

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY DOCUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

Line: F2479  
Collin County  
JHS 11/26/19

**ENCROACHMENT AGREEMENT**

THE STATE OF TEXAS    §  
                                  §  
COUNTY OF COLLIN    §

KNOW ALL BY THESE PRESENTS:

*February* This Encroachment Agreement ("Agreement") is entered into as of this 26 day of ~~January~~, 2020 (the "Effective Date") by and between ATMOS ENERGY CORPORATION, a Texas and Virginia corporation ("Atmos Energy"), and COLLIN COUNTY TOLL ROAD AUTHORITY ("Owner").

**BACKGROUND:**

**WHEREAS**, Atmos Energy is the successor-in interest to the "grantee" under that certain easement recorded in Volume 243, Page 133 of the Deed Records of Collin County, Texas ("Easement");

**WHEREAS**, Owner owns certain real property ("Property") encumbered by the Easement, such Property being more particularly described on Exhibit "A" attached hereto;

**WHEREAS**, Atmos Energy currently maintains a natural gas pipeline and/or pipelines and the appurtenances thereto across the Property;

**WHEREAS**, Owner desires permission to construct, operate and maintain a roadway and pier as specifically described and shown on the attached drawing, marked Exhibit "B". (the "Encroaching Facility") within the boundaries of the Easement ("Easement Area"); and

**WHEREAS**, Atmos Energy is willing to permit Owner to construct, operate, and maintain the Encroaching Facility but in order to ensure Atmos Energy can continue to safely and efficiently carry out the purposes of the Easement, Atmos Energy has requested that Owner agree to the terms set forth below; and

**WHEREAS**, the Owner is agreeable to such terms.

AGREEMENT:

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Atmos Energy and Owner agree as follows:

1. Construction and Location of Encroaching Facility. Owner may construct and locate the Encroaching Facility in the Easement Area only as described and shown on the attached drawing, marked Exhibit "B" and in the specific location shown thereon. Owner shall comply with all conditions and requirements of Atmos Energy for the construction of the Encroaching Facility, including those set forth on that certain "no objection" letter dated 12/16/19 addressed to Mr. Chris Hill from Ed Ostrovich of Atmos Energy.

2. Maintenance of Encroaching Facility. Owner may not relocate the Encroaching Facility within the Easement Area, nor may Owner modify, enlarge or otherwise redesign the Encroaching Facility (such relocation, modification, enlargement, or redesign being an "**Alteration**") without the prior written consent of Atmos Energy, which consent shall be granted or withheld in Atmos' sole and absolute discretion. However, ordinary maintenance and repairs may be made to the Encroaching Facility without the consent of Atmos Energy so long as such maintenance and repairs: (i) are performed in such a manner as to maintain the Encroaching Facility as shown on Exhibit "B" hereto; (ii) do not involve excavation within the Easement Area; and (iii) do not require crossing of the pipeline by construction equipment (such ordinary maintenance or repairs which meet the foregoing conditions being "**Routine Maintenance**"). The foregoing notwithstanding, Atmos Energy shall not require the removal of the Encroaching Facility, or any part thereof, so long as the Encroaching Facility is constructed and located consistent with the drawing attached hereto as Exhibit "B", and in compliance with the criteria set forth in the "no objection" letter referenced in Paragraph 1 above. In the event of a conflict between the terms and provisions of this Agreement and the terms and provisions set forth in the "no objection" letter, the terms and provisions of the "no objection" letter shall control.

3. No Other Encroachments Permitted. Except as expressly permitted in the preceding paragraph, no other encroachments shall be permitted within the Easement Area. The provisions of Section 756.123 of the Texas Health and Safety Code (as amended or replaced) shall continue to govern any and all unapproved encroachments.

4. Notice. Owner must provide five (5) business days' written notice to Atmos Energy prior to commencing the initial installation of the Encroaching Facility, any subsequently approved Alteration, or any maintenance and repairs that do not qualify as Routine Maintenance. Any such notice shall be deemed received by Atmos Energy only upon physical receipt by Atmos Energy at the following address:

Atmos Energy Corporation  
P.O. Box 650205  
Dallas, TX 75265-0205  
Attn: Right of Way Department

5. Restrictions on Use of Easement Area. Owner shall use only so much of the Easement Area as may be necessary to construct, maintain and repair the Encroaching Facility. Owner shall, at its own cost and expense, comply with all applicable laws, including but not limited to existing zoning ordinances, governmental rules and regulations enacted or promulgated by any governmental authority and shall promptly execute and fulfill all orders and requirements imposed by such governmental authorities for the correction, prevention and abatement of nuisances in or upon or connected with said Encroaching Facility. At the conclusion of any construction, Owner shall remove all debris and other materials from the Easement Area, excluding the Encroaching Facility itself, and restore the Easement Area to the same condition it was in prior to the commencement of Owner's construction thereon or in proximity thereto. Owner shall not place upon the Easement Area any improvements, including but not limited to, buildings, paving, parking, light standards, shrubs, trees or signs unless approved in advance in writing by Atmos Energy.

6. Maintenance of Encroaching Facility. Owner, at Owner's sole expense, shall maintain and operate the Encroaching Facility, and Atmos Energy will not be responsible for any costs of construction, reconstruction, operation, maintenance or removal of the Encroaching Facility.

