



TCEQ Use Only

TCEQ Core Data Form

For detailed instructions regarding completion of this form, please read the Core Data Form Instructions or call 512-239-5175.

SECTION I: General Information

Reason for Submission (If other is checked please describe in space provided)
☐ New Permit, Registration or Authorization (Core Data Form should be submitted with the program application)
☐ Renewal (Core Data Form should be submitted with the renewal form) ☒ Other **STM application**

Attachments Describe Any Attachments: (ex. Title V Application, Waste Transporter Application, etc.)
☒ Yes ☐ No

Customer Reference Number (if issued)

Follow this link to search
for CN or RN numbers in
Central Registry**

4. Regulated Entity Reference Number (if issued)

RN

CN

SECTION II: Customer Information

5. Effective Date for Customer Information Updates (mm/dd/yyyy) 11-30-10

6. Customer Role (Proposed or Actual) – as it relates to the Regulated Entity listed on this form. Please check only one of the following:
☒ Owner ☐ Operator ☐ Owner & Operator
☐ Occupational Licensee ☐ Responsible Party ☐ Voluntary Cleanup Applicant ☐ Other:

7. General Customer Information

☒ New Customer ☐ Update to Customer Information
☐ Change in Legal Name (Verifiable with the Texas Secretary of State)

☐ Change in Regulated Entity Ownership
☒ No Change**

**If "No Change" and Section I is complete, skip to Section III – Regulated Entity Information.

8. Type of Customer:
☒ Corporation ☐ Individual ☐ Sole Proprietorship- D.B.A
☐ City Government ☐ County Government ☐ Federal Government ☐ State Government
☐ Other Government ☐ General Partnership ☐ Limited Partnership ☐ Other:

9. Customer Legal Name (If an individual, print last name first: ex: Doe, John)
M.B.C. Water Systems, Inc.

10. Mailing Address:
27493 Hanna Road, Suite 1

City Conroe State TX ZIP 77385 ZIP + 4 6624

11. Country Mailing Information (if outside USA)

12. E-Mail Address (if applicable)
mitch@mbcws.com

13. Telephone Number
(281) 444-7747

14. Extension or Code
(281) 292-4439

15. Fax Number (if applicable)
16. Federal Tax ID (9 digits)
27-150390

17. TX State Franchise Tax ID (11 digits)
18. DUNS Number (if applicable)
0801076654

19. TX SOS Filing Number (if applicable)
20. Number of Employees
☒ 0-20 ☐ 21-100 ☐ 101-250 ☐ 251-500 ☐ 501 and higher

21. Independently Owned and Operated?
☒ Yes ☐ No

SECTION III: Regulated Entity Information

22. General Regulated Entity Information (If 'New Regulated Entity' is selected below this form should be accompanied by a permit application)
☒ New Regulated Entity ☐ Update to Regulated Entity Name ☐ Update to Regulated Entity Information ☐ No Change** (See b)

23. Regulated Entity Name (name of the site where the regulated action is taking place)
M.B.C. Water Systems, Inc.

24. Street Address of the Regulated Entity: (No P.O. Boxes)	27493 Hanna Road, Suite 1							
	City	Conroe	State	TX	ZIP	77385	ZIP + 4	6624
25. Mailing Address:	Same							
	City		State		ZIP		ZIP + 4	
26. E-Mail Address:	mitch@mbcws.com							
27. Telephone Number	28. Extension or Code			29. Fax Number (if applicable)				
(281) 444-7747				(281) 292-4439				
30. Primary SIC Code (4 digits)	31. Secondary SIC Code (4 digits)		32. Primary NAICS Code (5 or 6 digits)			33. Secondary NAICS Code (5 or 6 digits)		
9631			22131					
34. What is the Primary Business of this entity? (Please do not repeat the SIC or NAICS description.)								
Water utility company								

Questions 34 – 37 address geographic location. Please refer to the instructions for applicability.

35. Description to Physical Location:								
36. Nearest City	County			State		Nearest ZIP Code		
Conroe	Montgomery			TX		77385		
37. Latitude (N) In Decimal:	38. Longitude (W) In Decimal:							
Degrees	Minutes	Seconds	Degrees	Minutes	Seconds			

39. TCEQ Programs and ID Numbers Check all Programs and write in the permits/registration numbers that will be affected by the updates submitted on this form or the updates may not be made. If your Program is not listed, check other and write it in. See the Core Data Form instructions for additional guidance.

