



Control Number: 48680



Item Number: 48

Addendum StartPage: 0

# THE *Reid* FIRM

1840 Acton Highway  
Granbury, Texas 76049  
steve@reidfirmpc.com  
samuel@reidfirmpc.com

Local: (817) 573-3718  
Metro: (817) 279-8385  
Fax: (817) 573-9732

March 24, 2020

**VIA UPS DELIVERY**

Public Utility Commission of Texas  
Attention: Central Records  
1701 N. Congress Avenue, Suite 8-100  
Austin, Texas 78711-3326

RECEIVED  
2020 MAR 25 AM 9:53  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**Re: *Proof of Consummation of Transaction and Customer Deposits Addressed for the Application for Sale, Transfer, or Merger of a Retail Public Utility Bluebonnet Hills Water Supply Corporation (Transferor) City of Cresson, Texas (Transferee) Docket No. 48680***

To Whom It May Concern:

Enclosed herein please find the following documents executed by both Bluebonnet Hills Water Supply Corporation and the City of Cresson: Dedication & Warranty Deed, Bill of Sale, and Transfer Agreement.

This filing is made in accordance with PUC Order No. 9 issued on the 12<sup>th</sup> day of February 2020. Please process the enclosed documents.

Should you have any questions or require any additional documentation, please contact my office.

Kindest regards.

Very truly yours,



Samuel I. Reid  
Attorney, City of Cresson, Texas

SIR  
Enclosures:  
Dedication & Transfer Deed  
Bill of Sale  
Transfer Agreement

Supplemental Filings  
S:\SJR\Entities\Municipalities\City of Cresson\Blubonnet Hills Water Supply Corporation\PUC Transfer Filing 3.24.20.docx

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**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.**

**DEDICATION & WARRANTY DEED**

**DATE:** March 13, 2020

**GRANTOR:** Bluebonnet Hills Water Supply Corporation, a Texas Non-Profit Corporation

**GRANTOR'S MAILING ADDRESS:** P.O Box 619 Cresson, Texas 76035

**GRANTEE:** The City of Cresson, a political subdivision of the State of Texas

**GRANTEE'S MAILING ADDRESS:** P.O. Box 619 Cresson, Texas 76035

**CONSIDERATION:** 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

**PROPERTY (INCLUDING ANY IMPROVEMENTS):**

Part One:

The following tracts of real property shall be transferred:

1. Office Building: Being, the surface estate only of that certain Lot, Tract or Parcel of Land lying and being situated in Parker County, Texas and being Lot 14 in Section 1 of Bluebonnet Hills, a subdivision according to Plat of Record in Volume 362A, Pages 49 thru 51, Plat Records of Parker County, Texas;
2. Well Site #1 & #4: Lot 21-B and 22 in Section 1 Bluebonnet Hills, a subdivision filed of record in Volume 362-A, Page 60 in Parker County, Texas;
3. Well Site #2: BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-A, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas & BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas;
4. Well Site #3: BEING, the surface estate only of that certain Lot, Tract or Parcel of Land lying and being situated in Parker County, Texas and being Lot 24 in Section 3 of Bluebonnet Hills, a subdivision of Parker County, Texas according to Plat of Record in Volume 362A, Pages 49 thru 51, Plat Records of Parker County, Texas;
5. Well Site #3A: As evidenced by the TCEQ Planning Material letter and Authority to Use Grant Funds letter; and
6. Sanitary Control Easements for all Wells.

Please see attached Exhibit "A" for a full legal description of all properties.

Part Two:

All fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items of a like character and supplies including but not limited to the assets as same are described in the Bill of Sale attached as **Exhibit "B"**, and incorporated herein by reference

**RESERVATIONS FROM CONVEYANCE:** None.

**EXCEPTIONS TO CONVEYANCE AND WARRANTY:**

Any and all restrictions, covenants, easements, rights-of-way and reservations, if any, relating to the hereinabove described property, but only to the extent they are still in effect, shown of record in **Hood County, Texas**; all zoning laws, regulations or ordinances of municipal and other governmental authorities, if any, but only to the extent they are still in effect, relating to the hereinabove described property; all presently recorded and validly existing instruments, other than

conveyances of the surface fee estate, that affect the Property; and taxes for 2018, which Grantee assumes and agrees to pay, but not subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantor assumes.

Liens described as part of the Consideration and any other liens described in this deed as being either assumed or subject to which title is taken.

Further, this conveyance is made subject to any and all prior conveyance or reservation of any mineral interest including but not limited to the conveyance or reservation of any coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records of Hood 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, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

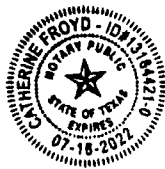
When the context requires, singular nouns and pronouns include the plural.

Bluebonnet Hills Water Supply Corporation,  
a Texas non-profit corporation

By: James McAnear  
James McAnear, President

STATE OF TEXAS                    §  
COUNTY OF HOOD               §

This instrument was acknowledged before me on March 23, 2020, by James McAnear as President of Bluebonnet Hills Water Supply Corporation, a Texas non-profit corporation, on behalf of said corporation.



Catherine Proyd  
NOTARY PUBLIC, STATE OF TEXAS

**EXHIBIT "A"**

**1 - Office Building, Legal Description, Lot 14**

BEING, the surface estate only of that certain Lot, Tract or Parcel of Land lying and being situated in Parker County, Texas and being Lot 14 in Section 1 of Bluebonnet Hills, a subdivision according to Plat of Record in Volume 362A, Pages 49 thru 51, Plat Records of Parker County, Texas, save and except that portion of Lot 14 described by metes and bounds as:

BEING a part of Lot 14, Section 1, Bluebonnet Hills, also known as a part of the I. & G.N.R.R. Survey, Abstract 1801, Parker County, Texas and Abstract 1259, Johnson County, Texas;

BEGINNING at a point being North 00 deg. 42 min. West 1447.06 feet, and South 89 deg. 18 min. West 523.42 feet from the Southeast corner of the I. & G.N.R.R. Survey;

THENCE South 89 deg. 18 min. West 200.0 feet to a steel pin for corner;

THENCE North 00 deg. 42 min. West at 30.0 feet, passing a steel pin in the North line of Skyline Drive, continuing in all 196.89 feet to a steel pin for corner;

THENCE North 89 deg. 18 min. East 200.0 feet to a steel pin for corner;

THENCE South 00 deg. 42 min. East 196.89 feet to the place of beginning and containing 0.904 acres.

Please see attached Warranty Deed dated January 12, 1990.

**EXHIBIT "A"**  
1 - Office Building, Legal Description, Lot 14  
(continued)

<p><b>The State of Texas,</b> } County of <b>HOOD PARKER</b> }</p> <p>That <b>BETZEL GROUP, INCORPORATED, A TEXAS CORPORATION</b></p> <p>of the County of <b>HOOD</b> State of <b>TEXAS</b> for and in consideration of the sum of <b>TEN AND NO/100</b>---(\$10.00)----- DOLLARS</p> <p>to it in hand paid by the Grantors,</p> <p>as follows: Cash and other valuable consideration to the undersigned, the receipt of which is hereby acknowledged,</p> <p>Have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said Grantees, <b>BLUBONNET HILLS WATER SUPPLY CORPORATION</b></p> <p>of the County of <b>PARKER</b> State of <b>TEXAS</b> all that certain real property in <b>PARKER County, Texas</b> to wit:</p> <p><b>BEING, the surface estate only of that certain Lot, Tract or Parcel of Land</b> lying and being situated in <b>Parker County, Texas</b> and being <b>Lot 14</b> in <b>Section</b> <b>1</b> of <b>Bluebonnet Hills</b>, a subdivision according to Plat of Record in Volume <b>362A</b>, Pages <b>48</b> thru <b>51</b>, Plat Records of <b>Parker County, Texas</b>, save and except that portion of <b>Lot 14</b> described by metes and bounds as <b>BEING</b> a part of <b>Lot</b> <b>14</b>, <b>Section 1</b>, <b>Bluebonnet Hills</b>, also known as a part of the <b>I. &amp; G. N. R. R. Survey</b> <b>Abstract 1801</b>, <b>Parker County, Texas</b> and <b>Abstract 1259</b>, <b>Johnson County, Texas</b>. <b>BEGINNING</b> at a point being <b>North 80 deg. 42 min. West 1447.06 feet</b>, and <b>South</b> <b>89 deg. 18 min. West 523.42 feet</b> from the <b>Southwest corner</b> of the <b>I. &amp; G. N. R. R.</b> <b>Survey</b>. <b>THENCE</b> <b>South 89 deg. 18 min. West 200.0 feet</b> to a steel pin for corner <b>THENCE</b> <b>North 00 deg. 42 min. West at 30.0 feet</b>, passing a steel pin in the <b>North line</b> of <b>Skyline Drive</b>, continuing in all <b>136.89 feet</b> to a steel pin for corner: <b>THENCE</b> <b>North 89 deg. 18 min. East 200.0 feet</b> to a steel pin for corner <b>THENCE</b> <b>South 00 deg. 42 min. East 196.89 feet</b> to the place of beginning and containing <b>0.904 acres</b>.</p> <p>Conveyance made herein subject to all restrictions, easements, covenants and conditions of record, if any, relating to the hereinabove described property.</p> <p>TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantees, their heirs and assigns forever and do hereby bind Grantees, their heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises unto the said Grantees, their heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.</p> <p>WITNESS my hand at <b>Granbury, Hood County, Texas</b> this <b>12TH</b> day of <b>JANUARY</b> 19 <b>90</b></p> <p>Witnesses at Request of Grantor</p>	<p style="text-align: right;">19039,</p> <p style="text-align: center;"><b>Know All Men by These Presents:</b></p> <p style="text-align: center;"><b>BETZEL GROUP, INCORPORATED</b></p> <p style="text-align: center;">BY: <i>[Signature]</i> <b>W. A. Bebbel, President</b></p> <p style="text-align: center;">BOOK <b>1470</b> PAGE <b>1914</b></p>
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**EXHIBIT "A"**

**2 - Well Site #1 and Well Site #4, Legal Description**

BEING, Well Site #1, (100' x 200') bounded by lots 21-B and 22 in Section 1, Bluebonnet Hills, a subdivision filed of record in Volume 362-A, Page 60 in Parker County, Texas.

**Tract 22-1 Sanitary Control Easement**

BEING a tract of land in the I. & G.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 22, Section One, Bluebonnet Hills, as per plat recorded in Volume 362-A, Page 60, Plat Records of Parker County, Texas.

BEGINNING at a point in the north line of, and North 89 degrees 18 minutes East, 126.28 feet from the Northwest corner of Lot 22, Section One, Bluebonnet Hills.

THENCE, North 89 degrees 18 minutes East, 100.0 feet to a point for a corner;

THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for corner;

THENCE, North 89 degrees 18 minutes East, 191.42 feet to a point for corner;

THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 80 degrees 57 minutes 52 seconds West, 295.68 feet, a distance of 420.26 feet to the place of beginning and containing 0.585 acres of land.

**Tract 21-B-1 Sanitary Control Easement**

BEING a tract of land in the I. & G.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 21-B, Section One, Bluebonnet Hills as per plat recorded in Volume 362-A, Page 60, Plat Records of Parker County, Texas.

BEGINNING at a point in the south line of and North 89 degrees 18 minutes East, 126.28 feet from the southwest corner of Lot 21-B, Section One, Bluebonnet Hills;

THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 79 degrees 33 minutes 52 seconds East, 295.68 feet, a distance of 420.26 feet to a point for a corner;

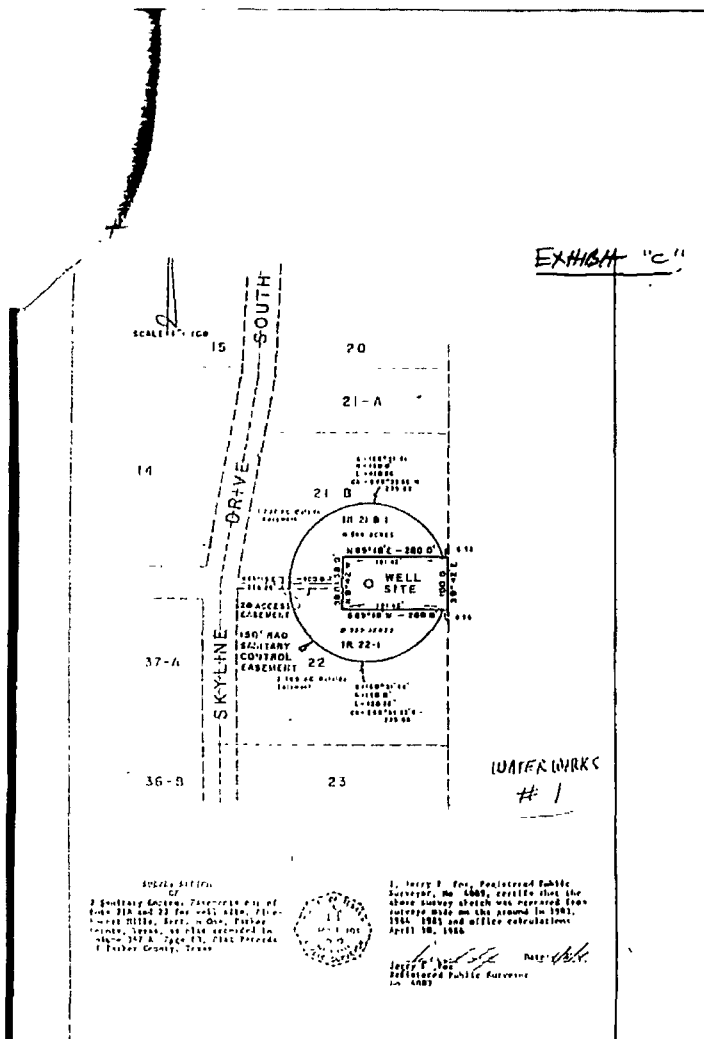
THENCE, South 89 degrees 18 minutes West, 191.42 feet to a point for a corner;

THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for a corner;

THENCE, South 89 degrees 18 minutes West, 100.0 feet to the place of beginning and containing 0.585 acres.

**EXHIBIT "A"**

**2 - Well Site #1 and Well Site #4, Legal Description  
(continued)**



BOOK 1470 PAGE 1881

Please see attached Warranty Deed dated January 12, 1990.



**EXHIBIT "A"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
 (continued)

<p><b>The State of Texas,</b> }          County of <b>PARKER</b></p>	<p align="right">1903<u>6</u>,  <b>Know All Men by These Presents:</b></p>
<p>That <b>NETZEL GROUP, INC</b></p>	
<p>of the County of <b>HOOD</b> State of <b>TEXAS</b> for and in consideration</p>	
<p>of the sum of <b>TEN AND NO/100</b>---(\$10.00)-----</p>	
<p>----- DOLLARS</p>	
<p>to it in hand paid by the Grantees,</p>	
<p align="right">as follows</p>	
<p>Cash and other valuable consideration to the undersigned, the receipt of which is hereby acknowledged,</p>	
<p> </p>	
<p>have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said</p>	
<p>Grantee, <b>BLUBONNET HILLS WATER SUPPLY CORPORATION</b>-----</p>	
<p>-----P. O. Box 111, Cresson, Texas 76035-----</p>	
<p>of the County of <b>PARKER</b> State of <b>TEXAS</b> all that certain</p>	
<p>real property in <b>PARKER</b> County, Texas to wit:</p>	
<p><b>BEING</b>, Well site #1, (100' X 200') bounded by lots 21-B and 22 in Section 1, Bluebonnet Hills, a subdivision filed of record in Volume 162-A, Page 60 in Parker County, Texas. Exhibit "A", "B" &amp; "C" attached and made a part hereof.</p>	
<p>Conveyance made herein subject to all restrictions, easements, assessments, reservations and covenants of record, if any, affecting and relating to the hereinabove described property.</p>	
<p> </p>	
<p>TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, their heirs and assigns forever and <b>DOES</b> do hereby bind himself, its successors heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises unto the said</p>	
<p>heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof</p>	
<p>WITNESS my hand at Granbury, Hood County, Texas</p>	
<p>this <u>12<sup>th</sup></u> day of <u>JANUARY</u> 19<u>96</u>.</p>	
<p>Witnesses at Request of Grantor</p>	
<p align="right"><b>NETZEL GROUP, INC.</b></p>	
<p align="right">BY: <u>[Signature]</u></p>	
<p align="right">W. A. Netzel, President</p>	
<p align="right">AMN 1470 PAGE 1877</p>	

**EXHIBIT "A"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
 (continued)

Mailing address of grantor

Name:  
 Address:

(Acknowledgment)

STATE OF TEXAS  
 COUNTY OF Wood

This instrument was acknowledged before me on the 16<sup>th</sup> day of January, 1990  
 by W.C. Benge, President of Blubonnet Hills Water Supply Corporation  
 My commission expires: 12-18-93  
 Notary Public, State of Texas  
 Notary's printed name: Mary G. Casdell

(Acknowledgment)

STATE OF TEXAS  
 COUNTY OF

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
 by \_\_\_\_\_  
 My commission expires: \_\_\_\_\_  
 Notary Public, State of Texas  
 Notary's printed name: \_\_\_\_\_

(Acknowledgment)

STATE OF TEXAS  
 COUNTY OF

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
 by \_\_\_\_\_  
 My commission expires: \_\_\_\_\_  
 Notary Public, State of Texas  
 Notary's printed name: \_\_\_\_\_

WARRANTY DEED  
 FROM  
 BETTEL GROUP, INC.  
 TO  
 BLUBONNET HILLS WATER SUPPLY CORPORATION  
 FILED FOR RECORD  
 This day of \_\_\_\_\_ A.D. 19\_\_\_\_  
 at \_\_\_\_\_ M  
 County of \_\_\_\_\_  
 Br. \_\_\_\_\_  
 Recorder  
 A.D. 19\_\_\_\_  
 County Records  
 in Book \_\_\_\_\_ on Page \_\_\_\_\_  
 Br. \_\_\_\_\_  
 Deputy  
 Notary Public, State of Texas  
 Notary's printed name: \_\_\_\_\_  
 WILLIAM W. CASTELL  
 Attorney at Law  
 209 Trinity Street  
 Weatherford, Texas 76086

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EXHIBIT "A"  
2 - Well Site #1 and Well Site #4, Legal Description  
(continued)

CHILDRESS and RECER  
ENGINEERING and SURVEYING

EXHIBIT A

MEMBER OF CHILDRESS, JR.  
REGISTERED PROFESSIONAL ENGINEER  
CHILDRESS & RECER  
REGISTERED PUBLIC SURVEYOR

178 S. AIRWAY  
CLUBHOUSE, TEXAS 76031  
TELEPHONE  
817 645 7441  
817 645 7442

FIELD NOTES FOR BETZEL GROUP, INC.  
TRACT 22-1 SANITARY CONTROL EASEMENT

BEING a tract of land in the I. & C.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 22, Section One, Bluebonnet Hills, as per plat recorded in Volume 162-A, Page 60, Plat Records of Parker County, Texas.

