

MUNICIPAL WATER AGREEMENT

This Municipal Water Agreement (“*Agreement*”) is made effective October 1, 2020 (the “*Effective Date*”) by and between THE UNIVERSITY OF TEXAS SYSTEM BOARD OF REGENTS (“*Lessor*”) and THE CITY OF MIDLAND, TEXAS (“*Lessee*”).

1. **BASIC TERMS & CONDITIONS.**

Premises:

The premises leased hereunder are described in Exhibit A (“*Premises*”), which is attached hereto and incorporated herein for all purposes.

Term:

The term of this Agreement shall commence on the Effective Date and shall terminate on February 28, 2041, unless terminated earlier as provided for herein (the “*Term*”).

Rental:

Lessee’s rental obligation for the lease of the Premises shall be in accordance with the following royalty rates:

Municipal Use Water. “*Municipal Use Water*” shall mean water treated by Lessee for the purpose of making such water potable for municipal purposes. Lessee shall pay to Lessor a royalty for each one thousand (1,000) gallons of the gross amount of such water produced from the Premises and used for municipal purposes. The royalty rate for each such one thousand (1,000) gallons shall be as follows during the term of this Agreement:

October 1, 2020: \$0.4000

October 1, 2026: \$0.5000

October 1, 2032: \$0.6000

Industrial Use Water. “*Industrial Use Water*” shall mean water Lessee does not treat for municipal purposes and is sold directly to commercial entities from the Lessee’s water wells or pipeline located on the Premises. Lessee shall pay royalty for each forty (40) gallons of the gross amount of water produced from the Premises:

October 1, 2020: \$0.10

October 1, 2026: \$0.15

October 1, 2032: \$0.20

Permitted Uses:

Lessee shall continuously use and occupy the Premises for the purpose of extracting and using water from the Premises for both Municipal Use Water and Industrial Use Water. Lessee shall have the right, to the extent necessary, to explore and drill for, produce, store, treat, transport, and use the water produced from the Premises.

Lessor's Address:

For Correspondence & Notices:

University Lands
P.O. Box 553
Midland, Texas 79702
Attention: Rick Doehne
Telephone: (432) 684-4404
Fax: (432) 682-7456

For Rental & Other Payments:

The University of Texas System
P.O. Box 553
Midland, Texas 79702

Lessor's Contact Person:

Commercial Surface Manager
Telephone: (432) 684-4404
Fax: (432) 682-7456
(Or such other contact person as Lessor may designate in writing.)

Lessee's Address:

City of Midland
300 N. Loraine
Midland, Texas 79701
Telephone: (432) 685-7260
Fax: (432) 685-0523

Lessee's Contact Person:

Director of Utilities
Telephone: (432) 685-7260
Fax: (432) 685-5056
(Or such other person as Lessee may designate in writing.)

2. GRANTING CLAUSE.

a. Leased Premises. Lessor, for and in consideration of the royalty and other charges to be paid by Lessee hereunder and such other covenants and agreements to be performed by Lessee, hereby demises and leases the Premises to Lessee, and Lessee hereby leases the Premises from Lessor on the terms and conditions set forth herein, pursuant to Chapter 66 of the Education Code. This Agreement covers only water in or under the Premises and Lessee shall not be entitled to, and Lessor retains and reserves, any oil, gas, and minerals that may be produced from the Premises.

b. Subject to Existing & Future Leases. This Agreement is subject to all existing and future oil, gas, and mineral leases, all existing surface leases, easements and rights of way covering or affecting the Premises, and all future surface leases, easements and rights of way covering or affecting the Premises to the extent the estates and interests created thereby are not

inconsistent with the rights herein granted. Lessor reserves the right and privilege to execute and deliver oil, gas, and mineral leases, surface leases, easements, licenses and rights of way covering all or any part of the Premises. Lessee shall conduct its operations hereunder in such a manner as not to unduly interfere with any third party having a lease, permit, easement, or any other right or interest in the Premises. Lessor will endeavor to coordinate with other users and lessees of the Premises to require compliance with applicable laws and regulations of the State of Texas, the Railroad Commission of Texas, and the Texas Commission on Environmental Quality, or their successor agencies.

