



Control Number: 43117



Item Number: 15

Addendum StartPage: 0

B & D ENVIRONMENTAL, INC.

P.O. BOX 500264

AUSTIN, TEXAS 78750

PHONE NO: (512) 264-9124

FAX NO. (512) 692-1967

EMAIL: bretfenner@yahoo.com

43117

April 27, 2015

Public Utility Commission
Central Records
1701 N. Congress P.O. Box 13326
Austin, Texas 78711-3326
Docket No. 44117

Re: Application of Brazos Valley Septic & Water, Inc. and Nerro Supply, LLC for Sale, Transfer or Merger of Facilities and to Amend Certificate of Convenience and Necessity in Brazos, Burleson and Robertson Counties (37948-S)

Docket Manager:

Enclosed please find an original and nine copies of appropriate closing documentation that this transaction between the parties has been finalized. In addition, no customer deposits are being transferred from the seller to Nerro. Brazos Valley refunded all deposits to its customer prior to the finalizing of this transaction.

Should you have any further questions concerning this application, please do not hesitate to contact me at (512) 264-9124.

Sincerely,



Bret W. Fenner, P.E.
B & D Environmental, Inc.

Enclosures

15



Alamo Title Company
1800 Bering Dr., Suite 150, Houston, TX 77057
Phone: (713)966-4040 | FAX: (713)966-4061

BUYER'S STATEMENT

Settlement Date: February 27, 2015
Disbursement Date: February 27, 2015

Escrow Number: ATCH-01COM-ATCH14040526
Escrow Officer: David Pitschmann

Buyer: Nerro Supply, LLC, a Texas limited liability company
718 Westcott Street
Houston, TX 77007

Seller: US 1031 Xchange, Ltd., as QI for Brazos Valley Septic & Water, Inc., a Texas corporation
3033 Cain Road
College Station, TX 77845

TX

Multiple properties in Brazos, Robertson and Burleson County.

		\$ DEBIT	\$ CREDIT
FINANCIAL CONSIDERATION			
Contract sales price		400,000.00	
Deposit or earnest money	Nerro Supply, LLC, a Texas limited liability company -		40,000.00
PRORATIONS/ADJUSTMENTS			
All Taxes	01/01/15 to 02/28/15 (\$830.52 / 365 X 58 days)		131.97
TITLE & ESCROW CHARGES			
Escrow Fee	Alamo Title Company	250.00	
RECORDING CHARGES			
Recording fees	Alamo Title Company	48.00	
RE: Deed-Burleson			
eFile Fees	Alamo Title Company	3.00	
Recording Fees	Alamo Title Company	48.00	
RE: Deed-Robertson			
Recording Fees	Alamo Title Company	48.00	
RE: Deed-Brazos			
MISCELLANEOUS CHARGES			
Attorney Fees	Hughes Arrell Kinchen LLP	2,826.25	
Invoice #21252 and 21085			
<hr/>			
Subtotals		403,223.25	40,131.97
Balance Due FROM Buyer			363,091.28
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TOTALS		403,223.25	403,223.25
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BUYER'S STATEMENT - Continued

APPROVED and ACCEPTED

Buyer understands the Closing or Escrow Agent has assembled this information representing the transaction from the best information available from other sources and cannot guarantee the accuracy thereof. The Lender involved may be furnished a copy of this Statement. The undersigned hereby authorizes Alamo Title Company to make expenditures and disbursements as shown and approves same for payment. The undersigned also acknowledges receipt of loan funds in the amount shown above and a receipt of a copy of this Statement.

I have carefully reviewed the Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the Settlement Statement.

BUYER:

Nerro Supply, LLC, a Texas limited liability company

By: BlackSwan Water Resources, LLC, its Member

By: _____
Name: Gregory Pappas
Title: Chairman

I have caused or will cause the funds to be disbursed in accordance with the Statement which I have prepared.

To the best of my knowledge, the Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.



Alamo Title Company
Settlement Agent

Special Warranty Deed

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from any instrument that transfers an interest in real property before it is filed for record in the public records: your Social Security number or your driver's license number.

Date: February 27, 2015

Grantor: Brazos Valley Septic & Water, Inc., a Texas corporation

Grantor's Mailing Address:

3033 Cain Road
College Station, Brazos County, Texas 77845

Grantee: Nerro Supply, LLC, a Texas limited liability company

Grantee's Mailing Address:

718 Wescott, Houston, Harris County, Texas 77007

Consideration: Ten Dollars (\$10.00) and other valuable consideration, the sufficiency of which is acknowledged herein.

Property (including any improvements):

Listed on attached Exhibit A which is incorporated herein by reference for all purposes. Fee title shall not convey for listed Tracts with identifications of "easement only" or "reservation on plat".

Reservations and Exceptions from Conveyance and Warranty:

All easements, restrictions, conditions, reservations of minerals and royalties or other exceptions apparent on the ground and/or of record in Brazos, Burleson and Robertson Counties, Texas, to the extent that the same are valid and still in force and effect.

Fee title shall not convey for Tracts listed in Exhibit A with identifications of "easement only" or "reservation on plat". For properties marked "easement only", Grantor confirms it owns the easement rights in question and conveys and assigns them to Grantee. For properties marked "reservation on plat", Grantor confirms it has occupied and used the reservation for the platted purpose of public utility service in an open and notorious manner and conveys and assigns such legal rights of occupancy

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COUNTY CLERK COMPANY
ATCA14040526

and use as it may have to Grantee. Grantor further confirms that no third party consents are necessary for these transfers except approval of the overall sale by the Public Utility Commission of Texas under the authority of Texas Water Code §13.301.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

Brazos Valley Septic & Water, Inc.

