



MATAGORDA COUNTY HOSPITAL DISTRICT
NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Board of Managers of Matagorda County Hospital District will hold a public hearing as a part of its regular Board Meeting on Tuesday, April 23, 2024 at 5:30pm in Conference Room A at Matagorda Regional Medical Center, 104 7th Street, Bay City, Texas for the approval of a Tax Abatement Agreement with HIF USA, LLC. Exhibit A provides a project summary and Exhibit B includes information on the established Reinvestment Zone.

EXHIBIT A



Item 3.

A general written description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken

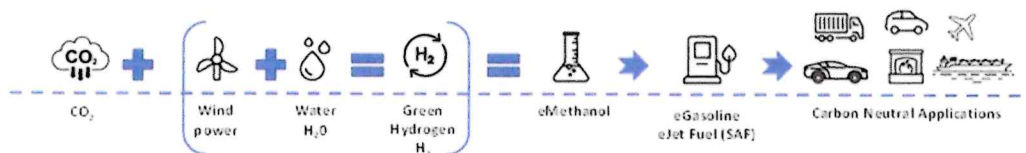
HIF USA, LLC (HIF) is requesting a Ch. 312 Property Tax Abatement from Matagorda County (Matagorda) for Project Motion (Project), a proposed industrial-scale plant designed to produce carbon-neutral electrofuels (eFuels), specifically, synthetic versions of methanol, and jet fuel. eFuels are an emerging class of carbon-neutral fuels that are produced by using renewable electrical energy (wind, solar, or geothermal) to produce green hydrogen. The green hydrogen (H₂) is then combined with carbon dioxide captured from the atmosphere or industrial sources to create synthetic liquid fuels. eFuels are gaining traction in the global energy market as a commercially viable alternative to fossil-derived fuels, and as a complement to electric vehicles and biofuels. The company's name, HIF is an acronym for Highly Innovative Fuels and formalizes their commitment to producing cleaner and more sustainable energy products. HIF's goal is to supply the increasing global demand for fuel with carbon-neutral alternative eFuels as a substitution for traditional fossil fuels.

As currently proposed, Project Motion would encompass approximately 1,250 acres within Matagorda County on land generally west of FM 2668 and south of County Road 224. If constructed, the Project would be the second of its kind in the United States, and concentrate a significant amount of domestic eFuels production in Matagorda County. At its planned maximum capacity, the plant would be capable of producing up to 200 million gallons of eFuel per year.

HIF's eFuel production operation utilizes renewable wind and solar energy to combine green hydrogen and captured carbon dioxide in a process known as synthesis. This process is detailed by, and adheres to the following sequence, visually represented below and detailed as follows:

- 1) Carbon dioxide is either captured directly from the atmosphere in a process called Direct Air Capture (DAC), or sourced from a nearby industrial facility that emits CO₂, purifying the ambient air in the process
- 2) Electrolyzers use renewable wind and solar power to split water molecules into hydrogen and oxygen, a process that produces green hydrogen gas
- 3) Green hydrogen is combined with captured and compressed carbon dioxide to produce synthetic methanol
- 4) Synthetic methanol is converted into synthetic jet fuel using a methanol-to-jet fuel (MTJ) process technology

eFuel Production Process Diagram



The synthetic eFuels produced, which are chemically equivalent to the traditional fossil fuels they displace, would then be transported to US markets and used to power the transportation industry with applications for passenger cars, long-haul trucking, maritime shipping, and air travel. Given their identical chemical profile and product interchangeability, HIF's eFuels could be used immediately as a carbon-neutral substitute within existing traditional fuels infrastructure and supply chains.

