



Control Number: 47556



Item Number: 1

Addendum StartPage: 0

PUC DOCKET NO. **147556**

PETITION FOR EXPEDITED RELEASE OF LANDS FROM MCCOY WATER SUPPLY CORPORATION WATER CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 10649	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
--	-----------------------	--

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Pursuant to Texas Water Code ("**TWC**") §§ 13.254(a-5) and 16 Texas Administrative Code § 24.113(l), HMSC, LLC ("**Petitioner**") respectfully petitions the Public Utility Commission of Texas (the "**Commission**") for expedited release of one of its tracts of real property from the retail water service area of McCoy Water Supply Corporation ("**McCoy WSC**"), covered by water Certificate of Convenience and Necessity ("**CCN**") No.10649. In support of this request, Petitioner provides the following additional information, in accordance with such statute and rule:

1. TWC §13.254(a-5) and 16 TAC § 24.113(l) allow an owner of a tract of land that is at least 25 acres and that is not receiving water service to petition for expedited release of the tract from a water CCN. The landowner is entitled to release of the tract from a CCN if the tract is located in a county which does not have a population of more than 45,000 and less than 47, 500 and is a county with a population of at least one million, is adjacent to a county with a population of at least one million, or with a population of more than 200,000 and less than 220,000 that does not contain a public or private university that had a total enrollment in the most recent fall semester of 40,000.¹
2. Petitioner owns a tract of land, containing more than 25 contiguous acres of land which is located in Atascosa County. The tract ("**Tract**") contains 292.16 acres, and a copy of the Warranty Deed with Vendor's Lien evidencing ownership of such tract (and described by metes and bounds) is attached hereto as **Exhibit A**.
3. The Tract lies within McCoy WSC water CCN No. 10649, save and except a small sliver located in the far northeast corner of the Tract which is located in the City of Jourdanton's CCN. Attached hereto as **Exhibit B** is a small scale general location map with enough detail to locate the Tract in the vicinity of the nearest city, which is the City of Jourdanton and the City of Pleasanton. Attached hereto as **Exhibit C** is a large scale detailed map of the Tract indicating the boundaries of the Tract and with enough detail to locate the Tract in reference to verifiable natural landmarks. Attached hereto as **Exhibit D** are the field notes and survey for the Tract. Attached hereto as **Exhibit E** is a map of both the City of Jourdanton CCN and the McCoy WSC CCN with an overlay of the Tract.

¹PUC Streamlined Expedited Release Guidance document lists the counties that meet these criteria as: Atascosa, Bandera, Bastrop, Bexar, Blanco, Brazoria, Burnet, Caldwell, Chambers, Collin, Comal, Dallas, Denton, Ellis, Fort Bend, Galveston, Guadalupe, Harris, Hays, Johnson, Kaufman, Kendall, Liberty, Montgomery, Parker, Rockwall, Smith, Tarrant, Travis, Waller, Williamson, Wilson, and Wise Counties.

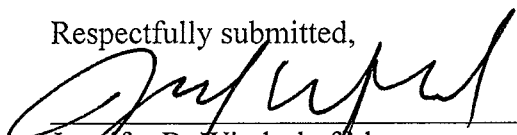
1770

4. Since taking ownership of the Tracts, PETITIONER has never submitted a formal written request with McCoy WSC for retail water service to the Tract, but Petitioner has engaged in some discussion with McCoy WSC regarding the provision of water to the Tract. The attached **Exhibit F** contains an affidavit from Clay Morgan, the Manager of the PETITIONER, affirming these facts.
5. Since taking ownership of the Tracts, PETITIONER is not a retail water service customer of McCoy WSC Tract and PETITIONER has never received retail water service from McCoy WSC at the Tract. The attached **Exhibit F** contains an affidavit from Mr. Clay Morgan, Manager of the PETITIONER affirming these facts.
6. It is the PETITIONER'S understanding and belief that the McCoy WSC does not own any water infrastructure on or in the immediate vicinity of the Tract. It is the Petitioner's understanding and belief that the McCoy WSC does not possess any water easements on the Tract. **Exhibit F** contains an affidavit from Mr. Morgan affirming these facts. In further support of this belief, a partially redacted copy of the title commitment received by PETITIONER for the Tract is attached hereto as **Exhibit G**.
7. The City of Jourdanton has a retail water service line that runs directly near the front of the Tract as detailed in the map attached hereto as **Exhibit H**. The City of Jourdanton may have also provided temporary water service to the Tract from time to time to serve a temporary oil and gas man camp which is no longer located on the Tract, as well as a mobile home.
8. Exhibits A-E show that the Tract is located in Atascosa County, Texas, which is a county named in 16 TAC § 24.113(l), as a county in which a property may be located to meet the requirements of TWC § 13.254(a-5) and 16 TAC § 24.113(l).
9. Simultaneously with the filing of this Petition, the PETITIONER has served notice of this Petition on McCoy WSC via certified mail, as required by 16 TAC § 24.113(l) and evidenced by the Certificate of Service accompanying this Petition.
10. PETITIONER plans to use the Tracts for the purpose of the development of a subdivision and related infrastructure and buildings. PETITIONER will apply to the City of Jourdanton for retail water service.

Petitioner meets the criteria set forth in TWC § 13.254(a-5) and 16 TAC § 24.113(l) and (m) for expedited release of the Tract from McCoy WSC's water CCN No. 10649. Therefore, Petitioner respectfully requests that (a) this Petition be deemed properly filed with the Commission; (b) that the Petition be granted in all respects as required under TWC §13.254 and 16 TAC § 24.113(l); (c) that the Commission enter an order releasing the Tract from water CCN No. 10649; (d) that the Commission find that no compensation is due to McCoy WSC based on the lack of water service to and water infrastructure on or near the Tract; and (e) that all other orders, acts, procedures, and relief be granted as are necessary and proper to the release of the Tract from McCoy WSC's CCN No. 10649.



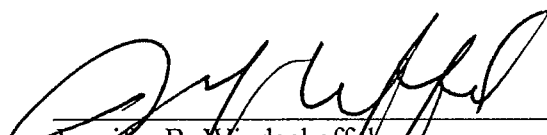
Respectfully submitted,



Jennifer B. Windscheffel
Attorney for the Petitioner
State Bar Card No. 24046456

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was transmitted by e-mail, fax, hand-delivery and/or regular, first class mail on this 28th day of August 2017, to the parties of record.



Jennifer B. Windscheffel
Attorney for the Petitioner
State Bar Card No. 24046456



EXHIBIT A

TRACT

EXHIBIT A

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.

WD/VL THOMAS GRASS OF TEXAS, L.L.C. to HMSC, LLC

WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS §
COUNTY OF ATASCOSA §

KNOW ALL MEN BY THESE PRESENTS:

That **THOMAS GRASS OF TEXAS, L.L.C.**, a Texas limited liability company, of Atascosa County, Texas (herein referred to as "Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (10.00) and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery by Grantee of that one certain Promissory Vendor's Lien Note dated July 19, 2017, such note being secured by a Deed of Trust dated July 19, 2017, to Ben R. Novosad, Trustee; has GRANTED, SOLD, and CONVEYED, and by these presents does GRANT, SELL, and CONVEY unto HMSC, LLC, a Texas limited liability company, its address being 10829 Jollyville Rd., Austin, Texas 78759 (herein referred to as Grantee"), all of the following described real property ("Property") located in Atascosa County, Texas, to-wit:

BEING a tract of land containing 292.16 acres, more or less, containing all of Lots 1, 15, 24, 38, 38 1/2, and 39 1/2, and portions of 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, all of Block 9, of Subdivision No. 1 of the Charles F. Simmons Subdivision, and having 8.06 acres lying in the W. H. Smith Survey No. 70 1/2, Abstract No. 1633; 8.58 acres lying in the H. F. Smith Survey No. 272, Abstract No. 1673; 52.46 acres lying in the L. D. Murphy Survey No. 4, Abstract No. 1229; 34.54 acres lying in the J. W. Hunt Survey No. 136 1/2, Abstract No. 1657; 38.79 acres lying in the J. W. Preston Survey No. 4 1/2, Abstract No. 1667; 85.83 acres lying in the I.&G.N.R.R. Co. Survey No. 1765, Abstract No. 489; and 63.90 acres lying in the I.&G.N.R.R. Survey No. 136, Abstract no. 490, Atascosa County, Texas, being all of a 206.856 acre tract of land and an 85.441 acre tract of land, both described in instrument recorded as Clerk's File No. 87165 of the Official Public Records of Atascosa County, Texas, said tract of land being more particularly described in the EXHIBIT "A" attached hereto and incorporated herein by reference for all purposes;

SAVE AND EXCEPT HOWEVER, and there is hereby reserved unto Grantor, and itself, its successors, and assigns, all rights, title, and interests owned by Grantor in and to the oil, gas and other minerals lying in and under or upon or that may be saved and produced from the above described Property, *except that* Grantor does hereby waive and convey to Grantee all rights to use the surface estate, including the rights of ingress and egress, associated with the mineral rights reserved herein.