<input type="checkbox"/> Dam Safety	<input type="checkbox"/> Districts	<input type="checkbox"/> Edwards Aquifer	<input type="checkbox"/> Industrial Hazardous Waste	<input type="checkbox"/> Municipal Solid Waste
<input type="checkbox"/> New Source Review – Air	<input type="checkbox"/> OSSF	<input type="checkbox"/> Petroleum Storage Tank	<input type="checkbox"/> PWS	<input type="checkbox"/> Sludge
<input type="checkbox"/> Stormwater	<input type="checkbox"/> Title V – Air	<input type="checkbox"/> Tires	<input type="checkbox"/> Used Oil	<input type="checkbox"/> Utilities
<input type="checkbox"/> Voluntary Cleanup	<input type="checkbox"/> Waste Water	<input type="checkbox"/> Wastewater Agriculture	<input type="checkbox"/> Water Rights	<input type="checkbox"/> Other:

SECTION IV: Preparer Information

40. Name:	Mitchell Martin, Jr.	41. Title:	President
42. Telephone Number	43. Ext./Code	44. Fax Number	45. E-Mail Address
(281) 444-7747		(281) 292-4439	mitch@mbcws.com

SECTION V: Authorized Signature

46. By my signature below, I certify, to the best of my knowledge, that the information provided in this form is true and complete, and that I have signature authority to submit this form on behalf of the entity specified in Section II, Field 9 and/or as required for the updates to the ID numbers identified in field 39.

(See the Core Data Form instructions for more information on who should sign this form.)

Company:	M.B.C. Water Systems, Inc.	Job Title:	President
Name (In Print):	Mitchell Martin, Jr.	Phone:	(281) 444-7747
Signature:	Mitchell M. Martin, Jr.	Date:	11/30/2010

HISTORICAL BALANCE SHEETS

	CURRENT 2009-2008	A-1 YEAR 2008-2007	A-2 YEAR 2007-2006	A-3 YEAR	A-4 YEAR	A-5 YEAR
CURRENT ASSETS						
Cash	20,301	2,182	2,057	N/A	N/A	N/A
Accounts Receivable	0	0	0			
Inventories	0	0	0			
Income Tax Receivable	0	3,000	3,000			
Other	0	0	0			
Total	20,301	5,182	5,057			
FIXED ASSETS						
Land	0	0	0			
Collection/Distribution System	147,239	147,239	147,239			
Buildings	0	0	0			
Equipment	0	0	0			
Other	0	0	0			
Less: Accum. Depreciation or Reserves	97,976	94,784	91,592			
Total	49,263	52,455	55,647			
TOTAL ASSETS	69,564	57,637	60,704			
CURRENT LIABILITIES						
Accounts Payable	5,376	5,250	5,124			
Notes Payable, Current	0	0	0			
Accrued Expenses	0	0	0			
Other	0	0	0			
TOTAL	5,376	5,250	5,124			
LONGTERM LIABILITIES						
Notes Payable, Long-term	0	0	0			
Other	33,953	36,616	40,039			
TOTAL LIABILITIES	33,953	41,866	45,163			
OWNER'S EQUITY						
Paid in Capital	40,981	40,981	40,981			
Retained Equity	(4,411)	(20,030)	(16,017)			
Other	1,000	1,000	1,000			
Current Period Profit or Loss	(1,959)	(6,180)	(10,423)			
TOTAL OWNER'S EQUITY	35,611	15,771	15,541			
TOTAL LIABILITIES AND EQUITY	69,564	57,637	60,704			
WORKING CAPITAL	14,925	(68)	(67)			
CURRENT RATIO	3.77	.98	.99			
DEBT TO EQUITY RATIO EQUITY TO TOTAL ASSETS	.953/.618	2.32/.274	2.58/.256			

HISTORICAL INCOME STATEMENT

	CURRENT 2009-2008	A-1 YEAR 2008-2007	A-2 YEAR 2007-2006	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps	213	213	208	N/A	N/A	N/A
New Taps Per Year	0	5	5			
Total Meters at Year End	213	208	203			
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees	90,322	35,246	35,134			
Other	0	0	0			
Gross Income	90,322	35,246	35,134			
OPERATING EXPENSES						
General & Administrative	92,281	41,426	45,557			
Interest	0	0	0			
Other	0	0	0			
NET INCOME	(1,959)	(6,180)	(10,423)			