By: Charles M. Rutledge
Charles M. Rutledge, President

Address of Grantor:

Brazos Valley Septic & Water, Inc.
Attn: Charles M. Rutledge
3033 Cain Road
College Station, Texas 77845

Address of Grantee:

Nerro Supply, LLC
Attn: Charlie Gaspar
P.O. Box 1629
Spring, Texas 77383-1629

Return to Grantee after Recording

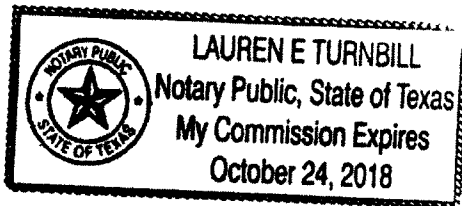
STATE OF TEXAS

COUNTY OF BRAZOS

ATTESTATION

SWORN AND SUBSCRIBED TO under oath by Charles M. Rutledge who stated that he was the President of Brazos Valley Septic & Water, Inc. and that he was authorized and did execute the foregoing instrument in that capacity for the consideration recited therein on January 26, 2015.

SEAL



Lauren E Turnbill
Notary Public in and for the State of Texas

Name: Lauren E Turnbill

Commission expires: October 24, 2018

Special Warranty Deed

EXHIBIT A

Tract One:

0.34 acre strip shown as "Well Site" adjoining Lot One (1), Block Four (4), Second Installment Smetana Forest Subdivision, Brazos County, according to plat thereof recorded in Volume 332, Page 649 of the Deed Records of Brazos County, Texas.

Tract Two:

Lots Two Hundred Seven (207) and Two Hundred Eight (208), Benchley Oaks, Brazos County, according to plat thereof recorded in Volume 368, Page 671 of the Deed Records of Brazos County, Texas.

Tract Four:

Lot Forty-seven (47), Block One (1), Lakewood Estates Subdivision, Brazos County, according to plat thereof recorded in Volume 340, Page 215 of the Deed Records of Brazos County, Texas. **EASEMENT ONLY**

Tract Five:

Being a Twenty-Five Foot strip of land, more or less, out of and a part of Lot Sixteen (16) in Block Two (2) of the Oak Forest Lake Subdivision, Robertson County, Texas, according to the map and plat of said Subdivision recorded in Volume 1, Page 74, Map and Plat Records of Robertson County, Texas; and being the same property described in Deed dated October 21, 1981 from Southern Utilities Company to Sunbelt Utilities, Inc., recorded in Volume 382, Page 55, Public Records of Robertson County, Texas.

Tract Six:

Lot 140, Oak Forest Subdivision, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded

in Volume 1, Page 28, Map Records of Burleson County, Texas.

Being the same property described in Deed dated October 22, 1999, executed by Charlotte Ann Ryan, Executrix of the Estate of James L. Moncrief, Deceased to Charlotte Ann Ryan, recorded in Volume 512, Page 775, Official Records of Burleson County, Texas. **RESERVE ON PLAT**

Tract Seven:

Field Notes of 0.4859 acres tract of land, known as "WATER WELL RESERVE" as shown on recorded Plat of SOMERVILLE PLACE, Section 3, a Subdivision, out of the James Craft Survey, A, 83, Burleson County, Texas.

BEGINNING at an iron rod on the Southwest right-of-way line of Route 4, Highway to Big Creek Park, at a point which is S. 45 degrees 53' 24" E., 250 feet along said Highway line from the West right-of-way line of Somerville Place entrance road, and is at the Northwest corner of "COMMERCIAL RESERVE";

THENCE S. 45 degrees 53' 24" E., a distance of 130 feet to an iron rod at the corner of Lot 888, for corner of this tract;

THENCE S. 44 degrees 06' 36" W., a distance of 80 feet to the corner of Lot 888 on Acorn Oak Circle, for corner of this tract;

THENCE around curve of cul-de-sac road, having a radius of 40 feet, a distance of 91.70 feet to the P.C. of curve, for corner of this tract;

THENCE S. 44 degrees 06' 36" W., a distance of 43.00 feet to an iron rod at the Southwest corner of Lot 889, for corner of this tract;

THENCE N. 45 degrees 53' 24" W., a distance of 100 feet to an iron rod at the Northwest corner of "COMMERCIAL RESERVE", for corner of this tract;

THENCE N. 44 degrees 06' 36" E., a distance of 190 feet to the Place of Beginning, containing 0.4859 acres of land, out of

Somerville Place, Section 3, out of the James Craft Survey, A 83, Burleson County, Texas.

Being the same property described in Deed dated October 22, 1981, executed by Southern Utilities Company to Sunbelt Utilities, Inc., recorded in Volume 294, Page 130, Deed Records of Burleson County, Texas.

Tract Eight:

Being part of Lot Numbered One Hundred Two (102) of the "Lakeview North" Section One Subdivision of a part of the James Craft League Abstract-83 in Burleson County, Texas, according to the Map and Plat of said "Lakeview North" Section One Subdivision as the same is duly recorded in Vol. 184, Pages 227 through 232, inclusive, of the Deed Records of Burleson County, Texas, to which recorded instrument reference is here made, together with all wells, pumps, pipes, machinery, fixtures and distribution system located and situated on said premises, and being the same tract of land conveyed to O.H. McCollum et al by Deed from Bill Palmos, Trustee, dated August 8, 1973 and duly recorded in Vol. 215, Pages 394-396 of the Deed Records of Burleson County, Texas, reference being made to the said Deed for all purposes; and being more particularly described as follows:

BEGINNING at the N. cor. of Lot 102, in the south line of Lakeview Drive, said PLACE OF BEGINNING. Also being the East corner of Lot 101;

THENCE with the S. line of Lakeview Drive, N. 45 degrees E. 60 ft. to corner;
THENCE S. 45 degrees E. 45 feet to corner;

THENCE S. 45 degrees W. 60 feet to corner in the east line of Lot 101;

THENCE N. 45 degrees W. 45 feet to the Place of Beginning, and containing 0.062 acres of land, more or less.