7. Risk and Liability. Owner assume all risks and liability resulting or arising from or relating to Owner's use, the existing condition or location, or existing state of maintenance, repair or operation of the Easement Area. It is further agreed that Atmos Energy shall not be liable for any damage to the Encroaching Facility or interruption to Owner's business as a result of Atmos Energy's use or enjoyment of its Easement. Any Atmos Energy property damaged or destroyed by Owner or its agents, employees, invitees, contractors or subcontractors, or as a result of the presence of the Encroaching Facility within the Easement Area may, at Atmos Energy's option, be repaired or replaced by Atmos Energy at Owner's expense. Payment is due upon Owner's receipt of an invoice from Atmos Energy.

8. Removal by Atmos Energy. If at any time in the future, the Encroaching Facility, in the reasonable judgment of Atmos Energy, interferes with Atmos Energy's use or enjoyment of its easement rights, Atmos Energy shall have the right to require the removal of the Encroaching Facility. Atmos Energy shall notify Owner in writing that within 30 days the Encroaching Facility must be removed at Owner's sole cost. If at the end of the 30-day period the Encroaching Facility has not been removed, Atmos Energy may remove it, at Owner's expense. Atmos Energy will not be responsible nor will compensation be paid for damages incurred by such removal, including, but not limited to, damages for loss of use of the Encroaching Facility or business interruption. Additionally, in an emergency, Atmos Energy shall have the right to immediately remove the Encroaching Facility at Owner's sole expense. If the Encroaching Facility is removed, Atmos Energy will not unreasonably withhold consent for Owners to relocate the Encroaching Facility within the Easement Area.

9. Indemnification. Owner, <sup>TO THE EXTENT ALLOWED BY LAW K.S.</sup> as well as its successors and assigns, agrees to defend, indemnify and hold harmless Atmos Energy, its officers, agents and employees from and against any and all claims, demands, causes of action, loss, damage, liabilities, costs and expenses (including attorney's fees and court costs) of any and every kind or character, known or unknown, fixed or contingent, for personal injury (including death), property damage or

other harm for which recovery of damages is sought or suffered by any person or persons, including claims based on strict liability, arising out of or in connection with: (i) Owner's actions or omissions, or the actions or omissions of its officers, agents, associates, employees, contractors or subcontractors, within the Easement Area, or (ii) the existence of the Encroaching Facility; **REGARDLESS OF WHETHER OR NOT SUCH CLAIMS ARE FOUNDED IN WHOLE OR IN PART UPON ACTS OR OMISSIONS BY OR THE SOLE OR COMPARATIVE NEGLIGENCE OF ATMOS, ITS OFFICERS, AGENTS, REPRESENTATIVES, ASSOCIATES, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS.**

10. Default and Termination. It is understood and agreed that if Owner fails to comply with any of the terms and conditions contained herein for a period of five (5) days after Atmos Energy notifies Owner of such default, then Atmos Energy may at its election immediately terminate this Agreement, and upon such termination all of Owner's rights hereunder shall cease and come to an end. This Agreement shall also terminate upon the abandonment of the Encroaching Facility. Upon termination of this Agreement for any reason, the covenants and agreements herein shall immediately cease to run with the land and shall no longer be binding upon and for the benefit of the Property, Atmos Energy and Owner, and their respective successors, heirs and assigns.

11. Entire Agreement. This written Agreement contains the entire agreement of the parties hereto (other than any conditions and requirements relating to construction as described in Section 1) and there are no oral or other representations upon which the parties have relied upon in entering into this Agreement. This Agreement and the obligations and rights arising hereunder may not be modified nor waived except by written agreement signed by all parties.

12. Governing Law. The parties expressly agree that this Agreement is governed by and will be construed and enforced in accordance with Texas law without respect to Texas' choice of law rules.

13. Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall constitute the same instrument.

14. No Waiver. A waiver by Atmos Energy of a breach of this Agreement, or the failure of Atmos Energy to enforce any of the articles or other provisions of this Agreement will not in any way affect, limit or waive Atmos Energy's right to enforce and compel strict compliance with the same or other articles or provisions.

[Signature Pages Follow]

ATMOS ENERGY CORPORATION

By: Kyle Slaughter

Name: KYLE SLAUGHTER

Title: VICE PRESIDENT OF OPERATIONS, MID-TEX DIVISION

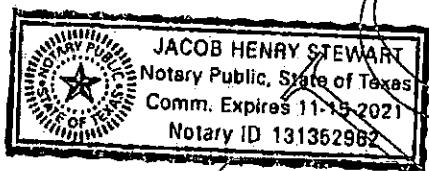
Date: 2/26/2020

STATE OF TEXAS §

COUNTY OF Dallas §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, Kyle Slaughter, the Vice President of Operations, Mid-Tex Division of Atmos Energy Corporation, a Texas Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

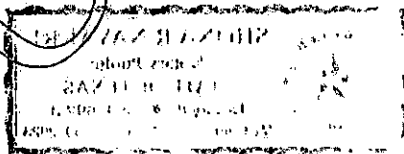
GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 26 day of February, 2020.



Jacob Stewart  
Notary Public in and for the State of Texas

My Commission Expires: 11-15-2021

Print Name: Jacob Stewart



OWNER

**COLLIN COUNTY TOLL ROAD AUTHORITY**

By: [Signature]

Name: CHRIS HILL

Title: COUNTY JUDGE

Date: 4 FEB 2020

STATE OF TEXAS       §  
                                  §  
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, CHRIS HILL, the COUNTY JUDGE of COLLIN COUNTY, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 4<sup>th</sup> day FEBRUARY, 2020.

[Signature]  
Notary Public in and for the State of Texas

My Commission Expires: 11/30/23

Print Name: SHONA NAVARRE

