Encumbrance Hearing Jaffe Interests, LP

NOTICE OF ENCUMBRANCE HEARING & PERMIT HEARING OF THE CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

Notice is hereby given that the Board of Directors for the Clearwater Underground Water Conservation District will conduct a hearing on two Applications for Permits as described below at 1:30 p.m. on Tuesday, June 11, 2024, in the Clearwater UWCD Board Room located at 640 Kennedy Court, Belton, Texas, in compliance with the Texas Open Meetings Act.

Applicant's File Number/Name	Permit Applicant/Holder and Landowner	The hearing will be conducted on the following a Location of Encumbrance	Proposed Encumbrance Tracts	
Encumbrance Hearing related to:	Jaffe Interests, LP James Kerby owner Mustang Springs c/o: Dr. Gretchen	Well #N3-23-010P Latitude 30.921147° Longitude -97.625147 °	TO: Jaffe Interests, LP, owner of a 9.93-acre tract of land, being out of 1,019.86-acre tract of land described as	
Well # N3-23-010P	ell # Miller Per District Rule 9.5.5 (g)		FROM: Jaffe Interests, LP, owner of a 10.07-acre tract of land being out of a 1,019.86-acre tract of land described a Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded Document No. 2023-026185 of the Real Property	
Applicant's File Number/Name	Permit Applicant/Holder and Landowner	Location of Well/Wells	Proposed Annual Groundwater Withdrawal Amount & Purpose of Use	
Operating Permit Hearing related to:	Victory Rock Texas, LLC	The proposed amendment is for an existing well located at:	Victory Rock Texas, LLC is requesting an operating permit to produce groundwater for a defined beneficiuse to provide water for commercial sand and gravel	
Well # N3-24-003G Existing Well	c/o Jordan Furnans 1101 Satellite View #301 Round Rock, TX	Well #N3-24-003G Latitude 30.876146° Longitude -97.609419°	mining operations, to wash the mined material, dust suppression, and to provide water to a concrete batch plant facility known as Five Star, Concrete, LLC on contiguous tracts of land, leased from Byron Goode, known as <i>PID: 107127</i> of approximately 3.35-acres,	
	78665 (512) 736-6485	The existing well is completed in the Hensell Layer of the Trinity Aquifer and geographically in the CUWCD Stillhouse Hollow Management Zone. Well #N3-24-003G is equipped with a 2-inch	PID: 523554 of approximately 2.70-acres, PID: 41910 of approximately 55.56-acres, PID: 41912 of approximately 221.83-acres, PID: 41920 of approximately 110.74-acres totaling 394.18-acres.	
		column pipe with a submersible pump rated at 42 gallons per minute on contiguous tracts of land totaling 394.18-acre tract located at 7090 Solana Ranch Rd. Salado, TX 76571	This operating permit request is to authorize production of groundwater not to exceed 67.75-ac-ft (22,076,405 gallons) per year from well #N3-24-0030 completed in the Hansell Lever of Triving April 2000	

The application for the encumbrance, if granted, would authorize the drilling permit holder within the Clearwater Underground Water Conservation District, in accordance with the terms and conditions specified in this application, to proceed with their test well efforts.

The application for an operating permit for an existing exempt well would authorize the applicant to operate within the Clearwater Underground Water Conservation District, in accordance with the terms and conditions specified in the application, subject to board deliberation and approval with potential limits and special provisions. A person wishing to submit a Contested Case Hearing Request, as it relates to the proposed Operating Permit, under District Rule 6.10.15(d), who is unable to appear at the hearing on the date and time set forth above, must also file a motion for continuance with CUWCD demonstrating good cause for the inability to not appear.

For additional information about this application or the permitting process, or to request information on the legal requirements on what MUST be included for a Contested Case Hearing Request to be valid, please contact CUWCD at 700 Kennedy Court (PO Box 1989) Belton, Texas, 76513, 254-933-0120.

