

**PETITIONERS' FIRST SET OF REQUESTS FOR INFORMATION TO BOLIVAR  
WATER SUPPLY CORPORATION**

**1-1** For this RFI refer to Bolivar Water Supply Corporation's Original Answer and Motion to Intervene ("Answer"). On page 2 of the Answer, Bolivar states that it is "ready willing and able to provide continuous and adequate water utility service to its certificated service areas."

Please confirm that the properties depicted in the Petition filed by Petitioners on April 10, 2019 and clarified in the Response to Order No. 2 filed on May 28, 2019 is within Bolivar's exclusive service territory for water service as authorized by its certificate of convenience and necessity No. 11257 ("CCN").

**1-2** For this RFI refer to Bolivar Water Supply Corporation's Original Answer and Motion to Intervene ("Answer"). On page 2 of the Answer, Bolivar states that it is "ready willing and able to provide continuous and adequate water utility service to its certificated service areas."

Please describe the conditions that Bolivar intends to impose upon Petitioners for the provision of water utility service. Specifically, identify any costs that Bolivar will require be paid by Petitioners before the work to ultimately provide water utility service will be initiated.

**1-3** Identify the number of water utility service connections, by customer type, currently served by Bolivar pursuant to its CCN No. 11257.

**1-4** Confirm that Bolivar does not have a CCN for sewer utility service applicable to the properties identified in the Petition filed by Petitions on April 10, 2019.

**1-5** For this RFI refer to Bolivar Water Supply Corporation's Original Answer and Motion to Intervene ("Answer"). On page 2 of the Answer, Bolivar states that it "has Texas Commission on Environmental Quality (TCEQ) quality service capacities in place to day or in the planning and development phase."

Describe the TCEQ "quality service capacities" that Bolivar has "in place today or in the planning and development phase" and describe how they relate to the provision of water utility service to the properties identified in the Petition filed by Petitioners on April 10, 2019.

**1-6** For this RFI refer to Bolivar Water Supply Corporation's Original Answer and Motion to Intervene ("Answer"). On page 2 of the Answer, Bolivar states that "[p]resumably some of these service capacities would be rendered useless if the petition is granted."

Please specifically describe in what manner Bolivar's quality service capacities "would be rendered useless if the petition is granted."

**1-7** Refer to RFI No. 1-6. Specify what costs would be incurred on Bolivar if its quality service capacities were "rendered useless" and specify what amount of compensation Bolivar would seek in the event that the Petition is granted.

**1-8** Refer to RFI No. 1-6. Identify and describe the legal or factual theories to support the implied contention that Bolivar has a vested property right in "quality service capacities" that would require compensation from a governmental entity if the Petition is granted.

**1-9** Admit or deny that Bolivar has communicated to Petitioners that it will require capital expenditures and/or commitments by Petitioners in the amount of approximately \$6 million before the work to ultimately provide water utility service will be initiated by Bolivar.

**1-10** If RFI No. 1-9 is denied, please identify the amount of capital expenditures and/or commitments that will be required from Petitioners before the work to ultimately provide water utility service will be initiated by Bolivar.

**1-11** Admit or deny that Bolivar has communicated to Petitioners that it intends to maintain ownership of all capital improvements and water service facilities that will be paid for by the Petitioners' expenditures and/or financial commitments of approximately \$6 million once those improvements and facilities are constructed and placed in service.

**1-12** If RFI No. 1-11 is denied, please explain why, including a corrected calculation of the amount of expenditures or commitments that will be required from Petitioners.

**1-13** Admit or deny that Bolivar intends to collect revenue from the service provided by the capital improvements and water service facilities that will be paid for by the Petitioners' expenditures and/or financial commitments of approximately \$6 million once those improvements and facilities are constructed.

**1-14** If RFI No. 1-13 is denied, please explain why, including a corrected calculation of the amount of expenditures or commitments that will be required from Petitioners.

Item 9

**DOCKET NO. 49433**

<b>PETITION OF LGI HOMES – TEXAS,</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>LLC, BIG SKY LLC, AND MINDY L.</b>	<b>§</b>	
<b>KOEHNE (TRUSTEE) TO AMEND</b>	<b>§</b>	<b>OF TEXAS</b>
<b>BOLIVER WATER SUPPLY</b>	<b>§</b>	
<b>CORPORATION’S WATER</b>	<b>§</b>	
<b>CERTIFICATE OF CONVENIENCE</b>	<b>§</b>	
<b>AND NECESSITY IN DENTON</b>	<b>§</b>	
<b>COUNTY BY EXPEDITED RELEASE</b>	<b>§</b>	

**COMMISSION STAFF’S SECOND RECOMMENDATION ON ADMINISTRATIVE  
COMPLETENESS AND PROPOSED NOTICE**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 2, files this Second Recommendation on Administrative Completeness and Proposed Notice. Staff recommends that the application be deemed deficient and that the applicant be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

**I. BACKGROUND**

On April 10, 2019, LGI Homes-Texas LLC, Big Sky LLC, and Mindy L. Keohne (Petitioners) filed a petition for expedited release of a 440-acre tract of land within Bolivar Water Supply Corporation’s water certificate of convenience and necessity No. 11257 in Denton County, under Texas Water Code § 13.254(a-5) and 16 Texas Administrative Code (TAC) § 24.245(l).

On May 13, 2019, Order No. 2 was issued, establishing a deadline of June 10, 2019 for the petitioner to supplement the petition to cure the deficiencies listed in Staff’s May 9, 2019 Recommendation. On May 28, 2019, the petitioner supplemented the petition.

Order No. 2 established a deadline of July 9, 2019 for Staff to file a supplemental recommendation regarding administrative completeness, along with a proposed procedural schedule, if appropriate. This pleading is therefore timely filed.