Being the same property described in Deed dated October 22, 1981, executed by Southern Utilities Company to Sunbelt

Utilities, Inc., recorded in Volume 294, Page 136, Deed
Records of Burleson County, Texas.

Tract Nine:

Lot 44, Whispering Woods, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 1, Page 25, Plat Records of Burleson County, Texas.

Being the same property described in Deed dated April 16, 2014, executed by Sue C. Sluder, Independent Administratrix of the Estate of James Earl Sluder, Deceased, Cause No. 425879, Probate Court Number One, Harris County, Texas to Sue C. Sluder, recorded in Volume 942, Page 333, Official Records of Burleson County, Texas.
RESERVATION ON PLAT

Tract Ten:

Lot 1, Block C, Apache Hills Subdivision, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 140, Page 382, Deed Records of Burleson County, Texas.

Being the same property described in Deed dated May 14, 2009, executed by D & S Water Services, by and through its Receiver, Malcolm D. Bailey to Brazos Valley Septic & Water, Inc., recorded in Volume 778, Page 265, and Official Records of Burleson County, Texas.

RECORDED

FILED

2003



STATE OF TEXAS
COUNTY OF ROBERTSON
I hereby certify that this instrument was duly recorded in the volume and page of the index records of Robertson County, Texas, as stamped hereon by me.

Mar 05, 2013

KATHRYN M. BRIMHALL, County Clerk
Robertson County

Filed for Record in
Burleson County

On: Mar 10, 2013 at 11:14 AM

As on Official Public Records

Document Number: 00001245

Amount: \$4,100

Receipt Number: 00001245

by
Kathryn Brimhall

STATE OF TEXAS COUNTY OF BURLESON
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the index records of Burleson County, Texas, as stamped hereon by me.

Mar 10, 2013

Anna L. Schreiner
Burleson County Clerk

BILL OF SALE AND ASSIGNMENT

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

§

COUNTY OF BRAZOS

§

Brazos Valley Septic & Water, Inc. ("Grantor"), for and in consideration of the sum of Ten and No/100 (\$10.00) Dollars cash and other good and valuable consideration paid to Grantor by Nerro Supply, LLC ("Grantee"), the receipt and sufficiency of which is hereby acknowledged, has granted, sold, and conveyed, and by these presents does grant, sell, and convey unto Grantee, its successors and assigns, the following:

1. Personal Property. All items of furniture, fixtures, equipment, and miscellaneous tangible personal property owned by Grantor and described without limitation or exclusion in Exhibit "A" attached hereto and made a part hereof for all purposes, and located on or within or used in connection with the ownership or operation of the improvements located in Brazos, Burleson, and Robertson Counties, Texas consisting of all of the personal property used and/or owned by Grantor in connection with the water distribution systems listed below:

<u>System Name</u>	<u>PWS#</u>	<u>County</u>	<u>CCN #</u>
Oak Forest/Lakeway Manor	1980017	Robertson	13094
Benchley Oaks	0210039	Brazos	13094
Lakewood Estates	0210042	Brazos	13094
Smetana Forest	0210010	Brazos	13094
Apache Hills	0260019	Burleson	13094
Lakeview North/Marshall Oaks/ Sommerville	0260010	Burleson	13094
Little Oak Forest	0260037	Burleson	13094
Whispering Woods	0260032	Burleson	13094

The above referenced systems serve subdivisions of the same name in Brazos, Burleson and Robertson Counties, Texas, hereinafter referred to herein as the "Project," and all of such items and personal property being collectively referred to herein as the "Personal Property". The tracts to which the Personal Property is associated are listed in Exhibit B, which is incorporated into this instrument for identification purposes only and not to convey real property interest unless they are listed in Exhibit C.

2. Leases. All of Grantor's right, title, and interest as lessor or landlord in and under all leases and license agreements granting possessory rights in, on, or covering the Project (the "Leases").
3. Property Agreements. All of the Grantor's right, title, and interest as owner of the Project, to the extent Grantor's interest is assignable, in and to any and all agreements that relate solely to the ownership, use, leasing, management, advertising, security,

maintenance, construction, or operation of the Project or the Personal Property (the "Property Agreements").

4. Intangibles. To the extent and relating solely to the ownership, development use, or projected use, maintenance, or operation of the Project, Personal Property, Leases, or Property Agreements, all of Grantor's right, title, and interest in and to all (I) plans, models, drawings, specifications, surveys, engineering reports, and other technical descriptions or materials that are in the possession of Grantor or his representatives (the "Plans"); (II) warranties, guaranties, indemnities, and claims (the "Warranties"); (III) licenses, permits, franchises, and similar rights issued by any federal, state, or municipal authority, including, without limitation, any waste, wastewater, storm sewer, or other utility capacity reservations or allocations issued solely for the benefit of the Project or improvements to be constructed on the above described land (the "Permits"); and (IV) all other claims or causes of action (the "Intangibles").
5. Trade Names. All of Grantor's right, title, and interest in and to the use of the hereinabove enumerated system names (the "Trade Names"), together with all "d/b/a's", assumed name certificates, certificates of the Secretary of State of Texas, trademark and copyright certificates, licenses, permits, and other similar instruments which evidence Grantor's right, title, and interest in the Trade Names and their use.
6. Easements. All of Grantor's right, title, and interest (at law or in equity) in and to any and all pipeline, water distribution system, public utility, sanitary control and other easements, in, on or under the ground, located in the Project used by or existing for the benefits of the public drinking water system therein. Included without limitation are the easements listed in Exhibit C.

