

November 3, 2015

Texas Department of Transportation, Pharr District  
Attn: Hazel Zepeda, Utility Coordinator  
PO Box 1717  
Pharr, TX 78577-1717

County: Hidalgo  
State Aid Project No.: STP 1502 (469)  
Highway: FM 1925

U14591  
ROW CSJ: 1803-02-033  
From: Kenyon Rd  
To: FM 907

RE: Tennessee Gas Compensable Utility Determination of Upper Limits Package

Dear Ms. Zepeda,

This letter, together with the attached documents, is to request a Determination of Upper Limits for compensable utilities related to the FM 1925 project in Hidalgo County, Texas.

Tennessee Gas Pipeline Company, LLC has prepared the attached package requesting a Determination of Upper Limits in order for them to begin their adjustment. Once Hidalgo County receives concurrence from your office, they will execute the Local Government Standard Utility Agreement and issue a Notice To Proceed.

Thank you and if you have any questions, please contact me at (956) 585-1909.

Sincerely,

Robert Macheska, P.E., CFM  
Project Manager

cc: Honorable Ramon Garcia, Hidalgo County Judge (Letter Only)  
Honorable Joseph Palacios, Commissioner, Hidalgo County Pct. #4 (Letter Only)  
Margil Maldonado, P.E., TxDOT (Letter Only)  
Jacinto Garza, P.E., L&G Engineering (Letter Only)

October 7, 2015

**Via Electronic Delivery**

Gregory S. Kazen  
818 Pecan  
McAllen, Texas 78502-3725

James Kirk, II  
125 East 11<sup>th</sup> Street  
Austin, Texas 78701

Re: Cause No. CCD-0251-A; *State of Texas and Hidalgo County, Texas versus Tennessee Gas Pipeline Company LLC, et. al.*

Gregory and James:

In addition to and as part of the LPA Standard Utility Agreement ("Agreement") and the related agreements incorporated therein, we add the following Rule 11 agreement supported by consideration from the Agreement:

1. The parties agree that Tennessee Gas Pipeline Company LLC ("Tennessee Gas") will remain in the above entitled and numbered lawsuit until such time as the Hidalgo County provides Tennessee Gas with notice to proceed with any relocation work as described in the Agreement.
2. Once Hidalgo County provides Tennessee Gas with notice to proceed with relocation work provided under the Agreement, Hidalgo County, in accordance with the Agreement, will dismiss Tennessee Gas from the lawsuit such that Tennessee Gas will retain its original property interests, including its easements, and Tennessee Gas will waive any rights to attorney's fees and costs under § 21.019 of the Texas Property Code. At that point, the parties will operate under the terms of the Agreement.
3. If such notice as described herein is not provided within six months of this Agreement, then Hidalgo County will either (1) proceed with the condemnation of Tennessee Gas's property interests and Tennessee Gas will retain the right to seek any compensation due in the condemnation; or (2) dismiss Tennessee Gas from the condemnation action and Tennessee Gas will be entitled to make any claims for fees and costs under § 21.019 of the Texas Property Code.

If you agree with these settlement terms, please sign in the space provided and return this letter to me at your earliest convenience so that we may file it with the Court pursuant to Rule 11 of the Texas Rules of Civil Procedure.

If not, please contact me so that we may discuss this matter further.

Sincerely,



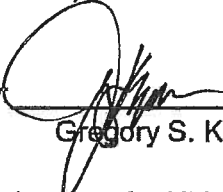
David Oliveros

DRO/vag  
Enclosure

**AGREED:**

Gregory S. Kazen  
818 Pecan  
McAllen, Texas 78502-3725

By

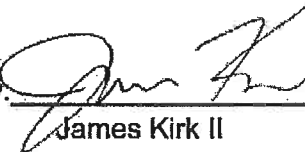


Gregory S. Kazen

Attorney for Hidalgo County

James Kirk, II  
125 East 11<sup>th</sup> Street  
Austin, Texas 78701

By



James Kirk II

Attorney for Texas Department of Transportation

**U-14591**

**LPA Standard Utility Agreement**

STATE OF TEXAS §

COUNTY OF HIDALGO §

## LPA STANDARD UTILITY AGREEMENT

### FM 1925 TENNESSEE GAS PIPELINE COMPANY ADJUSTMENT, REMOVAL, AND/OR REPLACEMENT

This agreement is made by and between the County Of Hidalgo, Texas hereinafter referred to as "County" and *Tennessee Gas Pipeline Company, L.L.C., a Delaware limited liability company*, hereinafter referred to as "Utility", acting by and through its duly authorized representative, shall be effective on the date of approval and execution by and on behalf of the County.

**WHEREAS**, the State of Texas has deemed it necessary to make certain highway improvements as designated by the State and approved by the Federal Highway Administration located on the highway as indicated above;

**WHEREAS**; the County is a county in the State of Texas;

**WHEREAS**, the proposed highway improvements will necessitate the adjustment, removal, and/or relocation of certain facilities of the Utility as indicated in the following statement of work: *extension of steel casing* to accommodate the proposed roadway widening being performed by the Texas Department of Transportation and more specifically shown in the Utility's plans, specifications and estimated costs, which are attached hereto in Attachment "A";

**WHEREAS**, the County, in receipt of evidence it deems sufficient, acknowledges the Utility's interest in certain lands and/or facilities that entitle it to reimbursement for the adjustment, removal, and relocation of certain facilities located upon lands as indicated in Attachment "A";

**NOW, THEREFORE**, for and in consideration of the premises and mutual promises, covenants and agreements hereinafter set forth, and intending to be legally bound, the County and the Utility agree as follows:

1. The County will pay the Utility all eligible actual costs which are incurred in the adjustment, removal, and/or relocation of the Utility's facilities.
2. The Utility agrees that all conduct under this agreement, including but not limited to the adjustment, removal, and/or relocation of the facility, the development of reimbursement of costs, any environmental requirements, and retention of records will be in accordance with 23 CFR 645, Subparts A & B and all other applicable federal and state laws, rules and regulations. The Utility agrees to

supply, upon request by the County, proof of compliance with the aforementioned laws, rules and regulations prior to commencement of construction.

