

PIPELINE RIGHT-OF-WAY,
EASEMENT

STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF PANOLA §

This Pipeline Right-of-Way, Easement and Servitude ("Agreement") is by and between, PANOLA COUNTY AIRPORT, Sharpe Field, being herein represented by Judge Lee Ann Jones, whose mailing address is US Hwy 79 N, Carthage, TX 75633, (hereinafter referred to as "Grantor"). For and in consideration of One Hundred and No/100 Dollars (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors hereby grants convey, and deliver unto ROCKCLIFF ENERGY OPERATING LLC, a Texas limited liability company, whose address is 1301 McKinney Street, Suite 1300, Houston, Texas 77010, its successors and assigns (hereinafter referred to as "Grantee"), a Right-of-Way, Easement for the purpose of laying, constructing, maintaining, operating, repairing, improving, inspecting, testing, replacing, changing the size of, abandoning in place, protecting and removing at will, in whole or in part, one pipeline for the transportation of, produced salt water and fluids, over, across, under, and upon the following described lands as shown on Exhibit "A" attached hereto and made a part hereof, in Panola County, Texas, to-wit:

195.79 acres, more or less, situated in the David Brown Survey A-104, Benjamin Wallace A-711, J. M. Hatcher A-313, H. Brewer A-112, H.M. Kendricks A-807, Panola County, Texas.

During construction Grantee's right of way shall be fifty (30') in width; after construction, Grantee's right-of-way and easement shall be twenty feet (20') in width, being ten feet (10') on each side of the easement centerline.

Together with the rights of ingress and egress to and from the above-described right-of-way and easement herein granted across the adjacent property of Grantor. Grantee herein agrees to notify the manager of the airport of any ingress and egress to the right-of-way and easement before entry and shall only have the right of ingress and egress to the right-of-way and easement and not the subject property.

1. That in the exercise of its rights hereunder, Grantee shall: (a) bury all pipelines to provide a minimum cover of thirty-six inches (36"), (b) restore the ground surface as nearly as practicable to the original condition which existed prior to the commencement of any work by Grantee; (c) provide suitable ditch cross-overs during construction as are reasonably required by Grantor; (d) properly support each side of a contemplated fence opening by suitable post and braces before a fence is cut, and, where required, to provide a temporary gate; (e) repair in a good and workmanlike manner any and all fences and drainage and irrigation systems which are cut or damaged by Grantee; and (f) after initial construction of the pipeline(s) and the reclamation relating thereto, pay Grantor for any damages caused by Grantee to Grantor's growing crops, grasses, trees, shrubbery, fences, buildings or livestock as a result of repair or any future operations relating to Grantee's facilities.

2. That Grantor reserve the right to use and enjoy the surface of the right-of-way in any manner that will not prevent, interfere, or impede with the use of the right-of-way by Grantee for any of the purposes herein above granted; it being understood that no building, structure, improvement, or obstruction shall be placed within or upon the right-of-way, and that there shall be no excavation, change of grade nor water impoundment on, over or across the right-of-way, without the express written consent of the Grantee, and, to the extent that written permission has not been given, Grantee shall have the right to clear and keep cleared from within the right-of-way all trees, brush, undergrowth, buildings, structures, improvements, or other obstructions, after completion of pipeline installation.

3. That this instrument may be executed in counterparts, but which together shall constitute one and the same instrument.

4. It is understood and agreed that this grant is not a conveyance of the lands described herein or of any interest in the oil, gas and other minerals in, on or under said lands, but is a grant solely of the Right-of-Way and Easement granted herein.

5. All fixtures, equipment, and improvements placed on or fixed to the premises by Grantee shall remain the property of Grantee and Grantee shall have the right to remove any or all of its property from the Right-of-Way and Easement.

6. The consideration paid by Grantee to Grantor includes any and all damages sustained by original construction of the pipeline(s) within the Right-of-Way and Easement, including without limitation, cutting trees and damages to land, trees, buildings, fences, and growing crops. After the initial construction and reclamation of the pipeline(s), Grantee by acceptance hereof, agrees to pay for any damage to crops and fences which may arise from maintaining, operating, repairing, inspecting, testing, replacing, changing the size of, abandoning in place, protecting, altering and/or removing the pipeline(s).

7. Grantee agrees to indemnify and hold Grantor harmless of and from any damage to property or injury to persons resulting directly from the acts and/or omissions of Grantee directly relating to the rights and obligations of Grantee as set forth in this Agreement; however, this indemnity and hold harmless agreement shall not extend to negligent and/or willful acts or omissions of the Grantor or their successors or assigns.

8. In the event that Grantee, its successors and/or assigns, fails at any time after the pipeline(s) is constructed to utilize said pipeline(s) for the purpose set forth herein for twenty-four (24) consecutive months, all rights granted herein shall thereupon cease and revert to Grantor; it being understood and agreed that the entirety of the Right-of-Way and all rights under this grant shall remain in full force and effect unless and until there is no use of the right-of-way by Grantee for a period of twenty-four (24) consecutive months. Grantee will have a period of six months in which to remove its facilities from the servitude herein granted and will restore the easement herein granted to as near as possible its original condition prior to construction, including planting of pine trees if applicable at the time of termination.