c. “As is”. Lessee accepts the Premises AS IS AND WITH ALL FAULTS. Lessor makes no representations to Lessee about the quantity or quality of water that might be obtained from the Premises. Lessee will make a determination of the usability of the water and its fitness for consumption.

d. Renewal. Lessee shall have the right to lease the Premises for an additional twenty (20) year period after this Agreement expires at royalty rates as near to fair market as can be determined and set by Lessor. In addition, Lessee shall have the right of first refusal, after any existing water lessee who desires to renew, to lease land owned by Lessor in the vicinity of the Premises which becomes available for lease during the term of this Agreement. Any such new agreement shall be under similar contract terms and conditions as this Agreement, but at a royalty rate as near to fair market value as can be determined and set by Lessor, and Lessee shall have ninety (90) days after it receives a copy of any such proposed new agreement to execute such agreement. Lessee’s failure to execute such proposed new agreement in the ninety (90) day period shall extinguish the opportunity provided Lessee in this section.

3. USE OF THE PREMISES.

a. Permitted Use Only. Lessee may use the Premises only for the permitted uses specified herein, and for no other purpose without the prior written consent of Lessor. Lessee shall conduct its operations in a reputable manner.

b. Lawful Use. Lessee shall observe, perform, and comply with all laws, statutes, ordinances, rules, and regulations promulgated by any governmental agency and applicable to Lessee’s use of the Premises. Lessor shall not occupy or use the Premises or permit any portion of the Premises to be occupied or used for any use or purpose which is unlawful, in part or in whole, or deemed by Lessor to be disreputable in any manner.

4. ROYALTY PAYMENTS & PRODUCTION REPORTS.

a. Minimum Royalty Payment. Lessee shall produce and pay royalties on a minimum of one hundred million (100,000,000) gallons of water in any full calendar year beginning October 1, 2020. This minimum can be reached by any combination of Municipal Use Water or Industrial Use Water. In the event Lessee fails to reach said minimum in any calendar year, upon written notice by Lessor, Lessee shall have the right to either (1) pay royalties at the Municipal Use Water royalty rate on the difference between the actual gallons of water produced and one hundred million (100,000,000) gallons of water, or (2) terminate this Agreement in the year of such shortage upon thirty (30) days’ advance written notice to Lessor.

b. Monthly Reports & Payments. Lessee shall make a royalty payment to Lessor not later than the twentieth (20th) day of each month for royalties payable on water produced from the Premises during the preceding month. Lessee shall submit a report specifying all water produced from the Premises during such month. Said monthly report shall consist of a statement showing the gross amount of water produced from the Premises during the month, all meter readings, and other memoranda necessary to reflect the actual amount of water produced from the Premises as well as any supporting data or documents that may be reasonably requested by Lessor. All such reports and documents are to be in a form reasonably approved by and acceptable to Lessor,

5. INSTALLATION OF WATER METERS. Lessee shall install a water meter or meters at sufficient locations to accurately measure the gross volume of water produced from the Premises. Copies of water meter calibration data and the resulting meter calibration factors and/or statements of meter conditions shall be provided to Lessor by Lessee upon request by Lessor. Upon Lessor's request at any reasonable time (but not to exceed once annually so long as meters appear to be functioning correctly), Lessee shall, at Lessee's sole expense, have any water meter in operation hereunder calibrated by a reputable meter calibration firm. Lessee shall provide reasonable written notice to Lessor prior to having any meter calibrated so that Lessor may witness such calibration.

