted herein, in whole or part, to any third party for any purpose without prior written consent of the Grantor, which consent may not be unreasonably withheld. For purposes of this Section 6.01 A, the phrase "third party" shall not include any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest.

B. Grantee may assign this Agreement without Grantor's consent to (a) a parent entity, (b) any affiliate of Grantee controlled by the same parent entity, or (c) any subsidiary or affiliate in which Grantee owns, respectively, at least a majority percentage, or the largest plurality percentage, voting interest, provided that, in any of the foregoing events, (i) the resulting entity agrees in writing to assume and perform all of the terms and conditions of this Agreement, and (ii) Grantee provides notice to Grantor of any such assignment within thirty (30) days of such assignment. In the event of such assignment, it is understood and agreed by both Grantee and Grantor that the original Grantee remains liable to Grantor under all terms and provisions of the Agreement.

C. Any assignment which fails to comply with the foregoing provisions shall be void and of no effect.

D. This provision and the prohibition against unauthorized assignments contained herein shall survive expiration or earlier termination of this Agreement. For purposes of this Agreement, an assignment is any transfer, including by operation of law, to another of all or part of the property, interest or rights herein granted.





## ARTICLE VII. PROTECTION OF NATURAL AND HISTORICAL RESOURCES

7.01. With regard to all activities authorized herein, Grantee shall use all reasonable best efforts to: (i) prevent pollution of air, ground, and water in and around the Premises, and (ii) to protect and preserve natural resources and wildlife habitat. Grantee shall comply with all applicable rules and regulations of the General Land Office and other governmental agencies responsible for the protection and preservation of public lands and waters, natural resources, and wildlife habitat. In the event of a pipeline incident that is reportable to the U.S. Department of Transportation, the General Land Office, or the Railroad Commission of Texas (or any other applicable regulatory agency) that may result in pollution of the Premises or adjacent property, Grantee shall notify the Grantor immediately upon discovery of such incident, use all means reasonably available to recapture any pollutants which have escaped or may escape, and mitigate for any and all natural resource damages caused thereby.

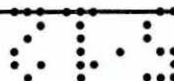
7.02. GRANTEE IS HEREBY EXPRESSLY NOTIFIED OF THE NATIONAL HISTORICAL PRESERVATION ACT OF 1966, (PB-89-66, 80 STAT. 915, 16 U.S.C.A. SECTION 470, ET. SEQ.) AND THE ANTIQUITIES CODE, [TITLE 9, CHAPTER 191, TEX. NAT. RES. CODE]. IN CONFORMANCE WITH THESE LAWS, IN THE EVENT THAT ANY SITE, FOUNDATION, BUILDING, STRUCTURE, LOCATION, OBJECT, ARTIFACT, ITEM OR OTHER FEATURE OF ARCHEOLOGICAL, SCIENTIFIC, EDUCATIONAL, CULTURAL OR HISTORIC INTEREST IS ENCOUNTERED DURING THE ACTIVITIES AUTHORIZED BY THIS EASEMENT, GRANTEE SHALL IMMEDIATELY CEASE ANY AND ALL ACTIVITIES, AND NOTIFY THE COMMISSIONER OF THE GENERAL LAND OFFICE AND THE TEXAS HISTORICAL COMMISSION, PO BOX 12276, AUSTIN, TEXAS 78711, SO THAT APPROPRIATE ACTION MAY BE UNDERTAKEN TO PROTECT OR RECOVER SUCH DISCOVERIES OR FINDINGS, AS APPROPRIATE. IN THE EVENT THAT GRANTEE IS REQUIRED TO CEASE ACTIVITIES, THE GRANTOR SHALL NOT BE LIABLE FOR ANY COSTS OF GRANTEE, GRANTEE'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS OR ANY OTHER PERSON OR ENTITY AS A RESULT OF ANY INTERRUPTION OF GRANTEE'S ACTIVITIES OR INABILITY TO USE THE PREMISES AS HEREIN CONTEMPLATED.

