



Control Number: 51531



Item Number: 1

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PUC DOCKET NO.

51531

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PETITION OF JLM 717 KAUFMAN LP,
TO AMEND A PORTION OF THE CITY
OF CRANDALL WATER CERTIFICATE
OF CONVENIENCE AND NECESSITY
NO. 11295 BY STREAMLINED
EXPEDITED RELEASE UNDER TEXAS
WATER CODE § 13.2541(b) and 16 TAC
§ 24.245(1)

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BEFORE THE

PUBLIC UTILITY COMMISSION

OF TEXAS

**PETITION OF JLM 717 KAUFMAN, LP, TO DECERTIFICATE AND AMEND
A PORTION OF THE CITY OF CRANDALL, TEXAS, WATER CERTIFICATE
OF CONVENIENCE AND NECESSITY BY STREAMLINED EXPEDITED
RELEASE UNDER TEXAS WATER CODE § 13.2541(b) AND 16 TAC § 24.245(h)**

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW, JLM 717 Kaufman, LP (“Petitioner”), and hereby files with the Public Utility Commission of Texas (“Commission”) this Petition (“Petition”) to Decertify and Amend Portions of the City of Crandall, Texas (“Crandall”), water Certificate of Convenience and Necessity (“CCN”) No. 11295 (“Crandall CCN”) in Kaufman County, by Streamlined Expedited Release (“SER”) under Tex. Water Code (“TWC”) § 13.2541 and 16 Tex. Admin. Code (“TAC”) § 24.245(h). In support thereof, Petitioner would respectfully show as follows:

I. PETITION

1. TWC § 13.2541(b) and 16 TAC § 24.245(h) authorize the owner of a tract of land to petition the Commission for the streamlined, expedited release of all or a portion of that tract from the service area associated with a water and/or sewer CCN. Specifically, the Commission must grant a petition for streamlined expedited release of land from a CCN if the following conditions are met: (a) the tract of land to be released is at least twenty-five (25) acres in size; (b) the tract of land is not receiving service of the type authorized by the CCN from which release is sought; (c) at least a part of the tract of land is located within the service area of the CCN from

which release is sought; and (d) the tract of land to be released is located in Kaufman County, which is a “qualifying county,” as such term is defined in 16 TAC § 24.245(h)(2).

2. Based on the criteria in TWC § 13.2541(b) and 16 TAC § 24.245(h), the Petitioner is entitled to the streamlined expedited release of approximately 45.8 contiguous acres of land from Crandall’s water CCN No. 11295 (the “Crandall CCN”), the entirety of which is located in Kaufman County, Texas.

3. Specifically, Petitioner is owner in fee of 716.699 contiguous acres of land composed of a single tract, 45.8 acres (“Tract”) of which lie within the Crandall CCN and which Petitioner seeks to remove from the Crandall CCN. A copy of the recorded warranty deed evidencing Petitioner’s ownership and location of the Tract is attached hereto as Exhibit A.

4. The Tract lies entirely within the Crandall CCN. Attached hereto as Exhibit B is a map as well as a USB flash drive containing projectable digital data, with metadata, which further depicts the overlap of the Tract and the Crandall CCN.

5. Since taking ownership of the Tract, the Petitioner has never requested, either orally or in writing, that Crandall provide retail water service to the Tract. Further, as of the date of filing of this Petition, the Tract is not receiving retail water service from Crandall.

6. Exhibits A and B show that the Tract is located wholly in Kaufman County, Texas. The Commission’s streamlined expedited release “Approved List of Counties” guidance document indicates that Kaufman County is a qualifying county, meeting the requirements of 16 TAC § 24.245(h)(2).¹

7. Simultaneously with the filing of this Petition with the Commission, the Petitioner is serving a copy of the Petition on Crandall. Attached hereto as proof that a copy of the Petition

¹ See also, Public Utility Commission of Texas, “Streamlined Expedited Release Guidance.” Available at: www.puc.texas.gov/industry/water/utilities/Streamline.pdf.

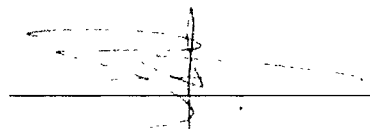
was mailed to Crandall via certified mail on the same day Petitioner submitted this Petition to the Commission as Exhibit C, is a U.S. Postal Service Certified Mail Receipt.

8. Also attached hereto as Exhibit D is the notarized affidavit of James Mabrey, which verifies and affirms the information provided herein.

II. CONCLUSION AND PRAYER

For these reasons, Petitioner respectfully requests that: (a) this Petition be deemed properly filed with the Commission; (b) this Petition be granted in all respects as provided under TWC § 13.2541(b) and 16 TAC § 24.245(h); (c) the Commission enter an order releasing the Tract, totaling 45.8 acres, from the Crandall CCN in Kaufman County, Texas; and (d) all other orders, acts, procedures, and relief be granted as are necessary and proper to the release the Tract from the Crandall CCN.

Respectfully submitted,



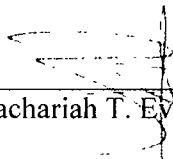
Zachariah T. Evans
State Bar No. 24082973
Derek Seal
State Bar No. 00797404
MCGINNIS LOCHRIDGE, LLP
600 Congress Ave., Ste. 2100
Austin, Texas 78701
Phone: (512) 495-6180
Fax: (512) 505-6380
zevans@mcginnislaw.com
phaag@mcginnislaw.com

ATTORNEYS FOR PETITIONER

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the above and foregoing document was served on the party indicated below as required by order or in accordance with 16 TEX. ADMIN. CODE § 22.74.

VIA CERTIFIED MAIL AND ELECTRONIC MAIL
City of Crandall
ATTN: City Manager
P.O. Box 277
Crandall, Texas 75114
jshelton@crandalltexas.com



Zachariah T. Evans

EXHIBIT A

Kaufman County
Laura Hughes
County Clerk

Instrument Number: 2018-0007303

WARRANTY DEED

Party: LAYDEN AJ JR

Billable Pages: 17
Number of Pages: 18

FILED AND RECORDED - REAL RECORDS	CLERKS COMMENTS
On: 03/29/2018 at 09 17 AM Document Number: <u>2018-0007303</u> Receipt No: <u>18-6670</u> Amount: \$ <u>90.00</u> Vol/Pg: <u>V.5628 P.293</u>	E-RECORDING



STATE OF TEXAS
COUNTY OF KAUFMAN

I hereby certify that this instrument was filed on the date and time stamped hereon by me
and was duly recorded in the Official Public Records of Kaufman County, Texas.