9. Grantee, and Grantee's successors and assigns, shall have the right to assign or transfer the Right-of-Way and Easement, in whole or in part upon obtaining Grantor's approval which shall not be unreasonably withheld, conditioned or delayed.

10. Grantee may not hunt, fish, or bring alcoholic beverages or illegal drugs on the Right-of-Way and Easement.

11. It is agreed that this grant covers all the agreements between the parties and no representations or statements, verbal or written, have been made modifying, adding to or changing the terms of this Agreement. It is understood and agreed that this easement and all rights, privileges and obligations created herein shall run with the land and shall inure to the benefit of and be binding upon the legal representatives, heirs, executors, administrators, successors, and assigns of the parties hereto. This Agreement may not be amended or modified except in writing, and executed by both parties.

(Signature & Acknowledgment Page Following)

IN WITNESS WHEREOF the parties have hereunto set their names and have executed this agreement as of the _____ day of _____ 2017.

GRANTOR

Panola County Airport Sharp Field by Panola County Judge, Lee Ann Jones

By: _____
Lee Ann Jones, Panola County Judge

ACKNOWLEDGEMENTS

STATE OF TEXAS §
 §
COUNTY OF PANOLA §

This instrument was acknowledged before me this _____ day of _____
2017 by _____.

Notary Public

PANOLA COUNTY ADDENDUM TO PIPELINE EASEMENT

- 1) Grantee agrees that it will not build any additional roads across the property to obtain access to the right of way other than within the Permanent Easement herein granted. Grantee agrees to close all gates and gaps upon entering and exiting the property, and will daily clear the area of any litter or trash found on the property. Grantee will not hunt on the property or carry firearms on the property. Grantee shall not use or trespass off the permanent easement or temporary work space or temporary access easement.
- 2) Grantor reserves the right to the full use and enjoyment of the property including the right to use the right of way for recreational vehicles, automobiles, trucks, tractors, and other equipment.
- 3) Grantee will install proper bracing and gate or gates, with bracing consisting of metal pipes (same or similar pipe as currently built) installed a minimum of three-feet (3') below surface with cement to stabilize said posts, for crossing of all fences, leaving said gates and bracing after construction. All barbwire cut for crossing fences will be replaced with a minimum of four-barbed heavy gage barbwire. If there are gates or roadways which now exist along the pipeline route Grantor grants to Grantee permissions to use such existing gates and roadways in the existing gates and roadways in the exercise of all rights conferred herein, all damages and/or repairs to the facilities to be promptly paid. No wire will be cut nor unloosened unless Grantor or his representative is present and proper bracing has been installed. All gates and gaps are to be locked at night.
- 4) Grantee agrees it has a continuing duty to restore and repair the surface of the pipeline right-of-way including sink holes, water drainage, and erosion. Grantee shall restore, insofar as practical, the surface of the Permanent Easement, temporary work space, and temporary access easement to the same condition after construction as existed prior to construction, so there shall not be any permanent ridges, trenches, ditches, holes, mounds, or sinks. Grantee agrees to restore the Permanent Easement in such a manner that proper drainage will be utilized to prevent any impoundment of water. No stumps nor timber shall be buried on the property. Any burning shall be done only with the consent of the Grantor and upon proper terms and conditions. The pipeline easement and working space shall be seeded and fertilized, and water bars and other erosion controls will be installed to prevent erosion.
- 5) The above described pipeline shall be the one and only pipeline allowed under the terms of this agreement.
- 6) Grantee agrees to notify Grantor of any leaks in the pipeline within twenty-four (24) hours.
- 7) The contractor shall schedule a conference and meet with the Grantor's representative at least two (2) working days prior to entry
- 8) Grantee will remove the top soil to the side of the temporary work space and upon completion of construction Grantee will spread top soil back over the right-of-way. No area will be left without a minimum of 8" of top soil. The right-of-way area is to be level without holes and ruts and all construction debris is to be removed.
- 9) Grantee shall not hunt, fish, carry firearms or have dogs on the right-of-way.
- 10) No above ground appurtenances on easement, with the exception of pipeline markers.
- 11) The Grantees acquires no water or mineral rights, and this easement is subject to all right-of-ways and oil, gas, and mineral leases
- 12) This instrument does not include any damages which may occur off the easement.
- 13) Speed limit shall be 5 miles per hour on Grantor's property.
- 14) Grantee shall not use any pipeline in the right-of-way for the transportation of any substance other than saltwater produced by wells operated by Grantee or its assigns.
- 15) This Agreement does not provide any access for Grantee to use Grantor's roads or area off the easement or off the temporary work space.
- 16) It is understood and agreed by Grantee the pipeline easement route on the south end of the airport shall be bored so as not to interfere with the airport use and function.
- 17) Grantee should give the Airport Manager prior notice of any need to access the property.