

**MAY 12 2015**

**TAX ABATEMENT AGREEMENT**  
Between  
**HASKELL COUNTY, TEXAS and HORSE CREEK WIND, LLC**

**DEPARTMENT**  
Clerk County Court, Haskell County, Texas  
PA

This Tax Abatement Agreement (this "Agreement") is entered into by and between Haskell County, Texas (the "County") duly acting herein by and through its County Judge, and Horse Creek Wind, LLC (together with its successors and assigns, "Owner") effective as of the May 12, 2015 and is as follows:

**Recitals:**

A. The Commissioners Court of Haskell County, Texas, by Resolution dated March 27, 2012, designated the "Haskell County Reinvestment Zone, Exergy No.1" for commercial-industrial tax abatement (the "Reinvestment Zone"); the Reinvestment Zone is described in Exhibit B attached hereto; and

B. Owner has assumed the rights to the wind energy project known as the "Baker Wind Ranch" from all prior developers, lessees, and owners of such project and now proposes certain improvements to be located on land within the Reinvestment Zone, with such improvements generally described as infrastructure necessary to generate and transmit about 148 megawatts (MW) of electricity related to an approximately 200 MW wind powered electric generation facility, which improvements being more particularly described and defined in this Agreement and hereinafter collectively referred to as the "Improvements". The infrastructure necessary to generate and transmit the remaining 52 MW are to be located in Knox County.

C. The Commissioners Court has concluded that the Improvements and operations proposed by Owner within the Reinvestment Zone and described in this Agreement and the terms of this Agreement: (i) are consistent with the requirements of the Act and the Guidelines and Criteria for Granting Tax Abatement and Reinvestment Zones adopted by the County (the "Guidelines"), or to the extent of any inconsistency with the Guidelines, the Commissioners Court has determined, in its discretion and in accordance with TEX. TAX CODE §312.002(d), that this Agreement should be entered into notwithstanding any such inconsistency, and (ii) constitute a major investment in the Reinvestment Zone that will be a benefit to the Reinvestment Zone and will contribute to the economic development of the County.

D. Proper notice of the County's intent to enter into this Agreement has been provided to the presiding officers of each of the other taxing units levying taxes in the Reinvestment Zone not less than 7 days prior to the date on which this Agreement was approved by the Commissioners Court.

E. This Agreement was adopted at a regularly scheduled meeting of the Commissioners Court which was preceded by written notice which was properly posted in accordance with the Open Meetings Act and at which a quorum of the Commissioners Court was present.

F. Tiffen Mayfield, Commissioner of Precinct #2, made it known that he owns property that is part of the Owner's project and has recused himself from all discussions and abstained from voting on the approval of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the parties do hereby agree as follows:

## **ARTICLE 1. IMPROVEMENTS**

1.1. Improvements in Reinvestment Zone. In consideration of the tax abatement granted in this Agreement, Owner agrees to construct the Improvements within the Reinvestment Zone in accordance with this Agreement.

1.2. Timing of Improvements. Owner projects that construction of the Improvements will begin in November 2015 and will be substantially completed by December 2016. If Owner has not substantially completed construction of the Improvements by December 31, 2017, this Agreement shall terminate and no abatement will be granted and neither party shall owe any obligation to the other hereunder. For purposes hereof, the term "substantially completed construction of the Improvements" means that at least 99 MW Capacity (defined below) of the Improvements must be installed and capable of producing electricity.

1.3. Improvements. As used in this Agreement, the term "Improvements" shall mean and refer to the improvements, fixtures and equipment which are more particularly described in Owner's detailed application for abatement which is attached to this Agreement as Exhibit A that are installed in the County. The kind, number and location of all contemplated Improvements are described in Exhibit A. Notwithstanding the foregoing, only property meeting the following criteria shall be included within the definition of "Improvements" or "Facilities" (as defined in Section 7.4 hereof) pursuant to this Agreement: (i) the property must be located within the Reinvestment Zone, (ii) it must be eligible for tax abatement pursuant to Chapter 312 of the Texas Tax Code, (iii) it must meet the definition of an improvement as provided in Chapter 1 of the Texas Tax Code, and (iv) it must be constructed after the date this Agreement is approved by the Commissioners Court.

1.4. Plans and Specifications, Governmental Requirements and Workmanship. All Improvements shall be constructed and installed in accordance with plans and specifications (the "Plans and Specifications") prepared by an engineer or architect licensed within one of the states of the United States of America and in accordance with all regulations of any governmental agency or entity having jurisdiction over any aspect of the construction. Owner shall take such steps as are reasonably necessary to see that all work on the Improvements is completed in a good and workmanlike manner. The County shall have the right to review the Plans and Specifications to determine compliance with this Agreement and to inspect the Improvements and Facilities in accordance with Section 3.8 below.

## ARTICLE 2. TAX ABATEMENT

2.1. Tax Abatement Granted. Subject to the terms and conditions of this Agreement, the County agrees to abate all property taxes levied by the County on the Improvements and Facilities during the Abatement Period (hereinafter defined) provided by this Agreement.

2.2. Abatement Period; Commencement Date; Term of Agreement. The Abatement Period shall begin on the earlier of (a) January 1 of the first calendar year after the Commencement of Commercial Operations, ("COD") or (b) January 1 of the calendar year identified in a Notice of Abatement Commencement (as defined below) delivered by Owner (the "Commencement Date"). The period in which taxes are abated (the "Abatement Period") will begin on the Commencement Date and will terminate on December 31 of the tenth (10<sup>th</sup>) year following the Commencement Date, unless sooner terminated in accordance with the terms of this Agreement. Termination of this Agreement shall not relieve either party of any covenants, obligations, or payments owing to the other as of the date the Agreement is terminated. As used in this Section 2.2, "COD" means the commencement of commercial operations. As used in this Section 2.2, "Notice of Abatement Commencement" means a notice that Owner may, in its sole discretion, deliver to the County stating Owner's desire to commence the abatement period prior to January 1 of the first calendar year after COD. If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: "Owner elects for the abatement period to begin on January 1, \_\_\_\_"; the date stated in the Notice of Abatement Commencement shall be the Commencement Date. Regardless of whether or not Owner delivers a Notice of Abatement Commencement, Owner shall provide certification of the COD in writing both to the County and to the County Appraisal District within sixty (60) days of the COD.

2.3. Payments In Lieu of Taxes. As consideration for the abatement granted by County under this Agreement, Owner agrees to timely perform all covenants undertaken by Owner pursuant to the terms of this Agreement including the making of an annual payment in lieu of taxes (the "Annual PILOT") to the County for each year during the Abatement Period.

(a) Due Date. The Annual PILOT required by this Agreement must be paid to the County Treasurer not later than December 1 of the year for which abatement is granted. By way of illustration only, if the Commencement Date is January 1, 2017, then the PILOT for the first year of the abatement period must be paid not later than December 1, 2017.

(b) Calculation of the Annual PILOT. The amount of the Annual PILOT for each year during the Abatement Period will be the product, expressed in dollars, obtained by multiplying the number of megawatts of installed rated electrical generating capacity of the Improvements (the "Capacity") by \$1,750.00.