## ARTICLE VIII. INDEMNITY

8.01. GRANTEE SHALL BE FULLY LIABLE AND RESPONSIBLE FOR ANY DAMAGE, OF ANY NATURE, ARISING OR RESULTING FROM OR ATTRIBUTABLE TO GRANTEE'S USE GRANTED HEREIN OR THE ACTS OR OMISSIONS OF GRANTEE, ITS AGENTS OR CONTRACTORS RELATED TO GRANTEE'S EXERCISE OF THE RIGHTS GRANTED HEREIN. GRANTEE AGREES TO AND SHALL INDEMNIFY AND HOLD THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS FROM AND AGAINST CLAIMS, SUIT, COSTS, LIABILITY OR DAMAGES OF ANY KIND, INCLUDING STRICT LIABILITY CLAIMS, COSTS OF COURT, ATTORNEY'S FEES AND COSTS OF INVESTIGATION OR EXPERTS, WITHOUT LIMIT AND WITHOUT REGARD TO CAUSE OF THE DAMAGE OR THE NEGLIGENCE OF ANY PARTY, (EXCEPT TO THE EXTENT OF THE PROPORTIONATE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE GRANTOR, THE GRANTOR'S OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS) ARISING DIRECTLY OR INDIRECTLY FROM OR ATTRIBUTABLE TO GRANTEE'S USE OF THE PREMISES (INCLUDING ANY ADJACENT OR CONTIGUOUS LAND) OR FROM ANY BREACH BY GRANTEE OF THE TERMS, COVENANTS OR CONDITIONS CONTAINED HEREIN. THE PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

## ARTICLE IX. DEFAULT, TERMINATION AND EXPIRATION

9.01 If, within thirty (30) days after receipt of written notice from the Grantor specifying an act of default or breach, Grantee fails to pay any money due hereunder or continues in breach of any term or condition of this Agreement, the Grantor shall have the right to terminate this Agreement and all rights inuring to Grantee herein. Should Grantee fail to cure the specified default or breach within the allowed thirty (30) day period, this Agreement shall be subject to termination, and upon such termination all rights granted herein to Grantee shall revert to the Grantor. Such termination shall not prejudice the rights of the Grantor to collect any money due or to seek recovery on any claim arising hereunder.





9.02. Except as otherwise provided by applicable law or rule and subject to obtaining necessary approval from state or federal agencies having applicable jurisdiction, or making best efforts to obtain such permits, Grantee shall, within one hundred twenty (120) days from the date of expiration or sooner termination of this Agreement, initiate removal of all personal property, structures, and the Improvements, and shall restore the Premises (and any other property affected by such removal activities) to the same condition that existed before Grantee entered thereon. Such removal and restoration activities shall be coordinated with the General Land Office in accordance with guidelines in effect at the time of removal/restoration which may include, without limitation, specific removal techniques required for protection of natural resources and mitigation or payment in lieu of mitigation for any and all damages resulting from removal activities, all of which shall be in accordance with generally accepted current pipeline industry standards using available technology. Grantee shall notify the Grantor at least ten (10) days before commencing removal/restoration activities so that a General Land Office field inspector may be present.

#### ARTICLE X. NOTICE

10.01. Any notice which may or shall be given under the terms of this Agreement shall be in writing and shall be either delivered by hand, by facsimile, or sent by United States first class mail, adequate postage prepaid, if for the Grantor to Deputy Commissioner, Professional Services, addressed to his attention, 1700 North Congress Avenue, Austin, Texas 78701-1495, FAX: (512) 463-5304, and if for Grantee, to it at 13430 Northwest Freeway, Suite 600, Houston, TX 77040-6014, and FAX: (713) 634-6201. Any party's address may be changed from time to time by such party by giving notice as provided above, except that the Premises may not be used by Grantee as the sole notice address. No change of address of either party shall be binding on the other party until notice of such change of address is given as herein provided.

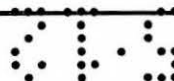
10.02. For purposes of the calculation of various time periods referred to in this Agreement, notice delivered by hand shall be deemed received when delivered to the place for giving notice to a party referred to above. Notice mailed in the manner provided above shall be deemed completed upon the earlier to occur of (i) actual receipt as indicated on the signed return receipt, or (ii) three (3) days after posting as herein provided.

#### ARTICLE XI. INFORMATIONAL REQUIREMENTS

11.01. A. For newly constructed pipelines, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements authorized in this Agreement, an "as-built" survey and field notes prepared by a surveyor duly licensed by the State of Texas. The as-built survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the as-built survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

B. Upon receipt of the as-built survey, prepared in accordance with this Section 11.01, the Grantor shall compare the as-built survey with the proposed location of the Improvements, as represented by Grantee's application to the Grantor and set forth in Section 2.01 (and referenced Exhibits) hereof. If there are changes or discrepancies in the location of the Improvements authorized by this Agreement, the Grantor may either terminate this Agreement, or: (i) upon determination that the changed location results in unacceptable adverse impacts, require relocation of the Improvements to conform to the authorized right of way, or (ii) upon determination of no unacceptable adverse impacts, agree to replace Exhibit B attached hereto with a substitute exhibit denoted as Exhibit B-1. The substitute exhibit shall be consistent with the as-built survey and signed by both parties. Upon attachment of Exhibit B-1 hereto, Exhibit B shall be void and of no further effect.

