



# CITY OF PLANO COUNCIL AGENDA ITEM

<b>CITY SECRETARY'S USE ONLY</b>					
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory					
Council Meeting Date:		06/13/16			
Department:		Economic Development			
Department Head		Sally Bane			
Agenda Coordinator (include phone #): <b>Paula Date X8306</b>					
<b>CAPTION</b>					
<p>A Resolution of the City of Plano, Texas, approving the terms and conditions of a Second Amended and Restated Economic Development Incentive Agreement by and between Denbury Onshore, LLC, a Delaware limited liability company, and the City of Plano, Texas; authorizing its execution by the City Manager or his authorized designee; and providing an effective date.</p>					
<b>FINANCIAL SUMMARY</b>					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	<b>2011-12 through 2022- 23</b>	<b>Prior Year (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget		0	40,605,687	0	<b>40,605,687</b>
Encumbered/Expended Amount		0	-5,381,200	-21,628,955	<b>-27,010,155</b>
This Item		0	250,000	0	<b>250,000</b>
BALANCE		0	35,474,487	-21,628,955	<b>13,845,532</b>
<b>FUND(S):    ECONOMIC DEVELOPMENT INCENTIVE FUND</b>					
<b>COMMENTS:</b> Strategic Plan Goal: Providing economic development incentives relates to the City's goal of Strong Local Economy.					
<b>SUMMARY OF ITEM</b>					
<p>A proposed Second Amended and Restated Economic Development Incentive Agreement by and between the City of Plano, Texas, and Denbury Onshore, LLC, a Delaware limited liability company, to further amend the Amended and Restated Economic Development Incentive Agreement approved by the City Council on August 13, 2012.</p> <p><a href="https://goo.gl/XnBiSi">https://goo.gl/XnBiSi</a></p>					
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies		
Resolution Second Amended and Restated Economic Development Incentive Agreement					

**A Resolution of the City of Plano, Texas, approving the terms and conditions of a Second Amended and Restated Economic Development Incentive Agreement by and between Denbury Onshore, LLC, a Delaware limited liability company, and the City of Plano, Texas; authorizing its execution by the City Manager or his authorized designee; and providing an effective date.**

**WHEREAS**, the City Council has been presented a proposed Second Amended and Restated Economic Development Incentive Agreement by and between Denbury Onshore, LLC, a Delaware limited liability company (“Company”), and the City of Plano, Texas (“City”), a substantial copy of which is attached hereto as Exhibit “A” and incorporated herein by reference (hereinafter called “Agreement”); and

**WHEREAS**, the City and Company entered into an initial Economic Development Incentive Agreement approved on May 29, 2007, which was replaced by an Economic Development Incentive Agreement approved on May 10, 2010 which addressed a relocation of Company within the City and additional job creation commitments; and

**WHEREAS**, the City and Company further amended the Economic Development Incentive Agreement approved in May 2010 to allow for additional incentives for the Company’s anticipated expansion and growth through the Amended and Restated Economic Development Incentive Agreement approved on August 13, 2012 and the First Modification to the Amended and Restated Economic Development Incentive Agreement approved on February 2, 2015; and

**WHEREAS**, the Company has successfully complied with all terms and conditions reflected in the Economic Development Incentive Agreement approved in May 2010 and has received the financial incentives in full from the City, as reflected in said May 2010 agreement; and

**WHEREAS**, as a result of the lethargic conditions of the oil and gas industry, Company now desires to maintain its current operations, and both the City and Company wish to revise the Company’s obligations with regard to job commitments and property growth to the level reflected in the Economic Development Incentive Agreement approved in May 2010; and

**WHEREAS**, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager or his authorized designee shall be authorized to execute it on behalf of the City of Plano.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:**

**Section I.** The terms and conditions of the Second Amended and Restated Economic Development Incentive Agreement, having been reviewed by the City Council of the City of Plano and found to be acceptable and in the best interests of the City of Plano and its citizens, are hereby in all things approved.

**Section II.** The City Manager or his authorized designee is hereby authorized to execute the Second Amended and Restated Economic Development Incentive Agreement and all other documents in connection therewith on behalf of the City of Plano, substantially according

to the terms and conditions set forth in the Second Amended and Restated Economic Development Incentive Agreement.

**Section III.** This Resolution shall become effective immediately upon its passage.

**DULY PASSED AND APPROVED** this the 13th day of June, 2016.

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Harry LaRosiliere, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY

**SECOND AMENDED AND RESTATED  
ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

This Second Amended and Restated Economic Development Incentive Agreement (“Agreement”) is made by and between the City of Plano, Texas (the “City”), and Denbury Onshore, LLC, a Delaware limited liability company, (hereinafter referred to as the “Company”), acting by and through its respective authorized officers and representatives.