3. The Utility agrees to develop relocation or adjustment costs by accumulating actual direct and related indirect costs in accordance with a work order accounting procedure prescribed by the County, or may, with the County's written approval, accumulate actual direct and related indirect costs in accordance with an established accounting procedure developed by the Utility. The bill for the work hereunder will be submitted to the County not later than ninety (90) days after completion of the work.
4. Upon execution of this agreement by both parties hereto, the County will, by written notice, authorize the Utility to proceed with the necessary adjustment, removal, and/or relocation. The Utility agrees to proceed in a diligent manner and will take all prudent actions to avoid delay or interference with the highway construction.
5. The Utility will endeavor to perform this work at its earliest window of opportunity.
6. The County will, upon satisfactory completion of the relocation or adjustment, receipt of a proper certification by the Utility that the work has been completed in accordance with the approved plans and specifications, receipt and verification of the bill prepared in an approved form and manner, and concurrence by TxDOT, make payment to the Utility.
7. This agreement in its entirety consists of the following:
  - a. LPA Standard Utility Agreement;
  - b. Plans of Adjustment (color coded), Specifications, and Estimated Costs (Attachment "A")(2 Originals);
  - c. Accounting Method (Attachment "B")(2 Originals);
  - d. Schedule (Start & End Dates) (Attachment "C")(2 Originals);
  - e. Statement Covering Contract Work – TxDOT ROW-U-48 (Attachment "D")(2 Originals);
  - f. Proof of Property Interest – TxDOT ROW-U-1A (Attachment "E")(2 Originals and 1 copy of recorded instrument);
  - g. Eligibility Ratio(Attachment "F")(2 Originals);
  - h. Cost Comparison (if Betterment) (Attachment "G")(2 Originals);
  - i. Betterment Statement (Attachment "H")(2 Originals);
  - j. Quit Claim Deed – TxDOT ROW-N-30 (Attachment "I")(2 Originals), if applicable;
  - k. Joint Use Agreement (Attachment "J")(2 Originals), if applicable.

All attachments are included herein as if fully set forth. In the event it is determined that a substantial change from the statement of work contained in this agreement is required, reimbursement therefore shall be limited to costs

covered by a modification of this agreement or a written change or extra work order approved by the County.

8. The Utility agrees to provide “as-built” plans to the County within sixty (60) days of the completion of the work.
9. This agreement is subject to immediate cancellation by the County at any time up to the date that work under this Agreement has been authorized and that such cancellation will not create any liability on the part of the County.
10. The Utility by execution of this agreement does not waive any of the rights which the Utility may have within the limits of the law.
11. It is expressly understood that the Utility conducts the adjustment, removal, and/or relocation using its own methods, and that the Utility agrees to indemnify and hold the County harmless for any and all damages and attorney’s fees caused by the Utility’s actions and/or conduct.
12. The Utility affirms that it has the authority to enter into this agreement, and that it has obtained the approval, if necessary, from any bankruptcy court exercising jurisdiction over the Utility.
13. Notice: Except as maybe otherwise specifically provided in this Agreement, all notices, demands, requests or communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Utility: Tennessee Gas Pipeline Company, L.L.C.  
Attention: Lori Lawrence  
Project Manager – TGP South  
TGP Station 9 – Victoria Texas  
1925 Old Bloomington Rd North  
Victoria, Texas 77905

If to County: Hidalgo County, Texas  
Attention: Ramon Garcia, Hidalgo County Judge  
P. O. Box 758  
Edinburg, Texas 78540-0758

With copy to: Joseph Palacios, Commissioner, Precinct No. 4  
1051 N. Doolittle  
Edinburg, Texas 78539


14. Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee, or, if mailed, at such time as it is deposited in the United States mail.
15. Additional Documents: The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this agreement.
16. Texas Law to Apply. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligation of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas
17. Successors. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.
18. Assignment: This Agreement shall not be assignable.
19. Headings. The headings and captions contained in this Agreement are solely for the convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.
20. Gender and Number. All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and as often as may be appropriate.
21. Authority to Execute. The execution and performance of this Agreement by the Utility and County have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of the Utility and County in accordance with its terms.
22. Governmental Purpose. Each party hereto is entering into the agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.
23. Commitment or Current Revenues Only. In the event that during any term hereof; the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties

intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. §271.903.

24. The signatories to this agreement warrant that each has the authority to enter into this agreement on behalf of the party represented.

**WITNESS THE HANDS OF THE PARTIES** effective as of the day and year of approval and execution by and on behalf of the County.

TENNESSEE GAS PIPELINE CO, L.L.C., A  
DELAWARE LIMITED LIABILITY COMPANY

By:   
Johnny W. McGee  
VP of Land and ROW, Agent and  
Attorney-in-Fact

COUNTY OF HIDALGO

By: \_\_\_\_\_  
Ramon Garcia, County Judge

ATTEST:

\_\_\_\_\_  
County Clerk

APPROVED AS TO FORM:

ATLAS, HALL & RODRIGUEZ, LLP

By: \_\_\_\_\_  
Stephen L. Crain

**U-14591**

**ATTACHMENT "A"**

**PLANS AND ESTIMATE**

SHEET SUMMARY

ITEM	DESCRIPTION	UNIT	QUANTITY
400	STRUCTURE EXCAVATION	CY	54
400	SAND BACKFILL	CY	25
400	CUT & RESTORE PAVEMENT	SY	-
464	18" RCP SEWER (CL III) SPL	LF	81
465	INLET (PCU)(3')(LEFT)	EA	1
465	INLET (PCU)(3')(RIGHT)	EA	1

\* NON-PAY

LEGEND

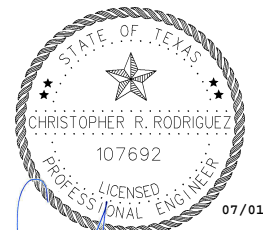
- SEE P&P SHEETS FOR DETAILS
- TO BE REMOVED UNDER ITEM 496. INCLUDES PAYMENT FOR REMOVAL OF ALL APPURTENANCES.
- NON-PAY, SUBSIDIARY TO PERTINENT BID ITEMS.
- DIRECTION OF PROPOSED DITCH
- LIMITS OF PROP. CUT & RESTORE (ITEM 400)

NOTES:  
SEE ALIGNMENT DATA SHEET FOR PROPOSED CENTERLINE DATA.

ALL RCP SHALL BE CL III(SPL) UNLESS OTHERWISE NOTED.