6. NOTICES, DOCUMENTS AND REPORTS.

a. Spudding New Wells. Lessee shall notify both Lessor's Commercial Surface Manager (specified herein) in writing, at least ten (10) days in advance of the spudding of any such water supply well. Such notice shall include location, proposed depth, and the approximate date on which drilling operations will be commenced.

b. Pumping Wells. For any new well(s), Lessee shall, upon request by Lessor at any time during the term of this Agreement, provide to Lessor: (i) a sample log or driller's log for the water supply well, designating the producing interval and all water-bearing zones; (ii) a report showing the producing capacity of such water supply well; (iii) a chemical analysis of a sample of the water produced from such water supply well, performed by an independent water laboratory; (iv) a cross-sectional drawing of the water supply well showing total depth, casing and pump settings, gravel pack interval, cement, geologic formations, static, and pumping water levels, and all other available downhole information; (v) a map or plat of the Premises showing the location and GPS values of the water supply well, tanks, water meters, roads, and structures and operational facilities; and (vi) any other well data or information requested by Lessor related to Lessee's water production from the Premises.

c. Correspondence with Regulatory Agencies. Lessee shall, in a timely manner to protect Lessor's interest, provide to Lessor's commercial surface manager copies of all forms, applications, permits, correspondence, tests, reports, and any and all other correspondence and materials sent to or received from any local, state, or federal regulatory agency in any way related to Lessee's use of the Premises.

d. Published Forms; Electronic Reporting. If at any time during the Term of this Agreement, Lessor publishes reporting forms or provides for electronic reporting, Lessee agrees to utilize

those forms and procedures as directed by Lessor for purposes of the reporting requirements of this Agreement, to the extent reasonably possible and practicable.

7. **PAST DUE PENALTY.** A penalty in the amount of Twenty-Five and No/100 Dollars (\$25.00) or one percent (1%) of any amount payable by Lessee to Lessor hereunder not paid when due, whichever is greater, shall be added to the amount payable for each 30-day period or part thereof that the overdue amount remains unpaid. Any such penalty shall be payable as additional rental hereunder. Lessee's payment of penalties shall in no way operate to waive Lessor's rights under this Agreement.

8. **OPERATIONS.** In conducting operations hereunder, Lessee shall conduct all work and operations in a businesslike manner consistent with good and economical practices and with due regard for good land management, damage prevention, and environmental protection. Lessee shall use every reasonable means to prevent damage to or contamination of any water-bearing strata and to prevent waste or loss of water from any water-bearing strata.

9. **COMPLIANCE WITH LAWS.** Lessor and Lessee shall comply with all requirements of applicable local, state, and federal laws, rules, and regulations.

10. **ACCESS.** Lessor, or Lessor's authorized representative, may enter upon the Premises and shall have access to Lessee's well and operation sites at all times.

11. **POLLUTION.** Lessee shall use the highest degree of care and all reasonable safeguards to prevent contamination or pollution of any environmental medium, including soil, surface waters, groundwater, sediments, and surface or subsurface strata, ambient air, or any other environmental medium, by any waste, pollutant, or contaminant. Without Lessor's prior consent, Lessee shall not engage in any activity that is unreasonably hazardous or presents an unreasonable risk of environmental pollution. Lessee shall use all reasonable efforts to contain any actual or potential release of any waste, contaminant, or pollutant to the environment and to recapture any escaped waste, contaminant, or pollutant. In the event of contamination or pollution of any environmental medium resulting from Lessee's operations hereunder or any other act or omission of Lessee, Lessee's agents, employees, invitees, or guests, Lessee shall, at Lessee's sole expense, conduct all soils or surface or groundwater investigations, studies, sampling, and testing and undertake and complete all remedial, removal, restoration, and other actions necessary, in the reasonable opinion of Lessor, to contain, clean up, and/or remove all such contamination or pollution. In conducting operations on the Premises, Lessee will at all times conform to all environmental regulations of county, state, and federal agencies having jurisdiction over the Premises or Lessee's operations thereon.

