

PIPELINE REIMBURSEMENT AGREEMENT

This Pipeline Reimbursement Agreement ("Agreement") is made this 26th day of July, 2016, by and between **Hilcorp Energy I, L.P.** ("Hilcorp"), a Texas limited partnership with its principal office located at 1111 Travis Street, Houston, Texas 77002 and **County of Fort Bend, Texas** ("Fort Bend") whose address is 301 Jackson Street, Richmond, Texas 77469.

WITNESSETH:

WHEREAS, Hilcorp owns an interest in and operates an oil, gas and petroleum products pipeline located on a tract of land containing 5.0 acres more or less, in the J. Burditt Survey, Abstract 383, Fort Bend County, Texas, which is more particularly described in Exhibit 'A' (the "Subject Tract"); and

WHEREAS, the stated pipeline is located near and along the western boundary line of the Subject Tract and is depicted on and labeled "Exxon P/L" on the attached Exhibit "B" ("Existing Pipeline"); and

WHEREAS, in order to facilitate Fort Bend's construction of Cane Island Parkway on the Subject Tract, the parties hereto have agreed to the relocation of that portion of the Existing Pipeline lying on the Subject Tract to a 30' in width easement parallel and adjacent to the South Cane Island Pkwy (100' ROW) as depicted on and labeled "30' ESMT" on the attached Exhibit "C" ("Proposed Route"); and

WHEREAS, Fort Bend has agreed to pay Hilcorp a fee to cover the cost of removing and relocating that portion of the Existing Pipeline lying on the Subject Tract.

NOW, THEREFORE, in consideration of the premises, above, and the mutual covenants hereinafter set forth, Hilcorp, and Fort Bend, agree as follows:

I. PROJECT

1.1 Hilcorp shall cause all work to be performed which in Hilcorp's judgment is necessary to (i) remove that portion of the Existing Pipeline lying on the Subject Tract and (ii) construct, build, install, and or lay a new pipeline on the Subject Tract in and along the Proposed Route (the newly installed relocated pipeline shall be referred to herein as the "Relocated Pipeline"). Such work shall include, but shall not be limited to, all required engineering and surveying, labor, materials and equipment procurement and installation, and inspections and testing, each as necessary.

1.2 Fort Bend agrees to pay to Hilcorp Five Hundred Twenty Thousand and no/100ths dollars (\$520,000.00) for removal of that portion of the Existing Pipeline lying on the Subject Tract and the construction and installation of the Relocated Pipeline. Fort Bend shall make such payment to Hilcorp within ten (10) days from the execution of this Agreement by both parties hereto. Hilcorp clearly understands and agrees that Fort Bend shall have available the total maximum amount of \$520,000.00 specifically allocated to fully discharge any and all liabilities that may be incurred for said removal of Existing Pipeline and installation of the Relocated Pipeline.

II. REMOVAL

2.1 Hilcorp shall have sole authority and responsibility for the removal of that portion of the Existing Pipeline lying on the Subject Tract and all operations required for such removal. All designs and operations required to remove that portion of the Existing Pipeline lying on the Subject Tract shall be designed and conducted in a good and workmanlike manner in accordance with applicable federal, state and local laws and safety and environmental regulations and in accordance with generally accepted natural gas pipeline industry practices.

2.2 Hilcorp shall perform, or cause to be performed, the actual abandonment work necessary to remove that portion of the Existing Pipeline lying on the Subject Tract and back fill and level any and all excavated areas to the ground level of the immediately surrounding land but will not cover such excavations with rock, gravel or other material or plant native grasses, shrubs or trees.

III. RELOCATED PIPELINE

3.1 Hilcorp shall have sole authority and responsibility for the design, construction and installation of the Relocated Pipeline and all operations required to conduct and complete such construction and installation. All designs and operations required or conducted to construct and install the Relocated Pipeline shall be designed and conducted in a good and workmanlike manner in accordance with applicable federal, state and local laws and safety and environmental regulations and in accordance with generally accepted natural gas pipeline industry practices.

3.2 Any deviations of the route or location of the Proposed Route and or the Relocated Pipeline from the location shown on Exhibit "C" shall require the prior written agreement of both Hilcorp and Fort Bend prior to the installation of the Relocated Pipeline along such deviated route or at such location.