(c) Capacity. As used in this Agreement, the term "Capacity" shall mean the installed rated amount of the manufacturer's nameplate electric generating capacity of the Improvements located in the County, expressed in megawatts, regardless of the amount of electricity that is actually produced or sold. The Capacity shall be determined as of January 1 of

each year during the Abatement Period. As a part of the Annual Certification, pursuant to Section 3.9 below, the individual who is an authorized officer of Owner shall prepare and file with the Commissioners Court a sworn statement of the Capacity of the Improvements not later than January 31 of each year during the Abatement Period. If a dispute arises between the County and the Owner as to the Capacity of the Improvements and (i) the Haskell County Central Appraisal District ("Appraisal District"), as a part of its determination of the value of the Improvements, has made a determination of the Capacity for the year in which the dispute arises, then the determination of the Appraisal District shall be binding upon the parties or (ii) if the Appraisal District has made no determination as to the Capacity, the parties, in the absence of an agreement on the dispute, may seek a declaratory judgment on the matter pursuant to Chapter 37 of the Texas Civil Practice and Remedies Code.

(d) Annual PILOT in Lieu of Taxes. The parties agree that each Annual PILOT will be in lieu of any property taxes which would otherwise be owed by Owner to the County for any year during the Abatement Period with respect to the Improvements.

2.4. Conditions to Tax Abatement. The tax abatement granted by this Agreement is expressly conditioned upon the following conditions which must be satisfied throughout the entire term of this Agreement and with which Owner agrees to comply with at all times, subject, however, to the notice and cure rights of Owner set forth in Article 5 hereof:

(a) Construction of the Improvements. Owner's timely construction of the Improvements in accordance with this Agreement.

(b) Operations. Owner's operation of the Facilities in accordance with this Agreement, including the provisions of Section 3.6 below.

(c) Compliance with this Agreement. Owner's compliance with all material covenants and obligations undertaken by Owner pursuant to the terms of this Agreement.

(d) Accuracy of Representations. The accuracy and truthfulness of the representations by Owner contained in this Agreement as of the date this Agreement is executed and throughout the term of this Agreement.

(e) Payment of Taxes. The payment by Owner and all Affiliates and Subsidiaries of Owner (as defined in Section 7.1), prior to delinquency, of all taxes levied by the County, any other taxing unit within the County, the State of Texas, or the United States of America assessed based on the value of, or levied against, the Facilities or the Improvements. It shall not be a violation of this provision if the party who is assessed the tax in good faith protests the levy or assessment of a particular tax by the timely filing of appropriate proceedings to prosecute a protest or contest of the tax, makes payment of the disputed tax during such protest or contest as required by applicable law, and pays the tax, as finally determined, prior to delinquency as required by applicable law.

(f) Payment of Debts, Obligations. The payment by Owner and all Affiliates and Subsidiaries of Owner, of all debts and obligations greater than \$1,000 owing to third parties

with respect to the Facilities or the Improvements prior to their delinquency. The party alleged to owe a debt shall not be in violation of this provision if such parties in good faith contests its liability for the debt, timely defends any action or proceeding to collect the debt, and pays the debt within 90 days of a final judgment or order determining that a debt is owed. The filing of a petition for relief under Title 11 of the United States Code or the entry of a final judgment of bankruptcy shall be a *prima facie* violation of this provision. The filing of a mechanic's or materialmen's lien against the Improvements or the Facilities shall be a *prima facie* violation of this provision unless the amount claimed is disputed, in good faith, and a bond is provided in an amount equal to the alleged debt.

(g) Continued Operations following Abatement. Owner agrees to continue routine commercial operation of the Facilities, including all outages for repair, maintenance and refurbishment, for a period of five (5) years after the end of the Abatement Period at a Capacity not less than 90% of the Capacity at which the Facilities operated, on average, during the 10<sup>th</sup> year of this Agreement. This provision shall not be interpreted to require the Improvements to generate any minimum amount of electricity or require that any part of the Improvements generate electricity at any particular time. In addition to any other remedies available to the County pursuant to this Agreement or applicable law, upon any breach of this covenant as determined by a final judgment by a court of competent jurisdiction, the County shall be entitled to recapture the *ad valorem* taxes abated under the terms of this Agreement as provided in Section 5.4(1) below.

### **ARTICLE 3. COVENANTS APPLICABLE TO CONSTRUCTION AND OPERATIONS AFTER CONSTRUCTION**

3.1. Job Creation. Owner agrees to provide not fewer than seven (7) new full time jobs in connection with the operation of the Facilities either through direct employment by Owner or through employment by an Affiliate or Subsidiary of Owner, or by contractors or service providers engaged to provide goods or services in connection with the construction of the Improvements and thereafter in the course of operating the Facilities. Owner's obligation to create seven (7) new full time jobs relates to its Facilities as a whole and does not represent a commitment by Owner that all seven (7) new full time jobs will be filled by residents of the County. Owner shall include in the Annual Certification confirmation of compliance with this section.

3.2. Road Repair. Owner and its contractors and service providers shall have the right to use County roads identified in a County map book adopted pursuant to Chapter 258, Texas Transportation Code on April 9, 20079, and filed of record in the office of the County Clerk. The parties have entered into a road use agreement, which is incorporated hereby by reference, and will be filed as a public record with the County Clerk.

3.3. Insurance. Owner agrees to maintain in full force at all times starting at commencement of construction and continuing throughout the term of this Agreement the following insurance coverage issued by insurance companies authorized to conduct business in the State of Texas:

- (a) Commercial general liability coverage (including coverage for all equipment and vehicles) with aggregate limits of not less than \$2,000,000.00;
- (b) Worker's compensation coverage for all full time employees to the extent required by Texas law; and
- (c) Casualty insurance in a commercially reasonable amount not substantially inconsistent with industry standards.

Owner shall include in the Annual Certification confirmation of compliance with this section.

**3.4. Safe Operations; Compliance with Governmental Requirements, Permits.** Owner agrees to operate the Facilities in a reasonable, prudent and safe manner and in compliance with all rules and regulations of any governmental entity having jurisdiction of its operations and in accordance with any permits issued by any governmental agency or entity with respect to its operations. Owner shall not be in violation of this covenant if Owner remedies or properly addresses any violation, or alleged violation, of a governmental rule or regulation within the time period required by the governmental agency having jurisdiction of such matter. Owner shall include in the Annual Certification confirmation of compliance with this section.

**3.5. Compliance With Leases.** Following construction of the Improvements, Owner agrees to timely comply with all material provisions of the leases in effect at that time between Owner and owners of land located in the Reinvestment Zone, provided, however, that nothing herein shall be interpreted to prevent Owner from terminating a lease that Owner determines, in its sole discretion, is not necessary or desirable for the operation of the Improvements or Facilities, or to preclude solely the parties to the lease from addressing, pursuant to the terms of the lease, any dispute regarding the lease that may arise between them. This provision does not affect any confidentiality obligations that the parties may have under any lease. Owner shall include in the Annual Certification confirmation of compliance with this section.