12. **INDEMNIFICATION.** Lessor shall not be liable for any damage, loss, or injury to any person or property suffered in, on or about the Premises arising from or out of the negligence or misconduct of Lessee, Lessee's agents, employees, contractors, or invitees. To the extent permitted by law, Lessee shall defend, indemnify, and hold harmless Lessor, its officers, employees, and agents, from and against any and all liabilities, losses, claims, demands, penalties, fines, settlements, damages, and response, remedial, or inspection costs, and any expenses (including, without limitation, attorney and consultant fees) of whatever

kind or nature, which are incurred by Lessor, its officers, employees, or agents, which arise from or relate in any way to Lessee's use of the Premises, to the extent of negligence, willful misconduct, or liability of Lessee, its employees, agents, contractors, or invitees, including, without limitation, any such liabilities, costs or damages arising from contamination or pollution of any environmental medium resulting from Lessee's operations hereunder.

Lessee shall not be liable for any damage, loss, or injury to any person or property suffered in, on or about the Premises arising from or out of the negligence or misconduct of Lessor, Lessor's agents, employees, contractors, or invitees to the extent authorized by the Constitution and laws of the State of Texas. Lessor shall defend, indemnify and hold harmless Lessee, its officers, employees, and agents, from and against any and all liabilities, losses, claims, demands, penalties, fines, settlements, damages (including foreseeable and unforeseeable consequential damages), and response, remedial, and inspection costs, and any expenses (including without limitation attorney and consultant fees) of whatever kind or nature, which are incurred by Lessee, its officers, employees, or agents, which arise from or relate in any way to Lessor's leasing of the Premises and/or the oil, gas and minerals in, on or about the Premises, to the extent of negligence, willful misconduct, of Lessor, its employees, agents, contractors, or invitees, including without limitation any such liabilities, costs, or damages arising from contamination or pollution of any environmental medium resulting from Lessor leasing the Premises and/or the oil, gas and minerals in, on or about the Premises.

The provisions of this section shall survive the termination or assignment of this Agreement.

13. MAINTENANCE OF THE PREMISES.

a. General Responsibilities. Lessee shall, at Lessee's sole expense: (i) construct and maintain such fences, barricades, and other restrictive devices as necessary to adequately protect persons or livestock from injury or as Lessor may reasonably request, and comply in all respects with all enclosure requirements of the Texas Commission on Environmental Quality or any successor agency, or any other governmental entity having jurisdiction; (ii) fill and level all pits, trenches, and other excavations whenever same are abandoned or the use thereof is discontinued; and (iii) plug or cap, at Lessor's option, all water wells, when abandoned or upon termination of this Agreement.

b. Plugging Wells. Should Lessee elect to abandon one or more water wells located on the Premises, Lessee shall provide written notice of Lessee's intention to plug and abandon the subjects well(s) to Lessor's Commercial Surface Manager at the address listed in Section 1 hereof.

c. Improvements. Lessee shall not remove or damage any existing improvements on the Premises, not previously constructed by Lessee, commit or permit any waste, or allow any nuisance created by Lessee, its employees, or agents, to exist on the Premises.

d. Restoration. At the end of this Agreement, Lessee shall restore the surface of the Premises to as nearly as possible the same condition that existed at the beginning of this Agreement and restore the surface in the vicinity of any wells to the conditions existing prior to the drilling of

such wells. Lessee shall remediate any environmental condition caused or contributed to by its operations on the Premises.

14. USE OF SURFACE. Lessee shall conduct all operations in such a manner as to cause minimum surface damages. Lessee shall have the right of ingress and egress and right of way to any point of Lessee's operations on the Premises, for the purpose of producing, storing, treating and transporting, or removing potable water or water capable of being made potable over, along, and across the Premises, provided that such right of way shall result in the least injury to the occupant of the surface or the holder of any existing oil and gas lease or easement. Lessee shall have the right, from time to time, to lay, maintain, operate, repair, and replace such pipelines, pumping facilities, tanks, and power lines as may be necessary to produce water, without additional consideration for right of way but subject to all other provisions of Lessor's Rate and Damage Schedule including damage payments.

