



Filing Receipt

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DOCKET NO. 54283

PETITION OF SJWTX, INC. DBA	§	PUBLIC UTILITY COMMISSION
CANYON LAKE WATER SERVICE	§	
COMPANY AND SAN ANTONIO	§	OF TEXAS
WATER SYSTEM FOR APPROVAL OF	§	
A SERVICE AREA CONTRACT	§	
UNDER TEXAS WATER CODE §13.248		
AND TO AMEND CERTIFICATES OF		
CONVENIENCE AND NECESSITY IN		
KENDALL COUNTY		

**PETITIONERS' OBJECTIONS TO ASHTON SAN ANTONIO RESIDENTIAL, LLC'S
MOTION TO INTERVENE**

COMES NOW, SJWTX, Inc. dba Canyon Lake Water Service Company ("SJWTX") and San Antonio Water System ("SAWS") (collectively, the "Petitioners"), and file this, their Objections to Ashton San Antonio Residential, LLC's Motion to Intervene, and would show the following:

I. BACKGROUND

On October 28, 2022, SJWTX and SAWS filed an application (the "Application" and/or "Petition") for approval of a service-area contract under Texas Water Code (TWC) § 13.248 and to amend portions of SAWS's water Certificate of Convenience and Necessity (CCN) No. 10640 and sewer CCN No. 20285 and SJWTX's water CCN No. 10692 and sewer CCN No. 20877, all located in Kendall County, Texas (the "affected service areas"). On March 6, 2023, the administrative law judge ("ALJ") filed Order No. 7, directing the Staff ("Staff") of the Public Utility Commission of Texas ("Commission") to file a final recommendation on the Application if no hearing was requested by April 27, 2023. On April 27, 2023, no hearing was requested, and Staff filed its final recommendation recommending that the application be approved. After Staff filed its final recommendation on April 27, 2023, Ashton San Antonio Residential, LLC ("Ashton Woods") filed a motion to intervene (the "motion").

II. PETITIONERS OBJECTIONS AND REQUEST FOR RELIEF

A. Ashton Woods Lacks Standing

Title 16 Texas Administrative Code (“TAC”) §22.103(b) identifies who may intervene as a party in Commission proceedings.¹ A person has standing to intervene if that person: (1) has a right to participate which is expressly conferred by statute, commission rule or order or other law;² or (2) has or represents persons with a justiciable interest which may be adversely affected by the outcome of the proceeding.³ Ashton Woods lacks standing under both 16 TAC §22.103(b)(1) and 16 TAC §22.103(b)(2).

As provided for in the Application and Staff’s March 1, 2023, Recommendation on Administrative Completeness and Proposed Procedural Schedule,⁴ notice in this matter is governed by 16 TAC § 24.253(c). Under this section, two forms of notice may potentially be required. First, if the decision to enter into a contract was discussed at a meeting of a city council, a water supply or sewer service corporation’s board, district board, county commissioner’s court, or other regulatory authority, a copy of the meeting agenda and minutes for the meeting during which the item was discussed may be considered sufficient notice under 16 TAC § 24.253(c)(2). SAWS submitted a copy of their meeting minutes approving the agreement and the agenda that was posted prior to the meeting. SAWS also provided an affidavit attesting to the date meeting notice was posted and the date the meeting approving the agreement transpired. Additionally, if affected customers will be transferred as part of the contract, then notice must be provided to those customers under 16 TAC § 24.253(c)(1). As stated in the Application, and confirmed by Commission Staff,⁵ no customers will be affected by this transaction and individual notice under 16 TAC § 24.253(c)(1) was not required. Ashton Woods even admits in its motion on page two that “there are no current customers in the previously unserved 520-acre water and 314-acre sewer service area.” Because Ashton Woods is not an “affected customer” that will be transferred as part

¹ 16 TAC §22.103(b)

² 16 TAC §22.103(b)(1)

³ 16 TAC §22.103(b)(2)

⁴ Docket 54283, Interchange Item 15

⁵ Staff’s March 1, 2023, Recommendation on Administrative Completeness and Proposed Procedural Schedule

of the application, it is not entitled to individual notice of the application and, as such, it is not expressly conferred a right to participate in this proceeding by Commission rules.⁶