**3.6. Continued Operations.** After construction of the Improvements are completed and throughout the term of this Agreement the Facilities shall be operated in a manner that maximizes the electricity produced by the Facilities consistent with Owner's obligations under any contracts for the sale of electricity and prevailing market conditions and consistent with Owner's business judgment.

**3.7. Local Spending.** Owner agrees it will use commercially reasonable efforts to give preference to utilizing contractors and vendors located in the County for the construction of the Improvements and the operation and maintenance of the Facilities, except that Owner shall be permitted to give "equal preference" to contractors located in Knox County. However, Owner will not be required to use goods and services provided by local contractors or vendors where such local goods or services are not comparable in quality to those provided by nonresidents or where such goods and services are not available on terms and conditions (including price and bonding capacity) comparable to those offered by nonresidents. Owner agrees to designate a

coordinator of local services who will act as a liaison between any individuals, businesses or contractors residing or doing business in the County who are interested in obtaining information about providing goods or services related to the construction of the Improvements. Additionally, Owner agrees to do the following:

(1) Not later than one month prior to the start of construction of the Improvements, Owner will hold a job fair in within thirty miles of the Project area advertising construction employment positions and soliciting those persons or firms that are interested in selling goods or providing services with respect to the construction of the Improvements. No later than two weeks prior to the job fair, Owner shall publish a notice in the local newspaper announcing the date, time and location of the job fair and the procedure for application. Applications from the job fair shall be distributed to the various subcontractors for consideration. Owner will compile and maintain, throughout the construction process, a list of local prospective employees, vendors, contractors and service providers interested in participating in the construction process.

(2) Not later than one month prior to filling a full time position (excepting internal transfer and promotions) for the on-site operation of the Facilities, Owner shall publish notice of the position in the local newspaper describing the position and the procedure for application. Any position requiring more than 35 hours per week shall be considered full time.

(3) Owner shall ensure that all contractors and subcontractors working on the Improvements comply with this provision. A contractor or subcontractor or service provider from the County shall be awarded the bid unless another contractor or subcontractor or service provider is the low bidder or, in the reasonable judgment of Owner, is the most qualified. In determining whether a particular contractor, subcontractor, or service provider is qualified, Owner may consider: (i) such person or firm's bonding capacity, (ii) financial and staffing capacity to carry out the work, (iii) expertise and experience, (iv) the requirements of any manufacturer with respect to the particular aspect of the work for which the person or firm is being considered, and (v) integrity, responsibility and reliability. Owner agrees to use its best efforts to use employees from the area to the extent they have the qualifications, expertise, ability and cost competitiveness to do the work required of the position for which they are being considered.

### 3.8. Inspections.

(a) Right to Inspect, Obtain Information. Subject to the further provisions of this Section 3.8, at all times during the term of this Agreement, the County, acting through its officers or a designated agent or employee, shall have reasonable access to the Improvements and the Facilities: (i) to verify that the Improvements are constructed in accordance with the Plans and Specifications and conditions of this Agreement, (ii) to verify that the Facilities are operated in a manner consistent with this Agreement, (iii) to verify compliance with the terms of this Agreement and the truth of any representations made by Owner pursuant to the terms of this Agreement, (iv) to determine the Capacity, (v) to obtain, or verify, information reasonably necessary to ascertain the Certified Appraised Value of the Facilities or (vi) any other fact or circumstance pertinent to the performance of this Agreement.

(b) Conduct of Inspections. The County agrees to provide Owner with at least 24 hours advance written notice of any such on-site inspection and further agrees that any such on-site inspection shall be conducted in a manner that will not unreasonably interfere with the construction of the Improvements or the operation of the Facilities. All such inspections shall be made with one or more representatives of Owner and in accordance with all applicable governmental safety standards. The rights of inspection set forth herein may be exercised by officers, agents or employees of the County or the Appraisal District. Nothing herein shall be construed to limit or diminish the authority of the County or the Appraisal District to conduct inspections or obtain information under applicable law.

3.9. Annual Certification. On or before January 31 of each calendar year that this Agreement is in effect Owner shall certify to the County its compliance with all material provisions of this Agreement. This annual certification (the "Annual Certification") shall contain a statement, sworn to by the individual who is an authorized officer of Owner, stating that Owner is in compliance with such material terms of this Agreement as well as a statement regarding the Capacity as required by Section 2.3(c) above.

3.10. Determination of Value. The Chief Appraiser of the Appraisal District shall annually determine the Certified Appraised Value of all real and personal property making up the Facilities without regard to the abatement granted by this Agreement and the Certified Appraised Value of such property after applying the abatement granted this Agreement. The Chief Appraiser shall then record both values in the appraisal records. The value of the Facilities without regard to the abatement shall be used to compute the amount of abated taxes that are required to be recaptured and paid to the County in the event recapture of such taxes is required by this Agreement or applicable law. During the term of this Agreement, Owner shall each year furnish the Chief Appraiser of the Appraisal District with such information as is required by applicable law (including Chapter 22 of the Texas Tax Code) and as may be necessary for the administration of the abatement specified in this Agreement. The Appraisal District will determine the values required herein in any manner permitted by applicable law, but without limitation of Owner's rights in Section 3.11 hereinbelow.

3.11. Owner's Right of Protest. Nothing in this Agreement shall limit Owner's right to protest and contest any appraisal or assessment of the Facilities in accordance with applicable law. The abatement to which Owner is entitled will be governed by the values finally determined in proceedings relative to any such protest or contest by Owner.

3.12. Estoppe Certificates. Either party hereto may request an estoppel certificate from the other party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate shall certify, as of the date of the certificate: (i) that this Agreement is in full force and effect without default if such is the case, (ii) the remaining term of this Agreement, and (iii) such other matters as may be agreed upon by the parties. The parties shall not unreasonably withhold their consent to such requests.

3.13. Use of Improvements. The Improvements shall be used solely for the generation and distribution of electricity using wind powered turbines in furtherance of the County's

development goals to achieve a major investment in the Reinvestment Zone that will be a benefit to the Reinvestment Zone and will contribute to the economic development of the County.

3.14. Damage or Destruction of Improvements. If the Improvements, or any portion thereof, are destroyed or damaged by fire, windstorm, or other causes, regardless of whether such causes are based upon an act or omission of Owner or an agent, employee, or officer of Owner, Owner shall replace such items to the extent that such replacement or repair can be accomplished using all available insurance proceeds. The damage to, or destruction of, the Improvements, or any portion thereof, shall not relieve Owner from the duty to pay the Minimum Annual PILOT Amounts specified in Section 2.3(b) above.

3.15. Criteria for Insurance, Bonding Companies. The insurance policies required by Section 3.3 and any bonds required or permitted under this Agreement shall be issued by companies authorized to do business in the State of Texas and shall be rated "A" or above by A.M. Best and Company or Standard and Poors or a comparable rating agency reasonably acceptable to the County.