ISSUED this 17th day of May 2024 in Belton, Texas, on the recommendation of the General Manager.

Ranch Rd, Salado, TX 76571.

I, the undersigned authority, do hereby certify that the above NOTICE OF PERMIT HEARING of the Board of Directors of the Clearwater Underground Water Conservation District is a true and correct copy of said Notice. I have posted a true and correct copy of said Notice at the District office located in Belton, Texas, and said Notice was posted on May 17, 2024, and remained posted continuously for at least 10 (ten) days immediately preceding the day of said hearing; a true and correct copy of said Notice was furnished to the Bell County Clerk, in which the above-named political subdivision is located.

2024 MAY 17 A 10: 23
SHELLEY COSTON
CO. CL.K. BELL CO. TX

Clearwater Underground Water Conservation District

completed in the Hensell Layer of Trinity Aquifer.

By: Dirk Ram

Dirk Aaron, General Manager

STAFF REPORT

Board Meeting June 11, 2024 **Agenda Item: Encumbrance Hearing**

Agenda Item:

a.) Discuss, consider, and take appropriate action necessary upon receiving testimony related to the encumbrance of acreage necessary for 20 acres, per District Rule 9.5.5 (g), as it relates to an approved drilling permit for well #N3-23-010P requiring tract size necessary for a Lower Trinity well equipped with a maximum 4-inch column pipe, per District Rule 9.5.2, Latitude 30.921147/Longitude -97.625147 by Jaffe Interests, LP, James Kerby, Owner Mustang Springs.

June 11, 2024

Encumbrance Hearing:

- ✓ Per District Rule 9.5.5 (g), The Board may grant an exception if, after notice and hearing, the Applicant provides a properly executed and recorded Encumbrance Agreement, transferring the groundwater rights attributable to the adjacent land of one or more property owner(s) to the Applicant sufficient to attain the minimum tract size necessary to support a Non-exempt Well. Encumbrance of acreage necessary for 20-acres as it relates to an approved drilling permit requiring tract size necessary for a Lower Trinity well equipped with a maximum 4-inch column pipe, per District Rule 9.5.2.
- ✓ The application for the encumbrance, if granted, would authorize the drilling permit holder within the Clearwater Underground Water Conservation District, in accordance with the terms and conditions specified in this application, to proceed with their test well efforts.
- ✓ Receive documentation of encumbrance agreements: TO: Jaffe Interests, LP, owner of a 9.93-acre tract of land, being out of 1,019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded Document No. 2023-026185 of the Real Property Records of Bell County, Texas.

FROM: Jaffe Interests, LP, owner of a 10.07-acre tract of land, being out of a 1,019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded Document No. 2023-026185 of the Real Property Records of Bell County, Texas (the "Encumbered Property").