HISTORICAL EXPENSES STATEMENT

	CURRENT 2009-2008	A-1 YEAR 2008-2007	A-2 YEAR 2007-2006	A-3 YEAR	A-4 YEAR	A-5 YEAR
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries	0	0	0			
Office Expense	54	52	191			
Computer Expense	0	0	0			
Auto Expense	0	0	0			
Insurance Expense	1,083	1,101	437			
Telephone Expense	0	0	0			
Utilities Expense	0	0	0			
Depreciation Expense	2,663	1,760	3,423			
Property Taxes	7,843	835	4,276			
Professional Fees	0	1,000	0			
Other	11,643	4,748	8,327			
Total	145%	(43%)				
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries – Contract Operator	56,232	11,000	6,526			
Auto Expense	0	0	0			
Utilities Expense	6,001	5,905	5,947			
Depreciation Expense	0	0	2,619			
Repair & Maintenance	0	0	810			
Supplies	7,590	9,093	11,425			
Other – Regulatory Expenses	10,815	10,623	9,903			
Total	92,281	41,426	45,557			
	123%	(9%)				
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED FINANCIAL SHEETS ARE BASE ON CONSOLIDATION OF CONSUMERS, SUBURBAN, COMMUNITY AND PATTON VILLAGE INTO MBC, WATER SYSTEMS, INC.

PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CURRENT ASSETS						
Cash	N/A	214,883	224,166	246,583	246,583	283,570
Accounts Receivable		0	0	0	0	0
Inventories		0	0	0	0	0
Income Tax Receivable		0	0	0	0	0
Other		214,883	224,166	246,583	246,583	283,570
Total						
FIXED ASSETS						
Land		0	0	0	0	0
Collection/Distribution System		1,694,376	1,694,376	1,694,376	1,694,376	1,694,376
Buildings		0	0	0	0	0
Equipment		0	0	0	0	0
Other		1,131,553	1,188,678	1,245,803	1,302,928	1,360,053
Less: Accum. Depreciation or Reserves		562,823	505,698	448,573	391,448	334,323
Total		777,706	729,864	695,156	638,031	617,893
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable		109,100	109,100	109,100	109,100	109,100
Notes Payable, Current		0	0	0	0	0
Accrued Expenses		0	0	0	0	0
Other		0	0	0	0	0
Total		109,100	109,100	109,100	109,100	109,100
LONGTERM LIABILITIES						
Notes Payable, Long-term		124,977	224,406	450,072	451,332	490,392
Other		825,029	0	0	0	0
Total		950,006	224,406	450,072	451,332	490,392
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital		330,620	330,320	330,620	330,620	330,620
Retained Equity		(946,139)	(882,908)	(837,152)	(786,127)	(846,020)
Other		0	0	0	0	0
Current Period Profit or Loss		28,113	47,130	261,448	268,808	387,899
Total		(172,300)	505,458	245,084	186,699	127,501
TOTAL OWNER'S EQUITY		777,706	729,864	695,156	638,031	617,893
TOTAL LIABILITIES AND EQUITY		105,783	115,066	137,483	137,483	174,470
WORKING CAPITAL		1.97	2.05	2.26	2.26	2.60
CURRENT RATIO		4.79	.44	1.84	2.42	3.84
DEBT TO EQUITY RATIO		.22	.69	.35	.29	.21
EQUITY TO TOTAL ASSETS						

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps	3542	3552	3562	3572	3582	
New Taps Per Year	10	10	10	10	10	
Total Meters at Year End	3552	3562	3572	3582	3892	
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees	1,409,128	1,486,466	1,709,424	1,709,424	1,965,838	
Other - Surcharge	0	224,406	450,072	451,332	490,392	
Gross Income	1,409,128	1,710,872	2,159,496	2,160,756	2,456,230	
OPERATING EXPENSES						
General & Administrative	1,380,995	1,439,336	1,447,976	1,440,616	1,577,939	
Interest	0	0	0	0	0	
Other - TWDB Loan	0	224,406	450,072	451,332	490,392	
NET INCOME	28,113	47,130	261,448	268,808	387,899	