## **II. ADMINISTRATIVE COMPLETENESS**

As detailed in the attached memorandum from Nabaraj Pokharel in the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively incomplete. Staff recommends that Petitioners be ordered to cure the deficiencies identified in Mr. Pokharel's memorandum by August 9, 2019, and that Staff be given a deadline of September 9, 2019, to file a supplemental recommendation on the administrative completeness of the application. Staff notes that Petitioners should not issue notice until the application is found administratively complete, and also notes that a subsequent filing by Staff may recommend severance of the docket into more than one docket.

## **III. COMMENTS ON PROCEDURAL SCHEDULE**

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of this docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation for application sufficiency.

## **IV. CONCLUSION**

For the reasons discussed above, Staff respectfully recommends that the application be found administratively incomplete at this time and that Petitioners be ordered to file a supplement addressing the identified deficiencies in the application by August 9, 2019.

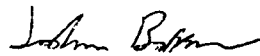
Dated: July 9, 2019

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Rachelle Nicolette Robles  
Managing Attorney



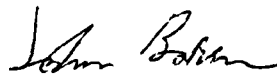
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**DOCKET NO. 49433**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on July 9, 2019,  
in accordance with 16 TAC § 22.74.



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Joshua Adam Barron

## PUC Interoffice Memorandum

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**To:** Joshua Barron, Attorney  
Legal Division

**Thru:** Lisa Fuentes, Manager  
Water Utility Regulation Division

**From:** Nabaraj Pokharel, Engineering Specialist  
Water Utility Regulation Division

**Date:** July 1, 2019

**Subject:** **Docket No. 49433:** *Petition of LGI Homes - Texas, LLC, Big Sky LLC, and Mindy L. Koehne (Trustee) to amend Bolivar Water Supply Corporation's Water Certificate of Convenience and Necessity in Denton County by Expedited Release*

On April 10, 2019, LGI Homes - Texas, LLC, Big Sky LLC, and Mindy L. Koehne (Trustee) (collectively Petitioners) filed an application for expedited release from Bolivar Water Supply Corporation's water Certificate of Convenience and Necessity (CCN) No. 11257 in Denton County, under Texas Water Code (TWC) § 13.254(a-5) and 16 Texas Administrative Code (TAC) § 24.245(l). The Petitioner asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Denton County which is a qualifying county.

Staff has reviewed the petition and their response to order number 2 and recommends that it be deemed insufficient for filing and administratively incomplete due to the deficiencies detailed below.

- One tract of land, A0660A JOWELL, TR 13C, 1. ACREAS, OLD DCAD TR12, is less than 25 acres and the petition appears to be filed by multiple landowners, owning different tracts of land.



Item 10

**DOCKET NO. 49433**

**PETITION OF LGI HOMES - TEXAS, § PUBLIC UTILITY COMMISSION**  
**LLC, BIG SKY LLC, AND MINDY L. § 2019 JUL 11 PM 1:09**  
**KOEHNE (TRUSTEE) TO AMEND § OF TEXAS**  
**BOLIVAR WATER SUPPLY §**  
**CORPORATION'S WATER §**  
**CERTIFICATE OF CONVENIENCE §**  
**AND NECESSITY IN DENTON BY §**  
**EXPEDITED RELEASE §**

**ORDER NO. 3**  
**FINDING PETITION INCOMPLETE AND**  
**ESTABLISHING AN OPPORTUNITY TO CURE**

This Order addresses the petition of LGI Homes-Texas, LLC, Big Sky LLC, and Mindy L. Koehne (Trustee), filed on April 10, 2019, requesting to amend Bolivar Water Supply Corporation's water sewer certificate of convenience and necessity in Denton County by expedited release. On July 9, 2019, Commission Staff filed a supplemental recommendation on administrative completeness and proposed notice.

In Order No. 2 issued May 13, 2019, the administrative law judge found the petition administratively incomplete and allowed the applicant to cure the deficiencies by identifying each tract of land, including acreage and the corresponding owners. On May 28, 2019, the applicant filed supplemental documentation. However, one tract of land identified is less than 25 acres. Therefore, the petition, in its current form, does not comply with 16 Texas Administrative Code §24.245(l).

On or before August 9, 2019, the petitioner must supplement the petition to cure the deficiencies described in Commission Staff's recommendation.

On or before September 9, 2019, Commission Staff must file a supplemental recommendation regarding administrative completeness, along with a proposed procedural schedule, if appropriate.

Signed at Austin, Texas the 11<sup>th</sup> day of July 2019.

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**STEVEN LEARY**  
**ADMINISTRATIVE LAW JUDGE**

Q:\CADM\Docket Management\Water\CCN\_EXPEDITED\49xxx\49433-3 deficient.docx

Item 11

RECEIVED  
2019 AUG -9 PM 1:32

<b>APPLICATION OF LGI HOMES - TEXAS, LLC, BIG SKY LLC, AND MINDY L. KOEHNE (TRUSTEE) TO AMEND BOLIVAR WATER SUPPLY CORPORATION'S WATER CERTIFICATE OF CONVENIENCE AND NECESSITY IN DENTON BY EXPEDITED RELEASE</b>	§ § § § § § § § § §	<p style="text-align: center;"><b>BEFORE THE PUBLIC UTILITY COMMISSION</b></p> <p style="text-align: center;"><b>PUBLIC UTILITY COMMISSION</b></p> <p style="text-align: center;"><b>OF TEXAS</b></p>
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**PETITIONERS' RESPONSE TO ORDER NO. 3 AND MOTION TO SEVER**

COMES NOW LGI Homes – Texas, LLC and Big Sky LLC (together, “Petitioners”), and file this Response to Order No. 3, requesting that this application be severed into two separate applications for LGI Homes – Texas, LLC (“LGI”) and Big Sky LLC (“Big Sky”), respectively. Petitioners also withdraw the application for the 1 acre lot owned by Mindy L. Koehne be withdrawn.