Notwithstanding the foregoing, in its motion, Ashton Woods falsely claims it may intervene under 16 TAC §22.103(b)(2) because, as a “landowner” of 120 acres within the affected water and sewer service areas, it has a justiciable interest which may be adversely affected by the outcome of the proceeding. Ashton Woods owns no land within the affected service areas. First and foremost, Petitioners are not aware of any land within the affected service areas owned by Ashton Woods and Ashton Woods’s motion fails to identify the 120 acres of land it claims to own. Secondly, a search of the Kendall County Appraisal District Records reveals no property within the affected service areas owned by Ashton Woods. Finally, the only 120-acre tract within the affected service areas that Petitioners are aware of that has been proposed for a potential future development called “Lily Ranch” is owned by Jen Texas 27, LLC, a Texas limited liability company, not Ashton Woods, as evidenced by the Special Warranty Deed attached hereto as **EXHIBIT 1**. Contrary to Ashton Woods’ claims, Petitioners can find no record of Ashton Woods being the owner of any real property within the affected service areas and, as such, Ashton Woods lacks standing to intervene under 16 TAC §22.103(b)(2).

In accordance with the above, Petitioners request the ALJ enter an order dismissing Ashton Woods’s motion to intervene on the basis that Ashton Woods lacks standing to intervene as a party in this proceeding in accordance with 16 TA §22.103(b)(1) and 16 TA §22.103(b)(2): (1) Ashton Woods is not a customer of Petitioners that will be transferred as part of the contract and it is not entitled to individual notice of the application under 16 TAC § 24.253(c)(1); and (2) contrary to its motion, Ashton Woods owns no real property within the affected service areas.

B. Ashton Woods’s Motion is Untimely

Notwithstanding the fact Ashton Woods lacks standing to intervene in this proceeding, should the ALJ nevertheless find Ashton Woods has standing to intervene, Ashton Woods’s motion to intervene is untimely and should be dismissed because Ashton Woods failed to file its motion within 45 days for the date the application was filed with the Commission.

⁶ 16 TAC §22.103(b)(1)

First and foremost, Ashton Woods falsely claims Order No. 7 established a deadline to intervene as April 27, 2023. The April 27, 2023, deadline established by the ALJ in Order No. 7 was the deadline for Commission Staff to file a final recommendation on the Application, not an intervention deadline.

Secondly, 16 TAC §22.104(b) states “motions to intervene shall be filed within 45 days from the date an application is filed with the commission, unless otherwise provided by statute, commission rule, or order of the presiding officer.”⁷ The Application was filed with the Commission on October 28, 2022,⁸ and on March 6, 2023, ALJ filed Order No. 7 finding the Petition administratively complete and notice sufficient in compliance with the requirements of TWC § 13.248 and 16 Texas Administrative Code §24.253. Ashton Woods filed its motion with the Commission on April 27, 2023. Accordingly, 181 days have lapsed since the date the Application was filed with the Commission and 52 days have lapsed since the date the ALJ issued Order No. 7 and found the Application administratively complete.

Notwithstanding the foregoing, the ALJ should not grant Ashton Woods’s late filed motion in accordance with 16 TAC §22.104(d)(1) for the following reasons. Ashton Woods provides no good cause for its failure to file the motion within the 45-day deadline⁹ despite Petitioners having been in communication with Ashton Woods’s attorney, Buck Benson at Barton Benson Jones PLLC, since the filing date of the Application. Granting of Ashton Woods’s late motion would unreasonably burden all Parties and disrupt the proceedings as the ALJ has already found the Application to be administratively complete and notice proper,¹⁰ Commission Staff timely filed its Final Recommendation on April 27, 2023, in accordance with Order No. 7 stating no hearing was requested and recommending approval of the Application, and Ashton Woods has not provided any reason for how it could be adversely impacted by these proceedings as it is not a current customer within the affected service areas and owns no land within the affected service areas. Finally, the public interest is not likely to be served by allowing the late intervention as Ashton Woods’s interest in these proceedings only relates to its desire to potentially develop a private

⁷ 16 TAC §22.104(b)

⁸ Docket 54283, Interchange Item No. 1

⁹ 16 TAC §22.104(b)

¹⁰ Order No. 7

development within the affected service areas and enter into a future utility service agreement with SJWTX.

Accordingly, Ashton Woods's motion is untimely and should be dismissed in accordance 16 TAC §22.104(b) and 16 TAC §22.104(d)(1).

