NOTICE OF TAX ABATEMENT CONSIDERATION
OCHILTREE COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING

DATE: November 16, 2026 **TIME:** 6:30 P.M.

PLACE: Hospital Administration Conference Center, 3101 Garrett Drive, Perryton, Texas 79070

PURPOSE: The Ochiltree County Hospital District will discuss and take possible action regarding a tax abatement agreement with Palo Duro Energy Center, LLC pursuant to Chapter 312 of the Texas Tax Code.

Applicant ("Applicant") for Tax Abatement: Palo Duro Energy Center, LLC

Reinvestment Zone: Palo Duro Energy Storage Reinvestment Zone #2

Property in Reinvestment Zone: See attached map and legal description provided in Exhibit "A" attached hereto and incorporated herein for all purposes.

Anticipated Improvements: The general description of the nature of the improvements included in the agreement is as follows:

> Applicant anticipates constructing up to a 113.1 Megawatts-AC (452.4MWh) battery energy storage system. Improvements may include (but are not limited to) concrete foundations, batteries, containers, transformers, inverters, cabling, collection lines, and collection station.

Estimated Cost of the Anticipated Improvements: The estimated cost of the Anticipated Improvements in Ochiltree County being contemplated by Applicant is approximately $113,000,000.00.

FOR DETAILED INFORMATION OR QUESTIONS CALL KELLY JUDICE (806) 435-3606.

CERTIFICATION

I certify that the above Notice of Tax Abatement Consideration was posted at Ochiltree County Hospital District at a place readily accessible to the general public at all times on the ___ day of October 2026, and pursuant to Texas Tax Code 312.207 and Chapter 551, Texas Government Code, said Notice remained so posted continuously for at least 30 days preceding the scheduled time of said Meeting.

Kelly Judice, CEO

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Ochiltree County Hospital District

Exhibit "A"

LEGAL DESCRIPTION AND MAP OF PALO DURO ENERGY STORAGE REINVESTMENT ZONE #2

Palo Duro Energy Storage Reinvestment Zone #2 is comprised of the following legal description. In the event of discrepancy between this Exhibit "A" and the attached map, the description shall control; provided however, the Palo Duro Energy Storage Reinvestment Zone #2 shall in no way be deemed to include any portion of any municipality.

BEING A DESCRIPTION OF A 17.50 - ACRE (762,332 SQUARE FOOT) TRACT OF LAND SITUATED IN THE GALVESTON, HOUSTON AND HENDERSON RAILROAD COMPANY (G.H. & H RR. CO.) SURVEY: SECTION NO. 11, ABSTRACT NO. 80, BLOCK 4, OCHILTREE COUNTY, TEXAS. SAID 17.50-ACRE TRACT BEING OUT OF THE SOUTH 1/2 OF SECTION 11, ABSTRACT NO. 80, BLOCK 4, OCHILTREE COUNTY, TEXAS, CONVEYED TO ELDON LEON GURLEY, AS RECORDED BY DEED IN VOLUME 434 PAGE 688 OF THE DEED RECORDS OF OCHILTREE COUNTY, TEXAS, (D.R.O.C.T.), BEING FURTHER DESCRIBED BY METES AND BOUNDS AS FOLLOWS WITH THE BASIS OF BEARINGS BEING THE TEXAS STATE PLANE COORDINATE SYSTEM, LAMBERT GRID NORTH ZONE NO. 4201 (NAD 83) (CORS), ALL COORDINATES SHOWN HEREON ARE GRID:

COMMENCING (N= 4158693.22, E= 797079.87) AT A FOUND 1 INCH IRON PIPE, BEING THE NORTHWEST CORNER OF SAID SOUTH 1/2 OF SAID SECTION 11, THE SOUTHWEST CORNER OF THE NORTH 1/2 OF THE G.H. & H RR. CO. SURVEY, SECTION NO. 11, ABSTRACT NO. 80, BLOCK 4, OCHILTREE COUNTY, TEXAS, CONVEYED TO DONALD LEE GURLEY, AS RECORDED BY DEED IN VOLUME 434 PAGE 692 OF D.R.O.C.T., LOCATED ON THE EAST LINE OF A CALLED 626 ACRE TRACT OF LAND, BEING ALL OF THE G.H. & H RR. CO. SURVEY, SECTION NO. 12, ABSTRACT NO. 81, BLOCK 4, OCHILTREE COUNTY, TEXAS, SAVE AND EXCEPT 14 ACRES, CONVEYED TO DOUGLAS ANDREW ROLLINS TRUST AS RECORDED BY DEED IN VOLUME 533 AND PAGE 781 OF THE OFFICIAL PUBLIC RECORDS OF OCHILTREE COUNTY, TEXAS (O.P.R.O.C.T.).

THENCE NORTH 88°59'24" EAST, LEAVING THE EAST LINE OF SAID 626 ACRE TRACT AND THE WEST LINE OF SAID SECTION 11 AND CONTINUING WITH THE NORTH LINE OF SAID SOUTH 1/2 OF SAID SECTION 11 AND THE SOUTH LINE OF SAID NORTH 1/2 OF SECTION 11, A DISTANCE OF 1533.53 FEET TO A 1/2 INCH IRON ROD WITH CAP STAMPED "CPLSN 10194404" SET FOR THE NORTHWEST CORNER OF SAID TRACT HEREIN DESCRIBED, BEING THE **POINT OF BEGINNING** (N= 4158720.25, E= 798613.17).