Petitioners request that the application for LGI remain under this docket number and that the application for Big Sky be severed from this docket number and assigned a new docket number. Attached for filing are two separate applications consistent with this Motion’s Request.

Petitioners request that this motion to sever be granted on an expedited basis so that the applications can proceed without undue delay.

FILED IN DENTON COUNTY TEXAS 2019 AUG 9 PM 1:32 PUBLIC UTILITY COMMISSION

Date: August 9, 2019

Respectfully submitted,

**FOLEY GARDERE**  
**Foley & Lardner LLP**  
600 Congress Avenue, Ste. 2900  
Austin, Texas 78701

By: 

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**CERTIFICATE OF SERVICE**

I hereby certify a true and correct copy of the foregoing instrument has been served via facsimile or U.S. First Class Mail to all parties of record in this proceeding on August 9, 2019.



Andres Medrano

Attachments: Attachment A- Amended Application of LGI  
Attachment B – Amended Application of Big Sky

**ATTACHMENT A**

**Amended Application of LGI**

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P.U.C. DOCKET NO. 49433

<b>APPLICATION OF LGI HOMES, LLC TO AMEND BOLIVAR WATER SUPPLY CORPORATION'S WATER CERTIFICATE OF CONVENIENCE AND NECESSITY IN DENTON BY EXPEDITED RELEASE</b>	§ § § § § § §	<b>BEFORE THE PUBLIC UTILITY COMMISSION OF TEXAS</b>
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**AMENDED APPLICATION BY LGI HOMES LLC FOR EXPEDITED RELEASE PURSUANT TO TEXAS WATER CODE SECTION 13.254(A-5)**

COMES NOW LGI Homes – Texas, LLC (“LGI”), and files this Petition for Streamlined Expedited Release from Certificate of Convenience and Necessity for Water Service pursuant to Texas Water Code § 13.254(a-5) and 16 Texas Administrative Code § 24.245(l), and in support thereof respectfully shows the following:

I.

LGI holds fee simple title to approximately 280 acres of land located in Denton County, Texas (the “Property”), as evidenced by the Deeds attached hereto as **Exhibit A**. The Property is more particularly shown on the small-scale (general location) map attached hereto as **Exhibit B**, the large-scale (detailed) map attached hereto as **Exhibit C**, the deed reference map attached hereto as **Exhibit D**, and in the digital data submitted on compact disc. These maps are provided in compliance with 16 Texas Administrative Code § 24.245(m).

II.

The Property is comprised of a tract of land that is at least 25 contiguous acres and is located in Denton County, Texas.

III.

All 280 acres of the Property is subject to certificate of convenience and necessity No. 11257 for water service (the “CCN”) held by Bolivar Water Supply Corporation (the “CCN



Holder”). As of the date of this Amended Petition, the Property is not receiving water service from the CCN Holder.

IV.

LGI hereby requests that the CCN Subject Property be released from the CCN, including portions of the Property reflected in the deeds attached hereto as **Exhibits A**.

V.

The undersigned certifies that a copy of this Petition has been mailed to the CCN Holder via certified mail on the day that this Amended Petition is filed with the Commission.

VI.


LGI’s notarized Affidavit in support of the required information to be included in this Amended Petition pursuant to 16 Texas Administrative Code § 24.245(l)(4)(A) is attached hereto as **Exhibit E**.

WHEREFORE, LGI respectfully requests that this Amended Petition be heard and granted in all respects, and that such other orders, acts, procedures, and relief be granted as are proper, necessary, and appropriate to complete the release of the CCN Subject Property from the CCN, as the Commission shall deem proper and necessary.

Date: August 9, 2019

Respectfully submitted,

**FOLEY GARDERE**  
**Foley & Lardner LLP**  
600 Congress Avenue, Ste. 2900  
Austin, Texas 78701

By:   
Arthur Val Perkins  
Texas State Bar No. 15782600  
[vperkins@foley.com](mailto:vperkins@foley.com)  
Andres Medrano  
Texas State Bar No. 24005451  
(512) 542-7013/542-7213  
[amedrano2@foley.com](mailto:amedrano2@foley.com)

**Attachments:**

- Exhibits A – Deed**
- Exhibit B – Small Scale (General Location) Map**
- Exhibit C – Large Scale (Detailed) Map**
- Exhibit D – Deed Reference Map**
- Exhibit E – Petitioner’s Affidavit**

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**EXHIBIT A**

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Denton County  
Juli Luke  
County Clerk

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Instrument Number: 141332

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DEED

Recorded On: December 06, 2018 12:24 PM

Number of Pages: 17

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" Examined and Charged as Follows: "

Total Recording: \$90.00

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\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 141332  
Receipt Number: 20181206000252  
Recorded Date/Time: December 06, 2018 12:24 PM  
User: Sunny P  
Station: Station 8

Record and Return To:

eRx



STATE OF TEXAS  
COUNTY OF DENTON

I hereby certify that this Instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke  
County Clerk  
Denton County, TX

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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.**

**SPECIAL WARRANTY DEED**

THE STATE OF TEXAS            §  
  §    KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF DENTON           §

THAT, BIG SKY, LLC, a Texas limited liability company (hereinafter referred to as "Grantor"), for the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration to the undersigned in hand paid by LGI HOMES -TEXAS, LLC, a Texas limited liability company (hereinafter referred to as "Grantee

"), whose address is 1450 Lake Robbins Drive - S. 430, The Woodlands, Texas 77380, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, SOLD and CONVEYED and by these presents does GRANT, SELL and CONVEY to Grantee all that certain land (the "Land") situated in Denton County, Texas, and described on Exhibit A attached hereto and incorporated herein by reference, together with all improvements located thereon and together with all rights and appurtenances pertaining thereto, including all rights, title, and interest of Grantor in and to adjacent streets, alleys, and rights-of-way, and one hundred percent (100%) of any and all development rights, licenses, permits, approval, powers, privileges, options or other benefits associated with the Land, including (without limitation) all of the rights, title and interests in and to the municipal utility district associated with the Land (the "MUD") and one hundred percent (100%) of any and all reimbursements available from such MUD or from any governmental or quasi-governmental agency (the Land and all of the foregoing set forth in the above being hereinafter collectively referred to as the "Property").