III. CONCLUSION AND PRAYER

WHEREFORE, PREMISES CONSIDERED, Petitioners request that the ALJ enter an order dismissing Ashton Woods's motion to intervene on the basis Ashton Woods lacks standing to intervene in accordance with 16 TAC §22.103(b) and, in the alternative, if Ashton Woods is found to have standing, its motion to intervene is untimely in accordance 16 TAC §22.104(b) and 16 TAC §22.104(c).

Dated: May 4, 2023

Respectfully submitted on behalf of
Applicants, SJWTX and SAWS

By: /s/ Gregory M Klipp
Gregory M. Klipp
State Bar No. 24070065
The Jones Law Firm PC
3724 Jefferson Street; Suite 310
Austin, Texas 78731
(512) 651-5401
(866) 511-5961 (fax)

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 4, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Gregory Klipp
Gregory Klipp

EXHIBIT 1

ATC GF# 4000412002013 DB

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

THE STATE OF TEXAS §
 §
 COUNTY OF KENDALL §

HELI INVESTMENTS, LLC, a Texas limited liability company ("**Grantor**"), as the duly authorized owner of the Property (defined below), with a mailing address of 4122 Pond Hill Road, Suite 101, San Antonio, Texas 78231-1245, for and in consideration of the sum of \$10.00 and other good and valuable consideration in hand paid by JEN TEXAS 27 LLC, a Texas limited liability company ("**Grantee**"), with a mailing address of c/o Entrada Development Group, 8023 Vantage Drive, Suite 220, San Antonio, Texas 78230, Attn: Trey Marsh, the receipt and sufficiency of which consideration are hereby acknowledged, has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto Grantee, the real property situated in the Kendall County, State of Texas, and described in Exhibit A attached hereto and made a part hereof, together with all and singular all rights, privileges, hereditaments, and appurtenances pertaining to such real property, including without limitation (a) all improvements thereon, (b) all right, title and interest of Grantor in and to all strips, gores, easements, leases, rights of ingress or egress, streets, alleys and other rights-of-way abutting, adjoining or benefiting such land or improvements, and (c) all right, title and interest of Grantor in and to all applications, permits, plats, plans, governmental approvals, soils and engineering reports, rights to reimbursement for dedications made or costs or fees paid relating to the land, development fee waivers or credits, development rights and other entitlements relating to the land, utility service commitments or allocations, and all other rights and benefits relating to the development of the land (such land and the improvements, rights, title, interests and appurtenances described in clauses (a) through (c) above are collectively referred to as the "**Property**").

This conveyance is made and accepted subject only to those matters set forth on Exhibit B attached hereto and made a part hereof ("**Permitted Exceptions**").

Grantor reserves all of Grantor's rights and interests in and to the oil, gas and other minerals that are in and under and may be produced from the Land, but specifically excluding all minerals and other substances that form a part of the surface or soil of the Property such as sand, iron ore, gravel, uranium, coal lignite or limestone. Grantor waives and relinquishes all rights of ingress and egress and other rights to use the surface of the Property for any purpose, including, without limitation, for the purpose of exploring for and producing oil, gas and other minerals. All future leases or conveyances of all or any part of the oil, gas and other minerals herein reserved by Grantor shall be subject to and burdened by the foregoing surface waiver and automatically shall be construed to contain a contractual waiver by the lessee or grantee (as applicable) of the right to enter upon or use the surface of the Property, such that none of the minerals herein reserved by Grantor may be explored for or produced (either by themselves or in conjunction with any other undivided interest in the mineral estate underlying or appurtenant to the Property) by drilling or other activities conducted on

EXHIBIT 1

the Property. No person having or claiming any rights by, through or under Grantor shall be permitted to circumvent, directly or indirectly, the surface use restrictions set forth herein by virtue of holding surface rights derived from any other owners of minerals in or under the Property. The intention of Grantor is that no minerals owned by Grantor may be explored for or produced (either by themselves or in conjunction with any other undivided interest in the mineral estate underlying or appurtenant to the Property) by operations on the surface of the Property. The foregoing provision shall be a covenant running with the Property binding upon any party owning an interest in any such reserved minerals and inuring to the benefit of, and directly enforceable by, all future owners of all or any part of the surface estate of the Property. Notwithstanding the foregoing, such surface use waiver will not prohibit underground directional drilling activities that begin upon and are conducted entirely from the surface of real property other than the Property, provided that such drilling activities at all times penetrate the Property sufficiently below the surface as to not interfere with or disturb in any manner the present or future use to which the owner of the Property or its successors and assigns may desire to devote the Property, and in no event shall the directional drilling or other subsurface activities intersect the boundaries of the Property at depths of less than two hundred feet below the surface of the Property.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, to Grantee and Grantee's successors and assigns forever, and Grantor does hereby bind Grantor and Grantor's successors to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, subject to the Permitted Exceptions.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT 1

EXECUTED to be EFFECTIVE as of June 30, 2021.