IV. PERFORMANCE

4.1 Upon the execution of this Agreement by the parties hereto and upon receipt of the prepayment required under Section 1.2 above, Hilcorp shall promptly commence on-site work to remove that portion of the Existing Pipeline lying on the Subject Tract and to construct and install the Relocated Pipeline and thereafter use commercially reasonable efforts to have all such work completed in a timely manner. However, it is understood that the prompt commencement of such on-site removal and construction and installation may be delayed to (i) obtain all applicable local, state and federal permits required (if any) to remove that portion of the Existing Pipeline lying on the Subject Tract or construct and install the Relocated Pipeline, and/or to (ii) complete all design, engineering and preparatory work required to remove or construct and install same.

4.2 Fort Bend agrees to use best efforts to grant, and expedite the granting of, any required County approvals or permits to allow Hilcorp to remove that portion of the Existing Pipeline lying on the Subject Tract and/or construct and install the Relocated Pipeline.

4.3 Hilcorp agrees that it will use commercially reasonable efforts to have that portion of the Existing Pipeline lying on the Subject Tract removed and the Relocated Pipeline constructed and installed as soon as practicable following the commencement of such work and to achieve substantial completion of such work before February 3, 2017 (the “Outside Date”). The Outside Date shall be extended for delays caused by events outside Hilcorp’s control, included weather related delays or an event of Force Majeure, which shall include a strike, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, accident, fire, flood or other act of God, sabotage, or other events, interference by the Fort Bend with Hilcorp’s ability to proceed with the relocation, or any other event in which Hilcorp has exercised all due care in the prevention thereof so that the causes or other events are beyond the control and without the fault or negligence of Hilcorp. For any failure by Hilcorp to conclude said relocation by the Outside Date not caused by events outside Hilcorp’s control which results in delay charges to Fort Bend under a construction agreement with a third party, Hilcorp shall be liable for such additional costs caused by Hilcorp’s failure to complete work by the Outside Date.

V. INDEMNIFICATION

5.1 All work contemplated herein shall be performed in accordance with the terms and conditions set forth in this Agreement and the applicable local, state and federal rules and regulations. Hilcorp shall be responsible for obtaining any and all permits or approvals required with respect to any work performed in removing that portion of the Existing Pipeline lying on the Subject Tract and the construction and installation of the Relocated Pipeline.

5.2 Hilcorp agrees to defend, indemnify, protect and hold harmless Fort Bend, from and against any and all claims, losses, costs, expenses, liabilities or causes of action, including but not limited to attorneys’ fees and costs (collectively, “Losses”) asserted or established for damages or injuries to the environment or any person or property, including injury to Hilcorp’s contractors, subcontractors, employees, agents, representatives, directors, affiliates or officers, which arise from or are connected with Hilcorp’s removal of that portion of the Existing Pipeline lying on the Subject Tract or the construction and installation of the Relocated Pipeline. THE FOREGOING INDEMNIFICATION SHALL NOT APPLY TO THE EXTENT SUCH LOSSES ARISE OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF FORT BEND.

VI. NOTICE

6.1 All notices and other communications between Hilcorp and Fort Bend, unless otherwise specifically provided, shall be in writing and deemed to have been duly given when delivered in person or deposited with the United States Postal Service, First Class, with postage prepaid, addressed as follows or to such other address as either such party from time to time may designate for itself:

If to Hilcorp:

Hilcorp Energy I. L.P.
1111 Travis Street
Houston, TX 77002
ATTN: Vice President - Land
Phone 713-209-2400

If to Fort Bend:

County of Fort Bend
301 Jackson Street
Richmond, Texas 77469
Attention: County Judge
Phone: 281-341-8608

6.2 The parties hereto agree, at the request of the other, to execute and deliver all such other and additional instruments and documents and take such other reasonable action as may be necessary or desirable in order to more fully and effectively carry out the intents and purposes of this Agreement.

6.3 Each party hereto shall promptly notify in writing the other party of any action, circumstance, condition, or reasonably likely potential occurrence that might have a material effect on the ability of such party to perform its intended obligations under this Agreement.

VII. OTHER MATTERS

7.1 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCEPT FOR THE CONFLICT OF LAWS PROVISIONS THEREOF WHICH WOULD REFER A PARTY TO THE LAWS OF ANOTHER JURISDICTION.

7.2 This Agreement is expressly made subject to all statutes and/or regulations of any governmental body having jurisdiction.

