

THE STATE OF TEXAS

COUNTY OF SAN PATRICIO

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COMMISSIONERS COURT

ORDER

WHEREAS, there are operators within this County in the business of placing pipeline, drilling gas and oil wells and, in connection therewith, shall be engaged in drilling and production activities on property located in San Patricio County, Texas, which abuts, is adjacent to, and/or is accessed by roadways or rights-of-way (hereinafter "roadways" or "rights-of-way") within the County; and

WHEREAS, use of the roadways by these operators for the purpose of performing the activities described hereinabove may cause damage to the roadways or rights-of-way; and

WHEREAS, on February 26, 2007, by order of the San Patricio County Commissioners Court a cash bond or surety bond in the amount of \$25,000.00 was required to cover the cost of the above-mentioned operations; and

WHEREAS, the cost to cover damage to the roads or other rights-of-way have increased and a higher cash bond or surety bond is necessary to cover the cost of the above-mentioned operations.

BE IT THEREFORE ORDERED that the Commissioners' Court of San Patricio County will continue to require a cash bond or surety bond be provided by those operators in the business of placing pipeline, drilling gas or oil wells and who use county roads for the purpose of performing those activities.

The purpose of such bonds is to cover the costs of any damage to the roads or other rights-of-way caused as a result of the activities described hereinabove. The term "street" also applies for purposes of this policy.

The new amount of the cash bond or surety bond is \$100,000.00 effective immediately. Surety bonds shall be filed with the San Patricio County Clerk's Office and cash bonds shall be filed with the San Patricio County Treasurer.

The bond will cover any and all damage to the roads or other rights-of-way, including damage to sidewalks, curbs, medians, street signs, and street lights. Ordinary wear and tear is excluded from this policy.

If no road damage is reported during the time the operator performs the activities described hereinabove, the bond will be refunded to the operator within fourteen (14) days of the road inspection.

If road damage is reported, the damage will be repaired by the County and the actual cost of the repair work deducted from the bond held.

At the completion of the repair work, the balance of the bond remaining after meeting any repair costs will be refunded to the operator within fourteen (14) days of final approval of the repairs. If the cost of the repair work exceeds the value of the bond, the operator will be invoiced for the additional costs.

Passed in open Court this the 19th Day of August, 2019.

David R. Krebs

David R. Krebs, County Judge

Nina G. Trevino

Commissioner, Precinct 1

Bay More Sr

Commissioner, Precinct 2



Attest:

Gracie Alaniz-Gonzales

Gracie Alaniz-Gonzales, County Clerk

Alma V. Moreno

Commissioner, Precinct 3

Hunt Bellamy

Commissioner, Precinct 4

NOTICE

Effective August 19, 2019, San Patricio County, Texas will require that a cash bond or surety bond be provided by those operators in the business of placing pipeline, drilling gas or oil wells and who use county roads for the purpose of performing those activities.

The purpose of such bonds is to cover the costs of any damage to the roads or other rights-of-way caused as a result of the activities described hereinabove. The term "street" also applies for purposes of this policy.

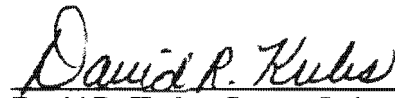
The amount of the cash bond or surety bond is \$100,000.00. Surety bonds shall be filed with the San Patricio County Clerk's Office and cash bonds shall be filed with the San Patricio County Treasurer.

The bond will cover any and all damage to the roads or other rights-of-way, including damage to sidewalks, curbs, medians, street signs, and street lights. Ordinary wear and tear is excluded from this policy.

If no road damage is reported during the time the operator performs the activities described hereinabove, the bond will be refunded to the operator within fourteen (14) days of the road inspection.

If road damage is reported, the damage will be repaired by the County and the actual cost of the repair work deducted from the bond held.

At the completion of the repair work, the balance of the bond remaining after meeting any repair costs will be refunded to the operator within fourteen (14) days of final approval of the repairs. If the cost of the repair work exceeds the value of the bond, the operator will be invoiced for the additional costs.



David R. Krebs, County Judge
San Patricio County, Texas

SURETY BOND FOR ROAD REPAIRS

San Patricio County, Texas

BOND NO. _____

KNOW ALL MEN BY THESE PRESENTS:

That _____, (an individual, partnership or corporation organized in the State of _____, with its principal office in the City of _____, State of _____, and authorized to do business in the State of Texas), as PRINCIPAL, and _____ a corporation organized and existing under the laws of the State of _____ and authorized to do business in the State of Texas as SURETY, are held firmly bound unto San Patricio County, Texas (hereinafter "COUNTY") for the use and benefit of the roads and rights-of-way located in COUNTY, in the sum of One Hundred Thousand Dollars (\$100,000.00) for the payment of which PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally.

The conditions of this obligation are such that:

WHEREAS, the above PRINCIPAL is in the business of placing pipeline, drilling gas wells and, in connection therewith, shall be engaged in drilling and production activities on property located in _____, Precinct _____, San Patricio County, Texas; and

WHEREAS, use of the roadways by PRINCIPAL for the purpose of performing the activities described hereinabove may cause damage to the roadways or rights-of-way.

NOW, THEREFORE, this \$100,000.00 surety bond is conditioned upon substantial compliance with all applicable statutes and orders of the State of Texas and San Patricio County, Texas. Upon completion of the activities described hereinabove by PRINCIPAL and upon completion of inspection of affected roads and rights-of-way by COUNTY, the COUNTY will release this bond if no repairs are deemed necessary by the COUNTY. Otherwise, the principal amount will be forfeited to the County of San Patricio, Texas.

SIGNED and sealed on this the _____ day of _____, 20____.

PRINCIPAL

SURETY

Mailing Address

Mailing Address

By: _____
Signature, Title

By: _____
Signature, Title

Note: Affix Corporate Seal if applicable.

CASH BOND FOR ROAD REPAIRS

San Patricio County, Texas

BOND NO. _____

(to be filed with the San Patricio County Treasurer's Office)

Note: Bond Amount is \$100,000.00

_____ ("OPERATOR"), an _____
(Individual, Corporation, Partnership, Limited Liability Company, etc.) organized in the State of _____ and authorized to do business in the State of Texas, whose mailing address is _____, is hereby firmly bound to San Patricio County, Texas ("COUNTY") in the sum of One Hundred Thousand Dollars (\$100,000.00) upon the following conditions:

WHEREAS, the above OPERATOR is in the business of drilling gas wells and, in connection therewith, shall be engaged in placing pipeline, drilling and production activities on property located in _____, Precinct _____. San Patricio County, Texas; and

WHEREAS, use of the roadways by OPERATOR for the purpose of performing the activities described hereinabove may cause damage to the roadways or rights-of-way located in the County.

OPERATOR has deposited, on behalf of the County, the sum of \$100,000.00 with _____ ("Financial Institution") in the following account: _____ OPERATOR pledges this sum as financial assurance that it or its successors or personal representatives will assume responsibility for the repair of any and all damage to the condition of the County's roadways or rights-of-way as they existed prior to the performance of the activities described hereinabove, excluding ordinary wear and tear, if any.

If OPERATOR or its successors, heirs, personal representatives or assigns shall cause no damage to the roads or rights-of-way during the activities described hereinabove, as determined by inspection by the County, this obligation shall be null and void, and the principal sum of the deposit securing this bond shall be released to OPERATOR or to its successors, heirs, or personal representatives, within fourteen (14) days after County's final inspection.

PRINCIPAL

By: _____

Title: _____