

Control Number: 45253



Item Number: 1

Addendum StartPage: 0



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER  
SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

## Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Docket Number: **45253**

(this number will be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original, shall be filed with

Public Utility Commission of Texas  
Attention: Filing Clerk  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

RECEIVED  
2015 OCT 14 PM 2:18  
PUBLIC UTILITY COMMISSION  
FILING CLERK

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

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## Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Purpose of Application		
<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s) <u>12388</u>	
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s) _____	

### 1. Applicant Information

Applicant	
Utility name: Woodland Hills Water L.L.C.	
Certificate number: 12388	
Street address (City/ST/ZIP/Code): 1775 N. Loop 336 E, Suite 14, Conroe, TX 77301-1500	
Mailing address(City/ST/ZIP/Code): Same	
Utility Phone Number and Fax: (936) 494-2600	
Contact information	
Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.	
Name: Timothy Karczewski	Title: Attorney
Mailing address: 1616 S. Chestnut, Lufkin, TX 75902	
Email: tkarczewski@skeltonslusher.com	Phone and Fax: (936) 632-3130
List all counties in which service is proposed: Liberty and Montgomery	

A. Check the appropriate box and provide information regarding the legal status of the applicant:

- ☒ Investor Owned Utility      ☐ Individual      ☐ Partnership
- ☐ Home or Property Owners Association      ☐ For-profit Corporation
- ☐ Non-profit, member-owned, member-controlled cooperative corporation  
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
- ☐ Municipality      ☐ District      ☐ Other - Please explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: 801341742
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

## 2. Location Information

- A. Are there people already living in the proposed area?      ☐ Yes      ☒ No
- If YES, are any currently receiving utility service?      ☐ Yes      ☐ No
- If YES, from WHOM? N/A

B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

☒ Yes      ☐ No

If YES, provide the following:

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

☐ Yes      ☒ No

If YES, within the corporate limits of: \_\_\_\_\_

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

D. Is any portion of the proposed service area inside another utility's CCN area?

☐ Yes      ☒ No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

### 3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
- B. A map showing only the proposed area by:
  - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
  - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
  - iii. following verifiable natural and man-made landmarks; or
  - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area.
- D. Provide separate and additional maps of the proposed area(s) to show the following:
  - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
  - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

**Note:** Failure to provide adequate mapping information may result in the delay or possible denial of your application.

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

### 4. New System Information or Utilities Requesting a CCN for the First Time

- A. Please provide the following information:
  - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
  - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? ☐ Yes ☒ No

- i. If yes, please provide documentation of the denial of service and go to c.
  - ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.
- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

Mr. Weldon Alders, owner of the 634 acres (the north property) and the 61.9701 acres (the south property) has requested that his property be included in CCN#12388. He has no immediate plans to develop the property at this time but is planning for the future and does not want to be slowed down by the CCN amendment process at that time.

- D. Date of plat approval, if required: N/A  
 Approved by: \_\_\_\_\_
- E. Date Plans & Specifications submitted to the TCEQ for approval:  
N/A Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.
- F. Date construction is scheduled to commence: N/A
- G. Date service is scheduled to commence: N/A

## 5. Existing System Information

- A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.

- i. Water system(s): TCEQ Public Water System identification number(s):

1	4	6	0	1	6	3	1	4	6	0	1	6	7	1	4	6	0	1	1	8
1	4	6	0	1	6	4	1	4	6	0	0	9	8	1	4	6	0	1	0	1
1	4	6	0	1	4	9	1	4	6	0	1	4	8	1	4	6	0	1	4	2
1	4	6	0	1	1	9	1	4	6	0	1	2	0	1	4	6	0	0	9	3

- ii. Sewer system(s): TCEQ Discharge Permit number(s)

W	Q								
---	---	--	--	--	--	--	--	--	--

W	Q							-			
---	---	--	--	--	--	--	--	---	--	--	--

W	Q						-			
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W	Q						-			
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W	Q							-			
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W	Q						-				
---	---	--	--	--	--	--	---	--	--	--	--

- iii. Date of last TCEQ water and/or sewer system inspection(s): \_\_\_\_\_
- iv. Attach a copy of the most recent TCEQ water and/or sewer inspection report letter(s).
- v. For each system deficiency listed in the TCEQ inspection report letter; attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

B. Provide the following information about the utility's certified water and/or sewer operators

[illegible]

- Attach additional sheet(s) if necessary -

- C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?

☐ Yes☐ No

Attach a copy of the 85% rule compliance document filed with the TCEQ if the system is operating at 85% or greater of the TCEQ's minimum standard capacity requirements.

- D. In the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial **documentation** and reflect the number of service requests identified in Question 2.b in the application.

TCEQ Water System			TCEQ Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	2,466		Residential		
1" meter or larger			Commercial		
Non-Metered			Industrial		



TCEQ Water System			TCEQ Sewer System		
Other:			Other:		
Total Water			Total Sewer		

- E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

Sewer service is provided via OSSFs.

- F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

N/A

- G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

- H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i. ☒ No, (skip the rest of this question and go to #6)

ii. ☐ Yes, Water

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
	0.00%

Water Source	% of Total Treatment
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density; and
- ii. the land use of the requested area.

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

## 6. Financial Information

- A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:
- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
  - ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates

should correlate to the projected growth in connections, shown on the projected profit and loss statement.

- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.
- B. For existing water and/or sewer systems:
  - i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
  - ii. Attach a proposed rate schedule or tariff.
- ❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**
- C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.
- D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.
- ❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

## 7. Notice Requirements

- A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.
- B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.
- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.
- F. Notice For Publication:  
The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. Notice To Neighboring Utilities:
  - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
  - ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.
- H. Notice to Customers:  
Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.
- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

**Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.**

## OATH

STATE OF TEXAS  
COUNTY OF LIBERTY

I, Weldon Alders, being duly sworn,  
file this application as Manager (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 maps and financial information  
filed with this application, and have complied with all the requirements contained in this  
application; and, that all such statements made and matters set forth therein are true and  
correct. I further state that the application is made in good faith and that this application  
does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended  
from its original form.

**I further represent that the Applicant will provide continuous and adequate  
service to all customers and qualified applicants for service within its certificated  
service area.**



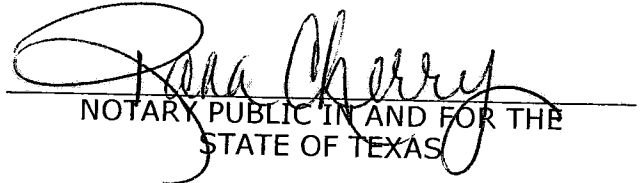
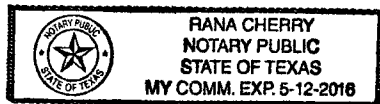
AFFIANT

(Utility's Authorized Representative)

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.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,  
This day 31st of July 20 15

SEAL



NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES \_\_\_\_\_

## Notice for Publication

### NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN LIBERTY COUNTY, TEXAS

Name of Applicant Woodland Hills Water Company L.L.C. has filed an application for a CCN to obtain or amend CCN No.(s) 12388 with the Public Utility commission of Texas to provide water utility service in Liberty County.

#### NORTH PROPERTY

The North property to be added is an area consisting of approximately 634 acres (71.7241 acres + 562.5784 acres) located approximately 3.4 miles northeast of the City of Dayton bounded generally as follows: on the north by Liberty County Road 6350, on the South by US Highway 90, on the east by the Trinity River and on the West by Farm to Market Road 1008

#### SOUTH PROPERTY

The South property to be added is an area consisting of approximately 62 acres located approximately 8 miles southwest of the City of Dayton and is bounded generally as follows: on the north by County Road 4882, on the south by County Road 4876 on the east by County Road 487 and on the west by the Harris/Liberty county line.

