

STATE OF TEXAS                   §  
   §  
COUNTY OF LUBBOCK         §

### **RECLAMATION AGREEMENT**

This Reclamation Agreement (the “Agreement”) is made and entered into this \_\_\_\_ day of May, 2022, by and between LUBBOCK COUNTY, TEXAS (“County”), LUBBOCK COUNTY EXPO CENTER, INC., a Texas nonprofit corporation (“LCEC”) and SHANGHAI DEVELOPMENT COMPANY, LLC, a Texas limited liability company (“Shanghai”).

WHEREAS, County, LCEC, and Shanghai own various tracts of land in Section 11, Block A, Lubbock County Texas, which are impacted by that certain playa lake known as Playa 55 (“Playa 55”) as shown on the City of Lubbock Master Drainage Plan and generally as depicted in Exhibit "A" attached hereto and incorporated herein by reference;

WHEREAS, County is the owner of that one certain tract of land described as Tract "A", Lubbock County Expo Center, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat, and/or dedication deed thereof recorded under County Clerk File Number 2021026924 of the Official Public Records of Lubbock County, Texas (the “County Property”);

WHEREAS, LCEC is the owner of that one certain tract of land described in Exhibit "B" attached hereto and incorporated herein by reference (the “LCEC Property”);

WHEREAS, Shanghai is the owner of that one certain tract of land described in Exhibit "C" attached hereto and incorporated herein by reference (the “Shanghai Property”);

WHEREAS, the County Property, LCEC Property and Shanghai Property are sometimes collectively hereafter referred to as the “Tracts”.

WHEREAS the one percent (1%) annual chance flood elevation of Playa 55 is 3218.7 NAVD 88 (North American Vertical Datum 1988) as established by a drainage analysis for Playa 55 approved by the City of Lubbock on June 21, 2017;

WHEREAS, the Regulatory Elevation (the “RE”) for purposes of reclamation and cut and fill in Playa 55 is 3218.7 NAVD 88 and the total existing land area at or below that elevation is 95.0 acres;

WHEREAS, pursuant to the Lubbock Code of Ordinances a maximum thirty percent (30%) of the area below the RE is eligible for reclamation and development via a City of Lubbock approved cut and fill plan; as a result, there is a total allowable reclamation area for the Tracts of 28.5 acres (95 acres x 30%), and after such 28.5 acres is reclaimed, the remaining playa area on the Tracts below the RE after approved cut and fill activities (“cut/fill”) will be 66.5 acres (95 acres x 70%);

WHEREAS, County, LCEC, and Shanghai (collectively the “Owners”) are in agreement to seek reclamation and development of a portion of each of the Tracts owned by the Owners which respective portion shall collectively total 28.5 acres and further desire to cooperate on a playa lake cut and fill agreement for Playa 55 on all their respective properties, in order that the aggregate cut and fill activities among all three Tracts will be in conformance with the City of Lubbock Code of Ordinances.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, the Owners hereby agree as follows:

1. Recitals. The Recitals above are hereby incorporated into and made a part of this Agreement.
2. Allocation. The Owners agree to the following allocation of Playa 55 reclamation, development, cut and fill activities within Playa 55 for each of their properties, as generally depicted on Exhibit "A" attached hereto, and pursuant to the following provisions below to-wit:

**A. County Property:**

(i) Existing Playa 55 Area:	18.7 acres
(ii) Standard 30% reclamation area before this Agreement:	5.6 acres
(iii) Area currently above the RE to be placed below the RE after cut/fill activities:	2.4 acres
(iv) Proposed reclamation area (including the off-set 2.4 acres for new area to be placed below the RE):	16.4 acres
(v) Total area to remain below the RE after cut/fill (18.7 -16.4 + 2.4 off-set area):	4.7 acres

**B. LCEC Property:**

(i) Existing Playa 55 Area:	18.1 acres
(i) Standard 30% reclamation area before this Agreement:	5.4 acres
(iii) Area currently above the RE to be placed below the RE after cut/fill activities:	0.0 acres
(iv) Proposed reclamation area:	8.4 acres
(v.) Total area to remain below the RE after cut/fill (18.1-8.4):	9.7 acres