The proposed Project would be designed to be minimally impactful to the environment. The location of the site being considered in Matagorda County is designated as an unclassifiable/attainment area for all criteria pollutants, including ozone, for which emissions of Nitrogen Oxides (NOX) and Volatile Organic Compounds (VOC) are regulated as precursors to ozone. As such, the air quality permitting for the project would be evaluated for Prevention of Significant Deterioration (PSD) applicability, as defined in Title 40 Code of Federal Regulations (40 CFR) §52.21. HIF is in the preliminary engineering and design stages of the project; however, they anticipate the proposed air quality permitting would not require major source PSD permitting and only require a minor New Source Review (NSR) permit. Best Available Control Technology (BACT) would be used to limit the process emissions. HIF would also strive for the Lowest Achievable Emissions Rate (LAER), using advanced control technologies (primarily for VOC emissions) where applicable and/or required, to ensure they do not trigger major source PSD permitting requirements.

HIF believes that eFuels, made from green hydrogen and captured carbon dioxide, will play an important role if global decarbonization goals are to be achieved. In particular, the decarbonization of hard-to-electrify sectors such as aviation, marine and heavy vehicle transport will likely be heavily reliant on eFuels. The decarbonization of other oil-driven industries will also likely depend on the use of carbon-neutral alternative eFuels.

EXHIBIT B



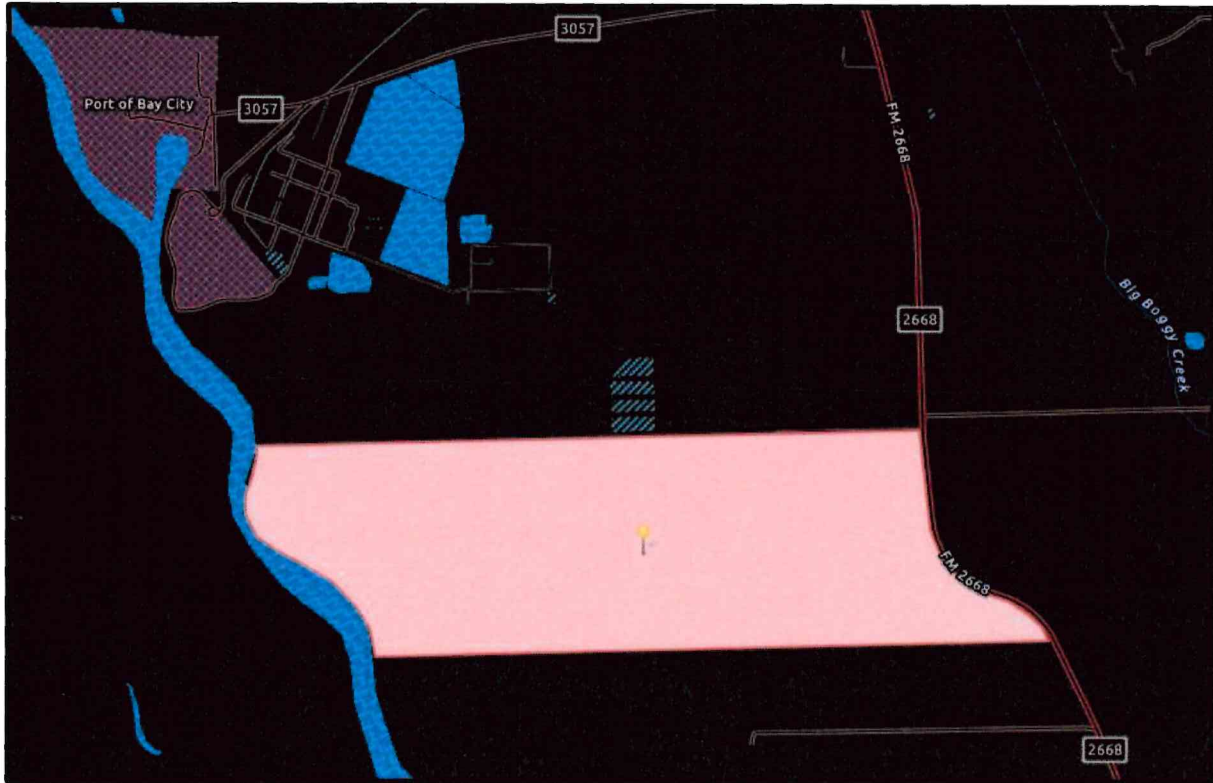
Item 6.