Laura A. Hughes

Laura Hughes, County Clerk

Recorded By: Patrisia Leanos, Deputy

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

Record and Return To:

ALDS, LP - CAMP BOWIE
5320 CAMP BOWIE BLVD., SUITE
FORT WORTH, TX 76107



Sender's Title

GF# 1701319-VVJA

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**SPECIAL WARRANTY DEED
WITH VENDOR'S LIEN**

Effective Date: March 23, 2018

Grantors: **A.J. Layden Jr. individually as to an undivided 25% as a Tenant in Common; and**

Mary Ann Layden Individually as to an undivided 25% as a Tenant in Common; and

A.J. Layden Jr. and Mary Ann Layden as Co-Trustees of the A.J. Layden Jr. Land Trust as to an undivided 25% as a Tenant in Common; and

A.J. Layden Jr. and Mary Ann Layden as Co-Trustees of the Mary Ann Layden Land Trust as to an undivided 25% as a Tenant in Common

The A.J. Layden, Jr Land Trust and the Mary Ann Layden Land Trust are sometimes jointly known as and referred to as "The Layden Land Trusts".

Grantors' Mailing Address: A.J. Layden, Jr., et al
3303 Banbury Place
Houston, Texas 77027

Mary Ann Layden, et al
2121 Kirby, # 46
Houston, Texas 77019

Grantee: **JLM 717 Kaufman LP, a Texas limited partnership**

Grantee's Mailing Address: 5956 Sherry Lane, Suite 1000
Dallas, Texas 75225

Consideration: **\$10** and other good and valuable consideration, the receipt of which is acknowledged and the execution and delivery by the Grantee of a note in the amount of **\$4,586,873.60** ("Note") payable to the order of Grantor. The Note is secured by a Deed of Trust Lien to James M. Little, Trustee, against the Property.

Property (including improvements and appurtenant easements, if any):

Approximately **716.699** acres of land in the John Moore Survey, A-309, Kaufman County Texas and being more particularly described on Exhibit A, together with: (i) all buildings, improvements and fixtures; (ii) all rights, privileges, and appurtenances pertaining to the Property, including Grantor's right, title, and interest in any personal or appurtenant easements, adjacent streets, alleys, strips, gores, and rights-of-way;

Reservations from Conveyance:

Reserved Minerals: Grantors reserve all of the oil, gas and other minerals which may be produced in and under the Property and which have not been previously reserved by prior Grantors ("**Reserved Minerals**") on behalf of Grantors and on behalf of all future oil, gas and mineral owners, mineral lessees and others acting by, through or under Grantors, but not otherwise, ("**Mineral Owners**"), but waiving for themselves and all Mineral Owners any and all right of ingress and egress to and from the surface of the Property. Accordingly, but without limiting the generality of the foregoing waiver, Grantor shall not have any right (i) of access, ingress or egress over and across the surface of the Property, (ii) to conduct seismic studies upon the Property, (iii) to locate any surface equipment upon the Property, or (iv) to locate any drill sites upon the Property. Nothing in this waiver will restrict or prohibit the pooling or unitization of the Reserved Minerals with land other than the Property; or the exploration or production of the Reserved Minerals or other minerals by means of wells that are drilled or mines that open on land other than the Property but enter or bottom under the Property as long as each well bore is located at least **1,000** feet below the surface of the Property, provided that such operations (a) in no manner interfere with the surface or subsurface support of any improvements constructed or to be constructed on the Property and (b) comply with all applicable rules, regulations, ordinances and laws related to oil and gas drilling and production. **PROVIDED HOWEVER: Grantors**, for themselves and on behalf of the Mineral Owners, reserve forever the perpetual easement and right to use the surface of the approximate **5.0** acre parcel described on Exhibit C ("**Drill Site**") for the purpose of exploration, drilling, production storing and transportation (and any related activity) of any and all oil any oil, gas or other minerals that may be produced in or under the Property or within or under any other property which may be pooled with or unitized with the Property, any such use of the surface of the Drill Site shall be subject to the terms of and conducted in compliance with Exhibit D attached hereto.

Grantor's Reservation of Rights to Compensation from Condemnation Action Pending in Kaufman County: There are 2 pending condemnation actions styled as (i) *Atmos Energy*

Corporation, vs. A.J. Layden Jr., individually and As Co-Trustee of the Layden Land Trusts, et al, Cause No. 93170-422 in the District Court of Kaufman County, Texas 422nd District and (ii) *Atmos Energy Corporation vs. A. J. Layden, individually and as Co-Trustee of the Layden Land Trusts, et al*, Cause No. 93170-CC2 in the County Court at Law No. 2, Kaufman County, Texas. (“**Condemnation Actions**”). These cases have an effective date of taking of on or about August 28, 2015, although final title of the condemned portion of the easement across the Property as described in the Condemnation Action has not vested and will not vest in Condemnor Atmos until the conclusion of the cases—which will not occur after the Effective Date. Grantor specifically retains all rights to compensation due to the ownership of the Property in the Condemnation Actions, including all rights to compensation resulting from the taking, damage, and destruction of real property resulting from the condemnation, acquisition of rights, and the uses to be made of the property being acquired in the pending Condemnation Actions. These damages also may include damages for diminution in the value of the portion of the Property remaining after the taking. Grantee acquires the Property subject to the rights of the condemning authority in connection with the Condemnation Actions, subject to Grantor’s rights to compensation in the Condemnation Actions, and with no rights to share in whole or in part in any compensation from the Condemnation Actions for the alleged taking and any damage or destruction resulting from the acquisition of the real estate and rights being acquired in the pending Condemnation Actions. Grantee agrees not to enter into any communications or agreements with the condemning authority which would frustrate Grantor’s constitutional right to receive full, just, and adequate compensation in the Condemnation Actions, or that would have the effect of minimizing the compensation by or through direct agreements or communications with the condemning authority in connection with the Condemnation Actions. Grantee will reasonably cooperate and provide reasonable access to the Property for Grantor and Grantor’s experts and attorneys to prepare the Condemnation Actions for trial. Notwithstanding the foregoing: (a) Grantee shall have the right to enter into discussions with the condemning authority concerning the terms of any easements created on any portion of the Property in connection with the Condemnation Actions; and (b) the provisions of this paragraph shall only apply with respect to the taking of the easement described in the Condemnation Actions as of the date of initial filing thereof. In connection with Grantor’s settlement with the condemning authority, Grantor will cooperate with Grantee in obtaining the agreement of the condemning authority to permit Grantee’s use of the easement area in connection with the development of the Property.

Exceptions to Conveyance
and Warranty:

Subject to those easements, conditions, rights-of-way, restrictions, reservations and matters of record which are applicable to the Property and are described on Exhibit B attached hereto, but excluding conveyances of the surface estate, but only to the extent that same are applicable to and enforceable against the Property, as well as taxes for the current year which Grantee assumes and agrees to pay and subsequent assessments for the current year and prior years due to changes in land usage or ownership (subsequent to the Effective Date), or both, the payment of which Grantee assumes.

Grantor, for the consideration and subject to the Reservations from Conveyance and 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 wise belonging, to have and hold unto Grantee and Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor hereby binds Grantor and Grantor's heirs, executors, administrators, and successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through or under Grantor but not otherwise, except as to the Reservations from Conveyance and Exceptions to Conveyance and Warranty.

