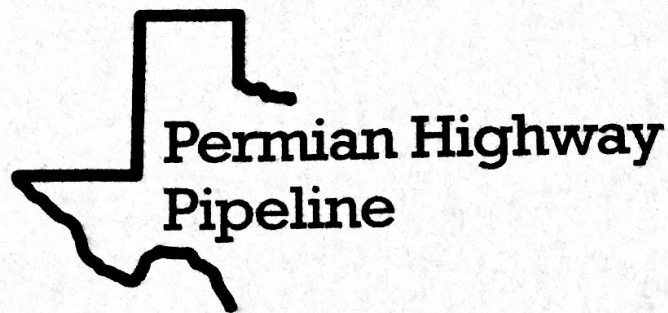


**River Mountain Ranch POA
Profit & Loss Budget Overview**

	Jan - Dec 17	2017 Actuals	2018 Actuals	2019 Budget	Comments
Income					
Late Fees & Interest	\$ -	\$ 111	\$ -	\$ -	
Membership Income	\$ 38,881	\$ 39,483	\$ 39,022	\$ 40,000	
Transfer Fees	\$ -	\$ 2,200	\$ 1,200	\$ 1,500	
Interest Income	\$ -	\$ 1	\$ 0	\$ -	
Keys Income	\$ -	\$ 125	\$ 75	\$ -	
Miscellaneous Income	\$ -	\$ 10	\$ 97	\$ -	
Total Income	\$ 38,881	\$ 41,930	\$ 40,395	\$ 41,500	
Gross Profit	\$ 38,881	\$ 41,930	\$ 40,395	\$ 41,500	
Expense					
Insurance					
General Liability	\$ 4,400	\$ 4,324	\$ 5,053	\$ 5,200	
Total Insurance	\$ 4,400	\$ 4,324	\$ 5,053	\$ 5,200	
Legal-Prof Fees	\$ 600	\$ 125	\$ 150	\$ 1,000	
Office Expenses					
Bookkeeping & Secretarial Exp	\$ 4,600	\$ 1,906	\$ 2,150	\$ 2,500	
Total Office Expenses	\$ 4,600	\$ 1,906	\$ 2,150	\$ 2,500	
Other Expenses					
Bank Fees	\$ 80	\$ 68	\$ 56	\$ 100	
Meeting Expense	\$ 900	\$ 545	\$ 305	\$ 400	
Lien/Release Filing Fees	\$ -				
Misc Exp	\$ 40		\$ 40	\$ 1,000	
Total Other Expenses	\$ 1,000	\$ 612	\$ 361	\$ 1,500	
Park Expenses	\$ 1,650	\$ 1,958	\$ 722	\$ 10,000	Possible cabana upgrades etc.
Roads Expenses/Front Entrance	\$ 22,500	\$ 33,502	\$ 6,874	\$ 25,000	Professional pothole and crack seal and right of way clearing
Office of Communications					
Mailout & Office Expenses	\$ 1,575	\$ 588	\$ 467	\$ 1,000	
Software/Website	\$ 800	\$ 111	\$ 461	\$ 500	
Total Office of Communications	\$ 2,375	\$ 699	\$ 928	\$ 1,500	
Office of Secretary	\$ 100				
Property Taxes	\$ 435	\$ 509	-	\$ 600	
Utilities - Electricity	\$ 400	\$ 515	\$ 543	\$ 600	
Total Expense	\$ 38,060	\$ 44,152	\$ 16,748	\$ 47,300	
Net Income	\$ 821	\$ (2,222)	\$ 23,611	\$ (5,800)	



Permian Highway Pipeline Project Fact Sheet

Project Overview:

- Kinder Morgan Texas Pipeline (KMTP) and EagleClaw Midstream Ventures (EagleClaw) have announced a final investment decision to proceed with the Permian Highway Pipeline Project (PHP Project). An affiliate of an anchor shipper exercised its option in January 2019 to acquire a 20 percent equity interest in the project, bringing KMTP and EagleClaw's ownership interest to 40 percent each. Altus Midstream (a gas gathering, processing and transportation company formed by shipper Apache Corporation) has an option to acquire an equity interest in the project from the initial partners by September 2019. If Altus exercises its option, Kinder Morgan, Inc., EagleClaw and Altus will each hold a 26.67 percent ownership interest in the project.
- The approximately \$2 billion PHP Project is designed to transport up to 2.1 billion cubic feet per day (Bcf/d) of natural gas through approximately 430 miles of 42-inch pipeline from the Waha, Texas area to the U.S. Gulf Coast and Mexico markets. KMTP will build and operate the pipeline.
- A number of federal and state agencies will be involved with the approval and oversight of the PHP Project, including, but not limited to, the Railroad Commission of Texas, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, Texas Historical Commission, Texas Commission on Environmental Quality, Texas General Land Office and Native American tribes as applicable.