The total area being requested includes approximately 634 acres and 0 current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number):

1775 N. Loop 336 E, Suite 14, Conroe, Texas 77301-1500; (936)494-2600.

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

**Persons who wish to intervene or comment should file with the PUC at the following address:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

***Si desea informacion en Espanol, puede llamar al 1-888-782-8477***

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND  
NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN LIBERTY  
COUNTY, TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_, 20\_\_\_\_  
(Neighboring System, Landowner or City)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
City State Zip

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to provide water utility service in Liberty County.

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



**Persons who wish to intervene or comment should write the:**

Filing Clerk  
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within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

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**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

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A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-888-782-8477**

## Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

N/A \_\_\_\_\_ COUNTY(IES), TEXAS

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_

Name of Applicant N/A has filed an application for a CCN to obtain or amend CCN No. (s) \_\_\_\_\_ and to decertify a portion(s) of \_\_\_\_\_ with the \_\_\_\_\_  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

utility service in \_\_\_\_\_ (specify 1) water or 2) sewer or 3) water & sewer) \_\_\_\_\_ County(ies).

The proposed utility service area is located approximately \_\_\_\_\_ miles \_\_\_\_\_  
[direction] of downtown \_\_\_\_\_, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone Number): \_\_\_\_\_

The current utility rates which were first effective on \_\_\_\_\_ 20 \_\_\_\_\_

Monthly Flat Rate of \$ \_\_\_\_\_ Per connection

-OR-

Monthly Base Rate Including per \_\_\_\_\_ gallons connection for:

5/8" meter	\$ _____
1" meter	\$ _____
1 1/2" meter	\$ _____
2" meter	\$ _____

Other\$ \_\_\_\_\_

Gallorage charge of \$ \_\_\_\_\_ Per 1,000  
Gallons above minimum (same for all meters sizes)

### Miscellaneous Fees

#### Regulatory Assessment

Tap Fee (Average Actual Cost)

#### Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

#### Late fee

#### Returned Check charge

Customer Deposit (\$50.00 max)

#### Meter test fee

(Actual Cost not Exceed \$25.00)

#### Other Fees

1%
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____
\$5.00 or 10%
\$ _____
\$ _____
\$ _____
\$ _____

**Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.**

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

**Persons who wish to intervene or comment should write the:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

**IF A HEARING IS HELD,** it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-888-782-8477**

## HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable	See Attached					
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year	See attached					
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

## HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense	See attached					
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable	See attached					
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year	See attached					
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						



## PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense	See attached					
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
<b>ASSUMPTIONS</b>						
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
<b>SOURCES OF CASH</b>						
Net Income						
Depreciation (if Funded)	See attached					
Loan Proceeds						
Other						
Total Sources						
<b>USES OF CASH</b>						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
TOTAL USES						
<b>NET CASH FLOW</b>						
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation , or Reserve						
Interest						
TOTAL						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS						



## Franchise Tax Account Status

As of: 06/05/2015 01:47:22 PM

**This Page is Not Sufficient for Filings with the Secretary of State**

WOODLAND HILLS WATER, LLC	
Texas Taxpayer Number	32043048852
Mailing Address	704 W HIGHWAY 90 DAYTON, TX 77535-2526
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	11/18/2010
Texas SOS File Number	0801345422
Registered Agent Name	PAULA ALDERS
Registered Office Street Address	704 WEST HWY. 90 DAYTON, TX 77535

ITEM 2. B.

- i. The property to be added to the CCN is owned by Mr. Weldon Alders and consists of a north property and a south property. All of the property is adjacent to areas receiving water service from Woodland Hills Water L.L.C. Although Mr. Alders does not have any immediate plans to develop, he intends to move in that direction in the next few years and is familiar with the time delay of adding property to a CCN.

ITEM 3. C.

The property to be added is an area consisting of approximately 634 acres (71.7241 acres + 562.5784 acres) located approximately 3.4 miles northeast of the City of Dayton bounded generally as follows: on the north by Liberty County Road 6350, on the south by US Hwy. 90, on the east by the Trinity River, and on the west by Farm to Market Road 1008

The South property to be added is an area consisting of approximately 62 acres located approximately 8 miles southwest of the City of Dayton and is bounded generally as follows: on the north by County Road 4882, on the south by County Road 4876 on the east by County Road 487 and on the west by the Harris/Liberty county line.

ITEM 4. A.

- i. 12388, 12892, 10144, 12072, 13203, and 13061

ITEM 5. A.

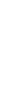
- i. Water System(s): TCEQ Public Water System identification number(s):  
1460091  
1700615  
1700621

ITEM 5. G.

- i. The property owner will provide the infrastructure as an addition to the neighboring water system currently operated by Woodland Hills Water L.L.C. as necessary. This will result in the system enjoying greater economies of scale and result in lower per connection costs to the system and its customers.
- ii. There will be no impact to any retail public utility already providing service to the proximate area except as identified in Item 5. G. i. above.
- iii. The only landowner in the requested area is Mr. Alders and the addition to the Woodland Hills Water, LLC is being made at his request.

# WOODLAND HILLS WATER, LLC

Paula Alders - Member/Owner



Weldon C. Alders - Manager

11:51 AM

05/28/15

Accrual Basis

## Woodland Hills Water, LLC

## Profit &amp; Loss

January through April 2015

	Jan - Apr 15
Ordinary Income/Expense	
Income	
Job Income	
Revenue-water service	3,254.41
App/Reconnect fees	4,425.00
SJRA fees	7,212.20
Surcharge revenues	18,665.00
Tap Fees	3,500.00
Revenue-water service - Other	454,794.39
Total Revenue-water service	488,596.59
Total Income	491,851.00
Gross Profit	491,851.00
Expense	
Bad Debt	1,240.42
Bank Charge	693.17
Chemicals	8,274.00
Contract Labor	189,343.03
Fees and Permits	39,971.30
Professional Fees	6,873.15
Property Tax	11,579.14
Reimbursement expense	6,747.65
Rent Expense	3,126.04
Repairs and Maintenance	10,934.44
Tax	-81.79
Utilities	20,811.47
Water Testing	2,857.27
Total Expense	302,369.29
Net Ordinary Income	189,481.71
Net Income	189,481.71

WELDON ALDERS DBA WOODLAND HILLS WATER COMPANY  
NOTICE TO CUSTOMERS OF RATES  
EFFECTIVE NOVEMBER 1, 2013

The Texas Commission on Environmental Quality did not receive protests from 10% of the customers during the statutory comment period for the recently noticed rate increase. This rate increase was effective as proposed without hearing according to Section 13.187 of the Texas Water Code.

The following Water rates were effective on November 1, 2013:

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$32.40</u> (Includes 0 gallons)	<u>\$2.96</u> per 1000 gallons, over the minimum
1"	<u>\$81.00</u>	*Plus the pass through fees below
1½"	<u>\$162.00</u>	
2"	<u>\$259.20</u>	
3"	<u>\$486.00</u>	
4"	<u>\$810.00</u>	

**\*Pass Through Fees:**

**San Jacinto River Authority (SJRA) Groundwater Reduction Plan (GRP) fees for Texaba Subdivision customers only in the amount of \$2.06 per 1,000 gallons. This amount is \$1.75/1000 gallons adjusted based on water loss.**

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card     , Other (specify)     

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT ..... 1.0%  
TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE ..... \$600.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) ..... Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

WELDON ALDERS

11099 Goose Prairie  
Midway, Texas 75852

Woodland Hills Water, LLC  
1775 N. Loop 336 E.  
Suite 14  
Conroe, Texas 77301

Dear Sir/Madam:

You are requested to amend your CCN to add my approximately 634.3025 acres of land adjacent to and just east of the Remington Place Subdivision and my 61.9701 acre tract in the M. Duncan Survey, Liberty County, Texas. Remington Place currently receives its potable water from Woodland Hills Water, LLC under CCN #12388.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Weldon Alders', written in dark ink.