This conveyance and the hereinafter warranty are made expressly subject to the following items:

- a. Rights of parties in possession;
- b. Shortages in area;
- c. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records of Atascosa County, Texas;
- d. Right-of-Way and Easement dated October 4, 1949, executed by George A. Jasik, et ux. to United Gas Pipe Line Co., recorded in Vol. 200, Page 158 of the Deed Records of Atascosa County, Texas;
- e. Right-of-Way and Easement dated October 10, 1949, executed by L. L. Ulcak, et ux. to United Gas Pipe Line Co., recorded in Vol. 200, Page 159 of the Deed Records of Atascosa County, Texas;

EXHIBIT A

- f. Right-of-Way and Easement dated November 9, 1949, executed by Mrs. Hilda Haverlah, et vir. to United Gas Pipe Line Company, recorded in Vol. 200, Page 227, Deed Records of Atascosa County, Texas;
- g. Mineral and/or Royalty Reservation as set out in Warranty Deed dated December 14, 1964, executed by Charles Lee Ulcak to Mary Frances Peel, recorded in Vol. 303, Page 284, Deed Records of Atascosa County, Texas, and corrected in Vol. 421, Page 395, Deed Records of Atascosa County, Texas;
- h. Application of Landowner to Condition an Abandoned Well dated October 21, 1991, recorded in Vol. 842, Page 641, Deed Records of Atascosa County, Texas;
- i. Application of Landowner to Condition an Abandoned Well dated February 9, 2005, recorded in Book 301, Page 712, Official Public Records, Atascosa County, Texas;
- j. Application of Landowner to Condition an Abandoned Well dated February 9, 2005, recorded in Book 301, Page 714, Official Public Records, Atascosa County, Texas;
- k. Oil Lease dated August 12, 2008, executed by Thomas Grass of Texas, LLC to Spiller Operating Co. Inc., filed for record on August 26, 2008, under Clerk's File No. 100639, Official Public Records of Atascosa County, Texas;
- l. Memorandum of Oil and Gas Lease dated April 22, 2010, executed by Thomas Grass of Texas, LLC to Abraxas Petroleum Corp., recorded under Clerk's File No. 113331, Official Public Records of Atascosa County, Texas;
- m. Designation of Unit dated October 3, 2011, executed by Blue Eagle Energy, LLC, recorded under Clerk's File No. 125365, Official Public Records, Atascosa County, Texas;
- n. Easement and Right-of-Way dated January 13, 2012, executed by Thomas Grass of Texas, LLC to AEP Texas Central Company, recorded under Clerk's File No. 129737 of the Official Public Records of Atascosa County, Texas;
- o. Right-of-Way Easement dated November 20, 2012, executed by Thomas Grass of Texas, LLC to Karnes Elec. Coop., Inc., recorded under Clerk's File No. 139090 of the Official Public Records of Atascosa County, Texas;
- p. Easement and Right-of-Way dated April 30, 2014, executed by Thomas Grass of Texas, LLC to AEP Texas Central Company, recorded under Clerk's File No. 159560 of the Official Public Records of Atascosa County, Texas;
- q. Rights of tenants;
- r. Title to the manufactured home unit or any other personal property involved in the sale of the Property;
- s. Liens against any manufactured home unit or any other personal property; and
- t. Any claim based on the following as shown on survey plat dated June 5, 2017, revised July 11, 2017, prepared by Rakowitz Engineering & Surveying, Walt F. Rakowitz, RPLS #6435:
 - i) oil & gas well & production facility; 1.948 acres, more or less, no record title; platted roadway; gas lines; abandoned man camp; center pivot and well; easements; mobile homes and sheds; bulk water facility; and access road.

TO HAVE AND TO HOLD the above described Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, and its successors and assigns forever; and subject to the reservation and the exceptions listed above, Grantor does bind itself, its successors, and assigns, to WARRANT AND FOREVER DEFEND all and singular the said Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed that a Vendor's Lien, as well as the superior title in and to the above described Property, is retained against the above described Property, premises, and improvements, until the above described Note and all interest thereon are fully paid according to the face, tenor, effect, and reading thereof, after which this Deed shall become absolute.

EXHIBIT A

The undersigned Grantor does hereby transfer, assign, and convey the hereinabove retained Vendor's Lien, together with the superior title in and to the Property securing same, unto CAPITAL FARM CREDIT, FLCA, its successors and/or assigns, and agrees that the said CAPITAL FARM CREDIT, FLCA, its successors and/or assigns, may release said Vendor's Lien whenever the Note which it secures has been fully paid.

EXECUTED on the 19th day of July, 2017.

Grantor:

THOMAS GRASS OF TEXAS, L.L.C., a Texas limited liability company

By: [Signature]
JOHN E. GOODWIN, President

By: [Signature]
BONNIE GOODWIN, Vice President

Acknowledgments

THE STATE OF TEXAS §
COUNTY OF Anderson §

This instrument was acknowledged before me on this 19th day of July, 2017, by JOHN E. GOODWIN, as President of THOMAS GRASS OF TEXAS, L.L.C., a Texas limited liability company, acting for and on behalf of said limited liability company.



[Signature]
NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §
COUNTY OF Anderson §

This instrument was acknowledged before me on this 19th day of July, 2017, by BONNIE GOODWIN, as Vice President of THOMAS GRASS OF TEXAS, L.L.C., a Texas limited liability company, acting for and on behalf of said limited liability company.



[Signature]
NOTARY PUBLIC, STATE OF TEXAS

After Recording, Return to:

HMSC, LLC
10829 Jollyville
Austin, Texas 78759

Prepared By:

SILLIVENT LAW FIRM (CCS)
P. O. Box 400
Jourdanton, Texas 78026

EXHIBIT A

State of Texas
County of Atascosa

Field notes for a tract of land containing 292.16 acres, containing all of lots 1, 15, 24, 38, 38 1/2, and 39 1/2 and portions of 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, all of Block 9, of Subdivision No 1 of the Charles F Simmons Subdivision, and having 8.06 acres lying in the W.H. Smith Survey No. 70 1/2, Abstract No. 1633, 8.58 acres lying in the H. F. Smith Survey No. 272, Abstract No. 1673, 52.46 acres lying in the L.D. Murphy Survey No. 4, Abstract No. 1229, 34.54 acres lying in the J.W. Hunt Survey No. 136 1/2, Abstract No. 1657, 38.79 acres lying in the J.W. Preston Survey No. 4 1/2, Abstract No. 1667, 85.83 acres lying in the I.&G.N.R.R. Co Survey No. 1785, Abstract No. 489, and 63.90 acres lying in the I.&G.N.R.R. Survey No. 136, Abstract No. 490, Atascosa County, Texas, as shown on the accompanying Plat of Survey prepared for MPH Capital Management, Inc., dated June 5, 2017, and revised on July 11, 2017.

A tract of land containing 292.16 acres, containing all of lots 1, 15, 24, 38, 38 1/2, and 39 1/2 and portions of 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, all of Block 9, of Subdivision No 1 of the Charles F Simmons Subdivision, and having 8.06 acres lying in the W.H. Smith Survey No. 70 1/2, Abstract No. 1633, 8.58 acres lying in the H. F. Smith Survey No. 272, Abstract No. 1673, 52.46 acres lying in the L.D. Murphy Survey No. 4, Abstract No. 1229, 34.54 acres lying in the J.W. Hunt Survey No. 136 1/2, Abstract No. 1657, 38.79 acres lying in the J.W. Preston Survey No. 4 1/2, Abstract No. 1667, 85.83 acres lying in the I.&G.N.R.R. Co Survey No. 1785, Abstract No. 489, and 63.90 acres lying in the I.&G.N.R.R. Survey No. 136, Abstract No. 490, Atascosa County, Texas, being all of a 206.856 acre tract of land and an 85.441 acre tract of land, both described in instrument recorded as Clerk's File No. 87165, of the Official Public Records of Atascosa County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a 1/2 inch steel rod monument, found at the Southeast corner of said 206.856 acre tract of land, being the Southwest corner of a 52.00 acre tract of land, described in instrument recorded as Clerk's File No. 118758 of the Official Public Records of Atascosa County, Texas, and lying on the North line of County Road 430, said point being the Southeast corner of this tract of land;

Thence South 89° 13' 41" West, 3099.41 feet, along the South line of said 206.856 acre tract of land, and the South line of said 85.441 acre tract of land, being the North line of said County Road 430, to a point marked by a set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying;

Thence South 89° 16' 40" West, 220.87 feet, continuing along the South line of said 85.441 acre tract of land, being the North line of said County Road 430, to a point marked by a 1/2 inch iron rod found at the Southern Southwest corner of said 85.441 acre tract of land, being the Southeast corner of a 21.301 acre tract of land conveyed to Charles L. Ucak, said point being the Southern Southwest corner of this tract of land;

Thence along the West line of said 85.441 acre tract of land the following bearings and distances:

North 00° 47' 27" West, 1567.38 feet, along the East line of said 21.301 acre tract of land, to a corner post found at the Northeast corner of said 21.301 acre tract of land;

South 89° 44' 59" West, 590.90 feet, along the North line of said 21.301 acre tract of land, to a corner post found at the Northwest corner of said 21.301 acre tract of land, lying on the East line of a 115.55 acre tract of land, described in instrument recorded in Book 251, Page 543, of the Official Public Records of Atascosa County, Texas;

North 00° 48' 08" West, 1661.32 feet, along the East line of said 115.55 acre tract of land, to a fence corner post found at the Northwest corner of said 85.441 acre tract of land, lying on the South line Whitfield Hills Subdivision Unit 2, said point being the Northwest corner of this tract of land;

Thence along the North line of said 85.441 acre tract of land, and the North line said 206.856 acre tract of land, being the South line of Whitfield Hills Subdivision, Units 1 and 2, the following bearings and distances:

North 89° 28' 20" East, 824.83 feet, to a point marked by a set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying;

EXHIBIT A

(Continued from previous page – final page)

North 89° 27' 08" East, 619.90 feet, to a point marked by a set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying;

North 89° 27' 44" East, 1191.53 feet, to a corner post;

North 00° 23' 16" West, 720.81 feet, to a corner post;

North 89° 50' 05" East, 911.91 feet, to point marked by a found 1/2 inch iron rod;

North 89° 45' 38" East, 422.56 feet, to a corner post at the Northeast corner of said 206.866 acre tract of land, being the Northwest corner of said 52.00 acre tract of land, and being the Northeast corner of this tract of land;

Thence South 00° 09' 47" West, 3931.15 feet, along the East line of said 206.866 acre tract of land, being the West line of said 52.00 acre tract of land, to the Point of Beginning;
Bearings recited in this description are determined from GNSS observation, Texas Coordinate System, NAD 83, taken at time of survey.