BEGINNING at a point in the north line of, and North 89 degrees 18 minutes East, 126.28 feet from the Northwest corner of Lot 22, Section One, Bluebonnet Hills.

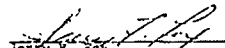
THENCE, North 89 degrees 18 minutes East, 100.0 feet to a point for a corner;


THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for corner;

THENCE, North 89 degrees 18 minutes East, 191.42 feet to a point for a corner;

THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 80 degrees 57 minutes 52 seconds West, 295.68 feet, a distance of 420.26 feet to the place of beginning and containing 0.585 acres of land.

I, Jerry F. Fox, Registered Public Surveyor, No. 4009, certify that the above field notes were prepared from surveys made on the ground in 1983, 1984, 1985 and office calculations April 10, 1986.

  
JERRY F. FOX  
Registered Public Surveyor  
No. 4009

Date: 



BOOK 1470 PAGE 1879

EXHIBIT "A"  
2 - Well Site #1 and Well Site #4, Legal Description  
(continued)

CHILDRESS and RECER  
ENGINEERING and SURVEYING

EXHIBIT "B"

10000 E. CHILDRESS, JR.  
14000 W. ADRIAN, TEXAS  
CHILDRESS & RECER  
CHILDRESS & RECER

120 S. HOODWAY  
CLEBURNE, TEXAS 76031  
TELEPHONE  
817 443 9041  
817 441 9042

FIELD NOTES FOR BETZEL GROUP, INC.  
TRACT 21-B-1 SANITARY CONTROL EASEMENT

BEING a tract of land in the I. & C.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 21-B, Section One, Bluebonnet Hills as per plat recorded in Volume 362-A, Page 60, Plat Records of Parker County, Texas.

BEGINNING at a point in the south line of and North 89 degrees 18 minutes East, 126.28 feet from the southwest corner of Lot 21-B, Section One, Bluebonnet Hills.

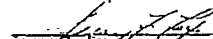
THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 79 degrees 33 minutes 52 seconds East, 295.68 feet, a distance of 420.26 feet to a point for a corner;

THENCE, South 89 degrees 18 minutes West, 191.42 feet to a point for a corner.

THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for a corner;

THENCE, South 89 degrees 18 minutes West, 100.0 feet to the place of beginning and containing 0.585 acres.

I, Jerry F. Fox, Registered Public Surveyor, No. 4009, certify that the above field notes were prepared from surveys made on the ground in 1983, 1984, 1985 and office calculations April 10, 1986.

  
Jerry F. Fox  
Registered Public Surveyor  
No. 4009

Date: 



BOOK 1470 PAGE 1880

**EXHIBIT "A"**

2 - Well Site #1 and Well Site #4, Legal Description  
(continued)

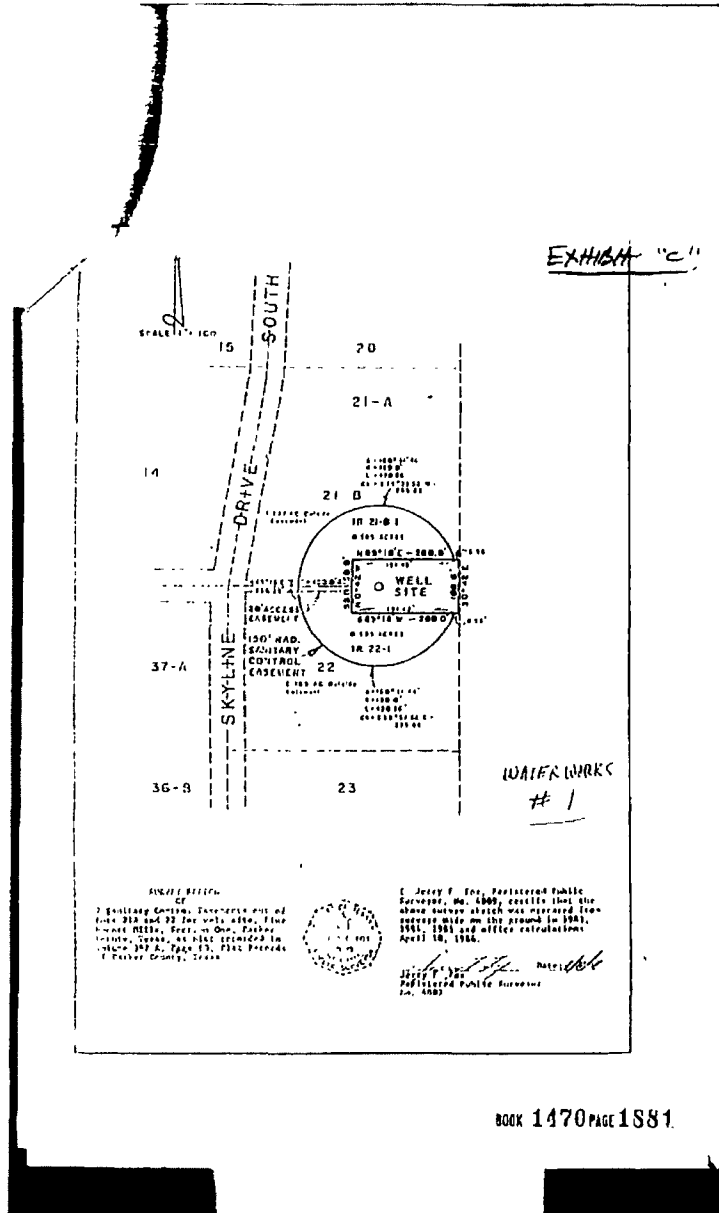
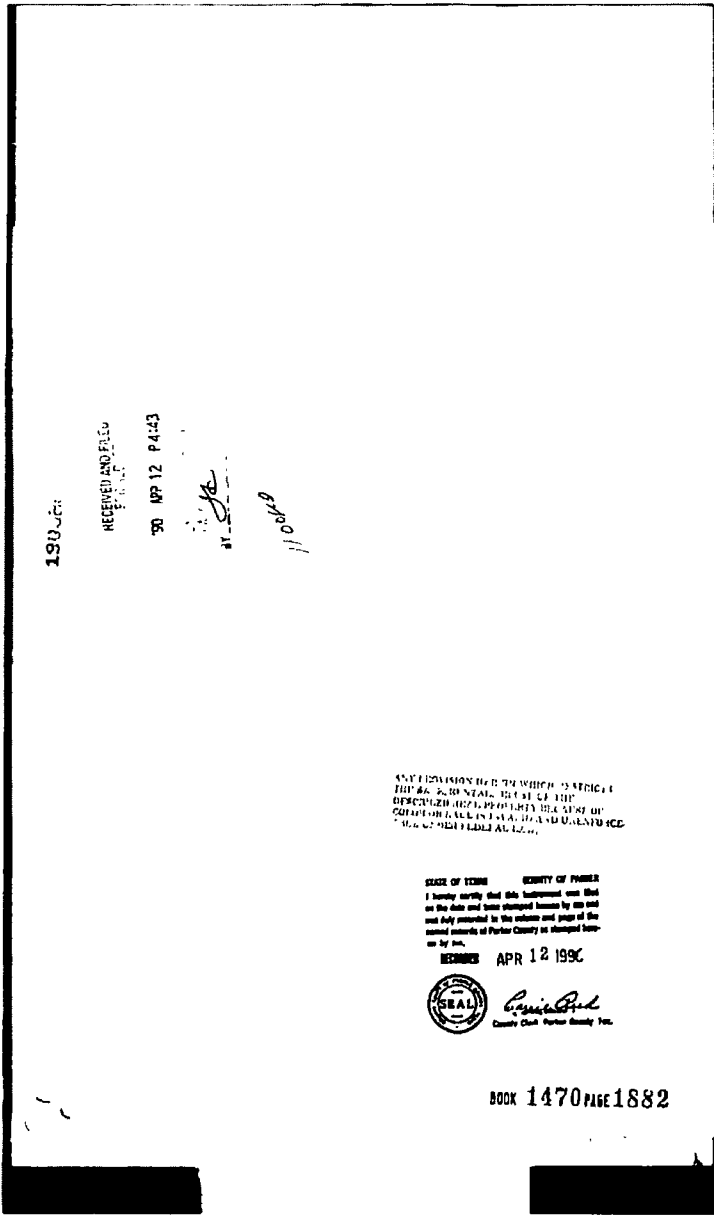


EXHIBIT "A"  
2 - Well Site #1 and Well Site #4, Legal Description  
(continued)



**EXHIBIT "A"**  
3 - Well Site #2, Legal Description

Parcel E-1, Lot 1-A, Section 2, Bluebonnet Hills  
BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-A, Section 2,  
Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas.

BEGINNING at the Northernmost corner of said Lot 1-A, Section 2, Bluebonnet Hills.

THENCE South 35 degrees 25 minutes 23 seconds East, along the East line of Lot 1-A, 63.58 feet to a point for corner;

THENCE South 84 degrees 41 minutes 30 seconds West, along the West line of Lot 1-A, and the East line of U. S. Highway No. 377, 55.00 feet to the place of beginning and containing 0.021 acres of land.

Parcel F-1, Lot 1-B, Section 2, Bluebonnet Hills  
BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2,  
Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas.

BEGINNING at the Northwest corner of said Lot 1-B, Section 2, Bluebonnet Hills.

THENCE North 43 degrees 56 minutes East, along the North line of Lot 1-B, 75.0 feet to a point for corner, being the Northeast corner of Lot 1-B;

THENCE South 06 degrees 55 minutes East 104.0 feet to a point for corner;

THENCE South 84 degrees 41 minutes West, 27.83 feet to a point for corner in the West line of Lot 1-B;

THENCE North 35 degrees 25 minutes 23 seconds West, along the West line of Lot 1-B, 63.58 feet to the place of beginning and containing 0.087 acres of land.

Please see attached Field Notes, Deed, and Survey Sketch. (Sanitary Control Easement Legal is included in Field Notes.)

EXHIBIT "A"  
3 - Well Site #2, Legal Description  
(continued)

CHILDRESS and RECER  
ENGINEERING and SURVEYING

ROBERT I CHILDRESS JR  
Registered Professional Engineer  
CLIFFORD E RECER  
Registered Public Surveyor

128 S RIDGEWAY  
CLEBURNE TEXAS 76031  
TELEPHONE  
817 445 9681  
817 445 9682

FIELD NOTES  
PARCEL E-1, LOT 1-A, SECTION 2, BLUEBONNET HILLS  
WELL SITE

BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-A, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas.

BEGINNING at the Northernmost corner of said Lot 1-A, Section 2, Bluebonnet Hills.

THENCE South 35 degrees 25 minutes 23 seconds East, along the East line of Lot 1-A, 63.58 feet to a point for corner;

THENCE South 84 degrees 41 minutes West, 32.65 feet to a point for corner in the West line of Lot 1-A, and the East line of U. S. Highway No. 377;

THENCE North 04 degrees 31 minutes 30 seconds West, along the West line of Lot 1-A, and the East line of U. S. Highway No. 377, 55.00 feet to the place of beginning and containing 0.021 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

 Date 5/31/85





**EXHIBIT "A"**  
**3 - Well Site #2, Legal Description**  
**(continued)**

**CHILDRESS and RECER**  
**ENGINEERING and SURVEYING**

ROBERT T CHILDRESS JR  
Registered Professional Engineer  
CLIFFORD E. RECER  
Registered Public Surveyor

128 S RIDGEWAY  
CLEBURNE, TEXAS 76031  
TELEPHONE  
817 645 9881  
817 645 9662

**FIELD NOTES**  
**PARCEL F-1, LOT 1-B, SECTION 2, BLUEBONNET HILLS**  
**WELL SITE**

BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records of Parker County, Texas.

BEGINNING at the Northwest corner of said Lot 1-B, Section 2, Bluebonnet Hills.

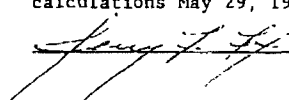
THENCE North 43 degrees 56 minutes East, along the North line of Lot 1-B, 75.0 feet to a point for corner, being the Northeast corner of Lot 1-B;

THENCE South 06 degrees 55 minutes East 104.0 feet to a point for corner;

THENCE South 84 degrees 41 minutes West, 27.83 feet to a point for corner in the West line of Lot 1-B;

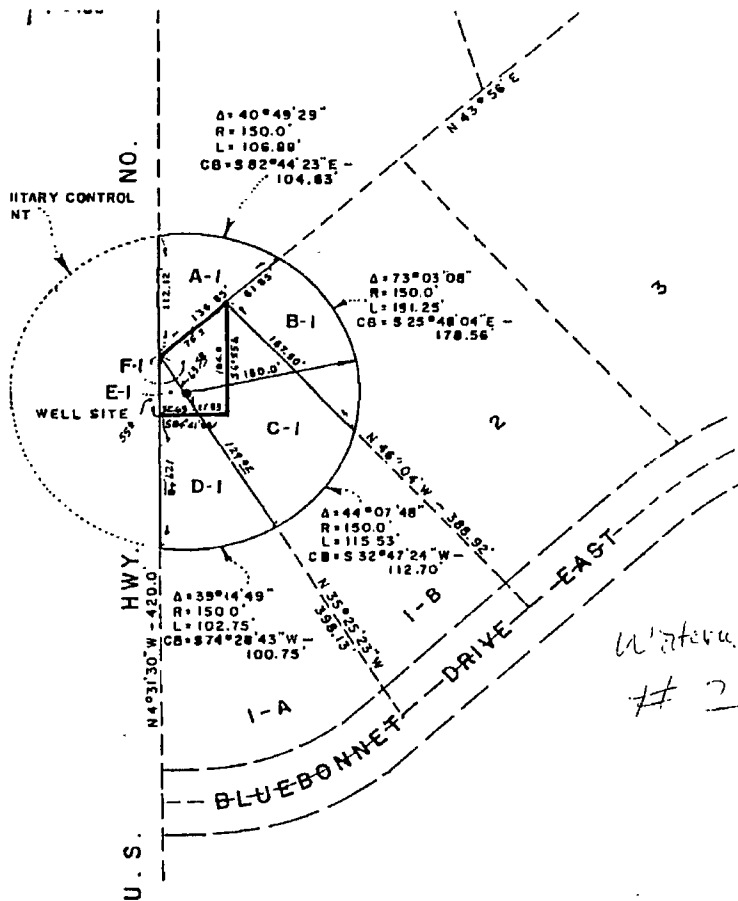
THENCE North 35 degrees 25 minutes 23 seconds West, along the West line of Lot 1-B, 63.58 feet to the place of beginning and containing 0.087 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

 \_\_\_\_\_ Date 5/27/85



**EXHIBIT "A"**  
**3 - Well Site #2, Legal Description**  
 (continued)



**AREAS**

A-I=	0.147 AC
B-I=	0.201 AC
C-I=	0.308 AC
D-I=	0.202 AC
E-I=	0.021 AC
F-I=	0.087 AC

Survey Sketch  
 of  
 two tracts and Sanitary Control Easements out of  
 lots 1-A, 1-B, 2 and 39 for Well Site, Bluebonnet  
 Hills, Section Two, Parker County, Texas, as  
 plat recorded in Volume 362-A, Page 49, Deed  
 records of Parker County, Texas.

I, [Signature]  
 Registered Public Surveyor  
 certify that the above  
 prepared from a survey  
 ground in 1983, May 23,  
 May 17, 1985 and from o  
 calculations May 29, 19

**EXHIBIT "A"**  
**3 - Well Site #2, Legal Description**  
 (continued)

BY: M. A. BATES, Mayor of City of Cresson  
 Attest: MARY WILSON, Clerk  
 190388

WE, THE CITY OF CRESSON, CLERK OF MARY WILSON KNOW ALL MEN BY THESE PRESENTS:

That BEETAL GROUP INCORPORATED  
 being the owner of property described as Lot 1-A and Lot 1-B, Section 2, Blubonnet Hill  
 in Cresson, Texas as shown on the map or plat recorded in volume 382, page 29  
 of the Public Records of Cresson, Texas, have do hereby declare such property owned by the corporation and not subject to the provisions of the laws of the State of Texas relating to the sale of land or parts thereof shall apply with same. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of ten years from the date these covenants are recorded, after which the said covenants shall be automatically extended until the use of this water well as a source of water for a public water system ceases.

Restraint shall be proceedings at law or in equity against any person or persons violating or attempting to violate any covenant herein to maintain violation or to remove danger.  
 Invalidity of any one of these covenants by judgment or court order shall not in any wise affect any of the other provisions which shall remain in full force and effect.

- Such restrictions are as follows, to wit:
1. No structure shall be erected upon all of that area of land of said lot 1-A and lot 1-B as to be included within a 150 foot radius of a proposed deep water well located 3 1/2 feet from the center of said lot (a) and specifically prohibiting the construction of any structure of brick, concrete, steel, iron, pipe, galvanized iron, tile or concrete foundation systems, cross poles, electric lines, electric tank drain lines, drilling of improperly constructed water wells of any depth and all other construction or operation that would create an boundary condition within, upon or across the above described tract of land Exhibits "A", "B" and "C" Attached and made a part hereof.
  2. No construction shall be made of any structure of brick or building upon same, (including, however, that all brick piers, steel line, cables, tile or concrete foundation systems, cross poles, electric lines, electric tank drain lines, drilling of improperly constructed wells of any depth and other construction under operations that would create an boundary condition within, upon or across any one specifically prohibited.
  3. Normal farming and mining operations are permitted.

