

ORDINANCE 2021-04-01-0202

APPROVING THE ACQUISITION OF A CONSERVATION EASEMENT ON A 48.2 ACRE TRACT OF LAND KNOWN AS THE SMITH PROPERTY LOCATED IN BEXAR COUNTY, TEXAS AT A COST OF \$820,336.85 FROM PROPOSITION 1 OF THE EDWARDS AQUIFER PROTECTION SALES TAX FUND INCLUDED IN THE FY 2021 - FY 2026 CAPITAL IMPROVEMENT PROGRAM.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee is authorized to accept the aquifer-protection conservation easement acquisition of 48.2 acres of land known as the Smith Property as depicted on the map in **ATTACHMENT I**, being more particularly described by metes and bounds in **ATTACHMENT II**, and substantially in the form attached as **ATTACHMENT III**.

SECTION 2. The City Manager or designee is authorized to consummate the transaction contemplated in the described easements. The City Manager or designee should take all other actions necessary or convenient to effectuate the transaction, including agreeing to the form of and executing all necessary or convenient instruments and agreements.

SECTION 3. Acquisition of a conservation easement is authorized on 48.2 acres of land known as the Smith Property in Bexar County.

SECTION 4. Payment in the amount of \$820,336.85 for a 48.2 acre conservation easement on land known as the Smith Property in Bexar County. Payment is in support of the Edwards Aquifer Land Acquisitions Conservation Easement Proposition 1 Edwards Aquifer Protection Program Project using the WBS elements and GL accounts in the table below. Funding is provided by the Edwards Aquifer 2015 Fund and the Linear Parks 2015 Fund, and is in the FY2021 -FY2026 Capital Improvements Program.

WBS	GL	AMOUNT
26-00638-01-11	5209010	\$771,736.85
26-00638-01-03	5201040	35,100.00
26-00638-01-06	5201040	7,000.00
26-00638-01-11	5201040	6,500.00
TOTAL		\$820,336.85

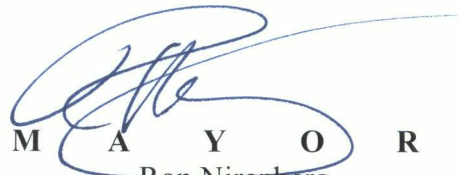
Payment is limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years.

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SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Fund Numbers, Project Definitions, WBS Elements, Internal Orders, Fund Centers, Cost Centers, Functional Areas, Funds Reservation Document Numbers, and GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

PASSED AND APPROVED this 1st day of April, 2021.



M A Y O R
Ron Nirenberg

ATTEST:



Tina J. Flores, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney



City of San Antonio

City Council

April 01, 2021

Item: 10A

File Number: 21-2520

Enactment Number:

2021-04-01-0202

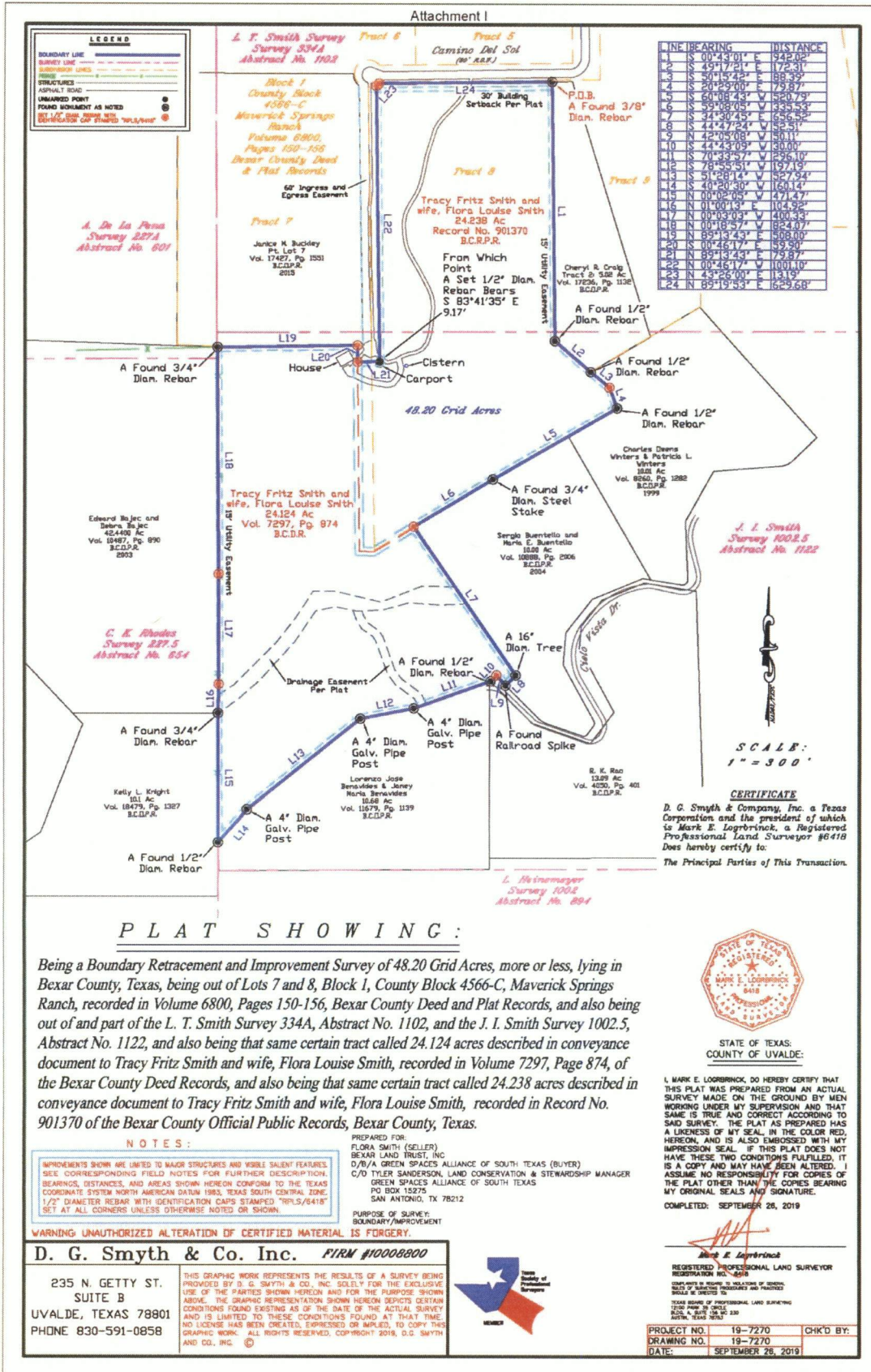
Ordinance approving the acquisition of a conservation easement over the Edwards Aquifer Contributing Zone on a 48.2 acre tract of land known as the Smith Property located in Bexar County, Texas from Flora Louise Smith, at a cost of \$820,336.85, from Proposition 1 of the Edwards Aquifer Protection Sales Tax fund included in the FY 2021 - FY 2026 Capital Improvement Program.

Councilmember Adriana Rocha Garcia made a motion to approve. Councilmember John Courage seconded the motion. The motion passed by the following vote:

Aye: 11 Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage and Perry

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ATTACHMENT I



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ATTACHMENT II

Attachment II

D. G. Smyth & Co. Inc.

"A Statewide Professional Land Surveying Service Company"

235 N. Getty St., Suite B

Uvalde, Texas 78801

FIRM # 10008800

Office Tel. (830) 591-0858

smythsurveyors.com

Fax (830) 591-0863

FIELD NOTES FOR A BOUNDARY RETRACEMENT SURVEY OF 48.20 GRID ACRES, MORE OR LESS COMPLETED SEPTEMBER 26, 2019

Being a Boundary Retracement Survey of 48.20 Grid Acres, more or less, lying in Bexar County, Texas, being out of Lots 7 and 8, Block 1, County Block 4566-C, Maverick Springs Ranch, recorded in Volume 6800, Pages 150-156, Bexar County Deed and Plat Records, and also being out of and part of the L. T. Smith Survey 334A, Abstract No. 1102, and the J. I. Smith Survey 1002.5, Abstract No. 1122, and also being that same certain tract called 24.124 acres described in conveyance document to Tracy Fritz Smith and wife, Flora Louise Smith, recorded in Volume 7297, Page 874, of the Bexar County Deed Records, and also being that same certain tract called 24.238 acres described in conveyance document to Tracy Fritz Smith and wife, Flora Louise Smith, recorded in Record No. 901370 of the Bexar County Official Public Records, Bexar County, Texas and being more particularly described by metes and bounds as follows: (The courses, distances, areas and any coordinates cited herein or shown on the corresponding survey plat conform to the Texas Coordinate System, North American Datum 1983, Texas South Central Zone.) (All corners called for as being set are marked on the ground with ½ inch rebar with plastic identification caps stamped "RPLS/6418" attached unless otherwise noted or shown.)

BEGINNING: at a found 3/8" diameter rebar on the southerly margin of Camino Del Sol (60' R.O.W.), marking the common corner of said Tract 8, and Tract 9 of said Maverick Springs Ranch, marking the northwest corner of that same certain tract called Tract 2: 5.02 acres described in conveyance document to Cheryl R. Craig recorded in Volume 17236, Page 1132 of the Bexar County Official Public Records, marking the northeast corner of said 24.238 acres parent tract, and marking the northeast corner of the herein described tract;

THENCE: In a southeasterly direction, with the common line of said 5.02 acres tract, and the herein described tract for the following two (2) calls:

Attachment II

1. **S 00° 43' 01" E**, passing the ostensible common line of said Surveys 334A, and 1002.5 for a distance of **942.02** feet to a found ½" diameter rebar marking a deflection point of said 5.02 acres tract, and marking the deflection point of the herein described tract;
2. **S 49° 17' 21" E**, for a distance of **172.31** feet to a found ½" diameter rebar marking the common corners of said 5.02 acres tract, that same certain tract called 10.01 acres described in conveyance document to Charles Owens Winters & Patricia L. Winters recorded in Volume 8260, Page 1282 of the Bexar County Official Public Records, and marking the deflection point of the herein described tract;

THENCE: In a southwesterly direction, with the common line of said 10.01 acres tract, and the herein described tract for the following three (3) calls:

1. **S 50° 15' 42" E**, for a distance of **88.39** feet to a set ½" diameter rebar marking a deflection point of said 10.01 acres tract, and marking the deflection point of the herein described tract;
2. **S 20° 29' 00" E**, for a distance of **79.87** feet to a found ½" diameter rebar marking a reentrant corner of said 10.01 acres tract, and marking an exterior of the herein described tract;
3. **S 60° 08' 43" W**, passing the common corners of said 10.01 acres tract, and that same certain tract called 10.00 acres described in conveyance document to Sergio Buentello and Maria E. Buentello recorded in Volume 10888, Page 2006 of the Bexar County Official Public Records, continuing on the same course with the common line of said 10.00 acres tract, and the herein described tract for a distance of **520.79** feet to a found ¾" diameter rebar marking a deflection point of said 10.00 acres tract, and marking a deflection point of the herein described tract;

THENCE: In a southwesterly direction, with the common line of said 10.00 acres tract, and the herein described tract for the following three (3) calls:

1. **S 59° 08' 05" W**, for a distance of **335.53** feet to a set ½" diameter rebar marking an exterior corner of said 10.00 acres tract, marking an exterior corner of said 24.124 acres parent tract, and marking a reentrant corner of the herein described tract;
2. **S 34° 30' 45" E**, for a distance of **656.52** feet to a 16" diameter rebar marking a reentrant corner of said 10.00 acres tract, and marking an exterior corner of the herein described tract;
3. **S 44° 47' 24" W**, for a distance of **52.51** feet to a found railroad spike on a northeasterly margin of Cielo Vista Drive, marking an exterior corner of said 10.00 acres tract, marking the southeast corner of said 24.124 acres parent tract, and marking an exterior corner of the herein described tract;

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THENCE: In a northwesterly direction, with the margins of said Cielo Vista Drive, and the herein described tract for the following two (2) calls:

1. **N 42° 05' 08" W**, for a distance of **50.11** feet to a set ½" diameter rebar marking a reentrant corner of the herein described tract;
2. **S 44° 43' 09" W**, for a distance of **30.00** feet to a set ½" diameter rebar marking the common corners of that same certain tract called 13.09 acres described in conveyance document to R. K. Rao recorded in Volume 4050, Page 401 of the Bexar County Official Public Records, that same certain tract called 10.68 acres described in conveyance document to Lorenzo Jose Benavidez & Janey Maria Benavides recorded in Volume 11679, Page 1139 of the Bexar County Official Public Records, and marking a deflection point of the herein described tract;

THENCE: In a southwesterly direction, with the common line of said 10.68 acres tract, and the herein described tract for the following four (4) calls:

1. **S 70° 33' 57" W**, for a distance of **296.10** feet to a 4" diameter galvanized pipe post marking a deflection point of the herein described tract;
2. **S 78° 55' 51" W**, for a distance of **197.19** feet to a 4" diameter galvanized pipe post marking a deflection point of the herein described tract;
3. **S 51° 28' 14" W**, for a distance of **527.94** feet to a 4" diameter galvanized pipe post marking a deflection point of the herein described tract;
4. **S 40° 20' 30" W**, for a distance of **160.14** feet to a 4" diameter galvanized pipe post on the ostensible common line of C. K. Rhodes Survey 277.5, Abstract No. 654, and said Survey 1002.5, also at a point on the east line of that same certain tract called 10.1 acres described in conveyance document to Kelly L. Knight recorded in Volume 18479, Page 1327 of the Bexar County Official Public Records, marking the southwest corner of said 24.124 acres parent tract, and marking the southwest corner of the herein described tract;

THENCE: **N 00° 02' 05" W**, generally with the occupied boundary fence, with the ostensible common line of said Surveys 227.5, and 1002.5, and with the common line of said 10.1 acres tract, and the herein described tract for a distance of **471.47** feet to a found ¾" diameter rebar marking the common corner of said 10.1 acres tract, and that same certain tract called 42.4400 acres described in conveyance document to Edward Bajec and Devra Bajec recorded in Volume 10487, Page 890 of the Bexar County Official Public Records, and marking a deflection point of the herein described tract;

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THENCE: In a northerly direction, generally with the occupied boundary fence, with the ostensible common line of said Surveys 227.5, and 1002.5, and with the common line of said 42.4400 acres tract, and the herein described tract for the following three (3) calls:

1. **N 01° 00' 13" E**, for a distance of **104.92** feet to a set ½" diameter rebar marking a deflection point of said 42.4400 acres tract, and marking a deflection point the herein described tract;
2. **N 00° 03' 03" W**, for a distance of **400.33** feet to a set ½" diameter rebar marking a deflection point of said 42.4400 acres tract, and marking a deflection point the herein described tract;
3. **N 00° 18' 57" W**, passing the ostensible common corner of said Survey 227.5, and A. De La Pena Survey 227A, Abstract No. 601, continuing on the same course with the ostensible common line of said Surveys 227A, and 1002.5 for a distance of **824.07** feet to a found ¾" diameter rebar on the south line of that same certain tract described in conveyance document to Janice M. Buckley recorded in Volume 17427, Page 1551 of the Bexar County Official Public Records, marking the northwest corner of said 24.124 acres parent tract, and marking an exterior corner the herein described tract;