Weldon Alders





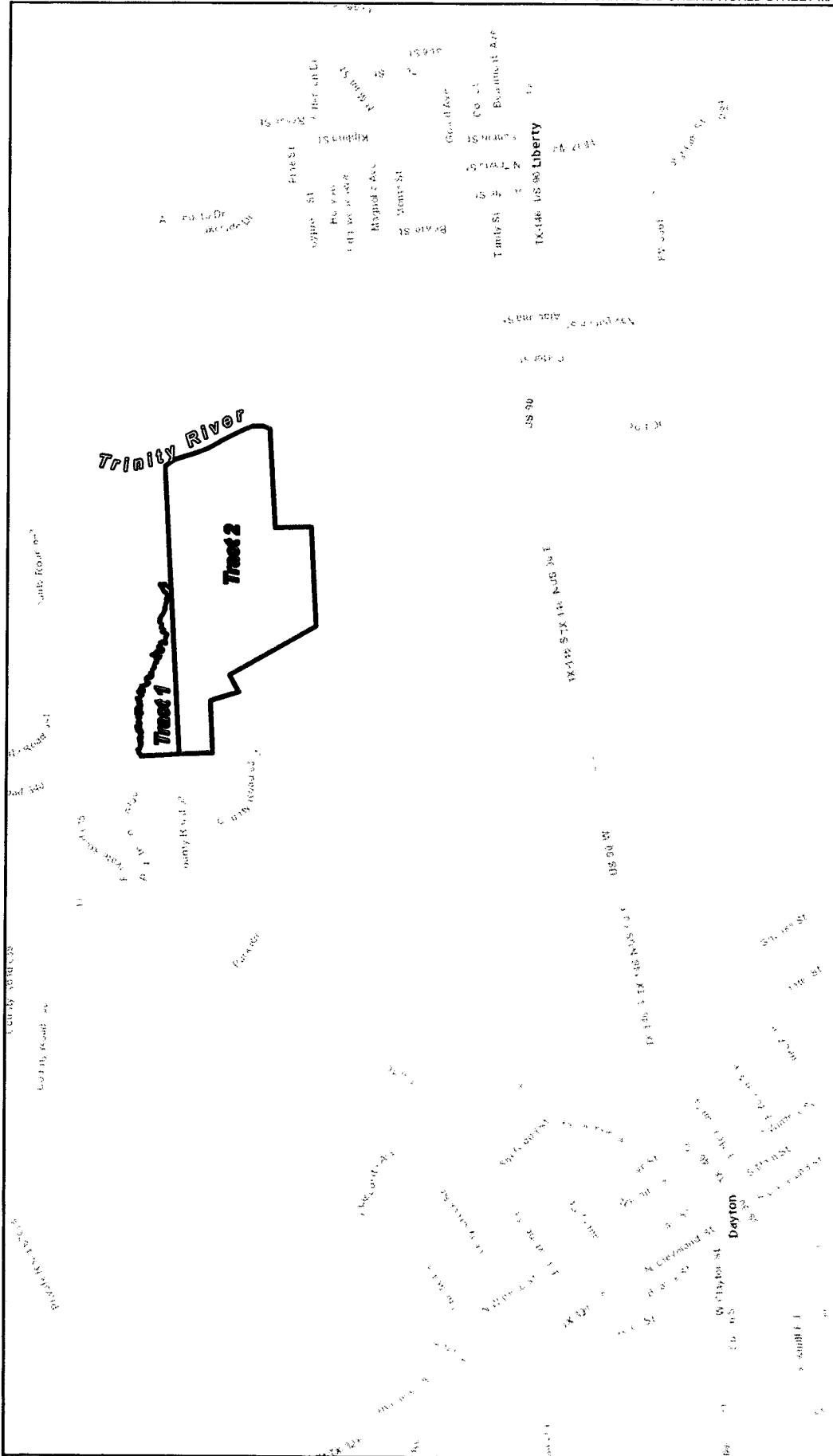
Property Boundary

**HUDGON**  
ENVIRONMENTAL, INC.  
1120 NW Stallings Drive  
Nacogdoches, Texas 75964  
936-668-4451 Fax 936-668-9827

**FIGURE 1**  
2014 AERIAL PHOTOGRAPH



Weldon Alders Property  
Situated in the Beasley Pruitt Survey  
Liberty County, Texas



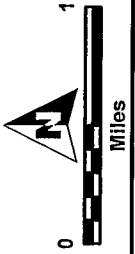
Property Boundary



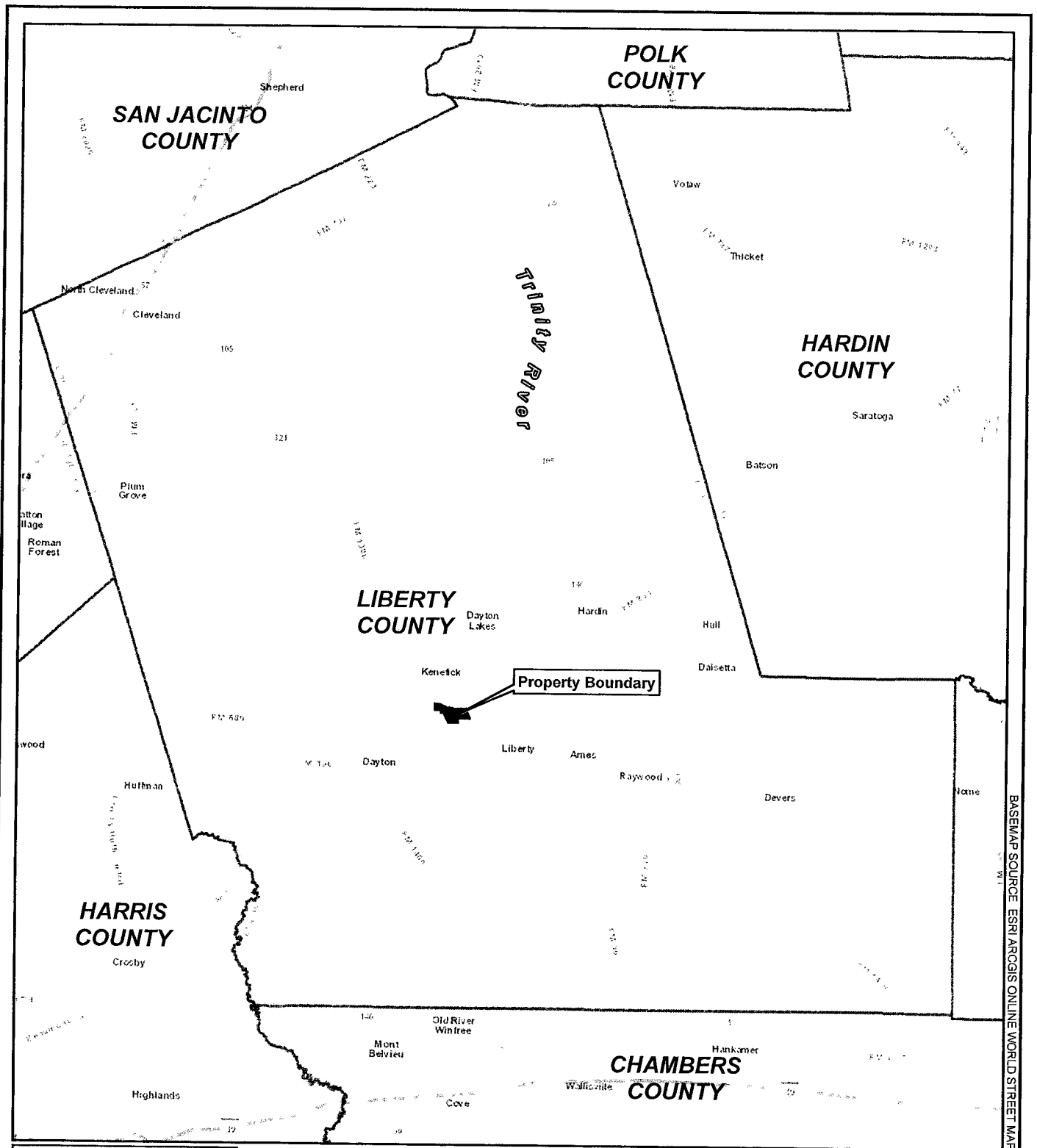
**J. G. ENVIRONMENTAL, INC.**  
 1120 NW Stallings Drive  
 Nacogdoches, Texas 75964  
 936-568-9451 Fax: 936-568-9527