C. If all or any part of the Improvements are buried, Grantee shall submit to the Grantor, within one hundred eighty (180) days following installation or construction of the Improvements, a survey which includes coordinates, or





at Grantor's option, "depth of cover" data, prepared by a surveyor duly licensed by the State of Texas. The survey shall be conducted in accordance with the Grantor's survey requirements attached hereto as Exhibit C. Failure or refusal by Grantee to timely provide the survey when due hereunder and the continuance of such failure for thirty (30) consecutive days after the receipt of the Grantor's written notice to Grantee specifying such failure may be treated as a default by Grantee hereunder and the Grantor may, in addition to any other remedy and in the Grantor's sole discretion, terminate this Agreement and require removal of any personal property and the Improvements located on the Premises in accordance with Section 9.02 of this Agreement.

11.02. A. Grantee shall provide written notice to the Grantor of any change in Grantee's name, address, or legal status (from a corporate entity to a partnership, etc.) and any change to other information required by this Agreement within thirty (30) days of the effective date of the change.

B. Grantee shall provide to the Grantor any other information reasonably requested by the Grantor in writing within thirty (30) days following such request.

C. If any information required to be submitted within a certain time under the terms of this Agreement shall not be received by the Grantor on or before ten (10) days after the date when due, after notice to Grantee and opportunity to cure, then, at Grantor's discretion, Grantee may be required to pay the Grantor a "Late Charge" not to exceed One Hundred Dollars (\$100.00) for each day so past due until the date on which the information is received or the Agreement is terminated.

11.03. Except with regard to initial construction/installation of the Improvements and emergencies, prior to conducting any activities at the Premises which may materially impact natural resources in or around the Premises, Grantee shall provide written notice to the Grantor describing the proposed activities in detail and any procedures which will be used to protect natural resources. Such notice shall be provided by Grantee to the Grantor at least sixty (60) days prior to conducting re-burial activities, and at least thirty (30) days prior to conducting major repairs, modification, or other activities. Grantee acknowledges and agrees that the Grantor shall have at least twenty (20) days following receipt of the notice to review the proposed activities and to impose specific conditions for conducting such activities which, in the Grantor's sole determination, are necessary to protect natural resources or to mitigate for actual damages to natural resources. If the Grantor has not provided notice to Grantee within twenty (20) days following receipt of Grantee's notice, the Grantor is deemed to have approved, subject to the terms of this Agreement, the proposed activities to be conducted at the Premises. In case of emergencies, Grantee may undertake all actions necessary to prevent imminent injury or damage to public health, safety or welfare, and/or to protect natural resources, and Grantee shall undertake any such actions as are, in the pipeline industry, ordinary and commercially reasonable responses to such emergencies. Within twenty-four (24) hours following such emergency actions, Grantee shall provide notice to the Grantor of such actions as hereinabove provided.

## ARTICLE XII. MISCELLANEOUS PROVISIONS

12.01. With respect to terminology in this Agreement, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders. If any provision of this Agreement shall ever be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions of the Agreement, but such other provisions shall continue in full force and effect.

12.02. The titles of the Articles in this Agreement shall have no effect and shall neither limit nor amplify the provisions of the Agreement itself. This Agreement shall be binding upon and shall accrue to the benefit of the Grantor, its successors and assigns, Grantee, Grantee's successors and assigns (or heirs, executors, administrators and assigns, as the case may be); however, this clause does not constitute a consent by the Grantor to any assignment by Grantee, but instead refers only to those instances in which an assignment is hereafter made in strict compliance with Article VI above, or in the case of a deceased natural person grantee, refers to the instances previously referred to in this sentence and also circumstances in which title to Grantee's interest under this Agreement passes, after the demise of Grantee, pursuant to Grantee's will or the laws of intestate succession. The words "hereof," "herein," "hereunder,"



"hereinafter" and the like refer to this entire instrument, not just to the specific article, section or paragraph in which such words appear.

12.03. Neither tender nor acceptance of any sums payable hereunder nor failure by either party to complain of any action, non-action or default of the other shall constitute a waiver as to any breach of any covenant or condition contained herein nor a waiver of any of the rights hereunder. Waiver by the Grantor of any right for any default of Grantee shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of either party hereunder or covenant, duty or obligation hereunder shall be deemed waived by the other party unless such waiver be in writing, signed by a duly authorized representative of the party.