THENCE: **N 89° 13' 43" E**, with the common line of said Janice M. Buckley tract, and the herein described tract for a distance of **508.00** feet to a set ½" diameter rebar marking the northeast corner of said 24.124 acres parent tract, and marking an exterior corner of the herein described tract;

THENCE: With the common lines of said 24.124 acres parent tract, 24.238 acres parent tract, and the herein described tract for the following four (4) calls:

1. **S 00° 46' 17" E**, for a distance of **59.90** feet to a set ½" diameter rebar marking an exterior corner of said 24.238 acres parent tract, and marking a reentrant corner of the herein described tract;
2. **N 89° 13' 43" E**, for a distance of **79.87** feet to a set ½" diameter rebar marking a reentrant corner of said 24.238 acres parent tract, and marking a reentrant corner of the herein described tract;
3. **N 00° 46' 17" W**, for a distance of **1001.10** feet to a set ½" diameter rebar marking a deflection point of said 24.238 acres parent tract, and marking a deflection point of the herein described tract;
4. **N 43° 26' 00" E**, for a distance of **13.19** feet to a set ½" diameter rebar on the southerly margin of said Camino Del Sol, marking a deflection point of said 24.238 acres parent tract, and marking a deflection point of the herein described tract;

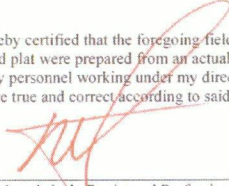
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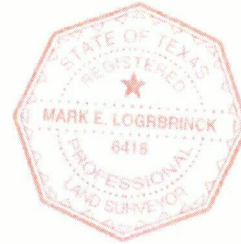
THENCE: N 89° 19' 53" E, with the southerly margin of said Camino Del Sol, and the herein described tract for a distance of **629.68** feet to the **Place of Beginning** and containing **48.20 grid acres** of land, more or less, within the herein described boundary, according to an actual on the ground survey made by D. G. Smyth & Co., Inc. and completed on September 26, 2019.

THE STATE OF TEXAS:
COUNTY OF UVALDE:

It is hereby certified that the foregoing field note description and Attached plat were prepared from an actual on the ground survey Made by personnel working under my direct supervision and that Same are true and correct according to said survey.



Mark E. Logbrinck, Registered Professional Land Surveyor/No. 6418
PROJ. NO. 19-7270



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ATTACHMENT III

Attachment III

Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All 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.

STATE OF TEXAS §
 § KNOW ALL BY THESE PRESENTS:
COUNTY OF BEXAR §

Conservation Easement

Smith Property

Authorizing Ordinance:	
Grantors:	Flora L. Smith
Grantors' Addresses:	31 Fonthill Way San Antonio, TX 78218 (Bexar County)
Grantee:	City of San Antonio, a Texas municipal corporation
Grantee's Address:	P.O. Box 839966, San Antonio, Bexar County, Texas 78283-3966 Attn: Director, Parks and Recreation Dept.
Property:	48.20 acres of land in Bexar County, Texas ("Property"), as more particularly described on Exhibit A.

Grant, Rights, and Obligations

Now, Therefore, in consideration of the premises, the mutual covenants and promises contained herein, \$10 in hand paid, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor grants and conveys to Grantee in perpetuity a Conservation Easement ("Easement") in gross over the Property as of the Effective Date. This Easement is created under and is governed by Chapter 183 of the Texas Natural Resources Code, as amended, or its recodification.

Predicate Facts

Grantor owns the Property identified below in fee simple, subject to the Reservations From and Exceptions to Warranty.

The Property sits over the Edwards Aquifer contributing zone.

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Grantor and Grantee both wish to restrict development on the Property in furtherance of protecting indefinitely the quantity and quality of aquifer recharge.

The characteristics of the Property, its current use and state of improvement, are described in the Report (as defined below).

The Report is a complete and accurate description of the Property as of the date of this Easement, establishing the baseline condition of the Property as of the Effective Date and includes reports, maps, photographs, and other documentation;

In inquiring into the condition of the Property as of the date of this Easement, the Report may be augmented but not contradicted by other evidence.

Grantor and Grantee have the common purpose of protecting the natural condition of the Property to further the Purposes of this Easement in perpetuity.

The rights and obligations arising under this Easement are a bargained-for allocation of property rights between Grantor and Grantee.

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1. Basic Information.

- Maximum Number of Parcels:** One (1).
- Maximum Number of Building Envelopes:** Two (2); both 2.5 acres (one is floating).
(See Exhibit C attached hereto for a detailed depiction of the Building Envelopes)
- No-Development Zones:** As more particularly described on Exhibit B. Structures identified in the Report need not be removed.
- Maximum Increased Impervious Cover:** 0.241 acres, or 10,497.96 square feet of future Impervious Cover, which is intended to approximate ½ of one percent of the Property's total acreage, but the square footage controls.
Grantor's current structures, roads, etc. located on the Property are exempted from this requirement.
- Maximum Increased Impervious Cover per Building Envelope:** 5,248.98 square feet per Building Envelope.
Grantor's current structures, roads, etc. located within the Building Envelope are exempted from this requirement.
- Maximum Number of Water Wells:** Three (3).
- Report:** The Easement Documentation Report dated January 2020 prepared by Adams Environmental, Inc. relating to the Property, as shown on Exhibit C.
- Exceptions to and Reservations from Warranty:** As shown on Exhibit D.

All exhibits are incorporated into this Easement by reference for all purposes, as if fully set forth.

2. Exhibits.

- | | |
|-----------|-------------------------------|
| Exhibit A | Description of Property |
| Exhibit B | No-Development Zones |
| Exhibit C | Easement Documentation Report |

Attachment III

Exhibit D Exceptions to and Reservations from Warranty

3. Purpose.

This Easement's purpose ("Purpose") is to minimize the chance of materially impairing the quantity or quality of aquifer recharge into the Edwards Aquifer from the Property based upon and in consideration of the existing scientific understanding of such recharge as of the Effective Date. Unless specifically restricted in this Easement, any activity conducted on the Property shall be deemed consistent with the Purpose.

Except to the extent specifically restricted in this Easement, Grantor reserves to Grantor and Grantor's heirs, successors, and assigns all rights accruing from Grantor's ownership of the Property, including the right to engage in, or to permit or invite others to engage in, all uses of the Property not specifically restricted in this Easement. In furthering the Purpose, the parties seek to ensure that the Property remains forever in approximately the same natural state in which it now exists, except as otherwise provided. In addition to the specific limitations and requirements of this instrument, Grantor must at all times use its reasonable best efforts to prevent impairment of quality or quantity of aquifer recharge.

4. Definitions.

4.01. Building Envelope means an area set aside within the Property in which Structures may be built or added. There are two Building Envelopes on the Property, each being 2.5 acres in size. One of the Building Envelopes is defined, as shown on Exhibit C, and the other Building Envelope will be defined at a later date, after execution of this Conservation Easement.

4.02. Feeder means a device that dispenses or otherwise provides food to livestock or wildlife that sits on legs above the surface of the ground.

4.03. Development means Grantor's actions which result in any increase in Impervious Cover as defined in 4.06, removal of vegetation, or mechanical tillage of the soil. This definition includes cultivation, earthmoving, land forming, land grading, and land planing. More specifically, any Development and/or increase in Impervious Cover resulting from an independent 3rd party's actions (i.e. not authorized by Grantor) or trespasser's actions shall not be counted as Development.

4.04. Hazardous Materials means (i) any hazardous waste as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et. seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any hazardous substance as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), as amended from time to time, and regulations promulgated thereunder (including petroleum-based products as described therein); (iii) other petroleum and petroleum-based products, except for those petroleum and petroleum-based products necessary for operation of vehicles and equipment necessary for furthering the purposes of this Easement; (iv) asbestos in any quantity or form which would subject it to regulation under any Applicable Laws; (v) polychlorinated biphenyls (PCBs); (vi) or any substance, the presence of which on the Property is prohibited by any Applicable Laws; and (vii) any other substance which, by any Applicable Laws, requires special handling in its collection, storage, treatment or disposal. As used herein, the term "Applicable Laws" means all laws, statutes, ordinances, regulations, and judicial rulings now or hereafter adopted by any governmental authority with jurisdiction over the Property.

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4.05. Hunting Blind means a structure of 100 square feet or less used for viewing or hunting wildlife. Blinds may but need not be elevated.

4.06. Impervious Cover means any artificial condition that substantially impedes absorption of water by the soil, including roofs, foundations, parking lots, Roads (subject to the limitations stated in Section 5 below), and anything else covering or placed above the natural surface of the Property. Mobile homes, motor homes, and travel trailers (i.e. not trailers used for livestock and livestock implements) that are used on a temporary basis in accordance with Section 5.03.04 count as Temporary Impervious Cover. Mobile homes, motor homes, and travel trailers used as fixed-permanent structures count as Impervious Cover.

4.07. Confined Animal Feeding Operation means agricultural operations in which livestock or wildlife is confined by Grantor or third parties, at the request or approval of Grantor, for at least 45 days in any 12-month period in a corral or similar enclosure in which most of the animals' nutrition is provided artificially by Grantor or third parties, at the request or approval of Grantor.

4.08. Maximum Increased Impervious Cover means the maximum amount of the Property to which Impervious Cover may be added after the Effective Date. It does not include Grantor's current structures, roads, etc. located on the Property. It also does not include Impervious Cover shown in the Report (or replacements thereof), Temporary Impervious Cover, equipment, structures, facilities or other items placed on Property pursuant to or in connection with Grantee's rights under Section 5.03.04 governing short-term use of Temporary Impervious Cover, or roads or rights of way on or through the Property acquired through condemnation or by exercise of a third party's right that predates this easement. In clarification of the foregoing, the exceptions listed in the preceding sentence shall not be included in the calculation of Maximum Increased Impervious Cover or Maximum Increased Impervious Cover per Building Envelope. Subject to the exceptions noted previously herein, the permissible 10,497.96 square feet in total of future (i.e. after the Effective Date) Impervious Cover on the Property must not be exceeded, regardless of whether it is located within and/or outside of the Building Envelopes.

4.09. No-Development Zone means an area set aside within the Property in which no Building Envelopes, or Roads not identified in the Report, or other Development may occur.

4.10. Parcel means a distinct, contiguous tract resulting from a division, subdivision, or partition of the Property allowed under this Easement. A parcel includes any tract resulting from a subdivision plat, conveying part of the Property to another, or other arrangement creating characteristics of a subdivision. Creation of undivided interests in the Property does not create a division, subdivision, or partition.

4.11. Road means any route traveled by a motorized vehicle which route has been improved through the use of base, tar, asphalt, sealant, or other impervious material that would materially impair the recharge capability of the Property. Unimproved trails or paths that do not materially diminish the recharge capability of the Property or paths made by leveling native or Indigenous soil and rock do not constitute a Road or count as Impervious Cover. A Road covered with crushed base or rock will not be considered as Impervious Cover. A road constructed with seal coat (emulsifying oil) or asphalt will be calculated as Impervious Cover.

4.12. Structure means anything built on or added to the Property, excluding fences, Hunting Blinds, rain catchment systems, shooting ranges, utility poles, and livestock/ranching improvements including Feeders, Animal Shelters, Silos, water troughs, corrals, chutes, animal

Attachment III

pens, water tanks, associated Storage Sheds, and any other structure with an impervious foundation or bottom that impedes absorption of water into the soil. Any such fences, Hunting Blinds, rain catchment systems, utility poles, and associated livestock/ranching improvements can be built outside of a Building Envelope, within the limitations outlined in Sections 4.02, 4.05, 4.17, 4.18, 4.19, and 6.02.04, but will count as Impervious Cover if any such improvements have an impervious foundation or bottom that impedes absorption of water into the soil.

4.13. Temporary Impervious Cover means any non-permanent Structure typically used to provide protection from the elements (i.e. tents, awnings, travel trailers, mobile homes, etc.).

4.14. Exotic means not naturally occurring in the Edwards Plateau or South Texas Plains eco-region.

4.15. Indigenous means naturally occurring in the Edwards Plateau or South Texas Plains eco-region.

4.16. Fertilizer means any synthetically produced or manufactured fertilizer. Processed organic fertilizers, such as compost, and naturally occurring fertilizers, such as peat or manure, are not considered to be a synthetically produced or manufactured fertilizer and do not fall under this term.

4.17 Animal Shelter means a two-or-three-sided building or hut constructed for the purpose of creating shelter or a covered area of water and feed for livestock animals. Animal Shelters built outside of a Building Envelope require Grantee approval. Animal Shelters built with no walls or impervious bottom can be built outside of a Building Envelope without Grantee approval. Animal Shelters built with four or more sides as moveable animal cages and/or traps can be built outside of a Building Envelope without Grantee approval so long as the walls and bottoms of such structures are impervious.

4.18 Silo means a tall, round metal tower or cylindrical building used to store grass, grain, feed, or other bulk materials. Silos built outside of a Building Envelope require Grantee approval and cannot be constructed as a pit or underground structure.

4.19 Storage Shed means a small (i.e. 20' x 20' or less) single-story building constructed for the purpose of storing materials needed for typical livestock or ranching operations. Storage Sheds built outside of a Building Envelope with impervious bottoms require Grantee approval.

4.20 Earthen or Check Dam means a non-permanent dam created from rock, soil, or cut brush placed by Grantor within a drainage or waterway. Such Earthen or Check Dams must be constructed so that the maximum height of the dam does not exceed the lowest bank of the waterway and is constructed within the natural banks of the waterway. Such Earthen or Check Dams must be constructed in a manner that does not violate applicable laws and regulations

4.21 Outhouse or Privy means a facility or structure intended for the disposal of human excreta.

4.22 Covered Shelter means anything built on or added to the Property with a roofing structure that provides shelter from the elements, natural flooring (dirt, native rocks, etc.), and gaps at the base of all walls to allow for natural water movement.

Attachment III

5. Development-Related Provisions.

5.01. Grantor must maintain the Property in substantially the same state shown demonstrated in the Report, except as otherwise provided in this Easement.

5.02. Grantor must not:

5.02.01. Exceed Maximum Increased Impervious Cover or the Maximum Increased Impervious Cover per Building Envelope.

5.02.02. Divide, subdivide or otherwise partition the Property into more Parcels than allowed by the Maximum Number of Parcels.

5.02.03. Except as otherwise expressly allowed by this Easement, build any Structure outside a Building Envelope, build any Structure higher than three stories (except for antenna towers or Silos), or allow a mobile home, motor home, or travel trailer to be lived in or stored on the Property outside a Building Envelope. All such Structures, mobile homes, motor homes, or travel trailers must dispose of raw sewage in compliance with applicable laws and regulations and by a commercially acceptable means approved by the Grantee, which does not result in sewage discharge that will pose a material degradation threat to the quality of water entering the aquifer.