IN WITNESS WHEREOF the said Mayor has caused this instrument this 17th day of MAY, 1955.  
Mary Wilson  
 Clerk of Cresson, Texas



WE, THE CITY OF CRESSON, CLERK OF MARY WILSON  
 HEREBY do, the undersigned authority, on this day personally executed M. A. Bates  
 Mayor of the City of Cresson, Texas, and do hereby certify that the same are subscribed to by the Mayor and Clerk of the City of Cresson, Texas, and are acknowledged to be that they (she) consented to the same for the purposes and consideration therein expressed.  
 GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 17th day of May, 1955.  
Mary Wilson  
 Clerk of Cresson, Texas  
 Recorded at \_\_\_\_\_ Courtroom, \_\_\_\_\_ This is \_\_\_\_\_ 19\_\_.

BOOK 1470 PAGE 1889

EXHIBIT "A"  
3 - Well Site #2, Legal Description  
(continued)

**CHILDRESS and REGER**  
ENGINEERS and SURVEYORS

<p><b>JOHN L. CHILDRESS, JR.</b> Registered Professional Engineer</p> <p><b>DAVID L. REGER</b> Registered Public Surveyor</p>	<p>116 S. UNIVERSITY DALLAS, TEXAS 75201</p> <p>TELEPHONE 972-642-9645 FAX 972-642-9646</p>	
---	---	--

**FIELD NOTES**  
**PARCEL D-1, LOT 1-A, SECTION 2, BLUEBONNET HILLS**  
**WARRANTY CONTROL EASEMENT**

BEING a part of the Calab Pearce Survey, Abstract 1043, and a part of Lot 1-A, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records of Parker County, Texas.

BEGINNING at a point being South 35 degrees 23 minutes 23 seconds East, 83.38 feet from the Northwest corner of said Lot 1-A, Section 2, Bluebonnet Hills.

THENCE South 35 degrees 23 minutes 23 seconds East, along the East line of Lot 1-A, 129.02 feet to a point for corner;


THENCE along a curve to the right in a Southwesterly direction, having a radius of 150.0 feet, a chord bearing South 74 degrees 28 minutes 43 seconds West 100.73 feet, a distance of 102.73 feet to a point for corner in the West line of Lot 1-A, and the East line of U. S. Highway No. 377;

THENCE North 04 degrees 31 minutes 30 seconds West, along the West line of Lot 1-A, and the East line of U. S. Highway No. 377, 123.48 feet to a point for corner;

THENCE North 84 degrees 41 minutes East, 32.65 feet to the place of beginning and containing 0.202 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

*Jerry F. Fox*      Date 5/1/85



(J)      **NO. 1470 PAGE 1890**

**EXHIBIT "A"**  
**3 - Well Site #2, Legal Description**  
 (continued)

**CHILDRESS and REGER**  
 ENGINEERS and SURVEYORS

CLARENCE T. CHILDRESS, JR.  
 Registered Professional Engineer  
 CIVIL AND MECH.  
 Registered Public Surveyor

128 S. GARDNER  
 COLUMBUS, MISSISSIPPI 39204  
 TELEPHONE  
 601-963-2641  
 601-963-2642

**FIELD NOTES**  
**PARCEL G-1, LOT 1-B, SECTION 2, BLUEBONNET HILLS**  
**SANITARY CONTROL BASINMENT**

BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records of Parker County, Texas.

BEGINNING in the Northwest corner of said Lot 1-B, Section 2, Bluebonnet Hills.

THENCE South 46 degrees 04 minutes East, along the East line of Lot 1-B, 167.50 feet to a point for corner;

THENCE along a curve to the right in a Southwesterly direction, having a radius of 120.0 feet, and a chord bearing South 32 degrees 47 minutes 24 seconds West 112.70 feet, a distance of 115.33 feet to a point for corner in the West line of Lot 1-B;

THENCE North 35 degrees 25 minutes 23 seconds West, along the West line of Lot 1-B, 129.02 feet to a point for corner;

THENCE North 84 degrees 41 minutes East 27.83 feet to a point for corner;

THENCE North 06 degrees 55 minutes West, 104.00 feet to the place of beginning and containing 0.308 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

*Jerry F. Fox* Date 5/31/85



NO. 1470PAC1891

**EXHIBIT "A"**

4 - Well Site #3, Legal Description, Lot 24

BEING, the surface estate only of that certain Lot, Tract or Parcel of Land lying and being situated in Parker County, Texas and being Lot 24 in Section 3 of Bluebonnet Hills, a subdivision of Parker County, Texas according to Plat of Record in Volume 362A, Pages 49 thru 51, Plat Records of Parker County, Texas.

Please see attached Warranty Deed dated January 12, 1990.

EXHIBIT "A"

4 - Well Site #3, Legal Description, Lot 24

190393

**The State of Texas, } Know All Men by These Presents:**  
County of HOOD PARKER

That BETZEL GROUP, INC.

of the County of HOOD State of TEXAS for and in consideration  
of the sum of TEN AND NO/100-----(\$10.00)-----  
----- DOLLARS

to it in hand paid by the Grantees,  
as follows  
Cash and other valuable consideration to the undersigned, the receipt  
of which is hereby acknowledged,

have Grant, Sold and Conveyed, and by these presents do Grant Sell and Convey unto the said  
Grantee, BLUBONNET HILLS WATER SUPPLY CORPORATION-----  
----- P. O. Box 311, Cresson, Texas 76035

of the County of PARKER State of TEXAS all that certain  
real property in PARKER County, Texas to wit:

BEING, the surface estate only of that certain Lot, Tract or  
Parcel of Land lying and being situated in Parker County, Texas  
and being Lot 24 in Section 3 of Blubonnet Hills, a subdivision  
of Parker County, Texas according to Plat of Record in Volume  
362A, Pages 49 thru 51, Plat Records of Parker County, Texas.

Conveyance made herein subject to all restrictions, easements,  
assessments, reservations and covenants of record, if any, affecting  
and relating to the hereinabove described property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the  
rights and appurtenances thereto in anywise belonging unto the said Grantee, their  
heirs and assigns forever and does do hereby bind itself, its successors  
heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises  
unto the said

heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any  
part thereof

WITNESS my hand at Granbury, Hood County, Texas  
this 12<sup>TH</sup> day of JANUARY 1990.

Witnesses at Request of Grantor

BETZEL GROUP, INC.  
BY: *[Signature]*  
W. A. Botzoff, President

BOOK 1470 PAGE 1902

EXHIBIT "A"

4 - Well Site #3, Legal Description, Lot 24

Mailing address of grantor  
Name  
Address

(Acknowledgment)  
STATE OF TEXAS  
COUNTY OF Hood  
This instrument is acknowledged before me on the 12th day of January 1990  
by W.C. Bezel, President of Bezel Group Enterprises  
My commission expires 12-18-93  
Notary Public, State of Texas  
Notary's printed name Masha G. Costello

(Acknowledgment)  
STATE OF TEXAS  
COUNTY OF  
This instrument is acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
by \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public, State of Texas  
Notary's printed name \_\_\_\_\_

(Acknowledgment)  
STATE OF TEXAS  
COUNTY OF  
This instrument is acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
by \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public, State of Texas  
Notary's printed name \_\_\_\_\_

190331  
RECEIVED AND FILED  
FEBRUARY 1990  
90 APR 12 PM 4:48  
COUNTY OF HOOD, TEXAS  
BLUBONNET HILLS WATER SUPPLY CORPORATION  
AT \_\_\_\_\_  
FILED FOR RECORD  
The \_\_\_\_\_ day of \_\_\_\_\_ A.D. 19\_\_\_\_  
at \_\_\_\_\_ County of \_\_\_\_\_  
by \_\_\_\_\_ Deputy  
A.D. 19\_\_\_\_ County Recorder  
in \_\_\_\_\_ County Clerk  
to \_\_\_\_\_ County Clerk  
by \_\_\_\_\_ Deputy  
Recording Fee \_\_\_\_\_  
This instrument should be filed immediately with the  
County Clerk for recording.  
WHEN RECORDED RETURN TO  
WILLIAM H. GANERELL  
Attorney at Law  
709 Trinity Street  
Wheatfield, Texas 76086

STATE OF TEXAS COUNTY OF HOOD  
I hereby certify that this instrument was filed  
on the date and hour stamped herein by me and  
was duly recorded in the volume and page of the  
record books of this County as stamped herein  
on this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
RECORDED APR 12 1990  
County Clerk, Potter County, Tex.

NO PROVISION HEREON WHICH RESTRICTS  
THE SALE OR RENTAL, OR USE OF THE  
HEREIN REAL PROPERTY BECAUSE OF  
RACE IS VALID AND UNENFORCEABLE  
UNDER FEDERAL LAW.

BOOK 1470 PAGE 1903



EXHIBIT "A"

5 – Well Site #3A, Evidence of Project, Lot 24

Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Toby Baker, *Executive Director*



PWS\_1840086\_CO\_20190627\_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

June 27, 2019

Mr. Robert T. Childress, P.E.  
Childress Engineers  
211 North Ridgeway Drive  
Cleburne, Texas 76033

Re: Bluebonnet Hills Water Supply Corporation (WSC) - Public Water System ID No. 1840086  
Proposed Water Well No.3A - Water Plant No. 3  
Engineer Contact Telephone: (817) 645-1118  
Plan Review Log No. P-04292019-251  
Texas Department of Agriculture (TDA) Project No. 7218101  
Parker County, Texas

CN: 600642466; RN: 101197051

Dear Mr. Childress,

On April 29, 2019, the Texas Commission of Environmental Quality (TCEQ) received planning material with your letter dated April 26, 2019 for the proposed water well (Well No. 3A) at Water Plant No. 3 for the above referenced public water system. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 - Rules and Regulations for Public Water Systems and is conditionally approved for construction if the project plans and specifications meet the following requirements:

1. Three corrosive indices (Langelier Saturation Index, Ryznar Stability Index and the Aggressive Index) will be used to calculate corrosivity of the water from new source(s). Corrosive or aggressive water could result in aesthetic problems, increased levels of toxic metals, and deterioration of household plumbing and fixtures. If the water appears to be corrosive, the system will be required to conduct a study and submit an engineering report that addresses corrosivity issues or may choose to install corrosion control treatment before use may be granted. All changes in treatment require submittal of plans and specifications for approval by TCEQ.
2. Based on the sanitary control easement documents submitted, the new 150-foot sanitary control easements boundary for the new well site will add additional areas to the existing sanitary control easements (for existing well at the same site) in Lot 10 (property owned by Janie Sideris and Terry L. Barnes) and Lot 25 (property owned by Steve R. Furkin). Additionally, the right-of-way of Mountain Ridge North Road and Overlook Court Road is within a 150-foot sanitary control easement of this new well. Please be reminded that the public water system must secure the easements from all these land owners for Lot 10 and Lot 25, and for the right-of-way of these roads from the appropriate authority at the time of well completion data submittal. Otherwise, an exception to the sanitary control easement requirement must be submitted to the TCEQ for review and approval before we can approve this well for use.

P.O. Box 13087 • Austin, Texas 78711-3087 • 512 739 1000 • [tceq.texas.gov](http://tceq.texas.gov)

How is our customer service? [tceq.texas.gov/customer/survey](http://tceq.texas.gov/customer/survey)  
printed on recycled paper using vegetable based ink

## EXHIBIT "A"

### 5 Well Site #3A, Evidence of Project, Lot 24

Mr. Robert T. Childress, P.E.

Page 2

June 27, 2019

Texas Water Code Section 36.0015 allows for the creation of groundwater conservation districts (GCDs) as the preferred method of groundwater management. GCDs manage groundwater in many counties and are authorized to regulate production and spacing of water wells. Public water systems drilling wells within an existing GCD are responsible for meeting the GCD's requirements. The authorization provided in this letter does not affect GCD authority to manage groundwater or issue permits.

The design engineer or water system representative is required to notify the Plan Review Team in writing by fax at (512) 239-6972 or by emailing [kamal.adhikari@tceq.texas.gov](mailto:kamal.adhikari@tceq.texas.gov) and cc: [vera.poe@tceq.texas.gov](mailto:vera.poe@tceq.texas.gov) at least 48 hours before the well casing pressure cementing begins. If pressure cementing is to begin on Monday, then they must give notification on the preceding Thursday. If pressure cementing is to begin on Tuesday, then they must give notification on the preceding Friday.

The TCEQ does not approve this well for use as a public water supply at this time. We have enclosed a copy of the "Public Well Completion Data Checklist for Interim Approval (Step 2)". We provide this checklist to help you in obtaining approval to use this well.

The submittal consisted of seven sheets of engineering drawings, technical specifications and an engineering summary. The proposed project consists of:

- One (1) public water supply well (Well No. 3A) drilled to 900 feet with 750 linear feet (lf) of 6½-inch outside diameter (od) pressure-cemented steel casing; 20 lf of 14-inch od steel surface casing;
- 120 lf of 6½-inch od stainless steel wire wrapped screen, 20 lf of 6½-inch od blank steel liner, with 150 lf of underream and gravel pack;
- The well is rated for 75 gallons per minute (gpm) yield with a submersible pump set at 850 feet deep. The design capacity of the pump is 75 gpm at 820 feet total dynamic head;
- Well head concrete sealing block and well head piping including vent, sample tap and flow meter;
- Modification of an existing chlorination system to add a chlorine injection system for the new well including chlorine gas cylinder with scale, feeder and related piping, valves and control; and
- Various valves, fittings and related appurtenances.

This approval is for the construction of the above listed items only

The Bluebonnet Hills WSC public water system provides water treatment.

The project site is at existing Water Plant No. 3 located east of the intersection of Mountain Ridge North Road and Overlook Court Road in Parker County, Texas.

An appointed engineer must notify the TCEQ's Region 4 Office in Dallas/Fort Worth at (817) 588-5800 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC Section 290.39(b)(3).

Please refer to the Plan Review Team's Log No. P-04292019-251 in all correspondence for this project.

**EXHIBIT "A"**

5 – Well Site #3A, Evidence of Project, Lot 24

Mr. Robert T. Childress, P.E.  
Page 3  
June 27, 2019

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

<https://www.tceq.texas.gov/drinkingwater/wdpubs.html>

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

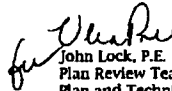
<https://www.tceq.texas.gov/drinkingwater/plansrvy.html/#status>

You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

If you have any questions concerning this letter or need further assistance, please contact Kamal Adhikari at (512)239-0680 or by email at [kamal.adhikari@tceq.texas.gov](mailto:kamal.adhikari@tceq.texas.gov) or by correspondence at the following address:

Plan Review Team, MC-159  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

Sincerely,



John Lock, P.E.  
Plan Review Team  
Plan and Technical Review Section  
Water Supply Division  
Texas Commission on Environmental Quality



Vera Poe, P.E., Team Leader  
Plan Review Team  
Plan and Technical Review Section  
Water Supply Division  
Texas Commission on Environmental Quality

VP/JL/KA/db

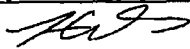
Enclosure: "Public Well Completion Data Checklist for Interim Approval (Step 2)"

cc: Bluebonnet Hills WSC - Attn: Water Utilities Official, P.O. Box 311, Cresson, Texas 76035-0311

**EXHIBIT "A"**

5 – Well Site #3A, Evidence of Project, Lot 24

<b>Authority to Use Grant Funds</b>	Texas Department of Agriculture P.O. Box 12847 Austin, TX 78711
The Honorable Bob Cornett Mayor, City of Cresson P.O. Box #19 Cresson, TX 76035	Ms. Latrice Hertzler Grant Development Services P.O. Box 33043 Austin, TX 78764
We received your Request for Release of Funds and Certification, form HUD-7015.15 on	4/24/2019
Your Request was for State Identification Number	CD 7218101
All objections, if received, have been considered. And the minimum waiting period has transpired. You are hereby authorized to use funds provided to you under the above HUD/State Identification Number. File this form for proper record keeping, audit, and inspection purposes.	
<p>This is to inform you that as of May 10, 2019, City of Cresson upon execution of an official contract is hereby authorized, according to the terms of such contract, to use funds provided to you under the above State Identification Number. The specific activities of this project identified below required a full Environmental Assessment under 24 CFR Part Sec. 58.36 Environmental Assessments and 58.40 Preparing the Environmental Assessment.</p> <p><b>Project/Activity:</b> To undertake a project known as Water System Improvements, under TDA CDBG Contract #7218101. The Project includes installation of a new water well at the existing Paluxy Well at the intersection of Mountain Ridge and Overlook Court. The City of Cresson recently acquired a low performing well field, resulting in inadequate pressure and noncompliance with Texas Commission on Environmental Quality (TCEQ) regulations. Contractor shall construct a new well in the Trinity Aquifer, including pump, electrical controls, piping, and all associated appurtenances, including the associated administration and engineering work. With approval from the Upper Trinity Groundwater Conservation District, the existing Paluxy Well will remain on-site, the existing tanks and booster pumps will remain in service. Demolition of the old well may occur at a later date. Acquisition: Contractor shall acquire the easement needed for the water improvement project site. Contractor shall carry out all acquisition of needed real property, easements, and/or rights-of-way in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Sec. 4601 et. seq.) and HUD implementation regulations (24 C.F.R. Part 42). CDBG Grant amount: \$275,000; Other \$50,000.</p> <p>According to the documents provided by City of Cresson, all conditions requiring review under the National Environmental Policy Act for these activities have been met. If all other special conditions have been met, City of Cresson is authorized to use Texas Community Development Block Grant Program funds in the amount of \$275,000.00 made available to City of Cresson by the Texas Department of Agriculture for the approved project activities.</p> <p>TDA is aware that a Performance Statement Amendment, Modification or Change Order could affect this Release of Funds. The City is advised that this Release of Funds is only valid for the project activities noted above and associated Environmental Review Record. If the Performance Statement or contract activities change as a result of an amendment, change order or modification, a re-evaluation letter or a new Environmental Review may be required under 24CFR58.47 and/or a review by TDA.</p> <p>Thank you for your efforts to ensure compliance with all federal, state and program requirements. If you have any questions regarding environmental issues or if we can provide any further assistance, please do not hesitate to contact me at (512) 836-8709 or you can email me at <a href="mailto:Patricia.Wozniak@TexasAgriculture.gov">Patricia.Wozniak@TexasAgriculture.gov</a>.</p>	

Typed Name & Title of Authorizing Officer	Signature of Authorizing Officer	Date Signed
Laci Cook-Hildreth Interim Environmental Specialist		5/10/2019

**EXHIBIT "B"**  
**BILL OF SALE**

**Date:** March 13, 2020

**Selling Party:** Bluebonnet Hills Water Supply Corporation, a Texas Non-Profit Corporation

**Selling Parties' Mailing Address:** P.O. Box 311 Cresson, Texas 76035

**Purchaser:** The City of Cresson, a political subdivision of the State of Texas

**Buyer's Mailing Address:** P.O. Box 619 Cresson, Texas 76035

**Consideration:** The sum of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is acknowledged.

**Property:** All real property, inventories, raw materials, CCN's, contracts, agreements, purchase orders, real estate leases, easements, personal property leases, customer deposits, furniture, fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items of a like character and supplies used or held for use by Seller in the Business, funds on hand in all bank accounts, intellectual property, papers and records, permits, licenses, franchises, consents, authorities, special authorities, and other similar acts of any government body including but not limited to the assets as same are described in **Exhibit "A"**, appended hereto and incorporated herein by reference.