I, Walt F. Rakowitz, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 292.16 acres, shown on the accompanying Plat of Survey prepared for MPH Capital Management, Inc., dated June 6, 2017, and revised on July 11, 2017 were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

Walt F. Rakowitz

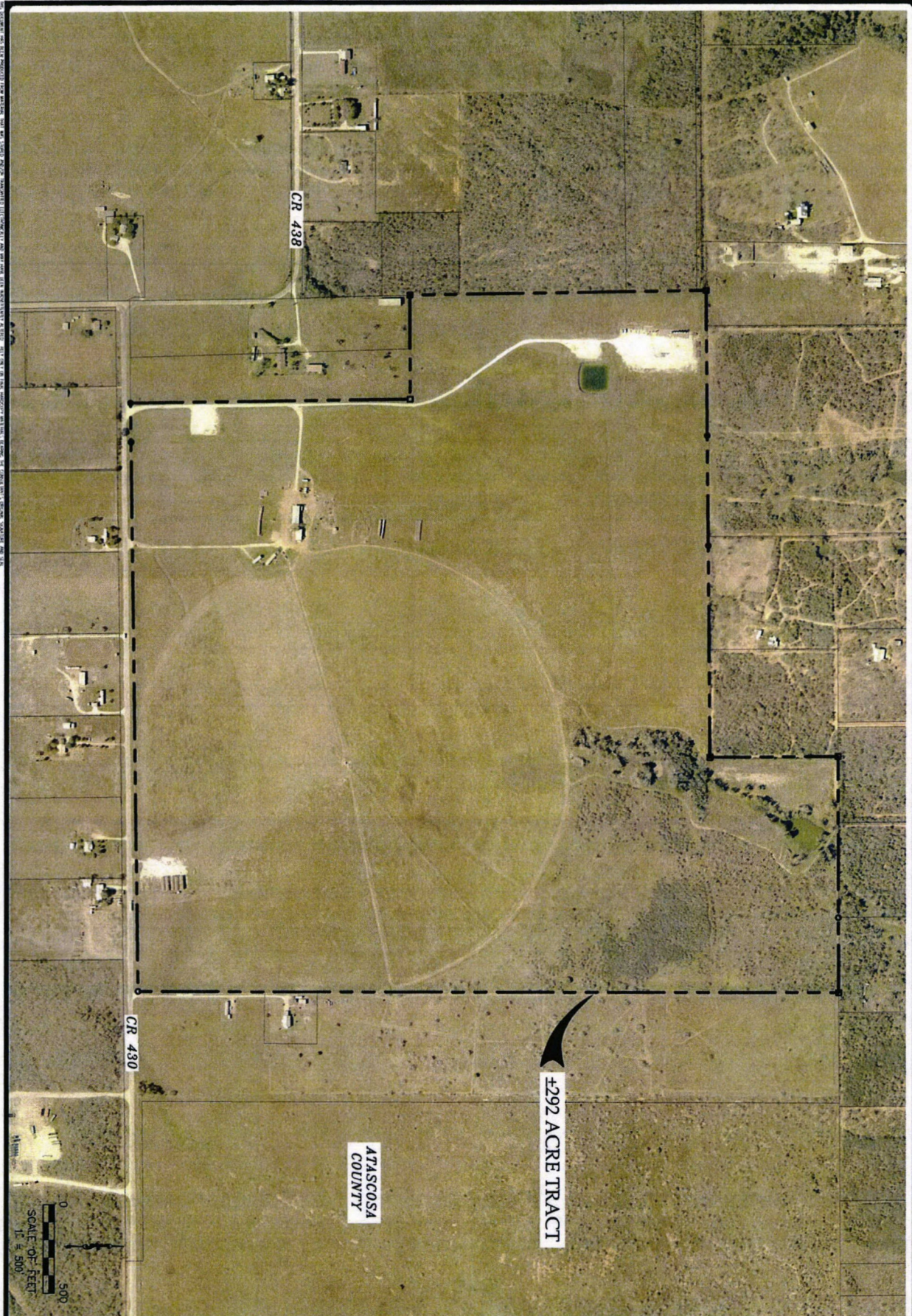
Walt F. Rakowitz R.P.L.S. 8435
Rakowitz Engineering and Surveying
PO Box 172
Pleasanton, Texas 78064
830-281-4080



EXHIBIT B
SMALL SCALE MAP

EXHIBIT B

Date: Aug 09, 2017, 10:33am User: J. (2017)
 File: N:\Projects\2017\17-1424 Mkt Capital Mgmt-Thomas (Draw)\DWG\170809.dwg



JOB NO. 17-1424
 DATE AUGUST 2017
 DESIGNED BY
 CHECKED BY
 DRAWN BY
 SHEET EX-2

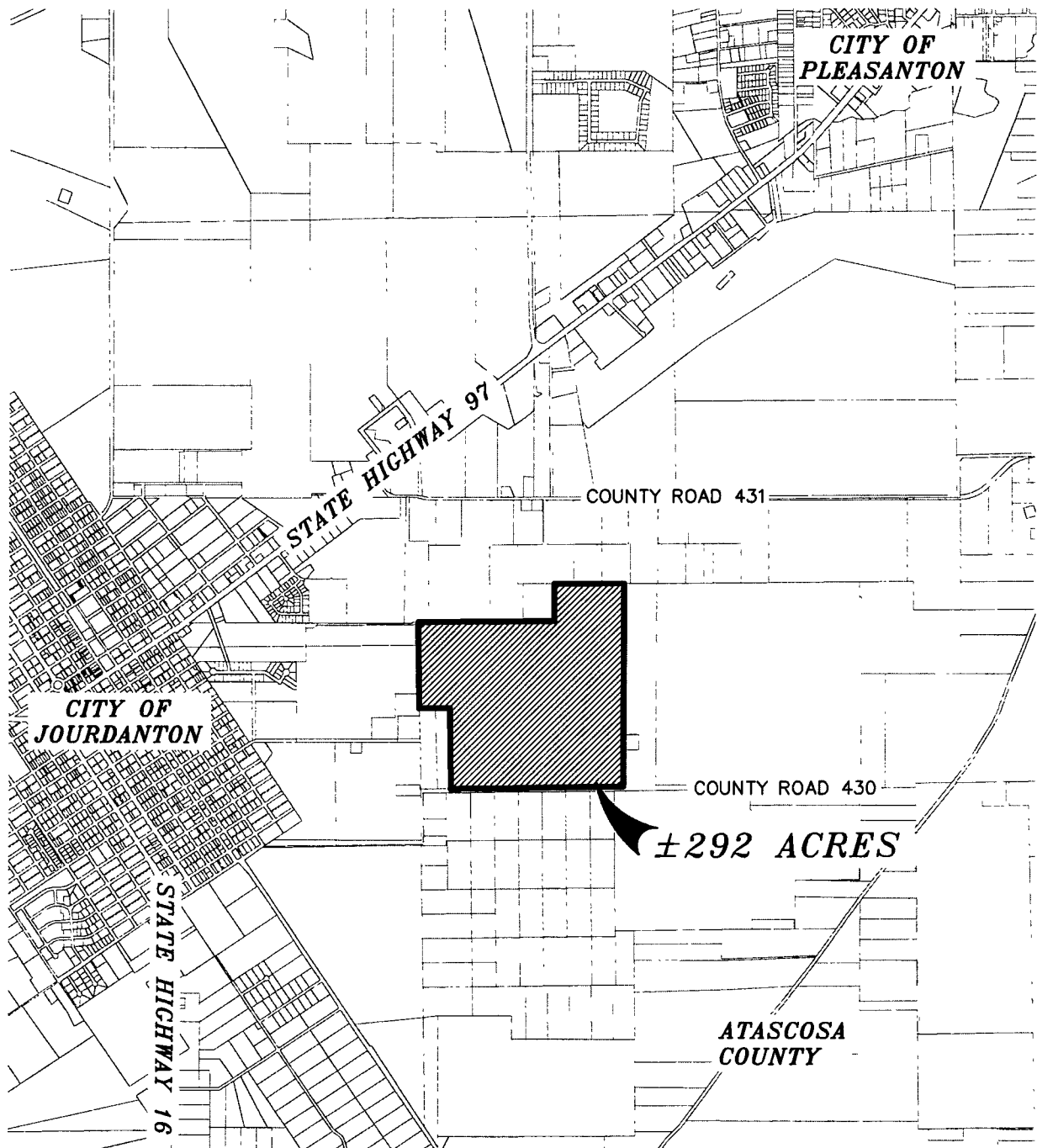
#292 ACRE TRACT
 JOURDANTON, TEXAS
 DETAILED MAP

Rakowitz
 ENGINEERING & SURVEYING
 830 281 4060

EXHIBIT C

LARGE SCALE GENERAL LOCATION MAP

EXHIBIT C



±292 ACRE TRACT - JOURDANTON, TX

GENERAL LOCATION MAP



830.281 4060 PO BOX 172 PLEASANTON, TX 78064



EXHIBIT D

SURVEY

EXHIBIT D

A Survey of 206 856 acres of land situated about 1.8 miles East of Jourdanton in Atascosa County, Texas, having acreage in the following original surveys:

<u>SURVEY NO.</u>	<u>ABSTRACT NO.</u>	<u>ORIGINAL GRANTEE</u>	<u>ACRES</u>
4½	1667	E. B. Brown	24.575
136	490	I. & G. N. R.R. CO.	67.870
136½	1657	John W. Hunt	28.234
1765	489	I & G. N. R.R. CO.	<u>86.177</u>
Total			206 856

being all of Lots 1, 15, 24, 38, 38½ and 39½, and portions of Lots 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, Block 9 of Subdivision No. 1 of the Dr. Charles F. Simmons Subdivision, a subdivision as shown in Volume 37 of the Deed Records of Atascosa County, Texas, said 206.856 acres of land being a portion of that certain 200.75 acre tract of land described in a deed to Charles L. Ulcak, et al from L. L. Ulcak, et ux, dated March 7, 1976, as recorded in Volume 428 on Page 295 of the Deed Records of Atascosa County, Texas, and a portion of that certain 103.5 acres of land described in a deed to Albert B. Ulcak, et al from Charles L. Ulcak, et al, dated December 12, 1986, as recorded in Volume 772 on Page 425 of the aforementioned Deed Records, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 5/8" iron pin found in fence on the recognized North line of said Survey No. 4½, the recognized South line of Survey No. 70, Abstract No. 1012, M. D. Fortner, original Grantee, the lower North line of said 200.75 acre tract of land, and the South line of Lot 208 of Whitfield Hills Subdivision, Unit 2, a subdivision as shown on a plat thereof recorded in New Plat Cabinet on Sheet 157B of the Plat Records of Atascosa County, Texas, for the Northeast corner of a certain 85.441 acre tract of land, this day surveyed, and the lower Northwest corner of this survey from which a 3" diameter pipe corner post found for the recognized Northwest corner of Survey No. 70½, Abstract No. 1633, W. H. Smith, original Grantee, the recognized Northeast corner of Survey No. 1, Abstract No. 1239, J. Poitevent, original Grantee, and the Northwest corner of said 85.441 acre tract of land bears S 89-41-52W 620.13 feet and S 89-43-04 W 825.14 feet;