SEE HYD. DATA SHEETS FOR HYDRAULIC GRADE LINE (H.G.L.) ELEVATIONS

THE CONTRACTOR SHALL CONFIRM THAT CONFLICTS WITH EXISTING UTILITIES HAVE BEEN RESOLVED IN ADVANCE OF CONSTRUCTION. DAMAGES CAUSED BY OR TO EXISTING UTILITIES ARE THE RESPONSIBILITY OF THE CONTRACTOR.



**L&G Engineering**  
 Highway / Civil  
 Structural / Bridge  
 Environmental  
 Firm No. : F-4105

2100 W. Expressway 83  
 Mercedes, TX. 78570  
 Phone : (956) 565-9813  
 Fax : (956) 565-9018

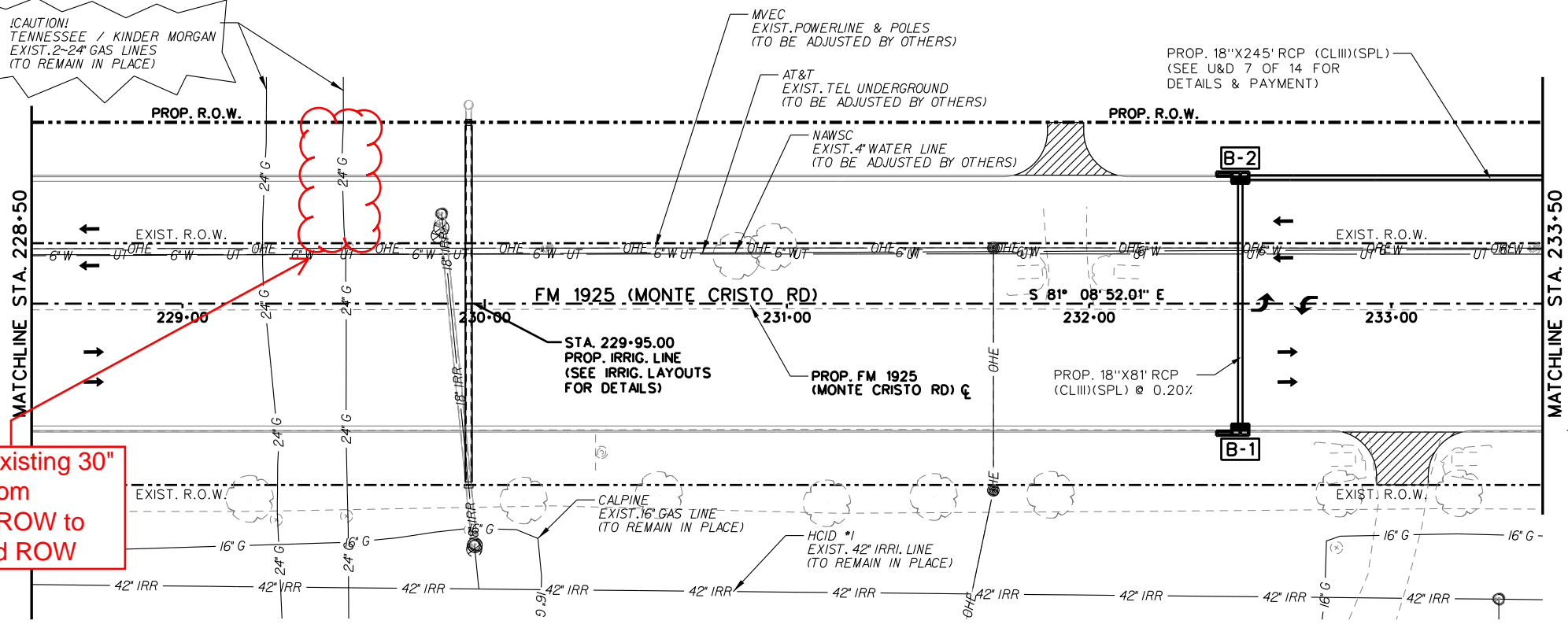
900 S. Stewart Rd., Ste. 10  
 Mission, TX. 78572  
 Phone : (956) 585-1909  
 Fax : (956) 585-1927

**FM 1925 (MONTE CRISTO RD)  
 UTILITIES AND DRAINAGE  
 STA. 228+50 TO STA. 233+50**

SCALE:  
 HOR: 1" = 50'  
 VER: 1" = 10'

SHEET 6 OF 14

DN:	FED. RD. NO.	STATE	PROJECT NO.	SHEET NO.
CK DN:	6	TEXAS		104
DW:	STATE DIST. NO.	COUNTY	CONTROL NO.	SECTION NO.
CK DW:	PHR	HIDALGO	1803	02
TR:	JOB NO.	HIGHWAY NO.		
CK TR:	028	FM 1925		



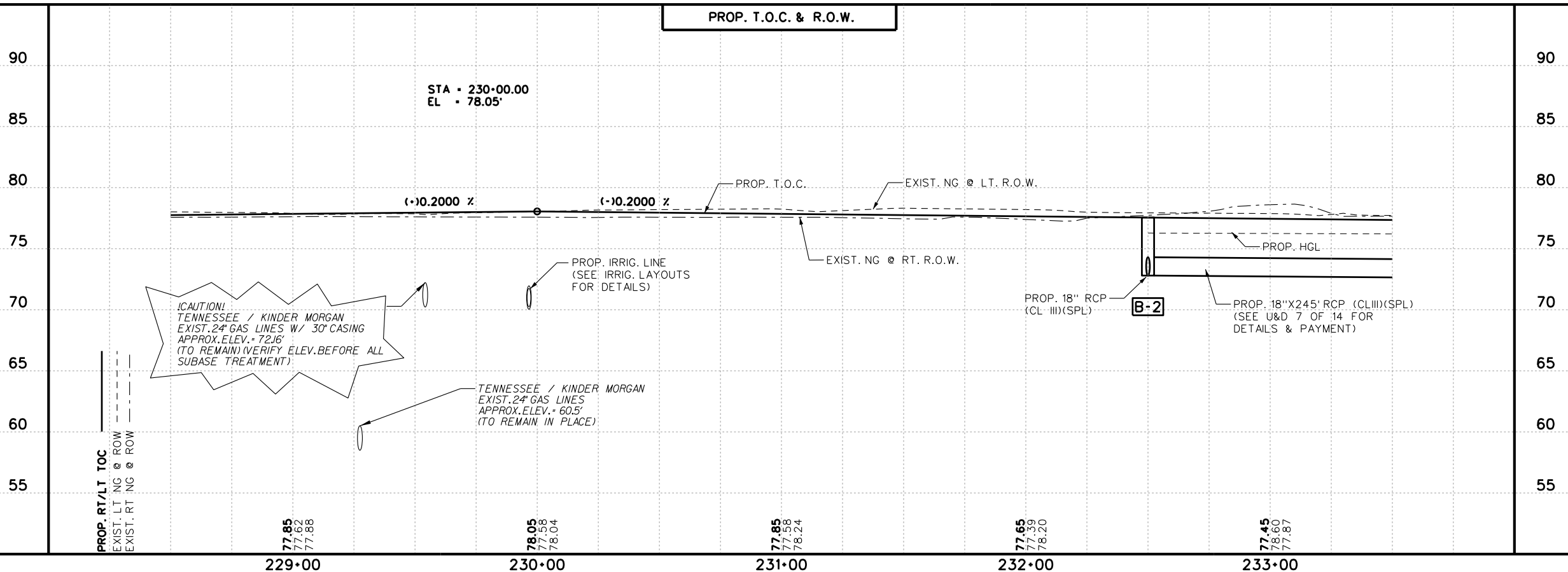
Extend existing 30" casing from Existing ROW to Proposed ROW