The Property does not include, and Grantor specifically retains, for Grantor and Grantor's heirs, successors and assigns forever, any and all outstanding rights related to any oil, gas or other minerals in and under, and that may be produced from the Property (the "Mineral Interests"); provided, however, that Grantor hereby waives all rights of access, ingress and egress over the surface of any of the Property for the purpose of mining, drilling, exploring, exploiting, producing, processing, transporting, marketing or developing the Mineral Interests or for any other reason, including, without limitation, any right to construct houses, pits, tanks, pipelines, compressors or similar structures on the Property; provided further, however, nothing herein shall prevent Grantor or its successors and assigns from exploring for, developing, and/or producing the Mineral Interests in and under the Property by pooling or by directional drilling, which enters or bottoms at least 500 feet under the surface of the Property, from well sites located on other property so long as such production activities for the Mineral Interests do not impair the lateral or subjacent support of the surface of the Property or any improvements thereon. The Mineral Interests hereby excepted and reserved from the Property is subject to any valid, recorded oil and gas and other

SPECIAL WARRANTY DEED

PAGE 1

RECORDED BY TEXAS AMERICAN TITLE COMPANY

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mineral lease or leases which cover the Mineral Interests, but covers and includes all delay rentals and royalties, and any other rights and payments due or to become due or which have been or may hereafter be payable or paid under the terms of said lease or leases to the lessor therein, its successors and assigns, insofar as said lease or leases cover all or any part of the Property to be conveyed pursuant to this instrument. Upon termination of any and/or all of such leases as to any of the Property described herein, the interest of said lessee, its successors and assigns, shall revert to the applicable party comprising Grantor, its successors and assigns and be subject to the surface waiver set forth herein.

This conveyance is made and accepted subject to those certain title exceptions more particularly described on Exhibit B attached hereto and made a part hereof for all purposes (the "Permitted Exceptions"), but only to the extent that such Permitted Exceptions are valid, subsisting and, in fact, affect the Property.

TO HAVE AND TO HOLD, the Property unto Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns forever, and Grantor does hereby bind Grantor and Grantor's heirs, executors, administrators, legal representatives, successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee and Grantee's heirs, executors, administrators, legal representatives, successors and assigns, against every person whomsoever lawfully claiming or to claim the Property or any part thereof, by, through or under Grantor, but not otherwise.

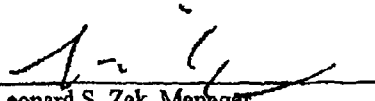
When the context requires, singular nouns and pronouns include the plural.

[THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXECUTED AND DELIVERED on this the 30 day of November, 2018.

**GRANTOR:**

BIG SKY, LLC,  
a Texas limited liability company

By:   
Leonard S. Zak, Manager

THE STATE OF TEXAS §  
  §  
COUNTY OF DENTON §

BEFORE ME, the undersigned authority, on this day personally appeared Leonard S. Zak, Manager of Big Sky, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 30<sup>th</sup> day of November, 2018.



  
Notary Public, State of Texas

After Recording send to:

LGI HOMES – TEXAS, LLC  
1450 Lake Robbins Drive – S. 430  
The Woodlands, Texas 77380  
Attn: Land Division

**EXHIBIT A TO SPECIAL WARRANTY DEED**

**LEGAL DESCRIPTION OF THE LAND**

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE RICHARD R. JOWELL SURVEY, ABSTRACT NUMBER 660, BEING PART OF A CALLED 388.049 ACRE TRACT 1 OF LAND DESCRIBED IN THE DEED TO BIG SKY, LLC RECORDED UNDER COUNTY CLERKS DOCUMENT NUMBER 20218-120750, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, BEING ALL OF A CALLED 39.340 TRACT DESCRIBED IN THE DEED TO BIG SKY LLC., RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2018-120751, REAL PROPERTY RECORDS, DENTON COUNTY, AND SAVE & EXCEPT A 1.000 ACRE TRACT DESCRIBED IN A DEED TO BURLINGTON RESOURCES OIL AND GAS COMPANY, L.P., RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 2003-0166720, REAL PROPERTY RECORDS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON PIN FOUND AT THE NORTHWEST CORNER OF SAID 388.049 ACRE TRACT AND ON THE SOUTH LINE OF A CALLED TRACT ONE DESCRIBED IN A DEED TO THE JOE EDWIN BARNETT REAL ESTATE TRUST, RECORDED UNDER CLERKS FILE NUMBER 2004-116615, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, AND BEING AT THE NORTHEAST CORNER OF A CALLED SECOND TRACT DESCRIBED IN A DEED TO THE JOE EDWIN BARNETT REAL ESTATE TRUST, RECORDED UNDER CLERKS FILE NUMBER 2004-116615, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, ;

THENCE SOUTH 89 DEGREES 57 MINUTES 58 SECONDS EAST WITH A NORTH LINE OF SAID 388.049 ACRE TRACT AND THE SOUTH LINE OF SAID TRACT ONE, A DISTANCE OF 682.26 TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET ON THE NORTH LINE OF SAID 388.049 ACRE TRACT;