THENCE: Along fence, the recognized North line of said Survey No. 4½, the recognized westernmost North line of said Survey No. 1765, and the South line of Lots 208 & 211 of Whitfield Hills Subdivision, Unit 2, N 89-42-29 E 1191.96 feet to a 2" diameter pipe corner post on the West line of said SS Farm Tract No. 1 for a recognized interior corner of said Survey No. 1765, the recognized Southeast corner of said Survey No. 70, the Southeast corner of said Lot 211, and an interior corner of this survey;

THENCE: Along fence, the recognized upper West line of said Survey No. 1765, the recognized East line of said Survey No. 70, the West line of said SS Farm Tract No. 1, and the lower East line of said Lot 211, N 00-10-43 W 721.24 feet to a 2" diameter pipe corner post on the South line of Lot 1 of Whitfield Hills Subdivision, Unit 1, a subdivision as shown on a plat thereof recorded in New Plat Cabinet on Page 132B of the said Plat Records, for the recognized upper Northwest corner of said Survey No. 1765, the recognized Southwest corner of Survey No. 80, Abstract No. 940, A. Flagge, original Grantee, the Northwest corner of said SS Farm Tract No. 1, the lower Northeast corner of said Lot 211 and the upper Northwest corner of this survey,

EXHIBIT D

Page 2

THENCE: Along fence, the recognized upper North line of said Survey No. 1765, the recognized South line of said Survey No. 80, the North line of SS Farm Tract Nos. 1 and 2 and the South line of Lots 1, 4, and 5, of said Whitfield Hills Subdivision, Unit I, S 89-58-42 E. 910-61 feet to a 4" diameter treated corner post for the Southeast corner of said Lot 4, the Southwest corner of said Lot 5, and an angle point of this survey, and S 89-58-52 E 424.28 feet to a 5/8 iron pin found for the Northwest corner of that certain 52.000 acre tract of land described in a deed to Shawn P Curbow and Shane A. Curbow from Ben J Ulcak, et ux, dated September 1, 1994, as recorded in Volume 14 on Page 731 of the Official Public Records of Atascosa County, Texas, and the Northeast corner of this survey;

THENCE: Along the West line of said 52.000 acre tract of land, S 00-24-04 W

3932.57 feet to a 1/2" iron pin found on the North line of the Old

Jourdanton-Franks Road (CR 430) for the Southwest corner of said

52,000 acre tract of land and the Southeast corner of this survey;

THENCE: Along the North line of said Old Jourdanton-Franks Road (CR 430), S 89-27-27 W 2477.97 feet to a 5/8" iron pin set for the Southeast corner of that certain 45.997 acre tract of land described in a deed to Charles L. Ulcak, et ux from Albert B. Ulcak, et al, dated January 8, 1987, as recorded in Volume 772 on Page 431 of the said Deed Records, the Southeast corner of said 85 441 acre tract of land, and the Southwest corner of this survey;

THENCE: Along the East line of said 45.997 acre tract of land and the East line of said 85 441 acre tract of land, N 00-20-27 W 3229.16 feet to the POINT OF BEGINNING.

The bearings are relative to Geodetic North as taken from GPS Observations. Per survey of Charles W. Rothe, Registered Professional Surveyor No. 2453, dated July 15, 2004.

EXHIBIT D

A survey of 85.441 acres of land situated about 1 8 miles East of Jourdanton in Atascosa County, Texas, having acreage in the following original surveys:

SURVEY NO.	ABSTRACT NO.	ORIGINAL GRANTEE	ACRES
4	1229	L. D. Murphy	41.800
4½	1667	E. B. Brown	15.700
70½	1633	W. H. Smith	7.786
136½	1657	John W. Hunt	13.313
272	1673	H. F. Smith	<u>6.842</u>
Total			85.441

said 85.441 acres of land being a portion of that certain 52.01 acre tract of land described in a deed to Charles L. Ulcak, et ux from George A. Jasik, et ux, dated October 18, 1951, as recorded in Volume 212 on Page 297 of the Deed Records of Atascosa County, Texas, all of that certain 7.7 acres of land, more or less, described in a deed to Charles Lee Ulcak from W. R. Webb, et ux, dated April 16, 1962, as recorded in Volume 287 on Page 428 of the aforementioned Deed Records, and all of that certain 45.997 acre tract of land described in a deed to Charles L. Ulcak, et ux from Albert B. Ulcak, et al, dated January 8, 1987, as recorded in Volume 772 on Page 431 of the said Deed Records, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 3" diameter pipe corner post found on the recognized South line of Survey No. 70, Abstract No. 1018, M. D. Fortner, original Grantee, and the South line of Tract 201 of Whitfield Hills Subdivision, Unit 2, a subdivision as shown on a plat thereof recorded in NPC on Sheet 157B of the Plat Records of Atascosa County, Texas, for the recognized Northwest corner of said Survey No. 70½, the recognized Northeast corner of Survey No. 1, Abstract No. 1239, J. Portevent, original Grantee, the Northwest corner of said 7.7 acres of land, more or less, and the Northwest corner of this survey;

THENCE; Along fence, the recognized South line of said Survey No. 70, the recognized North line of said Survey No. 70½, the recognized North line of said Survey No. 4½, the North line of said 7.7 acres of land, more or less, the North line of said 45.997 acre tract of land, and the South lines of Tract Nos. 201, 210, and 208 of said Whitfield Hills Subdivision, Unit 2, N 89-43-04 E 825.14 feet to a 5/8" iron pin found for the Northwest corner of said 45.997 acre tract of land and an angle point of this survey and N 89-41-52 E 620.13 feet to a 5/8" iron pin found for the Northeast corner of said 45.997 acre tract of land, the lower Northwest corner of a certain 206.856 acre tract of land, this day surveyed, and the Northeast corner of this survey;

THENCE: Along the East line of said 45.997 acre tract of land and the lower West line of said 206.856 acre tract of land, S 00-20-27 E 3229.16 feet to a 5/8" iron pin set on the North line of the Old Jourdanton-Franks Road (CR 430) for the Southeast corner of said 45.997 acre tract of land and the Southeast corner of this survey,

THENCE: Along the North line of said Old Jourdanton-Franks Road (CR 430), in part along the South line of said 45.997 acre tract of land, and in part along the South line of said 52.01 acre tract of land, S 89-27-27 W 620.70 feet to a ½" iron pin found by an 8" diameter treated post for an angle point and S 89-29-35 W 220.69 feet to a 5/8" iron pin set for the Southeast corner of a certain 21.301 acre tract of land, this day surveyed, and the lower Southwest corner of this survey;

EXHIBIT D

Page 2

THENCE: Along the East line of said 21.301 acre tract of land, N 00-33-36 W 1567.80 feet to a 5/8" iron pin set for the Northeast corner of said 21.301 acre tract of land, and an interior corner of this survey;

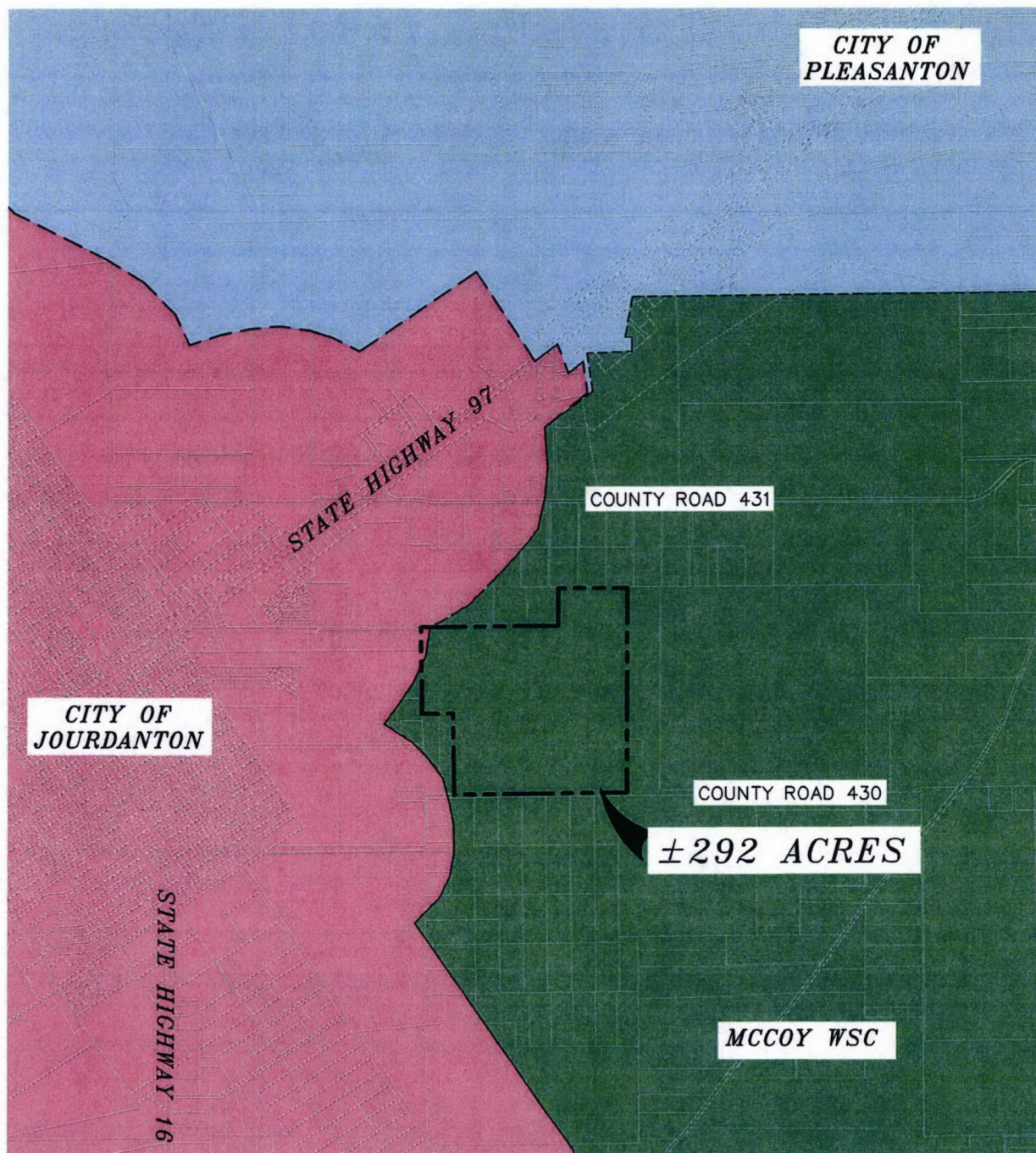
THENCE. Along the North line of said 21.301 acre tract of land, West 590.86 feet to a 3" diameter pipe post found on the recognized West line of said Survey No. 272, the recognized East line of said Survey No. 1, the West line of said 52.01 acre tract of land, and the East line of that certain 9.45 acre tract of land described in a deed to Manuel G. and Mary A. Castro from Thomas F. and Lola M. Perks, dated August 25, 2000, as recorded in Volume 152 on Page 442 of the Official Public Records of Atascosa County, Texas, for the Northwest corner of said 21.301 acre tract of land, and the upper Southwest corner of this survey;