STORM DRAIN TABLE

STRUCTURE ID	DESCRIPTION	STATION / OFFSET TO FACE OF CURB	TOP OF STR. ELEVATION	PROP. FL. OF STRUCTURE	PROP. FL. OF PIPE (NORTH)	PROP. FL. OF PIPE (SOUTH)	PROP. FL. OF PIPE (EAST)	PROP. FL. OF PIPE (WEST)
B-1	PCU10R-3x5	STA. 232+50, 42.00 RT.	77.55	72.97	72.97	-	-	-
B-2	PCU10L-3x5	STA. 232+50, 42.00 LT.	77.55	72.80	-	72.80	72.80	-

UTILITIES LEGEND

AEP	AMERICAN ELECTRIC POWER
AT&T	AMERICAN TELEPHONE & TELEGRAPH
MVEC	MAGIC VALLEY ELECTRIC COOPERATIVE
NAWSC	NORTH ALAMO WATER SUPPLY CORP.
TWC	TIME WARNER CABLE
HCID#1	HIDALGO COUNTY IRRIGATION DISTRICT No. 1
CALPINE	NATURAL GAS COMPANY
TENNESSEE	TENNESSEE / KINDER MORGAN GAS COMPANY



K:\Counties\HID\FM1925 without FM907 (Kenyon-FM 907)\05 DRAINAGE\03 U&D\FM1925\_LUD06.dgn 7/1/2015

**Attachment "A"**  
**STANDARD AGREEMENT COST ESTIMATE**  
**U-NUMBER: U14591**  
**UTILITY: TENNESSEE GAS PIPELINE, LLC**  
**HWY: FM 1925**  
**ROWCSJ: 1803-02-033**

	Item No.	Description	Unit	Buy America	Estimated Costs		
					QTY	Unit Price	Amount
					#	\$	\$
Engineering	1	Contract Engineering	\$/hr		40	\$160	\$6,400
	2	Contract Drafting	\$/hr		45	\$125	\$5,625
	3	Contract Survey	\$/hr		45	\$125	\$5,625
	4						
	5						
Materials	1	30" Pipe .375" wt.	Feet	X	60	\$ 150	\$ 9,000
	2	2.375" Pipe .218" wt.	Feet	X	40	\$ 10	\$ 400
	3	2" 90 Ells	Each	X	2	\$ 20	\$ 40
	4	24"x30" Insulators	Each		40	\$ 115	\$ 4,600
	5	24"x30" Link Seal	Each		2	\$ 1,065	\$ 2,130
	6	24"x30" Casing End Seals	Each		2	\$ 425	\$ 850
	7	Test Lead Station	Each		1	\$ 290	\$ 290
	8	Freight	Each		1	\$ 2,500	\$ 2,500
	9						
	10						
	11						
Contract Labor	1	Mob/Demob	Each		1	\$ 5,000	\$ 5,000
	2	Extend 30" Casing	ft		60	\$ 1,930	\$ 115,800
	3	Pipe Recoat 24"	ft		60	\$ 220	\$ 13,200
	4	Construction Inspection Services	\$/Day		31	\$ 675	\$ 20,925
	5						
	6						
	7						
Company Labor	1	Company Labor	hr		150	\$ 55	\$ 8,250
	2	Employee Benefits	%of Labor		46%	\$ 8,250	\$ 3,795
	3	Employee Travel Expense & Phone	\$/ea		1	\$ 1,425	\$ 1,425
	4	Company Vehicle Expense	\$/mile		1000	\$ 0.555	\$ 555
	5						
	6						
Equipment	1						
	2						
	3						
	4						
	5						
ROW Charges	1	R-O-W & Work Space Damages	\$/ea		1	\$ 15,000	\$ 15,000
	2	Environmental Permits	\$/ea		1	\$ 5,300	\$ 5,300
	3						
	4						
	5						
Overhead	1	Company Overhead (16%)	%		16%	\$ 226,710	\$ 36,274
	2						
	3						
	4						
	5						
<b>TOTALS</b>							<b>\$ 262,984</b>

**U-14591**

## **Attachment B**

### **Utility Accounting Method**

**X Actual Cost Method of Accounting**

The utility accumulates cost under a work order accounting procedure prescribed by the Federal or State regulatory body; and  
The utility proposes to request reimbursement for actual direct and related indirect costs,

**Lump Sum Method of Accounting**

Utility proposed to request reimbursement based on an agreed lump sum amount supported by detailed cost analysis.

**Alternative Method of Accounting**

The utility accumulates costs under an accounting procedure developed by the utility and approved by the State; and,  
The utility proposes to request reimbursement for actual direct and indirect costs; and  
The utility owner is a municipality.

Initials: JMc Date: 10/28/15

**ATTACHMENT "C"**

(Utility Schedule of Work and Estimated Date of Completion)

Company Name: Tennessee Gas Pipeline : U Number 14591

Start Date: 1/25/2016 (Start construction)

Duration: 3 weeks (field work) (Calendar days)

Estimated Completion Date: 2/15/16

**Special Provision may be required:** Plans for adjustment will not be started until authorization to proceed is received from the County. TGP cannot start field adjustment until planning phase is completed, with a duration of planning phase to be approximately 90 calendar days.