12.04. No provision of this Agreement shall be construed in such a way as to constitute the Grantor and Grantee joint venturers or co-partners or to make Grantee the agent of the Grantor or make the Grantor liable for the debts of Grantee.

12.05. In all instances where Grantee is required hereunder to pay any sum or do any act at a particular indicated time or within an indicated period, it is understood that time is of the essence.

12.06. The terms of this Agreement shall only be binding on the Grantor during the period of its ownership of the Premises, and in the event of the transfer of such ownership interest, the Grantor shall thereupon be released and discharged from all covenants and obligations thereafter accruing, but such covenants and obligations shall be binding during the Agreement term upon each new owner for the duration of such owner's ownership.

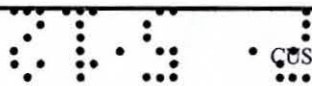
12.07. All monetary obligations of the Grantor and Grantee (including, without limitation, any monetary obligation for damages for any breach of the respective covenants, duties or obligations of either party hereunder) are performable exclusively in Austin, Travis County, Texas.

12.08. The obligation of Grantee to pay all Consideration and other sums hereunder provided to be paid by Grantee and the obligation of Grantee to perform Grantee's other covenants and duties under this Agreement constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is expressly provided for in this Agreement and not otherwise. Grantee waives and relinquishes all rights which Grantee might have to claim any nature of lien against, or withhold or deduct from or offset against, any Consideration or other sums provided hereunder to be paid to the Grantor by Grantee. Grantee waives and relinquishes any right to assert, either as a claim or as a defense, that the Grantor is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of the Grantor not expressly set forth in this Agreement.

12.09. Subject in all respects to Section 12.01 of this Agreement, this Agreement is and shall be subject to any applicable federal or state law, rule, order, or regulation presently or hereafter enacted or adopted to the extent, but only to the extent, that such law, rule, order, or regulation preempts or supersedes Grantor's authority to issue this Agreement or to require any particular obligation of Grantee, provided, however, that in the event of a conflict between any provision of this Agreement and any administrative rule promulgated by the General Land Office and/or the School Land Board, this Agreement shall control.

### ARTICLE XIII. RECORDING

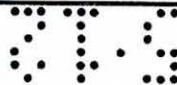
13.01. Grantee shall, at its sole cost and expense, record this Agreement in the Bosque County and Johnson County Real Property Records and provide a file marked copy to the Grantor within 60 days after the recorded original of this Agreement is returned by the county clerk responsible for such records.



ARTICLE XIV. ENTIRE AGREEMENT

14.01. This instrument, including exhibits, constitutes the entire agreement between the Grantor and Grantee and no prior written, or prior or contemporaneous oral promises, warranties or representations shall be binding. This Agreement shall not be amended, changed, altered, or extended except by written instrument signed by all parties hereto.

14.02. This Agreement shall become effective only upon execution by all parties hereto and delivery of a fully executed counterpart to each party.