THENCE. Along fence, the recognized West line of said Survey No. 272, the recognized West line of said Survey No. 70½, the recognized East line of said Survey No. 1, the West line of said 52.01 acre tract of land, and the West line of said 7.7 acres of land, more or less, N 00-34-59 W 1661.96 feet to the POINT OF BEGINNING

The bearings are relative to Geodetic North as taken from GPS Observations. Per survey of Charles W. Rothe, Registered Professional Surveyor No. 2453, dated July 15, 2004

EXHIBIT E
CCN OVERLAY MAP

EXHIBIT E



±292 ACRE TRACT - JOURDANTON, TX

CCN MAP



830.281.4060 PO BOX 172 PLEASANTON, TX 78064



EXHIBIT F
AFFIDAVIT

EXHIBIT F

AFFIDAVIT OF CLAY MORGAN


STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, THE UNDERSIGNED AUTHORITY, on this day personally appeared, a person well known to me, who upon oath stated:

"My name is Clay Morgan. I am competent to make this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.

1. I am Manager of HSMC, LLC ("HSMC"). HSMC is the owner of 292.16 acres of land outside the city limits of the Pleasanton and Jourdanton in the County of Atascosa (the "Tract") as more particularly described on the attached Exhibit A.
2. The majority of the Tract, save and except a small sliver located in the far northeast corner of the Tract ("Tract Sliver"), is located in the McCoy Water Supply Corporation ("McCoy WSC") Certificate of Convenience and Necessity No. 10649 ("CCN") for water service. McCoy does not currently provide retail water service to the Tract and has no easements on the Tract. The Tract Sliver is currently located in the City of Jourdanton ("Jourdanton") CCN as more accurately depicted on the attached Exhibit B which is a depiction of the Jourdanton and McCoy CCNs with an overlay of the Tract.
3. I have discussed retail water service with representatives from the McCoy WSC, but the only option that McCoy WSC has provided me is the construction of a water main that would connect to McCoy's retail water main located at a considerable distance from the Tract. The construction of the water main would be at considerable cost and expense.
4. The City of Jourdanton ("Jourdanton") currently has a retail water service line that crosses directly near the front of the Tract, which could provide retail water to the Tract immediately and at minimum cost.
5. If the Public Utility Commission grants my petition for release from the City's CCN, I intend to seek retail water service from Jourdanton."

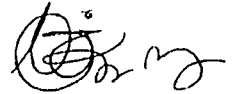
AFFIANT:

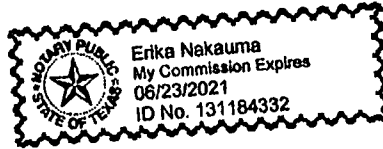


Clay Morgan, Manager

EXHIBIT F

SUBSCRIBED AND SWORN TO before me on this 25th day of August, 2017, by Clay Morgan, Manager, of HSMC, LLC.





Notary Public, State of Texas

Name: Erika Nakauma

EXHIBIT A

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.

WD/VL THOMAS GRASS OF TEXAS, L.L.C. to HMSC, LLC

WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS §
COUNTY OF ATASCOSA §

KNOW ALL MEN BY THESE PRESENTS:

That **THOMAS GRASS OF TEXAS, L.L.C.**, a Texas limited liability company, of Atascosa County, Texas (herein referred to as "Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (10.00) and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery by Grantee of that one certain Promissory Vendor's Lien Note dated July 19, 2017, such note being secured by a Deed of Trust dated July 19, 2017, to Ben R. Novosad, Trustee; has GRANTED, SOLD, and CONVEYED, and by these presents does GRANT, SELL, and CONVEY unto **HMSC, LLC**, a Texas limited liability company, its address being 10829 Jollyville Rd., Austin, Texas 78759 (herein referred to as Grantee"), all of the following described real property ("Property") located in Atascosa County, Texas, to-wit:

BEING a tract of land containing 292.16 acres, more or less, containing all of Lots 1, 15, 24, 38, 38 1/2, and 39 1/2, and portions of 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, all of Block 9, of Subdivision No. 1 of the Charles F. Simmons Subdivision, and having 8.06 acres lying in the W. H. Smith Survey No. 70 1/2, Abstract No. 1633; 8.58 acres lying in the H. F. Smith Survey No. 272, Abstract No. 1673; 52.46 acres lying in the L. D. Murphy Survey No. 4, Abstract No. 1229; 34.54 acres lying in the J. W. Hunt Survey No. 136 1/2, Abstract No. 1657; 38.79 acres lying in the J. W. Preston Survey No. 4 1/2, Abstract No. 1667; 85.83 acres lying in the I.&G.N.R.R. Co. Survey No. 1765, Abstract No. 489; and 63.90 acres lying in the I.&G.N.R.R. Survey No. 136, Abstract no. 490, Atascosa County, Texas, being all of a 206.856 acre tract of land and an 85.441 acre tract of land, both described in instrument recorded as Clerk's File No. 87165 of the Official Public Records of Atascosa County, Texas, said tract of land being more particularly described in the EXHIBIT "A" attached hereto and incorporated herein by reference for all purposes;

SAVE AND EXCEPT HOWEVER, and there is hereby reserved unto Grantor, and itself, its successors, and assigns, all rights, title, and interests owned by Grantor in and to the oil, gas and other minerals lying in and under or upon or that may be saved and produced from the above described Property, *except that* Grantor does hereby waive and convey to Grantee all rights to use the surface estate, including the rights of ingress and egress, associated with the mineral rights reserved herein.

This conveyance and the hereinafter warranty are made expressly subject to the following items:

- a. Rights of parties in possession;
- b. Shortages in area;
- c. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records of Atascosa County, Texas;
- d. Right-of-Way and Easement dated October 4, 1949, executed by George A. Jasik, et ux. to United Gas Pipe Line Co., recorded in Vol. 200, Page 158 of the Deed Records of Atascosa County, Texas;
- e. Right-of-Way and Easement dated October 10, 1949, executed by L. L. Ulcak, et ux. to United Gas Pipe Line Co., recorded in Vol. 200, Page 159 of the Deed Records of Atascosa County, Texas;

EXHIBIT A

- f. Right-of-Way and Easement dated November 9, 1949, executed by Mrs. Hilda Haverlah, et vir. to United Gas Pipe Line Company, recorded in Vol. 200, Page 227, Deed Records of Atascosa County, Texas;
- g. Mineral and/or Royalty Reservation as set out in Warranty Deed dated December 14, 1964, executed by Charles Lee Ulcak to Mary Frances Peel, recorded in Vol. 303, Page 284, Deed Records of Atascosa County, Texas, and corrected in Vol. 421, Page 395, Deed Records of Atascosa County, Texas;
- h. Application of Landowner to Condition an Abandoned Well dated October 21, 1991, recorded in Vol. 842, Page 641, Deed Records of Atascosa County, Texas;
- i. Application of Landowner to Condition an Abandoned Well dated February 9, 2005, recorded in Book 301, Page 712, Official Public Records, Atascosa County, Texas;
- j. Application of Landowner to Condition an Abandoned Well dated February 9, 2005, recorded in Book 301, Page 714, Official Public Records, Atascosa County, Texas;
- k. Oil Lease dated August 12, 2008, executed by Thomas Grass of Texas, LLC to Spiller Operating Co. Inc., filed for record on August 26, 2008, under Clerk's File No. 100639, Official Public Records of Atascosa County, Texas;
- l. Memorandum of Oil and Gas Lease dated April 22, 2010, executed by Thomas Grass of Texas, LLC to Abraxas Petroleum Corp., recorded under Clerk's File No. 113331, Official Public Records of Atascosa County, Texas;
- m. Designation of Unit dated October 3, 2011, executed by Blue Eagle Energy, LLC, recorded under Clerk's File No. 125365, Official Public Records, Atascosa County, Texas;
- n. Easement and Right-of-Way dated January 13, 2012, executed by Thomas Grass of Texas, LLC to AEP Texas Central Company, recorded under Clerk's File No. 129737 of the Official Public Records of Atascosa County, Texas;
- o. Right-of-Way Easement dated November 20, 2012, executed by Thomas Grass of Texas, LLC to Karnes Elec. Coop., Inc., recorded under Clerk's File No. 139090 of the Official Public Records of Atascosa County, Texas;
- p. Easement and Right-of-Way dated April 30, 2014, executed by Thomas Grass of Texas, LLC to AEP Texas Central Company, recorded under Clerk's File No. 159560 of the Official Public Records of Atascosa County, Texas;
- q. Rights of tenants;
- r. Title to the manufactured home unit or any other personal property involved in the sale of the Property;
- s. Liens against any manufactured home unit or any other personal property; and
- t. Any claim based on the following as shown on survey plat dated June 5, 2017, revised July 11, 2017, prepared by Rakowitz Engineering & Surveying, Walt F. Rakowitz, RPLS #6435:
 - i) oil & gas well & production facility; 1.948 acres, more or less, no record title; platted roadway; gas lines; abandoned man camp; center pivot and well; easements; mobile homes and sheds; bulk water facility; and access road.

TO HAVE AND TO HOLD the above described Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, and its successors and assigns forever; and subject to the reservation and the exceptions listed above, Grantor does bind itself, its successors, and assigns, to WARRANT AND FOREVER DEFEND all and singular the said Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed that a Vendor's Lien, as well as the superior title in and to the above described Property, is retained against the above described Property, premises, and improvements, until the above described Note and all interest thereon are fully paid according to the face, tenor, effect, and reading thereof, after which this Deed shall become absolute.