5.02.04. Install, maintain, repair, or replace more than one septic system for each Structure containing plumbing. Septic systems must be properly permitted and maintained in compliance with applicable laws and regulations, including but not limited to, the Texas Administrative Code (Title 30, Chapter 285), the Health and Safety Code (Title 5, Subtitle A, Chapter 341), and the Texas Commission on Environmental Quality Chapter 213 rules.

5.02.05. Use Outhouses, Privy's, or other similar crude septic systems that are not in compliance with applicable laws and regulations that would pose a material degradation threat to groundwater quality. A Privy or Outhouse may be used for so long as all human excreta is contained and does not contact the soil surface or subsurface. Any such waste must also be properly disposed off-site or to an on-site septic system in compliance with applicable laws and regulations. A Privy or Outhouse must not be operated with an open bottom or open earthen hole. Any open earthen hole associated with an Outhouse or Privy must be in-filled with substrate such as soil, sand, or gravel.

5.02.06. Unless Grantee consents in writing, grant new utility, road or pipeline easements (whether above or under-ground). Grantee will generally withhold consent except when the easement is granted under threat of condemnation. Despite this proscription, Grantor may, without Grantee's consent but subject to the Maximum Increased Impervious Cover, grant road and utility easements (whether above or under-ground) reasonably necessary to service and to permit access to Parcels and Building Envelopes allowed under this Easement.

5.02.07. Except as otherwise provided in this Easement or as reasonably necessary to conduct activities permitted under this Easement, ditch, drain, fill, dig, or otherwise make permanent, substantial topographical changes. Grantor needs no permission to build water flow lines, stock tanks outside of No Development Zones, but stock tanks not shown in the Report must not exceed two surface acres each and must not cause the

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Property to exceed the Maximum Increased Impervious Cover, if the bottom of the facility is impervious. Stock tanks located in a No Development Zone or adjacent to a water body including streams, creeks, ponds, or within drainage or recharge areas cannot exceed 1.0 acre in size and will require prior Grantee approval, which shall not be unreasonably withheld. Such stock tanks must also be constructed and operated in a manner that does not violate applicable laws and regulations.

5.02.08. Except as otherwise provided in this Easement or as reasonably necessary to conduct activities permitted under this Easement, make substantial changes resulting in alteration or channelization of a natural waterway or stream channel that would result in significant changes affecting the size and shape of the water body. Grantor needs no permission to construct Earthen or Check Dams or other non-permanent surface water retention features built to facilitate recharge and within the limitations outlined in Sections 4.20 and 11.01. Any permanent surface water retention features or permanent dams require Grantee approval, which shall not be unreasonably withheld, and must not be constructed in a manner that violates applicable laws and regulations.

5.02.09. Drill or allow the existence of more than the Maximum Number of Water Wells on the Property. Water wells drilled by Grantee for monitoring purposes and not used by Grantor do not count against the Maximum Number of Wells. All such wells must be properly permitted, used, and/or plugged in accordance with applicable laws and regulations.

5.02.10. Conduct any business activity on the Property that would draw large numbers of people to the Property at any one time or that might, as a reasonably expected incident of its conduct, materially impair the quantity or quality of Edwards Aquifer recharge from the Property. For example, a bed and breakfast or guest ranch with 10 or fewer bedrooms, nature/eco-tourism facility, retreat center, spiritual camp, or educational facility is acceptable.

5.03. For so long as the activities are conducted so as not to materially impair the Purpose, Grantor may, but shall have no obligation to:

5.03.01. Reside and entertain family and guests on the Property.

5.03.02. Construct, maintain, restore, and rebuild Structures in Building Envelopes so long as the Maximum Increased Impervious Cover per Building Envelope is not exceeded.

5.03.03. Continue use and enjoyment of the Property for ranching, agriculture, hunting, fishing, and recreation, consistent with other applicable express provisions of this Easement.

5.03.04. Allow short-term use of Temporary Impervious Cover, such as tents, awnings, travel trailers, signs, telecommunications facilities/antennae, or mobile homes outside Building Envelopes and outside No-Development Zones for up to 30 days. Any use lasting longer than 30 days is not short-term, and once removed, the Temporary Impervious Cover cannot be re-erected for at least 90 days after removal.

5.03.05. Engage in all other acts and uses that are permitted by law and not expressly restricted in this Easement.

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5.04. The existing and proposed Building Envelope locations have been identified in the Report. Grantee may relocate, reconfigure, or otherwise modify the Building Envelopes at any time and from time to time so long as:

(i) the revised Building Envelope is defined with GPS coordinates and legally identified in a recorded instrument;

(ii) the revised Building Envelope is in all respects compliant with the restrictions of this Easement including, but not limited to, prohibition in a No-Development Zone, Maximum Increased Impervious Cover per Building Envelope, and Maximum Increased Impervious Cover; and

(iii) the former Building Envelope site is restored such that it will offer the same quantity and quality of recharge as similar, previously undeveloped areas.

6. Agriculture-Related Provisions.

6.01. Grantor must not:

6.01.01. Operate a commercial feedlot, poultry farm, or similarly Confined Animal Feeding Operation. This provision shall not be construed to restrict the holding and feeding of Grantor's livestock or wildlife in a confined feeding area in connection with gathering, birthing, transporting, caring for or doctoring livestock or wildlife, nor does the term apply to corrals or other holding areas for horses, wildlife or other livestock used by Grantor.

6.01.02. Operate a horticultural nursery.

6.02. Grantor and any agent, lessee, or other occupant of the Property may, but shall not be obligated to:

6.02.01. Grow crops, including wildlife food plots, in fields (of 300 acres or less) identified in the Report, described in this Easement (at the two [2] areas located along the entry roadway and in the small field south of the current housing structure; *See* more specific depictions of said locations in Exhibit C attached hereto), or permitted via the language of this Easement. This restriction shall not be construed to restrict the harvesting of fruit or nuts from native trees.

6.02.02. Hunt, fish and trap on the Property, lease the Property for hunting, fishing, trapping and provide guided and unguided hunts and fishing/trapping excursions.

6.02.03. Construct or install fences, Hunting Blinds, and Feeders, or Covered Shelters (not exceeding 150 square feet each) even in No-Development Zones.

6.02.04. Permit other outdoor recreation on the Property. In connection with recreation, Grantor may install composting toilets on the Property, but if it does so, Grantor must properly permit and maintain them in accordance with applicable laws and regulations. Grantor may build shooting ranges for so long as any associated shelters are constructed without walls and do not have an impervious bottom.

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6.02.05. Foster the presence of wildlife on the Property.

6.02.06. Unless specifically restricted by this Easement, engage in any other activity or use permitted by law.

6.03. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may graze (or lease to a third party) livestock, commercial wildlife, or Exotic game, but only according to a United States Department of Agriculture Natural Resource Conservation Service-provided plan (NRCS Plan), a Texas Parks and Wildlife Department-provided wildlife management plan (TPWD Plan), a Grantee-provided Land Management Plan that is prepared in coordination with the Grantor, or a plan provided by a qualified range management specialist, so long as the activities in the provided plan are consistent with the terms of this Easement. Any NRCS Plan, TPWD Plan, or range management specialist plan must be reviewed and approved by Grantee before it may be implemented to assess compliance with the terms of this Easement. If either the United States Department of Agriculture Natural Resource Conservation Service or the Texas Parks and Wildlife Department ceases to exist or ceases to provide such plans, Grantee may designate an alternative, similarly qualified governmental authority to provide grazing and wildlife management plans.

7. Vegetation-Related Provisions.

7.01. Grantor must not:

7.01.01. Plant Exotic vegetation on the Property, except for in Building Envelopes and fields or food plots permitted under the terms of this Easement.

7.01.02. Plow or use Fertilizers, except in fields or food plots permitted under this Easement or shown in the Report.

7.01.03. Cut or remove vegetation outside Building Envelopes, except Grantor may, without restriction and anywhere on the property, cut firebreaks up to 75 feet wide, cut and remove diseased or Exotic vegetation or vegetation so damaged by natural forces as to be unable to survive, cut vegetation constituting a hazard to persons or the Property, cut vegetation in and along fences, and shred Roads in order for Grantor's use of the Property. Grantor may further cut and remove Indigenous or Exotic vegetation in Building Envelopes as may be reasonably necessary to conduct activities permitted under this Easement, but in so doing, it must minimize erosion and must not otherwise materially impair the Purpose. In addition, Grantor may cut and remove vegetation as necessary to maintain landscaping in the Building Envelopes or for other activities permitted by this Easement.

7.02. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may manage resources on the land as follows:

7.02.01. Control brush anywhere on the property according to a United States Department of Agriculture Natural Resource Conservation Service-provided plan (NRCS Plan), a plan provided by a qualified range management specialist, or Grantee-provided Land Management Plan that is prepared in coordination with the Grantor, or participate in other NRCS Technical Assistance Programs designed to assist in conservation planning, so long as the activities in the provided plan are conducted so as not to materially impair the

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Purpose and are consistent with the terms of this Easement. Any such plan or program must be reviewed and approved by Grantee before it may be implemented to assess compliance with the terms of this Easement. Furthermore, Grantee approval must be granted for brush control proposed in No Development Zones or on or within 400-feet of a recharge or sensitive feature. If the NRCS ceases to exist or ceases to provide such plans, Grantee may designate an alternative, similarly qualified authority to provide brush control and conservation management plans. Any updates to NRCS or land management plans must be reviewed and approved by the Grantee.

7.02.02. Cut firewood for use on or off the Property. Firewood taken off the Property is to be exclusively for personal use by the Grantor, and cannot be commercially sold or used.

7.02.03. Create firebreaks up to a width not to exceed three times the height of the adjacent vegetation.

8. Vehicle-Related Provisions.

8.01. Authorized representatives of Grantor and Grantee may use motorized vehicles anywhere on the Property in furtherance of their responsibilities under this Easement and as reasonably necessary for Grantor's residential use, agricultural, ranching, and wildlife management operations, educational programs and maintenance of the Property. No such use may materially impair the Purpose.

8.02. In no event may Grantor allow the Property to be used for commercial off-road or rally purposes for any motorized vehicles. This restriction includes, but is not limited to: cars, trucks, motor-bikes, motorcycles and ATVs.

9. Storage, Dumping, and Disposition-Related Provisions.

9.01. Grantor must not:

9.01.01. Store chemicals (except those for activities permitted under this Easement) that, if leaked, would materially degrade surface or subsurface water quality. Such chemicals will need to be stored in a secure or enclosed area on a concrete pad to prevent runoff from contaminating any surface or subsurface water.

9.01.02. Dump trash, rubbish, or other waste, except short-term storage of material accumulated in the course of conducting activities permitted under this Easement. All such materials must be stored in a contained area and must be removed from the Property not less often than annually. No such materials may leak Hazardous Materials into or otherwise pose a material degradation threat to the quality of water entering the aquifer.

9.01.03. Dump trash, rubbish, or other waste, except Grantor may actively burn domestic waste as defined in Title 30, Texas Administrative Code, Section 101.1(26) in a container or earthen pit so long as all burning is compliant with Title 30, Texas Administrative Code, Section 111 generally and Section 111.209 specifically (as may be amended) and all other laws, ordinances, or regulations pertaining thereto. Any such container or earthen pit must be either identified in the Easement Documentation Report or located within a

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Building Envelope and outside of a No-Development Zone and must adhere to the following conditions:

- A. Be actively burned
- B. Not be located within 500-feet of a recharge feature.
- C. Not allow Hazardous Materials to leak into or otherwise pose a material degradation threat to the quality of water entering the aquifer.
- D. Not contain any non-combustible materials, including but not limited to tires, non-wood construction debris, furniture, carpet, electrical wire, and appliances.
- E. Not exceed the established size documented in the Easement Documentation Report or exceed 200 square feet for future domestic waste pits not identified in the Easement Documentation Report and
- F. Properly contain waste with a berm, fence, or other containment to prevent waste from spreading

9.01.04. Generate, store, collect, transport, dispose, dump, or release Hazardous Materials, in whatever form, or install or permit underground storage tanks on the Property, except:

- A. Grantor may have aboveground storage tanks as long as the tanks are properly permitted and are in compliance with applicable laws and regulations, including but not limited to, the Edwards Aquifer Authority Rules Chapter 713, Subchapter G and the Texas Commission on Environmental Quality Rules Chapter 334, Subchapter F.

9.01.05. Store, use, or apply herbicides, biocides, pesticides, Fertilizers, insecticides, fungicides, rodenticides, or any similar chemicals or agents, except for:

- (A) household use or
- (B) use of chemicals, including Fertilizers, on a list approved by Grantee, or in a Grantee-approved plan

Grantee's list may change from time to time and may impose time, quantity, and use restrictions. While the City of San Antonio is the Grantee, the City Manager or City Manager's designee may alter the list without further action or authorization by City Council. Grantor's use of chemicals must conform to the best practices at the time the issue arises, and Grantor must not allow permitted materials to leak into or otherwise pose a material degradation threat to groundwater quality. Grantor must indemnify Grantee from all loss, cost, liability, or expense arising from Grantor's use of such chemicals, with or without Grantee's permission.

9.02. Grantor represents and warrants, to Grantor's actual knowledge (with no duty to investigate), that:

9.02.01. No Hazardous Materials are or have been generated, treated, stored, used, disposed of, or deposited in or on the Property in such manner as to violate or create any liabilities pursuant to any Applicable Laws, and

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9.02.02. No underground storage tanks are located on the Property.

9.02.03. No governmental authority has given notice of violation or alleged violation of any Applicable Law relating to the operations or condition of the Property.

9.03. Nothing in this Easement shall be construed as giving rise to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation, And Liability Act of 1980, as amended ("CERCLA"), any other applicable federal laws, federal regulations, state laws, county and local ordinances, all as may be amended from time-to-time.

10. Extraction-Related Provisions.

10.01. Grantor must not:

10.01.01. Use the surface of the Property for any activity related to extracting hydrocarbons or other minerals on or below the surface, including storing hydrocarbons or other minerals. Minerals include not only hydrocarbons but also coal, lignite, uranium, ore, and any other substance that may be removed from the earth.

10.01.02. Extract surface or subsurface water, transfer surface or subsurface water rights for use off the Property, or otherwise use water or water rights; provided, however, nothing in this Easement shall be construed to restrict use of water or water rights in direct support of any current activities or future activities Grantor may, consistently with this Easement, otherwise engage in on the Property. All well digging and water extraction activities conducted by Grantor must adhere to current regulations imposed by the governing groundwater district and all applicable federal, state, and local laws and regulations.

10.01.03. Extract and discharge groundwater at volumes greater than allowed by the more restrictive of the governing groundwater district or by other applicable federal, state, or local laws and regulations.