**FIGURE 2**

LOCATION MAP



**Weldon Alders Property**  
 Situated in the Beasley Pruitt Survey  
 Liberty County, Texas



BASEMAP SOURCE: ESRI/ARCIS ONLINE WORLD STREET MAP

■ **Property Boundary**

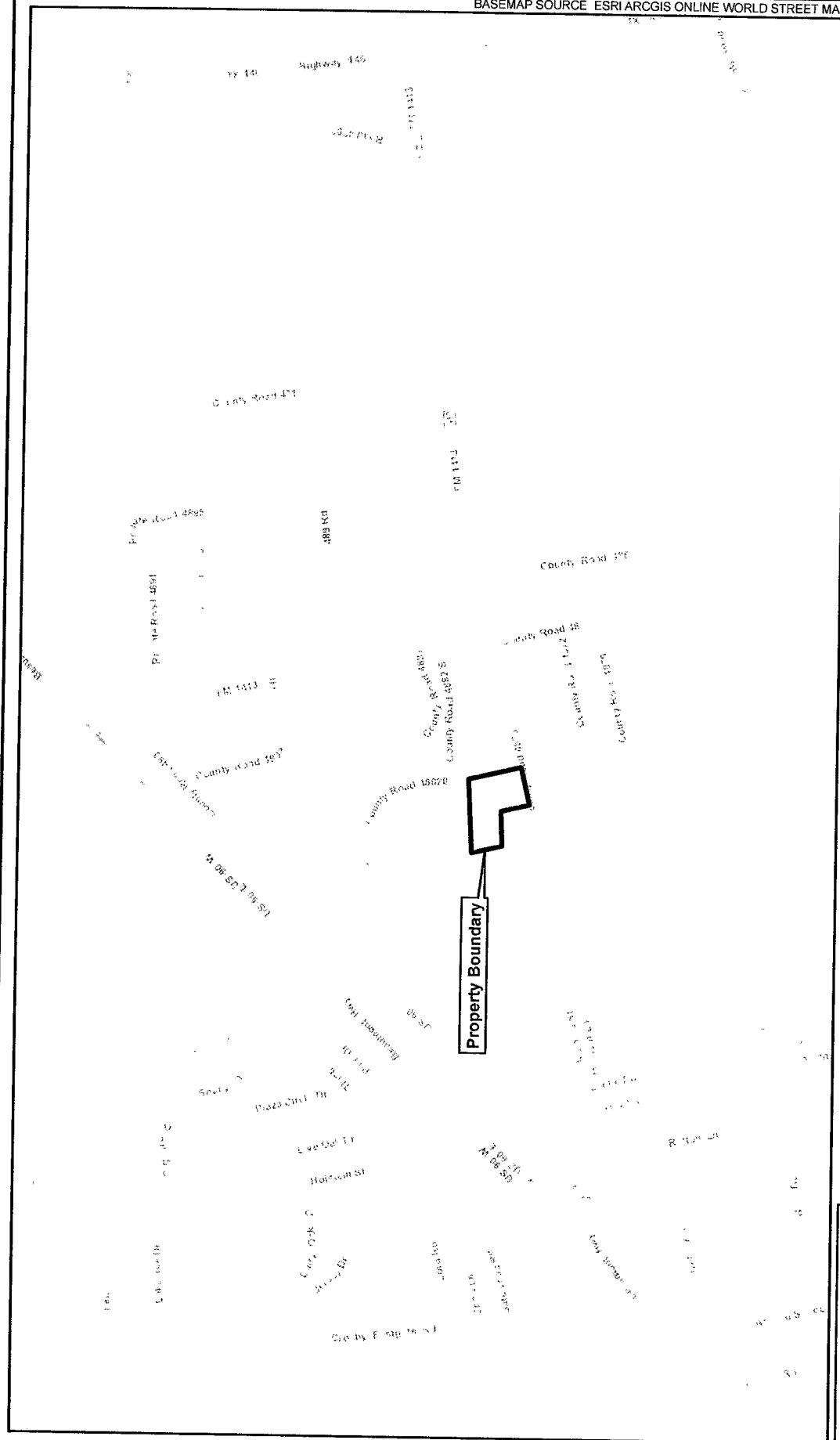


**Hydrox**  
ENVIRONMENTAL, INC.  
1120 NW Stallings Drive  
Nacogdoches, Texas 75964  
936-568-9451 Fax: 936-568-9527

**FIGURE 3**  
**COUNTY MAP**

**Weldon Alders Property**  
**Situated in the Beasley Pruitt Survey**  
**Liberty County, Texas**

Map Revised: 08/03/2015 Project Number: M-01-998 GIS Analyst: JFC