EXHIBIT A

The undersigned Grantor does hereby transfer, assign, and convey the hereinabove retained Vendor's Lien, together with the superior title in and to the Property securing same, unto CAPITAL FARM CREDIT, FLCA, its successors and/or assigns, and agrees that the said CAPITAL FARM CREDIT, FLCA, its successors and/or assigns, may release said Vendor's Lien whenever the Note which it secures has been fully paid.

EXECUTED on the 19th day of July, 2017.

Grantor:

THOMAS GRASS OF TEXAS, L.L.C., a Texas limited liability company

By: [Signature]
JOHN E. GOODWIN, President

By: [Signature]
BONNIE GOODWIN, Vice President

Acknowledgments

THE STATE OF TEXAS §

COUNTY OF Atascosa §

This instrument was acknowledged before me on this 19th day of July, 2017, by JOHN E. GOODWIN, as President of THOMAS GRASS OF TEXAS, L.L.C., a Texas limited liability company, acting for and on behalf of said limited liability company.



[Signature]
NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF Atascosa §

This instrument was acknowledged before me on this 19th day of July, 2017, by BONNIE GOODWIN, as Vice President of THOMAS GRASS OF TEXAS, L.L.C., a Texas limited liability company, acting for and on behalf of said limited liability company.



[Signature]
NOTARY PUBLIC, STATE OF TEXAS

After Recording, Return to:

HMSC, LLC
10829 Jollyville
Austin, Texas 78759

Prepared By:

SILLIVENT LAW FIRM (CCS)
P. O. Box 400
Jourdanton, Texas 78026

EXHIBIT A

State of Texas
County of Atascosa

Field notes for a tract of land containing 292.16 acres, containing all of lots 1, 15, 24, 38, 38 1/2, and 39 1/2 and portions of 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, all of Block 9, of Subdivision No 1 of the Charles F Simmons Subdivision, and having 8.06 acres lying in the W.H. Smith Survey No. 70 1/2, Abstract No. 1633, 8.68 acres lying in the H. F. Smith Survey No. 272, Abstract No. 1673, 52.46 acres lying in the L.D. Murphy Survey No. 4, Abstract No. 1229, 34.54 acres lying in the J.W. Hunt Survey No. 136 1/2, Abstract No. 1657, 38.79 acres lying in the J.W. Preston Survey No. 4 1/2, Abstract No. 1667, 85.83 acres lying in the L&G.N.R.R. Co Survey No. 1785, Abstract No. 489, and 63.90 acres lying in the L&G.N.R.R. Survey No. 136, Abstract No. 490, Atascosa County, Texas, as shown on the accompanying Plat of Survey prepared for MPH Capital Management, Inc., dated June 5, 2017, and revised on July 11, 2017.

A tract of land containing 292.16 acres, containing all of lots 1, 15, 24, 38, 38 1/2, and 39 1/2 and portions of 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, all of Block 9, of Subdivision No 1 of the Charles F Simmons Subdivision, and having 8.06 acres lying in the W.H. Smith Survey No. 70 1/2, Abstract No. 1633, 8.68 acres lying in the H. F. Smith Survey No. 272, Abstract No. 1673, 52.46 acres lying in the L.D. Murphy Survey No. 4, Abstract No. 1229, 34.54 acres lying in the J.W. Hunt Survey No. 136 1/2, Abstract No. 1657, 38.79 acres lying in the J.W. Preston Survey No. 4 1/2, Abstract No. 1667, 85.83 acres lying in the L&G.N.R.R. Co Survey No. 1785, Abstract No. 489, and 63.90 acres lying in the L&G.N.R.R. Survey No. 136, Abstract No. 490, Atascosa County, Texas, being all of a 206.856 acre tract of land and an 85.441 acre tract of land, both described in instrument recorded as Clerk's File No. 87165, of the Official Public Records of Atascosa County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a 1/2 inch steel rod monument, found at the Southeast corner of said 206.856 acre tract of land, being the Southwest corner of a 52.00 acre tract of land, described in instrument recorded as Clerk's File No. 118758 of the Official Public Records of Atascosa County, Texas, and lying on the North line of County Road 430, said point being the Southeast corner of this tract of land;

Thence South 89° 13' 41" West, 3098.41 feet, along the South line of said 206.856 acre tract of land, and the South line of said 85.441 acre tract of land, being the North line of said County Road 430, to a point marked by a set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying;

Thence South 89° 16' 40" West, 220.87 feet, continuing along the South line of said 85.441 acre tract of land, being the North line of said County Road 430, to a point marked by a 1/2 inch iron rod found at the Southern Southwest corner of said 85.441 acre tract of land, being the Southeast corner of a 21.301 acre tract of land conveyed to Charles L. Ucak, said point being the Southern Southwest corner of this tract of land;

Thence along the West line of said 85.441 acre tract of land the following bearings and distances:

North 00° 47' 27" West, 1567.38 feet, along the East line of said 21.301 acre tract of land, to a corner post found at the Northeast corner of said 21.301 acre tract of land;

South 89° 44' 59" West, 590.90 feet, along the North line of said 21.301 acre tract of land, to a corner post found at the Northwest corner of said 21.301 acre tract of land, lying on the East line of a 115.55 acre tract of land, described in instrument recorded in Book 251, Page 543, of the Official Public Records of Atascosa County, Texas;

North 00° 48' 08" West, 1661.32 feet, along the East line of said 115.55 acre tract of land, to a fence corner post found at the Northwest corner of said 85.441 acre tract of land, lying on the South line Whitfield Hills Subdivision Unit 2, said point being the Northwest corner of this tract of land;

Thence along the North line of said 85.441 acre tract of land, and the North line said 206.856 acre tract of land, being the South line of Whitfield Hills Subdivision, Units 1 and 2, the following bearings and distances:

North 89° 28' 20" East, 824.83 feet, to a point marked by a set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying;

EXHIBIT A

(Continued from previous page – final page)

North 89° 27' 08" East, 618.90 feet, to a point marked by a set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying;

North 89° 27' 44" East, 1191.53 feet, to a corner post;

North 00° 23' 16" West, 720.81 feet, to a corner post;

North 89° 50' 05" East, 811.91 feet, to point marked by a found 1/2 inch iron rod;

North 89° 45' 36" East, 422.56 feet, to a corner post at the Northeast corner of said 206.856 acre tract of land, being the Northwest corner of said 52.00 acre tract of land, and being the Northeast corner of this tract of land;

Thence South 00° 09' 47" West, 3931.15 feet, along the East line of said 206.856 acre tract of land, being the West line of said 52.00 acre tract of land, to the Point of Beginning;
Bearings recited in this description are determined from GNSS observation, Texas Coordinate System, NAD 83, taken at time of survey.

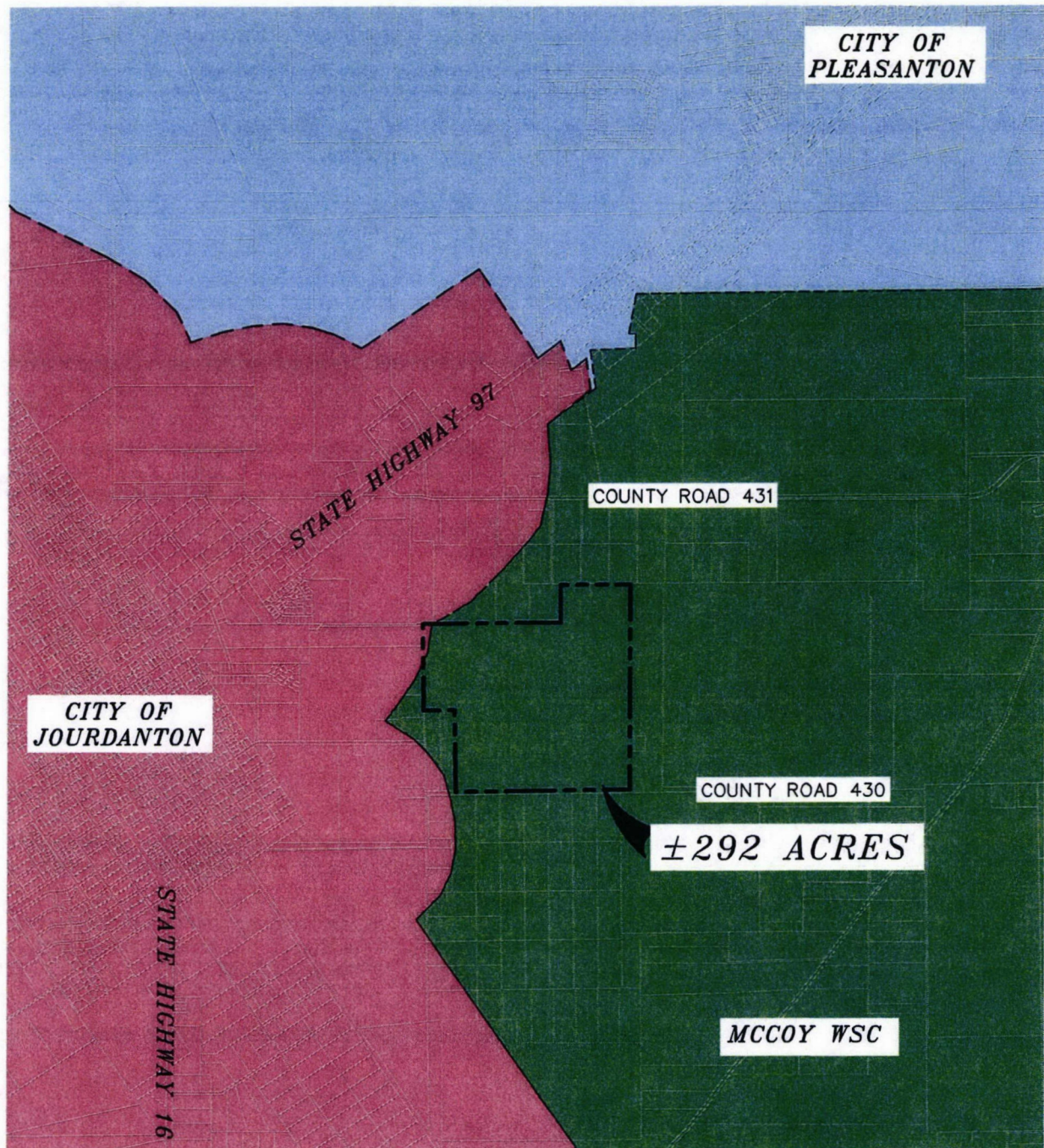
I, Walt F. Rakowitz, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 292.16 acres, shown on the accompanying Plat of Survey prepared for MPH Capital Management, Inc., dated June 5, 2017, and revised on July 11, 2017 were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

