

PIPELINE AGREEMENT

This "Pipeline Agreement" between the undersigned parties is for the purpose of constructing, maintaining, laying, operating, and/or repairing, pipelines utilized for the transportation of liquids or gaseous materials along the right of ways and/or under certain county roads located in Austin County, Texas.

Pursuant thereto, the undersigned Parties do hereby covenant and agree to the following terms, conditions and provisions.

I.

PUBLIC'S USE OF ROAD

The public's use of county roads for travel shall be of primary importance. No crossing or pipeline, using material of any type, shall ever be laid or maintained by the undersigned pipeline company in such a manner as to interfere with the construction, maintenance, or repair of county roads or public's use of such roads for travel. If any material or pipeline laid by the undersigned pipeline company in any manner interferes with the construction, maintenance or repair of any existing county road, or travel thereon, because of the depth at which same has been laid, or for any other reason, the undersigned pipeline company, upon request of the Commissioners' Court, shall promptly change or alter, at the undersigned pipeline company's sole expense, such material or lines, in such manner so that the same will no longer interfere with such construction, maintenance or repair or travel. No crossing or pipeline shall be laid to interfere with the traffic, present and future water drainage, or in such manner as to constitute a danger or hazard, or to become a nuisance of any kind to anyone using any county road, or anyone living in the vicinity thereof. Any rights granted by this agreement shall be subordinate to the public's use of the county roads.

II.

WARNING SIGNS AND SAFETY MARKERS

On county roads where pipeline work is in progress, the undersigned pipeline company shall set out temporary signs and safety markers to warn the public of the work site. All signage will be in accordance with Texas Department of Transportation Manual of Uniform Traffic Control Devices.

Upon completion of the pipeline work on the county road, the undersigned pipeline company shall set out permanent warning signs and/or safety markers at that location.

III.

CONSTRUCTION

- A. All pipeline(s) that cross each roadway shall be bored, jacked or driven under such roadway extending from bore pit to bore pit, and shall not "cut" or "break" the surface of any county road. Bore pits are to be located at a reasonable distance from the roadway. A minimum of forty-eight (48) hours working day notice to Austin County Commissioner in whose precinct the pipeline agreement applies is required before any "boring" operations are begun on county road.
- B. No pipeline company motor vehicles shall remain stopped or parked on Austin County roads and/or county rights-of-way. This prohibition shall include motor vehicles operated by the pipeline company's assigns, its agents, subcontractors and their employees.

- C. All pipeline(s) placed along rights-of-ways must have at least twelve feet of cover or seventy-two (72) inches encased with permanent type signs placed at each point where line enters the right-of-way and where line exits the right-of-way
- D. Pipeline(s) crossing Austin County roads must be installed with a minimum of twelve feet under the lowest point from bar ditch to bar ditch with a minimum of twelve feet under the crown of the subject roadway.
- E. Alignment of the pipeline shall be at an angle to the centerline of the road which is no more than 15° off perpendicular, unless paralleling an existing pipeline.
- F. Drawings showing the location of pipeline(s) on county roads and property shall be furnished to Austin County by the undersigned pipeline(s) company.
- G. Any easements contemplated by this agreement; or requested by the pipeline(s) company, shall be determined by the Austin County Commissioners' Court.
- H. No variations from above specifications will be allowed unless special permission, in writing, is granted by the Austin County Commissioners' Court.
- I. Other restrictions: _____

IV.

INDEMNITY

The undersigned pipeline company, its agents, assigns, and subcontractors hereby expressly assume all responsibility with respect to the installation and maintenance of all pipelines, for any damage to the county road(s) and for damage to any and all adjoining property owned by others.