10.01.04. Sever or convey any mineral interest to another that is not bound by this Easement.

10.02. Despite any other provision of this Easement to the contrary, soil, sand, caliche, gravel, or rock may be removed from the surface of the Property so long as such removal:

(A) is solely for use on the Property and for non-commercial purposes, such as, for example, landscaping, improvements, construction, maintenance, and repair of a Road on the Property,

(B) is in conjunction with activities permitted herein,

(C) is accomplished in a manner that does not materially impair the Purpose,

(D) is limited to no more than two one-acre removal sites on the Property at any one time, and any area so disturbed is restored and replanted as appropriate with native vegetation at the conclusion of the removal activity and prior to the creation of any new

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removal site if a new removal site will exceed the limit of no more than two (2) such sites at any one time, and

(F) is not located within a No Development Zone and/or within 500 feet of a recharge feature.

10.03. Any activity permitted under this paragraph must be undertaken and this provision must be interpreted in a manner consistent with Section 170(h) of the United States Internal Revenue Code and the Treasury Regulations adopted pursuant thereto.

10.04. No party to this Easement may hereafter extract any severed or unsevered minerals pertinent to the Property. Neither may any party hereto convey any mineral interest or executive right in minerals to another not bound by this Easement. This clause does not prevent a party to this Easement from accepting royalties, bonuses, delay rentals, or other sums due to the party from another with a previously existing right to extract the minerals.

10.05. Grantor may also permit archaeological digs for so long as they are conducted in a manner so as not to materially impair the Purpose. Archaeological activities should not involve the use of heavy equipment or cause disturbance to water features and/or recharge features. Archeological sites will need to be restored and replanted as appropriate with native vegetation at the conclusion of the activity and prior to the creation of any new archaeological sites.

10.06. If any of the minerals under the Property ("Minerals") are, as of the date of this Easement, owned by someone not a party hereto and if some or all of those Minerals are later acquired by Grantor (or the then owner of the Property), then the Minerals so-acquired immediately become subject to this Easement. This Easement conveys to Grantee the right, to be held jointly with Grantor, to consent or not to any matter pertaining to the Minerals so acquired for which Grantor's sole consent would otherwise be required. Grantor's and Grantee's joint right to consent is such that neither can consent without joinder of the other.

10.07. Both parties acknowledge that the restrictions on alienation and other provisions in this Section are reasonable, because mineral exploitation poses a risk to the Edwards Aquifer, based upon existing scientific understanding of such recharge as of the Effective Date.

11. Water Flow-Related Provisions.

Grantor must not:

11.01. Materially alter natural water courses, lakes, ponds, marshes, or other water bodies, subject to Grantor's right to have stock tanks and other surface-water retention features and within limitations outlined in Sections 4.20, 5.02.07 and 5.02.08, except during stream restoration or bank stabilization projects.

11.02. Pollute the soil or surface or subsurface water or otherwise engage in activities materially detrimental to water purity or that could materially alter the natural water level or flow in or over the Property. This does not impair the right to use the wells permitted under this Easement for the purposes permitted under this Easement.

11.03. Otherwise, materially and adversely affect the quantity and quality of aquifer recharge.

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12. Requests for Approval.

12.01. When Grantee's consent is needed for any purpose under this Easement, Grantor must submit all such requests to Grantee in writing. The requests must set out all detail reasonably required by Grantee, including plans, specifications, and designs where appropriate. The request must include a timetable sufficiently detailed to permit Grantee to monitor progress. Grantor must not make changes or take action for which Grantee's approval is required, unless expressly authorized in writing by Grantee.

12.02. Grantee may consult with governmental agencies, nonprofit preservation and conservation organizations, and other advisors concerning appropriateness of any activity proposed under this Easement.

12.03. Grantee may exercise its approval or disapproval rights in its reasonable discretion. Grantee must respond to a request by Grantor within 60 days after the date of Grantee's receipt of the written request, such approval or disapproval being exercised in light of the nature of such request. Grantee's failure to respond timely is not approval of Grantor's request, but Grantee must not unreasonably withhold, condition, or delay its approval.

12.04. If Grantor does not begin approved actions within one year after the date on which Grantee grants its written approval, the approval is void. Grantor may resubmit the request, but previous approval does not estop Grantee from denying approval on resubmission.

12.05. In any case during such time as the City of San Antonio is the Grantee and the Grantee's consent or agreement is required under this Easement, other than for an amendment of this Easement, the consent or agreement may be given by the City Manager or the Manager's designee without authorization of City Council. The Manager's delegation of authority to a designee must be in writing. Grantee is not estopped by the actions of anyone to whom the Manager's authority has not been delegated in writing. If the City of San Antonio no longer has a City Manager, the governing body of the City may designate an officer to give consents and agreements called for under this Easement. City Council's approval of this Easement is approval of the delegation of authority to the City Manager contained in this paragraph. Grantee must provide the delegation of authority in writing to the Grantor within 30 days of change in City Manager or City Manager's designee.

13. No Public Access.

This easement creates no right of access to the general public. Grantor reserves the absolute right to prosecute trespass and public entry by all applicable laws, and Grantee's right of entry may not be delegated or assigned except as expressly permitted by this Easement.

14. Ownership Obligations.

Grantor is solely responsible to pay all taxes and assessments levied against the Property. Grantee has no responsibility to Grantor to maintain any part of the Property, except for improvements, if any, installed by Grantee.

15. Grantee's Rights.

15.01. During the first year of this Easement, Grantee shall have the right to enter the Property from time to time, subject to the notice and other provisions of this Section 15, to inspect

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the Property and for the initial installation of monitoring equipment, monitoring wells, or recharge structures. After the first year of this Easement, Grantee shall have the right to enter the Property twice a calendar year to inspect the Property and to determine compliance with this Easement, and to install additional monitoring equipment, monitoring wells, or recharge structures permitted under this Section 15, and to maintain any of the foregoing installations.

Grantee's entry rights under this Easement shall be subject to the following provisions:

15.01.01 Entry shall be permitted during the fall white-tail deer and spring turkey hunting seasons when at least 72 hours' written notice is provided by Grantee and delivered to Grantor via confirmed delivery (by personal service, certified mail with return-receipt, or email [with a delivery receipt requested]); provided, however, Property access times must be limited to times between 9:30 am and 3:30 pm local time (CST). Grantee will provide at least five days advance written notice to Grantor before entry, except when immediate entry is necessary to prevent, terminate, or mitigate a violation of this Easement.

15.01.02 Grantee shall not permit any liens to attach to the Property by reason of the exercise of such right.

15.01.03 Grantee's right of entry may be assigned; provided such assignee shall provide Grantor with its written consent to all of the terms, covenants, and conditions of this Easement prior to entry.

15.01.04. Upon a final adjudication of a violation of this Easement, Grantee may enter the Property as much as reasonably necessary to cure the breach. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property.

15.02. In addition to the foregoing right of entry, Grantee shall have the following rights:

15.02.01. The right to monitor the hydrology of the Edwards Aquifer and other water or geologic formations below the subject Property (the results [i.e. any data/information obtained in relation to or therefrom] of such monitoring shall be timely and fully provided by Grantee to Grantor), subject, however, to the entry requirements set out below.

15.02.02. The right to enter the Property twice a calendar year to inspect and to determine compliance with this Easement. If Grantee finds a potential violation or breach of this Easement, Grantor will be given written notice in a timely manner and will be provided 5 business days from the delivery date of written notification to correct the issue. If Grantor fails to correct the violation within this time, Grantee may enter the Property as much as necessary to monitor the status of the problem, obtain evidence for enforcement, or correct the problem at Grantor's expense. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property. Grantee shall use its reasonable efforts to assure that its entry corresponds with a time that is both timely and convenient for Grantor.

15.02.03. The right to install, operate, and maintain Purpose-related, unmanned monitoring equipment, including a continuous recording rain gauge at up to 4 locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) that do not unreasonably interfere with Grantor's activities otherwise permitted under this Easement. Grantee may install, operate, and maintain

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fences and other devices reasonably necessary to provide security for the monitoring equipment.

15.02.04. The right to drill, operate, and maintain up to 4 Purpose-related, unmanned monitoring wells at locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) that do not interfere unreasonably with Grantor's permitted uses of the Property, and will not use more water than commercially reasonable necessary to monitoring operations at said monitoring wells. Grantee may install, operate, and maintain fences and other devices reasonably necessary to provide security for the monitoring wells. If Grantee wishes to change the location of a monitoring well in the future, it shall provide Grantor with 30 days written notice of its intent to change such well location, describe the proposed new well location (and any surface changes which may result therefrom), and obtain Grantor's consent prior to changing such well location, which shall not be unreasonably withheld.

15.02.05. Grantee may also use the Property for educational purposes, including daily field trips for up to 30 persons related to natural science education, but not more often than once annually. Grantee must coordinate all such activities with the Grantor, and Grantee's right to conduct such activities is subject to Grantor's approval, which must not be unreasonably withheld.

15.02.06. The right to review and approve modification/construction plans of the Grantor involving cave structures and other geologist-confirmed sensitive hydrogeologic features on the Property, to include sinkholes, faults, reservoirs, streams, creeks, and springs.

15.02.07. The right to construct, operate, and maintain at mutually agreed locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) one or more Purpose-related, unmanned recharge structures, not to exceed two (2) surface acres in size, and associated facilities that do not unreasonably interfere with Grantor's permitted uses of the Property.

15.03. If Grantee's exercise of any rights under this Section 15 disturbs the Property, Grantee will use its good-faith efforts to restore the Property to its previous condition. This includes restoring fences and plugging abandoned wells according to applicable law. Grantee is responsible for maintenance of areas fenced by it, for equipment, any Structure or facilities it places on the Property, and for any contractor or individuals entering the Property pursuant to or in connection with Grantee's rights under this Easement. Except as expressly provided to the contrary, no approval or consent required under this Section may be unreasonably withheld, conditioned or delayed. Nothing in this Easement shall be construed to permit construction of any structure, nor entry on the Property except as expressly permitted herein. Grantee will provide 72-hour advance, written or verbal notice to Grantor before entry, except when immediate entry is necessary or desirable to further the Purpose, to prevent, terminate, or mitigate a violation of this Easement.

15.04. None of the enumerated rights imposes a duty on Grantee to exercise the right.

15.05. Grantor is responsible for remedying violations of this Easement, but Grantee has the right to prevent and correct violations through any means available at law or in equity, including injunction. If Grantee finds a violation, it may, at its discretion, take appropriate legal action or eliminate or ameliorate any material, continuing violation of this Easement, including any artificial condition that may materially impair the Purpose. Except when an ongoing or

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imminent violation might substantially diminish or impair the Purpose, Grantee must give Grantor 20-days' prior written notice before initiating action. If a violation cannot reasonably be corrected within 20 days, Grantee may allow Grantor a longer period that is reasonably necessary under the circumstances to correct the violation. In such case, Grantor must begin corrective action within the 20 days and thereafter diligently and continuously pursue complete correction in good faith. Nothing in this Easement requires Grantor to restore the Property after any act of God or other event over which Grantor had no control, but Grantor must permit Grantee to correct conditions caused by such events that impair quantity or quality of recharge. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property.

15.06. Grantor acknowledges that, once pollution enters an aquifer, it may be impossible to undo the damage. Likewise, surface water that might percolate into the aquifer, but that Grantor wrongfully allows to run off, is irreplaceable. Further, loss of the Property and the aquifer as natural phenomena cannot be compensated adequately by damages. Accordingly, the parties acknowledge that, in the case of a material, uncorrected violation of this Easement, Grantee has no adequate remedy at law. In such case, equitable relief generally and an injunction specifically are appropriate remedies.

15.07. Grantee has the right to recover all costs and expenses, including court costs and reasonable attorney's fees, incurred in enforcing this Easement. Actions associated with Grantee's enforcement of this Easement may include, but are not limited to, providing written notice to Grantor of a potential violation, and allowing for correction of a violation requiring timely response. In the event this Easement is assigned by the City of San Antonio to an entity which is not prohibited from incurring future unfunded debt, then the prevailing party in any dispute regarding this Easement, has the right to recover all costs and expenses, including court costs and reasonable attorney's fees, incurred enforcing this Easement.

15.08. Grantee has discretion whether and how to enforce this Easement. Grantee's or Grantor's delay in or forbearance from exercising rights under this Easement does not waive the rights the exercise of which is delayed or forborne.

15.09 Nothing in this Easement shall be construed to require Grantor to take any action, or furnish to Grantee a cause of action against Grantor for damages, or to compel Grantor to restore the condition of the Property after any (i) act of God; (ii) other event over which Grantor had not control; or (iii) prudent action (including reasonable efforts to prevent or minimize damage to the Property or any person) taken by Grantor under emergency conditions or to prevent, abate, or mitigate loss or damage to persons or the Property resulting from such causes.

16. Discretionary Consent.

Grantee's consent for activities otherwise prohibited by this Easement may be given under the following conditions and circumstances. If, owing to unforeseen or changed circumstances, any of the prohibited activities listed in this Easement are deemed desirable by both Grantor and Grantee (and Grantee obtains Grantor's prior written consent to said desired activity), Grantee may, in its sole discretion, give consent for such activities, subject to the limitations herein. Such requests for consent for otherwise prohibited activities, and consent for such activities requiring Grantee's discretionary consent shall be in writing and shall describe the proposed activity in sufficient detail to allow Grantee to judge the consistency of the proposed activity with the purpose of this Easement. Grantee may give its consent only if it determines, in its sole discretion, that such activities (1) do not violate the Purpose of this Easement, and (2) enhance or do not materially impair any significant conservation interests associated with the Property.

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17. Alienation by Grantee.

17.01. This Easement is in gross and is freely alienable by Grantee, subject to the following conditions:

17.01.01. The transferee must be both a "holder" under Section 183.001 of the Texas Natural Resources Code (as the same may be amended from time-to-time) and also a "qualified organization" under Section 170(h) of the U.S. Internal Revenue Code.

17.01.02. The transferee must expressly assume the responsibilities of the Grantee under this Easement. Grantee must notify Grantor of the name and contact information of the transferee within 30 days of assignment.

17.01.03 If Grantee is a corporation, partnership or other non-individual entity and if at any time those persons or entities who own a majority of the controlling interest of Grantee at the time of the execution of this Easement, cease to own a majority of those interests (except as the result of transfers by devise or descent), then the change in ownership of a majority of those interests is deemed an assignment of this Easement by Grantee and therefore subject in all respects to the provisions of Section 16.

17.01.04 Unless otherwise approved by Grantor, which approval may be given or withheld in Grantor's sole discretion, the transferee must be an organization whose principal headquarters office is located in the State of Texas. A Texas entity which is a subsidiary, chapter, or affiliate of another organization shall not qualify under this section. Both parties acknowledge the restrictions on alienation and other provisions in this Section are reasonable.