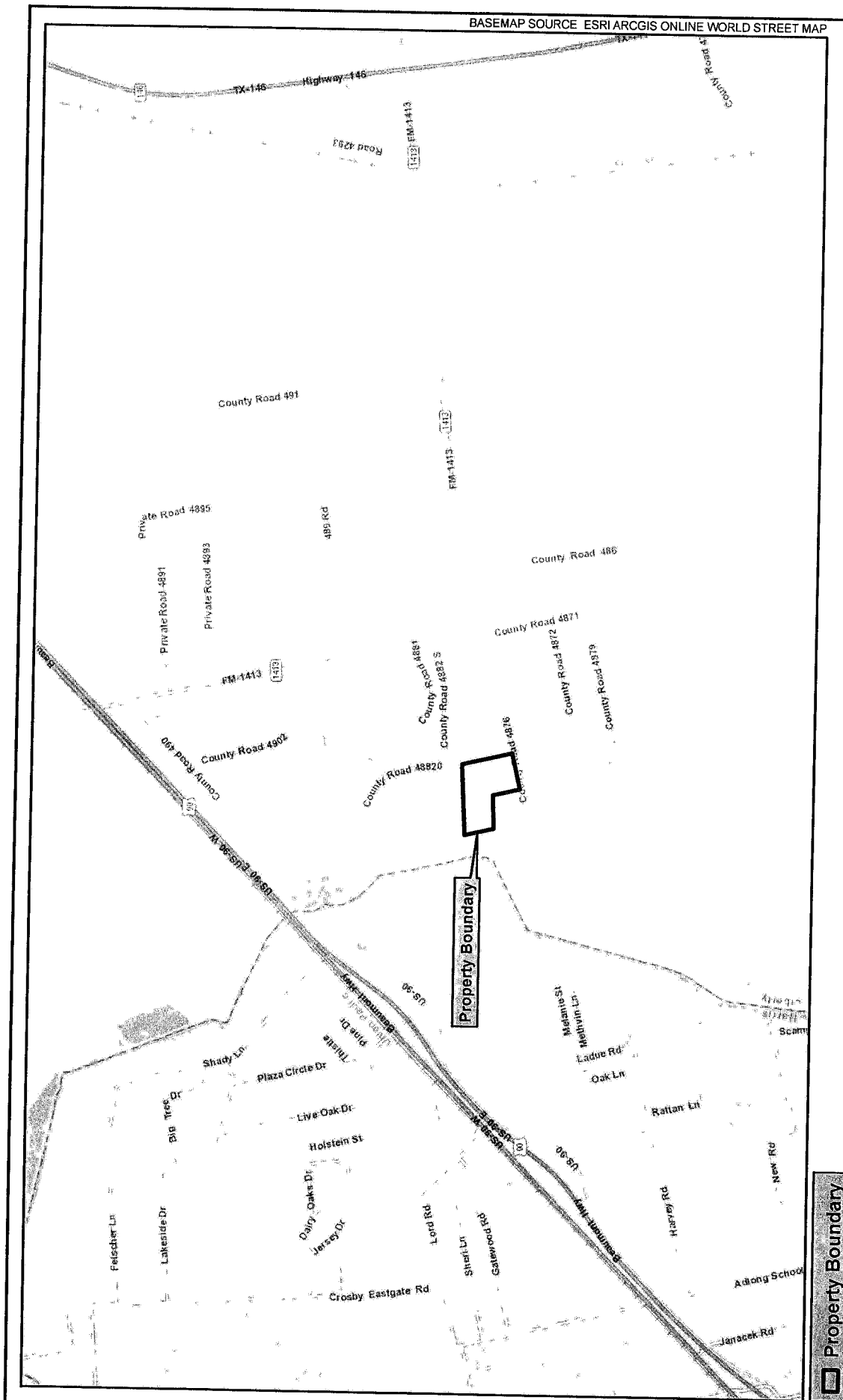
Property Boundary

**Hydro**  
ENVIRONMENTAL, INC.  
1120 NW Stallings Drive  
Nacogdoches, Texas 75964  
936-588-8451 Fax: 936-588-8827

**FIGURE 2**  
**LOCATION MAP**



**Weldon Alders Property**  
**Situated in the Meredith Duncan Survey**  
**Liberty County, Texas**



Weldon Alders Property  
Sited in the Meredith Duncan Survey  
Liberty County, Texas

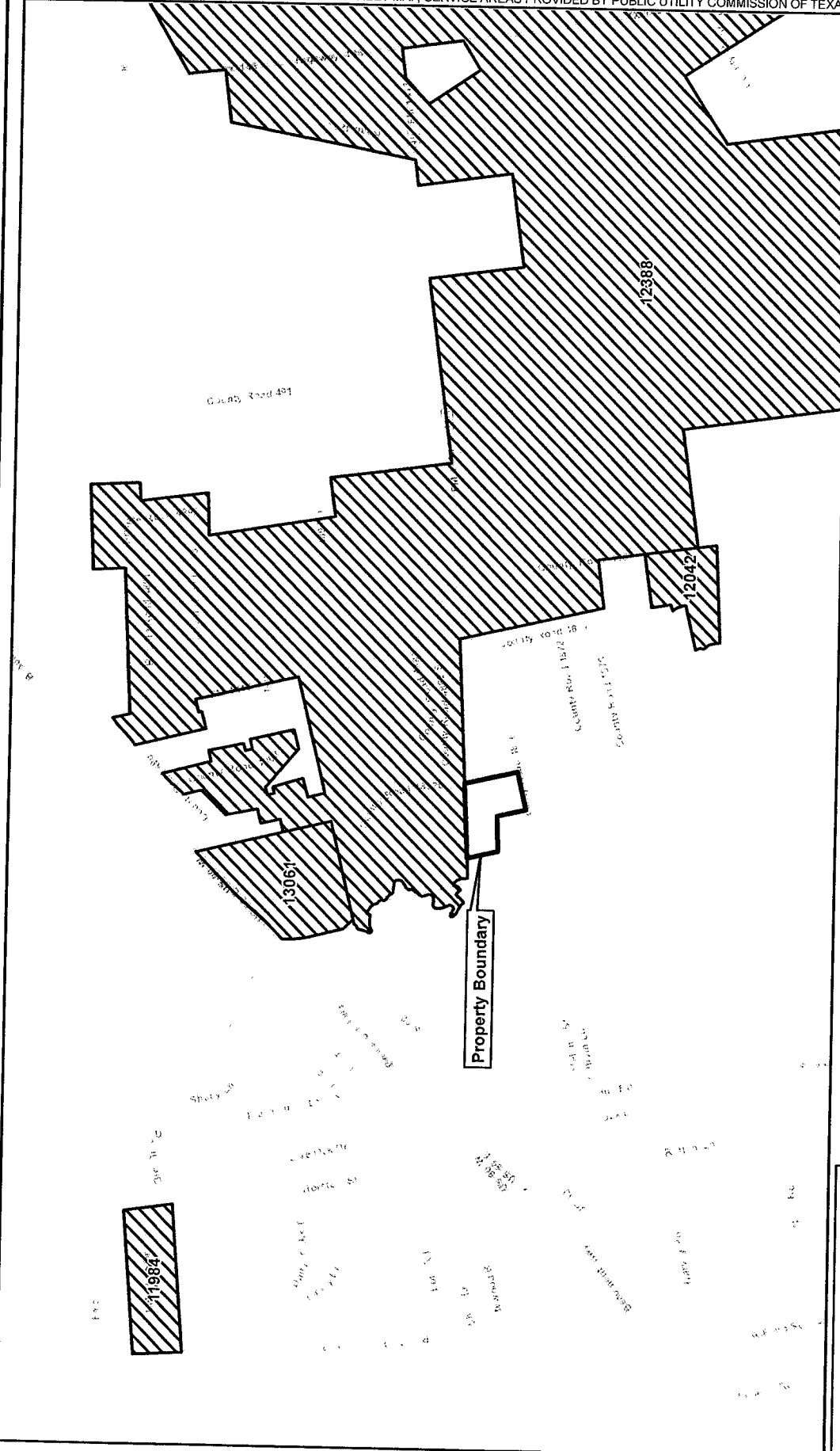
Map Revised: 08/24/2015 Project Number: M-01-998 GIS Analyst: JFC