THENCE SOUTH 17 DEGREES 57 MINUTES 48 SECONDS EAST, A DISTANCE OF 264.77 FEET TO A 1/2



INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 50 DEGREES 06 MINUTES 30 SECONDS EAST, A DISTANCE OF 210.30 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 26 DEGREES 31 MINUTES 58 SECONDS EAST, A DISTANCE OF 619.01 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 10 DEGREES 52 MINUTES 39 SECONDS EAST, A DISTANCE OF 495.92 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER  
AND BEING THE BEGINNING OF A CURVE TO RIGHT;

THENCE WITH SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 27 DEGREES 43 MINUTES  
08 SECONDS, A RADIUS OF 616.94 FEET, AN ARC LENGTH OF 293.37 FEET, AND A CHORD BEARING  
OF SOUTH 59 DEGREES 49 MINUTES 56 SECONDS EAST, A DISTANCE OF 290.61 FEET TO A POINT IN  
A POND FOR CORNER;

THENCE NORTH 54 DEGREES 00 MINUTES 05 SECONDS EAST, A DISTANCE OF 908.32 FEET TO 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 45 DEGREES 55 MINUTES 11 SECONDS EAST, A DISTANCE OF 884.26 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 21 DEGREES 03 MINUTES 12 SECONDS EAST, A DISTANCE OF 195.60 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 55 DEGREES 05 MINUTES 45 SECONDS EAST, A DISTANCE OF 400.44 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE NORTH 60 DEGREES 39 MINUTES 41 SECONDS EAST, A DISTANCE OF 101.83 FEET TO A 1/2  
INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 38 DEGREES 19 MINUTES 26 SECONDS EAST, A DISTANCE OF 477.18 FEET TO A  
POINT FOR CORNER;

THENCE SOUTH 55 DEGREES 26 MINUTES 59 SECONDS WEST, A DISTANCE OF 539.77 FEET TO A POINT FOR CORNER;

THENCE SOUTH 00 DEGREES 55 MINUTES 41 SECONDS EAST, A DISTANCE OF 352.22 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE SOUTH 89 DEGREES 32 MINUTES 40 SECONDS EAST, A DISTANCE OF 622.36 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE NORTH 77 DEGREES 46 MINUTES 05 SECONDS EAST, A DISTANCE OF 479.71 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET FOR CORNER;  
THENCE NORTH 89 DEGREES 48 MINUTES 11 SECONDS EAST, A DISTANCE OF 829.22 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET ON THE WEST LINE OF A 60' PRIVATE ROAD EASEMENT (BIG SKY TRAIL), IN BIG SKY TRAILS, AN ADDITION TO DENTON COUNTY, AS SHOWN BY THE AMENDING PLAT THEREOF RECORDED IN CABINET S, PAGE 18, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 01 DEGREES 00 MINUTES 27 SECONDS WEST, WITH THE WEST LINE OF SAID 60' PRIVATE ROAD EASEMENT (BIG SKY TRAIL), A DISTANCE OF 134.49 FEET, TO 1/2 INCH IRON PIN FOUND FOR CORNER;

THENCE NORTH 89 DEGREES 57 MINUTES 07 SECONDS EAST, A DISTANCE OF 29.39 FEET TO PK NAIL FOUND FOR CORNER, SAID NAIL BEING IN JACKSON ROAD, AN EAST LINE OF SAID 388.049 ACRE TRACT AND AT THE NORTHWEST CORNER OF A CALLED 30.102 ACRE TRACT DESCRIBED IN A DEED TO JAGOE-PUBLIC CO., RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2012-77572, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00 DEGREES 10 MINUTES 05 SECONDS EAST, WITH AN EAST LINE OF SAID 388.049 ACRE TRACT AND THE WEST LINE OF SAID 30.102 ACRE TRACT IN JACKSON ROAD, PASSING AT A

DISTANCE OF 792.92 FEET, A P.K. NAIL FOUND ON AN EAST LINE OF SAID 388.049 ACRE TRACT AND A SOUTHWEST CORNER OF SAID 30.102 ACRE TRACT, SAID PIN ALSO BEING AT THE NORTHWEST CORNER OF A CALLED 13.020 ACRE TRACT DESCRIBED IN A DEED TO BIG SKY LLC. RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2018-120750, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, CONTINUING FOR A TOTAL DISTANCE OF 1259.35 FEET TO A PK NAIL FOUND ON AN EAST LINE OF SAID 388.049 ACRE TRACT AND THE WEST LINE OF SAID 13.020 ACRE TRACT IN JACKSON ROAD, SAID NAIL ALSO BEING AT THE NORTHEAST CORNER OF A CALLED 15.000 ACRE TRACT DESCRIBED IN A DEED TO EVERCLEAR INVESTMENTS, INC., RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2013-143203, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS; THENCE WEST WITH THE NORTH LINE OF SAID 15.000 ACRE TRACT, A DISTANCE OF 1380.05 FEET TO A 1/2 INCH IRON PIN FOUND AT THE NORTHWEST CORNER OF SAID 15.000 ACRE TRACT; THENCE SOUTH WITH THE WEST LINE OF SAID 15.000 ACRE TRACT, A DISTANCE OF 422.88 FEET TO A 1/2 INCH IRON PIN FOUND AT THE SOUTHWEST CORNER OF SAID 15.000 ACRE TRACT AND ON THE NORTH LINE OF U.S. HIGHWAY 380;

THENCE NORTH 85 DEGREES 20 MINUTES 23 SECONDS WEST WITH THE NORTH LINE OF U.S. HIGHWAY 380, A DISTANCE OF 739.76 FEET TO A BRASS TXDOT MONUMENT FOUND ON A WEST LINE OF SAID 388.049 ACRE TRACT AND ON AN EAST LINE OF SAID 39.340 ACRE TRACT, SAID PIN ALSO BEING ON THE NORTH LINE OF U.S. HIGHWAY 380;