17.02. If Grantee ceases to exist or no longer qualifies as a holder under applicable law, the Easement continues. On application by Grantor or Grantee, a court of competent jurisdiction must transfer Grantee's rights under this Easement to a qualified organization having similar purposes that agrees to assume the responsibility. If more than one qualified entity competes for the role, the court should select the entity that, in the court's judgment, is best suited to assure accomplishment of the Purposes.

18. Alienation by Grantor.

The Property is freely alienable, in whole or in part, by Grantor, but Grantor must notify Grantee in writing at least 30 days before transfer. The notice must include the name of the buyer, the anticipated closing date, and evidence that the buyer has been given a copy of this Easement. If Grantor transfers all the Property or a Parcel of it to more than one transferee, the joint transferees must, at the closing of the transfer to them, designate a single party to receive notices from Grantee and to give all approvals and consents to Grantee. If the joint transferees do not unanimously designate a contact for Grantee, Grantee may pick one at random with no liability to the other transferees. Grantor's transferees take subject to this Easement. This authorization of partial alienation does not authorize more than the maximum number of Parcels.

Attachment III

19. Amendment and Reformation.

19.01 This Easement may be amended only with the written consent of both Grantor and Grantee. Any amendment must be consistent with the Purposes of this Easement and must comply with applicable law, including Sec. 170 (h) of the Internal Revenue Code, as amended from time-to-time, and with Chapter 183 of the Texas Natural Resources Code, as amended from time-to-time. If the Grantee is the City of San Antonio, its consent to an amendment must be authorized by City Council or a successor governing body, in accordance with the City of San Antonio Conservation Easement Amendment Policy ("Policy"). Grantor, upon written request to Grantee, may obtain a copy of the most recent version of such Policy.

19.02 This Easement may be reformed by final unappealable judgment of a court of competent jurisdiction if it is determined that a restriction imposed upon Grantor's use of the Property can be reformed without material impairment to the Purpose, based upon and in consideration of the scientific understanding of the Purpose as of the date of the application for reformation. Provided, however, nothing in this Easement shall be construed to permit any reformation which would affect its perpetual nature or the immediate and irrevocable vesting of a real property right in Grantee.

20. Termination, Condemnation.

20.01. The Easement may be terminated by judicial declaration if condemnation or a change in conditions on or around the Property renders it impossible to substantially fulfill the Purposes of this Easement.

20.02. Grantee's interest is a compensable property right. If some or all of the Property is condemned or sold in lieu of condemnation, Grantor and Grantee will divide the condemnation proceeds (which, by definition, include proceeds from a sale in lieu of condemnation) as follows: Grantor receives a share equal to the entire award multiplied times a fraction, the numerator of which is the value of the Property burdened by the Easement and the denominator of which is the value of the Property unburdened by the Easement; Grantee receives the rest of the award. Values are measured at the time of condemnation.

21. Interpretation.

This Easement is to be interpreted under the laws of the State of Texas, resolving any ambiguities and questions of the validity of specific provisions to give maximum effect to its Purposes, without regard to any statute or otherwise or to which party was the drafter. This Easement was fully negotiated, and no presumption exists against either party. Nothing in this Easement excuses Grantor or Grantee from compliance with any applicable law, rule, ordinance, or regulation. Venue for any matter involving this Easement or the Property shall be in the county where the Property is located.

22. Severability.

If any part of this Easement is found invalid or unenforceable, the finding does not affect the remainder.

Attachment III

23. Successor, Beneficiaries.

This Easement inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party, and not to any other unrelated third parties in any way.

24. Encumbrance by Grantor.

Grantor may encumber the Property (including consensual liens) after the effective date of this Easement, but all such encumbrances are subordinate to this Easement.

25. Appropriations.

All obligations of the City of San Antonio under this Easement are funded through the City of San Antonio General Fund and are subject to the discretion of City Council whether to appropriate funding for any given year.

26. Notices from Governmental Authorities.

Grantor must deliver to Grantee copies of any notice of violation or lien relating to the Property received by Grantor from any government authority within five (5) days of receipt. Upon request by Grantee, Grantor must promptly furnish Grantee with evidence of Grantor's compliance with the notice or lien, if compliance is required by law.

27. Easement Runs with the Land; No Merger.

This Easement continues in perpetuity and runs with the land (referred to as "Property" in this Easement). It is binding upon Grantor and all those claiming by, through, or under Grantor. Any right, title, or interest granted in this Easement to Grantee passes to each successor and assign of Grantee and each following successor and assign, and the word "Grantee" includes all such successors and assigns. This Easement survives unity of ownership of the fee and the Easement. Any restriction imposed upon Grantor in this Easement shall also apply to Grantee.

28. Effective Date.

The effective date of this Easement is the date it is recorded in the real property records of the county in which the Property is located or, if the Property crosses county lines, in any county in which a portion of the Property is located.

TO HAVE AND TO HOLD this Easement unto the Grantee and its successors and permitted assigns forever. Without limitation, this Easement conveys to Grantee all development rights in the Property not expressly retained by Grantor. Grantor conveys to Grantee an undivided one-half interest in all mineral executive rights held by Grantor such that no exercise of the executive rights can be made without the joinder of both Grantor and Grantee. Grantor further conveys to Grantee the property right to enforce this Easement according to its terms as allowed by law. Grantor conveys to Grantee the property rights Grantor would otherwise have to perform activities limited or prohibited by this Easement. Grantor violates its obligations under this Easement if it violates any applicable law the observance of which would further the Purpose.

Grantor further makes subject to this Easement all the following interests, collectively called "Excess Lands": (1) all interest, if any, in excess lands or vacancies (within the meaning of

Attachment III

subchapters E and F of Chapter 51 of the Texas Natural Resources Code, as may be amended from time to time) presently held or later acquired by Grantor; (2) all interest in strips or gores between the Property and abutting properties and acreage in adjoining surveys to which Grantors' predecessors in title have superior right; (3) any land lying in or under the bed of any road or highway, opened or proposed, abutting or adjacent to the Property; (4) any land lying in or under the bed of any creek, stream, or river, if any, running through or abutting or adjacent to the Property; and (5) all interests in real property within the boundaries of this Easement title to which is later acquired by Grantor.

Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular this Easement to Grantee and Grantee's administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, but excepting the Exceptions to and Reservations From Warranty.

In Witness Whereof, the parties have caused their representatives to set their hands. By the signature of its representative below, Grantee manifests its acceptance of this Easement.

Grantor:	Grantee:
Flora L. Smith	City of San Antonio , a Texas municipal corporation
Signature: _____	Signature: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

:

Approved as to Form:

City Attorney

Attachment III

STATE OF TEXAS §

COUNTY OF BEXAR §

This Easement was acknowledged this date before me by _____
/name of signer/, a single/married person/office or position held/ such as general
partner/managing partner/President/ of _____ /name/, a _____ (state,
such as Texas) sole proprietorship/general partnership/limited partnership/limited
liability partnership/limited liability company/corporation/ in the capacity therein stated
and on behalf of such entity.

Date: _____

Notary Public, State of Texas

My Commission expires: _____

STATE OF TEXAS §

COUNTY OF BEXAR §

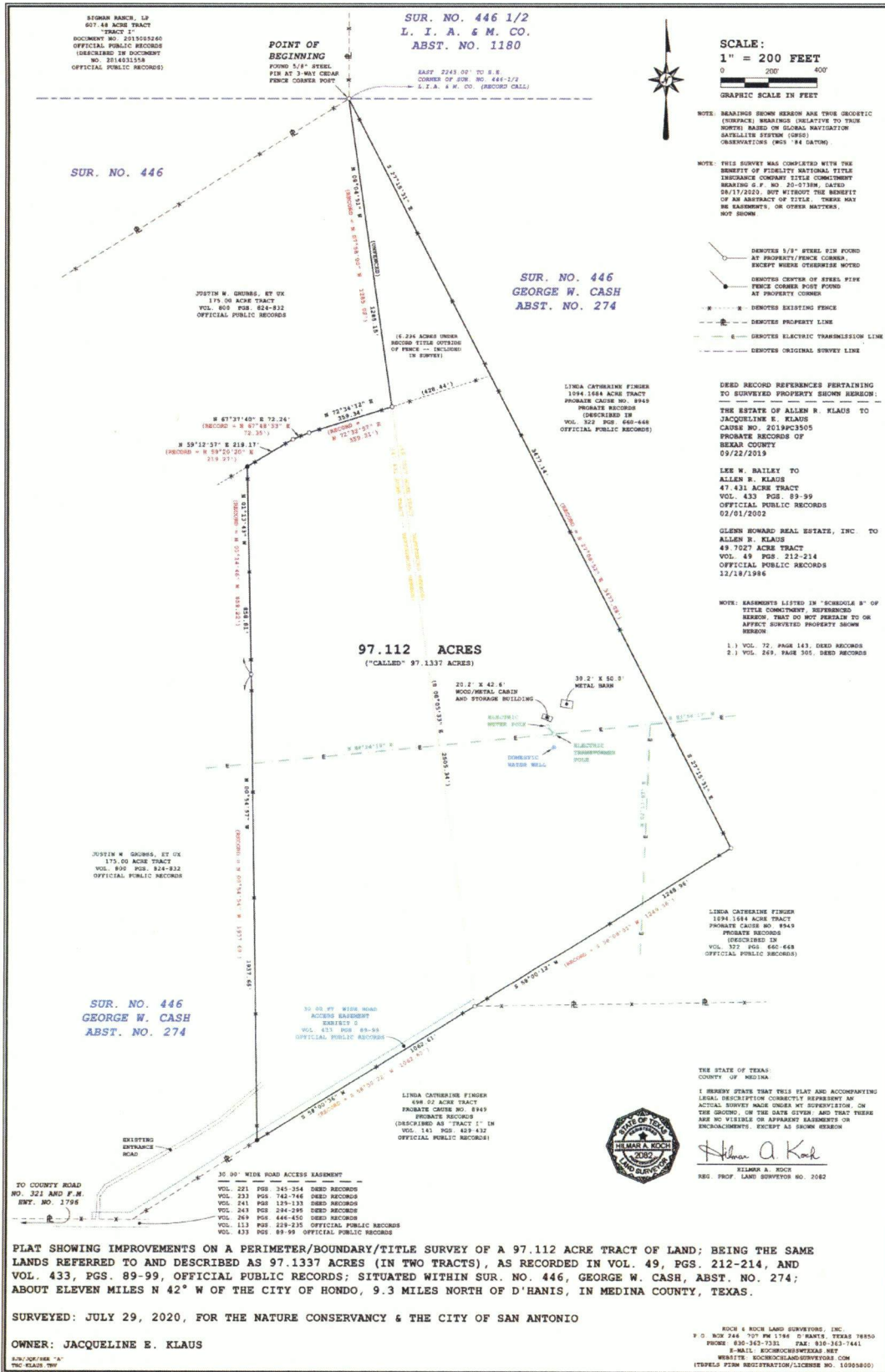
This Easement was acknowledged before me this date by _____,
_____ of the City of San Antonio, a Texas municipal corporation,
in the capacity therein stated and on behalf of such entity.

Date: _____

Notary Public, State of Texas

My Commission expires: _____

Attachment 1



Attachment II

KOCH & KOCH LAND SURVEYORS, INC.
P.O. BOX 246 707 FM 1796 D'HANIS, TEXAS 78850
Office: 830-363-7331 Fax: 830-363-7441
E-Mail: kochkoch@swtexas.net
(TBPELS Firm Registration/License No. 10005800)

JACQUELINE E. KLAUS
97.112 ACRE TRACT

THE STATE OF TEXAS)
COUNTY OF MEDINA)

Field Notes of a perimeter/boundary survey of a 97.112 acre tract of
land, made for The Nature Conservancy and the City of San Antonio.

Said 97.112 acre tract of land lying and being situated 9.3 miles
north of D'Hanis, in Medina County, Texas; about eleven miles N 42° W
of the City of Hondo, the County Seat; all within Sur. No. 446,
George W. Cash, Original Grantee, Abst. No. 274. Said 97.112 acre
tract being all of a 49.7027 acre tract, as conveyed to Allen R.
Klaus, by Glenn Howard Real Estate, Inc., by Warranty Deed with
Vendor's Lien dated December 18, 1986, and recorded in Vol. 49, Pages
212-214, of the Official Public Records of said County, and all of a
47.431 acre tract, as conveyed to Allen R. Klaus, by Lee W. Bailey,
by Warranty Deed with Vendor's Lien dated February 1, 2002, and
recorded in Vol. 443, Pages 89-99, of the Official Public Records of
said County; with said two tracts also being conveyed to Jacqueline
E. Klaus, by the Estate of Allen R. Klaus, by Cause No. 2019PC3505,
filed September 22, 2019, in the Probate Records of Bexar County,
Texas. Said 97.112 acre tract being bounded on the east by the Linda
Catherine Finger 1094.1684 acre tract, as described and recorded in
Vol. 322, Pages 660-668, of the Official Public Records of said
County (conveyed by Cause No. 8949, Probate Records); on the south,
from east to west, by the said Linda Catherine Finger 1094.1684 acre
tract, and the Linda Catherine Finger 698.02 acre tract, designated
as "Tract I", as described and recorded in Vol. 141, Pages 429-432,
of the Official Public Records of said County (conveyed by said Cause
No. 8949, Probate Records); and on the west by the Justin W. Grubbs,
et ux. 175.00 acre tract, as recorded in Vol. 800, Pages 824-832, of
the Official Public Records of said County. Said 97.112 acre tract
being more fully described by metes and bounds, as follows:

BEGINNING at a 5/8" Steel Pin found at a 3-way cedar fence
corner post, in the north line of said Sur. No. 446, the south line
of Sur. No. 446-1/2, L. I. A. & M. Co.; at a S.W. corner of said
Finger 1094.1684 acre tract, a S.E. corner of the Sigman Ranch, LP
607.48 acre tract ("Tract I" -- Document No. 2015005260, Official
Public Records [described in Document No. 2014031558, Official Public
Records]); for the N.E. corner of said Grubbs 175.00 acre tract, the
North corner of said Klaus 49.7027 acre tract, and the North corner

Attachment II

Cont. Page 2 of 3, Jacqueline E. Klaus -- 97.112 Acre Tract.

of this tract; said 5/8" Steel Pin being distant 2245.00 ft. WEST (record call -- with said survey line) of the S.E. corner of said Sur. No. 446-1/2, the upper S.W. corner of Sur. No. 315, H. E. & W. T. R.R. Co.;

THENCE leaving said survey line, and with fence; with the west side of said Finger 1094.1684 acre tract, the east side of said Klaus 49.7027 acre tract, and the east side of this tract, S 27° 15' 31" E, at 1286.86 ft. pass a large Cedar Tree 3-way fence corner, from which an existing cross-fence bears west; passing under electric transmission lines bearing S 83° 54' 17" W into this described tract; total 3477.14 ft. (record = S 27° 08' 52" E 3477.08 ft.) to a 5/8" Steel Pin found at a 2-way cedar fence corner post, at the west re-entrant corner of said Finger 1094.1684 acre tract; for the S.E. corner of said Klaus 49.7027 acre tract, and the S.E. corner of this tract;

THENCE with fence; with the lower northwest side of said Finger 1094.1684 acre tract and the northwest side of said Finger 698.02 acre tract, respectively; with the south side of said Klaus 49.7027 acre tract (until noted), and the south side of this tract, S 58° 00' 12" W, passing under electric transmission lines bearing N 02° 17' 57" E into this described tract, 1248.96 ft. (record = S 58° 08' 01" W 1249.56 ft.) to a 5/8" Steel Pin found 1.0 ft. southwest of a 3-way cedar fence corner post, at the S.W. corner of said Klaus 49.7027 acre tract, the S.E. corner of said Klaus 47.431 acre tract, same being the S.W. corner of said Finger 1094.1684 acre tract, and the N.N.W. corner of said Finger 698.02 acre tract; at the S.E. corner and east terminal of a 30.00 ft. wide road access easement (Exhibit D -- Vol. 433, Pages 89-99, Official Public Records), lying within and along the western portion of the south side of this described tract, and S 58° 00' 36" W, now with the northwest side of said Finger 698.02 acre tract, the south side of said Klaus 47.431 acre tract, and the south R.O.W. line of said 30.00 ft. wide road access easement, 1062.61 ft. (record = S 58° 00' 22" W 1062.62 ft.) to the center of a 2-7/8" Steel Pipe 3-way fence corner post (west gate post), at the S.S.E. corner of said Grubbs 175.00 acre tract, for the S.W. corner of said Klaus 47.431 acre tract, and the S.W. corner of this tract;

THENCE leaving the northwest side of said Finger 698.02 acre tract and the south R.O.W. line of said 30.00 ft. wide road access easement; and with fence (unless noted); with the east and upper south sides of said Grubbs 175.00 acre tract, the west and north sides of said Klaus 47.431 acre tract (until noted), and the west and north sides of this tract, as follows:

Attachment II

Cont. Page 3 of 3, Jacqueline E. Klaus -- 97.112 Acre Tract.