The Vendors' Lien against and Superior Title to the Property are retained until the Note described above is fully paid according to its terms, at which time this Deed shall become absolute.

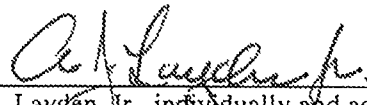
THE PROPERTY IS CONVEYED "AS IS, WHERE IS" WITH ALL FAULTS. THE GRANTOR MAKES NO REPRESENTATION OR WARRANTY (EXCEPT FOR THE WARRANTY OF TITLE IN THIS SPECIAL WARRANTY DEED) CONCERNING THE VALUE OF THE PROPERTY, THE CONDITION OF ANY IMPROVEMENTS ON THE PROPERTY, THE ENVIRONMENTAL CONDITION OF THE PROPERTY, THE PRESENCE OR ABSENCE OF ANY HYDROCARBONS, ASBESTOS, HAZARDOUS MATERIALS OR TOXIC SUBSTANCES ON THE PROPERTY, THE PRESENCE OR ABSENCE OF UNDERGROUND STORAGE TANKS, THE SUITABILITY OF THE PROPERTY FOR A PARTICULAR PURPOSE, THE MERCHANTABILITY OF THE PROPERTY, THE PRESENCE OR ABSENCE OF ANY GROUND FAULTS OR THE GEOLOGICAL CONDITION OF THE PROPERTY. THE GRANTOR MAKES NO REPRESENTATION NOR SHOULD ANY REPRESENTATION BE IMPLIED AS A RESULT OF A COURSE OF CONDUCT OF THE GRANTOR OR GRANTEE OR DUE TO INDUSTRY USAGE AND PRACTICE. THE GRANTEE IS FAMILIAR WITH THE TYPE OF PROPERTY BEING CONVEYED. THE GRANTEE BY ACCEPTING THIS DEED WAIVES ANY RIGHT OR CAUSE OF ACTION THAT MAY ARISE UNDER THE TEXAS DECEPTIVE TRADE PRACTICES/CONSUMER PROTECTION ACT. THE GRANTEE BY ACCEPTING THIS DEED RELEASES THE GRANTOR FROM ANY CLAIM OR CAUSE OF ACTION RELATED TO THE CONDITION OF THE IMPROVEMENTS, EVEN IF THE CONDITION OF THE IMPROVEMENTS HAS CHANGED AS A RESULT OF THE NEGLIGENCE, INTENTIONAL NEGLECT OR INTENTIONAL ACTIONS OR INACTIONS OF THE GRANTOR. THE GRANTEE BY ACCEPTING THIS DEED RELEASES THE GRANTOR FROM ANY CLAIM OR CAUSE OF ACTION RELATED TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY OR BY THE PRESENCE OF ANY HAZARDOUS MATERIALS OR TOXIC SUBSTANCES ON THE PROPERTY. THE GRANTEE

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN – Page 4

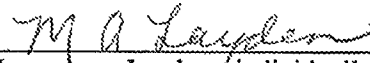
ACKNOWLEDGES TO THE GRANTOR THAT IT HAS BEEN GIVEN AN ADEQUATE OPPORTUNITY TO INSPECT THE PROPERTY AND HAS DETERMINED TO RELY SOLELY ON ITS OWN INSPECTION OF THE PROPERTY AND NOT ON ANY STATEMENTS OF THE GRANTOR OR ANY AGENT OR REPRESENTATIVE OF THE GRANTOR. The term "**Hazardous Materials**" means any substance (a) the presence of which requires reporting, investigations, or remediation under any current federal, state or local statute, regulation or ordinance, or (b) which are currently defined as hazardous substances, toxic substances, regulated substances, pollutants, or contaminants under any current federal, state or local statute, regulation or ordinance, including hydrocarbons and asbestos.

Grantor and Grantee have as of the date of the deed, prorated property taxes based upon (i) the 2017 taxes; and (ii) the period of ownership of Grantor and Grantee during 2018. Grantor and Grantee will readjust the proration of 2018 year property taxes when the final taxable value of the Property and the tax rate for the year has been established. Grantor and Grantee by their delivery and acceptance of this deed have agreed to pay or refund, as applicable, within 10 days of receiving notice, the difference between the estimated tax proration between Grantor and Grantee based on 2017 tax rate and value and the actual proration of taxes based on the 2018 value and tax rate and value applicable to the Property.

When the context requires, singular nouns and pronouns include the plural. This document may be signed in multiple counterparts.



A. J. Layden, Jr., individually and as Co-Trustee of the Mary Ann Layden Land Trust and the A. J. Layden, Jr. Land Trust. Jointly known as The Layden Land Trusts



Mary Ann Layden, individually and as Co-Trustee of the Mary Ann Layden Land Trust and the A. J. Layden, Jr. Land Trust, Jointly known as The Layden Land Trusts

ACCEPTED BY GRANTEE:

JLM 717 Kaufman LP, a Texas limited partnership

By: JLM 717 Kaufman GP LLC, a Texas limited liability company, its General Partner

By: _____
James L. Mabrey, Manager

ACKNOWLEDGES TO THE GRANTOR THAT IT HAS BEEN GIVEN AN ADEQUATE OPPORTUNITY TO INSPECT THE PROPERTY AND HAS DETERMINED TO RELY SOLELY ON ITS OWN INSPECTION OF THE PROPERTY AND NOT ON ANY STATEMENTS OF THE GRANTOR OR ANY AGENT OR REPRESENTATIVE OF THE GRANTOR. The term "**Hazardous Materials**" means any substance (a) the presence of which requires reporting, investigations, or remediation under any current federal, state or local statute, regulation or ordinance, or (b) which are currently defined as hazardous substances, toxic substances, regulated substances, pollutants, or contaminants under any current federal, state or local statute, regulation or ordinance, including hydrocarbons and asbestos.

Grantor and Grantee have as of the date of the deed, prorated property taxes based upon (i) the **2017** taxes; and (ii) the period of ownership of Grantor and Grantee during **2018**. Grantor and Grantee will readjust the proration of **2018** year property taxes when the final taxable value of the Property and the tax rate for the year has been established. Grantor and Grantee by their delivery and acceptance of this deed have agreed to pay or refund, as applicable, within **10** days of receiving notice, the difference between the estimated tax proration between Grantor and Grantee based on **2017** tax rate and value and the actual proration of taxes based on the **2018** value and tax rate and value applicable to the Property.

When the context requires, singular nouns and pronouns include the plural. This document may be signed in multiple counterparts.