HELI INVESTMENTS, LLC,
a Texas limited liability company

By:

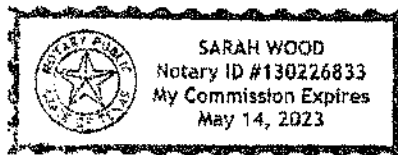
Joshua M. Cude, Manager

STATE OF TEXAS §

COUNTY OF Bexar §

BEFORE ME, the undersigned authority, on this day personally appeared Joshua M. Cude, Manager, of HELI INVESTMENTS, LLC, a Texas limited liability company known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes and consideration therein expressed and in the capacity therein expressed.

Given under my hand and seal of office, this 30 day of June, 2021.



Sarah Wood
Notary Public, in and for the State of Texas

Exhibit A: Land Description

Exhibit B: Permitted Exceptions

After recording, please return the original,
Recorded Special Warranty Deed to:

JEN Texas 27 LLC
c/o Entrada Development Group
Attn: Trey Marsh
8023 Vantage Drive, Suite 220
San Antonio, Texas 78230

EXHIBIT 1

EXHIBIT A

LAND DESCRIPTION

The following two (2) tracts of land:

Tract 1:

BEING 80.035 ACRES OF LAND LOCATED IN THE JOSE RAMONA AROCHA SURVEY NUMBER 171, ABSTRACT NUMBER 2, KENDALL COUNTY, TEXAS AND BEING ALL OF THAT CALLED 80.028 ACRE TRACT, AS DESCRIBED IN VOLUME 1086, PAGE 769, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS; SAID 80.035 ACRES BEING MORE PARTICULARLY DESCRIBED, AS FOLLOWS:

BEGINNING, AT A P.K. NAIL IN CONCRETE, LOCATED IN THE SOUTHERLY RIGHT OF WAY LINE OF OLD FREDERICKSBURG ROAD AND MARKING THE MOST NORTHWESTERLY CORNER OF A 8.621 ACRE TRACT, AS DESCRIBED IN VOLUME 646, PAGE 181, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS;

THENCE, S 00°55'15" E, ALONG THE WESTERLY LINE OF THE SAID 8.621 ACRES, THE WESTERLY LINE OF TRACT II CALLED TO CONTAIN 15.11 ACRES OF LAND, AS DESCRIBED IN DOCUMENT 351105, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS AND THE WESTERLY LINE OF A 3.23 ACRE TRACT, AS DESCRIBED IN DOCUMENT 351103, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS, A DISTANCE OF 1,595.50 FEET TO A FOUND ½ INCH IRON ROD, A NORTHERLY CORNER OF TRACT I CALLED TO CONTAIN 28.44 ACRES OF LAND, AS DESCRIBED IN DOCUMENT 351105 OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS;

THENCE, S 76°55'17" W, ALONG THE NORTHERLY LINE OF SAID TRACT I, A DISTANCE OF 916.90 FEET TO A FOUND ½ INCH IRON ROD;

THENCE, S 00°59'36" W, ALONG THE WESTERLY LINE OF THE SAID TRACT I AND THE WEST LINE OF A CALLED 40.00 ACRE TRACT, AS DESCRIBED IN VOLUME 1746, PAGE 321, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS, AT A DISTANCE OF 1,224.32 FEET, PASSING A FOUND ½ INCH IRON ROD, IN ALL A TOTAL DISTANCE OF 1,280.32 FEET, TO A POINT LOCATED IN THE MIDDLE OF BALCONES CREEK;

THENCE, ALONG THE MEANDERS OF BALCONES CREEK, THE FOLLOWING BEARINGS AND DISTANCES, TO A POINT:

N 52°30'58" W, A DISTANCE OF 84.63 FEET;

N 70°45'01" W, A DISTANCE OF 137.74 FEET;

S 88°30'42" W, A DISTANCE OF 388.64 FEET;