For value received, Seller sells and delivers the said property to Buyer and warrants and agrees to defend title to the property to Buyer and Buyer's successors against all lawful claims.

Bluebonnet Hills Water Supply Corporation

By: \_\_\_\_\_  
James McAnear, President

**EXHIBIT "B"**  
**BILL OF SALE**  
**(continued)**

STATE OF TEXAS       §  
COUNTY OF HOOD     §

This instrument was acknowledged before me on the 13<sup>th</sup> day of March 2020, by **James McAnear**, President of Bluebonnet Hills Water Supply Corporation.

---

NOTARY PUBLIC, STATE OF TEXAS

**EXHIBIT "B"**  
**BILL OF SALE**  
(continued)

**EXHIBIT "A"**

**BLUEBONNET HILLS WATER SUPPLY CORPORATION**  
**ASSET LIST**

**A. Inventories of New Materials and Supplies as follows:**

All furniture, fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items of personal property used in connection with the business known as Bluebonnet Hills Water Supply including but not limited to Bluebonnet Hills Water Supply Certificate of Convenience and Necessity from the State of Texas.

**B. Contracts, Agreements, Purchase Orders, Real Property, Real Property Leases and Personal Property Leases.**

**C. Furniture, Fixtures, Equipment, Supplies, Water Wells, Pumps, Transmission Lines, Meters, Pipe and other items.**

**D. Trademarks, Service Marks, Copyrights and Trade Names.**

**BILL OF SALE**

**Date:** March 13, 2020

**Selling Party:** Bluebonnet Hills Water Supply Corporation, a Texas Non-Profit Corporation

**Selling Parties' Mailing Address:** P.O. Box 311 Cresson, Texas 76035

**Purchaser:** The City of Cresson, a political subdivision of the State of Texas

**Buyer's Mailing Address:** P.O. Box 619 Cresson, Texas 76035

**Consideration:** The sum of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is acknowledged.

**Property:** All real property, inventories, raw materials, CCN's, contracts, agreements, purchase orders, real estate leases, easements, personal property leases, customer deposits, furniture, fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items of a like character and supplies used or held for use by Seller in the Business, funds on hand in all bank accounts, intellectual property, papers and records, permits, licenses, franchises, consents, authorities, special authorities, and other similar acts of any government body including but not limited to the assets as same are described in **Exhibit "A"**, appended hereto and incorporated herein by reference.

For value received, Seller sells and delivers the said property to Buyer and warrants and agrees to defend title to the property to Buyer and Buyer's successors against all lawful claims.

Bluebonnet Hills Water Supply Corporation

By: James McAnear  
James McAnear, President



## **EXHIBIT "A"**

### **BLUEBONNET HILLS WATER SUPPLY CORPORATION ASSET LIST**

**A. Inventories of New Materials and Supplies as follows:**

All furniture, fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items of personal property used in connection with the business known as Bluebonnet Hills Water Supply including but not limited to Bluebonnet Hills Water Supply Certificate of Convenience and Necessity from the State of Texas.

**B. Contracts, Agreements, Purchase Orders, Real Property, Real Property Leases and Personal Property Leases.**

**C. Furniture, Fixtures, Equipment, Supplies, Water Wells, Pumps, Transmission Lines, Meters, Pipe and other items.**

**D. Trademarks, Service Marks, Copyrights and Trade Names.**

**TRANSFER AGREEMENT  
(ASSETS)**

**TRANSFR AGREEMENT  
BY AND BETWEEN THE CITY OF CRESSON  
AND  
BLUEBONNET HILLS WATER SUPPLY CORPORATION  
DATED: FEBRUARY 21, 2020**

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**Transfer Agreement  
(Asset)**

**TRANSFER AGREEMENT  
BY AND BETWEEN CITY OF CRESSON AND  
BLUEBONNET HILLS WATER SUPPLY CORPORATION**

This Transfer Agreement ("Agreement") dated the 13<sup>th</sup> day of March 2020 by and between The City of Cresson, a political subdivision of the State of Texas ("Cresson"), and Bluebonnet Hills Water Supply Corporation, a Texas Non-Profit Corporation ("Company").

**INTRODUCTION**

Company desires to sell and Cresson desires to purchase all of the assets of the company known as "Bluebonnet Hills Water Supply Corporation" on the terms and conditions set forth in this Agreement.

In consideration of the mutual promises of the parties; in reliance on the representations, warranties, covenants, and conditions contained in this Agreement; and for \$10.00 and other good and valuable consideration, the parties agree as follows:

**ARTICLE 1  
SALE  
Sale of Assets**

1.01. Company agrees to sell, convey, transfer, assign, and deliver to Cresson, and Cresson agrees to acquire and accept from Company, all of the following assets of Company:

(a) All real property, inventories, raw materials, and supplies including but not limited to those reflected on **Exhibit "A"** appended hereto and incorporated fully into this Agreement.

(b) All of Company's rights and interests in and to the Certificates of Convenience and Necessity ("CCN") issued by the State of Texas including but not limited to CCN 12290 (such CCN to be canceled and replaced by CCN 13284 as part of this transaction), contracts, agreements, purchase orders, real property, real estate leases, easements, and personal property leases, including but not limited to those described on **Exhibit "A"** appended hereto, and incorporated fully into this Agreement; and all of Company's customer deposits (such customer deposits to be transferred and remain in the depositing customers respective accounts); and all rights and claims to refunds and adjustments of any kind owned by Company.

(c) All furniture, fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items described on **Exhibit "A"**, attached to and incorporated fully into this Agreement, and all sundry items of a like character that are owned by Company and are situated on or about the premises of Company or Company's customers or are in transit.

(d) All funds on hand in all bank accounts, including but not limited to operating, checking, savings and other accounts, all deposits (if any) and all accounts receivable of Company.

(e) All right, title, and interest in and to all of the following owned by Company or Company:

(i) The trademarks, service marks, copyrights, patents, patent applications, and trade names listed on **Exhibit "A"**, attached to and incorporated fully into this Agreement.

(ii) All trademarks, service marks, copyrights, and trade names, whether or not listed on **Exhibit "A"**.

(iii) All applications for or registrations of any of these items, promotional designs, concepts, literature, rights against other persons in respect to these items, and other promotional properties.

(f) All right, title, and interest of Company in and to the name Bluebonnet Hills Water Supply Corporation, or any variant of the name.

(g) All papers and records (whether in written or other form) of any kind presently in or in the future coming into the care, custody, or control of Company or Company relating to any of the assets sold to Cresson pursuant to this Agreement or the acquisition or past, present, or future operation of Company, including but not limited to: customer lists, supplier lists, distributor lists, purchase and sales records, blueprints, specifications, personnel and labor relations records, environmental control records, accounting and financial records, maintenance records, operating and management manuals, computer systems and software documentation, blank forms, blank checks, other blank instruments, and plans and designs of products and equipment.

(h) All permits, licenses, franchises, consents, authorities, special authorities, and other similar acts of any government body (federal, state, or local) held by Company or by Company on behalf of Company that may lawfully be assigned or transferred, subject to any action by such body that may be required in connection with such assignment or transfer including the Certificate of Convenience and Necessity.

### **Consideration for Transfer**

1.02. In consideration of the transfer of the assets of Company and the representations, warranties, and covenants of Company set forth in this Agreement, Cresson shall pay to Company \$10.00 and other good and valuable consideration on the Closing Date. Cresson shall assume on the Closing Date only those duties and obligations of Company pursuant to the contracts, agreements, purchase orders, and leases described on Exhibit "A". The parties agree that the purchase price shall be allocated as set forth in Schedule 4 to this Agreement and that the allocation shall be used by the parties in reporting the transaction contemplated by this Agreement for federal and state tax purposes.



## **Closing**

1.03. The parties agree to use their best efforts to consummate this transaction ("Closing"). The Closing shall take place at the offices of The Reid Firm, P.C. located at 1840 Acton Highway, Granbury, Texas 76049 on or before February 29, 2020, or at such other time, date, and place mutually agreed upon in writing by Company and Cresson ("Closing Date"). In either event, all terms and conditions to the Closing of this Agreement shall have been met at least three days' prior to the Closing Date.

## **ARTICLE 2 COMPANY'S REPRESENTATIONS AND WARRANTIES**

Company hereby represents and warrants to Cresson that the following facts and circumstances are and at all times up to the Closing Date will be true and correct:

### **Organization**

2.01. Company is Bluebonnet Hills Water Supply Corporation, a Texas non-profit corporation and has full company power to carry on its business as now being conducted.

### **Authorization of Transaction**

2.02. Company has full power and authority to execute and deliver this Agreement and to perform its obligations under it. This Agreement constitutes the valid and legally binding obligation of Company.

### **Non-Contravention**

2.03. Neither the execution and delivery of this Agreement by Company, nor the consummation by Company of the transactions contemplated by it will violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency or court to which Company is subject or any provision of the Articles of Incorporation or Bylaws of Company.

### **Company's Board of Directors**

2.04. The Board of Directors (the "Board") of the Company possess the full right to sell or dispose of all of the Company assets as the Board may choose. No other person or persons have any claim, right, title, interest, or lien in, to, or on Company or Company's assets.

### **Ownership in Other Companies**

2.05. Company has no interest in any other corporation, firm, business, or partnership.

## **Taxes**

2.06. All federal, state, local, and foreign income, ad valorem, excise, sales, use, payroll, unemployment, and other taxes and assessments ("Taxes") that are due and payable by Company or by Company on behalf of Company have been properly computed, duly reported, fully paid, and discharged. There are no unpaid Taxes that are or could become a lien on the property or assets of Company or require payment by Company, except for current Taxes not yet due and payable. All current Taxes not yet due and payable by Company have been properly accrued on the balance sheets of Company. Company has not incurred any liability for penalties, assessments, or interest under the Internal Revenue Code. No unexpired waiver executed by or on behalf of Company with respect to any Taxes is in effect.

## **Real Property**

2.07. **Exhibit "B"**, which is attached to this Agreement, contains a complete and accurate legal description of each parcel of real property owned by, leased to, or leased by Company together with either a true and correct survey or a substantially true and correct plat of each parcel, when available; and true, correct, and complete copies of all real property leases. **Exhibit "B"** also contains a description of all buildings, fixtures, and other improvements located on the real property and a list of the policies of title insurance issued to Company or Company for the properties. All of the material real property leases are valid and in full force. There does not exist any default or event that with notice, lapse of time, or both will constitute a default under any of these lease agreements. All the buildings, fixtures, and leasehold improvements used by Company in its business are located on the real property. The zoning of each parcel of property described in **Exhibit "B"** permits the presently existing improvements and the continuation of Company's business presently being conducted on such parcel. Company is not aware of any enacted or proposed changes to such zoning.

## **Inventories**

2.08. All inventories owned by Company ("Inventories") consist of items of a quality and quantity usable and saleable in the ordinary course of business by Company. All items included in the Inventories are the property of Company. No items included in the Inventories have been pledged as collateral or are held by Company on consignment from others. All of the Inventories are substantially free of defects.

## **Other Tangible Personal Property**

2.09. The equipment, furniture, fixtures, and other personal property described in **Exhibit "A"** attached to this Agreement constitute all the items of tangible personal property owned by, in the possession of, or used by Company in connection with Company's business except Inventories. Except as stated in **Exhibit "A"**, no personal property used by Company in connection with its business is held under any lease, security agreement, conditional sales contract, or other title retention or security agreement or is located any place other than in the possession of Company.

## **Title to Assets and Properties**

2.10. Company has good and marketable title to all of its assets and properties, tangible and intangible, that are material to Company's business and future prospects. These assets and properties constitute all of the assets and interests in assets that are used in Company's business. All of these assets are free and clear of mortgages, liens, pledges, charges, encumbrances, equities, claims, easements, rights of way, covenants, conditions, and restrictions, except for the following:

(a) Those disclosed in Company's balance sheets, included in the Financial Statements, or in the Exhibits to this Agreement.

(b) The lien of current Taxes not yet due and payable.

All real property and tangible personal property of Company are in good operating condition and repair, ordinary wear and tear excepted. Company is in possession of all premises leased to Company from others. Except as set forth in the appropriate Exhibit listing such assets, no officer, director, or employee of Company, nor any spouse, child, or other relative of any of these persons owns or has any interest, directly or indirectly, in any of the real or personal property owned by or leased by Company or in any copyrights, patents, trademarks, trade names, or trade secrets licensed by Company. Company does not occupy any real property in violation of any law, regulation, or decree that would materially adversely affect its business or future prospects.

## **Customers and Sale**

2.11. **Exhibit "C"** attached to this Agreement is a correct and current list of all customers of Company.

## **Contracts**

2.12. **Exhibit "D"** attached to this Agreement contains true and correct lists, with copies when available, of all oral and written contracts or arrangements obligating Company, including without limitation, contracts with municipalities, pledges and other security agreements, and copies of standard form customer contracts. There are no other consents or approvals required from any other third party with respect to this transaction. Except as set forth in **Exhibit "D"**, Company is not a party to, nor are Company's assets and properties bound by, any distributor's or manufacturer's representative, agency agreement, output or requirements agreement, agreement not entered into in the ordinary course of business, indenture, mortgage, deed of trust, lease, or any agreement that is unusual in nature, duration, or amount. There is no default or event that with notice, lapse of time, or both will constitute a default by any party to any of the contracts listed in **Exhibit "D"**. Company has not received any notice that any party to any of the contracts listed in **Exhibit "D"** intends to cancel or terminate any of the contracts or to exercise or not exercise any options under any of the contracts. Company is not a party to, nor are Company's assets or properties bound by, any contract that is materially adverse to the business, property, or financial condition of Company.

## **Laws and Regulations**

2.13. Company is not in default or in violation of any law; regulation; court order; or order of any federal, state, municipal, foreign, or other government department, board, bureau, agency, or instrumentality, wherever located, that would materially adversely affect its business or future prospects, except as set forth in that certain correspondence received by Company from TCEQ, copies of which have been provided to Cresson.

## **Litigation**

2.14. Except as disclosed in **Exhibit "E"** attached to this Agreement, there are no pending, outstanding, or threatened claims; legal, administrative, or other proceedings; or suits, investigations, inquiries, complaints, notices of violation, judgments, injunctions, orders, directives, or restrictions against or involving Company or any of the assets, properties, or business of Company or any of Company's officers, directors or employees, that will materially adversely affect Company, its assets, properties, or business. To the best of Company's and Company's knowledge and belief, after conducting a due diligence investigation, there is no basis for any of these proceedings against any of Company's assets, properties, persons, or entities. Company has furnished or made available to Cresson copies of all relevant court papers and other documents relating to the matters set forth in **Exhibit "E"**. Company is not presently engaged in any legal action to recover moneys due Company or for damages sustained by Company.

## **Employment Contracts**

2.15. **Exhibit "F"** attached to this Agreement contains a complete description and copies of all employment agreements in effect with Company and a complete description of all fringe benefits and perquisites available to Company's officers, directors, and employees (and, if any, furnished to consultants, agents, and independent contractors), whether required by law or otherwise, including but not limited to, pension, profit sharing, life insurance, medical, bonus, incentive and similar plans, use of automobiles, credit cards, expense accounts and allowances, club memberships, sharing of costs or expenses, vacation, and similar benefits, together with the approximate annual cost of each benefit and perquisite. When available, copies of the plans, agreements, or arrangements regarding each benefit are also attached. The provisions and operations of all such programs and plans are in compliance in all material respects with all applicable material laws and government rules and regulations. There are no unfunded pension or similar liabilities regarding any employee of Company. All pension plans have been properly funded as to current and past service costs, have at all times been administered in compliance in all material respects with all applicable requirements of ERISA and any other applicable laws, and Company does not maintain any "pension plan" as defined in ERISA that is unfunded. **Exhibit "F"** also includes all states in which Company has employees and the status of unemployment insurance accounts in each state.

## **Receivables**

2.16. **Exhibit "G"** attached to this Agreement contains a true and correct list of all accounts receivable and notes receivable of Company. All listed accounts and notes receivable of Company, are bona fide receivables, arose in the ordinary course of business by Company, and require no further performance by Company. No material objection, claim, or offset has been

made regarding the receivables and the receivables are current and collectible in the normal course of business within 90 days from the Closing Date without resort to litigation or the retention of collection services.

### **Other Liabilities and Obligations**

2.17. **Exhibit "H"** attached to this Agreement contains a true and correct list of all liabilities and obligations of Company not disclosed elsewhere in this Agreement of any kind, character, and description whether accrued, absolute, contingent, or otherwise, and whether or not required to be disclosed or accrued in the financial statements of Company, that exceed \$250.00 to any one creditor. In the case of liabilities that are not fixed, an estimate of the maximum amount that may be payable is also included.

### **Trade Names, Trademarks, Copyrights, and Patents**

2.18. **Exhibit "A"** attached to this Agreement contains a true and correct list of all trademarks, trademark registrations or applications, service marks, trade names, copyrights, copyright registrations or applications, trade secrets, patents, inventions, industrial models, processes, designs, formulae, and applications for patents (collectively called "Intellectual Properties") owned by Company. These Intellectual Properties are the only ones used and needed by Company in conducting its business. Company has the right and authority to use all of these Intellectual Properties as necessary to enable Company to conduct its business in the manner presently conducted. The use of these Intellectual Properties does not and will not conflict with, infringe, or violate any patent, copyright, or other proprietary right of any person, firm, or corporation, nor is Company now infringing on any right belonging to any person, firm, or corporation. Company is not a party to any license, agreement, or arrangement, whether as a licensee, licensor, or otherwise with respect to the Intellectual Properties. All of the Intellectual Properties are free and clear of any liens, encumbrances, restrictions, or legal or equitable claims of others. Company has taken all necessary security measures to protect the secrecy, confidentiality, and value of these Intellectual Properties.

