



June 3, 2026

**VIA Certified Mail, Return Receipt Requested** \_\_\_\_\_

**VIA E-MAIL:** [kgoodspeed@co.hill.tx.us](mailto:kgoodspeed@co.hill.tx.us)

Hill County Judge  
Attn: Honorable Judge Shane Brassell  
P. O. Box 457  
Hillsboro, TX 76645-2353

**VIA Certified Mail, Return Receipt Requested** \_\_\_\_\_

**VIA E-MAIL:** [dholmes@co.hill.tx.us](mailto:dholmes@co.hill.tx.us)

Hill County Attorney  
Attn: David Holmes, Esq.,  
P. O. Box 253  
Hillsboro, TX 76645-2353

Dear Judge Brassell:

Thank you again for meeting with Mitch Crowley and I on April 29, 2026. We appreciate the time provided by you and Hill County Attorney David Holmes to discuss the Hill County's (the "County") concerns regarding Pacifco Energy LLC's ("Pacifco") large-scale industrial development project in Hill County, which will include a power generation facility fueled by natural gas, a battery energy storage ("BESS") facility, industrial uses, technology development, and advanced data processing, storage, and computing (collectively referred to as the "Project").

Enclosed please find Pacifco's written notice of its Project, submitted pursuant to Chapter 245 of the Texas Local Government Code. This letter is intended to document and supplement the fair notice provided at our April 29, 2026, meeting by briefly recapping the key matters that were discussed at that meeting and to ensure a clear, shared record of the County's representations and Pacifco's understanding going forward.

### **Summary of April 29 Meeting**

Based on our discussions and the information you provided, the County's direct regulatory authority with respect to this Project is limited to applicable roadway access, highway occupancy,



septic/OSSF permitting, and related infrastructure matters authorized under Texas law. Pacifico also understands that applicable permitting decisions must be administered consistent with existing adopted regulations and vested-rights protections under Texas Local Government Code Chapter 245.

As discussed, Pacifico entered into an agreement to acquire the subject property on April 1, 2026, and has continued to advance development planning, engineering, due diligence, infrastructure evaluation, and related project activities in reliance upon the regulatory framework and development standards applicable at that time.

We also discussed the Commissioners Court's vote to approve a moratorium related to data center development. During that portion of our discussion, Pacifico expressed concerns regarding: (i) the statutory authority relied upon by the County in adopting the moratorium; (ii) whether the moratorium may impair or unlawfully interfere with vested rights protected under Texas law; (iii) whether the moratorium constitutes an attempt to regulate land use beyond powers expressly granted to counties under Texas law; and (iv) whether the moratorium is supported by sufficient engineering, environmental, infrastructure, or public-safety findings.

Pacifico reiterates those concerns here and states its position plainly: the moratorium is unlawful and does not apply to the Project. Texas counties are not granted general land use regulatory authority, and the moratorium lacks any valid statutory basis to restrict the type of development Pacifico intends to undertake. Moreover, any moratorium that purports to apply to a project with existing vested development rights under Chapter 245 is ineffective as a matter of law as to that project. The burden is on the County to explain why the moratorium is lawful and why it should apply to a project that predates any such action. Pacifico will continue to advance the Project without regard to the moratorium and expressly reserves all rights to challenge its validity and enforceability.

### **Enclosed Written Notice**

Enclosed please find Pacifico's written Chapter 245 notice letter. Just as Pacifico did during our meeting on April 26, the letter provides the County with unambiguous notice that Pacifico has begun development of the Project and requests that the County provide any applicable requirements and/or approvals that the County contends are necessary for the Project's development. Based on our discussions and Pacifico's understanding of applicable law, the County's permitting authority with respect to the Project is limited to roadway access, highway occupancy, and septic/OSSF matters. To the extent the County contends that any additional permits, approvals, or governmental actions are required, Pacifico requests that the County identify such requirements in writing, so that Pacifico may confirm their applicability to the Project.

Pacifico will continue to advance this project pursuant to the rules and regulations that were in place as of our April 29, 2026, pre-application meeting, and remains committed to being a

responsible long-term partner within Hill County. The Project is being designed with modern infrastructure standards intended to minimize impacts related to noise, stormwater, roadway use, electricity supply, and water consumption. Pacifico intends to comply with all lawful permitting requirements and to contribute materially to the County's tax base and long-term economic development.

Pacifico respectfully reserves all rights, remedies, claims, and protections available under Texas law, including without limitation vested-rights protections under Texas Local Government Code Chapter 245, constitutional property-rights protections, and all available administrative and judicial remedies.

We appreciate the County's attention to these matters and remain available to continue discussions in good faith.