Lessee may use only so much of the surface of the Premises as is reasonably necessary for the exploration, drilling, and production and use of water as permitted herein, installation of necessary equipment, and other reasonably necessary operations. Lessee is hereby granted, subject to any payment required by Lessor's Rate and Damage Schedule for the value of the grass for grazing, the right to fence an area around each of its water wells in a radius of fifty (50) feet, and to prevent any other use within a one hundred fifty (150) foot radius that is inconsistent with the requirements of the Texas Commission on Environmental Quality or a successor agency for sanitary control, but subject to any prior and existing use by Lessor's oil and gas lessees. Lessee shall not store any equipment, tubing, or other personal property on the Premises except immediately prior to the use of such property in Lessee's operations on the Premises.

15. SURFACE DAMAGE PAYMENTS. For its use of the Premises, including enclosure requirements, sanitary easements, or other regulations of governmental agencies requiring exclusive use of the Premises surrounding the wells, Lessee agrees to pay to Lessor as additional rental hereunder, upon demand by Lessor, damages in accordance with the then current Rate and Damage Schedule. Damage payments shall be made to Lessor's commercial surface manager in accordance with the Rate and Damage Schedule. Amounts paid by Lessee pursuant to this section shall not in any way limit the liability of Lessee under sections 11 or 12, or in any manner act as a waiver of Lessor's rights and remedies under section 18.

16. HOLDING OVER. Upon expiration or the earlier termination of this Agreement, Lessee shall immediately surrender the Premises to Lessor. In the event Lessee occupies the Premises, or any part thereof, after the expiration or other termination of this Agreement, unless otherwise agreed in writing by Lessor, Lessee shall hold the Premises as a tenant at will only at rental equal to one and one-half (1.5) multiplied by the royalties due hereunder calculated on a per diem basis. In no event shall such holding over constitute or be construed as a renewal or extension of this Agreement and, upon demand of Lessor at any time during such holdover period, Lessee shall immediately surrender the Premises to Lessor.

17. DEFAULT. The following events shall be deemed to be "*Events of Default*" hereunder:

a. **Monetary.** If Lessee should fail or refuse to make the payment of any sum due to Lessor hereunder within thirty (30) days after the due date thereof and fifteen (15) days after Lessor gives

written notice of such failure;

b. False Report. If Lessee or Lessee's authorized agent should make any false report or false return concerning production or royalty;

c. Non-monetary. If Lessee should fail to perform any other material obligation specified herein, including without limitation refusal to permit Lessor access to the Premises or any water supply well or records pertaining thereto or should fail to render any reports or other information due to be transmitted to Lessor within thirty (30) days after the same were to be provided to Lessor in accordance with the terms of this Agreement and thirty (30) days after written notification by Lessor of such failure, except that Lessee's failure to perform any of its obligations herein which is occasioned directly or indirectly by any act, order, regulation, or requirement of the federal government, the State of Texas, or any other governmental body or agency, officer, representative, or authority of any of the aforesaid entities shall not constitute an Event of Default.

18. REMEDIES. Should an Event of Default occur, Lessor shall notify the Lessee in writing of any and all events deemed to represent a Default. If Lessee fails to correct or take reasonable steps to correct said event(s), Lessor may terminate this Agreement or enforce the provisions of this Agreement in any manner provided by law.

If Lessor chooses to terminate this Agreement for an Event of Default, Lessor may enter upon the Premises and expel Lessee without being guilty of any manner of trespass, without liability for any damage or loss occasioned thereby, and without prejudice to any remedies available to Lessor for collection of amounts due, breach of contract, or otherwise. If Lessor terminates this Agreement, Lessor shall not be obligated to reimburse Lessee for any prepaid rentals.

19. AUDIT. Lessee shall provide access to, and Lessor or Lessor's authorized agent shall be entitled to inspect, examine, and audit at all reasonable times, Lessee's books, accounts, contracts, and other records in any way pertaining to Lessee's use of the Premises and production of water therefrom.