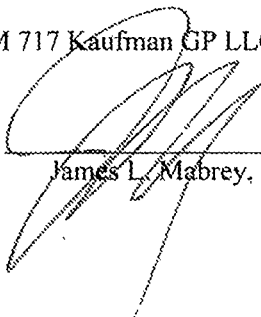
A. J. Layden, Jr., individually and as Co-Trustee
of the Mary Ann Layden Land Trust and the A. J.
Layden, Jr. Land Trust, Jointly known as The
Layden Land Trusts

Mary Ann Layden, individually and as Co-
Trustee of the Mary Ann Layden Land Trust and
the A. J. Layden, Jr. Land Trust, Jointly known as
The Layden Land Trusts

ACCEPTED BY GRANTEE:

JLM 717 Kaufman LP, a Texas limited partnership

By: JLM 717 Kaufman GP LLC, a Texas limited liability company, its General Partner

By: 

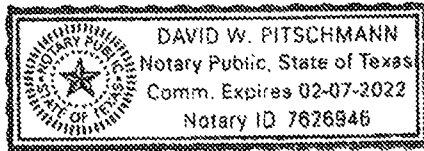
James L. Mabrey, Manager

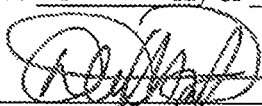
EXHIBIT LIST:

Exhibit A	Property Description
Exhibit B	Permitted Exceptions
Exhibit C	Drill Site Location
Exhibit D	Provisions With Respect to Drill Site

THE STATE OF TEXAS §
COUNTY OF HARRIS §


This instrument was acknowledged before me on the 23rd day of March, 2018, by
A. J. Layden, Jr. in the capacity set forth.



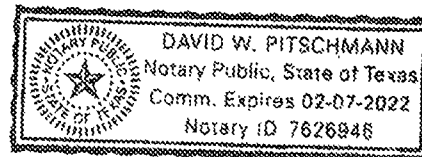

Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 23rd day of March, 2018, by
Mary Ann Layden in the capacity set forth.


Notary Public, State of Texas

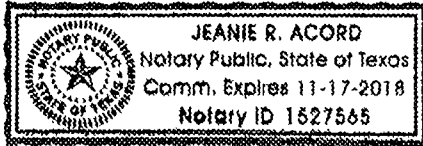
Return to: David M. Tatum
 Geary, Porter & Donovan, PC
 16475 Dallas Parkway, Suite 400
 Addison, Texas 75001

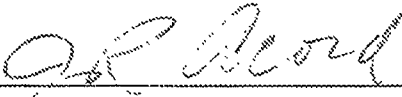


The State of Texas

County of Dallas

This instrument was acknowledged before me on the 23 day of March, 2018, by James L. Mabrey, Manager, for JLM 717 Kaufman GP LLC, a Texas limited liability company, its General Partner of JLM 717 Kaufman LP, a Texas limited partnership in the capacity set forth.





Notary Public, State of Texas

EXHIBIT A

LEGAL DESCRIPTION

DESCRIPTION, of a 716.699 acre tract of land situated in the John Moore Survey, Abstract No. 309, Kaufman County, Texas; said tract being all of those certain tracts of land described as First Tract, Second Tract and Third Tract in Deed to Layden Land Trusts recorded in Volume 1073, Page 231 of the Official Public Records, Kaufman County, Texas; said 716.699 acre tract being more particularly described as follows:

BEGINNING, at a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the center of County Road 260 and in the northeast line of that certain tract of land described as Tract 3 in Deed to HW Heartland LP recorded in Volume 3119, Page 142 of said Official Public Records; said point also being the westernmost corner of said Second Tract and the southernmost corner of Dallas East Estates, an addition to the Kaufman County, Texas recorded in Cabinet 1, Slide 94 of the Plat Records of Kaufman County, Texas;

THENCE, North 43 degrees, 53 minutes, 45 seconds East, departing the center of said County Road 260 and along the common line between said Second Tract and said Dallas East Estates, a distance of 1976.70 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the southwest line of that certain tract of land described in Deed to Richard Slaughter Bauer recorded in Volume 2674, Page 243 of said Official Public Records; said point also being the northernmost corner of said Second Tract and the easternmost corner of said Dallas East Estates;

THENCE, departing the said common line between Second Tract and Dallas East Estates and along the common line between said Second Tract and said Richard Slaughter Bauer tract the following calls:

South 47 degrees, 26 minutes, 24 seconds East, a distance of 894.17 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 43 degrees, 43 minutes, 16 seconds East, a distance of 13.29 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

South 47 degrees, 00 minutes, 44 seconds East, a distance of 293.03 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the northwest line of said First Tract; said point also being the easternmost corner of said Second Tract and the southernmost corner of said Richard Slaughter Bauer tract;

THENCE, along the common line between said First Tract and said Richard Slaughter Bauer tract, the following calls:

North 42 degrees, 59 minutes, 16 seconds East, a distance of 527.20 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 44 degrees, 01 minutes, 16 seconds East, a distance of 899.68 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 44 degrees, 18 minutes, 16 seconds East, a distance of 299.83 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 43 degrees, 50 minutes, 16 seconds East, a distance of 417.76 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 44 degrees, 06 minutes, 58 seconds East, a distance of 481.70 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 44 degrees, 12 minutes, 16 seconds East, a distance of 398.17 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 43 degrees, 51 minutes, 16 seconds East, a distance of 307.42 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 44 degrees, 10 minutes, 16 seconds East, a distance of 354.80 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 43 degrees, 49 minutes, 23 seconds East, a distance of 363.77 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point;

North 44 degrees, 37 minutes, 42 seconds East, a distance of 336.30 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the southwest right-of-way line of F.M. 2932; said point also being the northernmost corner of said First Tract and the easternmost corner of said Richard Slaughter Bauer tract;

THENCE, South 46 degrees, 08 minutes, 01 seconds East, departing the said common line between First Tract and Richard Slaughter Bauer tract and along the said southwest line of F.M. 2932, the northeast line of said First Tract and the northeast line of said Third Tract, a distance of 4645.76 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the center of County Road 261; said point also being the easternmost corner of said Third Tract and the northernmost corner of that certain tract of land described in Deed to Deceatur B. & Patsy Mitchell recorded in Volume 1039, Page 841 of the said Official Public Records;

THENCE, South 44 degrees, 27 minutes, 54 seconds West, along the centerline of said County Road of 261 and the common line between said Third Tract and said Mitchell tract, a distance of 1031.62 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point; said point also being the westernmost corner of said Mitchell tract and the northernmost corner of Quail Run Crossing Addition, an addition to the Kaufman County, Texas according to the plat recorded in Cabinet 2, Slide 240 of the said Plat Records;

THENCE, South 44 degrees, 26 minutes, 05 seconds West, along the centerline of said County Road of 261 and the common line between said Third Tract and Quail Run Crossing Addition, a distance of 1294.77 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point; said point also being the westernmost corner of said Quail Run Crossing Addition and the northernmost corner of that certain tract of land described in Deed to Capa Capital Properties, LLC recorded in Volume 4543, Page 552 of the said Official Public Records;

THENCE, South 44 degrees, 17 minutes, 43 seconds West, along the centerline of said County Road of 261 and the common line between said Third Tract and said Capa Capital Properties tract, a distance of

