

Jodi

BK0109PG0307



MILAM COUNTY
ROUTING, ROAD USE, AND VEHICLE WEIGHT LIMIT
AGREEMENT

Planning and Development: Rachel Langham
102 S Fannin
Cameron, Texas 76520
(254) 627-1760

MILAM COUNTY ROUTING, ROAD USE, AND WEIGHT LIMIT AGREEMENT

WHEREAS, _____ (hereinafter COMPANY) intends to conduct industrial operations (including gravel pits, oil, gas, and water drilling, or pipeline operations) at a site or sites located in Milam County, Texas which will necessitate travel over and across roads maintained by Milam County, Texas; and

WHEREAS, said COMPANY's Contact Information is as follows:

Contact Name: _____

Address: _____

Phone: _____

Email: _____

WHEREAS, the location of COMPANY's proposed operation(s) will require the transportation of heavy, oversized equipment along county approved routes as will be set forth and authorized in separate Development Permits for each oil, gas, water drilling or pipeline site location; and

WHEREAS, the weight of COMPANY's vehicles and equipment may exceed the capacity of county roads and bridges on routes set forth in any Development Permit; and

WHEREAS, the transportation of the equipment may cause substantial damage to county roads and related infra-structure; and

WHEREAS, each Milam County Commissioner has the jurisdiction and obligation to maintain the roads within each of his/her precinct; and

WHEREAS, the COMPANY and Milam County understand that pursuant to Subchapter E, Section 251 of the Texas Transportation Code (TTC), the Milam County Commissioners Court has the authority to:

1. regulate traffic on a county road or on real property owned by the county that is under the jurisdiction of the Commissioners' Court,
2. establish load limits for any county road or bridge in the manner described by §621.301,
3. authorize law enforcement to weigh a vehicle to ascertain whether the vehicle's load exceeds the limit prescribed by the Commissioners' Court,
4. set reasonable and prudent speeds on County Roads,
5. restrict traffic zones,
6. set parking restrictions,
7. prohibit or restrict the use of a County Road,
8. prohibit the use of County Roads for certain vehicles, and

WHEREAS, the COMPANY and Milam County understand that pursuant to §621.301 TTC, the Milam County Commissioners Court has the authority to establish load limits for any County Road or bridge in concurrence with the Texas Department of Transportation, and

WHEREAS, COMPANY and Milam County agree that the transportation of this equipment is necessary for these operations and that the County should be compensated for any damages or maintenance costs incurred for the County Roads as a result of the COMPANY's operations;

The COMPANY agrees as follows:

1. To secure its performance hereunder, the COMPANY agrees to post a \$250,000 corporate surety bond made payable to Milam County to ensure performance of the obligations incurred herein and specifically any damage that might be sustained to any county road, bridge, or related infrastructure as a result of COMPANY's movement of vehicles and equipment on County roads. **THIS BOND IS INTENDED AS A BLANKET BOND TO COVER ALL OF THE COMPANY'S oil, gas, water drilling or pipeline DEVELOPMENT ROAD USE ACTIVITIES IN MILAM COUNTY AS AUTHORIZED IN THIS AGREEMENT.** In no event shall the COMPANY'S liability for damages be limited to the bond amount, and the COMPANY agrees to pay any additional sums on demand. Said bond covers damages resulting from travel on County roads.

- The COMPANY's obligation to post the bond shall begin upon filing of the COMPANY's first commercial development application.
- The bond shall remain in full force and effect throughout the COMPANY's industrial operations.
- In the case of Oil and Gas Operations, the bond shall be released and the surety and the COMPANY shall be relieved of all obligations hereunder and under the terms of the bond the 90th day after the COMPANY's delivery of written notice to the County that drilling operations from spud through completion have been

performed on all the COMPANY's wells for which a development permit was issued to leave only maintenance and operation status of all wells.

- The COMPANY shall post the bond and provide the County a copy of said bond prior to any Development permits being issued to COMPANY for which a bond is required.
- The bond or insurance policy must be written by an insurance company licensed to do business in the State of Texas.

2. The COMPANY, as used herein, shall include: the COMPANY, operator of the COMPANY, contractors, subcontractors, vendors, agents, and/or all other affiliates, assigns, and heirs.

3. The COMPANY agrees that it shall apply for a Development Permit with County for each industrial location and for each for each oil, gas, water drilling or pipeline development within the County. Each Development Permit issued shall establish routes and/or roads to be used by the COMPANY for a particular industrial site, or for each separate oil, gas, water drilling or pipeline Development. The COMPANY agrees and acknowledges that it will timely apply for any other applicable permits, e.g., flood plain development, County Road Entry Permits, Temporary Water Line Road Crossing Permit.