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries	0	0	0	0	0	
Office Expense	440	484	484	484	532	
Computer Expense	0	0	0	0	0	
Phone Expense	0	0	0	0	0	
Insurance Expense	0	0	0	0	0	
Telephone Expense	3,012	3,313	3,313	3,313	3,644	
Utilities Expense	0	0	0	0	0	
Depreciation Expense	0	0	0	0	0	
Property Taxes	56,908	62,599	62,599	62,599	68,859	
Professional Fees	25,762	5,000	8,000	5,000	8,000	
Other	900	7,000	10,000	0	10,000	
Total	87,022	78,396	84,396	71,396	91,035	
		(9.9%)	7.65%	(15.4%)	27.5%	
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries	909,783	940,368	943,008	945,648	1,027,488	
Auto Expense	0	0	0	0	0	
Utilities Expense	134,324	147,564	147,564	147,564	162,320	
Depreciation Expense	57,125	57,125	57,125	57,125	57,125	
Repair & Maintenance	1,029	5,000	5,000	8,000	8,000	
Supplies	65,991	72,590	72,590	72,590	79,849	
Other - Regulatory Expenses	125,721	138,293	138,293	138,293	152,122	
Total	1,380,995	1,439,336	1,447,976	1,440,616	1,577,939	
		4.22%	0.60%	(0.51%)	9.5%	
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income	28,113	47,130	261,448	268,808	387,899	
Depreciation (If Funded)	0	0	0	0	0	
Loan Proceeds	0	0	0	0	0	
Other - Surcharge	0	224,406	450,072	451,332	490,392	
Total Sources	28,113	271,536	711,520	720,140	878,291	
USES OF CASH						
Net Loss	0	0	0	0	0	
Principle Portion of Pmts.	0	0	0	0	0	
Fixed Asset Purchase	0	0	0	0	0	
Reserve	0	224,406	450,072	451,332	490,392	
Other - TWDB Loan	0	224,406	450,072	451,332	490,392	
Total Uses	28,113	47,130	261,448	268,808	387,899	
NET CASH FLOW						
DEBT SERVICE COVERAGE	28,113	271,536	711,520	720,140	878,291	
Cash Available for Debt						
SERVICE (CADS)	28,113	47,130	261,448	268,808	387,899	
Net Income (Loss)	0	0	0	0	0	
Depreciation, or Reserve Interest	0	0	0	0	0	
Total	28,113	47,130	261,448	268,808	387,899	
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest	950,006	224,406	450,072	451,332	490,392	
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS	.03	1.21	1.58	1.59	1.79	

PLEASE ANSWER QUESTIONS 17 THROUGH 22 ON A DIFFERENT SHEET FOR EACH PHYSICALLY DISTINCT SYSTEM BEING TRANSFERRED OR ACQUIRED

Forest Manor

17. A. For Water Systems. TCEQ Public Water System Identification Number: PWS No. 101264

Date of last inspection: 07/22/2008

B. For Wastewater Systems:

- TCEQ Discharge Permit Number: W Q
- Name of Permittee:
- Date of application to transfer Discharge Permit submitted:
- Date of application to transfer Discharge Permit approved by TCEQ:

18. A. Are any improvements required to meet TCEQ standards? X Yes. If yes, please explain No

See Attached Compliance Agreement

B. Is there a moratorium on new connections? Yes. If yes, please explain X No

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost
See Attached Compliance Agreement		

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? 0 Yes X No

If yes, indicate the number of customers within the city limits or district boundaries:
Water Sewer

Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? Yes X No

Water Sewer Purchased on a Regular Seasonal Emergency Basis

• Source: % of total supply:

21. List the number of existing connections to be effected by this transaction.

Water			Sewer	
-Non Metered		-2" meter	-Residential Connection	
-5/8" or 3/4" meter	86	-3" meter	-Commercial Connection	
-1" meter		-4" meter	-Industrial Connection	
-1 1/2" meter		-Other	-Other	
Total Water Connections:		86	Total Sewer Connections	

22. Has the system reached 85% of its capacity based on TCEQ's minimum requirements?

Yes X
No

If yes, please explain what steps are being taken to address the capacity issues:

PLEASE ANSWER QUESTIONS 17 THROUGH 22 ON A DIFFERENT SHEET FOR EACH PHYSICALLY DISTINCT SYSTEM BEING TRANSFERRED OR ACQUIRED

Heathergate Estates

17. A. For Water Systems. TCEQ Public Water System Identification Number: PWS No. 1011302

Date of last inspection: 05/15/2006

B. For Wastewater Systems:

- TCEQ Discharge Permit Number: W Q
- Name of Permittee:
- Date of application to transfer Discharge Permit submitted:
- Date of application to transfer Discharge Permit approved by TCEQ:

18. A. Are any improvements required to meet TCEQ standards? X Yes. If yes, please explain No
See Attached Compliance Agreement