3.16 Spacing. In the absence of a waiver permitting less stringent distance restrictions signed by the owner of the affected Residential Property, no wind turbine erected in connection with this project shall be located any closer than:

1. 1,200 feet from any Residential Property located on Project Property, or
2. 1,600 feet from any Residential Property located on Non-Project Property.

The setback distance shall be measured from the center of the base of the wind turbine to the nearest point of the Residential Property.

Nothing contained in this Section 3.16 may be deemed to be a gift or dedication of any portion of the Site or Project Property to or for the general public or for any public purpose whatsoever. This Section 3.16 is strictly limited to the purposes explicitly set forth herein and enforcement of the provisions contained in this Section 3.16 is limited to the Parties to this Agreement only, and no right to enforce any of the provisions of this Section 3.16 are reserved in any other party. There are no third party beneficiaries intended by this Section 3.16.

3.17 Sound Abatement. In constructing the Facilities, Owner shall utilize wind turbines that are reasonable, customary, and industry-standard for wind energy project sites in Texas similar to the location, population, and topography of the Reinvestment Zone. Owner shall use reasonable, customary, and industry-standard practices for operating the wind turbines in a manner that minimizes turbine noise. Owner shall repair and maintain all Facilities in a reasonable, customary, and industry-standard manner with the goal of minimizing noise, and Owner shall respond in an expeditious and commercially reasonably manner to notices from the County that one or more wind turbines or other Facilities may be exceeding its expected noise level based on its standard operating specifications.

Nothing contained in this Section 3.17 may be deemed to be a gift or dedication of any portion of the Site or Project Property to or for the general public or for any public purpose

whatsoever. This Section 3.17 is strictly limited to the purposes explicitly set forth herein and enforcement of the provisions contained in this Section 3.17 is limited to the Parties to this Agreement only, and no right to enforce any of the provisions of this Section 3.17 are reserved in any other party. There are no third party beneficiaries intended by this Section 3.17.

#### **ARTICLE 4. REPRESENTATIONS**

4.1. By the County. The County hereby warrants and represents that this Agreement was authorized by an order of the Commissioners Court adopted on the date recited above authorizing the County Judge to execute this Agreement on behalf of the County.

4.2. By Owner. Owner hereby warrants and represents to the County:

(1) That Owner is a limited liability company in good standing under the laws of its state of organization and authorized to do business in the State of Texas; or in the case of a permitted assignee of this Agreement, that such assignee is authorized to do business in the State of Texas.

(2) That Owner is not in default in the payment of any taxes owing to the federal, state or any local governmental units.

(3) That the officer of Owner signing this Agreement is properly authorized to enter into this Agreement and bind Owner to the terms thereof and Owner is thereby authorized to perform all covenants undertaken by Owner pursuant to this Agreement.

(4) That there is no operating agreement, certificate of formation provision, or agreement between Owner and any third party which in any way limits Owner's authority to enter into this Agreement and perform all covenants and agreements set forth herein.

(5) That none of the tangible personal property that is intended to be a part of the Improvements located within the Reinvestment Zone is located within the Reinvestment Zone as of the effective date of this Agreement.

#### **ARTICLE 5. DEFAULT; REMEDIES**

5.1. Default In Constructing Improvements. If Owner fails to complete the Improvements in the manner, and within the time period stated in this Agreement, and Owner's failure to comply with those provisions of this Agreement are not cured following notice to Owner pursuant to Section 5.3 below, Owner shall be in default under the terms of this Agreement. In the event of a default in the construction of the Improvements the County may terminate or cancel this Agreement and Owner shall pay to the County all property tax revenues (including penalties, interest, attorney's fees and costs) that would have been payable to the County in the absence of this Agreement for any portion of the Improvements that are constructed.

5.2. Default In Operations, Payments or Performance of Other Covenants. The occurrence of any of the following circumstances shall be an event of default under the terms of this Agreement:

- (1) The Facilities are not operated in accordance with the material terms of this Agreement for the period of time required by this Agreement;
- (2) Owner fails to timely pay any amounts owing to County pursuant to this Agreement, including any ad valorem taxes owed to the County or any other taxing unit within the County, or fails to timely and properly follow applicable procedures for protest or contest of any such ad valorem taxes; or
- (3) Owner fails to timely perform any material covenant, condition or agreement it has undertaken pursuant to the terms of this Agreement;
- (4) Any representation made by Owner in Section 4.2 of this Agreement is untrue or, with the passage of time, becomes materially untrue; or
- (5) Owner fails to maintain continued operations in accordance with Section 2.4(g).

5.3. Notice, Right to Cure. Upon the occurrence of an event of default (including default under Sections 5.1 or 5.2 above), the County shall give the Owner written notice specifying the default.

- (1) Monetary Defaults. If the event of default relates to the payment of money, Owner shall cure such default within 90 days of the date of the notice from the County.
- (2) Non-Monetary Defaults. If the event of default is based upon an event other than a default in the payment of money, Owner shall cure such default within 90 days of the date of the notice of default by the County. This cure period shall be extended for the period of time referred to in Section 9.7 of this Agreement if any circumstance identified in Section 9.7 delays the cure of any such default. This cure period shall be extended if the goods and services necessary to cure same are not reasonably available to Owner within the 90-day time period; provided, that Owner shall provide the County with documentation that such goods or services are not available. If the goods and services are not reasonably available to Owner within the 90-day cure period, the cure period shall be extended for a period of an additional 90 days or such additional time period as the documentation demonstrates is reasonably necessary to cure the default, but not longer than 180 days without the approval of the County.

5.4. Remedies. If an event of default is not cured in accordance with Section 5.3 above, then the County may, in addition to any other remedies it may have at law or in equity, avail itself any of the following remedies:

(1) The recapture of all *ad valorem* taxes abated pursuant to the terms of this Agreement to the date of any default but providing a credit to Owner for the sum of the Annual PILOTs paid to the date of the default.

(2) The County shall be entitled to avail itself of any remedy available to it for the collection of property taxes under the Texas Tax Code or applicable law including: (i) the charging of interest on past due taxes, penalties, attorney's fees and costs (in each case in the amounts provided by the Texas Tax Code for charges in connection with delinquent property taxes), and (ii) the County shall have a lien which shall be equivalent to a tax lien created pursuant to TEX. TAX CODE §32.01. This lien shall attach to all taxable property as provided in TEX. TAX CODE §32.01 and shall have the same priority as a tax lien existing under TEX. TAX CODE §32.01. Notwithstanding the foregoing the County's right to foreclose this lien shall be subject to the County's compliance with the notice and right to cure provisions of Section 5.6 below. Exercise of any of the statutory remedies described in this Section 5.4 shall not constitute an election which would prohibit the County from exercising any remedy it may have under the terms of this Agreement.

(3) The County may cancel this Agreement or modify this Agreement with Owner's written consent.

(4) Within 90 days of the date of a demand by the County that it do so, Owner shall pay to the County an amount equal to all taxes abated to the date of such notice together with penalties and interest as provided for in the Texas Tax Code.

(5) Foreclose any of the liens described in this Section 5.4 above.

(6) File suit against Owner seeking a judgment for any amounts owed to the County under this Agreement.