### **Business Operations**

2.19. The business operations of Company are and have been for the past five years in material compliance with all laws, treaties, rulings, directives, and similar regulations of all government authorities having jurisdiction over such business insofar as failure to comply could materially adversely affect Company's business and future prospects.

### **Authority**

2.20. Company has full power and authority to execute, deliver, and/or consummate this Agreement, subject to the conditions to Closing set forth in this Agreement. All reports and returns required to be filed by each with any government and regulatory agency with respect to this transaction have been properly filed. Except as otherwise disclosed in this Agreement, no notice to or approval by any other person, firm, or entity, including governmental authorities, is required of Company to consummate the transaction contemplated by this Agreement.

## **Full Disclosure**

2.21. No representation, warranty, or covenant made to Cresson in this Agreement nor any document, certificate, exhibit, or other information given or delivered to Cresson pursuant to this Agreement contains or will contain any untrue statement of a material fact, or omits or will omit a material fact necessary to make the statements contained in this Agreement or the matters disclosed in the related documents, certificates, information, or exhibits not misleading.

## **Brokers**

2.22. Company, nor any of Company's officers, directors or employees, has retained, consented to, or authorized any broker, investment banker, or third party to act on Company's behalf, directly or indirectly, as a broker or finder in connection with the transactions contemplated by this Agreement.

## **Information Required for Bulk Sales Notice**

2.23. **Exhibit "I"** attached to this Agreement includes a true, complete, and correct list of all existing creditors of Company, including their business addresses and the amounts of claims by each creditor against Company. **Exhibit "I"** also includes all information required to be furnished by Company to Cresson for purposes of complying with the Texas Business and Commerce Code bulk transfer provisions.

## **ARTICLE 3 CRESSON'S REPRESENTATIONS AND WARRANTIES**

Cresson represents and warrants to Company that:

### **Authority**

3.01. Cresson has full power and authority to execute, deliver, and consummate this Agreement subject to the conditions to Closing set forth in this Agreement.

### **Broker**

3.02. Neither Cresson, nor any of Cresson's officers, directors, or employees, has retained, consented to, or authorized any broker, investment banker, or third party to act on its behalf, directly or indirectly, as a broker or finder in connection with the transactions contemplated by this Agreement.

## **ARTICLE 4 COVENANTS**

Company covenants with Cresson that from and after the date of this Agreement until the Closing Date, Company will and will cause Company to:

### **Business Operations**

4.01. Operate its business and conduct its activities in the normal course of business and not introduce any material new method of management, operation, or accounting.

### **Maintenance of Assets and Properties**

4.02. Maintain all tangible assets and properties of Company in as good a state of operating condition and repair as they are on the date of this Agreement, except for ordinary depreciation, wear, and tear.

### **Absence of Liens**

4.03. Not sell, pledge, lease, mortgage, encumber, dispose of, or agree to do any of these acts regarding any of the assets or properties of Company, other than in the normal course of business, without the prior written approval of Cresson.

### **Preservation of Business**

4.04. Use its best efforts to preserve intact its organization and personnel and to keep available the services of all of its employees, agents, independent contractors, and consultants commensurate with Company's business requirements.

### **Preservation of Customer Relations**

4.05. Use its best efforts to preserve intact the present customers of Company and the goodwill of all customers and others with respect to the business.

### **Maintain Insurance**

4.06. Keep in force all policies of insurance covering the Company's business, properties, and assets, including all insurance listed in this Agreement. If Cresson so requests in writing, to purchase additional insurance as may be reasonably required at Cresson's expense.

### **Absence of Contractual Obligations**

4.07. Not become obligated on any contract or commitment or incur or agree to incur any liability or make any capital expenditures without the prior written consent of Cresson.

### **Performance of Obligations**

4.08. Perform all of its obligations and not make any material amendment to its obligations under all agreements relating to or affecting Company's customers, business, properties, and assets.

### **Notification of Litigation**

4.09. Promptly notify Cresson in writing of any outstanding or threatened claims; legal, administrative, or other proceedings, suits, investigations, inquiries, complaints, notices of violation, or other process; or other judgments, orders, directives, injunctions, or restrictions against or involving Company or its personnel that could adversely affect Company.

### **Provide Financial Statements**

4.10. Provide Cresson with fairly presented monthly financial statements with respect to Company within fifteen days after the end of each month, together with copies of customary monthly management reports.

### **Access to Books and Records**

4.11. Make available to Cresson and its authorized agents and accountants for inspection at reasonable times and under reasonable circumstances the following items with respect to Company: assets; properties; business and financial records; and tax returns, working papers, files, and memoranda of its public accountants and outside legal counsel for the purposes of making an accounting review, a legal audit, and investigation and examination of Company as deemed desirable by Cresson. Company will use its best efforts to cause Company's officers, employees, public accountants, and outside legal counsel to cooperate fully with Cresson's examination and to make a full and complete disclosure to Cresson of all facts regarding the financial condition and business operations of Company.

### **Employee Compensation**

4.12. Not increase the compensation payable to or to become payable to any executive officer, key employee, or agent; make any bonus payment to any such person; and permit Cresson to contact such employees, agents, and officers at all reasonable times for the purpose of discussing with them prospective employment by Cresson on or after the Closing Date. Company shall use its best efforts to encourage all such persons to accept any employment offered by Cresson.

### **Not Solicit**

4.13. Not negotiate with any person or entity, or solicit or entertain any proposal concerning any acquisition in any form of Company.

### **Cooperate in Publicity**

4.14. Coordinate any written publicity regarding this transaction with Cresson.

### **Payment of Liabilities and Waiver of Claims**

4.15. Not do, or agree to do, any of the following acts:

- (a) Pay any obligation or liability, fixed or contingent, other than current liabilities.
- (b) Waive or compromise any right or claim.



(c) Without full payment, cancel any note, loan, or other obligation owing to Company.

#### **Maintain Existing Agreements**

4.16. Not modify, amend, cancel, or terminate any of Company's existing contracts or agreements, or agree to do so.

#### **Obtain Consents**

4.17. As soon as reasonably practical after the execution of this Agreement and in any event before the Closing Date, obtain the written consents of the following persons and furnish to Cresson copies of the consents: **None**

#### **Provide Sales and Use Tax Certificates**

4.18. Furnish to Cresson clearance certificates from the appropriate agencies in all states where Company is qualified to do business and any related certificates that Cresson may reasonably request as evidence that all sales, use, and other tax liabilities of Company (other than income tax liabilities) accruing before the Closing Date have been fully satisfied or provided for by Company.

#### **Provide UCC Clearances**

4.19. Deliver to Cresson a Business and Commerce Code search report issued by the Secretary of State in each state where Company owns personal property and dated as of a date not more than seven days before the Closing Date. The report must indicate that there are no filings under the UCC on file with the Secretary of State that name Company as debtor or otherwise indicate any lien on the assets and properties of Company, except for the liens otherwise disclosed in this Agreement.

#### **Deliver Title Policies**

4.20. Deliver to Cresson title insurance policies, dated as of the Closing Date, issued by title insurance companies acceptable to Cresson and at Cresson's expense. The policies shall insure a fee simple title in Cresson to all real property owned by Company, subject only to the following:

(a) The lien, if any, of current real property taxes, payment of which is not delinquent.

(b) Liens and encumbrances referred to in the financial statements set forth in the exhibits to this Agreement.

(c) Objections and exceptions noted in the title insurance policies that have been approved by Cresson in writing.

Liability coverage under the title insurance policies shall be at least equal to or greater than the book value of the real property as reflected in the financial statements of Company.

## **ARTICLE 5 CONDITIONS TO CRESSON'S OBLIGATION TO CLOSE**

The obligation of Cresson to Close under this Agreement is subject to each of the following conditions (any one of which may, at the option of Cresson, be waived in writing by Cresson) existing on the Closing Date, or such earlier date as the context may require.

### **Representations and Warranties**

5.01. Each of the representations and warranties of Company in this Agreement, the disclosures contained in the exhibits to this Agreement, and all other information delivered under this Agreement shall be true in all material respects at and as of the Closing Date as though each representation, warranty, and disclosure were made and delivered at and as of the Closing Date.

5.02. Company and Company shall each comply with and perform all agreements, covenants, and conditions in this Agreement required to be performed and complied with by each of them. All requisite action in order to consummate this Agreement shall be properly taken by Company and Company.

### **Suit or Proceeding**

5.02. No suit or proceeding, legal or administrative, relating to any of the transactions contemplated by this Agreement shall be overtly threatened or commenced that, in the sole discretion of Cresson and its counsel, would make it inadvisable for Cresson to Close this transaction.

### **Government Approvals and Filings**

5.03. All necessary government approvals and filings regarding this transaction shall be received or made prior to the Closing Date in substantially the form applied for to the reasonable satisfaction of Cresson and its counsel, unless waived by Cresson including but not limited to approval by the Public Utility Commission and the Texas Commission on Environmental Quality. Any applicable waiting period for the approvals and filings shall be expired, unless waived by Cresson.

### **Consents of Others**

5.04. Cresson shall receive written consent from the President of the Board of Company as evidenced by this Agreement.

### **Due Diligence**

5.05. In the event Cresson determines, in the course of performing Cresson's due diligence, for any reason that Cresson does not want to purchase the assets of Company, Cresson may terminate this Agreement.

**ARTICLE 6**  
**CONDITIONS TO COMPANY'S OBLIGATION TO CLOSE**

The obligation of Company to Close under this Agreement is subject to each of the following conditions (any one of which at the option of Company may be waived in writing by Company) existing on the Closing Date.

**Government Approvals**

6.01. All necessary government approvals and filings regarding this transaction shall be received or made prior to the Closing Date in substantially the form applied for, including but not limited to approval by the Public Utility Commission and the Texas Commission on Environmental Quality.

**ARTICLE 7**  
**PARTIES' OBLIGATIONS AT THE CLOSING**  
**Company's Obligations at the Closing**

7.01. At the Closing, Company shall execute, if appropriate, and shall deliver to Cresson:

- (a) A bill of sale in a form acceptable to Cresson sufficient to convey to Cresson all rights, title, and interest in and to all of the inventories, fixtures, equipment, and items of personality being sold to Cresson under the terms of this Agreement.
- (b) One or more instruments of assignment in a form acceptable to Cresson assigning to Cresson the exclusive rights to: all contract rights, leases, accounts receivable in the name of Company being sold to Cresson under the terms of this Agreement.
- (c) All documentation in the possession of Company necessary to operate and to use all assets being sold to Cresson in this Agreement.

**Cresson's Obligation at Closing**

7.02. At the Closing, Cresson shall deliver to Company against delivery of the items specified in *Paragraph 7.01*, above, an escrow or cashier's check in the amount of \$10.00 and other good and valuable consideration, less any and all offsets and closing costs, payable to Company in federal funds currently available in Texas.

**ARTICLE 8**  
**COMPANY'S OBLIGATIONS AFTER THE CLOSING**  
**Preservation of Goodwill**

8.01. Following the Closing Date, Company will restrict its activities so that Cresson's reasonable expectations with respect to the goodwill, business reputation, employee relations, and prospects connected with the assets and properties purchased under this Agreement will not be materially impaired.

### **Change of Name**

8.02. Company agrees that, after the Closing Date, it will not use or employ in any manner, directly or indirectly, the name of Company or any variation of the name. Company also agrees that, in order to comply with this covenant, it will take and cause to be taken all necessary action, including filing a withdrawal notice for any assumed name certificate bearing Company's name or any variant of the name, that Company has previously filed.

### **Access to Records**

8.03. From and after the Closing Date, Company shall allow Cresson and its counsel, accountants, and other representatives access to records that are, after the Closing Date, in the custody or control of Company. Company shall give access as Cresson reasonably requires in order to comply with its obligations under law or when reasonably necessary for the business operations of Company.

### **Application of Sales Proceeds**

8.04. Company covenants and warrants on or before the Closing Date all creditors of Company be paid in full.

## **ARTICLE 9 INDEMNIFICATION**

### **Covenant to Indemnify and Hold Harmless**

9.01. Company covenants and agrees to indemnify, defend, and hold harmless Cresson and Company from and against any and all claims, suits, losses, judgments, damages, and liabilities including any investigation, legal, and other expenses incurred in connection with and any amount paid in settlement of any claim, action, suit, or proceeding (collectively called "Losses"), other than those Losses disclosed in this Agreement or any Exhibit delivered pursuant to this Agreement, to which Cresson or Company may become subject, if such Losses arise out of or are based upon any facts and circumstances (or alleged facts and circumstances) that could result in or give rise to a misrepresentation, breach of warranty, or breach of covenant by Company to Cresson in this Agreement. This right to indemnification is in addition to any other right available to Cresson and Company, including the right to sue Company for a misrepresentation, breach of warranty, or breach of covenant under this Agreement.

### **Income Taxes**

9.02. Without limiting the provisions of *Paragraph 9.01*, Company shall indemnify, defend, and hold harmless Cresson and Company from and against any Losses to which Company or Cresson may become subject insofar as such Losses arise out of or are based on any tax on or measured by the net income of Company in any period on or before the Closing Date. The indemnifications provided in this *Paragraph 9.02* and in *Paragraph 9.01*, above, are cumulative and neither provision shall limit or in any other way affect the right of Cresson and Company under the other provision.

### **Notification and Defense of Claims or Actions**

9.03. When Cresson proposes to assert the right to be indemnified under this Article 9 with respect to third-party claims, actions, suits, or proceedings, Cresson shall, within 30 days after the receipt of notice of the commencement of the claim, action, suit, or proceeding, notify Company in writing, enclosing a copy of all papers served or received. On receipt of the notice, Company shall have the right to direct the defense of the matter, but Cresson shall be entitled to participate in the defense and, to the extent that Cresson desires, to jointly direct the defense with Company with counsel mutually satisfactory to Cresson and Company, at Company's expense. Cresson shall also have the right to employ its own separate counsel in any such action. The fees and expenses of Cresson's counsel shall be paid by Cresson unless: (a) the employment of the counsel has been authorized by Company; (b) Cresson has reasonably concluded that there may be a conflict of interest between Company and Cresson in the conduct of the defense of such action; or (c) Company has not, in fact, employed counsel satisfactory to Cresson to assume the defense of the action. In each of these cases, the fees and expenses of Cresson's counsel shall be paid by Company. Neither Company nor Cresson shall be liable for any settlement of any action or claim described in this Article 9 that is effected without their consent.

### **Interest**

9.04. Any indemnification required of Company under this Article 9 shall include interest on the amount of the indemnity from the time incurred to the date of payment at six percent simple interest per annum.

## **ARTICLE 10**

### **GENERAL PROVISIONS**

#### **Survival of Representations, Warranties, and Covenants**

10.01. The representations, warranties, covenants, and agreements of the parties contained in this Agreement or contained in any writing delivered pursuant to this Agreement shall survive the Closing Date for the period of time set forth in this Agreement.

### **Notices**

10.02. All notices that are required or that may be given pursuant to the terms of this Agreement shall be in writing and shall be sufficient in all respects if given in writing and delivered personally or by registered or certified mail, return receipt requested, postage prepaid as follows:

If to Cresson:           City of Cresson  
                                  P.O. Box 619  
                                  Cresson, Texas 76035-0619

With a copy to:        The Reid Firm, P.C.  
                                  Steven J. Reid  
                                  1840 Acton Highway  
                                  Granbury, Texas 76049

If to Company:           Bluebonnet Hills Water Supply Corporation  
                                  P.O. Box 311  
                                  Cresson, Texas 76035-0311

#### **Assignment of Agreement**

10.03. This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns. This Agreement may not be assigned by any other party without the written consent of all parties and any attempt to make an assignment without consent is void.

#### **Governing Law**

10.04. This Agreement shall be construed and governed by the laws of the State of Texas and shall be performable in Hood County, Texas.

#### **Amendments; Waiver**

10.05. This Agreement may be amended only in writing by the mutual consent of all of the parties, evidenced by all necessary and proper corporate authority. No waiver of any provision of this Agreement shall arise from any action or inaction of any party, except an instrument in writing expressly waiving the provision executed by the party entitled to the benefit of the provision.

#### **Entire Agreement**

10.06. This Agreement, together with any documents and exhibits given or delivered pursuant to this Agreement, constitutes the entire agreement between the parties to this Agreement. No party shall be bound by any communications between them on the subject matter of this Agreement unless the communication is (a) in writing, (b) bears a date contemporaneous with or subsequent to the date of this Agreement, and (c) is agreed to by all parties to this Agreement. On execution of this Agreement, all prior agreements or understandings between the parties shall be null and void.

#### **Reliance Upon Representations and Warranties**

10.07. The parties mutually agree that, notwithstanding any right of Cresson to fully investigate the affairs of Company and notwithstanding any knowledge of facts determined or determinable by Cresson pursuant to the investigation or right to investigate, Cresson may fully rely upon the representations, warranties, and covenants made to Cresson in this Agreement and on the accuracy of any document, certificate, or exhibit given or delivered to Cresson pursuant to this Agreement. Knowledge by an agent of Cresson of any facts not otherwise disclosed in this Agreement or in a document, certificate, or exhibit delivered to Cresson pursuant to this Agreement shall not constitute a defense by Company for indemnification of Cresson under Article 9 or for any claim for misrepresentation or breach of any warranty, agreement, or covenant under this Agreement or any exhibit, certificate, or document delivered under this Agreement.

**Special Provisions**

10.08. Temporary operations prior to Closing. Effective February 21, 2020, the City of Cresson will assist Bluebonnet Hills Water Supply Corporation with the operation of the water supply corporation as follows:

1. Day to Day operations and maintenance including: meter reading, billing, collections, payments for accounts payable, repairs and maintenance.

The City will be compensated for such services at the rate of \$3,000.00 per month. Beginning immediately, the City will open a separate account for all Bluebonnet Hills Water Supply Corporation funds held by the City. In the event the transaction does not close, the City of Cresson will return all of the funds belonging to Bluebonnet Hills Water Supply Corporation to Bluebonnet Hills Water Supply Corporation.