FIGURE 2

LOCATION MAP

BASEMAP SOURCE: ESRI ARCGIS ONLINE WORLD STREET MAP, SERVICE AREAS PROVIDED BY PUBLIC UTILITY COMMISSION OF TEXAS



- ☐ Property Boundary
- ☒ Water CCN Service Area

**ENVIRONMENTAL, INC.**  
 1120 NW Stallings Drive  
 Mesquite, Texas 75964  
 936-564-9451 Fax: 936-564-9627

**FIGURE 4**  
 WATER CCN SERVICE AREA MAP



**Weldon Alders Property**  
 Situated in the Meredith Duncan Survey  
 Liberty County, Texas

Map Revised: 08/24/2015 Project Number: M-01-998 GIS Analyst: JFC

BASEMAP SOURCE. 2014 AERIAL PHOTOGRAPH PROVIDED BY NAIP



Property Boundary

**Hydro**  
ENVIRONMENTAL, INC.  
1120 NW Stallings Drive  
Nacogdoches, Texas 75964  
936-688-9451 Fax: 936-688-9927

FIGURE 1

2014 AERIAL PHOTOGRAPH

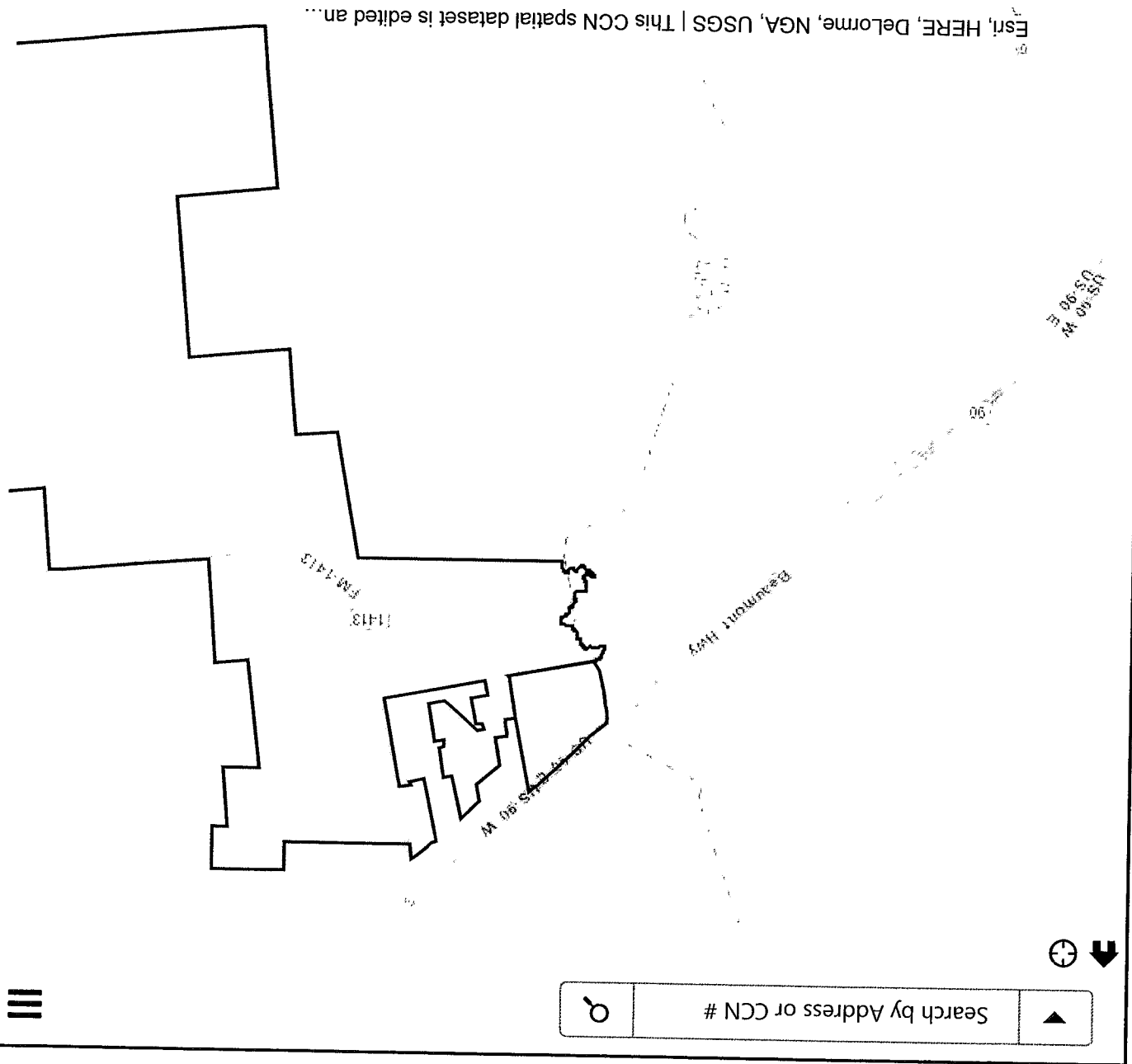
0 400  
Feet



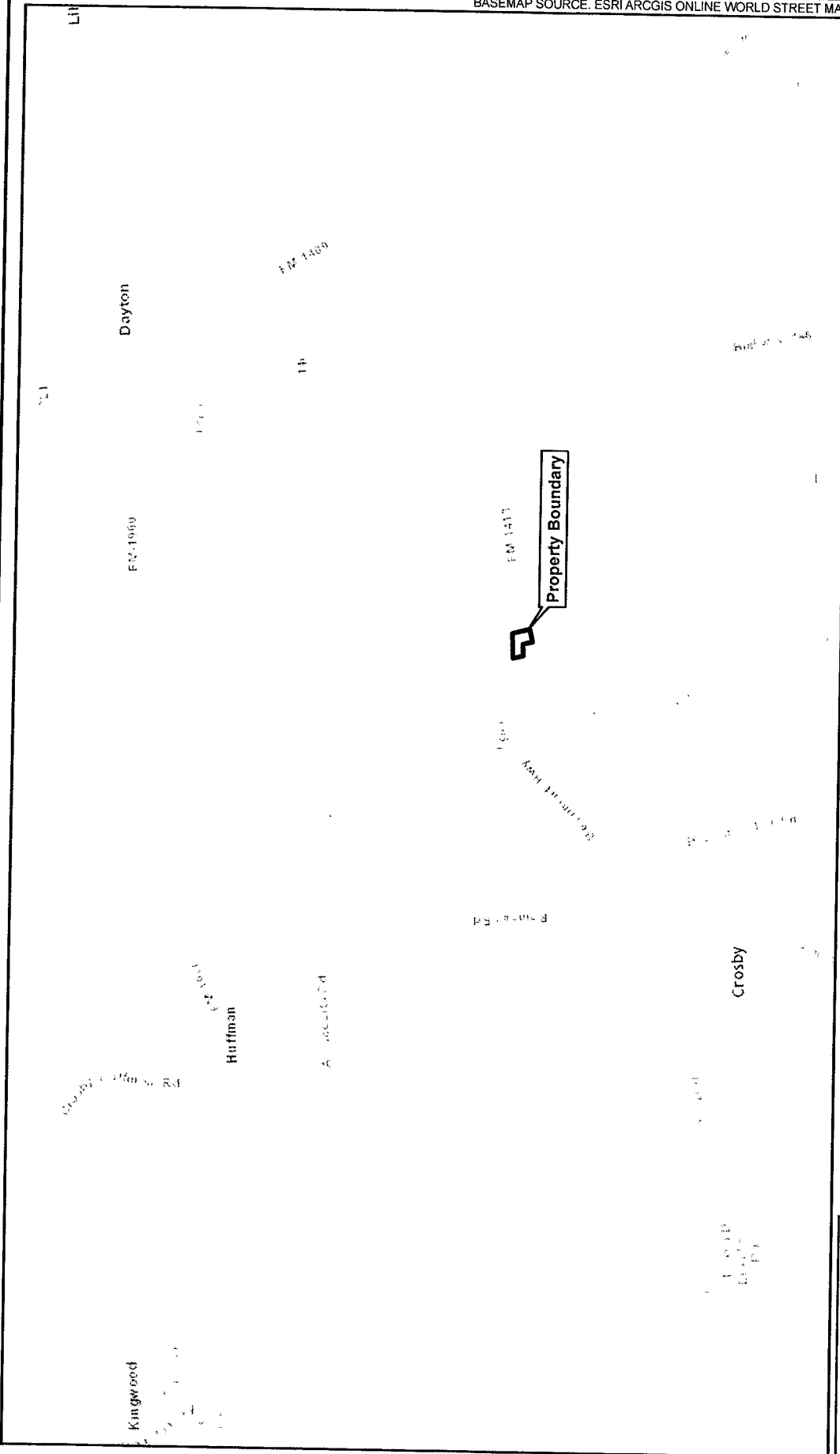
Weldon Alders Property  
Situated in the Meredith Duncan Survey  
Liberty County, Texas