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN – Page 8

2388.80 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point; said point also being the westernmost corner of said Capa Capital Properties tract and the northernmost corner of that certain tract of land described in Deed to Cartwright-Mays, Ltd. recorded in Volume 4369, Page 285 of the said Official Public Records;

THENCE, South 44 degrees, 52 minutes, 50 seconds West, along the centerline of said County Road of 261 and the common line between said Third Tract and said Cartwright-Mays tract, a distance of 949.54 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set at an angle point; said point also being the westernmost corner of said Cartwright-Mays tract and the northernmost corner of that certain tract of land described in Deed to Crandall & 489 Partners Ltd. recorded in Volume 3057, Page 229 of the said Official Public Records;

THENCE, South 44 degrees, 01 minutes, 29 seconds West, along the centerline of said County Road of 261 and the common line between said Third Tract and said Crandall & 489 Partners tract, a distance of 685.51 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the center of said County Road 260; said point also being the southernmost corner of said Third Tract and the easternmost corner of that certain tract of land described in Deed to Jeito Foundation recorded in Volume 3787, Page 104 of the said Official Public Records;

THENCE, North 46 degrees, 15 minutes, 37 seconds West, departing the centerline of said County Road 261 and said common line between Third Tract and Crandall & 489 Partners tract and along the centerline of said County Road 260 and common line between said Third Tract and said Jeito Foundation tract, a distance of 2332.63 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner; said point also being the westernmost corner of said Third Tract and the southernmost corner of that certain tract of land described in Deed to Fitzpatrick Ltd recorded in Volume 1166, Page 377 of the said Official Public Records;

THENCE, North 45 degrees, 24 minutes, 11 seconds East, departing the centerline of said County Road of 260 and said common line between Third Tract and Jeito Foundation tract and along the common line between said Third Tract and said Fitzpatrick tract, a distance of 367.42 feet to a cross-tie post found for corner; said point also being the southernmost corner of said First Tract and the easternmost corner of said Fitzpatrick tract;

THENCE, along the common line between said First Tract and said Fitzpatrick tract, the following calls:

North 42 degrees, 54 minutes, 50 seconds West, a distance of 1280.30 feet to a cross-tie post found for corner; said point also being the northernmost corner of said Fitzpatrick tract;

South 44 degrees, 56 minutes, 49 seconds West, a distance of 442.10 feet to a 5/8-inch iron rod with "WESTWOOD PS" cap set for corner in the centerline of said County Road 260 and in northeast line of said Jeito Foundation tract; said point also being the westernmost corner of said Fitzpatrick tract;

THENCE, along the centerline of said County Road 260, the following calls:

North 46 degrees, 15 minutes, 37 seconds West, a distance of 585.82 feet to a 1/2-inch iron rod with unreadable yellow cap found at an angle point;

North 47 degrees, 51 minutes, 37 seconds West, a distance of 1400.00 feet to a 1/2-inch iron rod with unreadable yellow cap found at an angle point; said point also being the easternmost corner of said HW Heartland tract (Tract 3);

North 46 degrees, 08 minutes, 16 seconds West, a distance of 185.82 feet to the **POINT OF BEGINNING**;

CONTAINING, 31,219,388 square feet or 716.699 acres of land.

EXHIBIT B

EXCEPTIONS TO CONVEYANCE AND WARRANTY

1. Easement to Talty Water Supply Corporation recorded at Volume 492 Page 894, Deed Records of Kaufman County, Texas.
2. Easement to Gastonia-Scurry Water Supply recorded at Volume 987 Page 706, and Volume 992 Page 917, Deed Records of Kaufman County, Texas.
3. Easement to Trinity Valley Electric Cooperative dated July 5, 2017 as reflected in at Cause No. 89588CC, County/District Court Records of Kaufman County, Texas.
4. Any easement which may be condemned by Atmos Energy Corporation as reflected in the Lis Pendens referred to in this Deed and at File Nos. 2015-0010205; and 2015-0010250; and 2015-0011168, of the Official Public Records of Kaufman County, Texas.
5. Oil and Gas Lease reflected at Volume 502 Page 126, and at Volume 630 Page 59, Deed Records of Kaufman County, Texas.
6. Any portion of the Property lying within CR 261 and Evans Road (CR260).

EXHIBIT C

DRILL SITE LOCATION

**LEGAL DESCRIPTION
5.000 ACRE DRILL SITE**

BEING a 5.000 acre tract of land situated in the Kaufman County, Texas, being a part of the John Moore Survey, Abstract No. 309 and being a part of the 325 acre tract of land (Third Tract) conveyed to Layden Land Trusts by deed of record in Volume 1073, Page 231 of the Official Public Records, Kaufman County, Texas, said 5.000 tract being more particularly described as follows:

BEGINNING at a 5/8" iron rod with yellow plastic cap stamped "WESTWOOD PS" set in County Road 261 (Country Woods Road) and in the northwesterly line of the 20.332 acre tract of land conveyed to Deceatur B. Mitchell, et ux by deed of record in Volume 1039, Page 841 of said Official Public Records, same being in the southeasterly line of said 325 acre tract and lying South 44 degrees 27 minutes 54 seconds West, 467.57 feet from a 5/8" iron rod with yellow plastic cap stamped "WESTWOOD PS" set at the intersection of said County Road 261 with the southwesterly right-of-way line of FM Road 2932 for the easterly corner of said 325 acre tract;

THENCE South 44 degrees 27 minutes 54 seconds West with said County Road 261, a distance of 465.00 feet to a 5/8" iron rod with yellow plastic cap stamped "WESTWOOD PS" set for the northeast corner of the 75' easement granted to Atmos Energy Corporation by document of record in Instrument No. 2015-0011168 of said Official Public Records for the south corner of the herein described tract;

THENCE over and across said 325 acre tract the following calls and distances:

North 45 degrees 39 minutes 21 seconds East with the northerly line of said 75' Atmos easement, a distance of 66.88 feet to a set 5/8" iron rod with yellow plastic cap stamped "WESTWOOD PS";

North 47 degrees 53 minutes 11 seconds West, a distance of 394.84 feet to a 5/8" iron rod with yellow plastic cap stamped "WESTWOOD PS" set for the west corner of the herein described tract;

South 44 degrees 27 minutes 54 seconds East, a distance of 481.34 feet to a 5/8" iron rod with yellow plastic cap stamped "WESTWOOD PS" set for the north corner of the herein described tract;

South 45 degrees 32 minutes 06 seconds East, a distance of 461.39 feet to the POINT-OF-BEGINNING and containing 217,802 square feet or 5.000 acres of land.