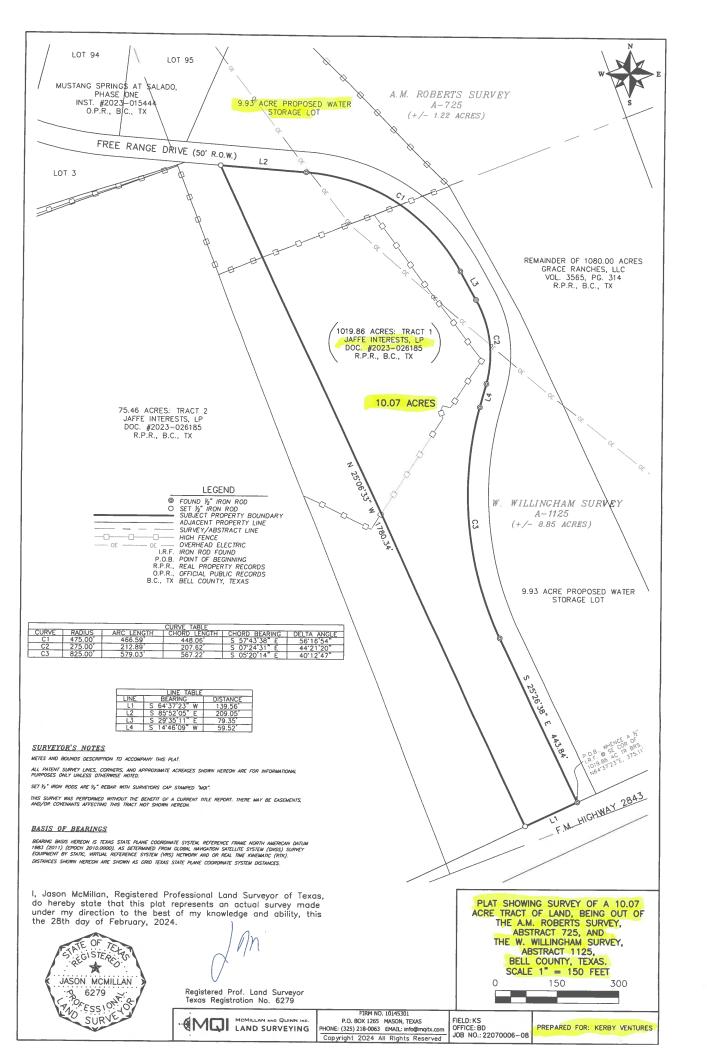
Staff Recommendations:

- ✓ Approve encumbrance based on documentation provided.
- ✓ Direct staff to file encumbrance at the County Clerk's Office.
- ✓ Direct GM to issue Drilling Permit.

CUWCD Map



Kerby Ventures Jaffe Interests, LP Survey



Copy of Proposed Encumbrance

AGREEMENT AND NOTICE CONCERNING AUTHORITY TO DRILL

THIS AGREEMENT AND NOTICE SERVE TO ENCUMBER THE ENCUMBERED PARTY'S GROUNDWATER RIGHTS, AND TO ADVISE THE ENCUMBERED PARTY, HIS SUCCESSORS AND ASSIGNS OF LIMITATIONS CONCERNING THE USE AND DEVELOPMENT OF THE PROPERTY AS DEFINED HEREUNDER.

TO:

Jaffe Interests, LP, owner of a 9.93-acre tract of land, being out of a 1,019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded in Document No. 2023-026185 of the Real Property Records of Bell County, Texas an addition to Bell County, Texas ("Applicant"), being more particularly described by the attached drawing (attached as Exhibit "B," and defined hereunder as the "Well Site").

FROM:

Jaffe Interests, LP, owner of a 10.07-acre tract of land, being out of a 1,019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded in Document No. 2023-026185 of the Real Property Records of Bell County, Texas (the "Encumbered Property"); an addition to Bell County, Texas (the "Encumbered Party"), agrees to encumber 10.07 acres of the Encumbered Property (the "Encumbered Acreage"), and to convey to the Applicant all of the Groundwater Rights appurtenant thereto, as more particularly described by the Groundwater Encumbrance executed on this same date (attached as Exhibit "A") and as contemplated by the attached drawing (attached as Exhibit "C"). Any conveyance of rights contemplated by this Agreement are made in furtherance of the Groundwater Encumbrance, and unless otherwise stated, for the exclusive purposes provided by this Agreement.

AND:

Clearwater Underground Water Conservation District ("District") General Manager

NOTICE: Pursuant to rules adopted by the District, Applicant has requested and received an agreement to encumber 10.07 acres from the Property for the exclusive purpose of owning or controlling a minimum amount of surface acres prescribed under District Rule 9.5 to obtain a drilling and/or operating permit for a Non-exempt Well, and to determine requisite column pipe size, property line setbacks, and well locations in accordance with District Rule 9.5.