Map Revised 08/19/2015 Project Number M-01-998

GIS Analyst JFC

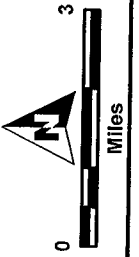






**Weldon Alders Property**  
**Situated in the Meredith Duncan Survey**  
**Liberty County, Texas**

Map Revised: 08/19/2015 Project Number: M-01-998 GIS Analyst: JFC

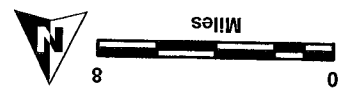


**FIGURE 2**  
**LOCATION MAP**

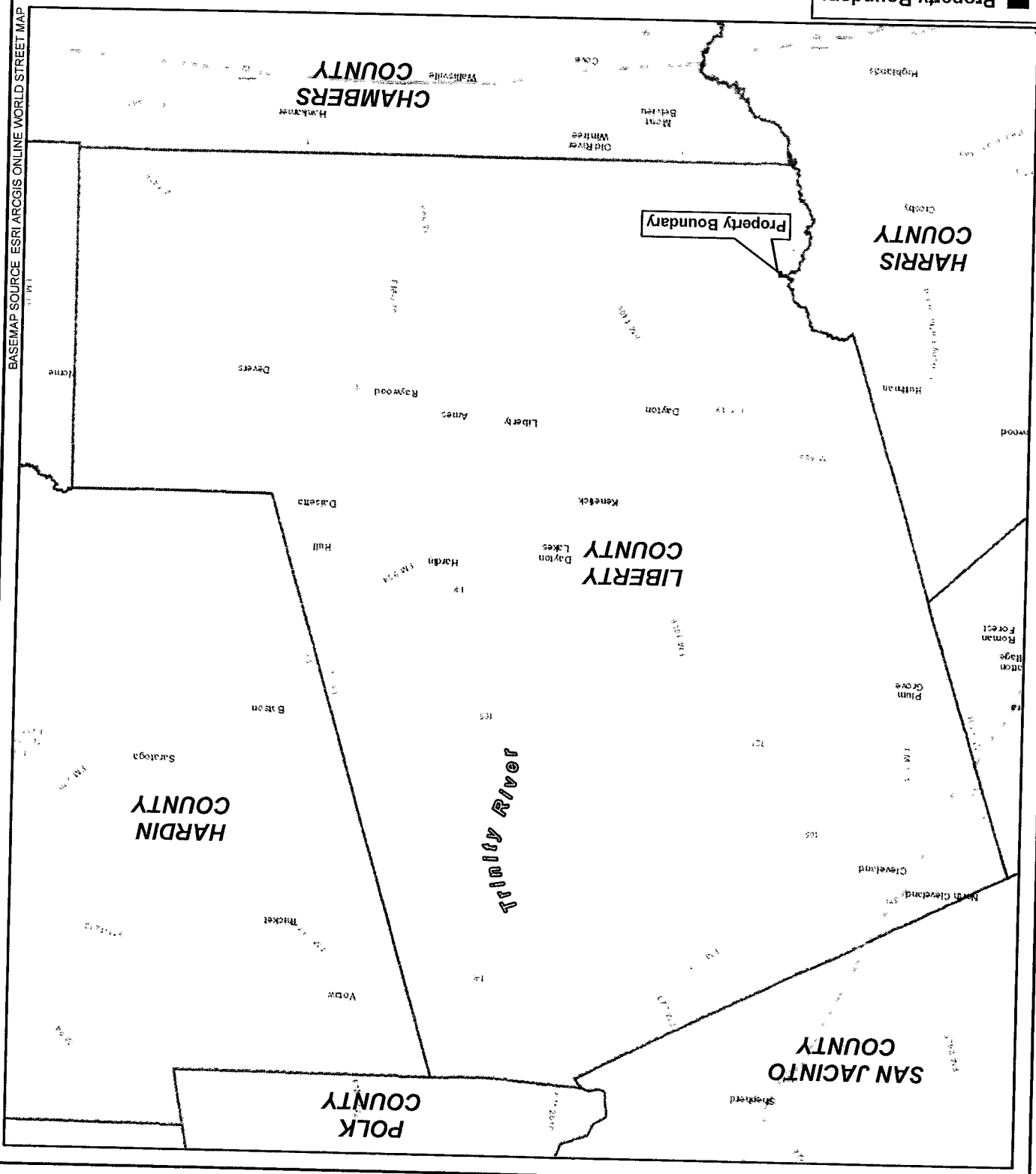
**ENVIRONMENTAL, INC.**  
 1120 NW Stallings Drive  
 Nacogdoches, Texas 75964  
 936-568-9451 Fax: 936-568-9527

**FIGURE 3**  
**COUNTY MAP**

**Weldon Alders Property**  
**Situated in the Meredith Duncan Survey**  
**Liberty County, Texas**



**Property Boundary**



BASEMAP SOURCE ESRI AROGIS ONLINE WORLD STREET MAP

# **OVERSIZED Map**

To View OVERSIZED Document(s) Or

For any questions;

you can call CENTRAL RECORDS

main Line

**(512) 936.7180**

15012210



14 PGS  
WAR

2015005429

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.

**SPECIAL WARRANTY DEED**

Date: *MARCH 26, 2015 to be effective*  
April 7, 2015

**Grantors and Grantors' Mailing Addresses:**

LORENDA LOUISE LOSTAK BALDWIN, 219 CR 47, Angleton, Texas 77515

LONNIE LAMAR LOSTAK, P.O. Box 633, Danbury, Texas 77534

AMANDA KOSINA LOSTAK BROWN, 11405 White Forge Court, Sugar Land, Texas 77498

BRITTANY BRASHER LOSTAK, 2219 Millcreek Dr., Sugar Land, Texas 77478

CHARITY MARIE GARNER BARKER, 4231 FM 2484, Salado, Texas 76571

TERA WaNE' GARNER HOLLYWOOD, 1310 Cy Young Court, Round Rock, Texas 78664

APRIL DAWN GARNER HURT, 312 Crow Foot Dr., Harker Heights, Texas 76548

MOLLIE KRISTINA GARNER PEDERSON, 400 Fryers Creek Dr., Apt. 5E, Temple, Texas 76504

WAYNE RAY GARNER, 312 Crow Foot Dr., Harker Heights, Texas 76548

HAROLD RAYFORD LOSTAK, 2219 Millcreek Dr., Sugar Land, Texas 77478

**Grantee:** WELDON W. ALDERS

**Grantee's Mailing Address:** 11099 Goose Prairie Rd.  
Midway, Texas 75852

3X

**Consideration:**

Ten Dollars cash in hand paid, the receipt of which is hereby acknowledged and confessed.