Walt F. Rakowitz

Walt F. Rakowitz R.P.L.S. 8435
Rakowitz Engineering and Surveying
PO Box 172
Pleasanton, Texas 78064
830-281-4080



EXHIBIT B



±292 ACRE TRACT - JOURDANTON, TX

CCN MAP



Rakowitz

ENGINEERING & SURVEYING

TEXAS REGISTERED ENGINEERING FIRM F-9155

TEXAS LICENSED SURVEYING FIRM 101812-00

830.281.4060

PO BOX 172

PLEASANTON, TX 78064



1" = 3,000'

EXHIBIT G
REDACTED TITLE COMMITMENT / EASEMENTS

EXHIBIT G

Martin Abstract Company, Inc.
P.O. Box 127 – 712 Main Street
Jourdanton, Texas 78026

(S.A. Metro): 830-767-3031

FAX: 830-769-2183

May 26, 2017

Clay Morgan
10829 Jollyville
Austin, TX 78759
Via Email: cemorgan@mphland.com

Re: Thomas Grass of Texas, LLC to Clay Morgan
2155 County Road 430, Pleasanton, TX 78064
File No.: 14213MAC

Dear Mr. Morgan:

Please find attached the Commitment for Title Insurance and Privacy Policy Notices for the above-referenced transaction. If you wish to be provided with copies of any of the recorded documents referenced in the commitment, please contact our office. Copies can be provided at the cost of \$1.00 per page.

We advise you to consult with your attorney as to the Commitment, all of the exceptions and requirements set forth in the Commitment, as well as your proposed use and activity of said property.

Please feel free to contact our office should you have any questions.

Sincerely,


Renee Tudyk
Escrow Officer


RT/me

CC:
Thomas Grass of Texas, LLC
Via Email: hanieboat1@yahoo.com

Copy of Commitment for Title Insurance

Brohill Realty, Ltd
Clifton Shearrer - Via Email: clifton@brohillrealty.com
Michael Barrow - Via Email: michael@brohillrealty.com

EXHIBIT G

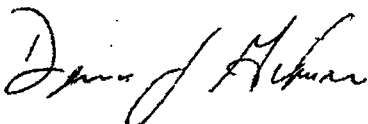
 First American Title™	Commitment for Title Insurance (T-7) ISSUED BY First American Title Insurance Company
Commitment	

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN **SCHEDULE A** AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

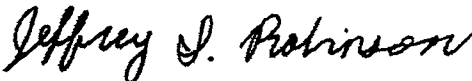
We **FIRST AMERICAN TITLE INSURANCE COMPANY** will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

First American Title Insurance Company



Dennis J. Gilmore
President



Jeffrey S. Robinson
Secretary

Martin Abstract Company, Inc.
Jourdanton, Texas 78026


By: 

 Authorized CounterSignature

(This Commitment is valid only when Schedules A, B, C, and D are attached)

This jacket was created electronically and constitutes an original document

EXHIBIT G

 First American Title	Commitment for Title Insurance (T-7) ISSUED BY First American Title Insurance Company
Schedule A	

Effective Date: May 17, 2017 at 8:00 AM

GF No.: 14213MAC

Commitment No. 14213MAC, issued May 26, 2017, 3:25 PM

1. The policy or policies to be issued are:

- (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount:
PROPOSED INSURED: Clay Morgan
- (b) TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
-ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount: \$
PROPOSED INSURED:
- (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount: T.B.D.
PROPOSED INSURED: TBD
Proposed Borrower: Clay Morgan
- (d) TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
Policy Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- (e) LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
Binder Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- (f) OTHER:
Policy Amount: \$
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is:

Fee Simple

3. Record title to the land on the Effective Date appears to be vested in:

Thomas Grass of Texas, LLC

4. Legal description of the land:

LEGAL DESCRIPTION WILL BE AMENDED UPON RECEIPT OF SURVEY

Tract I

BEING 206.856 acres, more or less, situated in Atascosa County, Texas, being more particularly described by metes and bounds in Exhibit A.

Tract II

(This Schedule A is valid only when Cover, Schedules B, C and D are attached)

EXHIBIT G

BEING 85.441 acres, more or less, situated in Atascosa County, Texas, being more particularly described by metes and bounds in Exhibit B.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

(This Schedule A is valid only when Cover, Schedules B, C and D are attached)

EXHIBIT G

A Survey of 206 856 acres of land situated about 1.8 miles East of Jourdanton in Atascosa County, Texas, having acreage in the following original surveys:

<u>SURVEY NO.</u>	<u>ABSTRACT NO.</u>	<u>ORIGINAL GRANTEE</u>	<u>ACRES</u>
4½	1667	E. B. Brown	24.575
136	490	I. & G. N. R.R. CO.	67.870
136½	1657	John W. Hunt	28.234
1765	489	I & G. N. R.R. CO.	86.177
Total			206 856

being all of Lots 1, 15, 24, 38, 38½ and 39¼, and portions of Lots 2, 5, 11, 16, 25, 31, 39, 45, 57, and 75, Block 9 of Subdivision No. 1 of the Dr. Charles F. Simmons Subdivision, a subdivision as shown in Volume 37 of the Deed Records of Atascosa County, Texas, said 206.856 acres of land being a portion of that certain 200.75 acre tract of land described in a deed to Charles L. Ulcak, et al from L. L. Ulcak, et ux, dated March 7, 1976, as recorded in Volume 428 on Page 295 of the Deed Records of Atascosa County, Texas, and a portion of that certain 103.5 acres of land described in a deed to Albert B. Ulcak, et al from Charles L. Ulcak, et al, dated December 12, 1986, as recorded in Volume 772 on Page 425 of the aforementioned Deed Records, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 5/8" iron pin found in fence on the recognized North line of said Survey No. 4½, the recognized South line of Survey No. 70, Abstract No. 1012, M. D. Fortner, original Grantee, the lower North line of said 200.75 acre tract of land, and the South line of Lot 208 of Whitfield Hills Subdivision, Unit 2, a subdivision as shown on a plat thereof recorded in New Plat Cabinet on Sheet 157B of the Plat Records of Atascosa County, Texas, for the Northeast corner of a certain 85.441 acre tract of land, this day surveyed, and the lower Northwest corner of this survey from which a 3" diameter pipe corner post found for the recognized Northwest corner of Survey No. 70½, Abstract No. 1633, W. H. Smith, original Grantee, the recognized Northeast corner of Survey No. 1, Abstract No. 1239, J. Poitevent, original Grantee, and the Northwest corner of said 85.441 acre tract of land bears S 89-41-52W 620.13 feet and S 89-43-04 W 825.14 feet;

THENCE: Along fence, the recognized North line of said Survey No. 4½, the recognized westernmost North line of said Survey No. 1765, and the South line of Lots 208 and 211 of Whitfield Hills Subdivision, Unit 2, N 89-42-29 E 1191.96 feet to a 2" diameter pipe corner post on the West line of said SS Farm Tract No. 1 for a recognized interior corner of said Survey No. 1765, the recognized Southeast corner of said Survey No. 70, the Southeast corner of said Lot 211, and an interior corner of this survey;

THENCE: Along fence, the recognized upper West line of said Survey No. 1765, the recognized East line of said Survey No. 70, the West line of said SS Farm Tract No. 1, and the lower East line of said Lot 211, N 00-10-43 W 721.24 feet to a 2" diameter pipe corner post on the South line of Lot 1 of Whitfield Hills Subdivision, Unit 1, a subdivision as shown on a plat thereof recorded in New Plat Cabinet on Page 132B of the said Plat Records, for the recognized upper Northwest corner of said Survey No. 1765, the recognized Southwest corner of Survey No. 80, Abstract No. 940, A. Flagge, original Grantee, the Northwest corner of said SS Farm Tract No. 1, the lower Northeast corner of said Lot 211 and the upper Northwest corner of this survey,

EXHIBIT G

Page 2

THENCE: Along fence, the recognized upper North line of said Survey No. 1765, the recognized South line of said Survey No. 80, the North line of SS Farm Tract Nos. 1 and 2 and the South line of Lots 1, 4, and 5, of said Whitfield Hills Subdivision, Unit 1, S 89-58-42 E. 910-61 feet to a 4" diameter treated corner post for the Southeast corner of said Lot 4, the Southwest corner of said Lot 5, and an angle point of this survey, and S 89-58-52 E 424.28 feet to a 5/8 iron pin found for the Northwest corner of that certain 52.000 acre tract of land described in a deed to Shawn P Curbow and Shane A. Curbow from Ben J Ulcak, et ux, dated September 1, 1994, as recorded in Volume 14 on Page 731 of the Official Public Records of Atascosa County, Texas, and the Northeast corner of this survey;

THENCE: Along the West line of said 52.000 acre tract of land, S 00-24-04 W

3932.57 feet to a 1/2" iron pin found on the North line of the Old

Jourdanton-Franks Road (CR 430) for the Southwest corner of said

52,000 acre tract of land and the Southeast corner of this survey;

THENCE: Along the North line of said Old Jourdanton-Franks Road (CR 430), S 89-27-27 W 2477.97 feet to a 5/8" iron pin set for the Southeast corner of that certain 45.997 acre tract of land described in a deed to Charles L. Ulcak, et ux from Albert B. Ulcak, et al, dated January 8, 1987, as recorded in Volume 772 on Page 431 of the said Deed Records, the Southeast corner of said 85 441 acre tract of land, and the Southwest corner of this survey;

THENCE: Along the East line of said 45.997 acre tract of land and the East line of said 85 441 acre tract of land, N 00-20-27 W 3229.16 feet to the POINT OF BEGINNING.

The bearings are relative to Geodetic North as taken from GPS Observations. Per survey of Charles W. Rothe, Registered Professional Surveyor No. 2453, dated July 15, 2004.