THENCE NORTH 85 DEGREES 20 MINUTES 03 SECONDS WEST WITH THE NORTH RIGHT OF WAY LINE OF U.S. HIGHWAY 380, A DISTANCE OF 314.73 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE SOUTH LINE OF SAID 39.340 ACRE TRACT AND ON THE NORTH RIGHT OF WAY OF U.S. HIGHWAY 380;

THENCE NORTH 80 DEGREES 07 MINUTES 11 SECONDS WEST WITH THE SOUTH LINE OF SAID 39.340 ACRE TRACT AND THE NORTH RIGHT OF WAY LINE OF U.S. HIGHWAY 380, A DISTANCE OF

942.74 FEET TO A 1/2 INCH IRON PIN FOUND AT THE SOUTHWEST CORNER OF SAID 39.340 ACRE TRACT AND THE NORTH RIGHT OF WAY LINE OF U.S. HIGHWAY 380, SAID PIN ALSO BEING AT A SOUTHEAST CORNER OF SAID 388.049 ACRE;

THENCE NORTH 80 DEGREES 07 MINUTES 02 SECONDS WEST WITH THE SOUTH LINE OF SAID 388.049 ACRE TRACT AND THE NORTH RIGHT-OF-WAY LINE OF U.S. HIGHWAY 380, A DISTANCE OF 60.79 FEET TO A 1/2 INCH IRON PIN FOUND AT A SOUTHWEST CORNER OF SAID 388.049 ACRE TRACT, SAID PIN ALSO BEING THE SOUTHEAST CORNER OF LOT 2, BLOCK A, WAGGONER ADDITION, AN ADDITION TO DENTON COUNTY, TEXAS, RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2018-239, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE NORTH 00 DEGREES 37 MINUTES 34 SECONDS EAST WITH A WEST LINE OF SAID 388.049 ACRE TRACT AND THE EAST LINE OF SAID WAGGONER TRACT, PASSING AT 600.43 FEET A 1/2 INCH IRON PIN FOUND AT THE SOUTHEAST CORNER OF A CALLED 23.194 ACRE TRACT 1, DESCRIBED IN A DEED TO LYNN S. SCHUTTE, RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2015-21422 AND CONTINUING A TOTAL DISTANCE OF 1355.88 FEET TO A 1/2 INCH IRON PIN FOUND AT AN INNER ELL CORNER OF SAID 388.049 ACRE TRACT AND THE NORTHEAST CORNER OF SAID 23.194 ACRE TRACT;

THENCE NORTH 71 DEGREES 03 MINUTES 19 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 152.83 FEET TO A 1/2 INCH IRON PIN FOUND ON A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT;

THENCE NORTH 69 DEGREES 44 MINUTES 53 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 93.32 FEET TO A 1/2 INCH IRON PIN FOUND ON A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID

388.049 ACRE TRACT;

THENCE NORTH 87 DEGREES 02 MINUTES 23 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 110.53 FEET TO A 1/2 INCH IRON PIN FOUND ON A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT;

THENCE SOUTH 88 DEGREES 53 MINUTES 36 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 88.65 FEET TO A 1/2 INCH IRON PIN FOUND ON A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT;

THENCE NORTH 86 DEGREES 23 MINUTES 22 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 84.54 FEET TO A 1/2 INCH IRON PIN FOUND ON A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT;

THENCE NORTH 79 DEGREES 36 MINUTES 36 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 67.72 FEET TO A 1/2 INCH IRON PIN FOUND ON A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT;

THENCE SOUTH 81 DEGREES 57 MINUTES 19 SECONDS WEST WITH A NORTH LINE OF SAID 23.194 ACRE TRACT AND A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 658.24 FEET TO A 1/2 INCH IRON PIN FOUND AT THE NORTHWEST CORNER OF SAID 23.194 ACRE TRACT AND ON THE WEST LINE OF A CALLED 1.000 ACRE TRACT DESCRIBED IN A DEED TO MINDY L. KOEHNE, TRUSTEE, TIMOTHY GREEN, TRUSTEE, RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER

SPECIAL WARRANTY DEED

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2016-163194, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE NORTH 00 DEGREES 01 MINUTES 27 SECONDS WEST WITH THE EAST LINE OF SAID 1.000 ACRE TRACT (2016-163194), A DISTANCE OF 111.44 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET AT THE NORTHEAST CORNER OF SAID 1.000 ACRE TRACT (2016-163194);

THENCE SOUTH 89 DEGREES 59 MINUTES 20 SECONDS WEST WITH THE NORTH LINE OF SAID 1.000 ACRE TRACT (2016-163194), A DISTANCE OF 255.24 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET AT THE NORTHWEST CORNER OF SAID 1.000 ACRE TRACT (2016-163194);

THENCE SOUTH 00 DEGREES 00 MINUTES 36 SECONDS EAST WITH SAID WEST LINE OF SAID 1.000 ACRE TRACT (2016-163194), A DISTANCE OF 171.28 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "METROPLEX 10023300" SET AT THE SOUTHWEST CORNER OF SAID 1.000 ACRE TRACT (2016-163194) AND ON A SOUTH LINE OF SAID 388.049 ACRE TRACT;

THENCE SOUTH 89 DEGREES 58 MINUTES 14 SECONDS WEST WITH A SOUTH LINE OF SAID 388.049 ACRE TRACT, A DISTANCE OF 362.65 FEET TO A FENCE POST FOUND AT THE WESTERN MOST SOUTHWEST CORNER OF SAID 388.049 ACRE TRACT AND THE SOUTHEAST CORNER CALLED SECOND TRACT DESCRIBED IN A DEED TO THE JOE EDWIN BARNETT REAL ESTATE TRUST, RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2004-116615, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE NORTH 00 DEGREES 47 MINUTES 40 SECONDS EAST WITH THE WESTERN MOST WEST LINE OF SAID 388.049 ACRE TRACT AND THE EAST LINE OF SAID SECOND TRACT, A DISTANCE OF 3202.18 FEET TO THE POINT OF BEGINNING AND CONTAINING IN ALL 281.000 ACRES OF LAND AND SAVE AND EXCEPT 1.000 ACRE TRACT TO BURLINGTON LEAVING 280.000 ACRES OF LAND.