TO HAVE AND TO HOLD THE Personal Property, Leases, Property Agreements, Plans, Warranties, Permits, Intangibles, and Trade Names, together with all and singular rights and appurtenances thereto in anywise belonging, by and through Grantor only, unto the said Grantee, its successors and assigns, forever, and Grantor does hereby bind himself to WARRANT and FOREVER DEFEND title to the Personal Property, Leases, Property Agreements, Plans, Warranties, Permits, and Intangibles unto said Grantee, his heirs, administrators, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise. Notwithstanding anything contained herein to the contrary, Grantor is hereby only granting, bargaining, selling and conveying any of Grantor's right, title, and interest in and to the same as receiver without warranty (whether statutory, express or implied).

Grantor warrants that there are no liens, encumbrances, or security agreements affecting the Project.

IN WITNESS WHEREOF, Grantor has executed this Bill of Sale and Assignment on the
26 day of February, 2015.

Brazos Valley Septic & Water, Inc.

By: Charles M. Rutledge
Charles M. Rutledge, President

Address of Grantor:

Brazos Valley Septic & Water, Inc.
Attn: Charles M. Rutledge
3033 Cain Road
College Station, Texas 77845

Address of Grantee:

Nerro Supply, LLC
Attn: Charlie Gaspar
718 Wescott
Houston, Texas 77007

Return to Grantee after Recording

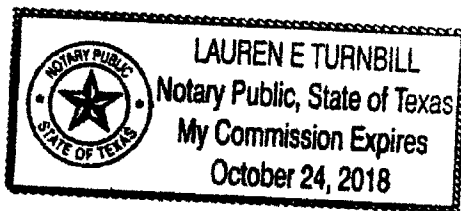
ATTESTATION

THE STATE OF TEXAS §
 Brazos §
COUNTY OF ~~TRAVIS~~ §

BEFORE ME, the undersigned authority on this day personally appeared Charles M. Rutledge, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he was the President of Brazos Valley Septic & Water, Inc. and that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 26th day of February 2015.

Seal



Lauren E. Turnbull
Notary Public in and for the State of Texas

Name: Lauren E. Turnbull

Commission expires: October 24, 2018

Exhibit "A"

To Bill of Sale and Assignment
List of Water System Components

Apache Hills PWS 0260019

101 Navajo Rd., Somerville

Approx. 2.5 miles of 2"-4" water main

14 valves

LMI brand, Polyphosphate liquid injection pump

Stenner brand, Liquid bleach injection pump

4" well casing, 1.5" drop pipe, 3hp single phase well pump

.012MG GST

.001566 MG pressure tank

2-120gpm service pumps

12x14 wood bldg

60+ residential water meters & boxes

150 psi oil-less air compressor

Benchley Oaks PWS 0210039

5959 Benchly Dr., Bryan

Approx. 4.0 miles of 2"-4" water main

11 valves

Stenner brand, Liquid bleach injection pump

4" well, 2" drop pipe, 5hp three phase well pump, and 6" well, 2" drop pipe, and 7.5hp three phase well pump

.044MG GST

.002643 MG pressure tank

2-260gpm service pumps

12x14 wood bldg

120+ residential water meters & boxes

1 commercial water meter & box

150 psi oil-less air compressor

Lakeview North PWS 0260010

980 Lakeview Dr., Somerville

Approx. 0.8 miles of 2"-3" water main

6 valves

Stenner brand, Liquid bleach injection pump

6" well casing, 2.5" drop pipe, 7.5hp three phase well pump

.002 MG pressure tank

10x10 wood bldg

20+ residential water meters & boxes

Lakewood Estates PWS 0210042

2501 W OSR, Bryan

Approx. 1.8 miles of 2"-4" water main

12 valves

Stenner brand, Liquid bleach injection pump

4" well casing, 2" drop pipe, 3hp single phase well pump

.011MG GST

.001566 MG pressure tank

2-150gpm service pumps

12x14 wood bldg

60+ residential water meters & boxes

2 commercial water meters & boxes

150 psi oil-less air compressor

Little Oak Forest PWS 0260037

301 Stardust Circle, Somerville

Approx. 3 miles of 2"-6" water main

15 valves

Stenner brand, Liquid bleach injection pump

4" well casing, 1.5" drop pipe, 3hp single phase well pump

.001566 MG pressure tank

20+ residential water meters & boxes

OakForest/Lakeway Manor PWS 1980017

13217 Oakforest Dr., Bryan

Approx. 1.5 miles of 1.25"-2" water main

11 valves

Stenner brand, Liquid bleach injection pump

4" well casing, 2" drop pipe, 5hp single phase well pump

.012MG GST

.001566 MG pressure tank

2-150gpm service pumps

10x10 wood bldg

40+ residential water meters

150 psi oil-less air compressor

Smetana Forest PWS 0210010

3211 Mc Donald Ave., Bryan

Approx. 1.5 miles of 2" water main

11 valves

Stenner brand, Liquid bleach injection pump

4" well casing, 2" drop pipe, 5hp single phase well pump

.020MG GST

.001566 MG pressure tank

2-150gpm service pumps

10x10 wood bldg

50+ residential water meters & boxes

150 psi oil-less air compressor

Sommerville Place PWS 0260021

100 Acorn Oak, Somerville

Approx. 6.5 miles of 2"-6" water main

21 valves

Stenner brand, Liquid bleach injection pump

6" well casing, 3" drop pipe, 7.5hp single phase well pump

.042MG GST

.002640 MG pressure tank

2-150gpm service pumps

12x12 wood bldg

140+ residential water meters & boxes

1 commercial water meter & box

150 psi oil-less air compressor

Whispering Woods PWS 0260032

357 CR 411, Somerville

Approx. .75 miles of 2" water main

7 valves

LMI brand, Polyphosphate liquid injection pump

Stenner brand, Liquid bleach injection pump

4" well casing, 1.25" drop pipe, 1.5hp single phase well pump – not in use; 5" well casing, 1.25" drop pipe, 1.5hp single phase well pump

.001566 MG pressure tank

12x14 wood bldg

20+ residential water meters & boxes

150 psi oil-less air compressor

Spare - two (2) 5hp 150gpm booster pumps

misc pipe/fittings/repair parts

Exhibit "B"

To Bill of Sale and Assignment
Affected Tracts Identified

The tracts to which the Personal Property is associated are listed in Exhibit B, which is incorporated into this instrument for identification purposes only and not to convey real property interest unless they are listed in Exhibit C.