Initials: JMe Date: 10/28/15

**U-14591**

**ATTACHMENT "D"**

**STATEMENT COVERING  
CONTRACT WORK**

**X FORM ROW-U-48 IS ATTACHED HERETO.**

**OR**

**WORK TO BE DONE BY UTILITY FORCES, FORM  
ROW-U-48, IS NOT APPLICABLE.**

STATEMENT COVERING UTILITY CONSTRUCTION CONTRACT WORK  
(AS APPEARING IN ESTIMATE)

U-Number: 14591

ROW CSJ Number: 1803-02-033 District: Pharr  
County: Hidalgo Highway No.: FM 1925  
Federal Project No.: N/A

I, JOHNNY W. MCGEE, a duly authorized and qualified representative of TENNESSEE GAS PIPELINE COMPANY, L.L.C., hereinafter referred to as **Owner**, am fully cognizant of the facts and make the following statements in respect to work which will or may be done on a contract basis as appears in the estimate to which this statement is attached.

It is more economical and/or expedient for **Owner** to contract this adjustment, or **Owner** is not adequately staffed or equipped to perform the necessary work on this project with its own forces to the extent as indicate on the estimate.

Procedure to be Used in Contracting Work

- A. Solicitation for bids is to be accomplished through open advertising and contract is to be awarded to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed.
- B. Solicitation for bids is to be accomplished by circulating to a list of pre-qualified contractors or known qualified contractors and such contract is to be awarded to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. Such presently known contractors are listed below:
  - 1. Strike Construction
  - 2. A&E Construction
  - 3. Two Guns Construction
- C. The work is to be performed under an existing continuing contract under which certain work is regularly performed for **Owner** and under which the lowest available costs are developed. (If only part of the contract work is to be done under an existing contract, give detailed information by attachment hereto.)
- D. The utility proposes to contract outside the foregoing requirements and therefore evidence in support of its proposal is attached to the estimate in order to obtain the concurrence of the State, and the Federal Highway Administration Division Engineer where applicable, prior to taking action thereon (approval of the agreement shall be considered as approval of such proposal).
- E. The utility plans and specifications, with the consent of the State, will be included in the construction contract awarded by the State.

Signature Johnny W. McGEE

Date 10/28/15

Title Vice President Land and Right of Way and Agent and Attorney-in-Fact

**U-14591**

**ATTACHMENT "E"**

**PROOF OF PROPERTY INTEREST**

**Easement Documentation or Affidavits  
(ROW-U-1A, ROW-U-1B, or ROW-U-1C)**

On State and Local projects, Texas Transportation Code section 203.092 provides that utility reimbursement for facility relocation is dependent upon whether the utility possesses a valid property interest.



**AFFIDAVIT**  
 (for Utility Owner)

U-No.14591

**THE STATE OF TEXAS**

§

District: Pharr

§

County: Hidalgo

**COUNTY OF HIDALGO**

§

Federal Project No.: N/A

ROW CSJ No.: 1803-02-033

Highway No.: FM 1925

(To be filled in by State)

**BEFORE ME, THE UNDERSIGNED AUTHORITY**, on this day personally appeared Johnny McGee, Agent and Attorney-in-Fact for Tennessee Gas Pipeline Company, L.L.C., (“Utility”) who after being by me duly sworn upon his/her oath deposes and says as follows:

"I, Johnny McGee, am over the age of 18 years and am fully competent to testify to the matters set forth in this Affidavit. I have personal knowledge of all facts and swear that such facts are true and correct.

1. Right of Way Agreement for the first pipeline (Line No. 409A-100) constructed in 1950 includes this land description: 102.68 acres, more or less, being all of Block P containing 107.32 acres, more or less, SAVE AND ACCEPT the East 4.64 acres thereof of the Santa Cruz Ranch Subdivision of the lands out of the San Salvador del Tule Grant, Hidalgo County, Texas, and being the same land that was conveyed from Bill Rork et al to Edna T. Reynolds by Deed dated April 30, 1938, recorded in Volume 444, Page 208, Deed Records of Hidalgo County, Texas, to which Deed and its Record reference is here made for all purposes.

Right of Way Agreement for the second pipeline (Line No. 409A-1200) constructed in 2002 includes this land description: Tract or tracts of land of Grantor situated in the County of Hidalgo, State of Texas, and being the same lands as described in that certain Deed dated June 23, 1987, and duly recorded in Deed Book 2477 at Page 640 in the County Clerk’s Office of Hidalgo County, Texas.  
 [legal description of land]

2. Utility owns two (2) pipeline easements across this property, but does not own the land. See attached Right of Way Agreements.  
 [facts indicating affiant’s familiarity with subject land, including inspection and surveys]
3. See attached Right of Way Agreements.  
 [facts attesting to ownership, including claims through deeds, etc.]
4. Utility (Tennessee Gas Pipeline Company, L.L.C. and its predecessors in name) has been the owner and operator of the two pipelines crossing the subject tract(s) since the lines were constructed in 1950 and 2002, respectively.;  
 [facts showing use of property]
5. Not applicable; Utility does not own any fencing or enclosures on the pipeline easements.  
 [facts showing nature and state of repair of enclosures or fencing]
6. See attached Right of Way Agreements. Tennessee Gas Pipeline Company, L.L.C. is successor in name to Tennessee Gas Transmission Company and Tennessee Gas Pipeline Company.  
 [facts showing continuous possession for statutory period].

Further affiant sayeth not.”



Signature *Johnny McGee*

Title: Vice President, Land and Right of Way  
and as Agent and Attorney-in-Fact

Company: TENNESSEE GAS PIPELINE  
COMPANY, L.L.C.

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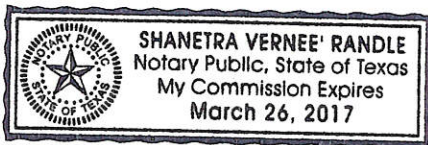
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CORPORATE ACKNOWLEDGMENT

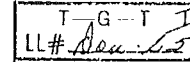
STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me, the undersigned authority, on the 28<sup>th</sup> day of October, 2015, by Johnny McGee, Agent and Attorney-in-Fact for Tennessee Gas Pipeline Company, L.L.C., a Delaware limited liability company, on behalf of said company.