The proposed Well Site is thus eligible to be authorized by the District to be the site of a water well, provided however that the District's spacing requirements must be satisfied and the Encumbered Acreage together with the Well Site must meet the minimum tract size, well spacing, and property line setback promulgated under the District's rules. The proposed Well Site and Encumbered Acreage compose an area that now totals an amount of acres required for a Non-exempt Well drilling and operating permit. The proposed well, subject to the District's rules, shall be registered as a Non-exempt Well for such use as may be

prescribed by the District, and shall be drilled, equipped, and completed in accordance with the District's rules. No provision herein shall be construed to bind the District to granting any permit whatsoever, or otherwise guarantee a permit to any Party.

[Signature Page Follows]



Executed on this 16 day of April, 2024.						
Encumbered Party:						
Name Ron Mutchell Address Po Sox 4449 City, State. Zip Howshoe Bay 1278657						
THE STATE OF TEXAS § COUNTY OF LLANO §						
This instrument was acknowledged before by Jaffe Interests, LP, owner of a 10.07-acre tract of Bell County, Texas.	me on this <u>lb</u> day of <u>rpril</u> , 2024, of land described in Exhibit "C", an addition to					
Megan Mosley Maedgen	Mosey Mosley Madgen Notary Public Signature					
My Commission Expires: Applicant: Exp. 3/5/2028	Megan Mosley Maedgen Type or Print Notary Name					
Hame Ron Mutchell Address POBOO 4449 City, State, Zip + Dese Shoe Boy, TX 78657						
THE STATE OF TEXAS § COUNTY OF LLANO §						
This instrument was acknowledged before me on this <u>lo</u> day of <u>mpn</u> , 2024, by Jaffe Interests, LP, owner of a 9.93-acre tract of land described in Exhibit "B", an addition to Bell County, Texas.						
Megan Mosley Maednen	Megan Musluy Macolgh Notary Public Signature					
My Commission Expires 7 ID No. 129608469	Megan Masley Maredgen Type or Print Notary Name					

District:			
Dirk Aaron, General Manage Clearwater Underground Wa 700 Kennedy Court Belton, TX 76513		District	
THE STATE OF TEXAS COUNTY OF BELL	§ §		
		fore me on this day of, water Underground Water Conservation Distr	
		Notary Public Signature	
My Commission Expires:		Type or Print Notary Name	
		7 F	



EXHIBIT A GROUNDWATER ENCUMBRANCE



NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY 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

GROUNDWATER ENCUMBRANCE

Date:	("Effective Date")			
Grantor (whether one or more):	Jaffe Interests, LP	COPY		

Grantor's Mailing Address: P.O. Box 4449, Horseshoe Bay, TX 78657

Grantee: Jaffe Interests, LP

Grantee's Mailing Address: P.O. Box 4449, Horseshoe Bay, TX 78657

<u>Consideration</u>: Ten Dollars (\$10.00) cash, and other good valuable consideration in hand paid by the Grantee to Grantor, the receipt and sufficiency of which Grantor acknowledges ("Consideration").

Property:

- a) Encumbered Acreage: 10.07 acres of the property known as being out of a 1,019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023 and recorded in Document No. 2023-026185 of the Real Property Records of Bell County, Texas; an addition to Bell County, Texas, being more particularly described by the attached Exhibit "C" (the "Encumbered Acreage").
- b) Groundwater Rights: All Grantor's groundwater rights and permit rights recognized under the Clearwater Underground Water Conservation District ("District") rules, which are appurtenant with the Encumbered Acreage, including the right to operate a water well and withdraw groundwater from beneath Encumbered Acreage, and all successor rights of or relating to the groundwater rights and all other real or personal property rights appurtenant thereto (all such rights referred to herein as "Groundwater Rights").

Conveyance of Groundwater Rights

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty (both, hereunder defined), grants, sells, assigns, transfers

and conveys to Grantee the Groundwater Rights, together with all and singular the rights, whether real or personal, and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's 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 the Exceptions to Conveyance and Warranty.