Signed on the 13<sup>th</sup> day of March 2020.

**Cresson:**

City of Cresson

By: W.R. Cornett  
W.R. Cornett, Mayor

**Company:**

Bluebonnet Hills Water Supply Corporation,  
a Texas non-profit corporation

By: James McAnear  
James McAnear, President

## **EXHIBIT "A"**

**A. Inventories of New Materials and Supplies as follows:**

All furniture, fixtures, equipment, supplies, water wells, pumps, transmission lines, meters, pipe and other items of personal property used in connection with the business known as Bluebonnet Hills Water Supply including but not limited to Bluebonnet Hills Water Supply Certificate of Convenience and Necessity from the State of Texas.

**B. Contracts, Agreements, Purchase Orders, Real Property, Real Property Leases and Personal Property Leases.**

**C. Furniture, Fixtures, Equipment, Supplies, Water Wells, Pumps, Transmission Lines, Meters, Pipe and other items.**

**D. Trademarks, Service Marks, Copyrights and Trade Names.**



**EXHIBIT "B"**

**1 - Office Building, Legal Description, Lot 14**

BEING, the surface estate only of that certain Lot, Tract or Parcel of Land lying and being situated in Parker County, Texas and being Lot 14 in Section 1 of Bluebonnet Hills, a subdivision according to Plat of Record in Volume 362A, Pages 49 thru 51, Plat Records of Parker County, Texas, save and except that portion of Lot 14 described by metes and bounds as:

BEING a part of Lot 14, Section 1, Bluebonnet Hills, also known as a part of the I. & G.N.R.R. Survey, Abstract 1801, Parker County, Texas and Abstract 1259, Johnson County, Texas;

BEGINNING at a point being North 00 deg. 42 min. West 1447.06 feet, and South 89 deg. 18 min. West 523.42 feet from the Southeast corner of the I. & G.N.R.R. Survey;

THENCE South 89 deg. 18 min. West 200.0 feet to a steel pin for corner;

THENCE North 00 deg. 42 min. West at 30.0 feet, passing a steel pin in the North line of Skyline Drive, continuing in all 196.89 feet to a steel pin for corner;

THENCE North 89 deg. 18 min. East 200.0 feet to a steel pin for corner;

THENCE South 00 deg. 42 min. East 196.89 feet to the place of beginning and containing 0.904 acres.

Please see attached Warranty Deed dated January 12, 1990.

**EXHIBIT "B"**

1 - Office Building, Legal Description, Lot 14  
(continued)

190396

**The State of Texas, } Know All Men by These Presents:**  
County of HOOD PARKER }

That BETZEL GROUP, INCORPORATED, A TEXAS CORPORATION

of the County of HOOD State of TEXAS for and in consideration  
of the sum of TEN AND NO/100---(\$10.00)-----  
----- DOLLARS

to it in hand paid by the Grantees,  
as follows  
Cash and other valuable consideration to the undersigned,  
the receipt of which is hereby acknowledged.

have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said  
Grantees, BLUBONNET HILLS WATER SUPPLY CORPORATION

of the County of PARKER State of TEXAS all that certain  
real property in PARKER County, Texas to wit:

BEING, the surface estate only of that certain Lot, Tract or Parcel of Land  
lying and being situated in Parker County, Texas and being Lot 14 in Section  
1 of Bluebonnet Hills, a subdivision according to Plat of Record in Volume  
J62A, Pages 49 thru 51, Plat Records of Parker County, Texas, save and except  
that portion of Lot 14 described by metes and bounds as BEING a part of Lot  
14, Section 1, Bluebonnet Hills, also known as a part of the I.G.N.R.R. Survey  
Abstract 1801, Parker County, Texas and Abstract 1259, Johnson County, Texas.  
BEGINNING at a point being North 00 deg. 42 min. West 1447.06 feet, and South  
89 deg. 18 min. West 523.42 feet from the Southeast corner of the I.G.N.R.R.  
Survey. THENCE South 89 deg. 18 min. West 200.0 feet to a steel pin for corner  
THENCE North 00 deg. 42 min. West at 30.0 feet, passing a steel pin in the  
North line of Skyline Drive, continuing in all 196.89 feet to a steel pin for  
corner; THENCE North 89 deg. 18 min. East 200.0 feet to a steel pin for corner  
THENCE South 00 deg. 42 min. East 196.89 feet to the place of beginning and  
containing 0.904 acres.

Conveyance made herein subject to all restrictions, easements, covenants and  
conditions of record, if any, relating to the hereinabove described property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the  
rights and appurtenances thereto in anywise belonging unto the said Grantees, their  
heirs and assigns forever and does do hereby bind Grantees, their  
heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises  
unto the said Grantees, their  
heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any  
part thereof.

WITNESS my hand at Granbury, Hood County, Texas  
this 12TH day of JANUARY 19 90~~MS~~

Witnesses at Request of Grantor.

BETZEL GROUP, INCORPORATED  
BY: *W. A. Nolley*  
W. A. NOLLEY, President

BOOK 1470 PAGE 1914

## **EXHIBIT "B"**

### **2 - Well Site #1 and Well Site #4, Legal Description**

**BEING, Well Site #1, (100' x 200') bounded by lots 21-B and 22 in Section 1, Bluebonnet Hills, a subdivision filed of record in Volume 362-A, Page 60 in Parker County, Texas.**

#### **Tract 22-1 Sanitary Control Easement**

**BEING a tract of land in the I. & G.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 22, Section One, Bluebonnet Hills, as per plat recorded in Volume 362-A, Page 60, Plat Records of Parker County, Texas.**

**BEGINNING at a point in the north line of, and North 89 degrees 18 minutes East, 126.28 feet from the Northwest corner of Lot 22, Section One, Bluebonnet Hills.**

**THENCE, North 89 degrees 18 minutes East, 100.0 feet to a point for a corner;**

**THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for corner;**

**THENCE, North 89 degrees 18 minutes East, 191.42 feet to a point for corner;**

**THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 80 degrees 57 minutes 52 seconds West, 295.68 feet, a distance of 420.26 feet to the place of beginning and containing 0.585 acres of land.**

#### **Tract 21-B-1 Sanitary Control Easement**

**BEING a tract of land in the I. & G.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 21-B, Section One, Bluebonnet Hills as per plat recorded in Volume 362-A, Page 60, Plat Records of Parker County, Texas.**

**BEGINNING at a point in the south line of and North 89 degrees 18 minutes East, 126.28 feet from the southwest corner of Lot 21-B, Section One, Bluebonnet Hills;**

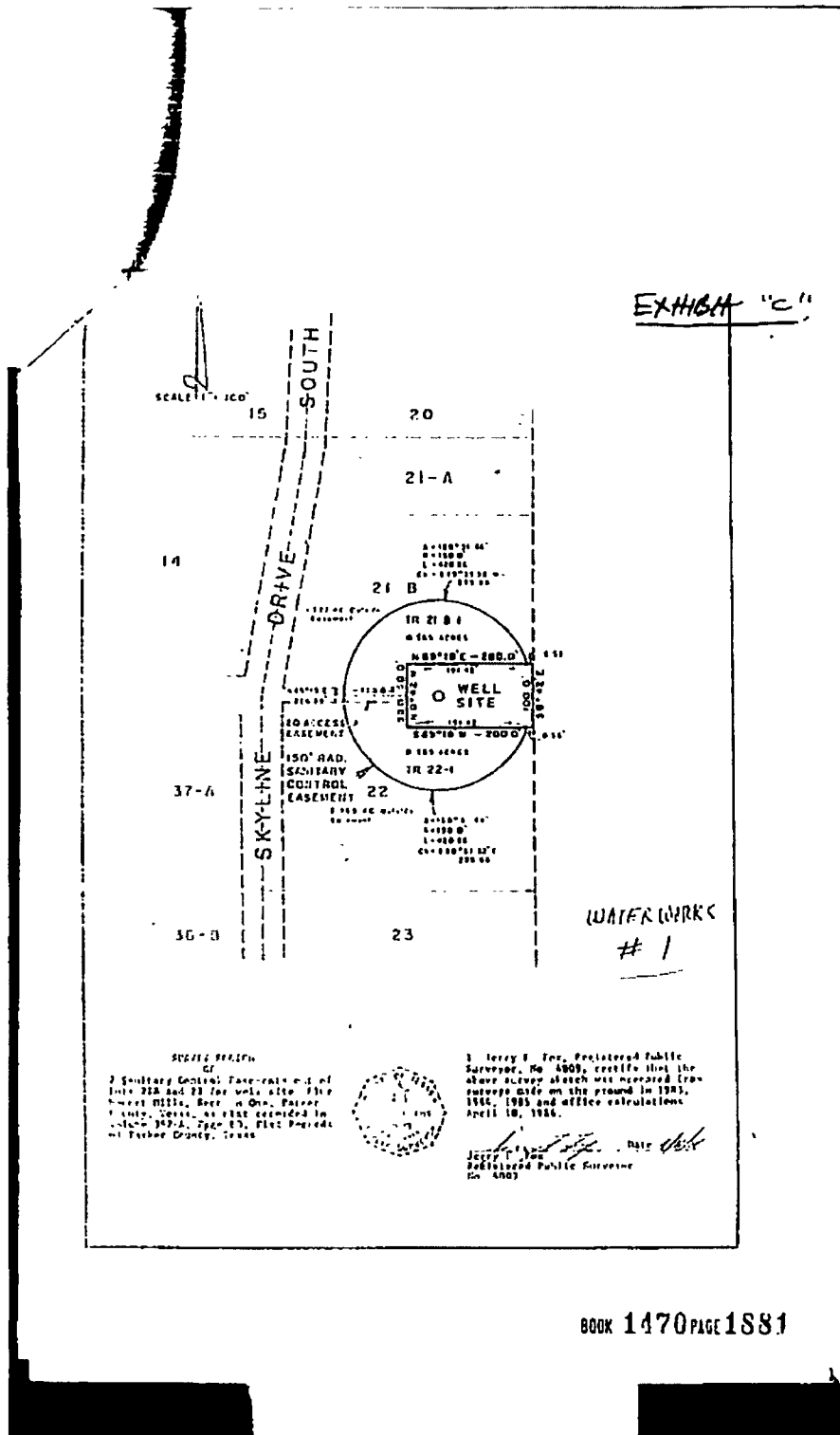
**THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 79 degrees 33 minutes 52 seconds East, 295.68 feet, a distance of 420.26 feet to a point for a corner;**

**THENCE, South 89 degrees 18 minutes West, 191.42 feet to a point for a corner;**

**THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for a corner;**

**THENCE, South 89 degrees 18 minutes West, 100.0 feet to the place of beginning and containing 0.585 acres.**

**EXHIBIT "B"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
**(continued)**



Please see attached Warranty Deed dated January 12, 1990.

**EXHIBIT "B"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
 (continued)

<p><b>The State of Texas,</b> }          County of <b>HOOD</b> PARKER</p>	<p align="right">190361.  <b>Know All Men by These Presents:</b></p>
<p>That <b>BETZEL GROUP, INC</b></p>	
<p>of the County of <b>HOOD</b> State of <b>TEXAS</b> for and in consideration</p>	
<p>of the sum of <b>TEN AND NO/100----(\$10.00)-----</b></p>	
<p>-----          DOLLARS</p>	
<p>to it in hand paid by the Grantees,</p>	
<p>as follows:</p>	
<p>Cash and other valuable consideration to the undersigned, the receipt of which is hereby acknowledged,</p>	
<p>have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said Grantee, <b>BLUBONNET HILLS WATER SUPPLY CORPORATION-----</b>          -----P. O. Box 311, Cresson, Texas 76035-----</p>	
<p>of the County of <b>PARKER</b> State of <b>TEXAS</b> all that certain real property in <b>PARKER</b> County, Texas to wit:</p>	
<p><b>BEING, Well site #1, (100' X 200') bounded by lots 21-B and 22 in Section 1, Bluebonnet Hills, a subdivision filed of record in Volume 362-A, Page 60 in Parker County, Texas. Exhibit "A", "B" &amp; "C" attached and made a part hereof.</b></p>	
<p><b>Conveyance made herein subject to all restrictions, easements, assessments, reservations and covenants of record, if any, affecting and relating to the hereinabove described property.</b></p>	
<p><b>TO HAVE AND TO HOLD</b> the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantees, their heirs and assigns forever and <b>does</b> do hereby bind itself, its successors heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises unto the said</p>	
<p>heirs and assigns against every person whomsoever lawfully claiming, or to claim the same, or any part thereof</p>	
<p>WITNESS my hand at Granbury, Hood County, Texas          this <b>12<sup>TH</sup></b> day of <b>JANUARY</b> 19<b>78</b>.</p>	
<p>Witnesses at Request of Grantor</p>	
<p><b>BETZEL GROUP, INC</b>          BY: <i>[Signature]</i>  <b>H. A. Betzel, President</b></p>	
<p>BOOK <b>1470</b> PAGE <b>1877</b></p>	

**EXHIBIT "B"**

**2 - Well Site #1 and Well Site #4, Legal Description  
(continued)**

Mailing address of grantor

Name:  
Address:

(Acknowledgment)

STATE OF TEXAS  
COUNTY OF Wood

This instrument was acknowledged before me on the 12th day of January  
by W.G. Betzel, President of Betzel Group, Inc.

My commission expires:  
12-18-93

Maureen G. Casdel  
Notary Public, State of Texas  
Notary's printed name:  
Maureen G. Casdel

(Acknowledgment)

STATE OF TEXAS  
COUNTY OF

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_

My commission expires: \_\_\_\_\_

Notary Public, State of Texas  
Notary's printed name: \_\_\_\_\_

(Acknowledgment)

STATE OF TEXAS  
COUNTY OF

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_

My commission expires: \_\_\_\_\_

Notary Public, State of Texas  
Notary's printed name: \_\_\_\_\_

WARRANTY DEED

FROM

BETZEL GROUP, INC.

TO

BLUBONNET HILLS WATER SUPPLY CORPORATION

FILED FOR RECORD

This day of \_\_\_\_\_ A.D. 19\_\_\_\_

at \_\_\_\_\_ M

By \_\_\_\_\_ County Clerk

Deputy

RECORDED

A.D. 19\_\_\_\_

County Record

in Book \_\_\_\_\_ of Page \_\_\_\_\_

County Clerk

Deputy

Recording Fee \$ \_\_\_\_\_

This instrument should be filed immediately with the County Clerk's office.

WHEN RECORDED RETURN TO

William H. Central  
Attorney at Law  
209 Trinity Street  
Weatherford, Texas 76086

BOOK 1470 PAGE 1878

**EXHIBIT "B"**  
2 - Well Site #1 and Well Site #4, Legal Description  
(continued)

CHILDRESS and RECER  
ENGINEERING and SURVEYING

EXHIBIT A

OFFICE: CHILDRESS, P.  
Registered Professional Engineer  
CHILDRESS & RECER  
Registered Public Surveyor

178 S. RIDGEWAY  
CLEBURNE, TEXAS 76031  
TELEPHONE  
817 641-1661  
817 641-8443

FIELD NOTES FOR BETZEL GROUP, INC.  
TRACT 22-1 SANITARY CONTROL EASEMENT

BEING a tract of land in the I. & G.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 22, Section One, Bluebonnet Hills, as per plat recorded in Volume 162-A, Page 60, Plat Records of Parker County, Texas.

BEGINNING at a point in the north line of, and North 89 degrees 18 minutes East, 126.28 feet from the Northwest corner of Lot 22, Section One, Bluebonnet Hills.

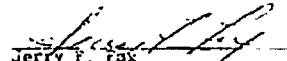
THENCE, North 89 degrees 18 minutes East, 100.0 feet to a point for a corner;

THENCE, South 0 degrees 42 minutes East, 50.0 feet to a point for corner,

THENCE, North 89 degrees 18 minutes East, 191.42 feet to a point for a corner;

THENCE, along a curve to the right having a radius of 150.0 feet, a central angle of 160 degrees 31 minutes 44 seconds, and a chord bearing North 80 degrees 57 minutes 52 seconds West, 255.68 feet, a distance of 420.26 feet to the place of beginning and containing 0.585 acres of land.

I, Jerry F. Fox, Registered Public Surveyor, No. 4009, certify that the above field notes were prepared from surveys made on the ground in 1983, 1984, 1985 and office calculations April 10, 1986.

  
Jerry F. Fox  
Registered Public Surveyor  
No. 4009

Date: 4/10/86



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**EXHIBIT "B"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
**(continued)**

**CHILDRESS and RECER**  
ENGINEERING and SURVEYING

EXHIBIT "B"

ADRIAN F. CHILDRESS, JR.  
Registered Professional Engineer  
CIVIL AND SURVEYING  
Registered Public Surveyor

128 S. RIDGEWAY  
CLEBURNE, TEXAS 76031  
TELEPHONE  
817 645-9661  
817 645-9662

FIELD NOTES FOR BETZEL GROUP, INC.  
TRACT 21-3-1 SANITARY CONTROL EASEMENT

BEING a tract of land in the I. & G.N.R.R. Survey, Abstract No. 1801, Parker County, Texas and being a part of Lot 21-B, Section One, Bluebonnet Hills as per plat recorded in Volume 362-A, Page 60, Plat Records of Parker County, Texas.

BEGINNING at a point in the south line of and North 89 degrees 18 minutes East, 126.26 feet from the southwest corner of Lot 21-B, Section One, Bluebonnet Hills.

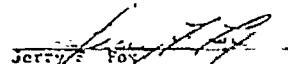
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THENCE, South 89 degrees 18 minutes West, 191.42 feet to a point for a corner.

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THENCE, South 89 degrees 18 minutes West, 100.0 feet to the place of beginning and containing 0.585 acres.

I, Jerry F. Fox, Registered Public Surveyor, No. 4009, certify that the above field notes were prepared from surveys made on the ground in 1983, 1984, 1985 and office calculations April 10, 1986.