-

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN - Page 13

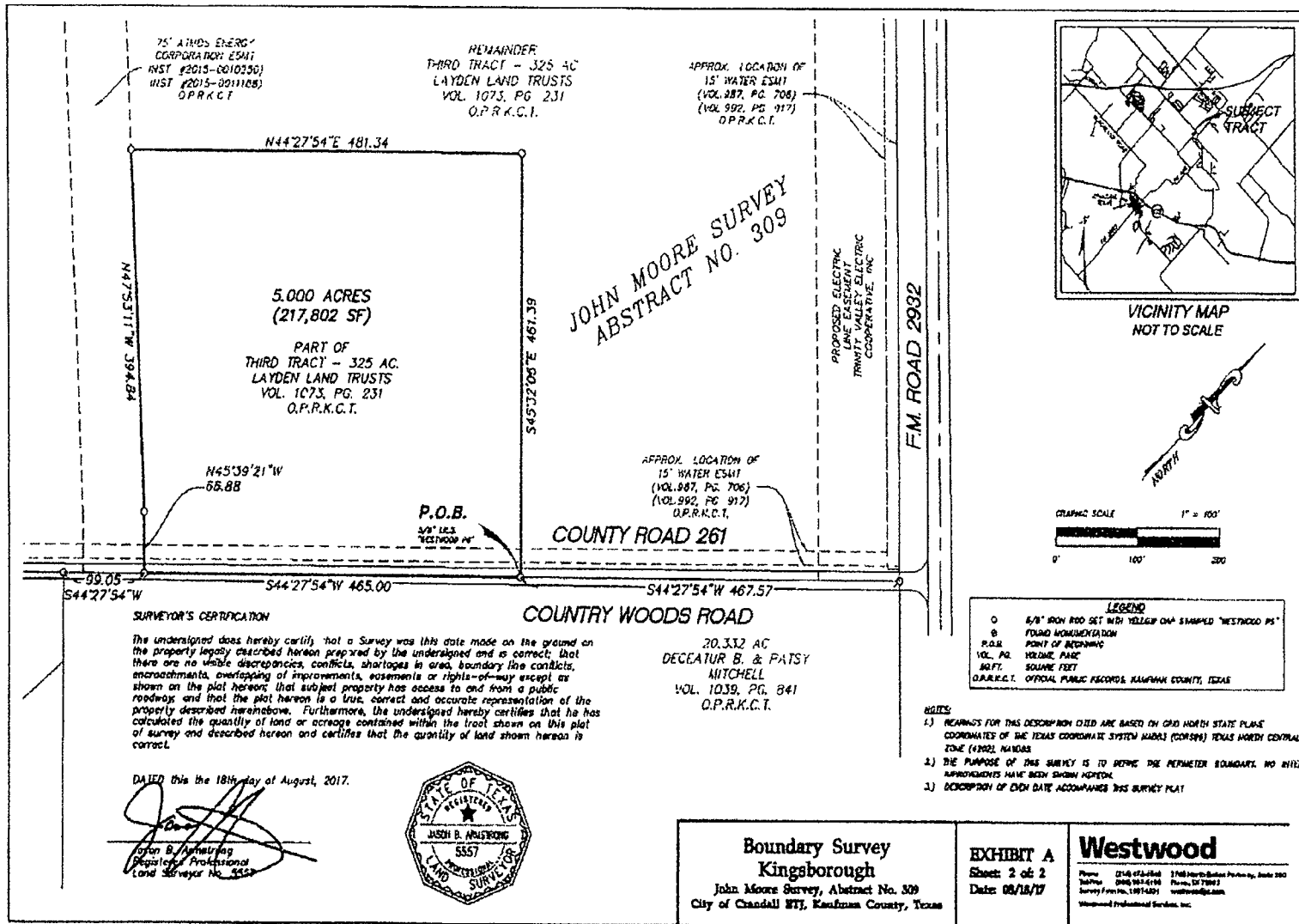


EXHIBIT D

PROVISIONS WITH RESPECT TO DRILL SITE

This **Exhibit D** is attached to and made a part of that certain Special Warranty Deed With Vendor's Lien (the "Deed") from A.J. Layden Jr. individually as to an undivided 25% as a Tenant in Common; Mary Ann Layden Individually as to an undivided 25% as a Tenant in Common; A.J. Layden Jr. and Mary Ann Layden as Co-Trustees of the A.J. Layden Jr. Land Trust as to an undivided 25% as a Tenant in Common; and A.J. Layden Jr. and Mary Ann Layden as Co-Trustees of the Mary Ann Layden Land Trust as to an undivided 25% as a Tenant in Common (collectively, "Grantor"), to and in favor of JLM 717 Kaufman LP, a Texas limited liability company ("Grantee"), and sets forth the terms applicable to Grantor's use of the Drill Site described in the Deed. Terms which are defined in the Deed shall have the same meanings when used herein.

1. Grantor and any other mineral owner shall have the right to right to drill, explore, mine and produced Reserved Minerals within the Drill Site, but in all cases any well bore must be located no closer than 100 feet from the boundaries of the Drill Site adjacent to the Property, for the exploration, development and production of oil, gas and other minerals from one or more wells located on the Drill Site (the "**Wells**"), but such Wells shall not be used for the exploration, development or production of oil, gas or other minerals from any other land or property unless such land or property is pooled or unitized with the Property. Notwithstanding anything herein to the contrary, Grantor acknowledges and agrees that Grantor shall have no right to enter upon or conduct any operations of any type upon any portion of the surface of the Property located outside of the Drill Site.
2. Within 180 days from the conclusion of actual drilling, reworking or completion operations on the Drill Site: (i) the Drill Site shall be cleaned and all oil and/or gas waste materials, junk, pieces of iron, pipes and other debris shall be removed; and (ii) any materials and equipment not necessary for continued operation of the Wells will be removed from the Drill Site.
3. Upon permanent cessation of use of the Drill Site, all equipment and fences shall be removed from the Drill Site, all caliche and gravel shall be removed, and the area shall be fertilized and reseeded. All walls, and concrete pads shall be removed, but such removal is not an abatement of this easement.
4. No part of the Drill Site will be used to store machinery, rigs, equipment, pipe or other property not be used for the production, drilling, exploration, production or transport of oil, gas and other minerals.
5. No part of the Drill Site will be used to house employees or other personnel except temporarily upon the Drill Site during drilling or completion operations.
6. Once use of the Drill Site commences it will be kept reasonably free of trash and debris but until that time the Grantee must keep the Drill Site reasonably free of trash and debris. Under no circumstances will Grantor be allowed to bury any trash, debris or foreign material of any nature on any portion of the Drill Site.
7. No disposal of any salt water or oil-based drillings fluids or any other products of, or substances used in, oil and gas operations is permitted on the surface or subsurface of the Drill Site. No waste

oil or saltwater well will be permitted to flow over the surface of the Drill Site, or to drain down any draws, streams, creeks or ravines on or near the Drill Site. No salt water disposal wells shall be located on the Drill Site. All salt water/produced water shall be disposed at a location off of the Drill Site.