B. Is there a moratorium on new connections? Yes. If yes, please explain X No

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost
See Attached Compliance Agreement		

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? Yes X No

If yes, indicate the number of customers within the city limits or district boundaries:
Water Sewer

Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? Yes X No

Water Sewer Purchased on a Regular Seasonal Emergency Basis
% of total supply:

• Source:

21. List the number of existing connections to be effected by this transaction.

Water			Sewer	
-Non Metered		-2"meter	-Residential Connection	
-5/8" or 3/4" meter	105	-3" meter	-Commercial Connection	
-1" meter		-4" meter	-Industrial Connection	
-1 1/2" meter		-Other	-Other	
Total Water Connections:		105	Total Sewer Connections	

22. Has the system reached 85% of its capacity based on TCEQ's minimum requirements?

 Yes X

If yes, please explain what steps are being taken to address the capacity issues:

PLEASE ANSWER QUESTIONS 17 THROUGH 22 ON A DIFFERENT SHEET FOR EACH PHYSICALLY DISTINCT SYSTEM BEING TRANSFERRED OR ACQUIRED

Sweet Gum Forest

17. A. For Water Systems. TCEQ Public Water System Identification Number: PWS No. 1700113

Date of last inspection: 07/17/2008

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q

-Name of Permittee: _____

-Date of application to transfer Discharge Permit submitted: _____

-Date of application to transfer Discharge Permit approved by TCEQ: _____

18. A. Are any improvements required to meet TCEQ standards? X Yes. If yes, please explain No

See Attached Compliance Agreement

B. Is there a moratorium on new connections? Yes. If yes, please explain X No

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost
See Attached Compliance Agreement		

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? Yes X No

If yes, indicate the number of customers within the city limits or district boundaries:
 Water Sewer

Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? Yes X No

 Water Sewer Purchased on a Regular Seasonal Emergency Basis

• Source: _____ % of total supply: _____

21. List the number of existing connections to be effected by this transaction.

Water			Sewer	
-Non Metered		-2"meter	-Residential Connection	
-5/8" or 3/4" meter	22	-3" meter	-Commercial Connection	
-1" meter		-4" meter	-Industrial Connection	
-1 1/2" meter		-Other	-Other	
Total Water Connections:		22	Total Sewer Connections	

22. Has the system reached 85% of its capacity based on TCEQ's minimum requirements?

Yes X

If yes, please explain what steps are being taken to address the capacity issues:

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

Name	Class	License#
Mitchell Martin III.	C	
James Martin	C	

24. Attach the following maps with each copy of the application: **(See Attached Maps)**
- One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
 - One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area is currently in a CCN or a portion of an existing CCN area, please attached the following hard copy maps with each copy of application:
 - A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
 - A map showing only the proposed area by:
 - metes and bounds survey certified by a licensed state or registered professional land surveyor; or
 - projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
 - following verifiable natural and man-made landmarks, or
 - a copy of recorded plat map with metes and bounds.
 - A written description of the proposed service area.

OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF TEXAS
COUNTY OF MONTGOMERY

I, Mitchell M. Martin, Jr., being duly sworn, file this application for
sale, lease, rental or merger or consolidation as President and Director
(indicate relationship to applicant) that is, owner, member of partnership, title as officer of
corporation, or other authorized representative of applicant); that, in such capacity, I am qualified and
authorized to file and verify such application, am personally familiar with the documents filed with
this application, and have complied with all the requirements contained in the application; and, that all
such statements made and matters set forth therein with respect to applicant are true and correct.
Statements about other parties are made on information and belief. I further state that the application
is made in good faith and that this application does not duplicate any filing presently before the
Commission.

I further state that I have provided to the purchaser or transferee a written disclosure statement about
any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of
the Commission or Attorney General and have also complied with the notice requirements in Section
13.301(k) of the Water Code.

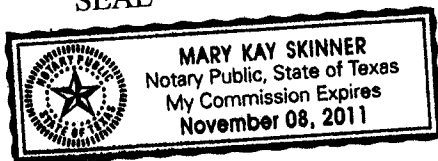
COMMUNITY UTILITY COMPANY

If the Affiant to this form is any person other than the
sole owner, partner, officer of the Applicant, or its
attorney, a properly verified Power of Attorney must
be enclosed.

Mitchell M. Martin, Jr.
MITCHELL M. MARTIN, JR.
President and Director

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
on this 30 day of November, 2010.

SEAL



Mary Kay Skinner
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

MY COMMISSION EXPIRES 11-8-11

One copy of this page must be submitted for each utility involved in this transaction.