A map, metes and bounds, and legal property description

The parcel ID for the proposed project and the corresponding legal description from Matagorda CAD is listed below:

Parcel ID	Legal Description
16324	MATTHEW WILLIAMS AB 104 TR 15 1246.9618 AC ½ UND INT





Project Motion – Legal Description of Land for Reinvestment Zone

Tract One:

BEING a 1,214.988 acre tract of land in the M. R. Williams League, Abstract 104, Matagorda County, Texas, being a part of the J. H. Selkirk Partition (Map Volume 59, Page 84, Deed Records, Matagorda County, Texas) being that certain called 102.78 acre tract, referred to as Tract I, a called 1.32 acre tract referred to as Tract II, a called 120.26 acre tract referred to as Tract III, and a 1.38 acre tract referred to as Tract IV, all being of record in Volume 482, Pages 8-14, Deed Records of Matagorda County, Texas, a called 90.69 acre tract, a called 2.40 acre tract, recorded in Volume 490, Page 463, Deed Records of Matagorda County, Texas, a called 94.33 acre tract and a called 2.18 acre tract recorded in Quit Claim Deed in Volume 495, Page 892, Deed Records of Matagorda County, Texas, and a Correction Deed recorded in Volume 497, Page 375, Deed Records of Matagorda County, Texas, a called 1.9 acre tract being of record in Volume 485, Page 508, Deed Records of Matagorda County, Texas, a 70.00 acre tract being of record in Volume 479, Page 813, Deed Records of Matagorda County, Texas,

(The East part) of that certain called North 669.365 acres out of the W. L. Bradford and Lunn Gilmore River Ranch of a 1263.73 acre tract, recorded in Deed from James F. Crews to Dow Chemical Company, recorded in Volume 487, Page 442, Deed Records of Matagorda County, Texas, and (The East part) of that certain called South 594.365 acres of the W. L. Bradford and Lunn Gilmore River Ranch of 1263.73 acres tract recorded in Deed from Della Bradford and Lunn Gilmore to Dow Chemical Company, recorded in Volume 493, Page 723, Deed Records of Matagorda County, Texas. All bearings are based on U.S.C.&G.S. Grid North, and the coordinates are based on the North American Lambert Projections, South Central Zone.

Beginning at a 1 inch iron pipe found on the westerly right-of-way line of F.M. Highway 2668, said point being on the south line of the herein described 1,214.988 acre tract, same being the north line of the Tassie Petruca Culver called 50.00 acre tract being of record in Volume 169, Page 340, Deed Records, Matagorda County, Texas, said point also being on that boundary line agreement, Deed recorded in Volume 510, Page 729 of the Deed Records of Matagorda County, Texas, said point having coordinates Y=377,321.934, X=2,968,264.99 of the Lambert Projection of the South Central Zone of which all bearings are based on Grid North with Geodetic Distances. The Control Coordinate System is of the Boundary Line Agreement as set out in Volume 510, Page 729 of the Deed Records of Matagorda County, Texas. The coordinates are based upon monumentation being a 3/4 inch iron pipe found on top of the Matagorda County Levee Improvement District No. 1 with coordinates Y=376,678.810, X=2,955,437.28 (as monumented by the U.S. Corp of Engineers);

THENCE from said point of beginning North 87 degrees 32 minutes 11 seconds East, 66.96 feet to a point in the centerline of F.M. Highway 2668 for the most southeast corner of the herein described tract;

THENCE along the centerline of said Highway 2668, North 28 degrees 50 minutes 28 seconds West, 69.64 feet to a point at the beginning of a curve to the left;

THENCE around said curve to the left with a central angle of 46 degrees 10 minutes 31 seconds, a radius of 1,636.73 feet, a length of 1,319.06 feet, a tangent of 697.71 feet, a chord bearing North 50 degrees 53 minutes 52 seconds West, 1,283.65 feet to a point in the centerline of said highway at the tangency of said curve;

THENCE North 73 degrees 59 minutes 07 seconds West, 260.35 feet to a point in the centerline of said highway at the beginning of a curve to the right;

