

AMENDMENT NO. 3
CONTRACT NO. 455-20-1031G FOR
WELL PLUGGING & RELATED SERVICES
BETWEEN
THE RAILROAD COMMISSION OF TEXAS AND
SPH DEVELOPMENT, LLC

THIS AMENDMENT NO. 3 to Contract No. 455-20-1031G (“Contract”) is entered into by and between the State of Texas, acting through the Railroad Commission of Texas (“RRC”), located at 1701 N. Congress Ave., Austin, Texas and SPH Development, LLC, (“Contractor”), located at 2905 Lydia Dr., Wichita Falls, Texas 76308 (individually, “Party”; collectively, “Parties”).

WHEREAS, SECTION 7.06. of the Contract provides the Parties may amend the Contract through written agreement; and

WHEREAS, on July 1, 2021, the Parties executed **Amendment No. 1** to the Contract to modify section **3.01. CONTRACT LIMIT, FEES AND EXPENSES.** changing the not-to-exceed amount of the Contract from THREE HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$300,000.00) to THREE HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$350,000.00), as approved by RRC Commissioners on September 1, 2020.

WHEREAS, on August 30, 2021, the Parties executed **Amendment No. 2** to the Contract to modify section **2.01. CONTRACT AWARD.,** subparagraph (a.) to exercise renewal option one (1) of three (3) to continue the Contract through August 31, 2022, and to modify section **3.01. CONTRACT LIMIT, FEES AND EXPENSES.** changing the not-to-exceed amount of the Contract from THREE HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$350,000.00) to SIX HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$650,000.00), as approved by the Executive Director on August 30, 2021.

WHEREAS, the Parties desire to further amend the Contract terms to their mutual benefit to reflect changed circumstances.

NOW, THEREFORE, the Parties agree to amend the Contract as follows:

- I. **SECTION 2.01. CONTRACT AWARD.,** subparagraph (a.) is deleted in its entirety and replaced with the following:

“This Contract shall be effective as of the date of the last Party’s signature to the original Contract and shall continue through August 31, 2023 (the initial term of the Contract plus the exercised optional renewal term two of three; collectively, “Contract Term”) unless terminated earlier as provided in RFQ No. 455-20-1031 Part III and/or section **2.02 TERMINATION.,** set forth below.

This Contract may be extended only through written amendment to the Contract, fully executed prior to the expiration of the Contract Term in effect prior to execution of the applicable Amendment to the Contract.

RRC reserves the right to renew the Contract for one (1) additional, one-year renewal term remaining of the original three (3) one-year renewal terms.”

- II. **SECTION 3.01. CONTRACT LIMIT AND FEES AND EXPENSES.,** is deleted in its entirety and replaced with the following:

“**CONTRACT LIMIT, FEES AND EXPENSES.** The total amount of fees to be paid by RRC to Contractor under the Contract through the Contract Term shall not exceed **ONE MILLION TWENTY FIVE THOUSAND DOLLARS AND ZERO CENTS (\$1,025,000.00)**, the total of which includes the current NTE amount of **SIX HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$650,000.00)**, as approved by the Executive Director on August 30, 2021, plus the addition of **THREE HUNDRED SEVENTY-FIVE**

THOUSAND DOLLARS AND ZERO CENTS (\$375,000.00), as approved by the RRC Commissioners on June 28, 2022.”

Except as expressly amended above, all provisions of the Contract, as amended, remain in full force and effect. In the event of a conflict among provisions of the Contract, the order of precedence shall be this Amendment No. 3; then Amendment No.2; then Amendment No.1; and then the original Contract in accordance with section **1.03. ORDER OF PRECEDENCE.**, therein.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Amendment No.3 to the Contract to be effective as of the date of the last Party’s signature hereto. By signatures below, each signatory represents and warrants that they have the authority to amend the Contract on behalf of the respective Party.

RAILROAD COMMISSION OF TEXAS

SPH DEVELOPMENT, LLC

DocuSigned by:
Wei Wang
Wei Wang, 01444...
Executive Director

DocuSigned by:
Brent Brown
Brent Brown, 0140A...
General Manager

Date of Execution: 8/18/2022

Date of Execution: 8/18/2022

RRC use only below this line.

Division Director: DS
Chief Operating Officer: RL
Director of Operations: tl
Office of General Counsel: DS