S 87°53'42" W, A DISTANCE OF 279.65 FEET, THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, ALONG THE WESTERLY LINE OF THE HEREIN DESCRIBED TRACT, THE FOLLOWING BEARINGS AND DISTANCES:

N 00°14'23" E, AT A DISTANCE OF 47.21 FEET PASSING A FOUND ½ INCH IRON ROD, IN ALL A TOTAL DISTANCE OF 521.01 FEET, TO A FOUND ½ INCH IRON ROD;

N 00°41'56" E, A DISTANCE OF 917.50 FEET TO A FOUND ½ INCH IRON ROD;

N 00°28'13" W, A DISTANCE OF 90.30 FEET TO A FOUND ½ INCH IRON ROD;

N 00°44'23" E, A DISTANCE OF 362.04 FEET TO A FOUND ½ INCH IRON ROD WITH "PFEIFFER" CAP MARKING THE SOUTHWESTERLY CORNER OF THAT CALLED 15.01 ACRE TRACT, AS DESCRIBED IN VOLUME 1019, PAGE 618, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS;

THENCE, ALONG THE SOUTHERLY AND EASTERLY LINES OF SAID 15.01 ACRE TRACT, THE FOLLOWING BEARINGS AND DISTANCES:

N 89°51'30" E, A DISTANCE OF 577.92 FEET TO A FOUND ½ INCH IRON ROD WITH "PFEIFFER" CAP;

EXHIBIT 1

N 00°08'32" W, A DISTANCE OF 1,140.56 FEET TO A SET ½ INCH IRON ROD WITH "CUDE" CAP LOCATED IN THE SOUTHERLY RIGHT OF WAY LINE OF OLD FREDERICKSBURG ROAD;

THENCE, ALONG THE SOUTHERLY RIGHT OF WAY LINE OF OLD FREDERICKSBURG ROAD, THE FOLLOWING COURSES:

S 88°28'49" E, A DISTANCE OF 362.85 FEET, TO A SET ½ INCH IRON ROD WITH "CUDE" CAP;

S 88°47'56" E, A DISTANCE OF 799.43 FEET TO THE POINT OF BEGINNING AND CONTAINING 80.035 ACRES OF LAND, MORE OR LESS.

BASIS OF BEARINGS IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204), NAD 83 (93).

Tract 2:

BEING 40.004 ACRES OF LAND LOCATED IN THE JOSE RAMONA AROCHA SURVEY NUMBER 171, ABSTRACT NUMBER 2, KENDALL COUNTY, TEXAS AND BEING THAT SAME TRACT OF LAND CONVEYED TO TONY GARRITANO, AS DESCRIBED IN CORRECTION GENERAL WARRANTY DEED, RECORDED IN VOLUME 1746, PAGE 321, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS; SAID 40.004 ACRES BEING MORE PARTICULARLY DESCRIBED, AS FOLLOWS:

BEGINNING, AT A FOUND 5/8 INCH IRON ROD WITH ORANGE CAP LOCATED IN THE WESTERLY RIGHT OF WAY LINE OF OLD FREDERICKSBURG ROAD AND MARKING THE SOUTHEASTERLY CORNER OF A 28.44 ACRES OF LAND, AS DESCRIBED IN DOCUMENT 351105, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS; SAME BEING THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 00° 44' 25" WEST, ALONG THE WESTERLY RIGHT OF WAY LINE OF OLD FREDERICKSBURG ROAD, AT A DISTANCE OF 931.70 FEET, PASSING A FOUND ½ INCH IRON ROD, IN ALL A TOTAL DISTANCE OF 1,262.95 FEET, TO A POINT IN THE CENTERLINE OF BALCONES CREEK;

THENCE, ALONG THE MEANDERS OF BALCONES CREEK, THE FOLLOWING BEARINGS AND DISTANCES, TO A POINT:

NORTH 76° 02' 00" WEST, A DISTANCE OF 228.46 FEET;

NORTH 80° 24' 42" WEST, A DISTANCE OF 201.45 FEET;

NORTH 82° 31' 16" WEST, A DISTANCE OF 266.80 FEET;

NORTH 79° 37' 50" WEST, A DISTANCE OF 279.73 FEET;

NORTH 74° 08' 37" WEST, A DISTANCE OF 293.79 FEET;

NORTH 61° 55' 43" WEST, A DISTANCE OF 122.03 FEET;

NORTH 40° 26' 29" WEST, A DISTANCE OF 295.17 FEET;