N 00° 54' 57" W, crossing said 30.00 ft. wide road access easement; at 35.03 ft. cross its north R.O.W. line; at 214.32 ft. pass the center of a gate and the center of the existing entrance road to this described tract; passing under electric transmission lines bearing N 84° 24' 19" E into this described tract; total 1937.66 ft. (record = N 00° 54' 54" W 1937.69 ft.) to a 5/8" Steel Pin found (previously set) at a Steel "T" post, for corner;

N 01° 13' 43" W 858.81 ft. (record = N 01° 14' 46" W 859.22 ft.) to the center of a 2-7/8" Steel Pipe 3-way fence corner post, for corner;

N 59° 12' 57" E 219.17 ft. (record = N 59° 20' 20" E 219.27 ft.) to a 5/8" Steel Pin found (previously set) at a dead 15" Live Oak Tree stump, for corner;

N 67° 37' 40" E 72.26 ft. (record = N 67° 48' 33" E 72.35 ft.) to a 5/8" Steel Pin found (previously set) at a 24" Live Oak Tree 2-way fence corner, for corner;

N 72° 34' 12" E 359.34 ft. (record = N 72° 32' 57" E 359.31 ft.) to a 5/8" Steel Pin found (previously set) in a small rock mound, in fence; in the west side of said Klaus 49.7027 acre tract, at the N.E. corner of said Klaus 47.431 acre tract, and the upper S.E. corner of said Grubbs 175.00 acre tract, for corner; and

THENCE N 08° 04' 51" W, unfenced, now with the west side of said Klaus 49.7027 acre tract, 1285.15 ft. (record = N 07° 58' 00" W 1285.02 ft.) to the place of BEGINNING:

Note: Bearings noted herein are true geodetic (surface) bearings (relative to true north) based on Global Navigation Satellite System (GNSS) observations (WGS '84 Datum).

Surveyed: July 29, 2020.

Field Crew Personnel: Spencer J. Burrell and Jon Q. Koch

THE STATE OF TEXAS)
COUNTY OF MEDINA)

I, Hilmar A. Koch, a Registered Professional Land Surveyor of the State of Texas, do hereby state that the foregoing legal description and accompanying plat correctly represent an actual survey made under my supervision, on the ground, on the date given.



Hilmar A. Koch

Registered Professional
Land Surveyor No. 2082

Attachment III

Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All 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.

STATE OF TEXAS §
 § KNOW ALL BY THESE PRESENTS:
COUNTY OF MEDINA §

Conservation Easement
KLAUS RANCH

Authorizing Ordinance:	_____
Grantor:	Jacqueline E. Klaus, Individually and as Independent Executrix of the Estate of Allen R. Klaus, Deceased
Grantor's Address:	240 Brightwood Place, San Antonio, Texas 78209 (Medina County)
Grantee:	City of San Antonio, a Texas municipal corporation
Grantee's Address:	P.O. Box 839966, San Antonio, Texas 78283-3966 (Bexar County) Attn: Director, Parks and Recreation Dept.
Property:	97.112 acres, as more particularly described on Exhibit A.

Grant, Rights, and Obligations

Now, Therefore, in consideration of the premises, the mutual covenants and promises contained herein, \$10 in hand paid, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor grants and conveys to Grantee in perpetuity a Conservation Easement ("Easement") in gross over the Property as of the Effective Date. This Easement is created under and is governed by Chapter 183 of the Texas Natural Resources Code, as amended, or its recodification.

Predicate Facts

Grantor owns the Property identified below in fee simple, subject to the Reservations From and Exceptions to Warranty.

The Property sits over the Edwards Aquifer recharge zone, the contributing zone, or both.

Attachment III

Grantor and Grantee both wish to restrict development on the Property in furtherance of protecting indefinitely the quantity and quality of aquifer recharge.

The characteristics of the Property, its current use and state of improvement, are described in the Report (as defined below).

The Report is a complete and accurate description of the Property as of the date of this Easement, establishing the baseline condition of the Property as of the Effective Date and includes reports, maps, photographs, and other documentation;

In inquiring into the condition of the Property as of the date of this Easement, the Report may be augmented but not contradicted by other evidence.

Grantor and Grantee have the common purpose of protecting the natural condition of the Property to further the Purposes of this Easement in perpetuity.

The rights and obligations arising under this Easement are a bargained-for allocation of property rights between Grantor and Grantee.

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28. Effective Date 18

1. Basic Information.

**Maximum Number of
Parcels:** One

**Maximum Number of
Building Envelopes:** One

No-Development Zones: As more particularly described on Exhibit B. Structures identified in the Report need not be removed.

**Maximum Increased
Impervious Cover:** 21,151 square feet, which is intended to approximate ½ of one percent of the Property's total acreage, but the square footage controls

**Maximum Impervious Cover
per Building Envelope:** 25% of the total square feet in the Building Envelope

**Maximum Number of Water
Wells:** Two

Report: The Easement Documentation Report dated _____ prepared by _____ relating to the Property, as shown on Exhibit C.

**Exceptions to and
Reservations from
Warranty:** As shown on Exhibit D. *All items from Schedule B of title policy except rights of parties in possession and shortages in area.*

All exhibits are incorporated into this Easement by reference for all purposes, as if fully set forth.

2. Exhibits.

- | | |
|-----------|----------------------------------------------|
| Exhibit A | Description of Property |
| Exhibit B | No-Development Zones |
| Exhibit C | Easement Documentation Report |
| Exhibit D | Exceptions to and Reservations from Warranty |

3. Purpose.

This Easement's purpose ("Purpose") is to minimize the chance of materially impairing the quantity or quality of aquifer recharge. In furthering the Purpose, the parties restrict numerous activities on the Property and seek to ensure that the Property remains forever in approximately the same natural state in which it now exists, except as otherwise provided. In addition to the

Attachment III

specific limitations and requirements of this instrument, Grantor must at all times use its reasonable best efforts to prevent impairment of quality or quantity of aquifer recharge.

4. Definitions.

4.01. Building Envelope means an area set aside within the Property in which Structures may be built or added. The Building Envelope is two acres.

4.02. Feeder means a device that dispenses or otherwise provides food to livestock or wildlife that sits on legs above the surface of the ground.

4.03. Development means any increase in Impervious Cover as defined in 4.06, removal of vegetation, or mechanical tillage of the soil. This definition includes cultivation, earthmoving, land forming, land grading, and land planing.

4.04. Hazardous Materials means (i) any hazardous waste as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et. seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any hazardous substance as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), as amended from time to time, and regulations promulgated thereunder (including petroleum-based products as described therein); (iii) other petroleum and petroleum-based products; (iv) asbestos in any quantity or form which would subject it to regulation under any Applicable Laws; (v) polychlorinated biphenyls (PCBs); (vi) or any substance, the presence of which on the Property is prohibited by any Applicable Laws; and (vii) any other substance which, by any Applicable Laws, requires special handling in its collection, storage, treatment or disposal. As used herein, the term "Applicable Laws" means all laws, statutes, ordinances, regulations, and judicial rulings now or hereafter adopted by any governmental authority with jurisdiction over the Property.

4.05. Hunting Blind means a structure of 100 square feet or less used for viewing or hunting wildlife. Blinds may but need not be elevated.

4.06. Impervious Cover means any artificial condition that substantially impedes absorption of water by the soil, including roofs, foundations, parking lots, improved Roads, and anything else covering or placed above the natural surface of the Property. Mobile homes, motor homes, and travel trailers that are used on a temporary basis in accordance with Section 5.03.04 count as Temporary Impervious Cover. Mobile homes, motor homes, and travel trailers used as fixed-permanent structures count as Impervious Cover.

4.07. Confined Animal Feeding Operation means agricultural operations in which livestock or wildlife is confined for at least 45 days in any 12-month period in a corral or similar enclosure in which most of the animals' nutrition is provided artificially.

4.08. Maximum Increased Impervious Cover means the maximum amount of the Property to which Impervious Cover may be added after the Effective Date. It does not include Impervious Cover shown in the Report (or replacements thereof).

4.09. No-Development Zone means an area set aside within the Property in which no Building Envelopes, improved Roads, or other Development may occur.

Attachment III

4.10. Parcel means a distinct, contiguous tract resulting from a division, subdivision, or partition of the Property allowed under this Easement. A parcel includes any tract resulting from a subdivision plat, conveying part of the Property to another, or other arrangement creating characteristics of a subdivision. Creation of undivided interests in the Property does not create a division, subdivision, or partition.

4.11. Road means any route traveled by a motorized vehicle which route has been improved through the use of base, tar, asphalt, sealant, or other impervious material that would materially impair the recharge capability of the Property. Unimproved trails or paths that do not materially diminish the recharge capability of the Property or paths made by leveling native or Indigenous soil and rock do not constitute a Road or count as Impervious Cover.

4.12. Structure means anything built on or added to the Property, excluding fences, Hunting Blinds, rain catchment systems, shooting ranges, utility poles, and livestock/ranching improvements including Feeders, Animal Shelters, Silos, water troughs, corrals, chutes, animal pens, water tanks, and associated Storage Sheds. Any such fences, Hunting Blinds, rain catchment systems, utility poles, and associated livestock/ranching improvements can be built outside of a Building Envelope, within the limitations outlined in Sections 4.02, 4.05, 4.17, 4.18, 4.19, and 6.02.04, but will count as Impervious Cover if any such improvements have an impervious foundation or bottom that impedes absorption of water into the soil.

4.13. Temporary Impervious Cover means any non-permanent Structure typically used to provide protection from the elements (i.e. tents, awnings, travel trailers, mobile homes, etc.).

4.14. Exotic means not naturally occurring in the Edwards Plateau or South Texas Plains eco-region.

4.15. Indigenous means naturally occurring in the Edwards Plateau or South Texas Plains eco-region.

4.16. Fertilizer means any synthetically produced or manufactured fertilizer. Processed organic fertilizers, such as compost, and naturally occurring fertilizers, such as peat or manure, are not considered to be a synthetically produced or manufactured fertilizer and do not fall under this term.

4.17 Animal Shelter means a two-or-three-sided building or hut constructed for the purpose of creating shelter or a covered area of water and feed for livestock animals. Animal Shelters built outside of a Building Envelope require Grantee approval. Animal Shelters built with no walls or impervious bottom can be built outside of a Building Envelope without Grantee approval.

4.18 Silo means a tall, round metal tower or cylindrical building used to store grass, grain, feed, or other bulk materials. Silos built outside of a Building Envelope require Grantee approval and cannot be constructed as a pit or underground structure.

4.19 Storage Shed means a small single-story building constructed for the purpose of storing materials needed for typical livestock or ranching operations. Storage Sheds built outside of a Building Envelope require Grantee approval.

4.20 Earthen or Check Dam means a non-permanent dam created from rock, soil, or cut brush placed within a drainage or waterway. Such Earthen or Check Dams must be constructed

Attachment III

so that the maximum height of the dam does not exceed the lowest bank of the waterway and is constructed within the natural banks of the waterway. Such Earthen or Check Dams must be constructed in a manner that does not violate applicable laws and regulations

4.21 Outhouse or Privy means a facility or structure intended for the disposal of human excreta.

5. Development-Related Provisions.

5.01. Grantor must maintain the Property in substantially the same state shown demonstrated in the Report, except as otherwise provided in this Easement.

5.02. Grantor must not:

5.02.01. Exceed Maximum Increased Impervious Cover or the Maximum Impervious Cover per Building Envelope.

5.02.02. Divide, subdivide or otherwise partition the Property into more Parcels than allowed by the Maximum Number of Parcels.

5.02.03. Except as otherwise expressly allowed by this Easement, build any Structure outside a Building Envelope, build any Structure higher than three stories (except for antenna towers or Silos), or allow a mobile home, motor home, or travel trailer to be lived in or stored on the Property outside a Building Envelope. All such Structures, mobile homes, motor homes, or travel trailers must dispose of raw sewage in compliance with applicable laws and regulations and by an acceptable means approved by the Grantee, which does not result in sewage discharge that will pose a material degradation threat to the quality of water entering the aquifer.

5.02.04. Install, maintain, repair, or replace more than one septic system for each Structure containing plumbing. Septic systems must be properly permitted and maintained in compliance with applicable laws and regulations, including but not limited to, the Texas Administrative Code (Title 30, Chapter 285), the Health and Safety Code (Title 5, Subtitle A, Chapter 341), and the Texas Commission on Environmental Quality Chapter 213 rules.

5.02.05. Use Outhouses, Privy's, or other similar crude septic systems that are not in compliance with applicable laws and regulations that would pose a material degradation threat to groundwater quality. A Privy or Outhouse may be used for so long as all human excreta is contained and does not contact the soil surface or subsurface. Any such waste must also be properly disposed off-site or to an on-site septic system in compliance with applicable laws and regulations. A Privy or Outhouse must not be operated with an open bottom or open earthen hole. Any open earthen hole associated with an Outhouse or Privy must be in-filled with substrate such as soil, sand, or gravel.

