

TEMPORARY ACCESS LICENSE (“LICENSE”)

WHEREAS MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (“MEDC”) is the owner of a parcel of property being approximately 84.08 acres located within Tarrant County, Texas (“Property”).

WHEREAS, Legend Natural Gas, IV, LP (“Legend”), a Delaware limited partnership has entered into gas exploration and production activities on properties adjacent to the MEDC Property; and

WHEREAS, Legend desires to use of a portion of the Property, hereinafter called “Project Area” and further described in the attached and incorporated Exhibit “A” hereto, to facilitate its activities associated with these activities; and

WHEREAS, the Project Area currently contains a Frac Pond originally constructed by Chesapeake Operating Company, a third party operator (“Third Party Operator”), containing water used in the drilling and fracture stimulation of gas wells (the “Frac Pond”); and

WHEREAS, Legend desires to gain access to and transport water from the Project Area and Frac Pond for the drilling and fracture stimulation of its off-site gas wells; and

WHEREAS, MEDC has determined that it is in the best interest of MEDC to allow Legend to use the Property to gain access to the Frac Pond and its contents because: 1) the Project Area is already in use by the Third Party Operator for the purposes described in this License, 2) such use will eliminate or reduce truck traffic and the resulting damage to local roads, and 3) the fees paid to MEDC under this License will support MEDC’s ongoing city-wide economic development program.

NOW THEREFORE, MEDC and Legend (the “parties”), agreeing to be legally bound, in consideration of the mutual covenants hereof and the mutual benefits hereby conferred, do mutually agree as follows:

1. EFFECTIVE DATE

The effective date of this License shall be the date of mutual execution hereof and shall continue on a month to month basis until either party provides 30 days advance written notice to the other of intent to terminate. Notwithstanding the foregoing, Legend shall not be entitled to exercise the rights and privileges hereunder until it presents MEDC with written confirmation from the City of Mansfield, Director of Planning and Community Development, confirming that Legend is current and in full compliance with all applicable City of Mansfield rules and regulations, including any applicable Specific Use Permit, pertaining to the pad site described in Exhibit “B” hereto.

2. CONSIDERATION

- a. During the term of this License, the Legend shall make a payment to MEDC on a monthly basis at a rate of \$0.20 for each 1,000 gallons of water that it withdraws

from the Property. This additional payment shall be based on the amount metered onsite and reported monthly to MEDC.

- b. On each annual anniversary of this License the parties shall negotiate an escalation of the rates set forth in paragraph a. of this Section. Should the parties fail to agree on an escalation rate, this License shall immediately terminate.
- c. No trees may be trimmed or removed from the Property without the prior written consent of the MEDC, which consent may be withheld for any reason or no reason. To the extent consent is granted MEDC may access a tree mitigation or damage fee, which Legend agrees to pay.
- d. In the event the MEDC determines that Legend is in default in the payment of any sum of money payable under this section, MEDC shall notify Legend of such default in writing and Legend shall have a period of thirty (30) days within which to cure such default. If such default is not cured at the expiration of the thirty (30) days, Legend agrees to pay an additional 6% annual interest on the defaulted amount calculated from the time of such default. This provision in no way constitutes a waiver of the requirement to make timely payment.
- e. All payment obligations in this section shall survive termination of this License.

3. PRIVILEGES GRANTED.

MEDC hereby grants Legend the privilege of using the Project Area for the sole purpose of withdrawing water from the Frac Pond and transporting the water off-site, subject to the following conditions:

- a. Ingress and egress to the Project Area and access to the Frac Pond shall be along the route designated in Exhibit "A" and no deviation from the route shall be permitted. The Project Area may be used 24 hours a day, seven days a week.
- b. In connection with its activities under this License, Legend shall comply with all laws, ordinances, orders, rules, regulations, standards and licensing requirements of all federal, state, municipal or local authorities or agencies, now in effect or that may be passed, enacted, issued, revised, required or promulgated at a later date. Legend shall avoid environmental impacts and prevent pollution and shall strictly comply with all applicable environmental laws and regulations. In the event that any action by Legend under this License results in environmental damage to the Property, Legend shall take corrective action in and shall immediately cease all water withdrawals until the damage is mitigated to the satisfaction of MEDC. Legend's corrective action shall be in accordance with best management practices.
- c. Legend shall secure, at its sole expense, all necessary local, state, and federal regulatory permits, licenses and other regulatory approvals and notices incidental to its activities under this License.