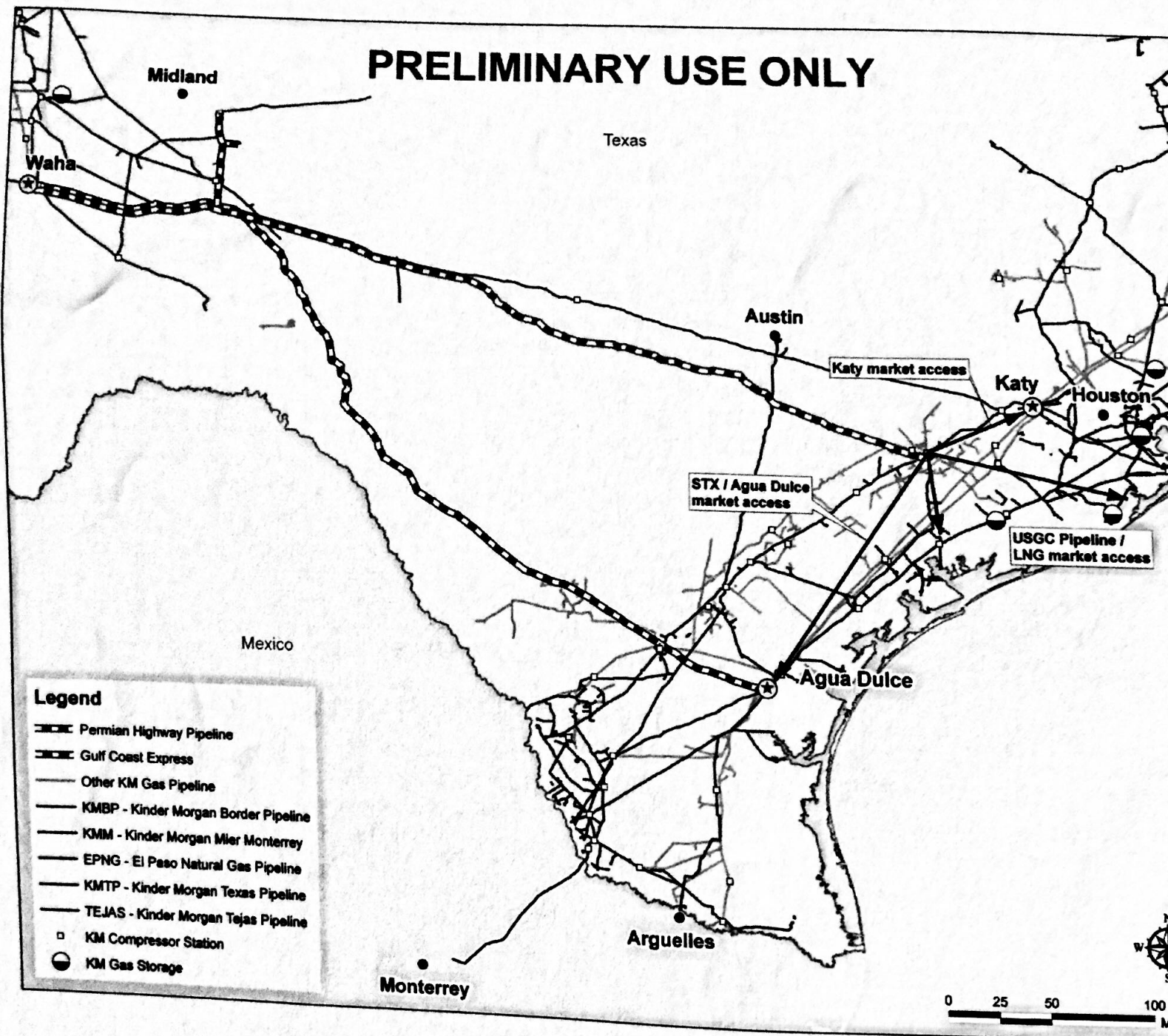
Project Benefits:

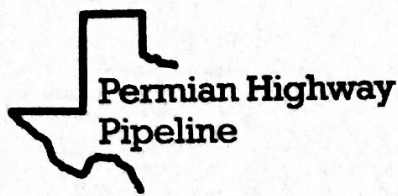
- The PHP Project will provide an outlet for increased natural gas production from the Permian Basin to growing market areas along the U.S. Gulf Coast, including new LNG facilities that will be in service in the next few years.
- The PHP Project will directly generate an estimated 2,500 local construction and 18 full-time jobs. There will be ongoing positions following construction that will continue to accelerate the development and job creation from the booming oil and gas activity throughout Texas.
- When complete, the new facilities constructed as part of the PHP Project will generate approximately \$42 million of increased annual revenue to applicable state and local taxing bodies.

Estimated Project Schedule:

- Stakeholder Outreach: Ongoing
- Civil and Environmental Surveys: September 2018 – June 2019
- Begin Construction: Fall 2019
- Proposed In-Service Date: Fourth Quarter of 2020

PRELIMINARY USE ONLY





Permian Highway Pipeline (PHP) Project Frequently-Asked Questions

Project Specifications

1) What is the Permian Highway Pipeline Project?

The Permian Highway Pipeline (PHP) Project ("Project") is designed to transport up to 2.1 billion cubic feet per day (Bcf/d) of natural gas through approximately 430 miles of 42-inch pipeline from the Waha, Texas, area to the U.S. Gulf Coast and Mexico markets. Kinder Morgan Texas Pipeline (KMTP) will build and operate the pipeline. The Project will provide much-needed takeaway capacity for natural gas in the Permian Basin in West Texas.

2) Who is Kinder Morgan?

Kinder Morgan is one of the largest energy infrastructure companies in North America, owning an interest in or operating approximately 84,000 miles of pipelines and 157 terminals. Kinder Morgan's pipelines transport natural gas, gasoline, crude oil, carbon dioxide (CO₂) and more.

In the State of Texas, Kinder Morgan operates approximately 26,000 miles of natural gas, CO₂, crude and refined products pipelines and 15 terminals handling liquid and bulk goods. Kinder Morgan employs over 4,970 people in Texas and is headquartered in Houston.

3) What product is this pipeline transporting?

The Project is being developed to transport dry pipeline quality natural gas. Multiple shippers have signed long-term, binding contracts strictly for natural gas transmission.

A new regulatory review and approval process would be required for this pipeline to transport any product aside from natural gas. Numerous facility and mechanical upgrades would also be required prior to transporting a new product in the pipeline.

4) What are the local and statewide benefits of the PHP project?

- **Jobs:** The PHP Project will directly generate an estimated 2,500 local construction jobs and 18 full-time positions following the project's completion.
- **Tax Revenue:** When complete, the new facilities constructed as part of the Project will generate approximately \$42 million in increased annual tax revenue to state and local taxing bodies.
- **Environmental Benefits:** The Project will provide a much-needed outlet for natural gas in the Permian Basin of West Texas. Natural gas is produced as a by-product of the crude oil drilling process in the Permian Basin. Currently, an estimated 400 million cubic feet per day (Mcf/d) of natural gas is flared in the Permian Basin due to a lack of natural gas pipelines that are capable of transporting the gas out of the region to market. Flaring is projected to increase in the area unless new pipelines are constructed. The PHP Project will provide 2.1 billion cubic feet per day (Bcf/d) of natural gas takeaway capacity from the Permian, thereby reducing flaring and associated CO₂ and methane emissions directly into the atmosphere.
- **Strengthening Texas's Economy and Infrastructure:** The booming oil and gas production in the Permian Basin provides major economic benefits not just for west Texas, but for the entire state. Oil and gas severance taxes in Texas provide a large amount of funding for the TXDOT's highway fund,

as well as the Permanent University Fund that provides approximately half of the funding for Texas A&M University and the University of Texas systems.

5) What regulatory agencies will oversee the project?

A number of federal and state agencies will be involved with the approval and oversight of the PHP Project, including, but not limited to, the Railroad Commission of Texas, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, Texas Historical Commission, Texas Commission on Environmental Quality, Texas General Land Office and Native American tribes as applicable.

6) Why are you pursuing this particular route—i.e. why go through the Hill Country?