7.3 This Agreement may be executed by the parties hereto in any number of counterparts (and by each of the parties hereto on separate counterparts), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

7.4 It is expressly understood under this Agreement that (a) Hilcorp is in no respect and for no purpose the agent of Fort Bend; and (b) Fort Bend is in no respect and for no purpose the agent of Hilcorp.

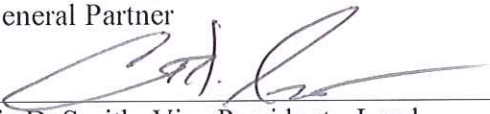
7.5 The invalidity or unenforceability of any portion or provision of this Agreement shall in no way affect the validity or enforceability of any other portion or provision hereof. Any invalid or unenforceable portion or provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain such invalid or unenforceable portion or provision. If any such provision of this Agreement is so declared invalid, the parties hereto shall promptly negotiate in good faith new provisions to eliminate such invalidity and to restore the Agreement as near as possible to its original intent and effect.


7.6 This Agreement supersedes any and all oral and written statements and representations between the parties hereto, and contains the entire agreement between the parties hereto with respect to the subject matter hereof. This Agreement may not be amended except by a written instrument executed by the parties hereto.

IN WITNESS THEREOF, the parties hereto have caused this agreement to be executed by their duly authorized officers as of the day and year above first written.

HILCORP ENERGY I, L.P.

By Hilcorp Energy Company
Its General Partner



Curtis D. Smith, Vice President - Land 

THE COUNTY OF FORT BEND accepts the foregoing Agreement and consents to its form and substance.

THE COUNTY OF FORT BEND

By: _____
Robert E. Hebert, County, Judge

Exhibit "A"

Attached to and made a part of that certain Pipeline Reimbursement Agreement dated July 26, 2016, between Hilcorp Energy I, L.P. and County of Fort Bend

Subject Tract

All that certain 5.00 acres (217,800 square feet) of land, being part of a 51.9869 acre tract (called 60 acres) of land in the Jesse Birdette Survey Abstract 383, and as recorded in Volume 172, Page 528 of the Fort Bend County Deed Records (F.B.C.D.R.), located in Fort Bend County, Texas, and being more particularly described by metes and bounds as follows with bearings referenced to document recorded in Volume 2384, Page 1768 F.B.C.D.R.:

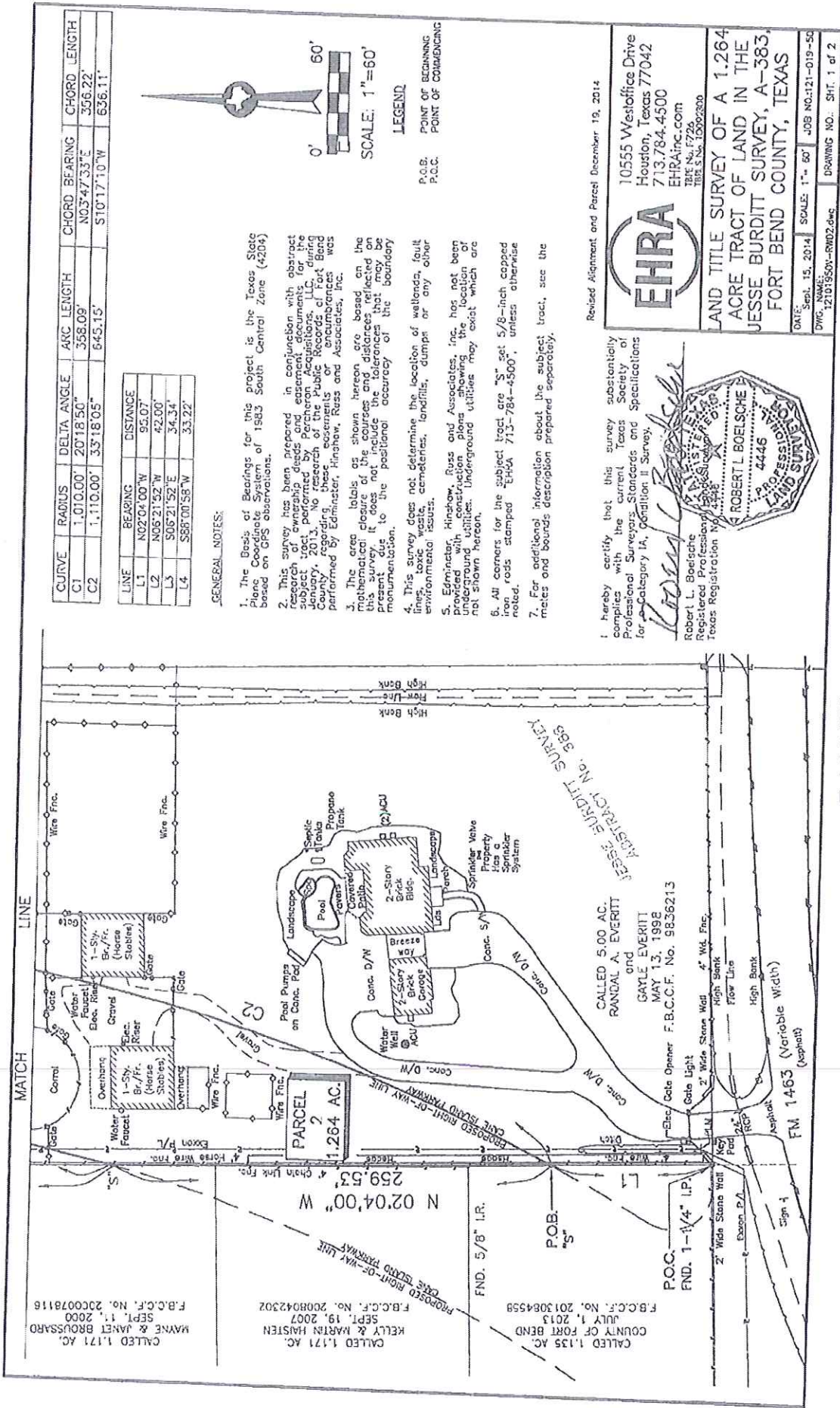
BEGINNING at a found 1 inch iron pipe on the north right-of-way line of F.M. 1463 (100 foot width) as recorded in Volume 275, Page 520 F.B.C.D.R., and the southeast corner of a tract of land by quit claim deed recorded in Volume 2651, Page 1284 F.B.C.D.R., and the southwest corner of the aforementioned 51.9869 acre tract for the southwest corner hereof;

THENCE, North 02°05'57" West, a distance of 750.85 feet to a found 1/2" pipe for the northwest corner of said 51.9869 acre tract in the south line of a tract of land in the name of Jeffrey and Verna G. Bain as recorded in Volume 2544, Page 1126 F.B.C.D.R. and a called 123.4 acre tract recorded in Volume 2119, Page 891 F.B.C.D.R., for the northwest corner hereof;

THENCE, North 88°00'01" East, along the south line of a tract of land in the name of Jeffrey and Verna G. Basin and a called 123.4 acre tract, a distance of 288.31 feet to a set 5/8 inch iron for the northeast corner hereof;

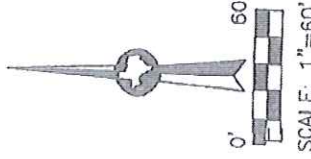
THENCE, South 02°26'09" East, departing the south line of a tract of land in the name of Jeffrey and Verna G. Basin and a called 123.4 acre tract, a distance of 748.60 feet to a set 5/8 inch iron rod on the north right-of-way of F.M. 1463 for the southeast corner hereof;

THENCE, South 87°33'16" West, along the north right-of-way of F.M. 1463, a distance of 292.71 feet to the POINT OF BEGINNING and containing 5.00 acres (217,800 square feet) of land.



CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	1,010.00'	20°18'50"	358.09'	N03°47'33\"/>	
C2	1,110.00'	33°18'05"	645.15'	S10°17'10\"/>	

LINE	BEARING	DISTANCE
L1	N02°04'00\"/>	
L2	N08°21'52\"/>	
L3	S06°21'52\"/>	
L4	S86°00'55\"/>	



LEGEND
 P.O.B. POINT OF BEGINNING
 P.O.C. POINT OF COMMENCING

GENERAL NOTES:

- The Basis of Bearings for this project is the Texas State Plane Coordinate System of 1983 South Central Zone (4204) based on GPS observations.
- This survey has been prepared in conjunction with abstract and ownership deeds and easement documents for the subject tract. The subject tract was acquired by Hilcorp Energy I, L.P. during January, 2013. No research of the Public Records of Fort Bend County regarding these easements or encumbrances was performed by Edminster, Hinshaw, Russ and Associates, Inc.
- The area labels as shown hereon are based on the mathematical closure of the courses and distances reflected on this survey. It does not include the tolerances of the boundary monumentation.
- This survey does not determine the location of wetlands, fault lines, toxic waste, cemeteries, landfills, dumps or any other environmental issues.
- Edminster, Hinshaw, Russ and Associates, Inc. has not been provided with construction plans showing the location of underground utilities. Underground utilities may exist which are not shown hereon.
- All corners for the subject tract are "S" set 5/8-inch capped iron rods stamped "EHRA 713-784-4500", unless otherwise noted.
- For additional information about the subject tract, see the metes and bounds description prepared separately.

Revised Alignment and Parcel December 19, 2014



10555 Westoffice Drive
 Houston, Texas 77042
 713.784.4500
 EHRA, Inc.
 TREC No. 67226
 TRES S.N. 1009200

LAND TITLE SURVEY OF A 1.264
 ACRE TRACT OF LAND IN THE
 JESSE BURDITT SURVEY, A-383,
 FORT BEND COUNTY, TEXAS

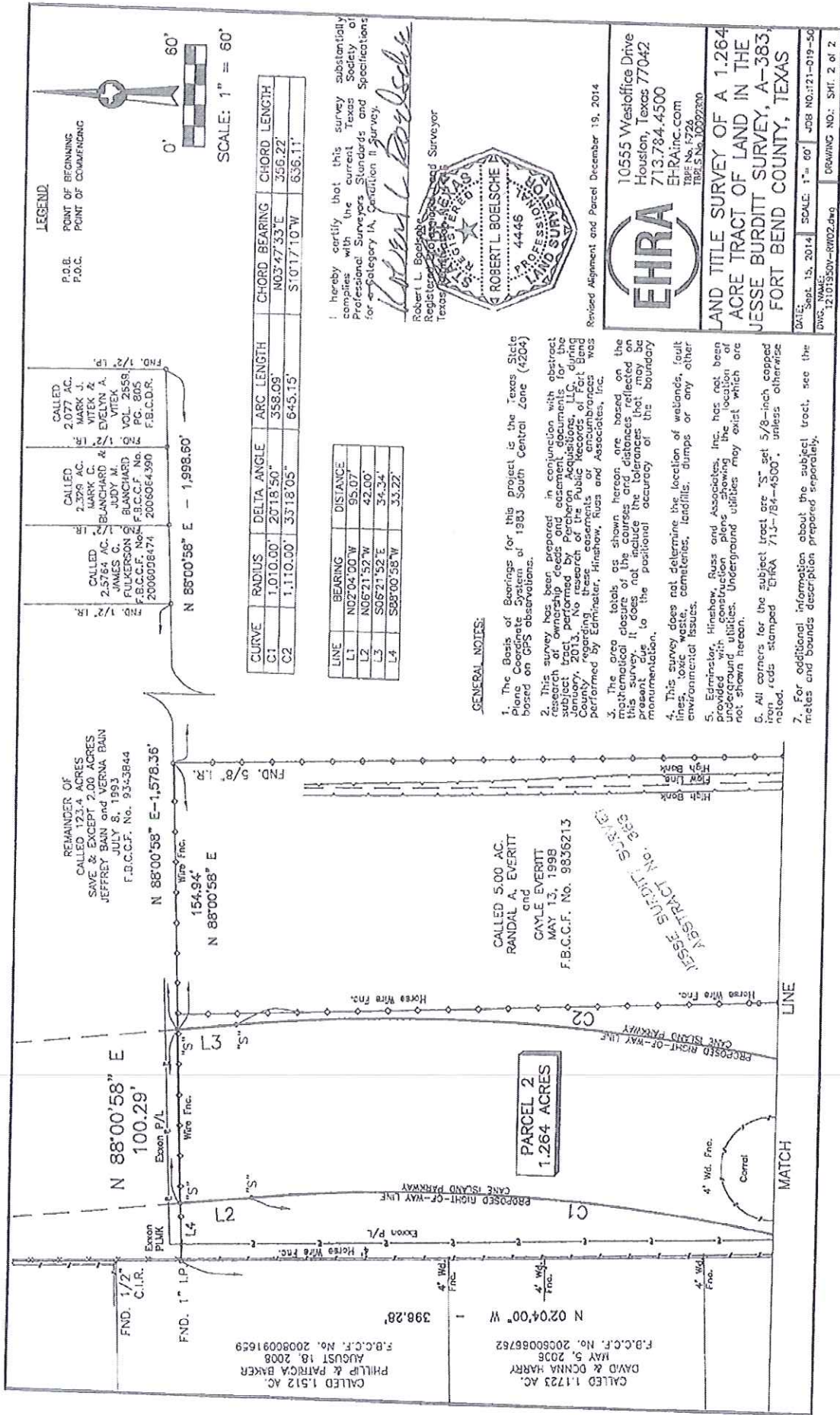
DATE: Sept. 15, 2014 SCALE: 1" = 60'
 DWG. NAME: 12101950V-RWD2.dwg
 JOB NO.: 21-019-50
 DRAWING NO.: SHI. 1 of 2