Tract One:

0.34 acre strip shown as "Well Site" adjoining Lot One (1), Block Four (4), Second Installment Smetana Forest Subdivision, Brazos County, according to plat thereof recorded in Volume 332, Page 649 of the Deed Records of Brazos County, Texas.

Tract Two:

Lots Two Hundred Seven (207) and Two Hundred Eight (208), Benchley Oaks, Brazos County, according to plat thereof recorded in Volume 368, Page 671 of the Deed Records of Brazos County, Texas.

Tract Four:

Lot Forty-seven (47), Block One (1), Lakewood Estates Subdivision, Brazos County, according to plat thereof recorded in Volume 340, Page 215 of the Deed Records of Brazos County, Texas.
EASEMENT ONLY

Tract Five:

Being a Twenty-Five Foot strip of land, more or less, out of and a part of Lot Sixteen (16) in Block Two (2) of the Oak Forest Lake Subdivision, Robertson County, Texas, according to the map and plat of said Subdivision recorded in Volume 1, Page 74, Map and Plat Records of Robertson County, Texas; and being the same property described in Deed dated October 21, 1981 from Southern Utilities Company to Sunbelt Utilities, Inc., recorded in Volume 382, Page 55, Public Records of Robertson County, Texas.

Tract Six:

Lot 140, Oak Forest Subdivision, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 1, Page 28, Map Records of Burleson County, Texas.

Being the same property described in Deed dated October 22, 1999, executed by Charlotte Ann Ryan, Executrix of the Estate of James L. Moncrief, Deceased to Charlotte Ann Ryan, recorded in Volume 512, Page 775, Official Records of Burleson County, Texas. **RESERVE ON PLAT**

Tract Seven:

Field Notes of 0.4859 acres tract of land, known as "WATER WELL RESERVE" as shown on recorded Plat of SOMERVILLE PLACE, Section 3, a Subdivision, out of the James Craft Survey, A, 83, Burleson County, Texas.

BEGINNING at an iron rod on the Southwest right-of-way line of Route 4, Highway to Big Creek Park, at a point which is S. 45 degrees 53' 24" E., 250 feet along said Highway line from the West right-of-way line of Somerville Place entrance road, and is at the Northwest corner of "COMMERCIAL RESERVE";

THENCE S. 45 degrees 53' 24" E., a distance of 130 feet to an iron rod at the corner of Lot 888, for corner of this tract;

THENCE S. 44 degrees 06' 36" W., a distance of 80 feet to the corner of Lot 888 on Acom Oak Circle, for corner of this tract;

THENCE around curve of cul-de-sac road, having a radius of 40 feet, a distance of 91.70 feet to the P.C. of curve, for corner of this tract;

THENCE S. 44 degrees 06' 36" W., a distance of 43.00 feet to an iron rod at the Southwest corner of Lot 889, for corner of this tract;

THENCE N. 45 degrees 53' 24" W., a distance of 100 feet to an iron rod at the Northwest corner of "COMMERCIAL RESERVE", for corner of this tract;

THENCE N. 44 degrees 06' 36" E., a distance of 190 feet to the Place of Beginning, containing 0.4859 acres of land, out of Somerville Place, Section 3, out of the James Craft Survey, A 83, Burleson County, Texas.

Being the same property described in Deed dated October 22, 1981, executed by Southern Utilities Company to Sunbelt Utilities, Inc.,

recorded in Volume 294, Page 130, Deed Records of Burleson County, Texas.

Tract Eight:

Being part of Lot Numbered One Hundred Two (102) of the "Lakeview North" Section One Subdivision of a part of the James Craft League Abstract-83 in Burleson County, Texas, according to the Map and Plat of said "Lakeview North" Section One Subdivision as the same is duly recorded in Vol. 184, Pages 227 through 232, inclusive, of the Deed Records of Burleson County, Texas, to which recorded instrument reference is here made, together with all wells, pumps, pipes, machinery, fixtures and distribution system located and situated on said premises, and being the same tract of land conveyed to O.H. McCollum et al by Deed from Bill Palmos, Trustee, dated August 8, 1973 and duly recorded in Vol. 215, Pages 394-396 of the Deed Records of Burleson County, Texas, reference being made to the said Deed for all purposes; and being more particularly described as follows:

BEGINNING at the N. cor. of Lot 102, in the south line of Lakeview Drive, said PLACE OF BEGINNING. Also being the East corner of Lot 101;

THENCE with the S. line of Lakeview Drive, N. 45 degrees E. 60 ft. to corner; THENCE S. 45 degrees E. 45 feet to corner;

THENCE S. 45 degrees W. 60 feet to corner in the east line of Lot 101;

THENCE N. 45 degrees W. 45 feet to the Place of Beginning, and containing 0.062 acres of land, more or less.

Being the same property described in Deed dated October 22, 1981, executed by Southern Utilities Company to Sunbelt Utilities, Inc., recorded in Volume 294, Page 136, Deed Records of Burleson County, Texas.

Tract Nine:

Lot 44, Whispering Woods, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 1, Page 25, Plat Records of Burleson County, Texas.