In order to facilitate the transportation of additional natural gas supplies throughout Texas, Kinder Morgan Texas Pipeline (KMTP) developed a proposed pipeline route that provides interconnections with other existing pipeline systems, and is located in an operationally feasible area that minimizes the pipeline's impact on the environment. KMTP's engineers and environmental specialists developed this route after close examination of publicly available information, as well as aerial, environmental, cultural and civil survey data. KMTP will attempt, as much as possible, to locate the PHP pipeline parallel to existing pipeline rights-of-way and utility corridors.

7) When is the project expected to be placed into service?

Pending regulatory approvals, the project is expected to be in service in 2020.

8) What is the usual width of the pipeline right of way?

A pipeline normally requires a permanent right-of-way that is 50-feet wide. During construction, an additional 75-feet of temporary workspace next to the permanent right of way will be required. We will also need additional temporary workspace in certain areas such as road, railroad, river, and wetland crossings to accommodate safe and environmentally responsible construction activities and store construction materials. Once construction is complete, the temporary workspace will revert to the landowner after it is restored to its original condition.

Landowners

9) How is Kinder Morgan approaching the land acquisition process for this project? Is eminent domain being utilized to construct the project?

Our rights-of-way agents are working closely with landowners to ensure their concerns are addressed. At all times, our overarching goal is to arrive at mutually beneficial terms and conditions regarding the fair market value of property with landowners, so that eminent domain and condemnation can be avoided. Statutory eminent domain actions, while still resulting in just compensation to the landowner, are a rare last resort. We go to court only if all attempts to obtain easements for right-of-way are unsuccessful and mutually beneficial agreements with landowners cannot be reached.

10) Can landowners utilize the right-of-way after construction is completed?

Yes. Following completion of pipeline construction and restoration of the right-of-way, the landowner still may use the land over the pipeline for most purposes, including agriculture and cattle grazing. The landowner may plant smaller shrubs, flowers, bushes and grasses on the right-of way. Working with the company, landowners can also build access roads across the pipeline easement. Landowners are not permitted to construct buildings or structures, or plant deep-rooted trees in the permanent right-of-way, as this may impede with safe operation and continued monitoring of the pipeline.

Safety

11) How safe is transporting natural gas through underground pipeline? What measures does Kinder Morgan or its partners take to ensure safe operations of the pipeline?

Pipelines are the safest and most efficient way to transport and deliver natural gas. We meet and exceed hundreds of regulations and procedures to regularly monitor, test and inspect the mechanical and operational integrity of our pipelines. We keep communities safe in large part because we monitor our pipelines 24 hours a day, seven days a week and 365 days a year. Our safety efforts include: electronic surveillance systems, visual inspections of right-of way, as well as internal inspections using sophisticated computerized equipment called "smart pigs".

The Environment

12) Why is there not a comprehensive environmental impact statement for this project?

KMTP is committed to protecting significant cultural sites and environmentally sensitive areas. This commitment extends through all aspects of the project. Kinder Morgan is working with the applicable federal and state agencies to comply fully with all applicable laws and regulations. Since this is an intrastate pipeline project, it is not regulated by the Federal Energy Regulatory Committee (FERC), therefore there is no requirement for Kinder Morgan or the applicable agencies to complete an environmental impact statement. Beyond that, Kinder Morgan also has its own standards and procedures that help ensure employed professionals and contractors do their utmost to exercise care and respect for the possible effect of project activities on the environment.

13) How will Kinder Morgan protect wetlands and culturally important sites?

We start by selecting a route that avoids sensitive areas whenever possible. This route is based on detailed professional surveys and studies. We also mark wetlands and culturally important sites that need to be avoided during construction.

Should there be any wetlands or culturally important sites that cannot be avoided, we exercise the utmost care around these sites during construction. We choose only qualified and experienced professional pipeline builders to minimize the impact of construction activities on these sites. In addition, we will have a specially trained environmental inspector at the site to ensure the protection of environmentally sensitive areas and endangered species. Following construction, we thoroughly restore the land as close as possible to, if not better than, it's original condition.

It is also very important to note that if any major river or water body crossings are required for this project, it is typically our practice to horizontally directionally drill (HDD) under those major rivers or water bodies along the proposed route, when possible, safe and practical. This highly technical and very expensive method of installing a pipeline, minimizes environmental impacts.