  
NOTARY PUBLIC, STATE OF TEXAS



STATE OF TEXAS )  
 COUNTY OF HIDALGO )

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Edna T. Reynolds and husband, F. M. Reynolds, (hereinafter called GRANTOR, whether one or more), for and in consideration of the sum of One Hundred Sixty-two and No/100 (\$162.00) Dollars, in hand paid, receipt of which is hereby acknowledged, does hereby grant, sell and convey unto TENNESSEE GAS TRANSMISSION COMPANY, a Delaware Corporation, its successors and assigns (hereinafter called GRANTEE) a right of way and easement for the purposes of laying, constructing, maintaining, operating, and removing a pipe line (with fittings, tie-overs and appliances, including Cathodic Protection Equipment) for the transportation of oil, gas, petroleum products or any other liquids, gases or substances which can be transported through a pipe line, under, upon, over and through the lands of grantor, situated in the County of Hidalgo, State of Texas, described as follows:

Containing 102.68 acres, more or less, being all of Block P containing 107.32 acres, more or less, SAVE AND EXCEPT the East 4.64 acres thereof, of the Santa Cruz Ranch Subdivision of the lands out of the San Salvador del Tule Grant, Hidalgo County, Texas, and being the same land that was conveyed from Bill Rork, et al to Edna T. Reynolds, by Deed dated April 30, 1938, recorded in Vol. 444, page 208, Deed Records of Hidalgo County, Texas, to which Deed and its Record, reference is here made for all purposes.

\* The center line of the right of way and easement granted hereby shall be as presently staked, and such right of way and easement is limited to 50 feet in width for the purpose of laying, constructing and removing the pipe line and 25 feet in width for maintaining and operating said pipe line.

The Grantee shall have all rights and benefits necessary or convenient for the full enjoyment or use of the rights herein granted, including the right of ingress and egress over and across said lands to and from said right of way and easement only by the most practicable route.

TO HAVE AND TO HOLD said right of way and easement, unto said Grantee, its successors and assigns until such pipe line be constructed and so long thereafter as a pipe line is maintained thereon.

The undersigned Grantor, his successors, heirs or assigns, reserves the right to fully use and enjoy said premises subject to the rights herein granted; providing, however, that the Grantee shall have the right from time to time to keep clear all obstructions that may injure, endanger or interfere

with the construction and use of said pipe line or fittings and appliances appurtenant to said line.

The Grantee, by the acceptance hereof, agrees to pay for any damage to crops, fences, and all species of fruit trees, which may arise from laying, constructing, maintaining, repairing, and removing such pipe line. For the purpose of determining the amount of any damage occurred to citrus trees, the value thereof shall be conclusively taken to be as follows, to-wit: Trees one year old or less, \$10.00 per tree, and trees older than one year, an additional \$2.00 for each additional year of age the trees have attained; provided, however, that if any trees were not in a reasonably thrifty condition at the time of damage, Grantee will pay only the reasonable worth of such trees at that time, not to exceed the respective amounts above stated.

Any payment hereunder may be made direct to the Grantor or to \_\_\_\_\_, who is hereby appointed agent and authorized to receive and receipt for the same. No change in ownership of said lands shall be binding upon Grantee until muniment of title by which such change becomes effective has been place of record in the County wherein such lands are located.

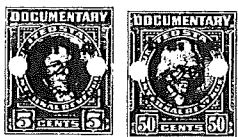
It is mutually understood and agreed that this right of way grant as originally written covers all the agreements and stipulations between the parties and that no representations or statements verbal or written have been made, modifying, adding to, or changing the terms of said original right of way agreement.

IN TESTIMONY WHEREOF, the Grantors herein have executed this conveyance

this 29<sup>th</sup> day of April, 1950.

Witness: Don D. Zirbel  
Don D. Zirbel

Edna T. Reynolds  
Edna T. Reynolds  
F. M. Reynolds  
F. M. Reynolds

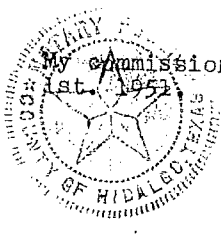


THE STATE OF TEXAS |  
COUNTY OF HIDALGO. |

BEFORE ME the undersigned, a Notary Public in and for said County and State, on this day personally appeared F. M. Reynolds and Edna T. Reynolds, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Edna T. Reynolds, wife of the said F. M. Reynolds, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Edna T. Reynolds, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 29<sup>th</sup> day of April  
A. D. 1950.

Santos Goren  
Notary Public in and for Hidalgo  
County, Texas.  
SANTOS GORENA



8577

*Revised in*

*Edna T. ...*

*...*

PROOF READ

FILED FOR RECORD THIS DATE  
at 10 o'clock AM.

MAY 11 1950

G. A. WEBER  
County Clerk, Hidalgo County, Texas  
By [Signature] Deputy

*1326*

RECEIVED  
LAND OFFICE  
SAN ANTONIO, TEXAS

THE STATE OF TEXAS }  
County of Hidalgo }

I, G. A. WEBER, Clerk, County of Hidalgo, Texas

do hereby certify that the above and foregoing instrument, with its exhibits, was duly filed for record in the Public Records of this County, Texas, on the 11th day of May, A. D. 1950, at 10:22 o'clock AM, and that the same was duly recorded in the Public Records of this County, Texas, in Book 689, Page 62-66, of the 2nd District.

27th day of May, 1950

Aurora Rutledge

G. A. WEBER  
Clerk, County of  
Hidalgo County, Texas

## RIGHT OF WAY AGREEMENT

LL34 TX-Don (2)

STATE OF TEXAS

}

KNOW ALL MEN BY THESE PRESENTS:

8026383

COUNTY OF HIDALGO

That the undersigned Joe H. Ramon, Trustee, (hereinafter called GRANTOR, whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, in hand paid, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell and convey unto Tennessee Gas Pipeline Company, a Delaware Corporation, having its principal office at 1001 Louisiana Street, Houston, Texas 77002, its successors and assigns (hereinafter called GRANTEE), a permanent right of way and easement for the purpose of constructing, operating, maintaining, altering, repairing, changing the size of, replacing and removing one or more pipelines and all related equipment and appurtenances thereto (including but not limited to meters, fittings, tie-overs, valves, and cathodic protection equipment) for the transportation of oil, gas, or the by-products of either, and other substances that can be transported through pipelines, under, over and across the tract or tracts of land of GRANTOR, situated in the

County of Hidalgo, State of Texas; and being the same lands as described in that certain Deed dated June 23, 1987, and duly recorded in Deed Book 2477 at Page 640 in the County Clerk's Office of Hidalgo County, Texas