**C. Shanghai Property:**

(i) Existing Playa 55 Area:	58.2 acres
(ii) Standard 30% reclamation area before this Agreement:	17.5 acres
(iii) Available reclamation area after completion of cut/fill on the County and LCEC Properties:	
• Standard total Playa 55 reclamation allowed:	28.5 acres
• County Property reclamation:	-16.4 acres
• Credit for offset acreage on County Property:	+ 2.4 acres
• LCEC Property reclamation:	- 8.4 acres
• Resulting total:	6.1 acres
(iv) Total area to remain below the RE after cut/fill (58.2-6.1):	52.1 acres

**D. Total Playa 55 after Cut/Fill Activities by the Owners:**

(i) County reclamation area including 2.4 off-set acres:	16.4 acres
(ii) LCEC reclamation are including 0.00 off-set acres:	8.4 acres
(iii) Shanghai reclamation area:	<u>6.1 acres</u>
<b>Total reclamation area including County off-set acreage:</b>	<b>30.9 acres</b>
(iv) County area below the RE after cut/fill including 2.4 off-set acres:	4.7 acres
(v) LCEC area below the RE after cut/fill including 0.0 off-set acres:	9.7 acres
(vi) Shanghai area below the RE after cut/fill	<u>52.1 acres</u>
<b>Total area remaining below the RE including off-set acreage:</b>	<b>66.5 acres</b>

Based on the allocation calculation set forth above, County shall be allowed to reclaim a 16.4 acre area of Playa 55; LCEC shall be allowed to reclaim a 8.4 acre area of Playa 55; and subject to Paragraph 3 below, Shanghai shall be allowed to reclaim a 6.1 acre area of Playa 55.

3. Right to Additional Reclamation Area. Shanghai shall have the right to reclaim more land area of Playa 55 if compensatory off-set land is placed below the RE in conformance with a cut and fill plan approved by the City of Lubbock.
4. Cut/Fill Responsibility. Each Owner shall be responsible for any and all costs associated with any cut/fill activities required to be performed on their respective Tracts.
5. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, executors, administrators, successors and assigns.
6. Headings. The section and other headings in this Agreement are inserted solely as a matter of convenience and for reference, and are not a part of this Agreement.
7. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto and supersedes and cancels any prior agreements, representations, warranties, or communications, whether oral or written, among the parties hereto relating to the transactions contemplated hereby or the subject matter herein. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, but only by an agreement in writing signed by the party against whom or which the enforcement of such change, waiver, discharge or termination is sought.
8. Governing Law. This Agreement (any and all disputes, controversies, and other Losses among the parties arising out of, or in connection with, the transactions contemplated hereby) shall be governed by and construed in accordance with the laws of the State of Texas.

9. Attorneys' Fees. In the event any party hereto institutes an action or other proceeding to enforce any rights arising under this Agreement, the party prevailing in such action or other proceeding shall be paid all reasonable costs and attorneys' fees by the other party or parties, such fees to be set by the court and not by a jury and to be included in any judgment entered in such proceeding.
10. Severability. If any provision in this Agreement is for any reason unenforceable, to the extent the unenforceability does not destroy the basis of the bargain among the Parties, the unenforceability will not affect any other provision hereof, and this Agreement will be construed as if the unenforceable provision had never been a part of the Agreement.
11. Pronouns. All pronouns used herein shall be deemed to refer to the masculine, feminine or neuter gender as the context requires.
12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, each party hereto has executed or caused this Agreement to be executed on its behalf, all on the day and year first above written.

**LUBBOCK COUNTY, TEXAS**

Executed by and approved for the County

By: \_\_\_\_\_  
CURTIS PARRISH, Lubbock County Judge

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Kelly Pinion, County Clerk

Approved as to form:

\_\_\_\_\_  
\_\_\_\_\_

Lubbock County District Attorney's Office  
Civil Division

**LUBBOCK COUNTY EXPO CENTER, INC., a  
Texas nonprofit corporation**

By: \_\_\_\_\_  
RANDY JORDAN, Chairman of the Board

**SHANGHAI DEVELOPMENT, LLC, a Texas  
limited liability company**

By: \_\_\_\_\_  
GEORGE McMAHAN, Managing Member

**STATE OF TEXAS           §  
                                     §  
COUNTY OF LUBBOCK   §**

Acknowledged before me, the undersigned notary, this \_\_\_\_\_ day of May, 2022, by RANDY JORDAN, Chairman of the Board of LUBBOCK COUNTY EXPO CENTER, INC., a Texas nonprofit corporation, in the capacity therein stated.