SAVE AND EXCEPT TRACT

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE R. JOWELL SURVEY, ABSTRACT NUMBER 660, DENTON COUNTY, TEXAS, AND BEING A CALLED SAVE AND EXCEPT 1.000 ACRE TRACT DESCRIBED IN A DEED TO BURLINGTON RESOURCES OIL AND GAS COMPANY, L.P., RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 2003-0166720, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON PIN FOUND AT THE NORTHEAST CORNER OF SAID 1.000 ACRE TRACT AND THE NORTHERN MOST NORTHWEST CORNER OF A CALLED 39.340 ACRE TRACT DESCRIBED IN A DEED TO BIG SKY, LLC., RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2018-120751, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00 DEGREES 37 MINUTES 35 SECONDS WEST WITH THE EAST LINE OF SAID 1.000 ACRE TRACT AND A WEST LINE OF SAID 39.340 ACRE TRACT, A DISTANCE OF 208.70 FEET TO A 1/2 INCH IRON PIN FOUND AT THE SOUTHEAST CORNER OF SAID 1.000 ACRE TRACT AND AN INNER ELL CORNER OF SAID 39.340 ACRE TRACT;

THENCE NORTH 89 DEGREES 58 MINUTES 26 SECONDS WEST WITH THE SOUTH LINE OF SAID 1.000 ACRE TRACT AND A NORTH LINE OF SAID 39.340 ACRE TRACT, A DISTANCE OF 208.70 FEET TO A 1/2 INCH IRON PIN FOUND AT THE SOUTHWEST CORNER OF SAID 1.000 ACRE TRACT AND A NORTHWEST CORNER OF SAID 39.340 ACRE TRACT;

THENCE NORTH 00 DEGREES 34 MINUTES 41 SECONDS EAST WITH THE WEST LINE OF SAID 1.000 ACRE TRACT, A DISTANCE OF 208.44 FEET TO A 1/2 INCH IRON PIN FOUND AT THE NORTHWEST CORNER OF SAID 1.000 ACRE TRACT;

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THENCE NORTH 89 DEGREES 57 MINUTES 14 SECONDS EAST WITH THE NORTH LINE OF SAID 1.000  
ACRE TRACT, A DISTANCE OF 208.88 FEET TO THE POINT OF BEGINNING AND CONTAINING IN ALL  
1.000 ACRES OF LAND.



**EXHIBIT B TO SPECIAL WARRANTY DEED**

**PERMITTED EXCEPTIONS**

1. Restrictive Covenants recorded in Volume 4281, Page 1265 and County Clerk's File Numbers 97-R0013693; 97-R0030546; 2013-140643 and 2018-120592 of the Real Property Records of Denton County, Texas.
2. Twenty foot (20') wide Electric and Telephone Right of Way Easement for the purpose(s) and rights incidental thereto, as granted to Denton County Electric Cooperative, Inc., recorded December 4, 1953 in Volume 401, Page 131 of the Real Property Records of Denton County, Texas.
3. Electric Right of Way Easement, and rights incidental thereto, as granted to Denton County Electric Cooperative, Inc., recorded February 24, 1954 in Volume 403, Page 245 of the Real Property Records of Denton County, Texas.
4. Right of Way and fifty foot (50') Pipeline Easement(s) for the purpose(s) and rights incidental thereto, as granted to Delhi Gas Pipeline Corporation recorded September 11, 1973 in Volume 684, Page 524 of the Real Property Records of Denton County, Texas.
5. Right of Way and thirty foot (30') Pipeline Easement(s) for the purpose(s) and rights incidental thereto, as granted to Dynegy Midstream Services, Limited Partnership, recorded August 29, 2001 in Volume 4911, Page 3081; corrected in County Clerk's File No. 2004-67134 of the Real Property Records of Denton County, Texas.
6. Right of Way and thirty foot (30') Pipeline Easement(s) for the purpose(s) and rights incidental thereto, as granted to Dynegy Midstream Services, Limited Partnership recorded August 26, 2003 in Volume 5404, Page 6124 of the Real Property Records of Denton County, Texas.
7. Sixty foot (60') Road Access Easement granted to Burlington Resources Oil and Gas Company, LP., recorded October 3, 2003 in Volume 5431, Page 4081 of the Real Property Records of Denton County, Texas.
8. Twenty-five foot (25') Right of Way and All Weather Road Easement granted to Devon Energy Operating Company, LP., recorded March 3, 2004 under Denton County Clerk's File No. 2004-27006.
9. Right of Way and thirty foot (30') Pipeline Easement(s) for the purpose(s) and rights incidental thereto, as granted to Dynegy Midstream Services, Limited Partnership, recorded May 24, 2004 under County Clerk's File No. 2004-67135 of the Real Property Records of Denton County, Texas.
10. Right of Way and thirty foot (30') Pipeline Easement(s) for the purpose(s) and rights incidental thereto, as granted to Dynegy Midstream Services, Limited Partnership, recorded January 11, 2005 under County Clerk's File No. 2005-4194 of the Real Property Records of Denton County, Texas.
11. Right of Way and thirty foot (30') Pipeline Easement(s) for the purpose(s) and rights

incidental thereto, as granted to Dynegy Midstream Services, Limited Partnership, recording July 6, 2005 under County Clerk's File No. 2005-80267 of the Real Property Records of Denton County, Texas.