4. The COMPANY agrees that it shall only utilize the route(s) and roads specified in the Development permit issued by the COUNTY for the transport of all necessary equipment to the project location specified in the development permit, without weight limitations, for such time as operations continue on the location. Notwithstanding the foregoing, the COMPANY shall determine the weight limits for roads to be utilized and the strength and design sufficiency of the roads, bridges, and culverts on the roads to carry and withstand the weight of the COMPANY's vehicles traveling on the roads. **Routes approved by the County do not guarantee or warranty that any such road, bridge, or culvert is capable of withstanding the contemplated or expected road use.**

5. The COMPANY agrees to use its vehicles and equipment in such a manner as not to block or otherwise interfere with other traffic along the route specified and that said route will be open to public traffic at all times, and further agrees to provide 48-hour notice to the County before transporting any equipment along the route set forth above that would interrupt the normal flow of traffic.

6. The COMPANY agrees and accepts responsibility and liability for damages of whatever nature to the roadbed, road surface, bridges, culverts, signs, structures, fences, right of ways, etc. that result from the movement of COMPANY's vehicles and equipment over any roads described in a Development permit or any other County Road. **The COMPANY agrees to immediately report any damage caused by the COMPANY to the Milam County Commissioner of the precinct where the damage occurred.**

7. In the event that the COMPANY's operations cause an immediate and serious safety hazard, the COMPANY or the COMPANY'S representative shall, without delay, call the Milam County Commissioner in whose precinct the damage occurred, the Milam County Planning and Development Office at 979-627-1760, or, if the emergency occurs outside normal working hours, the

Milam County Sheriff's Office at 254-697-7033.

8. Within 10 days of discovery, the County shall notify the COMPANY when damage to roads, bridges, and related infrastructure suspected caused by the COMPANY occurs. The COMPANY shall designate in its Development Permit the COMPANY representative to whom notice shall be given. The County (through the County Commissioner(s) in whose precinct the damage occurred) and the COMPANY agree to informally meet to settle any potential damage claims by the County. If an informal agreement is reached and the County performs the necessary repairs and is to be reimbursed, the Commissioner shall invoice the COMPANY within ninety days of completion of repairs. The COMPANY shall remit payment to County within 60 days from the date of the invoice. Nothing herein prohibits the County and the COMPANY agreeing that the COMPANY may provide in-kind materials, equipment, and labor for the repair of any damages caused by the COMPANY. Nothing in this subsection shall operate to negate the COMPANY's responsibility to repair the damages caused by COMPANY.

9. The COMPANY agrees and it is the COMPANY'S responsibility to reimburse Milam County for the cost of materials (including freight), labor, and equipment (based on published 2021 FEMA Schedule of Equipment Rates) to repair county roads damaged by COMPANY.

- Absent informal agreement, the County agrees that the COMPANY's obligations shall not begin until the COMPANY has received the County's notice of the nature and extent of the damage and an estimate of the cost of repair.
- If no informal agreement is reached between the County and the COMPANY, the County shall bill the COMPANY the actual cost to repair the road and related infrastructure. The COMPANY agrees to pay the billed cost within 60 days from billing. In the event County does not have sufficient resources to repair the road with County materials, equipment, and/or labor, County may hire a contractor or contractors to perform all or any part of the work to repair the damaged roads at COMPANY'S expense. Billing shall be to the address as shown on this Agreement. Failure to pay upon demand shall be grounds for County to file suit against COMPANY. COMPANY agrees that venue for any such suit lies in Milam County, Texas.
- Nothing in this section shall operate to negate the COMPANY'S responsibility to repair he damages caused by the COMPANY.

10. The COMPANY agrees that its failure to pay the cost of repairing any such damage shall be grounds for the Milam County Commissioner's Court to revoke this Road Use and Blanket Bond Agreement.

11. The rights and duties under this agreement are not assignable.

12. No transfer of interest by the COMPANY in the subject operations, whether it be drilling or any other operation involving oversize or overweight vehicles operating on County Roads, shall negate the responsibility of the COMPANY to repair damages caused by the COMPANY.

13. Nothing herein shall be construed as a waiver by the Commissioner of the authority granted said Commissioner by the Texas Transportation Code and said rights are expressly reserved by the Commissioner.

EXECUTED AND AGREED TO on this the _____ day of _____, 20_____.

COMPANY Representative

Signature: _____

Name: _____

Title: _____

Milam County Representative

Signature: _____

Name: _____

Title: _____

RETURN TO:

Rachel Langham
Planning and Development Coordinator
Office 102 S Fannin
Cameron, TX 76520
Phone: 254-627-1760

AK0109PG0311