OATH FOR PURCHASER OR ACQUIRING ENTITY

STATE OF TEXAS

COUNTY OF MONTGOMERY

I, MITCHELL M. MARTIN, Jr., being duly sworn, file this application for

sale, lease, rental or merger or consolidation as President and Director
(indicate relationship to applicant) that is, owner, member of partnership, title as officer of corporation,
or other authorized representative of applicant); that, in such capacity, I am qualified and authorized to
file and verify such application, am personally familiar with the documents filed with this application,
and have complied with all the requirements contained in the application; and, that all such statements
made and matters set forth therein with respect to applicant are true and correct. Statements about other
parties are made on information and belief. I further state that the application is made in good faith and
that this application does not duplicate any filing presently before the Commission.

I am also authorized and do agree to be bound by and comply with any outstanding orders of the
Commission or the Attorney General which have been issued to the system or facilities being acquired
and recognize that I will be subject to administrative penalties or other enforcement actions if I do not
comply.

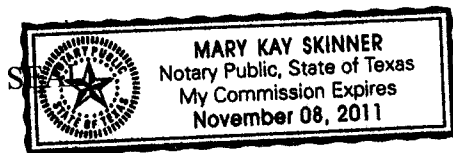
M.B.C. WATER SYSTEMS, INC.

If the Affiant to this form is any person other than the
sole owner, partner, officer of the Applicant, or its
attorney, a properly verified Power of Attorney must be
enclosed.

Mitchell M. Martin Jr.
MITCHELL M. MARTIN, Jr.
President and Director

Applicant represents that all other parties to this transaction have been furnished copies of this completed
application.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
on this 30 day of November, 2010.



Mary Kay Skinner
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

One copy of this page must be submitted for each utility
involved in this transaction.

MY COMMISSION EXPIRES: 11-8-11

Notice to Current Customers, Neighboring Systems and Cities

COMMUNITY UTILITY COMPANY 'S
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO 10350 TO M.B.C. WATER SYSTEMS, INC.
(Purchaser's or Transferee's Name)

IN HARRIS AND MONTGOMERY COUNTIES, TEXAS

To: _____ Date Notice Mailed _____, 20 11
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

COMMUNITY UTILITY
COMPANY

P.O. Box 455

Spring, TX 77383

Sellers or Transferors' Name

Address

City/State/Zip Code

has submitted an application with the Texas Commission on Environmental Quality to sell facilities and transfer
water/sewer (please select) CCN No.10350 in Harris & Montgomery Counties to:

M.B.C. WATER SYSTEMS, INC.

27493 Hanna Road, No. 2

Conroe, TX 77385

Purchasers or Transferee's Name

Address

City/State/Zip Code

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A., Water Code §13.301). The
transaction and the transfer of the CCN include the following subdivision(s) and zip codes:
Forest Manor: 77336, Heathergate Estates: 77532, Sweetgum Forest: 77354 Subdivisions

Forest Manor: PWS # 1010264

The area subject to this transaction is located approximately 26 Miles northeast [direction] of
downtown Houston, [City or Town] Texas, and is **generally** bounded on the north by

Farm to Market Road 1960; on the east by Rain Forest Drive

; on the south by Beckman Road; and on the west by Farm to Market Road 2100

The total area being requested includes approximately 102 acres and serves 86 current customers.

Heathergate Estates: PWS # 1011302

The area subject to this transaction is located approximately 22 Miles northeast [direction] of
Houston, [City or Town] Texas, and is **generally** bounded on the north by

Heathergate Lane; on the east by Farm to Market Road 2100

; on the south by Indian Shores Road; and on the west by Apache Road

The total area being requested includes approximately 99 acres and serves 105 current customers.

Sweetgum Forest: PWS # 1700113

The area subject to this transaction is located approximately 8 Miles southwest [direction] of Conroe, [City or Town] Texas, and is generally bounded on the north by

Farm to Market Road 1488 ;on the east by Lois Lane
;on the south by Tory Ann Drive ;and on the west by Greenfield Forest Drive
The total area being requested includes approximately 41 acres and serves 22 current customers.

This transaction will have the following effect on the current customer's rates and services
The rates charged to the utility's customers will not be affected by this transaction. Service will be maintained in a manner consistent with TCEQ rules and regulations and will improve with system upgrades.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) include the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
- (5) state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Executive Director will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Executive Director may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087, Austin, TX 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200.

Utility Name

Utility Representative