THENCE NORTH 88°59'24" EAST, WITH THE NORTH LINE OF SAID SOUTH 1/2 OF SAID SECTION 11, THE SOUTH LINE OF SAID NORTH 1/2 OF SECTION 11 AND THE NORTH LINE OF SAID TRACT HEREIN DESCRIBED, A DISTANCE OF 869.25 FEET TO A 1/2 INCH IRON ROD WITH CAP STAMPED "CPLSN 10194404" SET FOR THE NORTHEAST CORNER OF SAID TRACT HEREIN DESCRIBED, FROM WHICH A 5/8 INCH IRON ROD, BEARS N 88°59'24"E, WITH THE NORTH LINE OF SAID SOUTH 1/2 OF SAID SECTION 11 AND THE SOUTH LINE OF SAID NORTH 1/2 OF SECTION 11, A DISTANCE OF

2209.25, SAID 5/8 IRON ROD BEING THE NORTHWEST CORNER, OF A CALLED 5.000 ACRE TRACT OF LAND, OUT OF THE SOUTH 1/2 OF THE G.H. & H RR. CO. SURVEY, SECTION NO. 11, ABSTRACT NO. 80, BLOCK 4, OCHILTREE COUNTY, TEXAS, CONVEYED TO PALO DURO WIND ENERGY, LLC AS RECORDED BY DEED IN DOCUMENT NO. 2014 - 1475 OF THE O.P.R.O.C.T.

THENCE SOUTH 01°00'36" EAST, OVER AND ACROSS SAID SOUTH 1/2 OF SAID SECTION 11 AND THE EAST LINE OF SAID TRACT HEREIN DESCRIBED, A DISTANCE OF 877.00 FEET TO A ½ INCH IRON ROD WITH CAP STAMPED "CPLSN 10194404" SET FOR THE SOUTHEAST CORNER OF SAID TRACT HEREIN DESCRIBED.

THENCE SOUTH 88°59'24" WEST, OVER AND ACROSS SAID SOUTH 1/2 OF SAID SECTION 11 AND THE SOUTH LINE OF SAID TRACT HEREIN DESCRIBED, A DISTANCE OF 869.25 FEET TO A ½ INCH IRON ROD WITH CAP STAMPED "CPLSN 10194404" SET FOR THE SOUTHWEST CORNER OF SAID TRACT HEREIN DESCRIBED.

THENCE NORTH 01°00'36" WEST, OVER AND ACROSS SAID SOUTH 1/2 OF SAID SECTION 11 AND WITH THE WEST LINE OF SAID TRACT HEREIN DESCRIBED, A DISTANCE OF 877.00 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 17.50 - ACRES (762,332 SQUARE FEET) OF LAND.
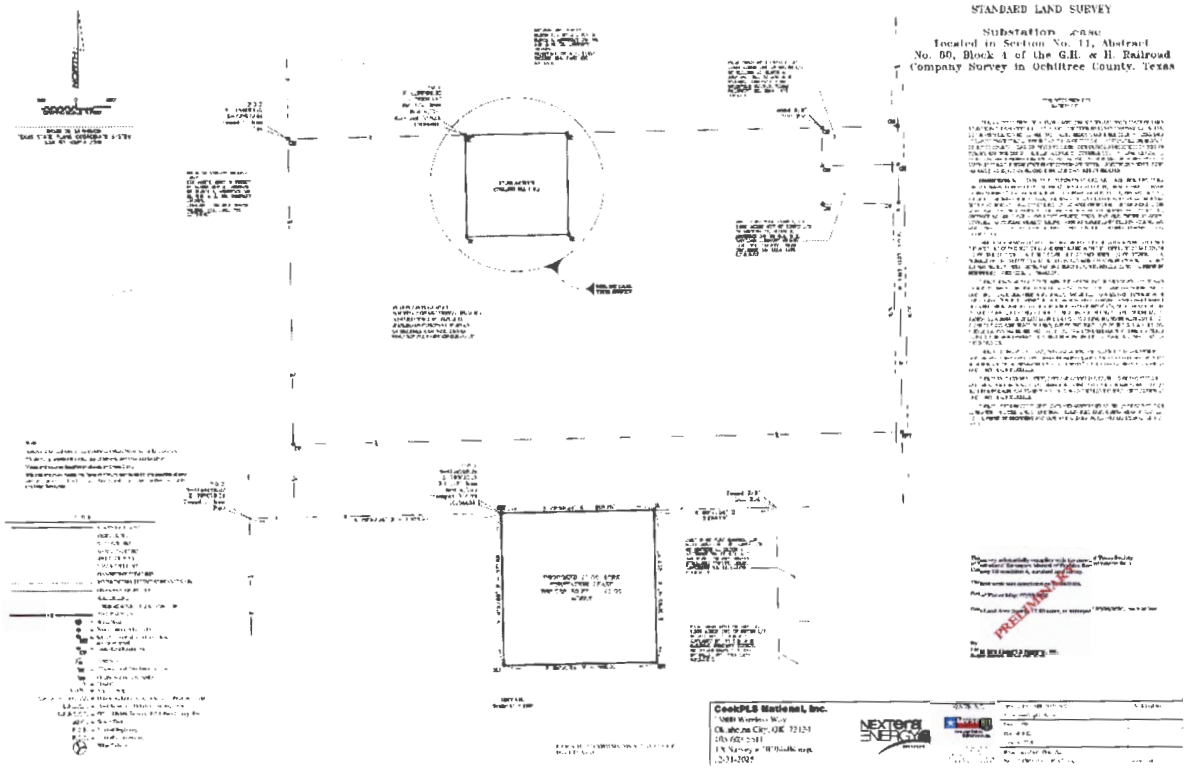
EXHIBIT A (CONTINUED)
MAP OF
PALO DURO ENERGY STORAGE REINVESTMENT ZONE #2