**WITNESSETH:**

**WHEREAS**, the City and Company entered into an initial Economic Development Incentive Agreement approved by the City Council in Resolution No. 2007-5-17 on May 29, 2007 for the creation of 275 Job Equivalents which was replaced by an Economic Development Incentive Agreement approved by the City Council in Resolution No. 2010-5-8 on May 10, 2010 which addressed a relocation of Company within the City and additional job creation commitments; and

**WHEREAS**, the City and Company further amended the Economic Development Incentive Agreement approved in May 2010 to allow for additional incentives for the Company’s anticipated expansion and growth through the Amended and Restated Economic Development Incentive Agreement approved by the City Council in Resolution No. 2012-8-1 (R) on August 13, 2012 and the First Modification to the Amended and Restated Economic Development Incentive Agreement approved by the City Council in Resolution 2015-2-1(R) on February 2, 2015; and

**WHEREAS**, as a result of the lethargic conditions of the oil and gas industry, Company now desires to maintain its current operations, and both the City and Company wish to revise the Company’s obligations with regard to job commitments and property growth to the level reflected in the Economic Development Incentive Agreement approved in May 2010; and

**WHEREAS**, the Company has successfully complied with all terms and conditions reflected in the Economic Development Incentive Agreement approved in May 2010 and has received the financial incentives in full from the City, as reflected in said May 2010 agreement; and

**WHEREAS**, Company’s occupancy of 323,000 square feet of commercial space and employment of a minimum of 525 full time jobs on the Property will continue to promote economic development, stimulate commercial activity and enhance the tax base and economic vitality of the City; and

**WHEREAS**, the City has adopted programs for promoting economic development; and

**WHEREAS**, the City is authorized by TEX. LOC. GOV’T CODE §380.001 *et seq.* to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

**WHEREAS**, the City has determined that making an economic development grant to the

Company in accordance with the terms and conditions set forth in this Agreement will further the objectives of the City, will benefit the City and the City's inhabitants and will promote local economic development and stimulate business and commercial activity in the City; and

**WHEREAS**, the Agreement herein restating and further amending the terms and conditions between the parties are in all things approved by the City Council and this Agreement supersedes and replaces the prior agreements approved by the City Council in Resolution Nos. 2007-5-17 on May 29, 2007, 2010-5-8 on May 10, 2010, 2012-8-1(R) on August 13, 2012 and 2015-2-1(R) on February 2, 2015.

**NOW THEREFORE**, in consideration of the mutual covenants and obligations herein, and for other good and valuable consideration, the parties agree that this Agreement restates, amends, supersedes and replaces all prior agreements signed by the parties as follows:

### **Article I Definitions**

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Commencement Date” shall mean the earlier of the occupancy of the Property or March 1, 2011, whichever occurs first.

“Effective Date” shall mean the last date on which all of the parties hereto have executed this Agreement.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of the party), fires, explosions or floods, strikes, slowdowns or work stoppages any of which event(s) directly impact the Company's operations in Plano.

“Job Equivalent” shall mean one or more Company job positions located at the Property which individually or when combined total 2,080 hours annually.

“Real Property” or “Property” shall mean 5320 Legacy Drive, Plano, Texas 75024.

### **Article II Term**

The term of this Agreement shall begin on the Commencement Date and continue until February 28, 2023, unless sooner terminated as provided herein.

### **Article III Obligations of Company**

In consideration for the grant of public funds as set forth in Section 4.01 below, the Company agrees to the following:

- (a) Occupy the Property on or before March 1, 2011; and
- (b) Transfer at least 275 Job Equivalents from the Company's prior location at 5160 Tennyson Parkway, Plano, Texas to the Property on or before March 1, 2011; and
- (c) Create at least 125 new Job Equivalents at the Property on or before March 1, 2011 such that the total number of Job Equivalents at the Property on March 1, 2011 shall total at least 400 Job Equivalents; and
- (d) Add at least an additional 125 new Job Equivalents at the Property on or before December 31, 2011 such that the total number of Job Equivalents at the Property on December 31, 2011 shall total at least 525 Job Equivalents; and
- (e) Maintain all 525 created or transferred Job Equivalents for which Company has received a grant payment on the Property for the remainder of the term of this Agreement; and
- (f) Use reasonable efforts to place all Company-managed hotel room nights, related to the Company's business activities, at facilities located in the City of Plano.