EXHIBIT G

A survey of 85.441 acres of land situated about 1 8 miles East of Jourdanton in Atascosa County, Texas, having acreage in the following original surveys:

SURVEY NO.	ABSTRACT NO.	ORIGINAL GRANTEE	ACRES
4	1229	L. D. Murphy	41.800
4½	1667	E. B. Brown	15.700
70½	1633	W. H. Smith	7.786
136½	1657	John W. Hunt	13.313
272	1673	H. F. Smith	6.842
Total			85.441

said 85.441 acres of land being a portion of that certain 52.01 acre tract of land described in a deed to Charles L. Ulcak, et ux from George A. Jasik, et ux, dated October 18, 1951, as recorded in Volume 212 on Page 297 of the Deed Records of Atascosa County, Texas, all of that certain 7.7 acres of land, more or less, described in a deed to Charles Lee Ulcak from W. R. Webb, et ux, dated April 16, 1962, as recorded in Volume 287 on Page 428 of the aforementioned Deed Records, and all of that certain 45.997 acre tract of land described in a deed to Charles L. Ulcak, et ux from Albert B. Ulcak, et al, dated January 8, 1987, as recorded in Volume 772 on Page 431 of the said Deed Records, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 3" diameter pipe corner post found on the recognized South line of Survey No. 70, Abstract No. 1018, M. D. Fortner, original Grantee, and the South line of Tract 201 of Whitfield Hills Subdivision, Unit 2, a subdivision as shown on a plat thereof recorded in NPC on Sheet 157B of the Plat Records of Atascosa County, Texas, for the recognized Northwest corner of said Survey No. 70½, the recognized Northeast corner of Survey No. 1, Abstract No. 1239, J. Poitevent, original Grantee, the Northwest corner of said 7.7 acres of land, more or less, and the Northwest corner of this survey;

THENCE; Along fence, the recognized South line of said Survey No. 70, the recognized North line of said Survey No. 70½, the recognized North line of said Survey No. 4½, the North line of said 7.7 acres of land, more or less, the North line of said 45.997 acre tract of land, and the South lines of Tract Nos. 201, 210, and 208 of said Whitfield Hills Subdivision, Unit 2, N 89-43-04 E 825.14 feet to a 5/8" iron pin found for the Northwest corner of said 45.997 acre tract of land and an angle point of this survey and N 89-41-52 E 620.13 feet to a 5/8" iron pin found for the Northeast corner of said 45.997 acre tract of land, the lower Northwest corner of a certain 206.856 acre tract of land, this day surveyed, and the Northeast corner of this survey;

THENCE: Along the East line of said 45.997 acre tract of land and the lower West line of said 206.856 acre tract of land, S 00-20-27 E 3229.16 feet to a 5/8" iron pin set on the North line of the Old Jourdanton-Franks Road (CR 430) for the Southeast corner of said 45.997 acre tract of land and the Southeast corner of this survey,

THENCE: Along the North line of said Old Jourdanton-Franks Road (CR 430), in part along the South line of said 45.997 acre tract of land, and in part along the South line of said 52.01 acre tract of land, S 89-27-27 W 620.70 feet to a ½" iron pin found by an 8" diameter treated post for an angle point and S 89-29-35 W 220.69 feet to a 5/8" iron pin set for the Southeast corner of a certain 21.301 acre tract of land, this day surveyed, and the lower Southwest corner of this survey;

EXHIBIT G

Page 2


THENCE: Along the East line of said 21.301 acre tract of land, N 00-33-36 W 1567.80 feet to a 5/8" iron pin set for the Northeast corner of said 21.301 acre tract of land, and an interior corner of this survey;

THENCE. Along the North line of said 21.301 acre tract of land, West 590.86 feet to a 3" diameter pipe post found on the recognized West line of said Survey No. 272, the recognized East line of said Survey No. 1, the West line of said 52.01 acre tract of land, and the East line of that certain 9.45 acre tract of land described in a deed to Manual G. and Mary A. Castro from Thomas F. and Lola M. Perks, dated August 25, 2000, as recorded in Volume 152 on Page 442 of the Official Public Records of Atascosa County, Texas, for the Northwest corner of said 21.301 acre tract of land, and the upper Southwest corner of this survey;

THENCE. Along fence, the recognized West line of said Survey No. 272, the recognized West line of said Survey No. 70½, the recognized East line of said Survey No. 1, the West line of said 52.01 acre tract of land, and the West line of said 7.7 acres of land, more or less, N 00-34-59 W 1661.96 feet to the POINT OF BEGINNING

The bearings are relative to Geodetic North as taken from GPS Observations. Per survey of Charles W. Rothe, Registered Professional Surveyor No. 2453, dated July 15, 2004

EXHIBIT G

 First American Title	Commitment for Title Insurance (T-7)
	ISSUED BY First American Title Insurance Company
Schedule B	

G.F. No. or File No.: 14213MAC

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorney's fees, and expenses resulting from:

1. ~~The following restrictive covenants of record itemized below: (We must either insert specific recording data or delete this exception)~~
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.(Applies to the Owner's Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year 2017, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2017 and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title

(This Schedule B is valid only when Cover, Schedules A, C and D are attached)

EXHIBIT G

Policy binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy T-2 only.)
9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only). Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters: (We must insert matters or delete this exception.)
 - a. Rights of parties in possession. **(Owner Title Policy only)**
 - b. Any visible or apparent roadway or easement over or across the subject property, the existence of which does not appear of record.
 - c. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
 - d. Right-of-Way and Easement dated October 4, 1949, executed by George A. Jasik, et ux to United Gas Pipe Line Co., recorded in Vol. 200, Page 158 of the Deed Records of Atascosa County, Texas.
 - e. Right-of-Way and Easement dated October 10, 1949, executed by L. L. Ulcak, et ux to United Gas Pipe Line Co., recorded in Vol. 200, Page 159 of the Deed Records of Atascosa County, Texas.
 - f. Right-of-Way and Easement dated November 9, 1949, executed by Mrs. Hilda Haverlah, et vir to United Gas Pipe Line Company, recorded in Vol. 200, Page 227, Deed Records of Atascosa County, Texas.
 - g. Mineral and/or Royalty Reservation as set out in Warranty Deed dated December 14, 1964, executed by Charles Lee Ulcak to Mary Frances Peel, recorded in Vol. 303, Page 284, Deed Records of Atascosa County, Texas, and corrected in Vol. 421, Page 395, Deed Records of Atascosa County, Texas. (Title to said interest not checked subsequent to the date of aforesaid instrument.)
 - h. Application of Landowner to Condition an Abandoned Well dated October 21, 1991, recorded in Vol. 842, Page 641, Deed Records of Atascosa County, Texas.
 - i. Excepted from coverage is 1.948 acres under fence with no record title as set out on revised plat dated July 20, 2004, prepared by Charles W. Rothe, RPLS #2453.
 - j. Excepted from coverage is the 3.181 acres, being that portion of the thirty (30') foot platted roadway that lies within the subject property and as set out on revised plat dated July 20, 2004, prepared by Charles W. Rothe,
 - k. Application of Landowner to Condition an Abandoned Well dated February 9, 2005, recorded in Book 301, Page 712, Official Public Records, Atascosa County, Texas.
 - l. Application of Landowner to Condition an Abandoned Well dated February 9, 2005, recorded in Book 301, Page 714, Official Public Records, Atascosa County, Texas.
 - m. Oil Lease dated August 12, 2008, executed by Thomas Grass of Texas, LLC to Spiller Operating Co. Inc., filed for record on August 26, 2008, under Clerk's File No. 100639, Official Public Records of Atascosa County, Texas. (Title to said interest not checked subsequent to the date of aforesaid instrument.)

(This Schedule B is valid only when Cover, Schedules A, C and D are attached)

EXHIBIT G

- n. Memorandum of Oil and Gas Lease dated April 22, 2010, executed by Thomas Grass of Texas, LLC to Abraxas Petroleum Corp., recorded under Clerk's File No. 113331, Official Public Records of Atascosa County, Texas. (Title to said interest not checked subsequent to the date of aforesaid instrument.)
- o. Designation of Unit dated October 3, 2011, executed by Blue Eagle Energy, LLC, recorded under Clerk's File No. 125365, Official Public Records, Atascosa County, Texas.
- p. Easement and Right-of-Way dated January 13, 2012, executed by Thomas Grass of Texas, LLC to AEP Texas Central Company, recorded under Clerk's File No. 129737 of the Official Public Records of Atascosa County, Texas.
- q. Right-of-Way Easement dated November 20, 2012, executed by Thomas Grass of Texas, LLC to Karnes Elec. Coop., Inc., recorded under Clerk's File No. 139090 of the Official Public Records of Atascosa County, Texas.
- r. Easement and Right-of-Way dated April 30, 2014, executed by Thomas Grass of Texas, LLC to AEP Texas Central Company, recorded under Clerk's File No. 159560 of the Official Public Records of Atascosa County, Texas.
- s. Rights of tenants.
- t. The insuring company named herein does not undertake to guarantee title to the manufactured home unit or any other personal property involved in the sale of the property.
- u. The insuring company named herein does not undertake to guarantee a valid lien against any manufactured home unit or any other personal property involved in the mortgage established by the Deed of Trust herein described.
- v. Mineral and/or Royalty Reservation as set out in Warranty Deed dated ____, executed by Thomas Grass of Texas, LLC to Clay Morgan, recorded under Clerk's File No. ____, Official Public Records of Atascosa County, Texas.
- w. Vendor's Lien retained in deed dated ____, filed for record in the office of the County Clerk of Atascosa County, Texas, on ____, under Clerk's File No. ____, from Thomas Grass of Texas, LLC to Clay Morgan for the benefit of ____, as therein provided and all of the terms, provisions and conditions of said instrument.
- x. Deed of Trust dated ____, filed for record in the office of the County Clerk of Atascosa County, Texas on ____, under Clerk's File No. ____, executed by Clay Morgan to ____, Trustee, for the benefit of ____, as therein provided, and all of the terms, provisions and conditions of said instrument.
- y. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land. (Note: Upon receipt of a survey acceptable to the Title Company, this exception will be deleted. Title Company reserves the right to add additional exceptions and/or requirements upon review of said survey.)

(This Schedule B is valid only when Cover, Schedules A, C and D are attached)

EXHIBIT H
JOURDANTON WATER LINE MAP

EXHIBIT H