\_\_\_\_\_  
Notary Public, State of Texas

**STATE OF TEXAS           §  
                                     §  
COUNTY OF LUBBOCK   §**

Acknowledged before me, the undersigned notary, this \_\_\_\_\_ day of May 2022, by GEORGE McMAHAN, Managing Member of SHANGHAI DEVELOPMENT, LLC, a Texas limited liability company, in the capacity therein stated.

\_\_\_\_\_  
Notary Public, State of Texas

**LIENHOLDER CONSENT**

**STATE OF TEXAS                   §**  
  **§**  
**COUNTY OF LUBBOCK           §**

That WESTERN BANK, duly organized and existing under the laws of the State of Texas, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash paid, and for other good and valuable consideration, the receipt of which is hereby acknowledged and confessed, being a lienholder upon the above described property, does hereby consent and agree to the aforesaid agreement, and does hereby subordinate its rights in the above described property to the above agreement.

IN WITNESS WHEREOF, the said WESTERN BANK, has caused these presents to be signed by its duly authorized officers at Lubbock, Texas, this \_\_\_\_ day of \_\_\_\_\_, 2022.

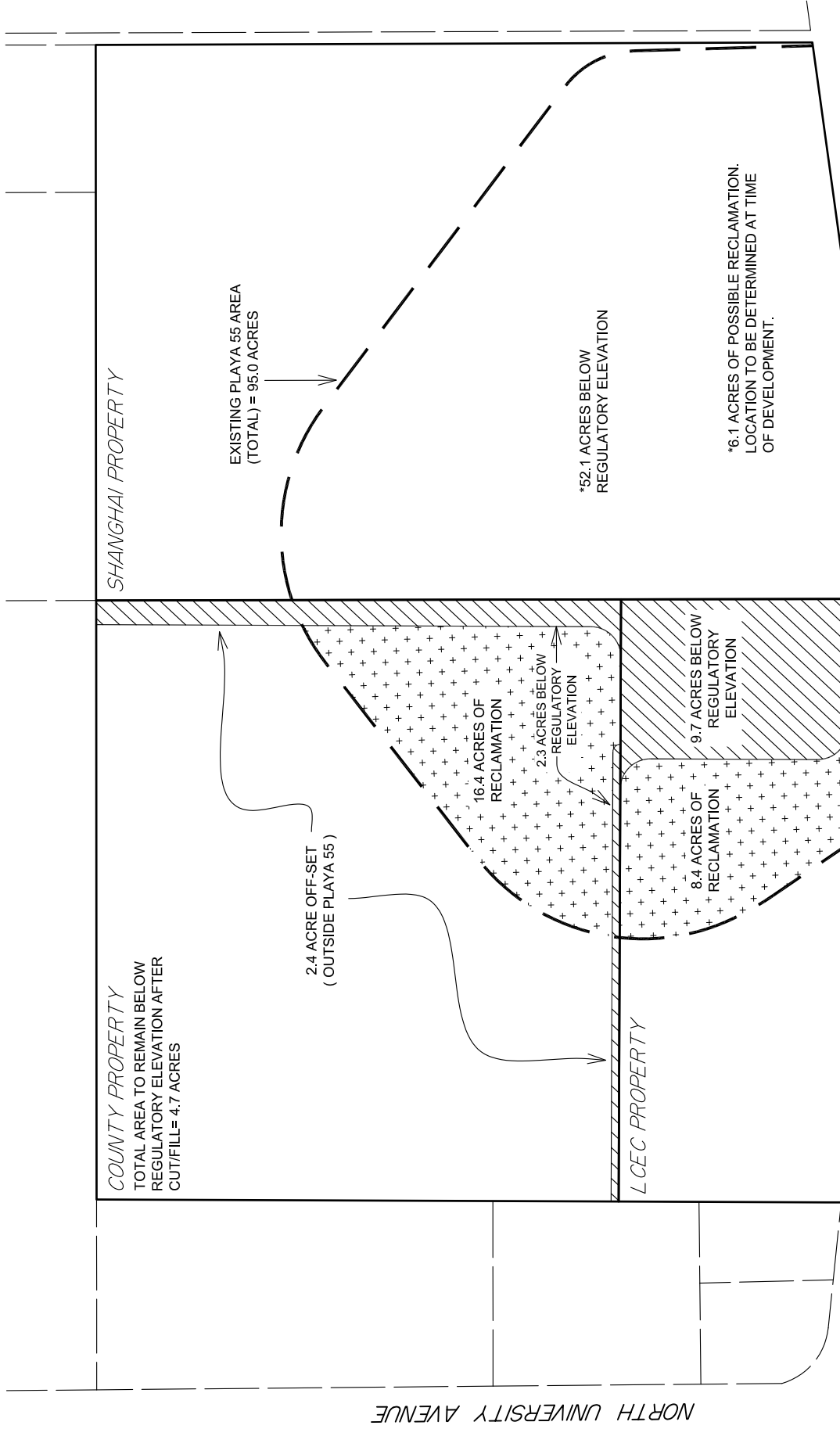
**WESTERN BANK**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**STATE OF TEXAS                   §**  
  **§**  
**COUNTY OF LUBBOCK           §**