Respectfully,



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Kevin Pratt, COO  
Pacifico Energy LLC

Enclosure: Written Chapter 245 Notice of Data Center Development Project



June 3, 2026

Hill County Judge  
Attn: Honorable Judge Shane Brassell  
P. O. Box 457  
Hillsboro, TX 76645 -2353

Hill County Attorney  
Attn: David Holmes, Esq.,  
P. O. Box 253  
Hillsboro, TX 76645-2353

**Re: Formal Notice of Industrial, Energy, Technology, and Infrastructure Development Project — Hill County, Texas**

To Honorable Judge Shane Brassell and County Attorney David Holmes:

This letter is submitted to provide Hill County and Hill County’s regulatory agencies (collectively referred to as “Hill County”) with written notice, pursuant to Chapter 245 of the Texas Local Government Code, that Pacifco Energy LLC through one or more of its subsidiaries (collectively “Pacifco”), intends to purchase parcel of land comprised of six different tracts totaling approximately 1,052.31 acres in Hill County, Texas (the “Project Site”), and to develop an industrial use project thereon (the “Project”). Pacifco reserves the right to purchase and include additional adjacent parcels as part of the Project and Project Site. This letter is a follow-up to and supplements the formal fair notice of the Project pursuant to Chapter 245 of the Texas Local Government Code that Pacifco provided to the County during the meeting on April 29, 2026 between Judge Brassell, Mr. Holmes, Mitch Crowley and me.

The Project Site is broken down by Hill County Appraisal District IDs as follows:

Tract #	Appraisal ID	Acreage
1	120064 120260 120662	206.744
2	120259	193
3	123754	291.927
4	120050 120209 (part) 395546	233.010



5	123753	101.373
6	120209 (part)	26.256

**PROJECT DESCRIPTION AND INTENDED USE**

The Project is a large-scale, multi-use energy, technology, and industrial campus to be developed in phases on the Project Site in Hill County, Texas. The Project encompasses the intended uses described below, each of which is included within this Chapter 245 notice and for which Pacifico is entitled to vested-rights protection under the regulatory framework in effect as of the date of initiation of development activities.

**Energy Generation Facility**

Per the preliminary Project Concept Plan, attached hereto as Exhibit A, the advanced industrial complex will need a large-scale supply of consistent electricity and power generation to support the campus with an anticipated capacity of approximately 1 gigawatt (1 GW). Supporting gas infrastructure will include two gas yard areas, which will connect to an existing gas pipeline. Associated support facilities will include an administration building, control room, warehouses, a main entrance with guard house and gate, MV switchgear, stormwater and water storage infrastructure, and water supply systems for equipment washing, fire protection, and general service.

**Battery Energy Storage System (BESS)**

The Project Site will be developed to allow for Battery Energy Storage System (BESS) facilities as a component of the energy infrastructure on the Project Site.

**Advanced Technology Buildings**

The Project may include one or more advanced technology, computing, telecommunications, research, manufacturing, data processing, cloud computing, artificial intelligence, digital infrastructure, or other industrial facilities, together with supporting substations, utility infrastructure, water infrastructure, wastewater infrastructure, and related improvements.

**General Industrial Use**

Overall, the Project Site is intended to support general industrial uses including but not limited to logistics, warehousing, equipment maintenance, manufacturing, assembly, fabrication, utility infrastructure, telecommunications infrastructure, administrative facilities, security facilities, and related operations.

**County Permitting**

Based on prior discussions with the County, including the April 29, 2026 meeting, is that the County’s direct regulatory authority with respect to this Project is limited to applicable roadway

access, highway, septic/OSSF permitting, and related infrastructure matters authorized under Texas law. Applicable permitting decisions must be administered consistent with the adopted regulations in effect at the time of project initiation and vested-rights protections under Texas Local Government Code Chapter 245. Pacifico will comply with all lawful and applicable permitting requirements within those areas. To the extent the County contends that any additional permits, approvals, or governmental actions are required beyond those identified above, Pacifico requests that the County identify such requirements in writing, together with the specific statutory authority for each.

### **Vested Rights**

Pacifico entered into an agreement to acquire land for the Project Site on April 1, 2026, and has since commenced and continued development planning, surveying, utility coordination, engineering, due diligence, infrastructure evaluation, and related project development activities constituting the commencement of the Project. Pacifico intends to develop the Project in accordance with the rules, regulations, and development standards in effect as of the time the application process was initiated and development activities commenced. Pursuant to Chapter 245 of the Texas Local Government Code and other applicable law, Pacifico is entitled to proceed under the regulatory framework in place at that time, and Hill County is required to consider the Project under those applicable rules and regulations. Pacifico expressly reserves all vested-rights protections afforded under Chapter 245 and any other applicable provision of Texas law.

### **Reservation of Rights**

Pacifico respectfully reserves all rights, remedies, claims, and protections available under Texas law, including without limitation vested-rights protections under Texas Local Government Code Chapter 245, constitutional property-rights protections, and all available administrative and judicial remedies.

The Project is being designed with modern infrastructure standards intended to minimize impacts related to noise, stormwater, roadway use, water consumption, and surrounding landowners. Pacifico intends to comply with all lawful permitting requirements and to contribute materially to the County's tax base and long-term economic development.

Respectfully,



Kevin Pratt, COO  
Pacifico Energy LLC

**EXHIBIT A**  
**PROJECT CONCEPT PLAN**