THENCE around said curve to the right with a central angle of 66 degrees 27 minutes 12 seconds, a radius of 1,644.52 feet, a length of 1,907.36 feet, a tangent of 1,077.24 feet, a chord bearing North 40 degrees 45 minutes 32 seconds West, 1,802.24 feet to a point in the centerline of said highway at the tangency of said curve;

THENCE North 07 degrees 14 minutes 49 seconds West along the centerline of said highway, 1,642.15 feet to a point in the centerline of said highway at the beginning of a curve to the right;

THENCE around said curve to the right with a central angle of 00 degrees 53 minutes 26 seconds, a radius of 5,592.39 feet, an arc length of 86.94 feet, a tangent of 43.47 feet and a chord bearing North 06 degrees 48 minutes 07 seconds

West, 86.94 feet to a point in the centerline of said highway for the northwest corner of the herein described 1214.988 acres of land;

THENCE South 87 degrees 02 minutes 38 seconds West along the north line of the herein described tract being a south line to adjoining 33.62 acre tract in deed to City Service Oil and Gas Corporation, recorded in Volume 734, Page 749 of the Deed Records of Matagorda County, Texas and the south line of an adjoining call 42.5667 acre tract in Deed to Oxy U.S.A., Inc. recorded in Volume 232, Page 422 of the Official Records of Matagorda County, Texas. (For a description of said 42.5677 acre tract being part of a called 1371.00 acre tract and being of record in Volume 668, Page 184, Deed Records of Matagorda County, Texas), at 60.11 feet pass a 1 inch iron pipe set on the west margin of said F.M. Highway 2668, X = 381,344.639, Y = 2,965,597.802 at 5471.85 feet pass a 1 inch iron pipe set on said line, at the southwest corner of the aforementioned 33.62 acre tract being a southeast corner of the aforementioned adjoining 42.5667 acre tract, at 10,937.72 feet pass a 1 inch iron pipe set on said line being on the top of the Matagorda County Levee Improvement District No. 1, at 12,858.32 feet pass a 1 inch iron pipe set on said line for a reference point, at 12,898.32 feet pass the top bank of Kate Ward Chute (Thorpe Canal) and continuing for a total distance of 12,923.32 feet to a point on the descending bank (left bank) (east bank) of Kate Ward Chute (Thorpe Canal);

THENCE along the descending bank (left bank) (east bank) of said Kate Ward Chute, with the following meanders:

1. South 05 degrees 59 minutes 22 seconds West, 284.30 feet;
2. South 18 degrees 35 minutes 27 seconds West, 155.51 feet;
3. South 19 degrees 14 minutes 41 seconds West, 294.10 feet;
4. South 10 degrees 37 minutes 56 seconds West, 275.18 feet;
5. South 00 degrees 46 minutes 51 seconds East, 189.17 feet;
6. South 11 degrees 48 minutes 31 seconds East, 117.24 feet;
7. South 22 degrees 19 minutes 43 seconds East, 131.17 feet;
8. South 24 degrees 29 minutes 24 seconds East, 172.18 feet;
9. South 38 degrees 04 minutes 32 seconds East, 176.77 feet;
10. South 55 degrees 49 minutes 31 seconds East, 708.48 feet;
11. South 63 degrees 30 minutes 45 seconds East, 411.44 feet;
12. South 58 degrees 40 minutes 21 seconds East, 304.86 feet;
13. South 68 degrees 48 minutes 14 seconds East, 181.13 feet;
14. South 56 degrees 05 minutes 49 seconds East, 224.81 feet;
15. South 43 degrees 39 minutes 52 seconds East, 167.05 feet;
16. South 46 degrees 53 minutes 48 seconds East, 333.14 feet;
17. South 36 degrees 51 minutes 45 seconds East, 272.85 feet;
18. South 23 degrees 19 minutes 33 seconds East, 314.97 feet;
19. South 15 degrees 30 minutes 56 seconds East, 158.97 feet;
20. South 13 degrees 23 minutes 58 seconds East, 206.69 feet; and
21. South 09 degrees 39 minutes 33 seconds East, 183.32 feet to a point on said bank for the most southwesterly corner of the herein described tract;