GRANTEE'S permanent right of way and easement shall be fifty feet (50') in width, being thirty-seven and one half feet (37.5') on the West side and twelve and one half feet (12.5') on the East side of the pipeline commencing at the North boundary line abutting a dirt road, running in a Southwest direction for one hundred seventy-two feet (172') more or less, continuing in a Southerly direction for two thousand five hundred and three feet (2,503') more or less, as finally determined. Grantee shall also have Temporary Easements for construction purposes only, being 1) fifty (50') feet in width, being thirty-seven and one half (37.5) on the West and twelve and one half (12.5) on the East commencing on the North boundary line abutting a dirt road, running in a Southwest direction for one hundred seventy-two feet (172') more or less directly abutting the East and West edge of the permanent easement being granted herein, and 2) Additional Temporary Work Space being four (4) strips of land each being twenty-five feet (25) wide and one hundred feet (100') long in which two (2) commence at the fifty foot (50') buffer on the North boundary line directly abutting the temporary on the East and West edge and two (2) commence at the South property line (FM.1925) abutting Temporary work space on the East and West. Said Temporary Easement(s) shall terminate upon completion of construction of the pipeline and restoration of the lands. Grantor, by these presents, does hereby grant to Grantee, its successors and assigns the right to construct, operate, maintain and remove communication lines and all related appurtenances over and across the permanent right of way easement being granted herein.

The GRANTEE, its successors and assigns, are hereby expressly given and granted the right to assign the right of way and easement herein granted and conveyed, or any part thereof, or interest therein, and the same shall be divisible among two or more owners, as to any right or rights created hereunder, so that each assignee or owner shall have the full rights and privileges herein granted, to be owned and enjoyed either in common or in severally.

The GRANTEE shall have all rights and benefits necessary or convenient for the full enjoyment or use of the rights herein granted, including, but without limiting the same to, the free rights of ingress and egress over and across said lands and existing roads of GRANTOR.

TO HAVE AND TO HOLD the said rights and privileges unto said GRANTEE, its successors and assigns, until such pipeline(s) and/or communication line(s) are constructed and so long thereafter as a pipeline and/or communication line(s) are maintained thereon; and the undersigned hereby bind themselves, their heirs, executors and administrators (and successors and assigns) to warrant and forever defend all and singular premises unto the GRANTEE, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

The undersigned GRANTOR, its successors, heirs or assigns, reserves the right to fully use and enjoy the said premises subject to the permanent right of way and easement herein granted and conveyed; provided, however, that the GRANTOR shall not plant any trees, including trees considered as a growing crop, on the permanent right of way and easement; and provided further, that the GRANTEE shall have the right from time to time to cut and remove all trees, including trees considered as a growing crop, all undergrowth and any other obstructions that may injure, endanger or interfere with the construction and use of said pipeline(s) and/or communication line(s) and fittings and appliances appurtenant to any of said lines. No excavation, change of grade nor water impoundment may be made on and no structure shall be erected or placed on the permanent easement herein granted without the prior written consent of GRANTEE.

The GRANTEE, by acceptance hereof, agrees to pay for any damage to crops and fences which may arise from laying, constructing, maintaining, operating, altering, repairing, removing, changing the size of and replacing such pipeline(s) and/or communication line(s), and to pay for any and all actual damages to timber which may arise from laying and constructing such pipeline(s) and/or communication line(s).

No change in ownership of said lands shall be binding upon GRANTEE until the muniment of title

by which such change becomes effective has been placed of record in the  
County wherein such lands are located and a certified copy thereof is delivered to GRANTEE.

It is mutually understood and agreed that this Indenture as written covers all the agreements and stipulations between the parties and that no representations or statements, verbal or written, have been made modifying, adding to, or changing the terms hereof.

IN WITNESS WHEREOF, the Grantor(s) herein have duly executed this agreement this day of 26<sup>th</sup>  
July  
~~June~~ 2002

WITNESS:  
Janal Anglin

GRANTOR  
Joe H. Ramon  
Joe H. Ramon, Trustee

This Instrument prepared by:  
Tennessee Gas Pipeline Company  
1001 Louisiana Street  
Houston, Texas 77002

ACKNOWLEDGMENT

STATE OF TEXAS

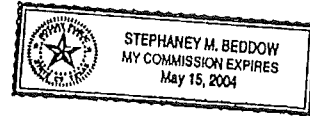
}

COUNTY OF HIDALGO

BEFORE ME the undersigned, a Notary Public in and for said County and State, on this day personally appeared Joe H. Ramon, Trustee known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This 26<sup>th</sup> day of July, A.D., 2002.

Stephanie M. Beddow  
Notary Public in and for State of Texas County, Hidalgo  
My Commission expires 05-15-04



CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS

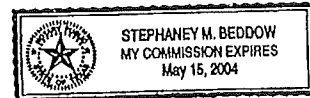
}

COUNTY OF HARRIS

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_ by Mark A. Handley, Manager of Property Rights Services and as Agent and Attorney-in-Fact of Tennessee Gas Pipeline Company, a Delaware Corporation, on behalf of said corporation.

Stephanie M. Beddow  
Notary Public

My Commission expires 05-15-04



Filed for Record in:  
Hidalgo County  
by J. D. Salinas, III  
County Clerk

On: Aug 23, 2002 at 10:44A

As a Recording

Document Number:	1114251
Total Fees :	16.00

Receipt Number - 441695

By  
Imelda Leal, Deputy

**U-14591**

**ATTACHMENT "F"**

**ELIGIBILITY RATIO**

**X 1 - SINCE THE ENTIRE SCOPE OF WORK IS OUTSIDE THE EXISTING HIGHWAY ROW AND WITHIN THE PROPOSED HIGHWAY ROW, AND WITHIN THE UTILITY'S EXISTING EASEMENT, ALL ASSOCIATED COSTS FOR RELOCATION IS 100% REIMBURSABLE.**

Initials: *JMc* Date: *10/28/15*

**U-14591**

**ATTACHMENT "G"**

**COST COMPARISON**

**N/A**

**U-14591**

**ATTACHMENT "H"**

**BETTERMENT STATEMENT**

X1 - NO BETTERMENT ASSOCIATED WITH THIS  
ADJUSTMENT

**OR**

2 - PROVIDE BETTERMENT AS A PERCENTAGE

**CALCULATION FOR BETTERMENT RATIO**

**REPLACEMENT WITH BETTERMENT - REPLACEMENT IN KIND**  
**REPLACEMENT WITH BETTERMENT**

**U-14591**

**ATTACHMENT "I"**

**Quit Claim Deed**

N/A

**U-14591**

**ATTACHMENT "J"**

**UTILITY JOINT USE ACKNOWLEDGEMENT**



UTILITY JOINT USE ACKNOWLEDGEMENT  
REIMBURSABLE UTILITY ADJUSTMENT

U-Number: 14591

ROW CSJ: 1803-02-033

County: Hidalgo

District: Pharr

Highway: FM 1925

Federal Project No.: N/A

From:

Projected Highway Letting Date: July, 2015

To:

**WHEREAS**, the State of Texas, ("**State**"), acting by and through the Texas Department of Transportation ("**TxDOT**"), proposes to make certain highway improvements on that section of the above-indicated highway; and

**WHEREAS**, **Tennessee Gas Pipeline Company, LLC**, ("**Utility**"), proposes to adjust or relocate certain of its facilities, if applicable, and retain title to its pipeline easement on, along or across, and within or over such limits of the highway right of way as indicated by the location map attached hereto as Exhibit "A."

**NOW, THEREFORE**, in consideration of the covenants and acknowledgements herein contained, the parties mutually agree as follows:


It is agreed that the State is amending its petition to drop Utility from *State of Texas and Hidalgo County v. MJVM, Ltd. and Tennessee Gas Pipeline Company, LLC*, Cause No. CCD-0251-A, County Court At Law No. 1, in Hidalgo County, Texas, such that the State is not condemning the Utility's easement.

It is agreed that joint usage for both highway and utility purposes will be made of the area within the highway right of way limits as such area is defined and to the extent indicated in the plans attached hereto as Exhibit "B." Nothing in this Acknowledgement shall serve to modify or extinguish any compensable property interest vested in the **Utility** within the above described area. If the facilities shown in the aforementioned plans need to be altered or modified or new facilities constructed to either accommodate the proposed highway improvements or as part of **Utility's** future proposed changes to its own facilities, **Utility** agrees to notify **TxDOT** at least 30 days prior thereto, and to furnish necessary plans showing location and type of construction, unless an emergency situation occurs and immediate action is required. If an emergency situation occurs and immediate action is required, Utility agrees to notify **TxDOT** promptly. If such alteration, modification or new construction is in conflict with the current highway or planned future highway improvements, or could endanger the traveling public using said highway, **TxDOT** shall have the right, after receipt of such notice, to prescribe such regulations as necessary for the protection of the highway facility and the traveling public using said highway. Such regulations shall not extend, however, to requiring the placement of intended overhead lines underground or the routing of any lines outside of the area of joint usage above described. This Agreement does not preclude Utility from asserting a regulatory taking if such regulation takes, damages, or destroys Utility's property interest.

If **Utility's** facilities are located along a controlled access highway, **Utility** agrees that ingress and egress for servicing its facilities will be limited to frontage roads where provided, nearby or adjacent public roads and streets, or trails along or near the highway right of way lines which only connect to an intersecting road. Entry may be made to the outer portion of the highway right of way from any one or all access points. Where supports, manholes or other appurtenances of the **Utility's** facilities are located in medians or interchange areas, access from the through-traffic roadways or ramps will be allowed by permit issued by the **State** to the **Utility** setting forth the conditions for policing and other controls to protect highway users. In an emergency situation, if the means of access or service operations as herein provided will not permit emergency repairs as required for the safety and welfare of the public, the **Utility** shall have a temporary right of access to and from the through-traffic roadways and ramps as necessary to accomplish the required repairs, provided **TxDOT** is notified immediately when such repairs are initiated and adequate provision is made by **Utility** for the convenience and safety of highway traffic. Except as expressly provided herein, the **Utility's** rights of access to the through-traffic roadways and/or ramps shall be

00063630.DOCX 2

Initial Date  
TxDOT

  
Initial Date  
**Utility**

\*UJUA\*



UTILITY JOINT USE ACKNOWLEDGEMENT  
REIMBURSABLE UTILITY ADJUSTMENT

subject to the same rules and regulations as apply to the general public.

If **Utility's** facilities are located along a non-controlled access highway, the **Utility's** rights of ingress and egress to the through-traffic roadways and/or ramps are subject to the same rules and regulations as apply to the general public.

**Participation in actual costs incurred by the Utility** for any future adjustment, removal or relocation of utility facilities required by highway construction shall be in accordance with applicable laws of the State of Texas, including the rights to just compensation under the Texas Constitution and Tex. Transp. Code § 203.092 if TxDOT requires relocation of the pipeline.

**Utility** will, by written notice, advise **TxDOT** of the beginning and completion dates of the adjustment, removal, or relocation, and, thereafter, agrees to perform such work diligently, and to conclude said adjustment, removal, or relocation by the stated completion date. The completion date shall be extended for delays caused by events outside **Utility's** control, including 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 State or any other party with Utility's ability to proceed with the relocation, or any other event in which Utility 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 Utility.

It is expressly understood that **Utility** conducts the new installation, adjustment, removal, and/or relocation at its own risk, and that **TxDOT** makes no warranties or representations regarding the existence or location of utilities currently within the right of way.

Subject to Utility's notice requirements to TxDOT and subject to TxDOT regulations as outlined above, it is expressly understood that Utility has the right to utilize all areas of its easement, including the area between the pipelines.

The **Utility** and the **State**, by execution of this Acknowledgement, do not waive or relinquish any right that they may have under the law.

The signatories to this Acknowledgement warrant that each has the authority to enter into this Acknowledgement on behalf of the party represented.

**IN WITNESS WHEREOF**, the parties hereto have affixed their signatures.

00063630.DOCX 2

\_\_\_\_\_  
Initial      Date  
TxDOT

*JM*      10/28/15  
\_\_\_\_\_  
Initial      Date  
Utility



UTILITY JOINT USE ACKNOWLEDGEMENT  
REIMBURSABLE UTILITY ADJUSTMENT

UTILITY

Utility: Tennessee Gas Pipeline Company, L.L.C.  
Name of Utility

By: *Johnny W. McGee*  
Authorized Signature Johnny W. McGee

Title: Vice President, Land and ROW  
and Agent and Attorney-in-Fact

Date: 10/28/15

EXECUTION RECOMMENDED:

District Engineer, \_\_\_\_\_ District

THE STATE OF TEXAS

Executed and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By: \_\_\_\_\_  
Director, Right of Way Division

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