- d. The privileges granted herein are non-exclusive and MEDC may confer the same or similar rights on additional third parties, without notice to or the consent of Legend. In addition, MEDC reserves the right to use the Property and Project Area for any and all respects.
- e. Only fresh water may be stored, removed and transported across the Property. No on-site introduction of fracturing chemicals, including but not limited to, sand and lubricants, shall be permitted.
- f. Legend shall not restrict access to the Property by MEDC or any MEDC approved third parties.
- g. Water from the Frac Pond shall be transported off-site by the use of above-ground temporary water lines, which shall be water-tight and free of leaks. Any leaks discovered during the transport of water shall be promptly repaired, including along any segment of the temporary water lines not located on the Property.
- h. The pumps employed to withdraw water from the Frac Pond and convey the water through the temporary water lines shall be appropriately muffled to reduce excess noise and emissions. No electrical service shall be supplied by MEDC to operate any equipment associated with Legend's operations on the Property.
- i. To the extent any of the Project Area is located within FEMA Identified Flood Hazard Areas; Legend assumes all responsibility and liability for damage that is determined by MEDC, in its sole discretion, to have been caused to adjacent properties during rain events as a result of Legend's operations on the Property. Legend shall plan and execute the staging and placement of the temporary water lines so that no flood conditions are created or worsened on adjacent properties.
- j. Legend shall construct no fences on the Property without the prior written consent of the MEDC.
- k. The Property may not be used as a storage area for vehicles and equipment not in active use.

4. PERFORMANCE SECURITY.

To ensure faithful performance of its obligations under this License, Legend shall furnish a performance bond or other form of security acceptable to MEDC in the amount of \$50,000.

5. DISCLAIMER.

THIS LICENSE DOES NOT GRANT OR CONVEY AN INTEREST IN REAL PROPERTY AND THE USE OF THE PROPERTY AND FRAC POND IS GRANTED ON AN "AS-IS" BASIS. MEDC MAKES NO WARRANTY AS TO THE SUITABILITY OF THE PROPERTY OR THE FRAC POND AND ITS CONTENTS FOR ANY PURPOSE. IN ADDITION, TO THE EXTENT MEDC DOES NOT POSSESS THE LEGAL RIGHT TO GRANT ACCESS TO THE FRAC POND AND/OR ITS CONTENTS, THIS LICENSE SHALL IMMEDIATELY TERMINATE AND

LEGEND SHALL HAVE NO RESOURCE OR CLAIM AGAINST MEDC FOR SUCH TERMINATION. LEGEND MUST SATISFY ITSELF AS TO ALL MATTERS ASSOCIATED WITH PROPERTY SUITABILITY AS WELL AS WITH TITLE TO THE FRAC POND AND ITS CONTENTS. LEGEND HEREBY CERTIFIES THAT IT HAS ADDITIONALLY SECURED THE ADVANCE CONSENT OF THE THIRD PARTY OPERATOR FOR USE OF THE FRAC POND AND ITS CONTENTS.

6. RESTORATION.

- a. Legend shall promptly restore any portion of the Property adversely impacted by Legend's activities under this License, including any drainage areas, roadways, parking areas, lawn areas and wooded areas, to a condition equal to their condition prior to the execution hereof. Restoration may be required periodically by MEDC and upon termination of this License as directed by the MEDC.
- b. In the event MEDC determines that Legend must take non-emergency corrective action under this License, including, but not limited to, subsidence repairs, pavement repairs, drainage maintenance and repairs and reseeding, MEDC shall notify Legend, in writing, of the corrective action to be taken and Legend shall have twenty (20) business days, or a longer period of time if requested by Legend and as agreed upon by MEDC in its sole discretion, to take such action from receipt of such notice from MEDC stating that corrective action is required. Legend shall take immediate corrective action in the case of an emergency upon receiving oral notice from MEDC representatives that emergency corrective action is required. An "emergency" for purposes of this License includes, but is not limited to, an event involving personal injury or death, significant damage to property or equipment or a spill of hazardous material, frac water or petroleum based products.
- c. In the event Legend does not take corrective action within the period specified in paragraph (b) above, MEDC shall perform the necessary work and invoice Legend for all costs related to the work. Legend shall have twenty (20) business days from the receipt or invoice to pay MEDC for any corrective work taken by MEDC under this paragraph.
- d. Legend's obligations under this section shall survive termination of this License.