The exercise by the County of any of the remedies provided in this Section 5.4 or 5.1 above shall not constitute an election of remedies and will not in any way limit the County's ability to exercise any other remedy available to it under this Agreement or applicable law.

**5.5. No Abatement for Calendar Year of Default.** If there is a default (other than a default pursuant to Section 5.1 above) that is not cured by Owner within the time permitted by Section 5.3, Owner shall not be entitled to abatement of taxes for the calendar year in which the default occurs or for any portion of the remaining term of this Agreement. If a default continues over more than one day, it will be considered to have occurred on the date on which it first occurred.

**5.6. Mortgagee Protection.** Notwithstanding any other provision hereof, County agrees that Owner may, without any further consent from the County, mortgage, pledge, or otherwise encumber its interest in the Improvements and Facilities, and Owner's lease and easement agreements regarding the Improvements and Facilities ("Leases"), to any lender or to any trustee or beneficiary under a deed of trust or to any master or special servicer (a "Mortgagee") for the purpose of financing operations of the Facilities, constructing the Improvements or acquiring

additional equipment for the Facilities following any initial phase of construction. Any Mortgagee shall be entitled to receive the same written notice of any default as County is required to provide Owner hereunder so long as County has been provided notice of the identity and address of such Mortgagee, and such Mortgagee shall be entitled to cure or commence cure of any such defaults in the same manner as Owner. This provision shall not be construed to limit or diminish the County's lien priority for taxes owed pursuant to the Texas Tax Code.

## ARTICLE 6. ASSIGNMENT

6.1. Assignment. So long as no default exists and is continuing at the time of the proposed assignment and Owner provides the information required under Section 6.2 hereinbelow, and subject to the restrictions set forth in Section 6.5, Owner may, with the consent of the County, assign, in whole or in part, any of its rights or obligations under the terms of this Agreement or in the Improvements, Leases or the Facilities. Consent of the County may only be withheld under those circumstances described in Section 6.3 below. After an assignment that is completed in accordance with the requirements of this Agreement, Owner shall have no further rights, duties, or obligations under this Agreement to the extent such rights, duties, and obligations have been assumed by the assignee.

6.2. Information on Assignee to be Provided to County; Timing of Consent. In the event Owner proposes to assign all or any portion of its interest in the Facilities in a transaction that requires the County's consent, Owner agrees to provide the County the Background Information (as defined in Section 7.2) on the proposed assignee. Owner agrees to reimburse the County, up to a maximum of \$10,000, for any expenses incurred by the County in obtaining or analyzing any of the Background Information.

6.3. County May Withhold Consent. The County may withhold its consent to a proposed assignment, and such action by the County will not be considered to be unreasonable if: (i) the proposed assignee cannot demonstrate that it reasonably can expect to have, during the term of this Agreement, annual revenues sufficient to comply with the Agreement and pay the ad valorem tax assessments from Haskell County as they are made, or the proposed assignee cannot otherwise demonstrate its financial ability to abide by all terms and conditions set forth herein, (ii) the proposed assignee has a record of violations or defaults with respect to its operations of wind projects such that the assignee does not have the capability and reliability to perform the requirements of the Agreement, and (iii) the assignee does not comply with each of the conditions to assignment set forth in Section 6.4 below. If the County reasonably requests additional information the County, the Owner and the prospective assignee agree to negotiate in good faith regarding what information will, and will not, be made available to the County and any conditions to the disclosure of such information. The County shall advise Owner in writing of whether it consents to a proposed assignment not later than 30 days from the date the County is provided with all information required by Section 7.2. If the County decides to withhold its consent, it shall provide the reasons it is doing so in the written decision.

6.4. Conditions to Assignment. Owner's assignment shall also be conditioned on the following:

(1) The execution and delivery to the County of an addendum to this Agreement, in a form substantially similar to this Agreement, wherein: (i) in the case of a partial assignment, it is executed by the Owner and the assignee and provides that each of them assume and agree to timely discharge all covenants and obligations under the terms of this Agreement, and (ii) in the case of a full assignment, it is executed by the assignee and provides that assignee assumes and agrees to timely discharge all covenants and obligations undertaken by Owner under the terms of this Agreement;

(2) Proof reasonably acceptable to the County (which may be in the form of an opinion of legal counsel) that the assignee is authorized to sign the addendum and perform the covenants and obligations thereby undertaken;

(3) Payment, by the Owner or assignee, of all reasonable expenses actually incurred by the County in connection with the proposed assignment, including, without limitation, its reasonable and necessary attorney's fees in connection with the assignment as well as the expenses referred to in Section 6.2 above in an amount not to exceed \$10,000.00;

(4) The absence of any event of default under the terms of this Agreement for which a notice of default has been given and the cure period has expired; and

(5) Proof that the proposed assignee has obtained or will obtain the insurance coverage required by this Agreement.

#### **6.5. Sale or Transfer to Non-taxable Entity.**

(a) If, during the Abatement Period or the period of time during which Owner is required to maintain continued operations pursuant to Section 2.4(g) above, the Owner proposes a Transfer to a Non-taxable Entity, Owner shall pay to the County an amount equal to: (i) all *ad valorem* taxes abated under the terms of this Agreement but giving credit to Owner for the sum of all Annual PILOTs made to the date of the proposed assignment, and (ii) all *ad valorem* taxes which would be due and owing for the year during which the assignment is made, even though such taxes may not yet be billed or finally assessed. Such payment shall be made prior to the effective date of any such assignment to a non-taxable entity.

(b) Any Transfer to a Non-taxable Entity by Owner without compliance with Section 6.5(a) above shall be considered a default under the terms of this Agreement without the requirement of any notice by the County to Owner or opportunity to cure. Following any such default the County will be entitled to: (i) recapture the taxes abated pursuant to this Agreement in accordance with Section 5.4 above and/or (ii) pursue, without election of remedies, any other remedy available to it under this Agreement or applicable law.

(c) As used in this Agreement, a "Transfer to a Non-taxable Entity" shall mean any sale, transfer or assignment, in whole or in part, of the Improvements or the Facilities under circumstances where the assignee is exempt from property taxation, under applicable law, with

respect to the Improvements or the Facilities, or any portion thereof, sold, transferred or assigned to the assignee.

## **ARTICLE 7. DEFINITIONS**

As used in this Agreement, the following terms shall have the respective meanings assigned to them below:

7.1. "Affiliate" or "Affiliate of Owner" shall mean a person who controls, is controlled by, or under common control with another person and "Subsidiary" or "Subsidiary of Owner" shall have the meaning assigned to it in the Texas Business Organizations Code.

7.2. "Background Information" shall include, without limitation, in the case of an assignee or partial assignee and any Affiliate of any assignee:

(1) its legal name or identity;

(2) the address of its local office in the County, its registered office and address maintained with the Secretary of State of the State of Texas and its principal or home office;

(3) the state in which it was chartered and its registered office and agent in that state, the name and address of its registered agent and office in the State of Texas, and the names and addresses of all governing persons (as that term is defined by the Texas Business Organizations Code);

(4) all public filings made in the year of the proposed assignment and the preceding two years with the Securities and Exchange Commission of the United States or with the agency of any state regulating securities transactions, if any; and

(5) a report from an independent financial rating firm selected by the County, such as Dunn and Bradstreet or Moody's, if such report exists.