### **Article IV Economic Development Grant**

4.01 **Grant.** In consideration of the Company successfully fulfilling the obligations as set forth in Article III above, the City agrees to provide the Company a cash grant of up to Five Hundred Eighty-Seven Thousand Five Hundred Dollars (\$587,500). This grant includes Two Hundred Seventy-Five Thousand Dollars (\$275,000) the Company has already received pursuant to an Economic Development Agreement approved by the City Council in Resolution No. 2007-5-17 on May 29, 2007 for the 275 Job Equivalents referenced in Article III (b) above. The Company agrees to maintain on the Property the transferred or created Job Equivalents for which a cash grant has been paid by the City to the Company throughout the term of this Agreement as provided in Section 4.03 below. (Note: Subsequent to the Commencement Date, Company has received grant payments totaling Five Hundred Eighty-Seven Thousand Five Hundred Dollars (\$587,500) on October 17, 2008, April 5, 2011 and January 20, 2012.)

4.02 **Grant Payments.** In addition to the Two Hundred Seventy-Five Thousand Dollars (\$275,000) which the Company has already received, the Company shall be entitled to a payment of One Hundred Fifty-Six Thousand Two Hundred Fifty Dollars (\$156,250) from the City under this Agreement within thirty (30) days after the Company verifies to the City that the Company has met its obligations as set forth in Article III (a), (b) and (c) above (such payment

referred to as the “Initial Grant Payment”). In order to receive payment under this Agreement, Company’s initial certification verifying compliance with Article III (a), (b) and (c) above must be filed with the city on or before June 1, 2011. The Company shall be entitled to a second payment of One Hundred Fifty-Six Thousand Two Hundred Fifty Dollars (\$156,250) from the City under this Agreement within thirty (30) days after the Company verifies to the City that the Company has met its obligations as set forth in Article III (d) above. **In order to receive the second payment of One Hundred Fifty-Six Thousand Two Hundred Fifty dollars (\$156,250) under this Agreement, Company’s certification verifying compliance with Article III (d) above must be filed with the City on or before April 1, 2012.** (Note: Subsequent to the Commencement Date, Company provided the required certifications and was fully paid the above amounts on April 5, 2011 and January 20, 2012.)

All certifications must be executed by the Company’s chief executive officer or chief financial officer.

4.03 **Refunds.** In the event the Company allows Job Equivalents at the Property to fall below the number of Job Equivalents for which it has received a grant payment for more than one hundred eighty (180) consecutive days during the term of this Agreement, not the result of an Event of Force Majeure, the Company shall refund to the City an amount equal to One Thousand One Hundred Nineteen Dollars (\$1,119) for each lost Job Equivalent.

For purposes of determining whether the City is due a refund under this section, the Company shall certify to the City as set out in Section 4.02 above the actual number of Job Equivalents at the Real Property for the compliance period using the form attached as Exhibit “B1”. A failure to make the refund payment prior to or at the time of filing certification shall constitute an event of default. If a refund has been paid for one or more Job Equivalent(s), Company is not entitled to any future payment for that lost Job Equivalent(s) notwithstanding that it subsequently complies with the Job Equivalent requirements of this Agreement at a later date. In no event shall Company be required to pay a refund (i) for any Job Equivalent more than once; or (ii) for a Job Equivalent for which it never received a grant payment.

Except for the unlawful employment of undocumented workers as described below, it is understood that (i) the Company shall never be required to refund to the City, in the aggregate, any amount in excess of the total grant amount set forth in Section 4.01; and (ii) the sole and exclusive remedy of the City for any failure by the Company to maintain the Job Equivalents on the Property pursuant to Article III above, shall be to receive a refund of the applicable portion of the Grant as determined in accordance with the terms of this Section 4.03.

In the event the Company, at any time during the term of this Agreement, is convicted of a violation under 8 U.S.C. Section 1324a(f) regarding the unlawful employment of undocumented workers, it shall reimburse the City all grant funds paid pursuant to this Agreement together with interest charged from the date of payment of the funds at the statutory rate for delinquent taxes as determined by V.T.C.A., Tax Code § 33.01 but without the addition of penalty. Repayment of grant funds and interest shall be due not later than one hundred twenty (120) days after the date the Company is convicted of the offense.

## **Article V Termination**

5.01 **Events of Termination.** This Agreement terminates upon any one or more of the following:

- (a) By mutual written agreement of the parties; or
- (b) By expiration of the term and where no defaults have occurred; or
- (c) If a party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof by the non-defaulting party unless a longer period is provided. Any default under this provision and right to recover any claims, refunds, damages and/or expenses shall survive the termination of the Agreement.