20. LESSEE'S PERSONAL PROPERTY. Lessee shall have the right at any time during this Agreement or within thirty (30) days after the expiration of this Agreement to remove all property, pumps, equipment, fixtures, and casing placed by Lessee on the Premises; provided, however, that as and when Lessee elects to draw and remove any casing from any water well and to abandon the same, it shall notify Lessor of its intention to pull the casing and plug the subject well, after which Lessor shall have thirty (30) days in which to ascertain whether or not it desires to make use of such water well. If Lessee is provided written notice by Lessor within such thirty (30) day period that use of the well is desired, possession of such well shall be delivered by Lessee to Lessor or Lessor's designee; provided, however, that Lessee shall be reimbursed the salvage value of any casing by Lessor. All pumps, equipment, and other personal property will remain the property of the Lessee unless a separate agreement has been reached between Lessor and Lessee regarding such equipment.

Lessee shall remove all of Lessee's personal property, equipment, and tubing from the Premises within thirty (30) days after the expiration or termination of this Agreement. Should

Lessee fail to remove any of Lessee's personal property, equipment, or tubing, unless such failure is in accordance with Lessor's written directions, Lessor shall be entitled to take possession of any such property and to sell or dispose of such property for any purpose. Lessee shall reimburse Lessor for any and all costs incurred by Lessor in connection with Lessor's taking possession of and the sale or disposal of any such property, less any amounts received by Lessor from such sale. Such amounts shall be due and payable by Lessee to Lessor immediately upon demand by Lessor.

21. MECHANIC'S LIENS. Lessee shall not permit any mechanic's or materialman's lien to be placed on the Premises during the term of this Agreement, or any extension thereof, caused by or resulting from any work performed, materials furnished, or obligation incurred by or at the request of Lessee. In the case of the filing of any such lien, Lessee shall promptly pay, bond off, or obtain the release of same to the satisfaction of Lessor. If Lessee's failure to comply with the provisions of this section shall continue for a period of twenty (20) days, Lessor shall have the right, at Lessor's option, of paying the same or any portion thereof without inquiry as to the validity thereof, and any amounts so paid, including expenses and interest, shall be repaid by Lessee to Lessor immediately upon demand.

22. ASSIGNMENT. Lessee may not assign or sublet this Agreement, in whole or in part, without the prior written consent of Lessor. Any such assignment shall require the payment of an assignment fee in accordance with the then-current Rate and Damage Schedule.

23. PAYMENTS, DOCUMENTS & NOTICES. Unless paid or furnished by electronic means, payments, documents, and notices shall be delivered as provided in this section.

a. Payments. The payments due to Lessor hereunder, including payments for surface damages, shall be made by separate check properly labeled so as to identify the appropriate University Lands contract number and the purpose for which the payment is being made. Checks shall be made payable to The University of Texas System, and mailed to the Commercial Surface Manager at the address listed in Section 1 hereof.

b. Notices, Reports & Documents. Notices, reports and documents to be provided by Lessee to Lessor or to the Assistant Director, and any and all other notices and other correspondence from Lessee to Lessor hereunder, shall be addressed to the Commercial Surface Manager

c. Correspondence to Lessee. Any notices or other correspondence to Lessee shall be addressed and mailed to Lessee at the address as listed herein.

d. Delivery. All payments, notices, reports, or documents delivered hereunder shall be deemed to be delivered three (3) days after deposit in the United States mail if properly addressed and with proper postage affixed. All items delivered by private carrier and all notices, copies, and correspondence delivered by telecopy or other electronic means shall be deemed delivered when actually received.

24. MISCELLANEOUS.

a. Captions. The captions and headings used herein are for reference purposes only and

shall not affect the meaning or interpretation of the terms and provisions of this Agreement.

b. Binding Effect. This Agreement is binding upon the parties hereto and their respective successors and assigns. This provision does not constitute a waiver of the requirement for prior written consent by Lessor to any assignment or subletting by Lessee.

c. Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas.

d. Venue/Choice of Law. This Agreement shall be governed and construed in accordance with the laws of the State of Texas applicable to contracts negotiated, executed, and wholly performed within the State of Texas. Exclusive venue shall be in Midland County, Texas.

e. Entire Agreement. This Agreement constitutes the sole and entire agreement between the parties relating to the subject matter and shall not be amended except by written instrument signed by both parties. This Agreement supersedes any and all prior agreements between the parties regarding the subject matter hereof.