7.3. "Certified Appraised Value" shall mean the appraised value of property that is subject to property taxation under the Texas Tax Code determined and certified by the Chief Appraiser of the Haskell County Central Appraisal District for each taxable year.

7.4. "Facilities" shall mean the Improvements and all other tangible property or fixtures, more fully described in the attached Exhibit A, used by Owner in connection with its wind power electric generation operations in the Reinvestment Zone and shall include any property added to the Improvements because of repairs, retrofitting, or additional improvements during the term of this Agreement which are not the result of a casualty loss covered by Section 3.14 above.

7.5 "Project Property" means any real property within the Reinvestment Zone in which Owner has an ownership or leasehold interest. Any lease agreement between Owner and the

owner of the real estate may or may not have terms that differ from the requirements of this Agreement.

7.6 "Non-Project Property" means real property within the Reinvestment Zone that is not leased for use in any wind farm operated by Owner.

7.7 "Residential Property" means a routinely occupied dwelling structure actually occupied as a home, whether owned, leased, or rented by the persons in occupancy of such dwelling structure, either continuously or sporadically as a vacation or holiday residence. Whether a structure is a residential property, as defined by this section, will be determined as of the effective date of this Agreement. Without limiting the foregoing, hunting cabins, storage buildings, barns, or other temporary, moveable or agricultural structures are not routinely occupied dwellings.

## **ARTICLE 8. NOTICES**

8.1. Notices. All notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed to be properly given when delivered personally to any of the hereinafter designated addresses or the named representatives thereof, or when mailed by prepaid certified mail, return receipt requested, addressed to such party at the respective addresses set forth below:

If to the County:

Haskell County, Texas  
Attn: County Judge  
Haskell County Courthouse  
1 Ave. D  
Haskell, TX 79521

If to the Owner:

Horse Creek Wind, LLC  
c/o Lincoln Clean Energy, LLC  
401 N. Michigan Avenue Suite 501  
Chicago, IL 60611

Either party may change the address for notices by a written notice forwarded in accordance with the foregoing.

## **ARTICLE 9. GENERAL PROVISIONS**

9.1. Governing Law; Venue. This Agreement shall be construed and governed in accordance with the laws of the State of Texas without giving effect to its conflict of law rules.

Venue for any action relating to the interpretation or performance of this Agreement or to enforce any right or obligation relating to this Agreement shall be in a court of competent jurisdiction in Haskell County, Texas.

9.2. Waiver. The failure of either party to enforce any right or demand strict performance of any obligation of the other party under this Agreement shall not operate as, or be construed to be, a waiver of such right or obligation.

9.3. Entire Agreement, Interpretation. This Agreement, including Exhibit A attached hereto and which is incorporated herein by reference, collectively constitute the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous discussions, representations, correspondence or agreements, written or oral. This Agreement may only be amended by a written instrument signed by both parties or their duly authorized officers or representatives. The language of this Agreement shall be construed as a whole according to its fair and common meaning and shall not be construed for or against either of the parties hereto. All titles or headings to sections or other divisions of this Agreement are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the content of this Agreement, such content being controlling as to the agreement between the parties hereto.

9.4. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement.

9.5. Agreement Subject to Rights of Bondholders. This Agreement is subject to the rights of the holders of outstanding bonds or other debt of the County.

9.6. Owner as Party to Litigation. In the event any litigation is initiated questioning or challenging the validity of this Agreement or any part hereof or any of the underlying orders or Commissioners Court actions authorizing the same, the County agrees not to object to the Owner's joinder or intervention in such litigation.

9.7. Force Majeure. If Owner's performance of any obligation or obligations under this Agreement is interrupted, delayed, or prevented by any contingency or cause beyond the control of Owner and which is not directly or indirectly caused by the acts or omissions of Owner's officers, employees or agents, then Owner shall be excused from the performance of any such obligation or obligations during the period of time that Owner is reasonably unable to perform such obligation or obligations as a result of such contingency or cause, and no default will have occurred with respect to such circumstances. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as

possible be remedied with all reasonable dispatch. Contingencies or causes beyond the control of Owner include, without limitation:

(1) Acts of God, or the public enemy, any natural disaster, war, riot, civil commotion, insurrection, fires, explosions, accidents, floods, and labor disputes or strikes;

(2) To the extent it affects the Owner's ability to perform a non-monetary covenant or obligation under this Agreement:

(a) A change in a governmental law or regulation if Owner complies with the changed or revised law or regulation within the time limits, and in the manner, provided by such changed or revised law or regulation;

(b) A delay occasioned by the fact that supplies or materials are not reasonably available or the fact that a contractor or subcontractor is delayed in performing services and in either case the circumstance is not directly or indirectly caused by the acts or omissions of Owner.

9.8. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes and all of which constitute, collectively, one agreement. Once all parties to this Agreement have signed a counterpart, this Agreement shall be binding upon all parties in accordance with the terms hereof.

9.9. Recording of Agreement. The parties agree to execute this Agreement in recordable form and that a duplicate of this Agreement shall be recorded in the Official Public Records of the County Clerk of Haskell County, Texas.

9.10. Adoption of Agreement. The County agrees that any other taxing unit eligible to enter into agreements relating to the abatement of taxes may adopt all or any portion of this Agreement.

9.11. Further Acts. The parties each agree to cooperate fully with the other and to take such further action and execute such other documents or instruments as necessary or appropriate to implement the terms of this Agreement.

9.12 Conflict with Guidelines. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, those Guidelines are deemed amended for purposes of this Agreement only.

9.13 Indemnity. Owner agrees to indemnify, defend, and hold County harmless against and from all liabilities, damages, claims, and expenses, including without limitation reasonable attorneys' fees, that may be imposed upon or asserted against County by any third party in connection with Owner's alleged breach of this Agreement. Owner shall not be required to indemnify, defend, and hold County harmless against third party claims asserting procedural defects relating to the County's adoption of this Agreement. Owner will reimburse the County

for all costs, including reasonable and necessary legal fees, in any final disposition of a claim that is subject to indemnification by Owner under the first sentence of this Section, whether by adjudication or alternative dispute resolution procedures.

9.14. Expenses of Negotiation and Compliance. Owner agrees to pay the County's reasonable expenses incurred as a result of the negotiation, including all costs of publication or other required procedures under applicable statutes, of this Agreement including all reasonable and necessary attorney fees incurred during the negotiation and preparation of this Agreement. Payment is to be made within 30 days of receipt by Company of invoice from Haskell County, with supporting documentation sufficient to enable the Owner to verify such expenses. Notwithstanding anything in this paragraph, the maximum reimbursement to be paid by Owner is \$7,500.00

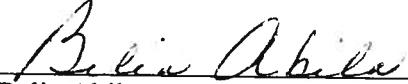
[Balance of this page left blank intentionally.]

EXECUTED AND EFFECTIVE as of the date and year first written above.