<u>Reservations from Conveyance</u>: Notwithstanding anything herein contained to the contrary, it is understood and agreed that Grantee, its successors or assigns, shall not enter upon nor use the surface of any of Grantor's land for conducting any surface or drilling operations for groundwater. Any beneficial use of the Groundwater Rights shall be by way of transfer of the permitted withdrawal rights to withdrawal points on lands which do not belong to Grantor.

Exceptions to Conveyance and Warranty:

- 1. The Groundwater Rights conveyed herein are subject to any existing limitations, restrictions, proportional adjustments, applicable rules or other conditions now in effect or which may be adopted or imposed by the District at any time in the future, including but not limited to the limitations and conditions to the rights to withdraw and beneficially use water as recited in an applicable permit issued by the District.
- 2. Any physical aspect of the water including but not limited to availability, existence, utility, recoverability, source, quality, condition, potability, chemistry, or other characteristics of water, if any, lying on, under, or over the land or lands or that may be produced or used from the land or lands.

Effective Date and Recording:

This Groundwater Encumbrance shall be effective upon the date Grantor and Grantee sign below, and shall be duly recorded in the property records of Bell County, Texas, immediately thereafter.

[Signature Page Follows]



GRANTOR:

NAME

STATE OF TEXAS

COUNTY OF LLANO

This instrument was acknowledged before me on this 16 day of April , 2024 by Ron MItChell

Notary Public, State of Pexas



GRANTEE:

STATE OF TEXAS
COUNTY OF LLANO

This instrument was acknowledged before me on this 4 day of mm 1, 2024 by Roy Milwell.

Me gen Mosly Macage
Notary Public, State of Texas



EXHIBIT B

WELL SITE



STATE OF TEXAS

COUNTY OF BELL

Field notes of a 9.93-acre tract of land, being out of a 1019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded in Document No. 2023026185 of the Real Property Records of Bell County, Texas;

Said 9.93-acre tract is comprised of approximately 2.92 acres of the A.M. Roberts Survey, Abstract 725, 6.68 acres of the W. Willingham Survey, Abstract 1125, and 0.33 acre of the W.B. Rogers Survey, Abstract 717, is situated in Bell County, Texas, approximately 6 miles southwest of the City of Salado, and is described by metes and bounds as follows:

Beginning at a ½" iron rod found in the north line of F.M. Highway 2843, at the southerly east corner of said 1019.86-acre tract, for the southeast corner of this tract;

Thence South 64°37'23" West along the north line of said F.M. Highway 2843, south boundary of said 1019.86-acre tract, and south line of this tract, a distance of 325.11 feet to a point at a southeast corner of Free Range Drive of Mustang Springs at Salado Subdivision, Phase One recorded in Document No. 2023-015444 of the Official Public Records of Bell County, Texas; in the south boundary of said 1019.86-acre tract, for the southwest corner of this tract;

Thence in a generally northerly direction along the east boundary of said Free Range Drive and west boundary of this tract as follows:

North 25°26'38" West, a distance of 443.90 feet to a point at the beginning of a curve to the right,

With said curve to the right having a radius of 775.00 feet, an arc length of 543.94 feet, and a chord bearing and distance of North 05°20'14" West, 532.84 feet to a point,

North 14°46'09" East, a distance of 59.52 feet to a point at the beginning of a curve to the left,

With said curve to the left having a radius of 325.00 feet, an arc length of 251.60 feet, and a chord bearing and distance of North 07°24'31" West, 245.36 feet to a point,

North 29°35'11" West, a distance of 79.35 feet to a point at the beginning of a curve to the left,

With said curve to the left having a radius of 525.00 feet, an arc length of 515.71 feet, and a chord bearing and distance of North 57°43'38" West, 495.22 feet to a point, and

North 85°52'05" West, a distance of 298.31 feet to a ½" iron rod found at the southeast corner of Lot 95, Block B of said Mustang Springs at Salado Subdivision, Phase One, in the north line of said Free Range Drive, for the northwest corner of this tract;