Austin County shall not be liable for any damages, loss or injury to the person or property of the undersigned pipeline company or any other person or persons whomsoever suffered on, in or about the said premises or upon the streets and roads in front of or adjoining same by reason of present or future form, character or condition of the said premises or any part or portion of same or from the use and the manner of use made of the premises by the undersigned pipeline company or from any negligence of its servants, agents, employees or contractors. The undersigned pipeline company agrees to indemnify, protect and hold harmless Austin County against any and all such damages or things as described above. Additionally, the undersigned pipeline company agrees to indemnify, protect and hold harmless Austin County against any and all attorney fees and/or other costs and expenses incurred by the undersigned pipeline company in the defense of any claim or lawsuit brought against Austin County as a direct result of any such matters, acts and things. In case of any such action or proceedings brought against Austin County by reason of such claim, the undersigned pipeline company covenants to defend the county, upon notice from Austin County, in such action or proceeding by providing legal counsel acceptable to Austin County at no cost or expense to Austin County. The undersigned pipeline company, however, does not grant indemnity or defense to Austin County for willful or negligent acts of Austin County, its agents, employees, contractors or third parties over which the undersigned pipeline company has no control.

V.

RESTORATION

Prior to the commencement of any pipeline work on any county road, the undersigned pipeline company shall clear the county road right-of-way and pipeline site of all brush, bushes and trees.

After the pipeline work is completed, all excavations within the county right-of-way must be back-filled to their original condition, and all trash, debris, obstructions, and surplus materials shall be removed, and the excavation finished off flush with the surrounding natural ground. The undersigned pipeline company shall clean up and restore the county

road right-of-way and surrounding area to as good, or better condition as existed prior to the installation of the materials and/or pipelines. The undersigned pipeline company will commence the clean-up and restoration of the county road right-of-way, in accordance with the terms set out in this paragraph, and in compliance with all state and federal regulations, within forty-eight (48) hours after notice to Austin County of the pipeline works completion.

All excavations within the right-of-way must be back filled to their original condition, and all surplus materials must be removed and the excavation finished flush with surrounding natural ground. The undersigned pipeline company shall clean up and restore the right-of-way and surrounding area to as good or better condition as existed prior to installation of these materials or pipelines. The undersigned pipeline company will commence the restoration of the right-of-way, in accordance with terms agreed upon, within forty eight (48) hours after the receipt of such notice from Austin County.

VI.

VIOLATIONS

Any violations of this "pipeline agreement" by the undersigned pipeline company, its employees or anyone acting on its behalf, may result in its temporary suspension by the County Commissioner of the precinct in which the "pipeline agreement" applies. In the event of such temporary suspension, the Commissioners Court shall at its next regularly scheduled meeting, and after notice to the undersigned pipeline company, determine whether to reinstate, or revoke this pipeline agreement.

VII.

PROOF OF LIABILITY INSURANCE/BOND

The undersigned pipeline company shall keep and maintain liability insurance in full force and effect at all times during the laying of its pipeline(s) and their operation in Austin County; said policy to inure to the benefit of Austin County. Such liability insurance policy shall be in the amount of \$1,000,000.00 and a copy shall be attached to this agreement when submitted to the county for its approval.

In addition to the liability insurance policy required above, the undersigned pipeline company shall deposit with the Austin County Judge a performance bond in an amount to be determined by the Austin County Commissioner in whose precinct the pipeline agreement applies. Said bond shall inure to the benefit of Austin County for damages to county roads or property occasioned by the undersigned pipeline company while this agreement is in force and effect.

Both parties hereto agree that such monies shall not be construed as limiting any actual total damage amount to which the pipeline company may be liable to Austin County under this agreement.

IX.

LOCATION

The undersigned Parties agree that the county right-of-ways and/or county roads affected by this agreement are: _____

An exhibit showing the location, depth and global positioning satellite location must be attached.

X.

CONTENTS AND SPECIFICATIONS

The gas, other liquids or substances which may be introduced into the pipeline(s) which are the subject of this agreement, and the amount of pressure that will be exerted within same is described as follow, to wit:

XI.

APPLICATION FEE

An application fee of \$500.00 will accompany this Pipeline Agreement.

XII.

EFFECTIVE DATE

This "pipeline agreement" is valid for a period of six months, and is effective as of the last date signed below.

Austin County, Texas

Pipeline Company

Name

Address

Phone

Fax

By: _____

By: _____

Date _____

Date Signed: _____

Austin County Commissioner Pct. # _____