Attachments:

Exhibit A –Owner’s Application for Tax Abatement which includes a detailed description of the Improvements

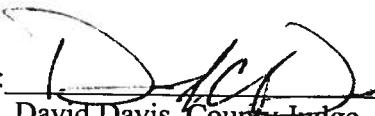
ATTEST:

  
Belia Abila, County Clerk

COUNTY:

Haskell County, Texas

By:

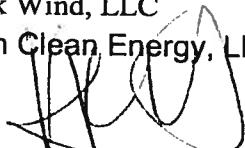
  
David Davis, County Judge

OWNER:

Horse Creek Wind, LLC

By: Lincoln Clean Energy, LLC, its sole member

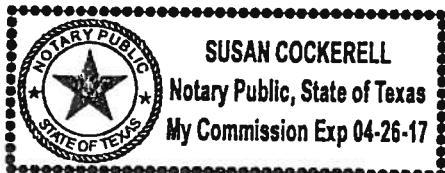
By:

  
Declan Flanagan, Chief Executive Officer

STATE OF TEXAS )

COUNTY OF HASKELL )

This instrument was acknowledged before me on the 16 day of May, 2015  
by David Davis, County Judge of Haskell County, Texas on behalf of said County.



Susan Cockerell  
Notary Public, State of Texas

STATE OF ILLINOIS )

COUNTY OF COOK )

This instrument was acknowledged before me on the 13 day of May, 2015  
by Taylor Plaeger of Lincoln Clean Energy, LLC on behalf of said company.

Paul O'Brien  
Notary Public, State of Illinois



EXHIBIT A

Form of Application

FILED FOR RECORD  
AT 11:30 O'CLOCK AM

APR 14 2015

REC'D.  
Clerk County Court, Haskell County, Texas  
Suzi \_\_\_\_\_ Deputy

### Application for Tax Abatement

Haskell County, Texas

### Property Redevelopment & Tax Abatement Act (Tex. Tax Code Chapter 312)

#### I. APPLICABLE INFORMATION

Application Date: March 23, 2015

Is \$1000 application fee included? Yes        No   X  

Applicant Company: Horse Creek Wind, LLC

Mailing Address: 401 N. Michigan Avenue  
Suite 501  
Chicago, IL 60611

Telephone Number: 312-237-4700

Fax Number: 312-527-0538

Applicant's Representative for contact regarding abatement request:

Name: Will Furgeson

Mailing Address: 101 W. Sixth Street  
Suite 608  
Austin, TX 78701

Telephone Number: 512-767-7464

Fax Number: 512-767-7463

#### II. PROPERTY AND PROJECT DESCRIPTION

This application is for a: New facility X Expansion        Modernization

Check the following target industry applicable to your company:

<input type="checkbox"/>	Aquaculture/Agriculture Facility	<input type="checkbox"/>	Research Facility
<input type="checkbox"/>	Distribution Center Facility	<input type="checkbox"/>	Regional Service Facility
<input type="checkbox"/>	Manufacturing Facility	<input type="checkbox"/>	Office Building
<input type="checkbox"/>	Regional Entertainment/Tourism Facility	<input checked="" type="checkbox"/>	Wind Energy Facility
<input type="checkbox"/>	Historic Building in Designated Area	<input type="checkbox"/>	Other Basic Facility

Legal description of property to be considered for Tax Abatement/Reinvestment Zone (may be attached as Exhibit A):

**See Exhibit A.**

Describe the proposed improvements for which abatement is requested (may be attached as Exhibit B):

**See Exhibit B.**

Description of activities, products, or services produced and/or provided at project location:

**Horse Creek Wind, LLC is developing a wind energy facility designed to use wind power to generate electricity, with an operating capacity of 200 MW.**

Current Assessed Value:      Real Property:      \$0.00  
                                    Personal Property:      \$0.00

Estimated start date of construction/site improvements: **November 2015**

Projected date of occupancy/commencement of operations at project site:

**Commercial operations date for the wind energy facility is estimated in December 2016.**

Requested level of Tax Abatement (%), years):

**100% abatement for ten years beginning the year after commercial operation, with a PILOT of \$1,750 per installed MW of capacity.**

Will the project be entirely located within a currently existing reinvestment zone? Yes  
X No The project extends into a reinvestment zone located in Knox County.

### **III. EMPLOYMENT IMPACT OF PROJECT**

Projected number of new jobs created by the project: Full-time: 7      Part-Time:       

**(Seven new jobs total in Knox County and Haskell County.)**

Types of jobs to be created:

**The construction phase of the project (November 2015 – December 2016) will utilize a large number of construction workers and contractors. Once the project is in operation (December 2016) there will be at least seven full-time employees monitoring and maintaining the project, with additional personnel brought in occasionally for repairs and maintenance.**

Estimated average annual salary of new jobs: **\$37,600**

Total estimated annual payroll for all new jobs: **\$263,200**

Number of jobs expected to be filled by local residents: **To be determined. As many as possible, assuming local applicants have the proper training, certification, and work experience.**

Number of jobs that will be transferred from other locations in Haskell County: **0**

#### **IV. FISCAL IMPACT OF PROJECT**

##### **A. PROPERTY IMPROVEMENTS**

Estimated Value of Eligible Property for ad valorem tax purposes: **Total estimated value of the project will exceed \$280,000,000, with an estimated \$210,000,000 of that value located within Haskell County.**

##### **B. NET ECONOMIC BENEFIT**

Estimated net economic benefit to Haskell County: **\$2,590,000 in PILOT payments due to Haskell County over first ten years of project, with substantial tax revenue to come after the abatement, in addition to indirect benefits stemming from the presence of construction workers, new full-time jobs, and opportunities for county residents to supply materials during project construction.**

##### **C. INFRASTRUCTURE IMPROVEMENTS**

Will any infrastructure improvements be requested of Haskell County for this project?

Yes        No  X  

#### **V. CERTIFICATION**

I certify the information contained in this application (including all exhibits and addendum) to be true and correct to the best of my knowledge. I further certify that I have read the "Tax Abatement Guidelines and Criteria" for Haskell County and agree to comply with the guidelines and criteria stated therein.

