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**AGREEMENT FOR LICENSE ADJACENT TO OR CROSSING COUNTY ROADS**

**STATE OF TEXAS §**

**COUNTY OF NAVARRO§**

**KNOW ALL MEN BY THESE PRESENTS:**

Chatfield WSC, Owner of a (pipeline, utility line, and gas or sewer line) hereby contracts and covenants with **Navarro County ("the County")** as follows:

I. Robert Garcia desires to construct and maintain a pipeline, utility line, or gas or sewer line in Navarro County, Texas and it is necessary to cross certain county road(s) NE CR 2030 located in Precinct # 2, more fully described on the map attached hereto as Exhibit A and incorporated herein by reference. The license granted herein shall extend 5 feet on either side of the pipeline as it crosses the county road.

II. In consideration for **the County** granting permission through the issuance of a permit to lay a pipeline, utility line, or gas or sewer line adjacent to or crossing said county roads above described in Navarro County, Texas, the **Owner** hereby warrants, agrees and covenants that any crossing shall be constructed as follows:

All county road crossings shall be bored unless a variance is granted by Navarro County Commissioners Court, and lines underneath such roads shall be cased or otherwise constructed to provide maximum protection against damage or leaks. Owner may not block the county road during construction and must provide for at least one lane of traffic. The points where the pipeline crosses the road shall be clearly marked and the line shall be placed at a depth of no less than 6 feet underneath the lowest part of the **County's** bar ditches and/or road surfaces.

Type of Pipeline: 6" PCP Water pipe

The transport route (beginning and end): Water line will cross from West side of NE CR 2030 to the East side of road. Right a intersection of 0120 and 2030.

(A detailed construction plan must be submitted with application)

Pipelines which run adjacent to a county road and which are within a county road easement shall be placed at a depth of no less than 6 feet underneath the lowest part of the **County's** bar ditches and/or road surfaces.

The pipeline shall be constructed in a safe and prudent manner and shall consist of only acceptable commercial pipeline materials. The **Owner** shall be responsible for maintaining the pipeline and the license area. In the event the pipeline is ever abandoned or ceases to be used for more than 6 consecutive months, this license shall terminate and revert to the **County**. In addition, if the pipeline is ever abandoned or ceases to be used for more than 6 consecutive months, the **Owner** shall, at the **County's** request, remove the pipeline from the license area and restore the property to its original condition.

**SEE ATTACHMENT "A" IF THIS IS FOR A PETROLEUM PIPELINE.**

III. In consideration of the granting of this license (pipeline, utility line, gas or sewer Line) adjacent to or across the **County's** roads, the **Owner** warrants and covenants that any damages which may be caused to County or adjacent property as a result of the construction, maintenance or operation of a pipeline shall be the sole responsibility of the **Owner** and the **Owner** warrants and covenants that the area where the construction takes place shall be repaired and put back in the same condition as it originally was before such construction took place.

IV. The **County** and **Owner** hereby covenant and agree that for each violation of this License agreement, **Owner** shall pay to the **County** liquidated damages in the amount of One Thousand Dollars (\$1,000.00) per day, per violation, until such violation have been corrected and the **County's** requirements complied with. Such compliance shall be determined by the **County** Commissioner in whose precinct the work occurs.

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V. **Owner**, at its own expense, shall maintain a general liability insurance policy in an amount sufficient to insure against loss or damages caused by the construction, maintenance and operation of the pipeline. The general liability insurance requirement may be met by a combination of self-insurance, primary, and excess insurance policies. **Owner** shall also, at its own expense, carry worker's compensation insurance as required by law.

VI. **Owner**, its successors and assigns agree to release, defend, indemnify, and hold harmless **the County** its respective commissioners, agents and employees (collectively, the "**Indemnified Parties**"), from any and all costs, losses, claims, judgments, settlements, and damages of every kind and character to real property, personal property or persons (including, without limitation, claims involving environmental laws and regulations, pollution, contamination of ground waters, personal injury and death), lawsuits and/or causes of action (including reasonable attorneys' fees, expert fees and court costs) (collectively "**Claims**"), which may grow out of, arise from, or in any manner be connected with the activities of **Owner's** agents, invitees, guests, contractors, servants and employees, on the license area, or any adjacent property, including, without limitation, any Claims arising from loss of subsurface support of any County road and any Claims arising from the production or transportation of materials through any pipeline. For purposes of this license, environmental laws and regulations include, without limitation, the federal Oil Pollution Act (OPA), the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the federal Resource Conservation and Recovery Act (RCRA), the federal Clean Water Act, the Texas Solid Waste Disposal Act (TSWDA), the Texas Water Code (TWC), and the federal, state and local rules, regulations, ordinances, orders and governmental directives implementing such statutes.