7. REMOVAL OF EQUIPMENT UPON TERMINATION.

- a. Upon the revocation, termination or expiration, without extension or renewal, of this License, Legend's right to use the Project Area shall cease and Legend shall immediately discontinue operations and remove all Legend-owned or operated property from the Project Area.
- b. If Legend has not removed all Legend-owned or operated property from the Project Area within ten (10) days following revocation, termination or expiration of this License, MEDC may deem any portion of the equipment remaining in the Project Area abandoned and, at MEDC's sole option: (i) take possession of and

title to such property, or (ii) take any and all legal action necessary to compel Legend to remove such property.

8. INDEMNIFICATION AND ASSUMPTION OF RISK.

- a. **INDEMNIFICATION.** LEGEND, AT LEGEND'S SOLE COST AND EXPENSE, SHALL INDEMNIFY AND HOLD THE MEDC AND ITS OFFICERS EMPLOYEES, AGENTS AND REPRESENTATIVES ("INDEMNITEES") HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, LIENS, LOSSES, EXPENSES, FEES (INCLUDING ATTORNEYS' FEES AND COSTS OF DEFENSE), PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE, INCLUDING PERSONAL OR BODILY INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT THAT IS FOUND BY A COURT OF COMPETENT JURISDICTION TO BE CAUSED BY THE NEGLIGENT ACT, ERROR, OR OMISSION OF LEGEND OR ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, AFFILIATE OR SUBCONTRACTOR OF LEGEND, OR THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS OR REPRESENTATIVES, WHILE INSTALLING, REPAIRING, MAINTAINING, USING OR REMOVING WATER LINE AND PUMP FACILITIES ON OR TRANSPORTING WATER ACROSS THE PROPERTY. **THE INDEMNITY PROVIDED UNDER THIS SECTION SHALL APPLY AND EXTEND TO ANY LIABILITY RESULTING FROM THE SOLE OR JOINT NEGLIGENCE OF THE MEDC, ITS OFFICERS, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS IN AUTHORIZING AND/OR INSPECTING LEGEND'S ACTIVITIES ON THE PROPERTY AND/OR MONITORING THE PROPERTY TO ENSURE LEGEND'S CONTINUED COMPLIANCE WITH THE TERMS OF THIS LICENSE.** THIS INDEMNIFICATION IS SOLELY FOR THE BENEFIT OF THE MEDC AND LEGEND AND DOES NOT CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. LEGEND SHALL PROMPTLY ADVISE THE MEDC IN WRITING OF ANY KNOWN CLAIM OR DEMAND AGAINST THE MEDC RELATED TO OR ARISING OUT OF LEGEND'S ACTIVITIES ON THE PROPERTY. ADDITIONALLY, UPON RECEIVING ANY NOTICE REGARDING ANY ENVIRONMENTAL, POLLUTION OR CONTAMINATION PROBLEM OR VIOLATION OF ANY LAW, RULE OR REGULATION, LEGEND WILL FORWARD A COPY TO MEDC BY CERTIFIED MAIL WITHIN THIRTY (30) DAYS. THIS PROVISION AND ITS INDEMNITIES SHALL SURVIVE THE TERMINATION OF THIS LICENSE, AND SHALL ENURE TO THE SUCCESSORS, HEIRS AND ASSIGNS OF MEDC AND LEGEND.
- b. **Assumption of Risk.** Legend hereby undertakes and assumes, for and on behalf of Legend, its officers, agents, contractors, subcontractors, agents and employees, all risk of dangerous conditions, if any, on or about the Property, including, but not limited to, the Project Area.

- c. Defense of Indemnitees. If an action is brought against any Indemnitee by reason of any matter for which the Indemnitees are indemnified hereunder, MEDC shall give Legend prompt written notice of the making of any claim or commencement of any such action, lawsuit or other proceeding, and Legend, at Legend's sole cost and expense, shall resist and defend the same with reasonable participation by the MEDC and with legal counsel selected by Legend and specifically approved by the MEDC. In such an event, Legend shall not admit liability in any matter on behalf of any Indemnitee without the advance written consent of the MEDC.