Horse Creek Wind, LLC  
By: Lincoln Clean Energy, LLC  
Its: Sole Member



Signature

Declan Flanagan

Printed Name

Chief Executive Officer

Title

April 6, 2015

Date

# Exhibit A

## Legal Description of Property to be Considered for Tax Abatement

Section	Block	Survey	Abstract Number	County
9		H. & T.B. RR Co.	171	Haskell
		R.G. Watson Survey No.414	406	Haskell
		Mary Crittenden Survey No.214	112	Haskell
		C. & M. RR Company Survey No.3	449	Haskell
		W. Gaines Survey	586	Haskell
25	46	H. & T.C. RR Co.	265	Haskell
26	46	H. & T.C. RR Co.	1143	Haskell
26	46	H. & T.C. RR Co.	768	Haskell
		H. & T.C. RR Co. Survey No.27	250	Haskell
10	46	H. & T.C. RR Co.	928	Haskell
4		C. & M. RR Company	997	Haskell
15	46	H. & T.C. RR Co.	252	Haskell
9	46	H. & T.C. RR Co.	251	Haskell
10	46	H. & T.C. RR Co.	928	Haskell
		H. & T.C. RR Co. Survey No. 26	1107	Haskell
		Waco Manufacturing Company Survey No.1	480	Haskell
		Samuel Chance Survey No. 206	102	Haskell
12	46	H. & T.C. RR Co.	923	Haskell
12	46	H. & T.C. RR Co.	1029	Haskell
25	46	H. & T.C. RR Co.	265	Haskell
		M.C. McGregor Survey No.5	706	Haskell
5		G.J. Bowles Survey	677	Haskell
12	46	W. Murchison Survey	1027	Haskell
11	46	H. & T.C. RR Co.	249	Haskell
5		C.T. and M.C. Railroad Company Survey	730	Haskell
6		L.P. Jones Survey	1024	Haskell
		Waco Manufacturing Company Survey No.2	755	Haskell
		Waco Manufacturing Company Survey No.2	736	Haskell
1	46	H. & T.C. RR Co.	878	Haskell
2	46	H. & T.C. RR Co.	1049	Haskell
7	46	H. & T.C. RR Co.	253	Haskell
		Day Land and Cattle Company Survey	731	Haskell
8	46	H. & T.C. RR Co.	909	Haskell
12		L. Jones	978	Haskell
11		C.T. & M.C.	682	Haskell
		John Colston No. 212	104	Haskell
		Jas. Raymond	606	Haskell
32	46	H. & T.C. RR Co.	1039	Haskell
26	46	H. & T.C. RR Co.	1005	Haskell
26	46	H. & T.C. RR Co.	1023	Haskell

Section	Block	Survey	Abstract Number	County
10	46	L.S. Jones	928	Haskell
9	46	H. & T.C. R.R. Co.	251	Haskell
8	46	J.D. Ewing	909	Haskell
7	46	H. & T.C. R.R. Co.	253	Haskell
6	46	W. Phillips	1059	Haskell
1		Waco Mfg. Co.	480	Haskell
4		G. R. Couch	997	Haskell
15	46	H. & T.C. R.R. Co.	252	Haskell
16	46	J. Cooke	1075	Haskell
16	46	J. D. Ewing	910	Haskell
17	46	H. & T.C. R.R. Co.	255	Haskell
		Robt. Watson	406	Haskell
3		C. & M. R.R. Co.	449	Haskell
20	46	L. Worster	640	Haskell
19	46	H. & T.C. R.R. Co.	254	Haskell
13		J. Cooke	1093	Haskell
99		H. & T.C. R.R. Co.	292	Haskell
100		J. Cooke	1076	Haskell
206		Samuel Chance	102	Haskell
		W. Brown	1141	Haskell
		W. Brown	1144	Haskell
		J. Ross	947	Haskell

Abstract #	Level 1	Level 2	Level 3	Level 4
	Survey Name (L1)	Block #	Survey #	Survey Name (L4)
20713	BIRD, M	<null>	124	<null>
207102	CHANCE, S	<null>	<null>	<null>
207111	COLLAM, G G	<null>	<null>	<null>
207143	GILPIN, E	<null>	<null>	<null>
207159	HARRISON, J	<null>	<null>	<null>
207189	HAMMOND, J	<null>	173	<null>
207248	H&TC RR CO	46	35	<null>
207254	H&TC RR CO	46	19	<null>
207292	H&TC RR CO	<null>	99	<null>
207303	KING, L T	<null>	<null>	<null>
207308	LANIER, B	<null>	125	<null>
207314	MURPHY, E	<null>	<null>	<null>
207342	PEW, T	<null>	<null>	<null>
207354	RIGGS, H	<null>	<null>	<null>
207369	STRODE, W	<null>	<null>	<null>
207370	STEPHENSON, J M	<null>	<null>	<null>
207386	TRAVIS, W B	<null>	<null>	<null>
207411	WALTERS, J	<null>	<null>	<null>
207430	WINTERS, C	<null>	<null>	<null>
207449	C&M RR CO	<null>	3	<null>
207469	I&GN RR CO	<null>	<null>	<null>
207578	H&TC RR CO	<null>	34	CHRIESEN, O W
207640	H&TC RR CO	46	20	WORSTER, L W
207659	KEAGHEY, W S	<null>	9	<null>
207680	CASNER, J	<null>	<null>	<null>
207707	MORTON, F M	<null>	7	<null>
207710	PITNER, T E	<null>	<null>	<null>
207731	DL&C CO	<null>	<null>	<null>
207733	HARELL, H T	<null>	<null>	<null>
207734	HILDRETH, E Y	<null>	<null>	<null>
207753	HILL, J M	<null>	50	<null>
207947	H&TC RR CO	<null>	100	ROSE, J F
207961	STONE, S	<null>	<null>	<null>
207986	CT&MC RR CO	<null>	10	PITNER, T E
2071006	H&TC RR CO	46	36	MORTON, F M
2071007	H&TC RR CO	46	30	MORTON, F M
2071028	H&TC RR CO	46	34	ROBERTS, L W
2071070	BROWN, W A	<null>	13	<null>
2071076	H&TC RR CO	1	100	COOKE, J H
2071079	H&TC RR CO	46	36	GILES, A J
2071093	BROWN, W A	<null>	13	COOKE, J H
2071141	BROWN, W A	<null>	13	<null>
2071144	BROWN, W A	<null>	13	<null>

## Exhibit B

### Proposed Improvements

Horse Creek Wind, LLC anticipates constructing a wind energy electric generating facility with an operating capacity of 200 MW, with an estimated 148 MW to be located in Haskell County. The exact number of wind turbines and size of each wind turbine could vary depending on ongoing wind speed and siting analysis, manufacturer's availability, prices, and the megawatt generating capacity of the Project when completed. The estimates above assume installation of 100 2.0MW GE turbines, with an estimated 74 turbines located in Haskell County. The applicant requests a tax abatement for all materials and equipment installed for the Project, including but not limited to: wind turbines, towers, foundations, access and service roadways, operations and maintenance facilities, telephone and internet communication systems, meteorological towers, underground and overhead collection systems, a project substation including breakers, a transformer, and meters, transmission line and associated towers, and interconnection facilities.

EXHIBIT B

Description of Reinvestment Zone

**COMMENCING at the intersection of Haskell, Throckmorton, Knox, and Baylor Counties, being also the TRUE POINT OF BEGINNING:**

**THENCE, southerly, along the Haskell and Throckmorton county line, S 0.1° E, 9.78 miles;**

**THENCE, generally along CR268, West, 7.25 miles;**

**THENCE, generally along F-M 266, North, 0.86 miles;**

**THENCE, westerly, generally along Ranch 1080, N 89° W, 5.38 miles;**

**THENCE, northeasterly, generally along Highway 277, N 17.7° E, 9.24 miles.**

**THENCE, easterly, N 89.8° E, 9.77 miles to the TRUE POINT OF BEGINNING.**