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As used in this license, the term "**Hazardous Materials**" means any substance or material defined or identified as hazardous, extra-hazardous, toxic or radioactive or subject to regulation as a solid waste or pollutant under any applicable federal, state, or local statute or regulation including, without limitation, the environmental laws and regulations referenced herein. "**Remedial Work**" is defined as any site investigation or monitoring, any cleanup, containment, remediation, removal, or restoration work performed in response to any federal, state or local government authority or private party action ("**action**"), or pursuant to any federal, state or local statute, rule, regulation, ordinance, order, governmental directive or other laws ("**law**"). **Owner** agrees, for the benefit of the **County** and any adjacent surface owner, (1) to remove from the license area, if, as and when required by any action or law, any Hazardous Materials placed or released thereon by **Owner** (including its contractors), (2) to perform Remedial Work where the need therefore arises in connection with **Owner's** (including its contractors) operations or activities on the license area or any adjacent property, and (3) to comply in all respects with all laws governing operations by **Owner** (including its contractors) and Remedial Work on or associated with the license area and any adjacent property. Remedial Work shall be performed by one or more contractors selected by **Owner** under the supervision of an engineer selected by **Owner**. All costs and expenses of Remedial Work resulting from **Owner's** (including its drillers' and other contractors') operations shall be paid by **Owner**, including, without limitation, the charges of such contractors and/or the consulting engineer and the **County's** reasonable attorneys' fees and costs incurred in connection with the monitoring or review of Remedial Work. If **Owner** shall fail to timely commence or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, the **County** may (but shall

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not be required to), after first giving **Owner** thirty (30) days notice of its failure and **Owner's** continued failure to perform, cause such Remedial Work to be performed and **Owner** will reimburse all reasonable costs of same on demand. The provisions of this Article shall not constitute approval or obligate **The County** or the surface owner to consent to the imposition of any engineering or institutional control that would restrict or limit future use of the License area for any purpose including, without limitation, any deed restriction or limitation on the use of groundwater or use of the property for residential purposes. **Owner** will notify **the County** and surface owner of any claim or other action by any governmental agency or any third party involving the actual or alleged existence of Hazardous Materials on the License area or any adjoining property and provide **the County** and surface owner with copies of (1) any notice of any actual or threatened release of Hazardous Materials given by **Owner** pursuant to any law and (2) any report of and response to any such release including all Remedial Work. **Owner**, its successors and assigns, in accordance with the provisions of Article 8, will release, indemnify, pay and protect, defend and save the Indemnified Parties harmless from all claims, liabilities, fees and expenses of any kind (including reasonable attorneys' fees, expert fees and costs) that arise from the actual or alleged presence or release of any Hazardous Materials in connection with the operations of **Owner** and **Owner's** agents, invitees, guests, contractors, servants and employees on the License area or any adjacent property. Such indemnification shall include, without limitation, costs in connection with any Remedial Work performed by **the County**, surface owner, or any third party in response to any federal, state or governmental authority, laws or regulations, due and payable upon demand by **the County** or adjacent surface owner.

**Owner's** obligations herein shall survive the termination of this License.

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VII. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

VIII. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created by this Agreement are performable in Navarro County, Texas.

IX. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, this invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in the Agreement.

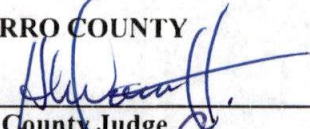
X. The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. The rights and remedies provided in this Agreement are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

EXECUTED this \_\_\_\_\_ of \_\_\_\_\_, 20\_\_\_\_.

**OWNER**

By: Robert Garcia, its Operation Manager  
Company Name: Chatfield Wate Suppy Corperation  
Address: 106 Carr Street  
Phone Number: (903)345-3463

**NAVARRO COUNTY**

By:   
County Judge

By:   
Commissioner of Precinct 2