NORTH 50° 53' 51" WEST, A DISTANCE OF 93.54 FEET, TO A POINT MARKING THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT; SAME BEING THE SOUTHEASTERLY CORNER OF A 80.028 ACRES OF LAND, AS DESCRIBED IN VOLUME 1086, PAGE 769, OF THE OFFICIAL PUBLIC RECORDS OF KENDALL COUNTY, TEXAS;

THENCE, NORTH 00° 59' 36" EAST, ALONG THE COMMON LINE BETWEEN THIS TRACT AND THE SAID 80.028 ACRES, AT A DISTANCE OF 56.00 FEET, PASSING A FOUND ½ INCH IRON ROD, IN ALL A TOTAL DISTANCE OF 667.68 FEET, TO A FOUND ½ INCH IRON ROD WITH ORANGE "JOHN HOWARD SURVEYING" CAP, MARKING THE SOUTHWESTERLY CORNER OF SAID 28.44 ACRE TRACT; SAME BEING THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 89° 59' 40" EAST, ALONG THE COMMON LINE BETWEEN THIS TRACT AND THE SAID 28.44 ACRE TRACT, A DISTANCE OF 1,619.12 FEET, TO THE POINT OF BEGINNING AND CONTAINING 40.004 ACRES OF LAND, MORE OR LESS.

BASIS OF BEARINGS IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204), NAD 83 (93).

EXHIBIT 1

EXHIBIT B

PERMITTED EXCEPTIONS

TRACT 1:

1. Judgment creating easement to Lo-Vaca Gathering Company recorded in Volume 100, Page 188, and in Volume 104, Page 372, Deed Records, Kendall County, Texas and as shown on that certain Survey dated June 28, 2021, prepared by Yuri V. Balmaceda Wheelock R.P.L.S. No. 6815 of Cude Engineers, Project No. 03274.002.
2. The following matters as shown on Survey dated June 28, 2021, prepared by Yuri V. Balmaceda Wheelock, Registered Professional Land Surveyor No. 6815, Project No. 03274.002;
 - Overhead electric lines and power poles along the northwest and central portion of the Property.
3. Temporary storage and harvesting provisions contained in the unrecorded Fifth Amendment to the Commercial Contract dated June 23, 2021, by and between Terry Adams, Sylvia Adams, Jay W. Rudd and Loretta Rudd as Seller and HELI Investments, LLC, a Texas Limited Liability Company as Buyer.

TRACT 2:

1. Rights of tenants, as tenants only, under an unrecorded Residential Lease dated effective June 30, 2021, by and between HELI Investments, LLC, as Landlord and Tony Garritano and Charmayne Ellisa James, as Tenants.
2. Easement(s) as reserved therein, granted to Pedernales Electric Cooperative, Inc., recorded in Volume 969, Page 970, Official Public Records of Kendall County, Texas, and as shown on that certain Survey dated June 28, 2021, prepared by Yuri V. Balmaceda Wheelock, Registered Professional Land Surveyor No. 6815 of Cude Engineers, Project No. 03274.002.
3. Easement(s) as reserved therein, granted to Pedernales Cooperative, Inc., recorded in Volume 1391, Page 127, Official Public Records of Kendall County, Texas, as shown on that certain Survey dated June 28, 2021, prepared by Yuri V. Balmaceda Wheelock, R.P.L.S. No. 6815 of Cude Engineers, Project No. 03274.002.
4. Notice of on-site sewage facilities requiring maintenance as evidenced by Affidavit filed October 11, 2013 and recorded in Volume 1390, Page 920, Official Public Records, Kendall County, Texas.

Kendall County
Darlene Herrin
Kendall County
Clerk

Instrument Number: 358413

eRecording - Real Property

DEED

Recorded On: June 30, 2021 04:18 PM

Number of Pages: 7

" Examined and Charged as Follows: "

Total Recording: \$46.00

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

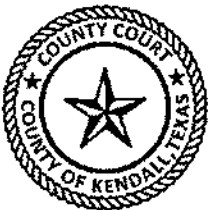
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 358413
Receipt Number: 20210630000073
Recorded Date/Time: June 30, 2021 04:18 PM
User: Harriet S
Station: cclerk01

Record and Return To:

Corporation Service Company



STATE OF TEXAS
COUNTY OF

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 Kendall County, Texas.

Darlene Herrin
Kendall County Clerk
Kendall County, TX

Darlene Herrin