\_\_\_\_\_  
This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_ of WESTERN BANK and in the capacity therein stated.

\_\_\_\_\_  
Notary Public, State of Texas



NORTH UNIVERSITY AVENUE

NORTH LOOP 289

\*SHANGHAI SHALL HAVE THE RIGHT TO RECLAIM MORE LAND AREA IF COMPENSATORY  
OFF-SET LAND AREA IS PLACED BELOW THE REGULATORY ELEVATION IN  
CONFORMANCE WITH A CUT AND FILL PLAN APPROVED BY THE CITY OF LUBBOCK.



NOT TO SCALE

**HR** | **HUGO REED**  
AND ASSOCIATES, INC.

LAND SURVEYORS • CIVIL ENGINEERS • LAND PLANNERS  
TEXAS LICENSED SURVEYING FIRM 100576-00 | PHONE: 806 / 783-5842 | 1801 AVENUE N  
TEXAS REGISTERED ENGINEERING FIRM F-760 | FAX: 806 / 783-3891 | LUBBOCK, TEXAS 79401

**EXHIBIT "A"**

May 17, 2022

**SECTION 11, BLOCK A, LUBBOCK COUNTY, TEXAS**

**Exhibit "B"**  
**(LCEC Property)**

METES AND BOUNDS DESCRIPTION of a 34.827 acre tract located in Section 11, Block A, Lubbock County, Texas, being a portion of that 125.42 acre tract described under County Clerk File Number 2020000812, Official Public Records of Lubbock County, Texas, and all of that 8.339 acre tract described under County Clerk File Number 2020000810, Official Public Records of Lubbock County, Texas, said 34.827 acre tract being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HRA" set in the Eastern boundary of a 9.7 acre tract described under County Clerk File Number (CCFN) 2013021610 of the Official Public Records of Lubbock County, Texas (OPRLCT), and the Western boundary of a 125.42 acre tract described under CCFN 2020000812, OPRLCT, for the Northwest corner of this tract, which bears N. 01°43'25" E. a distance of 903.90 feet and S. 87°55'04" E. a distance of 653.64 feet from the Southwest corner of Section 11, Block A, Lubbock County, Texas;

THENCE S. 87°55'04" E. a distance of 2004.95 feet to a 1/2" iron rod with cap marked "HRA" set in the Western boundary of a 151.27 acre tract described under CCFN 2017019204, OPRLCT, and in the Eastern boundary of said 125.42 acre tract, for the Northeast corner of this tract;

THENCE S. 01°43'34" W., along the Western boundary of said 151.27 acre tract and the Eastern boundary of said 125.42 acre tract, a distance of 756.36 feet to a 1/2" iron rod with cap marked "HRA" found in the Southern boundary of said 151.27 acre and the North right-of-way line of North Loop 289 as described in Volume 682, Page 145 of the Deed Records of Lubbock County, Texas, for the Southeast corner of this tract;

THENCE N. 87°55'04" W., along the Southern boundary of said 125.42 acre tract and the North right-of-way line of said North Loop 289, at 689.51 feet pass a 1/2" iron rod with cap marked "4460" found in the North right-of-way line of North Loop 289 as described in Volume 708, Page 97 of the Deed Records of Lubbock County, Texas, for the most Southerly Southwest corner of said 125.42 acre tract and the Southeast corner of an 8.339 acre tract described under CCFN 2020000810, OPRLCT, continuing along said 8.339 acre tract and the North right-of-way line of said North Loop 289 for a total distance of 1858.30 feet to a 1/2" iron pipe found at a point of intersection;