8. No employee, representative, contractor of Grantor or any other person allowed to come upon the Drill Site by Grantor shall be permitted to enter on to any portion of the Property other than the Drill Site.
9. Each mineral lessee, operator and contractor performing activities on the Drill Site agrees to pay all costs, losses, claims, judgments, settlements, and damages asserted against or incurred by Grantee (including reasonable attorneys' fees, expert fees and court costs), resulting from or in connection with any of their activities on the Drill Site.
10. No hunting, no camping, no picnicking, or any social gathering on the Drill Site is permitted.
11. All tanks will be painted and such paint will be kept in good condition.
12. Noise levels associated with operations following the drilling and completion of wells shall be kept to a reasonable minimum, taking into consideration all reasonably available equipment and technology in the oil and gas industry.
13. Grantor's right to use the Drill Site is subject to all easements, rights of way, surface leases, restrictive covenants, and other matters affecting the Drill Site.
14. The prevailing party in any action to enforce the provisions of this Exhibit D shall be entitled to recover all costs of such legal proceedings, including reasonable attorneys' fees, expert witness fees and costs.
15. Any person lessee or operator who uses the Drill Site must comply with all applicable laws, regulations and ordinances in conducting all operations on the Drill Site.
16. All notices, requests and other communications under this Exhibit D shall be in writing and shall be delivered in person by hand delivery or overnight delivery service, by facsimile or sent by certified mail, return receipt requested, addressed to the parties at the addresses set forth in the Deed, or at such other address, and to the attention of such other person, as the parties shall give notice as herein provided. All such notices, requests and other communications shall be deemed to have been sufficiently given for all purposes hereof upon receipt at such address if delivered in person, by overnight delivery or by facsimile, or if mailed, upon deposit of both the original and any required copies in a post office or official depository of the United States Postal Service. Email addresses are included for reference purposes only, and any required notices must be delivered by one of the methods of delivery described above.








EXHIBIT B – MAP 1

KAUFMAN TRACT CCN DE-CERTIFICATION

KAUFMAN COUNTY
CITY OF CRANDALL ETJ
CITY OF CRANDALL CCN
TALTY WSC CCN

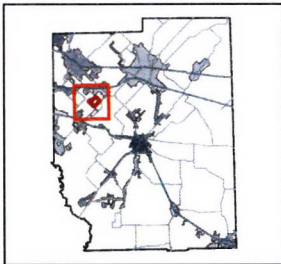
SEPTEMBER 2020

Legend

-  KAUFMAN TRACT
-  CRANDALL CCN (APPRX. 45.8 AC.)
-  PARCELS
-  CITY OF CRANDALL
-  CRANDALL ETJ
-  WETLANDS
-  CHANNEL

SOURCES: PARCELS - KAUFMAN COUNTY APPRAISAL DISTRICT, CITY LIMITS/ETJ - CITY OF CRANDALL, NCTCOG, WETLANDS - NWI, CCN - PUC

*CCN BOUNDARIES FROM OFFICIAL DATA RELEASE ARE OF TEN SHIFTED FROM ACTUAL BOUNDARY.



KAUFMAN COUNTY

THIS PRODUCT IS FOR INFORMATIONAL PURPOSES AND MAY NOT HAVE BEEN PREPARED FOR OR BE SUITABLE FOR LEGAL, ENGINEERING, OR SURVEYING PURPOSES. IT DOES NOT REPRESENT AN ON-THE-GROUND SURVEY AND REPRESENTS ONLY THE APPROXIMATE RELATIVE LOCATION OF PROPERTY BOUNDARIES.