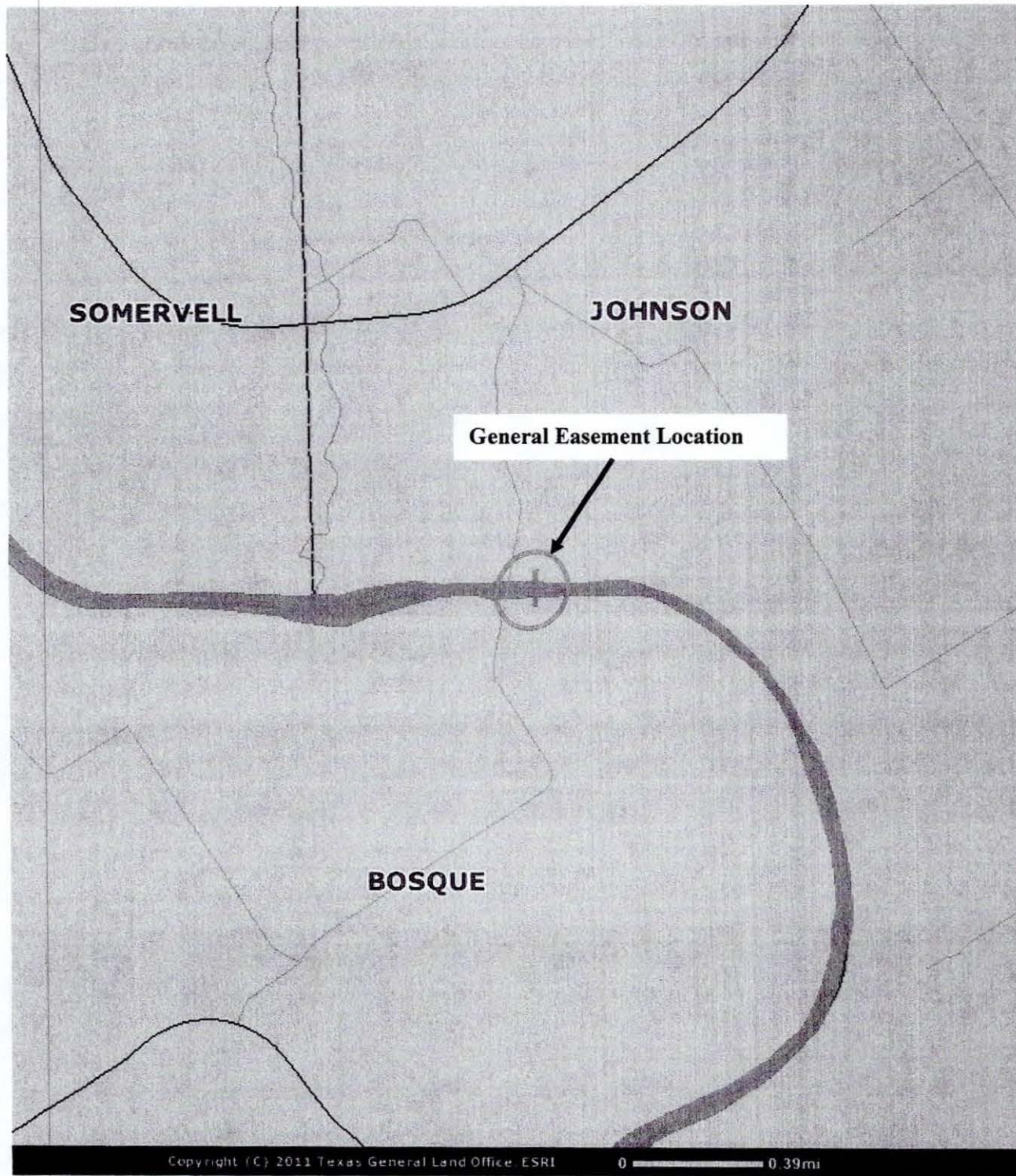






VICINITY MAP

BRAZOS RIVER, BOSQUE COUNTY AND JOHNSON COUNTY, TEXAS

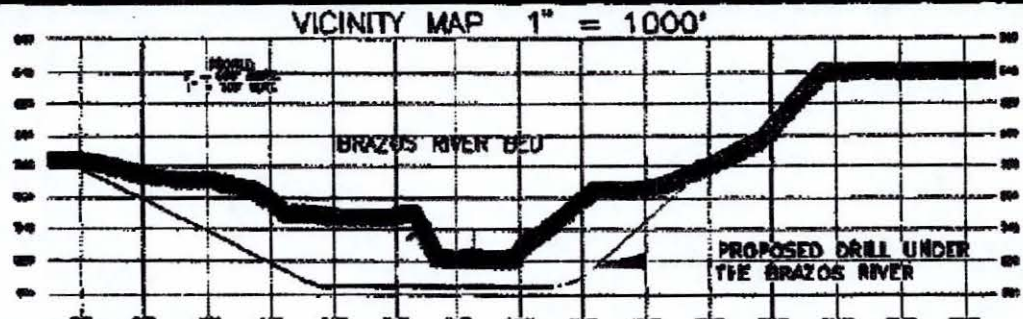
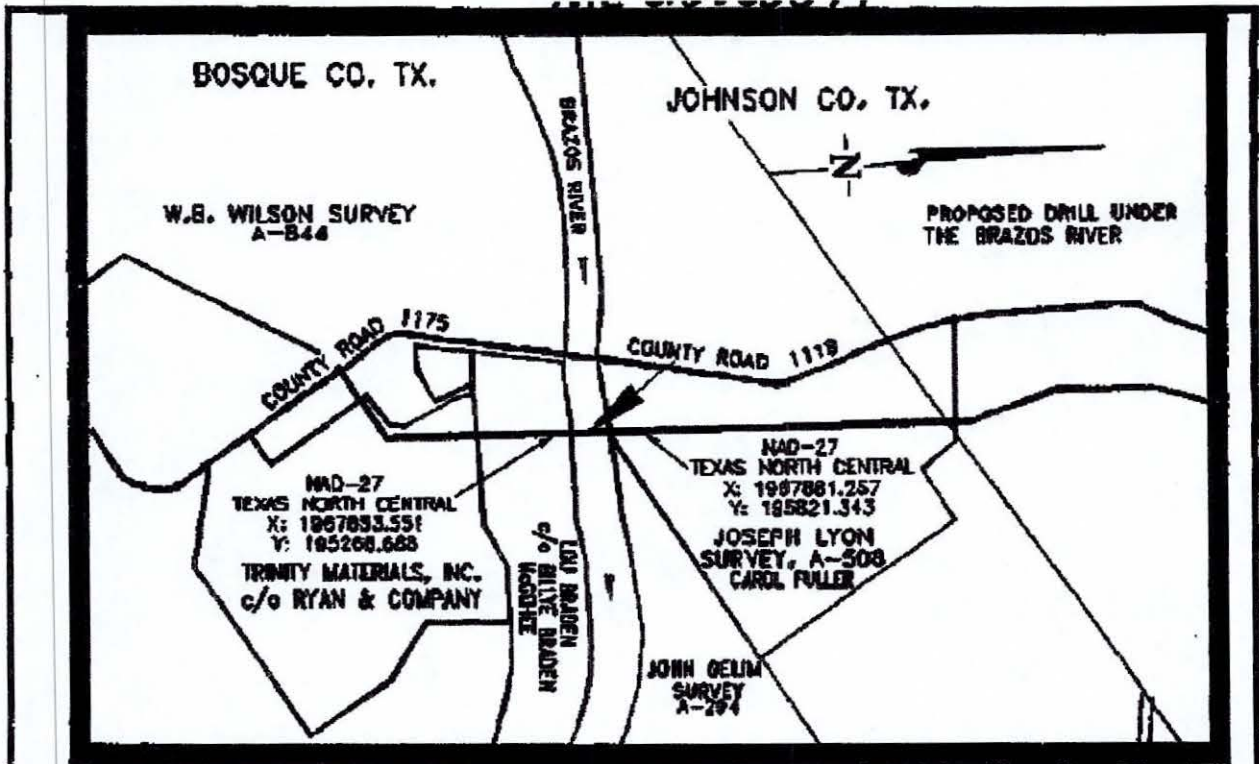


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SURVEY MAP

Exhibit B  
ME20060097

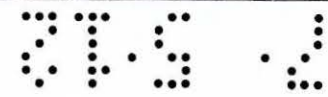


MAD 27  
TEXAS NORTH CENTRAL  
NORTH BANK  
LAT. 32° 12' 17.50481"  
LONG. 97° 36' 13.80505"  
SOUTH BANK  
LAT. 32° 12' 12.08563"  
LONG. 97° 36' 14.12114"  
551' OR 33.39 RODS

**LouisDreyfus**

EXHIBIT "B"

Louis Dreyfus Pipeline L.P. 13430 Northwest Freeway Suite 1200 Houston, Tx. 77040	Barnett Shale NGL Gathering System	SCALE: AS-SHOWN
		DATE: 4-18-86
SURVEYED BY: R.KUYKENDALL DRAWN BY: J.WILLIAMS CHECKED BY:	SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS 2225 PERRYTON PARKWAY, PAMPA, TX. 79063, P.L.L. (806)365-7218	JOB NO.:
		DRAWING NUMBER: LOUIS DREYFUS\BRAZOS RIVER
		SHEET 1 OF 1





## Instructions for Preparing Exhibits For The Following General Land Office Application:

### Miscellaneous Easements (Pipeline)

Maps (or plats) showing the location of proposed and as-built projects on state-owned lands are required as part of the General Land Office (GLO) application process. The following instructions are to be followed when applying for new work (proposed project), or for reporting as-built conditions for a previously approved project, when the activity is a **Miscellaneous Easement (Pipeline/Right-of-Way)** on state land.

The information specified below represents **minimum** requirements of the GLO; additional information may be requested on a project-by-project basis to facilitate a full evaluation of the proposed activity.

The information should be submitted along with the required application form and processing fees. Each map or plat must conform to the specifications contained herein. An application is not considered complete, and processing of the application will not be initiated, until all information requested has been submitted and GLO staff has determined that it is adequate.

NOTE: Surveys and survey plats required by other entities, Federal, State, County and/or City, are **PERMISSIBLE** and **USABLE** for GLO applications provided they meet the following requirements.