THENCE North 86 degrees 37 minutes 42 seconds East, 30.00 feet to 1/2 inch iron pipe found on the top bank of said Kate Ward Chute(Thorpe Canal), said point being on the north line of the aforementioned boundary line agreement being of record in Volume 510, Page 729, Deed Records of Matagorda County, Texas;

THENCE North 86 degrees 37 minutes 42 seconds East along the said aforementioned boundary line agreement line being the south line of the herein described tract and the north line of the Tom J. Petrucha Partition, 287.87 feet to a 3/4 inch iron pipe found on top of the Matagorda County Levee Improvement District No. 1 for an angle point, said point having the base coordinates Y=376,678,810, X=2,955,437.28;

THENCE North 86 degrees 50 minutes 25 seconds East along the south line of the herein described tract being the north line of the Mary Petrucha Blair called 50.00 acre tract, recorded in Volume 169, Page 346, Deed Records of Matagorda County, Texas and part of the Tom J. Petrucha 50.00 acre tract recorded in Volume 223, Page 596, Deed Records of Matagorda County, Texas, 3,122.61 feet to a 1 inch iron pipe set on said line for an angle point;

THENCE North 86 degrees 44 minutes 06 seconds East along said line being the south line of the herein described tract and part of the Toni J. Petrucha 50.00 acre tract, recorded in Volume 223, Page 596, Deed Records of Matagorda County, Texas and part of the Agnes Petrucha Zunker call 50.00 acre tract, recorded in Volume 415, Page 300, Deed Records of Matagorda County, Texas for a distance of 4,117.84 feet to a 1 inch iron pipe set on said line for an angle point;

THENCE North 87 degrees 37 minutes 59 seconds East along said line being the south line of the herein described tract and the aforementioned adjoining Agnes Petrucha Zunker 50.00 acre tract, and part of the Anton S. Dzuik 50.00 acre tract, recorded in Volume 419, Page 513, Deed Records of Matagorda County, Texas, for a distance of 2,607.08 feet to a 1 inch iron pipe set on said line for an angle point;

THENCE North 87 degrees 32 minutes 11 seconds East along said line being the south line of the herein described tract and the north line of the aforementioned Anton S. Dzuik 50.00 acre tract, and the Tassie Petrucha Culver called 50.00 acre tract recorded in Volume 169, Page 340, Deed Records of Matagorda County, Texas for a distance of 2,996.60 feet to the Place of Beginning and containing 1,214.988 acres of land, of which 7.25 acres lie within the limits of F.M. Highway 2668, leaving a net acreage of 1,207.738 acres of land, more or less.

Tract Two:

A 39.2238 Acre Tract of land in the M. R. Williams League, Abstract 104, Matagorda County, Texas, being that certain called 39.55 acre tract in Deed from James L. Evans, Trustee to Dow Chemical Company, recorded in Volume 486, Pages 722-724 of the Deed Records of Matagorda County, Texas. All bearings are based on U.S.C.&G.S. Grid North and the Coordinates are based on the North American Lambert Projections, South Central Zone.

COMMENCING at a 1 inch iron pipe found on the westerly right-of-way line of F.M. Highway 2668, said point being on the south line of a 1214.988 acre tract, surveyed this date, same being the north line of the Tassie Petrucha Culver called 50 acre tract being of record in Volume 169, Page 340, Deed Records of Matagorda County, Texas, said point also being on that boundary line agreement in Deed recorded in Volume 510, Page 729 of the Deed Records of Matagorda County, Texas, said point having coordinates $Y = 377,321.934$, $X = 2,968,264.99$ of the Lambert Projection of the South Central Zone of which all bearings are based on Grid North with Geodetic Distances. The Control Coordinate System is of the Boundary Line Agreement as set out in Volume 510, Page 729 of the Deed Records of Matagorda County, Texas. The coordinates are based upon monumentation being a 3/4 inch iron pipe found on top of the Matagorda County Levee Improvement District No. 1 with coordinates $Y = 376,678.810$, $X = 2,955.437.28$ (as monumented by the U.S. Corp of Engineers);