6060 North Central Expressway, Suite 440
Dallas, Texas 75206
Phone 469.621.0710 TBP F-1386
LJA.com

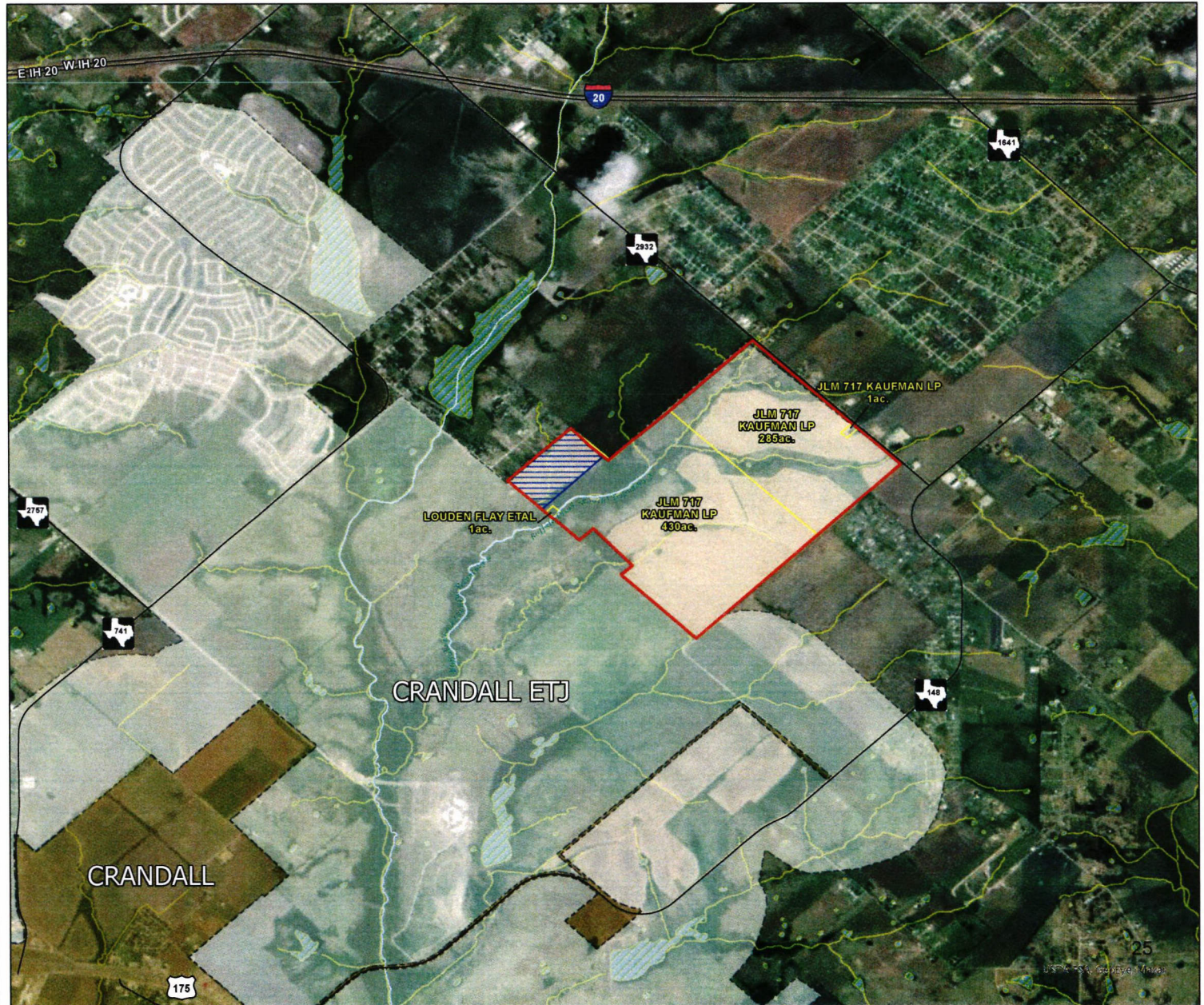


EXHIBIT B – MAP 2







KAUFMAN TRACT

CCN DE-CERTIFICATION

KAUFMAN COUNTY
CITY OF CRANDALL ETJ
CITY OF CRANDALL CCN
TALTY WSC CCN

NOVEMBER 2020

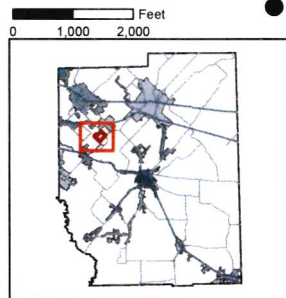
Legend

-  KAUFMAN TRACT
-  CRANDALL CCN AREA PROPOSED FOR TRANSFER (APPRX. 45.8 AC)
-  PARCELS
-  CITY OF CRANDALL
-  CRANDALL ETJ
-  CHANNEL

SOURCES: PARCELS - KAUFMAN COUNTY APPRAISAL DISTRICT, CITY LIMITS/ETJ - CITY OF CRANDALL, NCTCOG, WETLANDS-NWI, CCN - PUC

*CCN BOUNDARIES FROM OFFICIAL DATA RELEASE ARE OF TEN SHIFTED FROM ACTUAL BOUNDARY.

CCN BOUNDARIES AND AREAS, AND AREA MEASUREMENTS ARE BASED ON GIS LINEWORK AND DATA AVAILABLE FROM THE PUC GIS DATABASE, AND IS SUBJECT TO THE LIMITATIONS OF THAT DATA



KAUFMAN COUNTY

THIS PRODUCT IS FOR INFORMATIONAL PURPOSES AND MAY NOT HAVE BEEN PREPARED FOR OR BE SUITABLE FOR LEGAL, ENGINEERING, OR SURVEYING PURPOSES. IT DOES NOT REPRESENT AN ON-THE-GROUND SURVEY AND REPRESENTS ONLY THE APPROXIMATE RELATIVE LOCATION OF PROPERTY BOUNDARIES.



6060 North Central Expressway, Suite A40
Dallas, Texas 75206
Phone: 469.621.0710 TBP: F-1386
LJA.com



EXHIBIT C

CERTIFIED MAIL

9214 7904 3910 0120 1095 45

9290 9904 3910 0120 1095 49

REORDER CAT. NO. 3086



BCN www.blumberg.com

SENDER: COMPLETE THIS SECTION

Zachariah T. Evans
McGINNIS LOCHRIDGE
600 Congress Ave., Suite 2100
Austin, TX 78701

1. Article Addressed to:
Attn: City Manager
City of Crandall
P.O. Box 277
Crandall, Texas 75114



9290 9904 3910 0120 1095 49

2. Article Number (Transfer from service label)
9214 7904 3910 0120 1095 45

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee
X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type ☒ Certified Mail® ☐ Certified Mail®
Restricted Delivery

PS Form 3811 Facsimile, July 2015

Domestic Return Receipt



FEED

* USA Certified Mailer System™
* Patent #5,571,277; 5,697,648; 5,848,809
* 5,887,904; 5,951,053; 5,967,558
* 5,984,365; 6,003,902; 6,050,603
* USA 6/15 CMF-088 * © 1998-99 *

CERTIFIED MAIL®

USPS CERTIFIED MAIL

PS Form 3800, 7/2015



9214 7904 3910 0120 1095 45



McGINNIS LOCHRIDGE
Zachariah T. Evans
600 Congress Ave., Suite 2100
Austin, TX 78701

TO:

Attn: City Manager
City of Crandall
P.O. Box 277
Crandall, Texas 75114



US POSTAGE
\$08.20
First-Class
Mailed From 78701
11/17/2020
032A 0061854101

EXHIBIT D

PUC DOCKET NO. _____

PETITION OF JLM 717 KAUFMAN, LP,	§	
TO AMEND A PORTION OF THE CITY	§	
OF CRANDALL WATER CERTIFICATE	§	BEFORE THE
OF CONVENIENCE AND NECESSITY	§	
NO. 11295 BY STREAMLINED	§	PUBLIC UTILITY COMMISSION
EXPEDITED RELEASE UNDER TEXAS	§	
WATER CODE § 13.2541(b) and 16 TAC	§	OF TEXAS
§ 24.245(1)	§	

AFFIDAVIT OF JAMES MABREY

On this day, appeared before me James Mabrey, and stated:

“My name is James Mabrey. I am more than twenty-one (21) years of age and capable of making this affidavit. I have personal knowledge of the facts stated herein, which are true and correct.

1. I am a principle and agent of JLM 717 Kaufman, LP, which owns a 716.699-acre tract, 45.8 acres (the “Tract”) of which lie within the City of Crandall (“Crandall”), Texas, water Certificate of Convenience and Necessity (“CCN”), in Kaufman County, Texas.

2. The Tract is more fully described by metes and bounds in the warranty deed included as Exhibit A of the Petition of JLM 717 Kaufman, LP, to Amend a Portion of the City of Crandall Water Certificate of Convenience and Necessity No. 11295 by Streamlined Expedited Release Under Texas Water Code § 13.2541(b) and 16 Texas Administrative Code (“TAC”) § 24.245(1) (the “Petition”).

3. The Petition is being submitted under Texas Water Code § 13.2541(b) and 16 TAC § 24.245(1).

4. Attached as Exhibit A to the Petition are a map and USB flash drive containing projectable digital data, with metadata, which depict the Tract and demonstrate that the Tract lies within the Crandall CCN.

5. Neither I nor any other agents of JLM 717 Kaufman, LP, have ever requested retail water service from Aqua.

6. As of the date of this affidavit, the Tract is not currently receiving retail water service from Crandall.

7. I affirm that the facts stated in the Petition are true and correct.

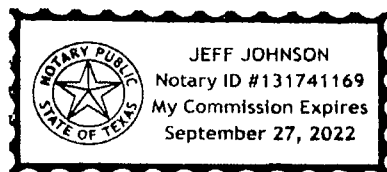
8. Attached as Exhibit C to the Petition, as proof that a copy of the Petition was mail to Crandall via certified mail on the same day I submitted the Petition to the Public Utility Commission of Texas, is a U.S. Postal Service Certified Mail Receipt.”

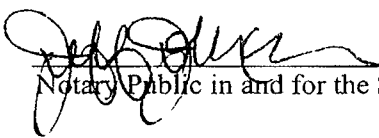
FURTHER AFFIANT SAYETH NOT.


James Mabrey

STATE OF TEXAS §
 §
COUNTY OF Dallas §

SWORN TO AND SUBSCRIBED before me, the undersigned notary public, on this 20th day of October, 2020.




Notary Public in and for the State of Texas

Notary Stamp/Seal