Thence North 23°26'48" East along the southeast line of said Lot 95 and northwest line of this tract, a distance of 408.19 feet to a ½" iron rod found at the northeast corner of said Lot 95, in the east boundary of said 1019.86-acre tract, for the northeast corner of this tract;

Thence in a generally southeasterly direction along the east boundary of said 1019.86-acre tract and east boundary of this tract as follows:

South 45°13'13" East, a distance of 677.74 feet to a ½" iron rod found,

South 29°52'33" East, a distance of 350.27 feet to a 1/2" iron rod found, and



FIELD NOTES TRACT THREE: 9.93 ACRES

South 25°06'33" East, a distance of 1149.87 feet to the point of beginning, containing 9.93 acres of land, more or less, subject to all easements of record.

Bearing Basis hereon is Texas State Plane Coordinate System, Reference Frame North American Datum 1983 (2011) (EPOCH 2010.0000), as determined from Global Navigation Satellite System (GNSS) survey equipment by Static, Virtual Reference System (VRS) network and or Real Time Kinematic (RTK). Distances shown hereon are shown as grid Texas State Plane Coordinate System distances.

I, Jason McMillan, Registered Professional Land Surveyor of Texas, do hereby state that this description represents an actual survey made on the ground this the 14th day of March 2024.



O'IN

Registered Professional Land Surveyor Texas Registration No. 6279

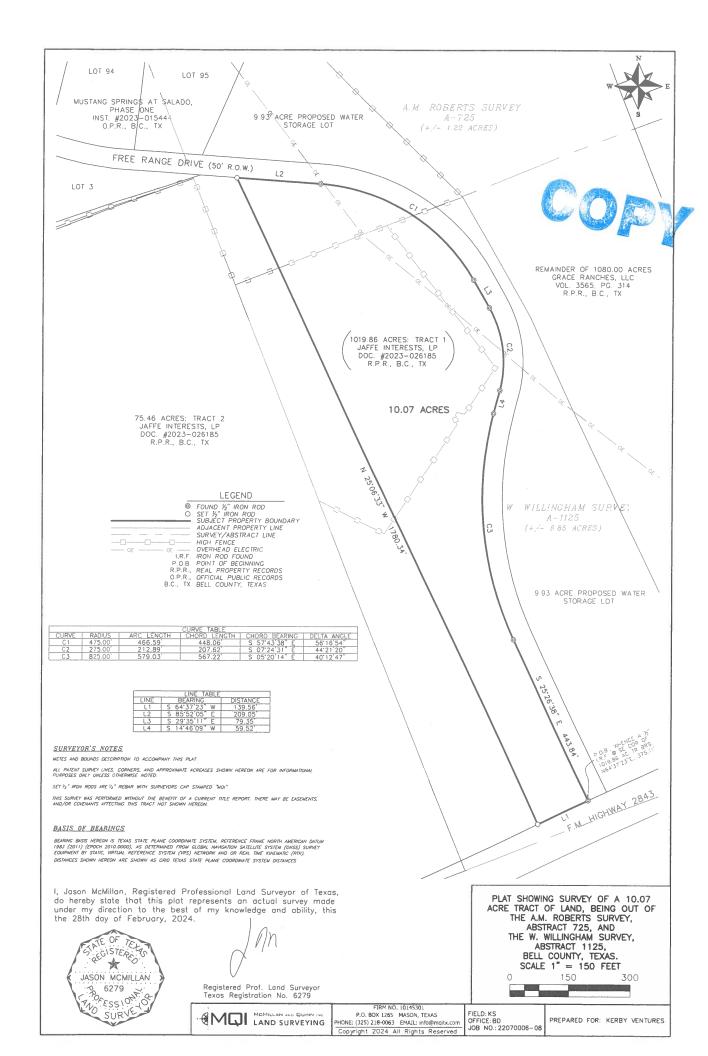
A plat accompanies this metes and bounds description. Job # 22070006-02 Tract Three