The City Manager is authorized on behalf of the City to send notice of default and to terminate this Agreement for any default that is not cured.

5.02 **Effect of Termination/Survival of Obligations.** The rights, responsibilities and liabilities of the parties under this Agreement shall be extinguished upon the applicable effective date of termination of this Agreement, except for any obligations or default(s) that existed prior to such termination or as otherwise provided herein and those liabilities and obligations shall survive the termination of this Agreement, including the refund provision, maintenance of records, and access thereto.

## **Article VI Retention and Accessibility of Records**

6.01 Company shall maintain the fiscal records and supporting documentation for expenditures of funds associated with this Agreement. Company shall retain such records, and any supporting documentation for the greater of: (1) five (5) years from the end of the Agreement period; or (2) the period required by other applicable laws and regulations.

6.02 Company gives City, its designee, or any of their duly authorized representatives, access to and the right to examine relevant books, accounts, records, audit reports, reports, files, documents, written or photographic material, videotape and other papers, things, or personal and Real Property belonging to or in use by Company pertaining to the Economic Development Program Grant (the "Records") upon receipt of ten (10) business days written notice from the City. The City's access to Company's books and records will be limited to information needed to verify that Company is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by City. In no event shall City's access to Company's Records include any access to any personal and/or medical data of any employees of Company except to confirm payroll information compliance for Job Equivalents.

Company shall not be required to disclose to the City any information that by law Company is required to keep confidential. Should any good faith dispute or question arise as to the validity of the data provided, the City reserves the right to require Company to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of Company. The rights to access the Records shall terminate five (5) years after the termination or expiration of this Agreement. Failure to provide reasonable access to the Records to authorized City representatives shall give the City the right to suspend or terminate this Agreement as provided for in Section 5 above, or any portion thereof, for reason of default.

All Records shall be retained by Company for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries and open record requests are completed. Company agrees to maintain the Records in an accessible location.

## **Article VII Assignment**

This Agreement may not be assigned without the express written consent of the non-assigning party, except that the Company may assign this Agreement without obtaining the City's consent (a) to one of its wholly owned affiliates, or (b) to any person or entity that directly or indirectly acquires, through merger, sale of stock, purchase or otherwise, all or more than ninety (90) percent of the assets of the Company as long as the Company gives sixty (60) days prior written notice to the City and the assignee executes an agreement with the City to be bound to all the terms and conditions of this Agreement and be responsible for any default(s) that occurred prior to or after the assignment.

For any assignment not covered by (a) or (b) in the preceding paragraph, the Company must obtain the prior approval of the City through its City Manager and the assignee must agree to be bound to all the terms and conditions of this Agreement and to accept all liability for any default that occurred prior to and/or after the assignment.

Any assignment agreement must be furnished in a form acceptable to the City and be provided at least thirty (30) days prior to the effective assignment date. City agrees to notify the potential assignee of any known default, but such notification shall not excuse defaults that are not yet known to the City.

## **Article VIII Miscellaneous**

8.01 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create a partnership or joint venture among the parties. Neither party shall have any authority to act on behalf of the other party under any circumstances by virtue of this Agreement.

8.02 **Notice of Bankruptcy.** In the event Company files for bankruptcy, whether involuntarily or voluntary, Company shall provide written notice to the City within three (3) business days of such event.

8.03 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

8.04 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for the City:  
City of Plano, Texas  
Attn: Mr. Bruce D. Glasscock  
City Manager  
1520 Avenue K  
P.O. Box 860358  
Plano, TX 75086-0358

With a copy to:  
City of Plano, Texas  
Attn: Ms. Paige Mims  
City Attorney  
1520 Avenue K  
P.O. Box 860358  
Plano, TX 75086-0358

If intended for the Company:  
Denbury Onshore, LLC  
Attn: Mr. Mark Allen  
5320 Legacy Drive  
Plano, TX 75024

With a copy to:  
Denbury Onshore, LLC  
Attn: General Counsel  
5320 Legacy Drive  
Plano, TX 75024

Denbury Onshore, LLC  
Attn: Mr. Andy Springer  
Tax Department  
5320 Legacy Drive  
Plano, TX 75024

8.05 **Compliance with Equal Rights Ordinance.** Company agrees to comply with Section 2-11(F) of the City Code of Ordinances, which reads as follows:

“It shall be unlawful for an employer to discriminate against any person on the basis of race, color, sex, religion, age, national origin, genetic information, sexual orientation, gender identity, disability status or United States military/veteran status by the following actions or inactions:

- (a) for an employer to fail or refuse to hire, or to discharge, any person;
- (b) for an employer to discriminate against any person with respect to compensation, terms, conditions or privileges, of employment;
- (c) for an employer to limit, segregate or classify employees or applicants for employment in any way that would deprive or tend to deprive a person of employment or employment opportunities, or that would otherwise adversely affect a person's status as an employee;
- (d) for an employment agency to fail or refuse to refer for employment, or to otherwise discriminate against, any person because of a protected employment characteristic;
- (e) for an employment agency to classify or refer for employment any person, on the basis of a protected employment characteristic;
- (f) for a labor organization to exclude or expel from its membership, or to otherwise discriminate against, any person because of a protected employment characteristic;
- (g) for a labor organization to fail or refuse to refer for employment any person because of a protected employment characteristic;
- (h) for a labor organization to limit, segregate or classify its members or applicants for membership, in any way that would deprive or tend to deprive a person of employment or employment opportunities, or that would otherwise adversely affect a person's status as an employee or as an applicant for employment; or
- (i) for a labor organization to cause or attempt to cause an employer to discriminate against a person in violation of this subsection;
- (j) for an employer, a labor organization or a joint labor-management committee, to discriminate against any person because of a protected employment characteristic in the admission to, or employment in, any program established to provide apprenticeship or other training;
- (k) for an employer to print or publish, or cause to be printed or published, any notice or advertisement relating to employment by the employer that indicates any

preference, limitation, specification or discrimination, based on a protected employment characteristic;

(l) for an employment agency to print or publish, or cause to be printed or published, any notice or advertisement relating to membership in or any classification or referral for employment by the employment agency that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic; or

(m) for a joint labor-management committee to print or publish, or cause to be printed or published, any notice or advertisement relating to admission to, or employment in, any program established to provide apprenticeship or other training by the joint labor-management committee that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic.”

Company also understands that it is entitled to apply to the City Manager for a waiver from the Equal Rights Ordinance’s application to its business if applying it would conflict with state or federal law. During the review of the waiver request, the contract will be placed on hold.

8.06 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the parties that in any manner relates to the subject matter of this Agreement.

8.07 **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction. Venue for any action concerning this Agreement, the transactions contemplated hereby or the liabilities or obligations imposed hereunder shall be in the State District Court of Collin County, Texas.

8.08 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

8.09 **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

8.10 **Recitals.** The recitals to this Agreement are incorporated herein.

8.11 **Authorized to Bind.** The persons who execute their signatures to this Agreement represent and agree that they are authorized to sign and bind their respective parties to all of the terms and conditions contained herein.

8.12 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

This Agreement shall be effective upon the last date on which all parties have executed this Agreement.

ATTEST:

CITY OF PLANO, TEXAS, a home-rule  
municipal corporation

\_\_\_\_\_  
Lisa C. Henderson, CITY SECRETARY

\_\_\_\_\_  
Bruce D. Glasscock, CITY MANAGER  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Paige Mims, CITY ATTORNEY

ATTEST:

DENBURY ONSHORE, LLC, a Delaware  
limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Mark Allen  
CHIEF FINANCIAL OFFICER  
Date: \_\_\_\_\_

**EXHIBIT "B1"**

**ANNUAL CERTIFICATE OF COMPLIANCE**

**Please select one of the options below before signing and returning the certification:**

- \_\_\_\_\_ a. I hereby certify that Denbury Onshore, LLC is in compliance with each applicable term as set forth in the Agreement and the transferred or added number of Job Equivalents has not fallen below the number for which Denbury Onshore, LLC has received a grant payment in accordance with the terms and conditions set out in Article IV of the Agreement. I further certify that as of December 31 of the prior year, the number of Job Equivalents was \_\_\_\_\_.
  
- \_\_\_\_\_ b. I hereby certify that Denbury Onshore, LLC is not in compliance with each applicable term as set forth in the Agreement and the transferred or added number of Job Equivalents has fallen below the number for which Denbury Onshore, LLC has received a grant payment. I further certify that as of December 31 of the prior year, the number of Job Equivalents was \_\_\_\_\_ and that the City of Plano has been refunded the appropriate amount as required by Article IV, Section 4.03 of the Agreement.

ATTEST:

DENBURY ONSHORE, LLC, a Delaware limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

\_\_\_\_\_  
Date

**NOTE: This form is due by January 31 of each year beginning on January 31, 2012, and as long as this Agreement is in effect.**

This Certificate of Compliance should be mailed to:

City of Plano  
Finance Department  
P.O. Box 860358  
Plano, TX 75086-0358