


19,463

ROAD DAMAGE REIMBURSEMENT AGREEMENT

THE STATE OF TEXAS
COUNTY OF HUNT

FILED FOR RECORD at <u>2:00</u> o'clock <u>P</u> -M
MAY 13 2025
RECKY LANDRUM County Clerk, Hunt County, Tex. by 

This contract and agreement made and entered into on this the day of April 14, 2025, by and between the County of Hunt, Texas, hereinafter called "Hunt County," and by Guardian Operating, LLC, hereinafter called "Purchaser". Together Hunt County and Purchaser may be referred to as the "Parties."

Purchaser, or their contractors, agents, or employees may cause damage to Hunt County maintained roads during the delivery of equipment and construction materials for a well-drilling project in Precinct 4, Hunt County on and around property located off of Hunt County Road 4203 and north of FM 2736. This contract serves to document Purchaser's agreement to reimburse Hunt County for any and all costs of repairing and/or reconstructing County Road 4203 or any other county-maintained roads that may be damaged due to Purchaser's aforementioned well-drilling project with the same materials and to the same or similar condition they were prior to the beginning of the Purchaser's project.

Hunt County acknowledges that the Purchaser has worked in good faith with the Hunt County Precinct 4 Commissioner to mitigate possible damage to the roads involved and in fact has already, at great expense, built a location and a location road entering County Road 4203 meeting the requirements set forth by the Commissioner. Furthermore, Purchaser has made clear to its vendors for the well-drilling project that only the route set forth on Exhibit "A" hereto, can be used to access the location.

In an abundance of good faith, both Parties agree that an assessment of those portions of Hunt County Road 4203 and FM 2736 highlighted on Exhibit "A" shall be made prior to commencement of well-drilling operations in the form of video, pictures and notes by a representative of Purchaser in order to establish a baseline condition informational report. A representative of the County will be notified of, and invited to attend at, such time and place the baseline condition informational report is to be filmed and created. In this way, while it is possible to now estimate the costs required to repair the current damage to the roads, which would be the County's responsibility, it will also be possible to know the extent new damage has been created as a result of the well-drilling project operations that would be the Purchaser's responsibility. The period of time for which Purchaser would be responsible for such road damage shall be defined as the Well-Drilling Project Period. The Well-Drilling Project Period shall begin with the date and time the baseline condition information is acquired and terminates when the drilling, or completion, rig moves off location, whichever rig movement occurs last.

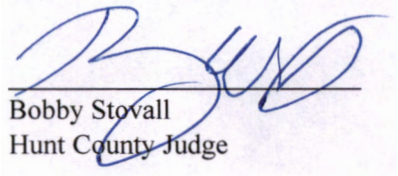
The County agrees to use the FEMA contract rates for materials, labor, and equipment for all invoices and estimates that will be created for future repairs stemming from the damage caused by Purchaser's project during the Well-Drilling Project Period. The Purchaser agrees to pay the portion of invoices related specifically to the Well-Drilling Project Period for the repair and/or reconstruction of the damaged county roads within thirty (30) days (Net 30) of receipt of those invoices. Damages payments will be specifically used for the repair of said roads when adequate funding becomes available to the County, and for adjacent roads and appurtenances which may be damaged during the Well-Drilling Project Period. The estimated cost of said repairs required as the result of use during the Well-Drilling Project Period will be prepared by the Precinct 4 Commissioner and provided to the Purchaser within thirty (30) days of the end of the Well-Drilling Project Period. Thereafter the timing and method of repairs considered in this agreement are within the sole discretion of the responsible Commissioner.

Additionally, Purchaser proposes in the event of a commercially economic well is completed by the Purchaser, that a separate agreement be made between Purchaser and Hunt County to work side by side for

future road repairs required as a result of oil tanker trucks accessing the location for oil transportation. As part of such agreement, Purchaser prefers blading as a method of repair whenever and wherever possible.

Finally, at the commencement of a commercially economic well by Purchaser, should other operators attempt to drill wells in the same area using County highway 4203 and FM 2736, that the County hold such operators similarly responsible for their road damages so that Purchaser is not unfairly burdened by a requirement to pay for repairs to which they were not responsible.

IN TESTIMONY WHEREOF, the parties hereto have executed this contract and agreement on this the 13th day of May, 2025.


Bobby Stovall
Hunt County Judge

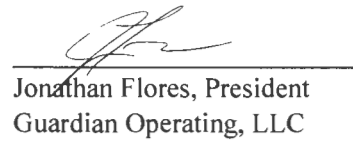

Jonathan Flores, President
Guardian Operating, LLC

EXHIBIT "A"

Stroope No. 1 Well

GUARDIAN OPERATING, LLC

Hunt County, Texas

James Cole Survey, A-152



Directions to the well provided to Vendors: FROM DALLAS HEADING EAST ON I-30

Approximately 8 miles east of Greenville, TX, take exit 101 to Highway 24 North towards Commerce Texas. Drive approximately 4.8 miles to State Highway 2736 and turn left. Take State Highway 2736. Approximately 1.4 miles turn North onto County Road 4203 and follow the road approximately 1/4 of a mile to the location entrance on the left. **KEEP SPEED TO 15MPH AND UNDER ON COUNTY ROAD.**