### **IF SUBMITTING SURVEY PLATS DIGITALLY, PLEASE PROVIDE THE INFORMATION IN ONE OF THE FOLLOWING FORMATS:**

1. In an ESRI format (i.e. Shape file, E00, or Geodatabase)
2. AutoDesk Map 6 or earlier version in a DWG format.
3. **And Projection Information of the data set submitted.**

### **A. GENERAL INSTRUCTIONS FOR ALL APPLICATIONS:**

1. Each map or plat should be 8-1/2" x 11".
2. A one-inch margin should be left at the top edge of each sheet for binding purposes.
3. Any shading used to identify specific areas must be reproducible by ordinary copy machines.
4. Each map or plat submitted must have a title block identifying, at a minimum: (a) applicant name; (b) applicant address; (c) project name; (d) date of preparation; (e) name of preparer, and (f) project location as follows:
  - (1) if on state-owned uplands, then provide county, survey name (original grantee) and, as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number;
  - (2) if on submerged land, then provide county name, waterbody name, and state tract number.
5. The scale for each map or plat must be clearly indicated both digitally and by graphic scale.
6. Vicinity Maps -- Exhibit A for each project application must be a Vicinity Map showing the general location of the proposed work. The Vicinity Map must be produced using a U.S.G.S. 7.5-minute topographic map, a Texas Department of Transportation County Road Map, or navigation chart as its base layer. The project location should be indicated by a prominent arrow on the map. An 8 1/2" x 11" Xerox copy from the original Topo, county map, or navigation chart showing the project location is sufficient. It is not necessary to submit the entire Topo or county map, so long as the map is appropriately identified as to the origin of the base information (e.g., name, and date of base map information used). This is most easily accomplished by copying the legend of the base map and making it part of the Vicinity Map.





7. Project Site Map -- Exhibit B for each project application should be a Project Site Map (in Survey Plat format) which provides specific project location information. The Project Site Map should be produced at sufficient scale and detail to enable field inspectors to locate the project on the ground with minimal difficulty. Demographic features such as road numbers, stream names, railroad crossings, corporate city limits, and other prominent locative features should be included on the Project Site Map. The project location should be indicated by a prominent arrow on the map and a North arrow must be provided. Annotation may be included on the map regarding distance of the project from known points (e.g., highway intersections, road stream crossings, etc.). **Additional requirements for preparing Project Site Maps are provided in Section B of this document.**

8. Detailed Project Plan -- Exhibit C for each project application should be a Detailed Project Plan, consisting of an aerial plan-view drawing and a cross-sectional drawing of all proposed or existing structures on state-owned lands at the project site.

Page 1 of the Detailed Project Plan should contain, at a minimum:

- a. Location of the shoreline or banks if the project is on or adjacent to tidally influenced waters or crosses a state-owned river, stream, creek, or bayou.
- b. The direction of ebb and flow if in or adjacent to tidal waters, or the direction of water flow if the project crosses a river, creek, stream, or bayou.
- c. A North arrow.
- d. The location of state tract lines (on tidally influenced lands), survey lines, or property lines, as applicable.
- e. The location of any marshes, submerged grass flats, oyster reefs, mud or sand flats, or other sensitive natural/cultural resources known to exist in the project area.
- f. The lines of mean high water and mean low water when applicable.
- g. The Detailed Project Plan cross-sectional drawing must include notation as to the outside diameter (OD) of all pipelines covered by the easement, and the relationship of the pipeline(s) to any other pipeline(s) in the immediate vicinity.
- h. The registration, easement, or lease numbers for any structures at the site previously authorized by the GLO (available from GLO field offices upon request).
- i. Any applicable Corps of Engineers application numbers covering the proposed work, as soon as that application number is available, but, in any event, prior to issuance of the easement.

Page 2 of the Detailed Project Plan should contain, as applicable, an explanation of construction methodology, techniques, and equipment that will be used at the site.

9. As-Built Survey -- A survey showing the depth of burial must be furnished for all projects on state-owned tidally influenced lands (Gulf of Mexico, bays, estuaries, etc.), crossings of state-owned rivers/streams/creeks/bayous. The survey shall show plan view only for projects on state-owned upland tracts. Failure to provide this information is, by terms of the state contract, grounds for termination of the easement and removal of the structure from state-owned land.

**New Pipeline Installations:** Each application for installation of a **new** pipeline must include with the application a profile drawing showing the **proposed** depth of burial at not fewer than 36" below the surface.