Being the same property described in Deed dated April 16, 2014, executed by Sue C. Sluder, Independent Administratrix of the Estate of James Earl Sluder, Deceased, Cause No. 425879, Probate Court Number One, Harris County, Texas to Sue C. Sluder, recorded in Volume 942, Page 333, Official Records of Burleson County, Texas. **RESERVATION ON PLAT**

Tract Ten:

Lot 1, Block C, Apache Hills Subdivision, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 140, Page 382, Deed Records of Burleson County, Texas.

Being the same property described in Deed dated May 14, 2009, executed by D & S Water Services, by and through its Receiver, Malcolm D. Bailey to Brazos Valley Septic & Water, Inc., recorded in Volume 778, Page 265, and Official Records of Burleson County, Texas.

Exhibit "C"

To Bill of Sale and Assignment
List of Easements

1. 20' utility easement on the SE side; as shown on plat recorded in Volume 332, Page 649 of the Deed Records of Brazos County, Texas; as shown on survey prepared on January 24, 2011, under the supervision of Robert C. Schmidt, RP.LS. #4705. (Tract 1)
2. Easement:

From: Olga R Canales
To: Brazos Valley Septic & Water, Inc.
Dated: November 1, 2010
Recorded: Volume 9982, Page 167, Official Records, Brazos County, Texas. (Tract 1)
3. Easement:

From: Patricia A. Gibson
To: Brazos Valley Septic & Water, Inc.
Dated: November 1, 2010
Recorded: Volume 9982, Page 169, Official Records, Brazos County, Texas. (Tract 1)
4. 10' building line and 16' utility easement on the northeast side; 10' utility easement and 10' building line on northwest, southeast and southwest sides; 10' building line and 10' utility easement along to common lot line of Lots 207 & 208; overhead electric line along northeast side and extending to electric meters; as shown on plat recorded in Volume 368, Page 671 of the Deed Records of Brazos County, Texas; as set out in restrictions recorded in Volume 369, Page 379 of the Deed Records of Brazos County, Texas; as shown on survey prepared on December 17, 2010, under the supervision of Robert C. Schmidt, R.P.L.S. #4705. (Tract 2)
5. Sanitary Control Easement:

From: Daniel Junek
To: Colson Village, Inc.
Dated: July 19, 1977
Recorded: Volume 377, Page 496, Deed Records, Brazos County, Texas.
(Easement on adjoining lot benefits subject tract) (Tract 2)
6. Sanitary Control Easement:

From: Howard J. Seeger
To: Colson Village, Inc.

Dated: July 23, 1977

Recorded: Volume 377, Page 498, Deed Records, Brazos County, Texas.
(Easement on adjoining lot benefits subject tract) (Tract 2)

7. Easement:

From: Benchley Oaks

To: Fairview-Smetana Water Supply Corporation

Dated: October 14, 1985

Recorded: Volume 841, Page 138, Official Records, Brazos County, Texas. (Tract 2)

8. Sanitary Control Easement:

From: Brazos Valley Septic & Water, Inc.

To: Brazos Valley Septic & Water, Inc.

Dated: January 16, 2008

Recorded: Volume 8411, Page 24, Official Records, Brazos County, Texas; as shown on survey prepared on January 24, 2011, under the supervision of Robert C. Schmidt, R.P.L.S. #4705 (Tract2)

9. 16' utility easement on the northwest side; 10' utility easement on the southwest and southeast sides; 40' x 40' water well site; as set out on plat recorded in Volume 340, Page 215, Deed Records, Brazos County, Texas; as set out in restrictions recorded in Volume 349, Page 181, Deed Records, Brazos County, Texas; as shown on survey prepared on January 24, 2011, under the supervision of Robert C. Schmidt, R.P.L.S. #4705. (Tract 3)

10. 16' utility easement on the northwest side; 10' utility easement on the southwest and southeast sides; 40' x 40' water well site; as set out on plat recorded in Volume 340, Page 215, Deed Records, Brazos County, Texas; as set out in restrictions recorded in Volume 349, Page 181, Deed Records, Brazos County, Texas; as shown on survey prepared on January 24, 2011, under the supervision of Robert C. Schmidt, R.P.L.S. #4705. (Tract 3)

11. Easement:

From: C. B. Hightower, III, et al

To: The Public

Dated: December 12, 1975

Recorded: Volume 349, Page 186, Deed Records, Brazos County, Texas. (Tract 4)

12. Easement:

From: Lillian Griffin

To: Brazos Valley Septic and Water, Inc.

Dated: January 21, 2011

Recorded: Volume 10019, Page 10, Official Records, Brazos County, Texas. (Tract 4)

13..Easement:

From: Lillian Griffin

To: Brazos Valley Septic and Water, Inc.

Dated: October 11, 2011

Recorded: Volume 10371, Page 87, Official Records, Brazos County, Texas. (Tract 4)

14..Easement:

From: Marty R. Griffin, et ux

To: Public

Dated: October 29, 1990

Recorded: Volume 2056, Page 289, Official Records, Brazos County, Texas; as shown on survey prepared on January 24, 2011, under the supervision of Robert C. Schmidt, R.P.L.S. #4705. (Tract 4)

15.Right-of-Way Easement dated August 20, 1980, from Joe A Folsom et ux Virginia Folsom to Southern Utilities Company, recorded in Volume 360, Page 276, Public Records of Robertson County, Texas. (Tract 5)

16."Nobles-Huckaby Well No. 1" Unit Designation dated December 6, 1995, recorded in Volume 643, Page 647, Official Records of Robertson County, Texas. (Tract 5)

17.Subject to the rights of others and conflict of interest regarding the use of the 25' strip as an access easement to water well as described in Deed dated February 7, 1990 from Mary D. Wood to Ila Faye Linebaugh, recorded in Volume 543, Page 43, Public Records of Robertson County, Texas; and subsequently described in Deed dated March 13, 2003 from Ila June Charlene Linebaugh Russell et al to Tina Kay Linebaugh Gustavus, recorded in Volume 833, Page 305, Official Public Records of Robertson County, Texas. (Tract 5)