9. INSURANCE.

During the term of this License, Legend shall maintain or cause to be maintained the following minimum insurance coverage with insurance companies rated "B+" or better by A.M. Best rating service (or equivalent if not rated by A.M. Best). Legend's liability limits can be satisfied by any combination of primary and excess liability policy:

- a. Commercial General Liability:
\$1,000,000 per occurrence, \$2,000,000 general aggregate; including coverage for the following: (i) premises liability; (ii) independent contractors; (iii) products/completed operations; (iv) personal injury; (v) contractual liability.
- b. Property Damage Liability:
\$1,000,000 per occurrence.
- c. Automobile Liability:
\$1,000,000 per accident, including, but not limited to, all owned, leased, hired or non-owned motor vehicles used in conjunction with the rights granted under this License.
- d. Worker's Compensation:
As required by law.
- e. Employer's Liability:
\$1,000,000 per accident.
- f. Excess Umbrella:
\$2,000,000 per occurrence.

The insurance policies required herein shall be endorsed with substantially the following language:

"To the extent of liability assumed under this Agreement:

1. The Mansfield Economic Development Corporation, its officials and employees are named as an Endorsed Additional Insured for third party bodily injury and property damage claims with respect to the commercial general, excess umbrella, and automobile liability policies set forth herein.
2. A waiver of the underwriter's rights of subrogation applies in favor of the Mansfield Economic Development Corporation as its interest may appear with respect to all policies described herein."

Prior to cancellation or a material change in a policy, Legend shall notify MEDC.

10. INDEPENDENT CONTRACTOR.

Legend shall operate as an independent contractor as to all rights and privileges granted by this License, and not as an agent, representative or employee of the MEDC. Legend shall have the exclusive right to control the details of its business and other operations necessary or appurtenant to the transportation of water in accordance with the terms and conditions of this License, and shall be solely responsible for the acts and omissions of its officers, agents, servants, employees, contractors and subcontractors. The doctrine of respondent superior shall not apply as between the MEDC and Legend, its officers, agents, employees, contractors and subcontractors. Nothing herein shall be construed as the creation of a partnership or joint enterprise between the MEDC and Legend.

11. ASSIGNMENT.

Legend may not assign or otherwise transfer any of its rights or obligations under this License.

12. NOTICES.

Notices required pursuant to the provisions of this License shall be conclusively determined to have been delivered when (i) hand-delivered to the other party, its agents, employees, servants or representatives, or (ii) received by the other party by United States Mail, postage prepaid, return receipt requested, addressed as follows:

To the MEDC:

Mansfield Economic Development Corporation
c/o Richard Nevins
301 S. Main Street
Mansfield, Texas 76063

With a Copy to:
City of Mansfield, Texas
c/o City Manager
1200 E. Broad St.
Mansfield, Texas 76063

To LEGEND:

Bill Kutner, Sr. Landman
777 Main Street, Suite 900
Fort Worth, Texas 76102

Email: bkutner@lng2.com
Direct Phone: 817.872.7840; Facsimile: 817.872.7898

13. GOVERNING LAW AND VENUE.

This License shall be construed pursuant to and in accordance with the laws of the United States of America and the State of Texas. If any action, whether real or asserted, at law or in equity, arise out of the terms of this License, Legend's transportation of water or Legend's use of the Property, venue for such action shall lie exclusively in state courts located in Tarrant County, Texas or the United States District Court for the Northern District of Texas, Fort Worth Division.

14. MISCELLANEOUS PROVISIONS.

- a. Severability. If any provision of this License is held to be invalid, illegal or unenforceable by a final order entered by a court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired. For purposes of this License, a court order shall be final only to the extent that all available legal rights and remedies pertaining to such order, including, without limitation all available appeals, have been exhausted.
- b. Headings Not Controlling. Headings and titles that are used in this License are for reference purposes only and shall not be deemed a part of this License.
- c. Entirety of Agreement. This License, including the exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the MEDC and Legend as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with the terms and conditions of this License. This License shall not be amended unless agreed to in writing by both parties.
- d. No waiver. The failure of the MEDC to insist upon the performance of any term or provision of this License or to exercise any rights that the MEDC may have, either under this License or the law, shall not constitute a waiver of the MEDC's right to insist upon appropriate performance or to assert any such right on any future occasion.
- e. MEDC'S Name. Legend shall not use the MEDC's name in advertising, promotional materials or press releases without the prior written consent of the MEDC.

This License shall be governed by the laws of the State of Texas, and shall not be modified or altered except by a writing executed by the parties.

IN WITNESS WHEREOF, the parties hereto affix their signatures this 19th day of April, 2012.