**Property (including any improvements):**

FIELD NOTES of a 61.9701 acre tract of land situated in the Meredith Duncan Survey, Abstract 29, Liberty County, Texas and being all of that same land "called 61.10 acres conveyed by Mary Lostak, et vir to Victor R. Lostak, et al, by Deed dated April 6, 1974 and recorded in Volume 735 at Page 797 of the Deed Records of Liberty County, Texas and also conveyed by Daryl R. Lostak, et al, to Tommie H. Lostak by Deed dated December 6, 1999 and recorded in Volume 1811 at Page 775 of the Official Public Records of Liberty County, Texas. This 61.9701 acres is more particularly described by the following metes and bounds, to-wit:

NOTE: BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD 83. ALL DISTANCES ARE ACTUAL DISTANCES. SCALE FACTOR ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION.

COMMENCING at a 2 inch iron pipe found in the North right-of-way line of County Road 4876 (Deer Trail; 60 feet wide right-of-way), for the Southwest corner of that certain called 64.7 acres described in Mineral Deed from W. D. Kay, et ux, to Fidelity Oil & Royalty Company dated June 13, 1933 and recorded in Volume 175 at Page 586; from Gertrude Noble to Blanche Henry, et vir, by Deed dated October 6, 1970, recorded in Volume 669 at Page 130; and from IP Farms, Inc. to Brown Brothers Farm, Inc., by Deed dated December 10, 1981, recorded in Volume 930 at Page 312, all of the Deed Records of Liberty County, Texas; and the Southeast corner of that certain called 43 acres conveyed by Charles F. Garbs to Charles J. Garbs, et al, by Deed dated March 4, 1971 and recorded in Volume 676 at Page 59 of the Deed Records of Liberty County, Texas. Said COMMENCING POINT has a State Plane Coordinate Value of Y=9,988,144.9060 and X=3,995,608.6830; from which a 5/8 inch iron rod (bent) found for the Southeast corner of said called 64.7 acres bears North 76° 56' 01" East a distance of 2586.41 feet. Said 5/8 inch iron rod has a State Plane Coordinate Value of Y=9,988,729.6720 and X=3,998,128.2500.

THENCE: South 76° 58' 51" West along the South line of said 43 acres and the North line of said County Road 4876 for a distance of 1380.22 feet to a 2 inch iron pipe found for the Southwest corner of said called 43 acres. Said point being the Southeast corner and POINT OF BEGINNING

of this tract and has a State Plane Coordinate Value of Y=9,987,833.8900 and X=3,994,263.5880.

THENCE: South 76° 42' 34" West along the Easternmost South line of this tract and the North right-of-way line of said County Road 4876 for a distance of 1103.83 feet (called 1083.41 feet) to a 2 inch iron pipe found for the Southernmost Southwest corner of this tract and the Southernmost Southeast corner of that certain called 69.5 acres conveyed by Reginald Wilson to Larry M. Wilson by Deed dated March 29, 1985 and recorded in Volume 1057 at Page 874 of the Official Public Records of Liberty County, Texas. Said point has a State Plane Coordinate Value of Y=9,987,580.1210 and X=3,993,189.2720.

THENCE: North 13° 11' 55" West along the Southernmost West line of this tract and the Southernmost East line of said called 69.5 acres for a distance of 846.04 feet (called 834.0 feet and called 825.0 feet) to a 2 inch iron pipe found for an interior corner of this tract and the Easternmost Northeast corner of said called 69.5 acres. Said point has a State Plane Coordinate Value of Y=9,988,403.8580 and X=3,992,996.0890.

THENCE: South 87°09'32" West along the Westernmost South line of this tract and the Easternmost North line of said called 69.5 acres for a distance of 1001.25 feet (called 1002.5 feet and called 998.25 feet) to a 2 inch iron pipe found for the Westernmost Southwest corner of this tract and an interior corner of said called 69.5 acres. Said point as a State Plane Coordinate Value of Y=9,988,354,2290 and X=3,991,996.0150.

THENCE: North 13° 11' 55" West along the Northernmost West line of this tract and the Northernmost East line of said called 69.5 acres for a distance of 895.93 feet (called 888.0 feet and called 860.6 feet) to a ½ inch iron rod, with cap (BHA), set in the South line of Lot 5, Block 4 of Cedar Creek Subdivision Section II as recorded in Volume 9 at Page 198 of the Map Records of Liberty County, Texas. Said point being the Northwest corner of this tract and the Northeast corner of said called 69.5 acres and has a State Plane Coordinate Value of Y=9,989,226.5363 and X=3,991,791.4413; from which a ½ inch iron rod, with cap (BHA), found for the Southwest corner of Lot 4, Block 4 of said Subdivision bears South 87° 03' 14" West 322.58 feet;

THENCE: North 87° 03' 14" East along the North line of this tract and the South line of Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15, Block 4 of said Cedar Creek Subdivision, Section II, for a distance of 2125.73 feet (called 2235.75 feet) to a 1 inch iron rod found in the South line of said Lot 15 for the Northeast corner of this tract and the Northwest corner of the heretofore mentioned called 43 acre tract. Said point has a State Plane Coordinate Value of Y=9,989,335.8000 and X=3,993,914.4630; from

which a 2 inch iron pipe found for the Northeast corner of said called 43 acres and the Northwest corner of said called 64.7 acres bears North 86° 31' 14" East 1396.45 feet. Said 2 inch iron pipe last above mentioned has a State Plane Coordinate Value of Y=9,989,420.5570 and X=3,995,308.4070.

THENCE: South 13° 05' 10" East along the East line of this tract and the West line of said called 43 acres for a distance of 1541.88 feet (called 1630.75 feet) to the PLACE OF BEGINNING and containing within these boundaries 61.9701 acres or 2,699.416.35 square feet of land.

**Reservations from Conveyance:**

Grantors reserve unto themselves, their heirs and assigns forever, all oil, gas and associated minerals that are now owned by Grantors in and under the herein described tract of land. This reservation shall be limited to minerals associated with oil, gas and liquid hydrocarbons, but does not include any so-called hard minerals such as lignite, coal, iron ore and gravel.

**Exceptions to Conveyance and Warranty:**

This conveyance is made and accepted subject to any and all validly existing restrictions, reservations, conditions, covenants, easements and rights of way, if any, applicable to and enforceable against the above described real property as now reflected by the records of the County Clerk of Liberty County, Texas.

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.

This Special Warranty Deed may be executed in multiple counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same Special Warranty Deed.

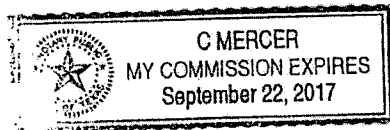
[signature pages to follow]

EXECUTED on this the 7 day of APRIL, 2015.

Lonnie Lamar Lostak  
LONNIE LAMAR LOSTAK

STATE OF TEXAS                      §  
COUNTY OF Liberty §

This instrument was acknowledged before me on the 7 day of April, 2015, by Lonnie Lamar Lostak.



C Mercer  
Notary Public, State of Texas

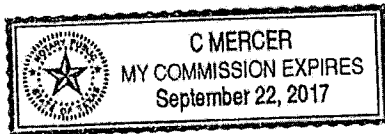


EXECUTED on this the 7 day of APRIL, 2015.

Lorenda Louise Lostak Baldwin  
LORENDA LOUISE LOSTAK BALDWIN

STATE OF TEXAS                      §  
COUNTY OF Liberty

This instrument was acknowledged before me on the 7 day of April, 2015, by Lorenda Louise Lostak Baldwin.



C Mercer  
Notary Public, State of Texas

EXECUTED on this the 28 day of March, 2015.

Amanda Kosina Lostak Brown  
AMANDA KOSINA LOSTAK BROWN

STATE OF TEXAS §  
COUNTY OF FORT BEND §

This instrument was acknowledged before me on the 28<sup>th</sup> day of MARCH, 2015, by Amanda Kosina Lostak Brown.

Rashid S. Abbasi  
Notary Public, State of Texas