I hereby certify that this survey substantially complies with the current Texas Professional Surveyors Standards and Specifications for Category II, Generation II Survey.



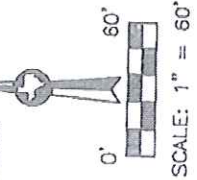
Robert L. Boelsche
 Registered Professional Surveyor
 Texas Registration No. 4446

Exhibit "B"
 Attached to and made a part of that certain
 Pipeline Reimbursement Agreement
 dated July 26, 2016, between
 Hilcorp Energy I, L.P. and County of Fort Bend



LEGEND

P.O.B.
P.O.C.
POINT OF BEGINNING
POINT OF COMMENCING



CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	1,010.00'	20°18'50"	358.09'	N03°47'33"E	356.22'
C2	1,110.00'	33°18'05"	645.15'	S10°17'10"W	636.11'

LINE	BEARING	DISTANCE
L1	N02°04'00"W	95.07'
L2	S06°21'52"W	42.00'
L3	S06°21'52"E	34.34'
L4	S88°00'38"W	33.22'

I hereby certify that this survey substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for Category IA, Condition II Survey.

Robert L. Boelsche
Robert L. Boelsche
Registered Professional Land Surveyor
Texas License No. 12103



Revised Alignment and Parcel December 19, 2014



10555 Westoffice Drive
Houston, Texas 77042
713.784.4500
EHRA, Inc. Com
TBP No. 1726
TBP S No. 0092280

**LAND TITLE SURVEY OF A 1.264
ACRE TRACT OF LAND IN THE
JESSE BURDITT SURVEY, A-383,
FORT BEND COUNTY, TEXAS**

DATE: Sept. 15, 2014 SCALE: 1" = 60' JOB NO.: 121-019-50
DWC: 1210330V-8802.dwg DRAWING NO.: SH. 2 of 2

GENERAL NOTES:

- The Basis of Bearings for this project is the Texas State Plane Coordinate System of 1983 South Central Zone (4204) based on GPS observations.
- This survey has been prepared in conjunction with abstract research of ownership deeds and easement documents for the subject tract performed by Purcherion Acquisitions, LLC, during the month of July 2013. The search of the Public Records of Fort Bend County, Texas, regarding the subject tract was performed by Edmeister, Hinshaw, Russ and Associates, Inc.
- The area tabs as shown hereon are based on the mathematical closure of the traverse and distances reflected on this survey. It does not include the distances that may be present due to the positional accuracy of the boundary monumentation.
- This survey does not determine the location of waterlines, fault lines, toxic waste cemeteries, landfills, dumps or any other environmental issues.
- Edmeister, Hinshaw, Russ and Associates, Inc. has not been provided with utility plans showing the location of underground utilities. Underground utilities may exist which are not shown hereon.
- All corners for the subject tract are "S" set 5/8-inch capped iron rods stamped "EHRA 713-784-4500", unless otherwise noted.
- For additional information about the subject tract, see the notes and bounds description prepared separately.

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Hilcorp Energy I, L.P.
Houston, TX United States

Certificate Number:
2016-119244

Date Filed:
10/03/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

County of Fort Bend

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

25578
Right-of-Way at Cane Island Parkway

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



Donald H. Spicer
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Donald H. Spicer, this the 3rd day of October, 2016, to certify which, witness my hand and seal of office.

Jordan Cobian
Signature of officer administering oath

Jordan Cobian
Printed name of officer administering oath

Notary
Title of officer administering oath