18.To the extent same is enforceable: Easement dated December 18, 1210 from Melissa Freeman to Brazos Valley Septic & Water, Inc., recorded in Volume 1124, Page 313, Official Public Records of Robertson County, Texas. (Tract 5)

19.Sanitary Control Easement dated November 10, 2010, executed by David Whitaker to Brazos Valley Septic & Water, Inc., recorded in Volume 822, Page 746, Official Records of Burleson County, Texas, together with all rights incident thereto. (Tract 6)

20.Covenants, conditions, reservations, easements, building lines and restrictions applicable to Somerville Place, Section III, as shown on plat recorded in Volume 1, Page 18, Map Records of Burleson County, Texas and as set forth in instruments recorded in

- Volume 215, Page 404, Volume 215, Page 402, Volume 319, Page 128 and Volume 433, Page 360, Deed Records of Burleson County, Texas, and Volume 601, Page 262, Official Records of Burleson County, Texas (Tract 7)
21. Covenants, conditions, reservations, easements, building lines and restrictions applicable to Lakeview North Subdivision, Section 1, as shown on plat recorded in Volume 184, Page 227, Deed Records of Burleson County, Texas. (Tract 8)
 22. Covenants, conditions, reservations, easements, building lines and restrictions applicable to Whispering Woods Subdivision, as shown on plat recorded in Volume 1, Page 25, Plat Records of Burleson County, Texas, and as set forth in instrument recorded in Volume 227, Page 125, Deed Records of Burleson County, Texas. (Tract 9)
 23. Right of Way Easement dated May 12, 1975, executed by John C. Webb to Bluebonnet Electric Cooperative, Inc., recorded in Volume 226, Page 744, Deed Records of Burleson County, Texas, together with all rights incident thereto. (Tract 9)
 24. Sanitary Control Easement dated November 1, 2010, executed by James Sluder and Sue Sluder to Brazos Valley Septic & Water, Inc., recorded in Volume 822, Page 748, Official Records of Burleson County, Texas, together with all rights incident thereto. (Tract 9)
 25. Right of Way Easement dated April 1, 2012, executed by Ryan Gilchrist to Brazos Valley Septic & Water, Inc., recorded in Volume 859, Page 837, Official Records of Burleson County, Texas, together with all rights incident thereto. (Tract 9)
 26. Covenants, conditions, reservations, easements, building lines and restrictions applicable to Apache Hills Subdivision, as shown on plat recorded in Volume 140, Page 382, Deed Records of Burleson County, Texas, and as set forth in instruments recorded in Volume 203, Page 297, Volume 225, Page 550, Volume 226, Page 292, Volume 232, Page 208, Volume 285, Page 865 and Volume 285, Page 870, Deed Records of Burleson County, Texas. (Tract 10)
 27. Sanitary Control Easement dated October 22, 2010, executed by Billie S. Chambers to Brazos Valley Septic & Water, Inc., recorded in Volume 822, Page 750, Official Records of Burleson County, Texas, together with all rights incident thereto. (Tract 10)
 28. Lot Forty-seven (47), Block One (1), Lakewood Estates Subdivision, Brazos County, according to plat thereof recorded in Volume 340, Page 215 of the Deed Records of Brazos County, Texas. (Tract 4)
 29. Lot 140, Oak Forest Subdivision, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 1, Page 28, Map Records of Burleson County, Texas. Being the same

property described in Deed dated October 22, 1999, executed by Charlotte Ann Ryan, Executrix of the Estate of James L. Moncrief, Deceased to Charlotte Ann Ryan, recorded in Volume 512, Page 775, Official Records of Burleson County, Texas. (Tract 6) Reservation rights, if any, are being quit-claimed.

30. Lot 44, Whispering Woods, a subdivision in Burleson County, Texas, according to the map or plat thereof recorded in Volume 1, Page 25, Plat Records of Burleson County, Texas. Being the same property described in Deed dated April 16, 2014, executed by Sue C. Sluder, Independent Administratrix of the Estate of James Earl Sluder, Deceased, Cause No. 425879, Probate Court Number One, Harris County, Texas to Sue C. Sluder, recorded in Volume 942, Page 333, Official Records of Burleson County, Texas. (Tract 9) Reservation rights, if any, are being quit-claimed.

NOTICE OF ASSIGNMENT

To: **NERRO SUPPLY, LLC**

From: **BRAZOS VALLEY SEPTIC AND WATER, INC.**

Date: **FEBRUARY 26, 2015**

Re: Contract (the "Contract") by and between **BRAZOS VALLEY SEPTIC AND WATER, INC.** as Seller(s) to **NERRO SUPPLY, LLC** as Buyer(s).

Your are hereby notified that all of my rights and interest in the contract described above for the sale of property known as:

PROPERTY BEING DESCRIBED ON EXHIBIT "A", ATTACHED HERETO,

has been assigned to **US 1031 XCHANGE, LTD.**

Please be advised, however that it is presently intended that **US 1031 XCHANGE, LTD.** will instruct me to deed the property directly from me to you as is permitted (i) in my agreement with him and (ii) by the U.S. Treasury regulations concerning tax deferred exchanges. Notwithstanding anything contained herein to the contrary, Seller representations, warranties, covenants and obligations set forth in the contract shall not be modified or affected by this Notice of Assignment or the Amendment to Escrow

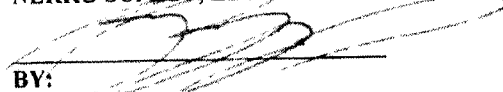
SELLER:

BRAZOS VALLEY SEPTIC AND WATER, INC.