  
\_\_\_\_\_  
Jerry F. Fox  
Registered Public Surveyor  
No. 4009

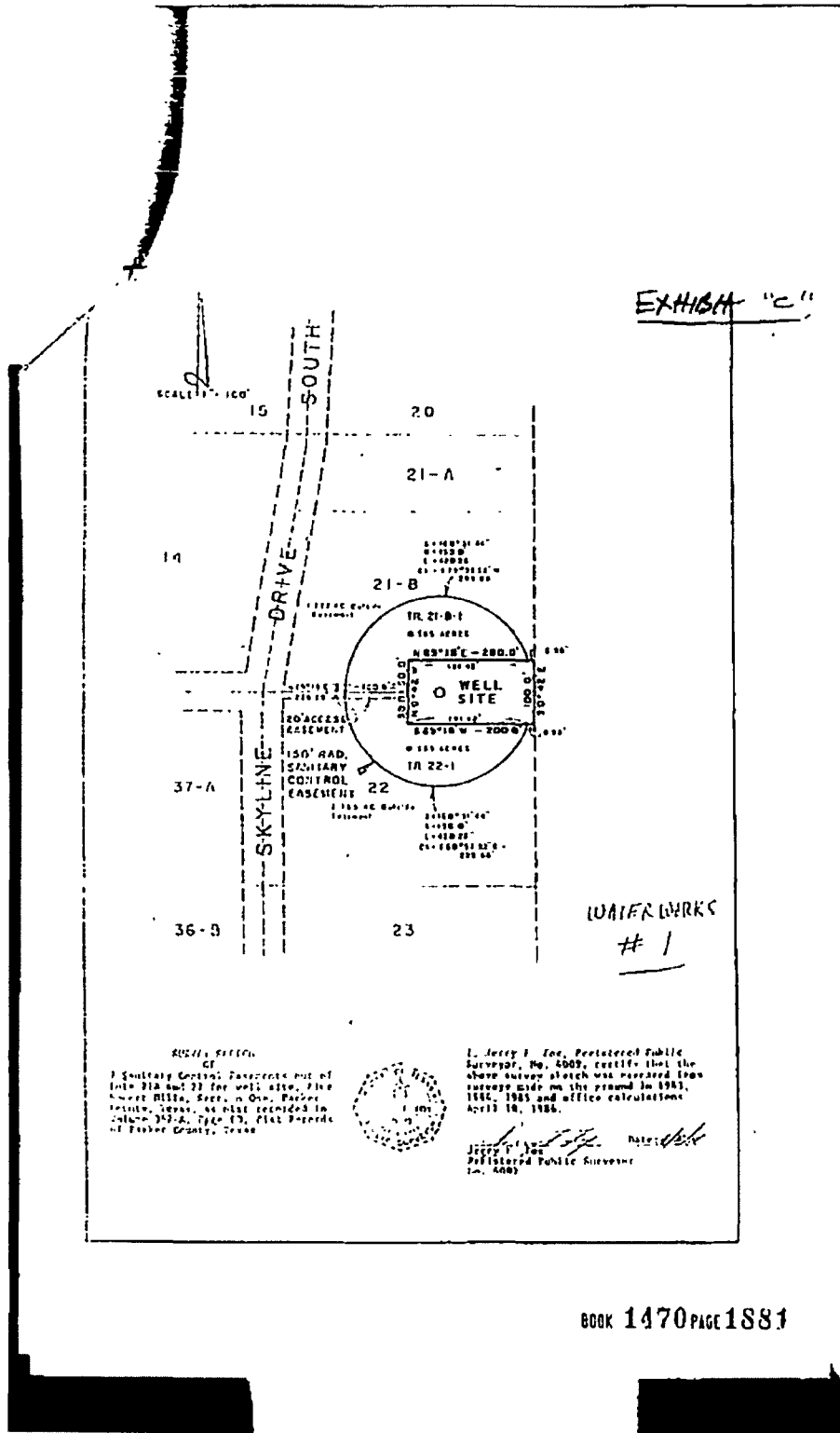
Date: 



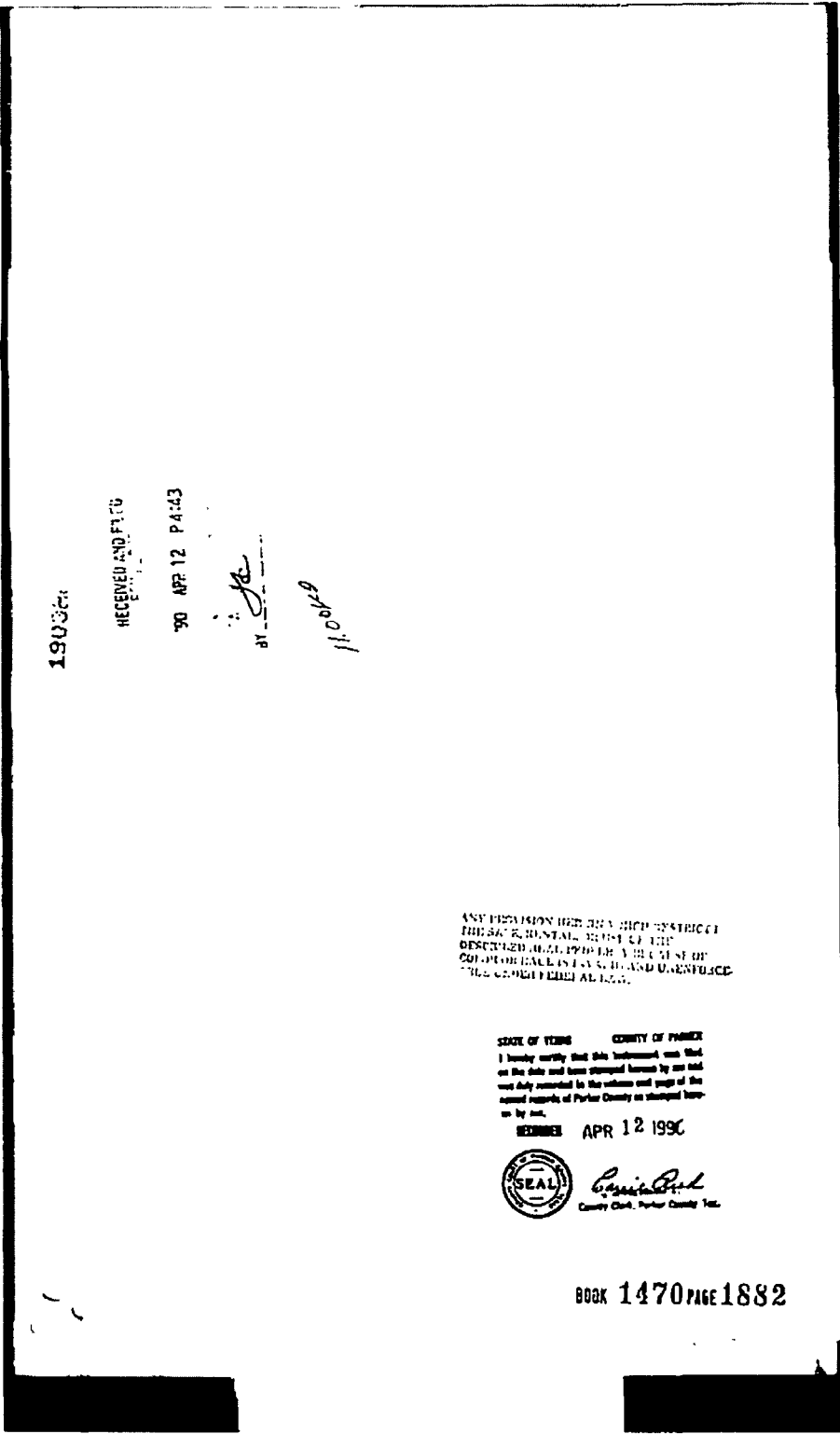
BOOK 1470 PAGE 1880



**EXHIBIT "B"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
**(continued)**



**EXHIBIT "B"**  
**2 - Well Site #1 and Well Site #4, Legal Description**  
**(continued)**



**EXHIBIT "B"**

**3 - Well Site #2, Legal Description**

**Parcel E-1, Lot 1-A, Section 2, Bluebonnet Hills**

**BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-A, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas.**

**BEGINNING at the Northernmost corner of said Lot 1-A, Section 2, Bluebonnet Hills.**

**THENCE South 35 degrees 25 minutes 23 seconds East, along the East line of Lot 1-A, 63.58 feet to a point for corner;**

**THENCE South 84 degrees 41 minutes 30 seconds West, along the West line of Lot 1-A, and the East line of U. S. Highway No. 377, 55.00 feet to the place of beginning and containing 0.021 acres of land.**

**Parcel F-1, Lot 1-B, Section 2, Bluebonnet Hills**

**BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas.**

**BEGINNING at the Northwest corner of said Lot 1-B, Section 2, Bluebonnet Hills.**

**THENCE North 43 degrees 56 minutes East, along the North line of Lot 1-B, 75.0 feet to a point for corner, being the Northeast corner of Lot 1-B;**

**THENCE South 06 degrees 55 minutes East 104.0 feet to a point for corner;**

**THENCE South 84 degrees 41 minutes West, 27.83 feet to a point for corner in the West line of Lot 1-B;**

**THENCE North 35 degrees 25 minutes 23 seconds West, along the West line of Lot 1-B, 63.58 feet to the place of beginning and containing 0.087 acres of land.**

**Please see attached Field Notes, Deed, and Survey Sketch. (Sanitary Control Easement Legal is included in Field Notes.)**

**EXHIBIT "B"**  
3 - Well Site #2, Legal Description  
(continued)

**CHILDRESS and RECER**  
ENGINEERING and SURVEYING

ROBERT T CHILDRESS JR  
Registered Professional Engineer  
CLIFFORD E RECER  
Registered Public Surveyor

128 S RIDGEWAY  
CLEBURNE TEXAS 76031  
TELEPHONE  
817 645 9661  
817 645 9662

FIELD NOTES  
PARCEL E-1, LOT 1-A, SECTION 2, BLUEBONNET HILLS  
WELL SITE

BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-A, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records, Parker County, Texas.

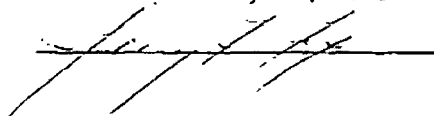
BEGINNING at the Northernmost corner of said Lot 1-A, Section 2, Bluebonnet Hills.

THENCE South 35 degrees 25 minutes 23 seconds East, along the East line of Lot 1-A, 63.58 feet to a point for corner;

THENCE South 84 degrees 41 minutes West, 32.65 feet to a point for corner in the West line of Lot 1-A, and the East line of U. S. Highway No. 377;

THENCE North 04 degrees 31 minutes 30 seconds West, along the West line of Lot 1-A, and the East line of U. S. Highway No. 377, 55.00 feet to the place of beginning and containing 0.021 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

 Date 2/3/85



**EXHIBIT "B"**  
**3 - Well Site #2, Legal Description**  
**(continued)**

**CHILDRESS and RECER**  
**ENGINEERING and SURVEYING**

ROBERT T CHILDRESS, JR  
Registered Professional Engineer  
CLIFFORD E RECER  
Registered Public Surveyor

128 S RIDGEWAY  
CLEBURNE, TEXAS 76031  
TELEPHONE  
817 645 9661  
817 645 9662

**FIELD NOTES**  
**PARCEL F-1, LOT 1-B, SECTION 2, BLUEBONNET HILLS**  
**WELL SITE**

BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records of Parker County, Texas.

BEGINNING at the Northwest corner of said Lot 1-B, Section 2, Bluebonnet Hills.

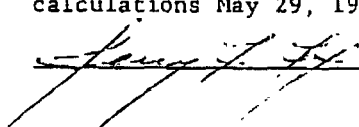
THENCE North 43 degrees 56 minutes East, along the North line of Lot 1-B, 75.0 feet to a point for corner, being the Northeast corner of Lot 1-B;

THENCE South 06 degrees 55 minutes East 104.0 feet to a point for corner;

THENCE South 84 degrees 41 minutes West, 27.83 feet to a point for corner in the West line of Lot 1-B;

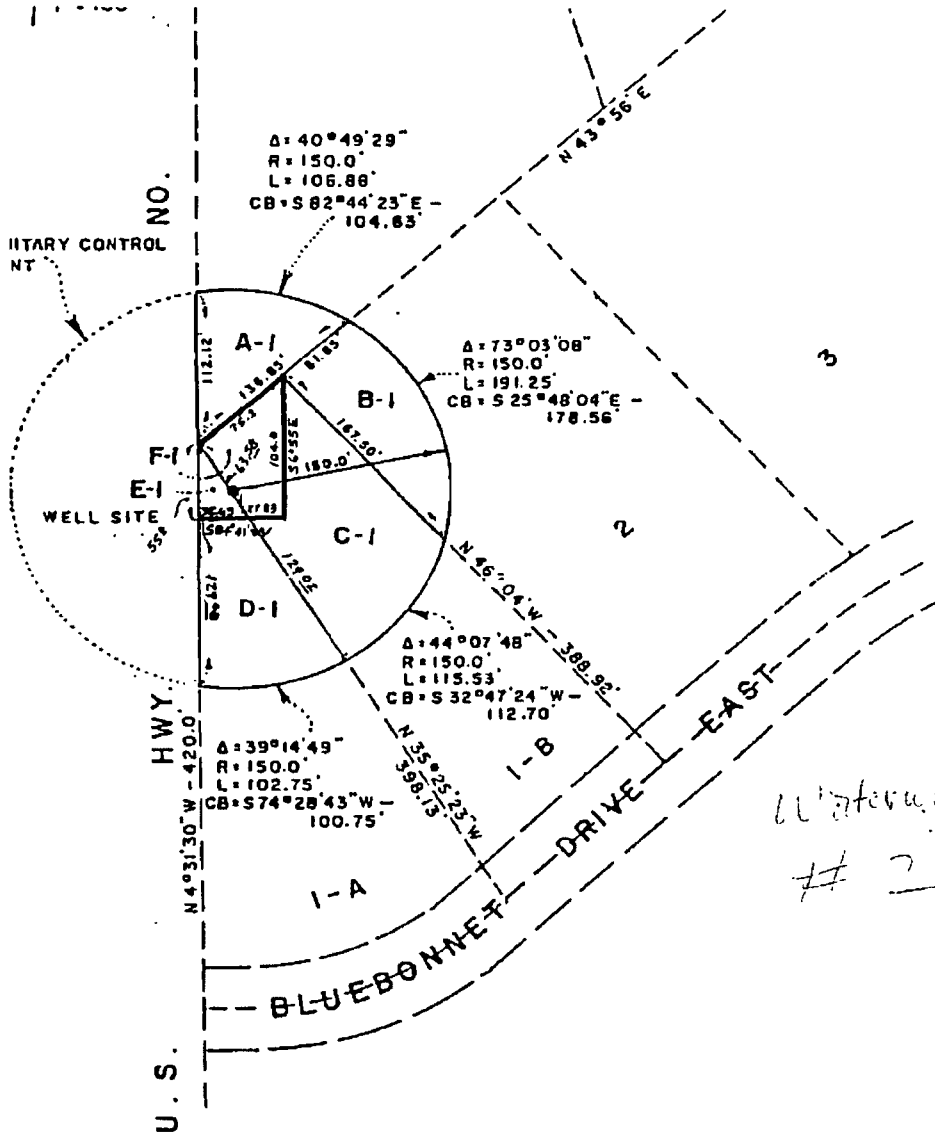
THENCE North 35 degrees 25 minutes 23 seconds West, along the West line of Lot 1-B, 63.58 feet to the place of beginning and containing 0.087 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

 \_\_\_\_\_ Date 5/29/85



**EXHIBIT "B"**  
**3 - Well Site #2, Legal Description**  
 (continued)



*Watermarks  
# 2*

**AREAS**

A-1=	0.147 AC
B-1=	0.201 AC
C-1=	0.308 AC
D-1=	0.202 AC
E-1=	0.021 AC
F-1=	0.087 AC

Survey Sketch  
of

two tracts and Sanitary Control Easements out of lots 1-A, 1-B, 2 and 39 for Well Site, Bluebonnet Hills, Section Two, Parker County, Texas, as last recorded in Volume 362-A, Page 49, Deed records of Parker County, Texas.

I, \_\_\_\_\_  
 Registered Public Surveyor  
 certify that the above  
 prepared from a survey  
 ground in 1983, May 23,  
 May 17, 1985 and from  
 calculations May 29, 19

**EXHIBIT "B"**  
**3 - Well Site #2, Legal Description**  
**(continued)**

190383  
 190383

THE STATE OF MARYLAND  
 COUNTY OF PRICKER KNOW ALL MEN BY THESE PRESENTS:

That WETZEL GROUP INCORPORATED  
 being the owner of property described as Lot 1-A and Lot 1-B, Section 2, Bluestone Hill  
in Pricker County, West Virginia do hereby declare and warrant that the  
 further out of restrictions and covenants and agree that said purchase and subsequent owners of said lots  
 or parts thereof shall comply with same. These covenants are to run with the land and shall be binding on  
 all parties and all persons claiming under them for a period of two years from date these covenants are  
 recorded, after which the said covenants shall be automatically extended until the use of this water well  
 as a means of water for a public water system ceases.

Enforcement shall be proceedings at law or in equity against any person or persons violating or  
 attempting to violate any covenants either to restrict violation or to recover damages.  
 Invalidity of any one of these covenants by judgment or court order shall not in any way affect any  
 of the other provisions which shall remain in full force and effect.

- Such restrictions are as follows, to wit:
1. No construction shall be made on all of that area of land of said lot 1-A and lot 1-B as is included within a  
 150 foot radius of a proposed deep water well located 3.59 feet from the corner of said  
 lot (a) - C. And specifically prohibiting the construction or/and operation of stock pens, feed lots,  
 deep ponds, privies, tile or concrete sanitation systems, cess pools, septic tanks, septic tank drain  
 fields, drilling of improperly constructed water wells of any depth and all other construction or  
 operations that could cause an boundary condition within, upon or across the above described tract of  
 land, exhibits "A", "B" and "C" Attached and made a part hereof.
  2. This sanitation control permits the construction of houses or building upon same, provided, however, that  
 all stock pens, feed lots, privies, tile or concrete sanitation systems, cess pools, septic tanks, septic  
 tank drain fields, drilling of improperly constructed wells of any depth and other construction or/and  
 operations that could cause an boundary condition within, upon or across same are specifically  
 prohibited.
  3. Normal farming and ranching operations are permitted.

IN WITNESS WHEREOF the said owner has caused this instrument this 17th day of May 1976.