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

By: _____

Printed Name: _____

Title: _____

LEGEND NATURAL GAS, IV, LP
a Delaware limited partnership

By: _____

Printed Name: Stephen M. Campbell,
Title: Vice President

This License shall be governed by the laws of the State of Texas, and shall not be modified or altered except by a writing executed by the parties.

IN WITNESS WHEREOF, the parties hereto affix their signatures this 19th day of April, 2012.

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

By: _____

Printed Name: _____

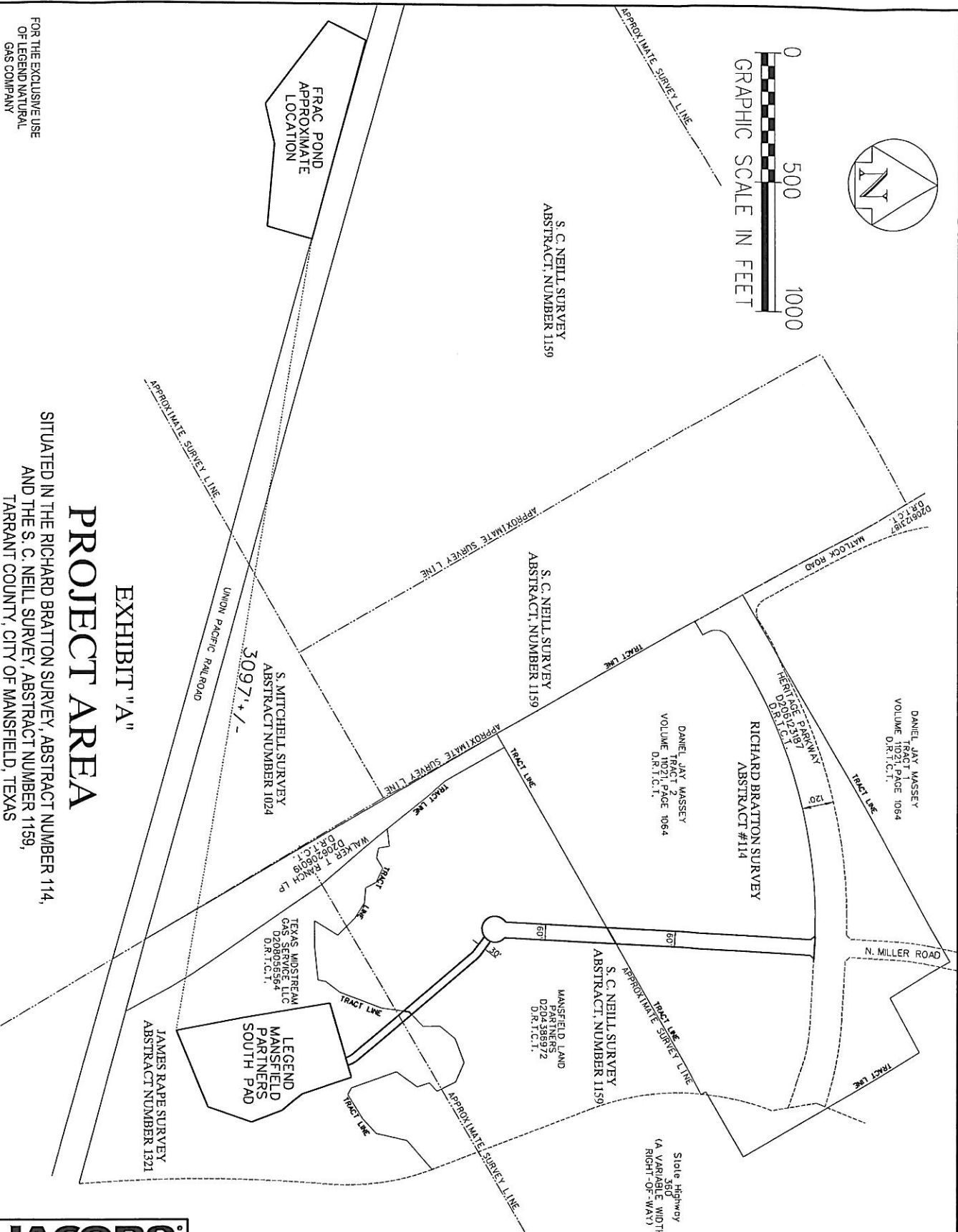
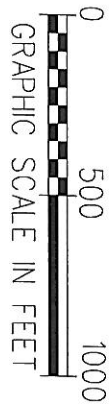
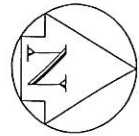
Title: _____