GLO will issue an easement using the **proposed** ROW and depth of burial information. Following installation of the pipeline, however, the applicant is required by terms of the GLO contract to provide a survey of actual burial depth measurements for that portion of the ROW length occupying state-owned land. The spacing between depth-of-burial measurement points is a function of the length of ROW. If the easement length is less than 500 feet, the depth of cover of the structure and waterway bottom elevation shall be determined at intervals not to exceed 50 feet. If the easement length is greater than 500 feet but less than 5,000 feet the interval between measurement points shall be 100 feet. Easements greater than 5,000 feet in length shall be surveyed at 250-foot intervals.

All work shall be performed under the supervision of, and sealed by, a registered professional land surveyor. All submitted drawings must be sealed by the supervising registered public land surveyor. All elevations must be referenced to a common datum (Mean Sea Level, National Geodetic Vertical Datum, Mean Low Water, etc.) and grid coordinates must reference Texas State Plane coordinate System of 1927 or 1983. The accuracy of the waterway bottom and pipeline elevations shall be +/- one-half (.5') foot for the waterway bottom and +/- one-half (0.5') foot for depth of burial less than or equal to 10 feet and +/- fifteen (15%) percent for depth of burial greater than ten (10) feet. Manual probing and electronic means (both active and passive) of survey type shall be acceptable for depth of burial determinations.

**Existing Pipelines:** At time of renewal of a contract for an existing underground pipeline easement, provide the data as required under Section 3.02.(iv) of this easement contract.





**CERTIFICATION BY A TEXAS REGISTERED PUBLIC LAND SURVEYOR IS REQUIRED ON ALL OF THE FOLLOWING WITH THE EXCEPTION OF DIRECTIONALLY DRILLED WELL BORE LOGS .**

**B. SPECIFIC INSTRUCTIONS:**

Maps or Survey Plats to be submitted as the Project Site Map and/or the Detailed Project Plan (see A7 and 8 above) must contain the information described below.

Upland survey data should be reported to normal boundary land surveying minimum standards. Offshore or submerged sites shall be located to a specified accuracy of +/- 5 feet of any reported location.

**1. Projects located on Tidally Influenced State-owned lands** (Including the Gulf of Mexico, bay tracts, and the tidally influenced portions of rivers, creeks, streams, and bayous):

Coordinates must be provided at the beginning and ending points of the Rights-of-Way (ROWs) centerline, or on the principal point or points of tracts described by other means (directional well bores, etc.). These coordinates must be based on the Texas State Plane Coordinate System of 1927 or 1983. Courses and distances must be specified as either grid or geodetic for all centerlines and perimeter lines, and ties must be made from specific improvements (e.g., well heads, platforms, pilings, etc.) to a corner or corners of the lease or easement tract. All submerged state land tracts crossed by any part of the ROW must be shown and identified, and the points of each ROW crossing of a state-tract boundary identified in the Texas State Plane Coordinate System of 1927 or 1983. The distance between crossings of a state-tract boundary must be indicated in both feet and rods on the plat.

As-built plats (and confirmation surveys at time of renewal) must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the ROW, the plat shall provide a minimum of one identified point for each 1,000 feet of ROW length. A ROW less than 1,000 feet long but greater than 500 feet in length requires one mid-point to be identified on the survey plat.

**2. Projects Across State-owned Upland Property, or the state-owned portion of a river, creek, stream, or bayou above the limit of tidal influence:**

**a. Upland Tract (State Fee Lands):**

For new project applications, information provided for projects on state-owned upland tracts shall include the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the proposed easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with the survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.

At completion of construction, or at time of renewal, an as-built plat or confirmation survey (whichever is applicable) must be submitted. This plat must give bearing and distance between angle points along the easement route. In the event no angle points exist along the course of the easement route, the plat shall provide a minimum of one identified point for each 1,000 feet of length. For easement routes, fewer than 1,000 feet long but greater than 500 feet long, one mid-point shall be identified on the survey plat.

**b. Crossing the State-owned portion of a river, creek, stream, or bayou above the limit of tidal influence.**

Information provided for projects crossing non-tidal state-owned rivers, creeks, streams, or bayous shall include an identification of the stream or water body by local and any other names known (historic, from topographic or other maps, etc.). In addition, the beginning and end points of the easement centerline, identified by coordinates on the Texas State Plane Coordinate System of 1927 or 1983, and shall include course and distance of all segments of the easement centerline. Course and distance from one end of the easement to the nearest survey corner or subdivision survey corner shall be included, along with a cross section or profile of the crossing between the top of the high banks, survey name (original grantee), and as applicable, survey or section number, block number, township number, subdivision name, lot or tract number, and abstract number of all surveys abutting the easement.





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File No. ME 2006 0097  
Recorded Data

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By DJ