12. Road Access Easement Agreement for the purpose(s) and rights incidental thereto, as granted between: Burns Branch, LP. and Big Sky Trails, Ltd., recorded August 3, 2005 under County Clerk's File No. 2005-95464 of the Real Property Records of Denton County, Texas.
13. Right of Way and thirty foot (30') Pipeline Easement(s) for the purpose(s) and rights incidental thereto, as granted to Targa Midstream Services, LLC, recorded January 17, 2012 under County Clerk's File No. 2012-4619 of the Real Property Records of Denton County, Texas.
14. The reservation of an undivided  $\frac{1}{4}$  interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 186, Page 113 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
15. The reservation of an undivided  $\frac{1}{2}$  interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 286, Page 49 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
16. The reservation of an undivided  $\frac{1}{8}$  interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 275, Page 84 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
17. The reservation of an undivided  $\frac{1}{2}$  interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 481, Page 4 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
18. The reservation of an undivided  $\frac{1}{4}$  interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 553, Page 375 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
19. The reservation of an undivided  $\frac{1}{2}$  interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded under County Clerk's File No. 96-R0027538 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
20. Interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 4122, Page 28 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.

21. The reservation by grantor of an interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 4291, Page 1265 of the Real Property Records of Denton County, Texas, and subject to the conveyance of all surface rights to the named grantee under said instrument. Said mineral interest not traced subsequent to the date of the above-cited instrument.
22. The reservation of an interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded in Volume 5431, Page 4070 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
23. An undivided 5% interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in document recorded under County Clerk's File No. 2004-113341 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
24. Interest in and to oil, gas and other minerals and/or royalties, bonuses, rentals and all other rights relating thereto as set forth in the document recorded under County Clerk's File No. 2005-48029 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
25. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Gladys Simpson, Lessee: J.E. Allen et al, dated February 15, 1955 recorded in Volume 405, Page 221 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
26. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Clifford W. Balthrop et ux, Myrtle Balthrop, Lessee: Natural Gas Finders, Inc., dated October 11, 1971 recorded in Volume 635, Page 304 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
27. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Big Sky Trails, Ltd., Lessee: L. Frank Pitts d/b/a Pitts Oil Company and Fagadau Energy Corporation dated July 17, 2000 recorded in Volume 4671, Page 674 of the Real Property Records of Denton County, Texas. As affected by Surface Use and Easement Agreement executed by Burlington Resources Oil & Gas Company, LP and Big Sky Trails, Ltd., recorded March 27, 2017 under County Clerk's File No. 2017-34841 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
28. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Kay Williams and Tressa Williams, Lessee: MultiBrands, Ltd. Co., dated November 1, 2000 recorded in Volume 4709, Page 1621 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
29. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Jamie Lou Harrington Appleton, Ind. Executrix of the Estate of Myrtle Kathryn Harrington, deceased, Lessee: L. Frank Pitts d/b/a Pitts Oil Company and Fagadau Energy Corporation dated December 1, 2000 recorded in Volume 4747, Page 2642, corrected in Volume 4771, Page 1179 of the Real Property Records of Denton County, Texas. Said mineral interest not

traced subsequent to the date of the above-cited instruments.

30. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Big Sky Trails, Ltd., Lessee: L. Frank Pitts d/b/a Pitts Oil Company and Fagadau Energy Corporation dated June 23, 2001 recorded in Volume 4874, Page 2388 of the Real Property Records of Denton County, Texas. As affected by Surface Use and Easement Agreement executed by Burlington Resources Oil & Gas Company, LP and Big Sky Trails, Ltd., recorded March 27, 2017 under County Clerk's File No. 2017-34841 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instruments.
31. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Big Sky Trails, Ltd., Lessee: Fagadau Energy Corporation dated October 11, 2001 recorded in Volume 4943, Page 261 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
32. Oil, Gas and Mineral Lease, together with all rights incident thereto, Lessor: Jamie Lou Harrington Appleton, Ind. Executrix of the Estate of Myrtle Kathryn Harrington, deceased, Lessee: L. Frank Pitts d/b/a Pitts Oil Company and Fagadau Energy Corporation dated October 19, 2001 recorded in Volume 4960, Page 448 of the Real Property Records of Denton County, Texas. Said mineral interest not traced subsequent to the date of the above-cited instrument.
33. Surface Use Agreement executed by Hess Operating Company and Kay and Tressa Williams recorded November 5, 2004 under County Clerk's File No. 2004-144061 of the Real Property Records of Denton County, Texas.
34. Surface Use Agreement executed by Burns Branch, LP and MAP2003-NET recorded April 26, 2006 under County Clerk's File No. 2005-48027 of the Real Property Records of Denton County, Texas.
35. Surface Use Agreement executed by Big Sky Trails, Ltd. and MAP2003-NET recorded April 26, 2006 under County Clerk's File No. 2005-48028 of the Real Property Records of Denton County, Texas.
36. Surface Use and Easement Agreement executed by Burlington Resources Oil & Gas Company, LP and Big Sky Trails, Ltd., recorded March 27, 2017 under County Clerk's File No. 2017-34841 of the Real Property Records of Denton County, Texas.
37. Subject property lies within the Big Sky Municipal Utility District of Denton County.
38. Memorandum of Settlement Agreement executed by Big Sky Trails, Ltd.; Big Sky Municipal Utility District of Denton County; Debra Drayovitch; John Adami; David Adami and Serax Ranch, Ltd., recorded October 11, 2018 under County Clerk's File No. 2018-120591 of the Real Property Records of Denton County, Texas.
39. Sixty Foot (60') Road Access Easement and rights incidental thereto granted to Lynn S. Schutte, recorded March 4, 2015 under County Clerk's File No. 2015-21422 of the Real Property Records of Denton County, Texas