f. Licenses & Permits. Lessee shall, at Lessee's own expense, obtain any necessary licenses and permits, and shall comply with all laws, ordinances, and regulations applicable to the Premises and Lessee's use thereof.

g. Force Majeure. Neither party hereto shall be liable to the other for any failure, delay, or interruption in the performance of any of the terms, covenants, or conditions of this Agreement due to causes beyond the control of that party, including, acts of God or any other circumstances for which such party is not responsible or which is not in its power to control.

h. Severability. If one or more provisions of this Agreement, or the application thereof, shall be held to be unlawful, invalid, or unenforceable, the remaining provisions shall not be affected thereby.

IN WITNESS WHEREOF, each party indicates acceptance of the terms of this Agreement by the signature below of an authorized representative.

[Signature pages follow]

CITY OF MIDLAND, TEXAS

By: _____
Robert Patrick, City Manager

THE STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2021 personally appeared Robert Patrick, City Manager of the City of Midland, Texas, known to me to be the person and official whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said entity, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 2021.

Notary Public, State of _____

THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS

By: C. Clark

Printed Name: Carrie Clark

Title: EVP, CAO & CLO

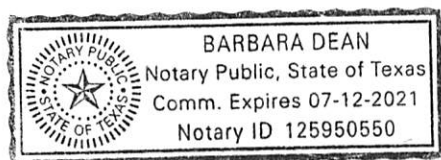
THE STATE OF TEXAS

COUNTY OF Harris

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BEFORE ME, the undersigned authority, on this 20th day of April, 2021 personally appeared Carrie Clark an officer of The University of Texas System Board of Regents known to me to be the person and official whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same as the act and deed of said entity, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20th day of April, 2021.



Barbara Dean
Notary Public, State of Texas

Exhibit A

Premises

27,513.41 acres of land, more or less, lying in the following Sections and Blocks of, University Lands Survey, Andrews and Martin Counties, Texas.

Block 5, UL Andrews County, Texas:

All of Section 3; All of Section 4; N/2 of Section 5; All of Section 6; N/2 of Section 7; All of Section 9; W/2 of Section 10;
W/2 & W/2 of E/2 of Section 15; All of Section 16;
All of Section 21;
W/2 & W/2 of E/2 of Section 22; W/2 of Section 27;
All of Section 28; E/2 of Section 29; E/2 of Section 32; All of Section 33; W/2 of Section 34; S/2 of Section 36; All of Section 37; All of Section 38; All of Section 39; All of Section 40;

Block 6, UL, Andrews and Martin Counties, Texas:

E/2 of W/2 & W/2 of E/2 of Section 22, Andrews County; S/2 & NW/4 of Section 34, Andrews County;
E/2 & E/2 of/2 of Section 35, Andrews County; All of Section 36, Andrews County;
All of Section 37, Andrews County; All of Section 38, Andrews County; All of Section 39, Andrews County; All of Section 40, Andrews County;
All of Section 42, Martin County; All of Section 43, Martin County;
S/2 & NW/4 of Section 44, Martin County;
All of Section 45, Andrews and Martin Counties; All of Section 46, Andrews County;
All of Section 47, Andrews County;
E/2 & NW/4 of Section 48, Andrews County; N/2 of Section 49, Andrews County.
Block 7, UL, Andrews and Martin Counties, Texas: All of Section I, Martin County;
All of Section 2, Martin County;
N/2 & SE/4 of Section 3, Andrews and Martin Counties; N/2 of Section 4, Andrews County;
N2 of Section 13, Martin County;
N/2 & SE/4 of Section 14, Martin County; E/2 of Section 15, Martin County;
S/2 of Section 26, Martin County; S/2 of Section 27, Martin County;
E/2 & SW/4 of Section 28, Martin County; All of Section 29, Martin County;
N/2 of Section 30, Martin County; N/2 of Section 31, Martin County.
Block 8, UL, Andrews County: All of Section 2;
All of Section 3;
N/2 of Section 4