BY: CHARLES M. RUTLEDGE, PRESIDENT

ACCEPTED BY BUYER(S):

NERRO SUPPLY, LLC


BY:

c.c. **US 1031 XCHANGE, LTD.**

ASSIGNMENT:

ALAMO TITLE COMPANY

DATE: FEBRUARY 12, 2015

FILE # ATCH14040526

Escrow holder is hereby notified that **BRAZOS VALLEY SEPTIC AND WATER, INC.** (hereinafter referred to as Exchangor) has entered into an Exchange Agreement with **US 1031 XCHANGE, LTD.** (hereinafter referred to as USX), whose address is PO Box 7015, Bryan, Texas 77805, to effect a tax deferred exchange and that Exchangor hereby assigns all rights title and interest in and to the Earnest Money Contract held under the above referenced G. F. Number to USX, and USX by its signature affixed hereto accepts said assignment and will complete said sale transaction pursuant to its terms, subject to the provisions of the Exchange Agreement. Escrow holder shall have no responsibility or obligation with respect to said Exchange Agreement, and is held harmless on account thereof.

Notwithstanding the aforesaid assignment, you are further handed concurrent with the execution of this Assignment, a sufficient deed directly from Exchangor to the Buyers in this escrow.

You, as escrow holder, are instructed to deduct or credit, as the case may be, all costs of the sale transaction including any commissions and any pro-rata debts or credits otherwise chargeable or creditable to Exchangor in your escrow, as the case may be.

ATTENTION: US 1031 XCHANGE, LTD. is to receive the net cash proceeds from this escrow.

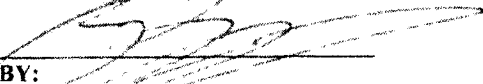
The closing statement shall be issued to **US 1031 XCHANGE, LTD.** as Qualified Intermediary for **BRAZOS VALLEY SEPTIC AND WATER, INC..**

It is further understood and agreed by and among the parties hereto that no representations, warranties or assurances have been made by any of the parties hereto to the other parties which are not expressed in writing in this instrument, in the Exchange Agreement or other written agreements. Each party has relied upon his independent judgment and his attorney, tax advisor and other consultant in signing this instrument and the Exchange Agreement referenced herein.

EXCHANGOR AND ASSIGNOR:
BRAZOS VALLEY SEPTIC AND WATER, INC.


BY: CHARLES M. RUTLEDGE, PRESIDENT

ACCEPTED BY BUYER:
NERRO SUPPLY, LLC


BY:

ASSIGNEE:
US 1031 XCHANGE, LTD.
BY: 1031 MGMT, LLC, ITS GENERAL PARTNER


BY: RUSSELL S. GRAY, MANAGING MEMBER

TAX AGREEMENT

Date: February 26, 2015
GF#: ATCH-01COM-ATCH14040526
Property: Multiple tracts in Brazos, Robertson and Burleson Counties, TX

We, the undersigned, hereby acknowledge that the tax prorations on the above captioned file were based on the most accurate information available at the time of closing.

The Seller(s) acknowledge that they are responsible for all taxes prior to the date of closing. Should it develop at a later date that taxes, other than those collected, are due for prior years, Seller(s) agree to make full settlement to Alamo Title Company, upon notification.

Purchaser recognizes their responsibility for current year taxes. Further, purchaser agrees to contact all taxing authorities to notify them of the change in ownership of subject property to assure proper receipt of future tax notice.

The Appraisal District assesses property values for the current year as of the beginning of the year. Seller(s) assume no responsibility for the assessed value for the current year. It is the purchaser(s) responsibility, should they so desire, to protest such assessed value if the allowed time for such protests have not expired.

It is hereby agreed between the parties that should the actual taxes for the current year differ, all adjustments will be handled directly between the Seller(s) and Purchaser(s).

By the execution hereof, Buyer(s) and Seller(s) acknowledge that: (i) the tax information obtained by Alamo Title Company was procured only for the benefit of Alamo Title Company and only for the purpose of determining the insurability of the property, (ii) that no party other than Alamo Title Company is entitled to rely on such information, and (iii) that the tax information and prorations have been provided to the Buyer(s), Seller(s), and Lender(s) as a courtesy only. Buyer and Seller hereby release Alamo Title Company from all liability and claims for damages resulting from proration of taxes in this transaction.

We agree that Alamo Title Company shall not be held responsible for such tax prorations in any event.

SELLER(S)

Brazos Valley Septic & Water, Inc., a
Texas corporation

By: Charles M. Roffel
Name: Charles M. Roffel
Title: President



TAX AGREEMENT
(Continued)

PURCHASER(S)

Nerro Supply, LLC, a Texas limited liability
company

By: BlackSwan Water Resources, LLC, its
Member

By: 
Name: Gregory Pappas
Title: Chairman



WAIVER OF SETTLEMENT AGENT

RESPONSIBILITY

David Pitschmann, Sr VP/Escrow Officer
Alamo Title Company
1800 Bering Dr., Suite 150
Houston, TX 77057
Phone: (713)966-4040 Fax: (713)966-4061

Date: February 27, 2015
Title No.: 00104198
Escrow No.: ATCH14040526DP
Buyer(s): Nerro Supply, LLC, a Texas limited liability company
Seller(s): Brazos Valley Septic & Water, Inc., a Texas corporation

Escrow Holder is released from and shall have no liability, obligation or responsibility with respect to, (a) withholding of funds pursuant to Section 1445 of the Internal Revenue Code 1986 as amended, (b) advising the parties as to the requirements of such Section or (c) determining whether the transferor is a foreign person under such Section, acting as the Qualified Substitute or otherwise making any inquiry concerning compliance with such Section for any party to the transaction.

WAIVER OF SETTLEMENT AGENT RESPONSIBILITY


(continued)

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

PURCHASER(S):

Nerro Supply, LLC, a Texas limited liability
company

By: BlackSwan Water Resources, LLC, its
Member

By: 
Name: Gregory Pappas
Title: Chairman


Date