THENCE North 28 degrees 50 minutes 28 seconds West along the westerly right-of-way line of F.M. Highway 2668, 40.97 feet to a 1 inch iron pipe set on said line;

THENCE North 62 degrees 11 minutes 23 seconds East, 60.00 feet to a point in the centerline of said F.M. Highway 2668 at the beginning of a curve to the left;

THENCE around said curve to the left with a central angle of 46 degrees 10 minutes 31 seconds, a radius of 1636.73 feet, a length of 1319.06 feet, a tangent of 697.71 feet and a chord bearing North 50 degrees 53 minutes 52 seconds West, 1283.65 feet to a point in the centerline of said F.M. Highway 2668 for the tangency of said curve;

THENCE North 16 degrees 00 minutes 54 seconds East 60.00 feet to a 1 inch iron pipe set on the east right-of-way line of F.M. Highway 2668;

THENCE North 73 degrees 59 minutes 07 seconds West, 252.66 feet to a 1 inch iron pipe set on said line for the Place of Beginning of the herein described 39.2238 acre tract of land, said point being on the common line of the aforementioned call 39.55 acre tract, same being a north line of the adjoining Simon C. Cornelius, et ux, called 31.10 acre tract recorded in Volume 321, Page 866, Deed Records of Matagorda County, Texas, said beginning point having coordinates $Y = 378,322.7960$ and $X = 2,967,075.8642$;

THENCE from said point of beginning South 87 degrees 01 minute 29 seconds West, 164.04 feet to a point in the centerline of said F.M. Highway 2668, in a curve to the right;

THENCE around said curve to the right with a central angle of 21 degrees 39 minutes 25 seconds, a radius of 1644.51 feet, a length of 621.60 feet, a tangent of 314.56 feet, a chord bearing North 58 degrees 00 minutes 49 seconds West, 617.91 feet to a point for the tangency of said curve being the northwest corner of the herein described 39.2238 acre tract, same being a common corner of the adjoining James N. Gann, et ux, called 369.99 acre tract, recorded in Volume 305, Page 306, Deed Records, Matagorda County, Texas;

THENCE North 86 degrees 56 minutes 49 seconds East along the common line of the herein described tract and the aforementioned adjoining James N. Gann, et ux, 369.99 acre tract, at 85.14 feet pass a 1 inch iron pipe set on the east margin of said F.M. Highway 2668 and continuing for a total distance of 4996.90 feet to a 5/8 inch iron rod found for the northeast corner of the herein described 39.2268 acre tract, same being a southeast corner of the aforementioned adjoining 369.99 acre tract, said point also being on the common line of the M. R. Williams League, Abstract 104 and the adjoining I.&G.N. R.R. Company Survey, Section 2, Abstract 304;

THENCE South 02 degrees 53 minutes 47 seconds East along said line, 360.86 feet to a 1/2 inch iron rod found at the southeast corner of the herein described 39.2238 acre tract, same being a northeast corner of the adjoining Simon C. Cornelius, et ux, called 31.10 acre tract, recorded in Volume 321, Page 866, Deed Records of Matagorda County, Texas;

THENCE South 87 degrees 01 minute 29 seconds West along the common line of the herein described tract and the aforementioned adjoining Simon C. Cornelius called 31.10 acre tract, at 510.35 feet pass a railroad tie post, at 997.18 feet pass a railroad tie post, at 1,562.74 feet pass a railroad tie post, at 2263.90 feet pass a railroad tie post, at 2974.43 feet pass a railroad tie post, at 3,623.62 feet pass a railroad tie post, at 3909.03 feet pass a railroad tie post and continuing for a total distance of 4,325.96 feet to the Place of Beginning and containing 39.2238 acres of land, more or less, of which 1.2776 acres lies within the right-of-way of F.M. Highway 2668, leaving a net acreage of 37.9462 acres of land, more or less.