5.02.06. Grant any new easements including, but not limited to, utility, road and/or pipeline easements. Despite this proscription, Grantor may, without Grantee's consent but subject to the Maximum Increased Impervious Cover, grant private road and utility easements reasonably necessary to service and to permit access to Parcels and Building Envelopes allowed under this Easement.

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5.02.07. Except as otherwise provided in this Easement or as reasonably necessary to conduct activities permitted under this Easement, ditch, drain, fill, dig, or otherwise make permanent, substantial topographical changes. Grantor needs no permission to build stock tanks outside of No-Development Zones, but stock tanks not shown in the Report must not exceed two acres each and must not cause the Property to exceed the Maximum Increased Impervious Cover, if the bottom of the facility is impervious. Stock tanks located in a No-Development Zone or adjacent to a water body including streams, creeks, ponds, or within drainage or recharge areas cannot exceed 1.0 acre in size and will require prior Grantee approval. Such stock tanks must also be constructed and operated in a manner that does not violate applicable laws and regulations.

5.02.08. Except as otherwise provided in this Easement or as reasonably necessary to conduct activities permitted under this Easement, make substantial changes resulting in alteration or channelization of a natural waterway or stream channel that would result in significant changes affecting the size and shape of the water body. Grantor needs no permission to construct Earthen or Check Dams or other non-permanent surface water retention features built to facilitate recharge and within the limitations outlined in Sections 4.20 and 11.01. Any permanent surface water retention features or permanent dams require Grantee approval and must not be constructed in a manner that violates applicable laws and regulations.

5.02.09. Drill or allow the existence of more than the Maximum Number of Water Wells on the Property. Water wells drilled by Grantee for monitoring or other Grantee purposes and not used by Grantor do not count against the Maximum Number of Wells. All such wells must be properly permitted, used, and/or plugged in accordance with applicable laws and regulations.

5.02.10. Conduct any business activity on the Property that would draw large numbers of people to the Property at any one time or that might, as a reasonably expected incident of its conduct, materially impair the quantity or quality of aquifer recharge. For example, a bed and breakfast or guest ranch with 10 or fewer bedrooms is acceptable.

5.03. For so long as the activities are conducted so as not to materially impair the Purpose, Grantor may:

5.03.01. Reside and entertain family and guests on the Property.

5.03.02. Maintain, restore, and rebuild any Structure in Building Envelopes or shown to be on the Property in the Report.

5.03.03. Continue use and enjoyment of the Property for ranching, agriculture, hunting, fishing, and recreation, consistent with other applicable express provisions of this Easement.

5.03.04. Allow short-term use of Temporary Impervious Cover, such as tents, awnings, travel trailers or mobile homes outside Building Envelopes and outside No-Development Zones for up to 30 days. Any use lasting longer than 30 days is not short-term, and once removed, the Temporary Impervious Cover cannot be re-erected for at least 90 days after removal. Temporary Impervious Cover must not cause the Property to exceed the Maximum Increased Impervious Cover.

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5.03.05. Engage in all acts and uses that: (i) are permitted by law and (ii) are consistent with the Purpose.

5.04. If not identified in this Easement, Grantor may propose Building Envelope locations to Grantee. Grantor's requests for Building Envelope locations are handled according to the Section titled "Requests for Approval." Areas subject to Building Envelopes must be defined with the same degree of specificity required for identifying real property for conveyance. Approved Building Envelopes must be evidenced by a recorded memorandum signed by both Grantor and Grantee. The property description must be attached to the memorandum. All residences shown on the Report must be contained in a Building Envelope. If Grantor wishes to change a Building Envelope, in addition to following the process for designation of any Building Envelope, Grantor must ensure that the former Building Envelope site is restored such that it will offer the same quantity and quality of recharge as similar, previously undeveloped areas.

5.05. With Grantee's permission, Grantor may erect cell towers and other antennas outside No-Development Zones, but all such items are subject to the maximum increase in impervious cover.

6. Agriculture-Related Provisions.

6.01. Grantor must not:

6.01.01. Operate a commercial feedlot, poultry farm, or similarly Confined Animal Feeding Operation. This provision shall not be construed to restrict the holding and feeding of Grantor's livestock or wildlife in a confined feeding area in connection with gathering, birthing, transporting, caring for or doctoring livestock or wildlife, nor does the term apply to corrals or other holding areas for horses, wildlife or other livestock used by Grantor.

6.01.02. Operate a horticultural nursery.

6.02. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may:

6.02.01. Grow crops, including wildlife food plots, in fields identified in the Report or approved by Grantee.

6.02.02. Hunt and fish on the Property, lease the Property for hunting and fishing, and provide guided and unguided hunts and fishing.

6.02.03. Construct or install fences, Hunting Blinds, and Feeders, even in No-Development Zones.

6.02.04. Permit other outdoor recreation on the Property. In connection with recreation, Grantor may install composting toilets on the Property, but if it does so, Grantor must properly permit and maintain them in accordance with applicable laws and regulations. Grantor may build shooting ranges for so long as any associated shelters are constructed without walls and do not have an impervious bottom.

6.02.05. Foster the presence of wildlife on the Property.

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6.03. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may graze livestock, commercial wildlife, or Exotic game, but only according to a Grantee-provided plan, a United States Department of Agriculture Natural Resource Conservation Service-provided plan (NRCS Plan), or a Texas Parks and Wildlife Department-provided wildlife management plan (TPWD Plan), or a plan provided by a qualified range management specialist, so long as the activities in the provided plan are consistent with the terms of this Easement. Any NRCS Plan, TPWD Plan, or range management specialist plan must be reviewed and approved by Grantee before it may be implemented to assess compliance with the terms of this Easement. If either the United States Department of Agriculture Natural Resource Conservation Service or the Texas Parks and Wildlife Department ceases to exist or ceases to provide such plans, Grantee may designate an alternative, similarly qualified authority to provide grazing and wildlife management plans. Any updates to NRCS or land management plans must be reviewed and approved by the Grantee.

7. Vegetation-Related Provisions.

7.01. Grantor must not:

7.01.01. Plant Exotic vegetation on the Property, except for in Building Envelopes and fields permitted under this Easement or subsequently by Grantee.

7.01.02. Plow or use Fertilizers, except in fields or food plots permitted under this Easement or shown in the Report, or approved subsequently by Grantee.

7.01.03. Cut or remove vegetation outside Building Envelopes, except Grantor may, without restriction and anywhere on the property, cut and remove diseased or Exotic vegetation or vegetation so damaged by natural forces as to be unable to survive. Grantor may further cut and remove Indigenous or Exotic vegetation to further the Purpose, in Building Envelopes, and as may be reasonably necessary to conduct activities permitted under this Easement, but in so doing, it must minimize erosion and must not otherwise materially impair the Purpose.

7.02. For so long as the activities are conducted in such a way as not to materially impair the Purposes of this Easement, Grantor may manage resources on the land as follows:

7.02.01. Control brush anywhere on the property according to a United States Department of Agriculture Natural Resource Conservation Service-provided plan (NRCS Plan), a plan provided by a qualified range management specialist, or Grantee-provided plan, or participate in other NRCS Technical Assistance Programs designed to assist in conservation planning, so long as the activities in the provided plan are conducted so as not to materially impair the Purpose and are consistent with the terms of this Easement. Any such plan or program must be reviewed and approved by Grantee before it may be implemented to assess compliance with the terms of this Easement. Furthermore, Grantee approval must be granted for brush control proposed in No-Development Zones or on or within 300 feet of a recharge or sensitive feature. If the NRCS ceases to exist or ceases to provide such plans, Grantee may designate an alternative, similarly qualified authority to provide brush control and conservation management plans. Any updates to NRCS or land management plans must be reviewed and approved by the Grantee.

7.02.02. Cut firewood for use on the Property.

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7.02.03. Create firebreaks up to a width not to exceed three times the height of the adjacent vegetation.

8. Vehicle-Related Provisions.

8.01. Authorized representatives of Grantor and Grantee may use motorized vehicles anywhere on the Property in furtherance of their responsibilities under this Easement and as reasonably necessary for Grantor's residential use, agricultural, ranching, and wildlife management operations, educational programs and maintenance of the Property. No such use may materially impair the Purpose.

8.02. In no event may the Property be used for commercial off-road or rally purposes for any motorized vehicles. This restriction includes, but is not limited to: cars, trucks, motor-bikes, motorcycles and ATVs.

9. Storage, Dumping, and Disposition-Related Provisions.

9.01. Grantor must not:

9.01.01. Store chemicals (except those for activities permitted under this Easement) that, if leaked, would materially degrade surface or subsurface water quality. Such chemicals will need to be stored in a secure or enclosed area on a concrete pad to prevent runoff from contaminating any surface or subsurface water.

9.01.02. Dump trash, rubbish, or other waste, except short-term storage of material accumulated in the course of conducting activities permitted under this Easement. All such materials must be stored in a contained area and must be removed from the Property not less often than annually. No such materials may leak chemicals into or otherwise pose a material degradation threat to the quality of water entering the aquifer. If materials are stored within a Building Envelope, they may be used on an on-going basis as long as such materials do not substantially impede absorption of water by the soil.

9.01.03. Dump trash, rubbish, or other waste, except Grantor may actively burn domestic waste as defined in Title 30, Texas Administrative Code, Section 101.1(26) in a container or earthen pit so long as all burning is compliant with Title 30, Texas Administrative Code, Section 111 generally and Section 111.209 specifically (as may be amended) and all other laws, ordinances, or regulations pertaining thereto. Any such container or earthen pit must be either identified in the Easement Documentation Report or located within a Building Envelope and outside of a No-Development Zone and must adhere to the following conditions:

- A. Be actively burned
- B. Not be located within 300 feet of a recharge feature.
- C. Not allow chemicals to leak into or otherwise pose a material degradation threat to the quality of water entering the aquifer.
- D. Not contain any non-combustible materials, including but not limited to tires, non-wood construction debris, furniture, carpet, electrical wire, and appliances.
- E. Not exceed the established size documented in the Easement Documentation Report or exceed 200 square feet for future domestic waste pits not identified in the Easement Documentation Report and

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F. Properly contain waste with a berm, fence, or other containment to prevent waste from spreading

9.01.04. Generate, store, collect, transport, dispose, dump, or release hazardous waste or materials, in whatever form, or install or permit underground storage tanks on the Property, except:

A. Grantor may have aboveground storage tanks as long as the tanks are properly permitted and are in compliance with applicable laws and regulations, including but not limited to, the Edwards Aquifer Authority Rules Chapter 713, Subchapter G and the Texas Commission on Environmental Quality Rules Chapter 334, Subchapter F.

9.01.05. Store, use, or apply herbicides, biocides, pesticides, Fertilizers, insecticides, fungicides, rodenticides, or any similar chemicals or agents, except for:

(A) household use or

(B) use of chemicals, including Fertilizers, on a list approved by Grantee, or in a Grantee-approved plan. Such chemicals should be used in accordance with regulations pertaining to use and application and should not be used in a manner that would pose a material degradation threat to the quality of water entering the aquifer. Chemicals should not be used within 300-feet of a recharge feature.

9.02. Grantor represents and warrants, to Grantor's actual knowledge (with no duty to investigate), that:

9.02.01. No Hazardous Materials are or have been generated, treated, stored, used, disposed of, or deposited in or on the Property in such manner as to violate or create any liabilities pursuant to any Applicable Laws, and

9.02.02. No underground storage tanks are located on the Property.

9.02.03. No governmental authority has given notice of violation or alleged violation of any Applicable Law relating to the operations or condition of the Property.

9.03. Nothing in this Easement shall be construed as giving rise to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation, And Liability Act of 1980, as amended ("CERCLA"), any other applicable federal laws, federal regulations, state laws, county and local ordinances, and any regulations thereunder, all as may be amended from time-to-time.

10. Extraction-Related Provisions.

10.01. Grantor must not:

10.01.01. Use the surface of the Property for any activity related to extracting hydrocarbons or other minerals on or below the surface, including storing hydrocarbons

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or other minerals. Minerals include not only hydrocarbons but also coal, lignite, uranium, ore, and any other substance that may be removed from the earth.

10.01.02. Extract surface or subsurface water, transfer surface or subsurface water rights for use off the Property, or otherwise use water or water rights other than in direct support of activities Grantor may, consistently with this Easement, otherwise engage in on the Property.

10.01.03. Extract and discharge groundwater at volumes greater than allowed by the more restrictive of the governing groundwater district or by other applicable federal, state, or local laws and regulations.

10.01.04. Sever from surface ownership of the Property the ownership of previously unsevered minerals or convey to another that is not bound by this Easement any severed mineral interest.

10.02. Despite any other provision of this Easement to the contrary, soil, sand, caliche, gravel, or rock may be removed from the surface of the Property so long as such removal:

(A) is solely for use on the Property and for non-commercial purposes, such as, for example, construction, maintenance, and repair of a Road on the Property,

(B) is in conjunction with activities permitted herein,

(C) is accomplished in a manner that does not materially impair the Purpose,

(D) is limited to no more than two one-acre removal sites on the Property at any one time, and any area so disturbed is restored and replanted as appropriate with native vegetation at the conclusion of the removal activity and prior to the creation of any new removal site if a new removal site will exceed the limit of no more than two (2) such sites at any one time, and

(F) is not located within a No-Development Zone and/or within 300 feet of a recharge feature.

10.03. Any activity permitted under this paragraph must be undertaken and this provision must be interpreted in a manner consistent with Section 170(h) of the United States Internal Revenue Code and the Treasury Regulations adopted pursuant thereto.

10.04. No party to this Easement may hereafter extract any severed or unsevered minerals pertinent to the Property. Neither may any party hereto convey any mineral interest or executive right in minerals to another not bound by this Easement. This clause does not prevent a party to this Easement from accepting royalties, bonuses, delay rentals, or other sums due to the party from another with a previously existing right to extract the minerals.

10.05. Grantor may also permit archaeological digs for so long as they are conducted in a manner so as not to materially impair the Purpose. Archaeological activities should not involve the use of heavy equipment or cause disturbance to water features and/or recharge features. Archeological sites will need to be restored and replanted as appropriate with native vegetation at the conclusion of the activity and prior to the creation of any new archaeological sites.

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10.06. If any of the minerals under the Property ("Minerals") are, as of the date of this Easement, owned by someone not a party hereto and if some or all of those Minerals are later acquired by Grantor (or the then owner of the Property), then the Minerals so-acquired immediately become subject to this Easement. This Easement conveys to Grantee the right, to be held jointly with Grantor, to consent or not to any matter pertaining to the Minerals so acquired for which Grantor's sole consent would otherwise be required. Grantor's and Grantee's joint right to consent is such that neither can consent without joinder of the other.

10.07. Both parties acknowledge that the restrictions on alienation and other provisions in this Section are reasonable, because mineral exploitation poses a risk to aquifer recharge.

11. Water Flow-Related Provisions.

Grantor must not:

11.01. Alter natural water courses, lakes, ponds, marshes, or other water bodies, subject to Grantor's right to have stock tanks and other surface-water retention features and within limitations outlined in Sections 4.20, 5.02.07 and 5.02.08, except during stream restoration or bank stabilization projects.