EXHIBIT C

ENCUMBERED PROPERTY AND ENCUMBERED ACREAGE







STATE OF TEXAS COUNTY OF BELL

Field notes of a 10.07-acre tract of land, being out of a 1019.86-acre tract of land described as Tract One conveyed from Mor-Maur Mustang, LLC to Jaffe Interests, LP by Special Warranty Deed with Vendor's Lien dated June 9, 2023, and recorded in Document No. 2023-026185 of the Real Property Records of Bell County, Texas;

Said 10.07-acre tract is comprised of the following Original Texas Land Surveys:

+/- 1.22 acres of the A. M. Roberts Survey, Abstract 725,

+/- 8.85 acres of the W. Willingham Survey, Abstract 1125, and

Said 10.07-acre tract is situated in Bell County, Texas, approximately 6 miles southwest of the City of Salado, and is described by metes and bounds as follows:

Beginning at a ½" iron rod found in the northwest line of F.M. Highway 2843, at the southwest corner of Free Range Drive of Mustang Springs at Salado Subdivision, Phase One as shown on plat recorded in Document No. 2023-015444 of the Official Public Records of Bell County, Texas; in the south boundary of said 1019.86-acre tract, for the southeast corner of this tract; whence a ½" iron rod found in the northwest line of said F.M. Highway 2843 and southeast corner of said 1019.86-acre tract bears North 64°37'23" East, 375.11 feet;

Thence South 64°37'23" West along the northwest line of said F.M. Highway 2843, southeast boundary of said 1019.86-acre tract, and southeast line of this tract, a distance of 139.56 feet to a ½" iron rod set in the northwest line of said F.M. Highway 2843, south boundary of said 1019.86-acre tract, for the southwest corner of this tract;

Thence North 25°06'33" West across a portion of said 1019.86-acre tract and southwest line of this tract, a distance of 1780.34 feet to a $\frac{1}{2}$ " iron rod set in the southwest boundary of said Free Range Drive, for the north corner of this tract;

Thence in a generally southeasterly direction along the southwest boundary of said Free Range Drive and northeast boundary of this tract as follows:

South 85°52'05" East, a distance of 209.05 feet to a $\frac{1}{2}$ " iron rod found at the beginning of a curve to the right,

With said curve to the right having a radius of 475.00 feet, an arc length of 466.59 feet, and a chord bearing and distance of South 57°43'38" East, 448.06 feet to a ½" iron rod found,

South 29°35'11" East, a distance of 79.35 feet to a $\frac{1}{2}$ " iron rod found at the beginning of a curve to the right,

With said curve to the right having a radius of 275.00 feet, an arc length of 212.89 feet, and a chord bearing and distance of South 07°24'31" East, 207.62 feet to a ½" iron rod found,

South $14^{\circ}46'09$ " West, a distance of 59.52 feet to a $\frac{1}{2}$ " iron rod found at the beginning of a curve to the left,

With said curve to the left having a radius of 825.00 feet, an arc length of 579.03 feet, and a chord bearing and distance of South $05^{\circ}20'14''$ East, 567.22 feet to a $\frac{1}{2}''$ iron rod found, and

South 25°26'38" East, a distance of 443.84 feet to the point of beginning, containing 10.07-acres of land, more or less, subject to all easements of record.

Bearing Basis hereon is Texas State Plane Coordinate System, Reference Frame North American Datum 1983 (2011) (EPOCH 2010.0000), as determined from Global Navigation Satellite System (GNSS) survey equipment by Static, Virtual Reference System (VRS) network and or Real Time Kinematic (RTK). Distances shown hereon are shown as grid Texas State Plane Coordinate System distances.

1/2" iron rods set are 1/2" rebar with surveyor's cap stamped "MQI".

I, Jason McMillan, Registered Professional Land Surveyor of Texas, do hereby state that this description represents an actual survey made on the ground this the 28th day of February 2024.



Registered Professional Land Surveyor Texas Registration No. 6279

A plat accompanies this metes and bounds description. Job # 22070006-08