THENCE N. 82°13'57" W., continuing along the Southern boundary of said 8.339 acre tract and the North right-of-way line of said North Loop 289, at 102.03 feet pass the Southeast corner of Lot 1, Radio Tower Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 5341, Page 4 of the Real Property Records of Lubbock County, Texas, continuing along said North right-of-way line, the Southern boundary of said Lot 1, and the Southern boundary of said 8.339 acre tract, for a total distance of 152.03 feet to a 1/2" iron pipe found at the Southeast corner of Tract "A-1", Clayton Homes Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded under CCFN 2013016558, OPRLCT, the Southwest corner of said Lot 1, the Southwest corner of said 8.339 acre tract and the Southwest corner of this tract;

THENCE N. 02°04'37" E., along the Eastern boundary of said Tract "A-1", the Western boundary of said Lot 1 and the Western boundary of said 8.339 acre tract, at 50.00 feet pass the Northwest corner of said Lot 1, continuing along the Eastern boundary of said Tract "A-1" and the Western boundary of said 8.339 acre tract, at 261.01 feet pass a 1/2" iron rod with cap marked "HRA" found at the Northwest corner of said 8.339 acre tract, at 473.47 feet pass a 1/2" iron rod found at the Northeast corner of said Tract "A-1" and the Southeast corner of said 9.7 acre tract, continuing along the Eastern boundary of said 9.7 acre tract for a total distance of 741.29 feet to the Point of Beginning.

Contains: 34.827 acres

Bearings are relative to Grid North, Texas Coordinate System of 1983, North-Central Zone, (2011, epoch 2010.0)



**Exhibit "C"**  
**(Shanghai Property)**

METES AND BOUNDS DESCRIPTION of a 105.31 acre tract out of a 151.3 acre tract described under County Clerk File No. 2017019204 of the Official Public Records of Lubbock County, Texas, located in the Southeast Quarter of Section 11, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a 1" iron pipe found at the most Northerly Northwest corner of said 151.3 acre tract, the Northeast corner of the Drake Street right-of-way as dedicated by the final plat of Tract "A", Lubbock County Expo Center, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded under County Clerk File No. 2021026924 of the Official Public Records of Lubbock County, Texas, the Southwest corner of a 76.3 acre tract described under County Clerk File No. 2020049662 of the Official Public Records of Lubbock County, Texas and the Northwest corner of this tract, same being the Northwest corner of the Southeast Quarter of Section 11, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas and this tract;

THENCE S. 88°11'34" E., the Northern boundary of said 151.3 acre tract, the Southern boundary of said along North line of the Southeast Quarter of said Section 11, a 76.3 acre tract and the North line of the Southeast Quarter of said Section 11, a distance of 1849.86 feet to a 1/2" iron rod with cap marked "HRA" found in the West right-of-way line of North Avenue "Q", a 40 foot public road granted August 25th, 1923, in the Minutes of the Commissioners' Court Records of Lubbock County, Texas, at the Northeast corner of said 151.3 acre tract and this tract;

THENCE S. 01°39'26" W., along the Eastern boundary of said 151.3 acre tract and said West right-of-way line, a distance of 2386.01 feet to a 1/2" iron rod with cap marked "HRA" found in the North right-of-way line of North Loop 289, described in Volume 682, Page 145 of the Deed Records of Lubbock County, Texas, at the Southeast corner of said 151.3 acre tract and this tract;

THENCE S. 83°59'06" W., along the Southern boundary of said 151.3 acre tract and said North right-of-way line, a distance of 900.49 feet to a 1/2" iron rod with cap marked "HRA" found at a point of intersection;

THENCE N. 87°54'54" W., continuing along the Southern boundary of said 151.3 acre tract and said North right-of-way line, a distance of 960.46 feet to a 1/2" iron rod with cap marked "HRA" found at the Southeast corner of a 125.4 acre tract described under County Clerk File No. 2020000812 of the Official Public Records of Lubbock County, Texas and the Southwest corner of this tract;

THENCE N. 01°43'34" E., along the Eastern boundary of said 125.4 acre tract, said Tract "A" and the East right-of-way line of said Drake Street, at 1184.63 feet pass a found 1/2" iron rod with cap marked "HRA", continuing for a total distance of 2503.91 feet to the Point of Beginning.

Contains: 4,587,338 square feet.