11.02. Pollute the soil or surface or subsurface water or otherwise engage in activities materially detrimental to water purity or that could materially alter the natural water level or flow in or over the Property. This does not impair the right to use the wells permitted under this Easement for the purposes permitted under this Easement.

11.03. Otherwise, materially and adversely affect the quantity and quality of aquifer recharge.

12. Requests for Approval.

12.01. When Grantee's consent is needed for any purpose under this Easement, Grantor must submit all such requests to Grantee in writing. The requests must set out all detail reasonably required by Grantee, including plans, specifications, and designs where appropriate. The request must include a timetable sufficiently detailed to permit Grantee to monitor progress. Grantor must not make changes or take action for which Grantee's approval is required, unless expressly authorized in writing by Grantee.

12.02. Grantee may consult with governmental agencies, nonprofit preservation and conservation organizations, and other advisors concerning appropriateness of any activity proposed under this Easement.

12.03. Grantee may exercise its approval or disapproval rights in its reasonable discretion. Grantee must respond to a request by Grantor within 60 days after the date of Grantee's receipt of the written request, such approval or disapproval being exercised in light of the nature of such request. Grantee's failure to respond timely is not approval of Grantor's request, but Grantee must not unreasonably withhold, condition, or delay its approval.

12.04. If Grantor does not begin approved actions within one year after the date on which Grantee grants its written approval, the approval is void. Grantor may resubmit the request, but previous approval does not estop Grantee from denying approval on resubmission.

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12.05. In any case during such time as the City of San Antonio is the Grantee and the Grantee's consent or agreement is required under this Easement, other than for an amendment of this Easement, the consent or agreement may be given by the City Manager or the Manager's designee without authorization of City Council. The Manager's delegation of authority to a designee must be in writing. Grantee is not estopped by the actions of anyone to whom the Manager's authority has not been delegated in writing. If the City of San Antonio no longer has a City Manager, the governing body of the City may designate an officer to give consents and agreements called for under this Easement. City Council's approval of this Easement is approval of the delegation of authority to the City Manager contained in this paragraph.

13. No Public Access.

Except as expressly provided, this Easement creates no right of access to the general public.

14. Ownership Obligations.

Grantor is solely responsible to pay all taxes and assessments levied against the Property. Grantee has no responsibility to Grantor to maintain any part of the Property, except for improvements, if any, installed by Grantee.

15. Grantee's Rights.

15.01. In addition to other rights necessarily incident to Grantee's ability to further the Purpose of this Easement, Grantee has the following rights regarding the Property:

15.01.01. The right to monitor the hydrology of the Edwards Aquifer and other water or geologic formations below the subject Property, subject, however, to the entry requirements set out below.

15.01.02. The right to enter the Property twice a calendar year to inspect and to determine compliance with this Easement. If Grantee finds a potential violation or breach of this Easement, Grantee may enter the Property as much as necessary to monitor the status of the problem, obtain evidence for enforcement, or correct the problem at Grantor's expense. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property. Grantee shall use its reasonable efforts to assure that its entry corresponds with a time that is both timely and convenient for Grantor.

15.01.03. The right to install, operate, and maintain Purpose-related monitoring equipment, including a continuous recording rain gauge at locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) that do not unreasonably interfere with Grantor's activities otherwise permitted under this Easement. Grantee may install, operate, and maintain fences and other devices reasonably necessary to provide security for the monitoring equipment.

15.01.04. The right to drill, operate, and maintain monitoring wells at locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) that do not interfere unreasonably with Grantor's permitted uses of the Property. Grantee may install, operate, and maintain fences and other devices reasonably necessary to provide security for the monitoring wells.

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15.01.05. The right to conduct research activities with appropriate research entities related to watershed management, water quality protection, or other similar purposes consistent with the Purposes of this Easement. Grantee may also use the Property for educational purposes, including field trips related to natural science education, but not more often than once annually. Grantee must coordinate all such activities with the Grantor, and Grantee's right to conduct such activities is subject to Grantor's approval, which must not be unreasonably withheld.

15.01.06. The right to review and approve plans of the Grantor involving cave structures and other sensitive hydrogeologic features on the Property.

15.01.07. The right to construct, operate, and maintain at mutually agreed locations outside of Building Envelopes (unless Grantor approves in its sole discretion a location inside of a Building Envelope) one or more recharge structures and associated facilities that do not unreasonably interfere with Grantor's permitted uses of the Property.

15.02. If Grantee's exercise of any rights under this Section 15 disturbs the Property, Grantee will use its good-faith efforts to restore the Property to its previous condition. This includes restoring fences and plugging abandoned wells according to applicable law. Grantee is responsible for maintenance of areas fenced by it, for equipment, any Structure or facilities it places on the Property, and for any contractor or individuals entering the Property pursuant to or in connection with Grantee's rights under this Easement. Except as expressly provided to the contrary, no approval or consent required under this Section may be unreasonably withheld, conditioned or delayed. Grantee will provide 72-hour advance, written notice to Grantor before entry, except when immediate entry is necessary or desirable to further the Purpose, to prevent, terminate, or mitigate a violation of this Easement, or to fulfill Grantee's maintenance obligations under this Easement.

15.03. None of the enumerated rights imposes a duty on Grantee to exercise the right.

15.04. Grantor is responsible for remedying violations of this Easement, but Grantee has the right to prevent and correct violations through any means available at law or in equity, including injunction. If Grantee finds a violation, it may, at its discretion, take appropriate legal action or, at Grantor's expense, eliminate or ameliorate any material, continuing violation of this Easement, including any artificial condition that may materially impair the Purpose. Except when an ongoing or imminent violation might substantially diminish or impair the Purpose, Grantee must give Grantor 20-days' prior written notice before initiating action. If a violation cannot reasonably be corrected within 20 days, Grantee may allow Grantor a longer period that is reasonably necessary under the circumstances to correct the violation. In such case, Grantor must begin corrective action within the 20 days and thereafter diligently and continuously pursue complete correction in good faith. Nothing in this Easement requires Grantor to restore the Property after any act of God or other event over which Grantor had no control, but Grantor must permit Grantee to correct conditions caused by such events that impair quantity or quality of recharge. In so doing, Grantee must not interfere unreasonably with Grantor's permitted uses of the Property.

15.05. Grantor acknowledges that, once pollution enters an aquifer, it may be impossible to undo the damage. Likewise, surface water that might percolate into the aquifer, but that Grantor wrongfully allows to run off, is irreplaceable. Further, loss of the Property and the aquifer as natural phenomena cannot be compensated adequately by damages. Accordingly, the parties acknowledge that, in the case of a material, uncorrected violation of this Easement, Grantee has

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no adequate remedy at law. In such case, equitable relief generally and an injunction specifically are appropriate remedies.

15.06. Grantee has the right to recover all costs and expenses, including court costs and reasonable attorneys fees, incurred in enforcing this Easement. In the event this Easement is assigned by the City of San Antonio to an entity which is not prohibited from incurring future unfunded debt, then the prevailing party in any dispute regarding this Easement, has the right to recover all costs and expenses, including court costs and reasonable attorneys fees, incurred enforcing this Easement.

15.07. Grantee's remedies are cumulative. Its exercise of one remedy is not an election of remedies and does not waive or limit other remedies. Failure to exercise a remedy on one or more occasions does not waive or limit use of the remedy on other occasions.

15.08. Grantee has discretion whether and how to enforce this Easement. Grantee's delay in or forbearance from exercising rights under this Easement does not waive the rights the exercise of which is delayed or forborne.

16. Discretionary Consent.

Grantee's consent for activities otherwise prohibited by this Easement may be given under the following conditions and circumstances. If, owing to unforeseen or changed circumstances, any of the prohibited activities listed in this Easement are deemed desirable by both Grantor and Grantee, Grantee may, in its sole discretion, give consent for such activities, subject to the limitations herein. Such requests for consent for otherwise prohibited activities, and consent for such activities requiring Grantee's discretionary consent shall be in writing and shall describe the proposed activity in sufficient detail to allow Grantee to judge the consistency of the proposed activity with the purpose of this Easement. Grantee may give its consent only if it determines, in its sole discretion, that such activities (1) do not violate the Purpose of this Easement, and (2) enhance or do not materially impair any significant conservation interests associated with the Property.

17. Alienation by Grantee.

17.01. This Easement is in gross and is freely alienable by Grantee, subject to the following conditions:

17.01.01. The transferee must be both a "holder" under Section 183.001 of the Texas Natural Resources Code (as the same may be amended from time-to-time) and also a "qualified organization" under Section 170(h) of the U.S. Internal Revenue Code.

17.01.02. The transferee must expressly assume the responsibilities of the Grantee under this Easement.

17.02. If Grantee ceases to exist or no longer qualifies as a holder under applicable law, the Easement continues. On application by Grantor or Grantee, a court of competent jurisdiction must transfer Grantee's rights under this Easement to a qualified organization having similar purposes that agrees to assume the responsibility. If more than one qualified entity competes for the role, the court should select the entity that, in the court's judgment, is best suited to assure accomplishment of the Purposes.

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18. Alienation by Grantor.

The Property is freely alienable, in whole or in part, by Grantor, but Grantor must notify Grantee in writing at least 30 days before transfer. The notice must include the name of the buyer, the anticipated closing date, and evidence that the buyer has been given a copy of this Easement. If Grantor transfers all the Property or a Parcel of it to more than one transferee, the joint transferees must, at the closing of the transfer to them, designate a single party to receive notices from Grantee and to give all approvals and consents to Grantee. If the joint transferees do not unanimously designate a contact for Grantee, Grantee may pick one at random with no liability to the other transferees. Grantor's transferees take subject to this Easement. This authorization of partial alienation does not authorize more than the maximum number of Parcels.

19. Amendment.

This Easement may be amended only with the written consent of both Grantor and Grantee. Any amendment must be consistent with the Purposes of this Easement and must comply with applicable law, including Sec. 170 (h) of the Internal Revenue Code, as amended from time-to-time, and with Chapter 183 of the Texas Natural Resources Code, as amended from time-to-time. If the Grantee is the City of San Antonio, its consent to an amendment must be authorized by City Council or a successor governing body, in accordance with the City of San Antonio Conservation Easement Amendment Policy ("Policy"). Grantor, upon written request to Grantee, may obtain a copy of the most recent version of such Policy.

20. Termination, Condemnation.

Grantee's interest is a compensable property right.

21. Interpretation.

This Easement is to be interpreted under the laws of the State of Texas, resolving any ambiguities and questions of the validity of specific provisions to give maximum effect to its Purposes, without regard to which party was the drafter. This Easement was fully negotiated, and no presumption exists against either party. Nothing in this Easement excuses Grantor from compliance with any applicable law, rule, ordinance, or regulation.

22. Severability.

If any part of this Easement is found invalid or unenforceable, the finding does not affect the remainder.

23. Successor, Beneficiaries.

This Easement inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. No third party has the right to enforce any part of this Easement.

24. Encumbrance by Grantor.

Grantor may encumber the Property (including consensual liens) after the effective date of this Easement, but all such encumbrances are subordinate to this Easement. Grantor further acknowledges that Subordination Agreements for liens or similar encumbrances existing as of the Effective Date of this Easement have been, or will be, secured and filed of record as of such Effective Date.

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25. Appropriations.

All obligations of the City of San Antonio under this Easement are funded through the City of San Antonio General Fund and are subject to the discretion of City Council whether to appropriate funding for any given year.

26. Notices from Governmental Authorities.

Grantor must deliver to Grantee copies of any notice of violation or lien relating to the Property received by Grantor from any government authority within five (5) days of receipt. Upon request by Grantee, Grantor must promptly furnish Grantee with evidence of Grantor's compliance with the notice or lien, if compliance is required by law.

27. Easement Runs with the Land; No Merger.

This Easement continues in perpetuity and runs with the land (referred to as "Property" in this Easement). It is binding upon Grantor and all those claiming by, through, or under Grantor. Any right, title, or interest granted in this Easement to Grantee passes to each successor and assign of Grantee and each following successor and assign, and the word "Grantee" includes all such successors and assigns. This Easement survives unity of ownership of the fee and the Easement.

28. Effective Date.

The effective date of this Easement is the date it is recorded in the real property records of the county in which the Property is located or, if the Property crosses county lines, in any county in which a portion of the Property is located.

TO HAVE AND TO HOLD this Easement unto the Grantee and its successors and permitted assigns forever. Without limitation, this Easement conveys to Grantee all development rights in the Property not expressly retained by Grantor. Grantor conveys to Grantee an undivided one-half interest in all mineral executive rights held by Grantor such that no exercise of the executive rights can be made without the joinder of both Grantor and Grantee. Grantor further conveys to Grantee the property right to enforce this Easement according to law. Grantor conveys to Grantee the property rights Grantor would otherwise have to perform activities limited or prohibited by this Easement. Grantor violates its obligations under this Easement if it violates any applicable law the observance of which would further the Purpose.

Grantor further makes subject to this Easement all the following interests, collectively called "Excess Lands": (1) all interest, if any, in excess lands or vacancies (within the meaning of subchapters E and F of Chapter 51 of the Texas Natural Resources Code, as may be amended from time to time) presently held or later acquired by Grantor; (2) all interest in strips or gores between the Property and abutting properties and acreage in adjoining surveys to which Grantors' predecessors in title have superior right; (3) any land lying in or under the bed of any road or highway, opened or proposed, abutting or adjacent to the Property; (4) any land lying in or under the bed of any creek, stream, or river, if any, running through or abutting or adjacent to the Property; and (5) all interests in real property within the boundaries of this Easement title to which is later acquired by Grantor.

Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular this Easement to Grantee and Grantee's administrators,

Attachment III

successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, but excepting the Exceptions to and Reservations From Warranty.

In Witness Whereof, the parties have caused their representatives to set their hands. By the signature of its representative below, Grantee manifests its acceptance of this Easement.

Grantor:

Jacqueline E. Klaus, Individually and as Independent Executrix of the Estate of Allen R. Klaus, Deceased

Grantee:

City of San Antonio, a Texas municipal corporation

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

:

Approved as to Form:

City Attorney

STATE OF TEXAS §

COUNTY OF _____ §

This Easement was acknowledged this date before me by _____ /name of signer/, a single/married person/office or position held/ such as general partner/managing partner/President/ of _____ /name/, a _____ (state, such as Texas) sole proprietorship/general partnership/limited partnership/limited liability partnership/limited liability company/corporation/ in the capacity therein stated and on behalf of such entity.

Date: _____

Attachment III

Notary Public, State of Texas

My Commission expires: _____

STATE OF TEXAS §

COUNTY OF _____ §

This Easement was acknowledged before me this date by _____,
_____ of the City of San Antonio, a Texas municipal corporation,
in the capacity therein stated and on behalf of such entity.

Date: _____

Notary Public, State of Texas

My Commission expires: _____