Wetzel Group Incorporated  
[Signature]

BEFORE ME, the notarial authority, on this day personally appeared W. A. Wetzel  
 known to be the person(s) whose name(s) are subscribed to the foregoing  
 instrument and acknowledged to me that they (he) (she) executed the same for the purposes and consideration  
 therein expressed.  
 GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 17th day of May 1976  
[Signature]  
 Notary Public in and for Pricker  
 County, West Virginia



BOOK 1470 PAGE 1889

EXHIBIT "B"  
3 - Well Site #2, Legal Description  
(continued)

CHILDRESS and RECER  
ENGINEERING and SURVEYING

ROBERT L. CHILDRESS, JR.  
Registered Professional Engineer  
CLYDE W. RECER  
Registered Public Surveyor

130 S. BRIDGEMAN  
CHICKEN, TEXAS 76001  
TELEPHONE  
817 245-2641  
FAX 817-245-2642

FIELD NOTES

PARCEL D-1, LOT 1-A, SECTION 2, BLUEBONNET HILLS  
SANITARY CONTROL EASEMENT

BEING a part of the Caleb Pearce Survey, Abstract 1043, and a part of Lot 1-A, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records of Parker County, Texas.

BEGINNING at a point being South 35 degrees 23 minutes 23 seconds East, 63.38 feet from the Northmost corner of said Lot 1-A, Section 2, Bluebonnet Hills.

THENCE South 35 degrees 23 minutes 23 seconds East, along the East line of Lot 1-A, 129.02 feet to a point for corner;

THENCE along a curve to the right in a Southwesterly direction, having a radius of 150.0 feet, a chord bearing South 74 degrees 28 minutes 43 seconds West 100.73 feet, a distance of 102.73 feet to a point for corner in the West line of Lot 1-A, and the East line of U. S. Highway No. 377;

THENCE North 04 degrees 31 minutes 30 seconds West, along the West line of Lot 1-A, and the East line of U. S. Highway No. 377, 129.48 feet to a point for corner;

THENCE North 84 degrees 41 minutes East, 32.65 feet to the place of beginning and containing 0.202 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4809, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

*Jerry F. Fox* Date 5/1/85



BOOK 1470 PAGE 1890



EXHIBIT "B"  
3 - Well Site #2, Legal Description  
(continued)

CHILDRESS and RECER  
ENGINEERING and SURVEYING

ROBERT T. CHILDRESS, JR.  
Registered Professional Engineer  
CLIFFORD S. RECER  
Registered Public Surveyor

130 E. GARDENWAY  
CLEBURNE, TEXAS 76031  
TELEPHONE  
817 445-9641  
817 445-9642

FIELD NOTES  
PARCEL G-1, LOT 1-B, SECTION 2, BLUEBONNET HILLS  
SANITARY CONTROL EASEMENT

BEING a part of the Caleb Pearce Survey, Abstract 1043 and a part of Lot 1-B, Section 2, Bluebonnet Hills as recorded in Volume 362 A, Page 49, Plat Records of Parker County, Texas.

BEGINNING in the Northeast corner of said Lot 1-B, Section 2, Bluebonnet Hills.

THENCE South 46 degrees 04 minutes East, along the East line of Lot 1-B, 167.50 feet to a point for corner;

THENCE along a curve to the right in a Southwesterly direction, having a radius of 150.0 feet, and a chord bearing South 32 degrees 47 minutes 24 seconds West 112.70 feet, a distance of 113.53 feet to a point for corner in the West line of Lot 1-B;

THENCE North 35 degrees 25 minutes 23 seconds West, along the West line of Lot 1-B, 129.02 feet to a point for corner;

THENCE North 64 degrees 41 minutes East 27.83 feet to a point for corner;

THENCE North 06 degrees 55 minutes West, 104.00 feet to the place of beginning and containing 0.308 acres of land.

I, Jerry F. Fox, Registered Public Surveyor No. 4009, certify that the above survey was prepared from a survey made on the ground in 1983, May 23, 1984, May 17, 1985 and from office calculations May 29, 1985.

Date

5/24/85



BOOK 1470 PAGE 1891

## **EXHIBIT "B"**

### **4 - Well Site #3, Legal Description, Lot 24**

**BEING, the surface estate only of that certain Lot, Tract or Parcel of Land lying and being situated in Parker County, Texas and being Lot 24 in Section 3 of Bluebonnet Hills, a subdivision of Parker County, Texas according to Plat of Record in Volume 362A, Pages 49 thru 51, Plat Records of Parker County, Texas.**

**Please see attached Warranty Deed dated January 12, 1990.**

EXHIBIT "B"

4 - Well Site #3, Legal Description, Lot 24

19039A

**The State of Texas, } Know All Men by These Presents:**  
County of HOOD PARKER

That BETZEL GROUP, INC.

of the County of HOOD State of TEXAS for and in consideration  
of the sum of TEN AND NO/100----(\$10.00)-----  
----- DOLLARS

to it in hand paid by the Grantee,

as follows

Cash and other valuable consideration to the undersigned, the receipt  
of which is hereby acknowledged.

have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said  
Grantee, BLUEBONNET HILLS WATER SUPPLY CORPORATION-----  
----- P. O. Box 311, Cresson, Texas 76035

of the County of PARKER State of TEXAS all that certain  
real property in PARKER County, Texas to wit:

BEING, the surface estate only of that certain Lot, Tract or  
Parcel of Land lying and being situated in Parker County, Texas  
and being Lot 24 in Section 3 of Bluebonnet Hills, a subdivision  
of Parker County, Texas according to Plat of Record in Volume  
362A, Pages 49 thru 51, Plat Records of Parker County, Texas.

Conveyance made herein subject to all restrictions, easements,  
assessments, reservations and covenants of record, if any, affecting  
and relating to the hereinabove described property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the  
rights and appurtenances thereto in anywise belonging unto the said Grantee, their  
heirs and assigns forever and does do hereby bind itself, its successors  
heirs, executors and administrators to Warrant and Forever Defend, all and singular the said premises  
unto the said

heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any  
part thereof

WITNESS my hand at Granbury, Hood County, Texas  
this 12th day of JANUARY 1990.

Witnesses at Request of Grantor

BETZEL GROUP, INC.  
BY: *W. A. Betzel*  
W. A. Betzel, President

BOOK 1470 PAGE 1902

EXHIBIT "B"

4 - Well Site #3, Legal Description, Lot 24

Mailing address of grantor:  
Name:  
Address:

---

(Acknowledgment)  
STATE OF TEXAS  
COUNTY OF Hood

This instrument was acknowledged before me on the 12th day of January, 1990  
by W.C. Betzel, President of Betzel Group, Incorporated  
My commission expires 12-18-93  
Notary Public, State of Texas  
Notary's printed name: Martha G. Cook

---

(Acknowledgment)  
STATE OF TEXAS  
COUNTY OF

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public, State of Texas  
Notary's printed name: \_\_\_\_\_

---

(Acknowledgment)  
STATE OF TEXAS  
COUNTY OF

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
by \_\_\_\_\_  
My commission expires \_\_\_\_\_  
Notary Public, State of Texas  
Notary's printed name: \_\_\_\_\_

---

190334  
RECEIVED AND FILED FOR RECORD  
90 APR 12 P4:48  
WARRANTY DEED FROM BETZEL GROUP, INC. TO BLUBONNET HILLS WATER SUPPLY CORPORATION  
FILED FOR RECORD  
APR 19 1990  
COUNTY CLERK  
DEPUTY  
RECORDED  
APR 19 1990  
COUNTY CLERK  
DEPUTY  
Pages  
RECORDED  
When recorded return to  
William H. Cantrell  
Attorney at Law  
209 Tealby Street  
Weatherford, Texas 76086

STATE OF TEXAS COUNTY OF HOOD  
I hereby certify that this instrument was filed on the day and hour stamped hereon by me and was duly recorded in the volume and page of the record records of Potter County as stamped hereon by me.  
APR 12 1990  
SEAL  
County Clerk, Potter County, Tex.  
BOOK 1470 PAGE 1903

PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF RACE OR COLOR IS UNLAWFUL AND UNENFORCEABLE UNDER FEDERAL LAW.

## EXHIBIT "B"

### 5 – Well Site #3A, Evidence of Project, Lot 24

Jon Niermann, *Chairman*  
Emily Lindley, *Commissioner*  
Toby Baker, *Executive Director*



PWS\_1840086\_CO\_20190627\_Plan Ltr

## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

June 27, 2019

Mr. Robert T. Childress, P.E.  
Childress Engineers  
211 North Ridgeway Drive  
Cleburne, Texas 76033

Re: Bluebonnet Hills Water Supply Corporation (WSC) - Public Water System ID No. 1840086  
Proposed Water Well No.3A - Water Plant No. 3  
Engineer Contact Telephone: (817) 645-1118  
Plan Review Log No. P-04292019-251  
Texas Department of Agriculture (TDA) Project No. 7218101  
Parker County, Texas

CN: 600642466; RN: 101197051

Dear Mr. Childress:

On April 29, 2019, the Texas Commission of Environmental Quality (TCEQ) received planning material with your letter dated April 26, 2019 for the proposed water well (Well No. 3A) at Water Plant No. 3 for the above referenced public water system. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 – Rules and Regulations for Public Water Systems and is conditionally approved for construction if the project plans and specifications meet the following requirements:

1. Three corrosive indices (Langelier Saturation Index, Ryznar Stability Index and the Aggressive Index) will be used to calculate corrosivity of the water from new source(s). Corrosive or aggressive water could result in aesthetic problems, increased levels of toxic metals, and deterioration of household plumbing and fixtures. If the water appears to be corrosive, the system will be required to conduct a study and submit an engineering report that addresses corrosivity issues or may choose to install corrosion control treatment before use may be granted. All changes in treatment require submittal of plans and specifications for approval by TCEQ.
2. Based on the sanitary control easement documents submitted, the new 150-foot sanitary control easements boundary for the new well site will add additional areas to the existing sanitary control easements (for existing well at the same site) in Lot 10 (property owned by Jamie Sideris and Terry L. Barnes) and Lot 25 (property owned by Steve R. Furkin). Additionally, the right-of-way of Mountain Ridge North Road and Overlook Court Road is within a 150-foot sanitary control easement of this new well. Please be reminded that the public water system must secure the easements from all these land owners for Lot 10 and Lot 25, and for the right-of-way of these roads from the appropriate authority at the time of well completion data submittal. Otherwise, an exception to the sanitary control easement requirement must be submitted to the TCEQ for review and approval before we can approve this well for use.

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • [tceq.texas.gov](http://tceq.texas.gov)

How is our customer service? [tceq.texas.gov/customer/survey](http://tceq.texas.gov/customer/survey)

Printed on recycled paper using vegetable based ink.

## EXHIBIT "B"

### 5 – Well Site #3A, Evidence of Project, Lot 24

Mr. Robert T. Childress, P.E.  
Page 2  
June 27, 2019

Texas Water Code Section 36.0015 allows for the creation of groundwater conservation districts (GCDs) as the preferred method of groundwater management. GCDs manage groundwater in many counties and are authorized to regulate production and spacing of water wells. Public water systems drilling wells within an existing GCD are responsible for meeting the GCD's requirements. The authorization provided in this letter does not affect GCD authority to manage groundwater or issue permits.

The design engineer or water system representative is required to notify the Plan Review Team in writing by fax at (512) 239-6972 or by emailing [kamal.adhikari@tceq.texas.gov](mailto:kamal.adhikari@tceq.texas.gov) and cc: [vera.poe@tceq.texas.gov](mailto:vera.poe@tceq.texas.gov) at least 48 hours before the well casing pressure cementing begins. If pressure cementing is to begin on Monday, then they must give notification on the preceding Thursday. If pressure cementing is to begin on Tuesday, then they must give notification on the preceding Friday.

The TCEQ does not approve this well for use as a public water supply at this time. We have enclosed a copy of the "Public Well Completion Data Checklist for Interim Approval (Step 2)". We provide this checklist to help you in obtaining approval to use this well.

The submittal consisted of seven sheets of engineering drawings, technical specifications and an engineering summary. The proposed project consists of:

- One (1) public water supply well (Well No. 3A) drilled to 900 feet with 750 linear feet (lf) of 6½-inch outside diameter (od) pressure-cemented steel casing; 20 lf of 14-inch od steel surface casing;
- 120 lf of 6½-inch od stainless steel wire wrapped screen, 20 lf of 6½-inch od blank steel liner, with 150 lf of underream and gravel pack;
- The well is rated for 75 gallons per minute (gpm) yield with a submersible pump set at 850 feet deep. The design capacity of the pump is 75 gpm at 820 feet total dynamic head;
- Well head concrete sealing block and well head piping including vent, sample tap and flow meter;
- Modification of an existing chlorination system to add a chlorine injection system for the new well including chlorine gas cylinder with scale, feeder and related piping, valves and control; and
- Various valves, fittings and related appurtenances.

This approval is for the construction of the above listed items only

The Bluebonnet Hills WSC public water system provides water treatment.

The project site is at existing Water Plant No. 3 located east of the intersection of Mountain Ridge North Road and Overlook Court Road in Parker County, Texas.

An appointed engineer must notify the TCEQ's Region 4 Office in Dallas/Fort Worth at (817) 588-5800 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC Section 290.39(h)(3).

Please refer to the Plan Review Team's Log No. P-04292019-251 in all correspondence for this project.

## EXHIBIT "B"

### 5 – Well Site #3A, Evidence of Project, Lot 24

Mr. Robert T. Childress, P.E.  
Page 3  
June 27, 2019

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

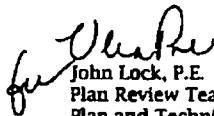
<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>


You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

If you have any questions concerning this letter or need further assistance, please contact Kamal Adhikari at (512)239-0680 or by email at [kamal.adhikari@tceq.texas.gov](mailto:kamal.adhikari@tceq.texas.gov) or by correspondence at the following address:

Plan Review Team, MC-159  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

Sincerely,

  
John Lock, P.E.  
Plan Review Team  
Plan and Technical Review Section  
Water Supply Division  
Texas Commission on Environmental Quality

  
Vera Poe, P.E., Team Leader  
Plan Review Team  
Plan and Technical Review Section  
Water Supply Division  
Texas Commission on Environmental Quality

VP/JL/KA/db

Enclosure: "Public Well Completion Data Checklist for Interim Approval (Step 2)"

cc: Bluebonnet Hills WSC - Attn: Water Utilities Official, P.O. Box 311, Cresson, Texas 76035-0311

**EXHIBIT "B"**

5 – Well Site #3A, Evidence of Project, Lot 24

<b>Authority to Use Grant Funds</b>	Texas Department of Agriculture P.O. Box 12847 Austin, TX 78711
The Honorable Bob Cornett Mayor, City of Cresson P.O. Box 619 Cresson, TX 76035	Ms. Latrice Hertzler Grant Development Services P.O. Box 33043 Austin, TX 78764
We received your Request for Release of Funds and Certification, form HUD-7015.15 on.	4/24/2019
Your Request was for State Identification Number	CD 7218101
All objections, if received, have been considered. And the minimum waiting period has transpired. You are hereby authorized to use funds provided to you under the above HUD/State Identification Number. File this form for proper record keeping, audit, and inspection purposes.	
<p>This is to inform you that as of May 10, 2019, City of Cresson upon execution of an official contract is hereby authorized, according to the terms of such contract, to use funds provided to you under the above State Identification Number. The specific activities of this project identified below required a full Environmental Assessment under 24 CFR Part Sec. 58.36 Environmental Assessments and 58.40 Preparing the Environmental Assessment.</p> <p><b>Project/Activity:</b> To undertake a project known as Water System Improvements, under TDA CDBG Contract #7218101. The Project includes installation of a new water well at the existing Paluxy Well at the intersection of Mountain Ridge and Overlook Court. The City of Cresson recently acquired a low performing well field, resulting in inadequate pressure and noncompliance with Texas Commission on Environmental Quality (TCEQ) regulations. Contractor shall construct a new well in the Trinity Aquifer, including pump, electrical controls, piping, and all associated appurtenances, including the associated administration and engineering work. With approval from the Upper Trinity Groundwater Conservation District, the existing Paluxy Well will remain on-site, the existing tanks and booster pumps will remain in service. Demolition of the old well may occur at a later date. Acquisition: Contractor shall acquire the easement needed for the water improvement project site. Contractor shall carry out all acquisition of needed real property, easements, and/or rights-of-way in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Sec. 4601 et. seq.) and HUD implementation regulations (24 C.F.R. Part 42). CDBG Grant amount: \$275,000; Other \$50,000.</p> <p>According to the documents provided by City of Cresson, all conditions requiring review under the National Environmental Policy Act for these activities have been met. If all other special conditions have been met, City of Cresson is authorized to use Texas Community Development Block Grant Program funds in the amount of \$275,000.00 made available to City of Cresson by the Texas Department of Agriculture for the approved project activities.</p> <p>TDA is aware that a Performance Statement Amendment, Modification or Change Order could affect this Release of Funds. The City is advised that this Release of Funds is only valid for the project activities noted above and associated Environmental Review Record. If the Performance Statement or contract activities change as a result of an amendment, change order or modification, a re-evaluation letter or a new Environmental Review may be required under 24CFR58.47 and/or a review by TDA.</p> <p>Thank you for your efforts to ensure compliance with all federal, state and program requirements. If you have any questions regarding environmental issues or if we can provide any further assistance, please do not hesitate to contact me at (512) 936-6709 or you can email me at <a href="mailto:Pamela.Wozniak@TexasAgriculture.gov">Pamela.Wozniak@TexasAgriculture.gov</a>.</p>	

Typed Name & Title of Authorizing Officer	Signature of Authorizing Officer	Date Signed
Luci Cook-Hildreth Interim Environmental Specialist		5/10/2019



**EXHIBIT "C"**

**Customer List**

**To be provided prior to Closing**

**EXHIBIT "D"**

**Current Contracts**

**NONE**

**EXHIBIT "E"**  
**Pending Litigation**

**NONE**

**EXHIBIT "F"**

**Employment Agreements**

**NONE**

**EXHIBIT "G"**

**Receivables**

**All outstanding receivables; To be provided at closing.**

**EXHIBIT "H"**

**Outstanding Liabilities & Obligations**

**NONE**

**EXHIBIT "I"**

**List of Creditors**

**NONE**