LEGEND NATURAL GAS, IV, LP
a Delaware limited partnership

By: Stephen M. Campbell

Printed Name: Stephen M. Campbell,

Title: Vice President



FOR THE EXCLUSIVE USE
OF LEGEND NATURAL
GAS COMPANY

SITUATED IN THE RICHARD BRATTON SURVEY, ABSTRACT NUMBER 114,
AND THE S. C. NEILL SURVEY, ABSTRACT NUMBER 1159,
TARRANT COUNTY, CITY OF MANSFIELD, TEXAS

PROJECT AREA

EXHIBIT "A"

S. MITCHELL SURVEY
ABSTRACT NUMBER 1024
3097' +/-

S. C. NEILL SURVEY
ABSTRACT, NUMBER 1159

S. C. NEILL SURVEY
ABSTRACT, NUMBER 1159

DANIEL JAY MASSEY
TRACT 1
VOLUME 1021, PAGE 1064
D.R.T.C.T.

RICHARD BRATTON SURVEY
ABSTRACT #114

DANIEL JAY MASSEY
TRACT 2
VOLUME 1021, PAGE 1064
D.R.T.C.T.

MANSFIELD LAND
PARTNERS
D.O.# 586972
D.R.T.C.T.

S. C. NEILL SURVEY
ABSTRACT, NUMBER 1159

JAMES RAPE SURVEY
ABSTRACT NUMBER 1321

TEXAS MIDSTREAM
GAS SERVICE LLC
D208056564
D.R.T.C.T.

LEGEND
MANSFIELD
PARTNERS
SOUTH PAD

JACOBS
777 MAIN STREET
FORT WORTH, TX 76102
(817) 735-6000

JOB # WFXL7701	DATE: 04.18.2012	DRAWN: ATP	CHECKED: WMB	SHT. NO.
----------------	------------------	------------	--------------	----------

EXHIBIT "B"
PAD SITE
DESCRIPTION

BEING a tract of land situated in the J. Rape Survey, Abstract Number 1321, Tarrant County, Texas, and being a portion of that certain tract of land described by deed to Texas Midstream Gas Services, LLC., as recorded in County Clerk's filing number D208056564, County Records, Tarrant County, Texas and is being more particularly described by the metes and bounds as follows:

COMMENCING at a concrete monument found at the southeast corner of said Texas Midstream Tract and said monument being in the north right-of-way line of the U P Railroad (a 100' right-of-way) and in the west right-of-way line of State Highway 360 (a variable width right-of-way) and being the beginning of a non-tangent curve to the right;

THENCE 825.62 feet, along the arc of said curve and the east property line of said Texas Midstream Tract and the west right-of-way line of said State Highway 360, through a central angle of $07^{\circ}55'27''$, whose radius is 5969.58 feet, and the long chord which bears N $00^{\circ}37'27''$ W, 824.96 feet;

THENCE N $79^{\circ}14'58''$ W, 73.11 feet departing said east property line and said west right-of-way line;

THENCE N $86^{\circ}22'10''$ W, 47.43 feet;

THENCE N $86^{\circ}27'47''$ W, 51.55 feet;

THENCE S $89^{\circ}27'16''$ W, 47.07 feet;

THENCE S $82^{\circ}44'40''$ W, 45.77 feet;

THENCE S $80^{\circ}23'27''$ W, 46.00 feet;

THENCE S $57^{\circ}02'26''$ W, 6.86 feet to the **POINT OF BEGINNING**;

THENCE S $39^{\circ}30'21''$ E, 63.74 feet;

THENCE S $21^{\circ}04'56''$ E, 125.47 feet;

THENCE S $18^{\circ}54'43''$ W, 177.91 feet;

THENCE S $67^{\circ}50'36''$ W, 317.28 feet;

THENCE N $11^{\circ}06'36''$ W, 253.90 feet;

THENCE N $09^{\circ}45'46''$ W, 346.90 feet;

Jacobs Job No. WFXL7701

FW125Y

April 18, 2012

THENCE N 74°13'38"E, 296.66 feet;

THENCE S 18°52'02"E, 199.60 feet;

THENCE S 39°30'21"E, 37.02 feet to the POINT OF BEGINNING, and containing 201,448 square feet, or 4.625 acres of land more or less.

THIS DESCRIPTION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TO BE USED FOR THE CONVEYANCE OF REAL PROPERTY