

TCEQ Interoffice Memorandum

TO: Office of the Chief Clerk
Texas Commission on Environmental Quality

THRU: Chris Kozlowski, Team Leader
Water Rights Permitting Team

FROM: Jenna Rollins, Project Manager
Water Rights Permitting Team

DATE: June 22, 2022

SUBJECT: Jose R. Garza and Garza Bluebird Management, LLC
ADJ 3130
CN605961853, CN605995174, RN101583706
Application to Abandon a Portion of Certificate of Adjudication
No. 21-3130
Texas Water Code § 5.122, Not Requiring Notice
Nueces River, Nueces River Basin
La Salle County

The application was received on March 10, 2022. Additional information was received on May 5, 2022. The application was declared administratively complete and accepted for filing with the Office of the Chief Clerk on June 22, 2022. No notice is required pursuant to Title 30 Texas Administrative Code § 295.175.

All fees have been paid and the application is sufficient for filing.

Jenna L. Rollins

Jenna Rollins, Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

OCC Mailed Notice Required YES NO

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 22, 2022

Mr. Jose R. Garza
Garza Bluebird Management, LLC
4607 Sanders Circle
Laredo, Texas 78041

VIA E-MAIL

RE: Jose R. Garza and Garza Bluebird Management, LLC
ADJ 3130
CN605961853, CN605995174, RN101583706
Application to Abandon a Portion of Certificate of Adjudication No. 21-3130
Texas Water Code § 5.122, Not Requiring Notice
Nueces River, Nueces River Basin
La Salle County

Dear Mr. Garza:

This acknowledges receipt, on May 5, 2022, of additional information.

The application was declared administratively complete and filed with the Office of the Chief Clerk on June 22, 2022. Staff will continue processing the application for consideration by the Executive Director.

Please be advised that additional information may be requested during the technical review phase of the application process.

If you have any questions concerning the application, please contact me via email at jenna.rollins@tceq.texas.gov or by phone at 512-239-1845.

Sincerely,

A handwritten signature in cursive script that reads "Jenna L. Rollins".

Jenna Rollins, Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Jenna Rollins

From: [REDACTED]
Sent: Thursday, May 5, 2022 10:59 AM
To: Jenna Rollins
Subject: Certificate of Adjudication #21-3130 Jose R. Garza
Attachments: JRollinsTCEQ.pdf; JRollins1.pdf; JRollins2.pdf; JRollins3.pdf

Dear Ms. Rollins, please review the attached documents in response to your request to complete the application to abandon filed by Mr. Jose R. Garza. Thank You and please review. Hopefully these fulfill all requirements to complete, if not, please advise.

May 5, 2022

RE: Your Request to Complete Application to Abandon a Portion of Certificate of Adjudication

No. 21-3130

Jose R. Garza

Garza Bluebird Management, LLC

4607 Sanders Circle

Laredo, Texas 78041

Dear Ms. ^RCollins:

In response to your letter via E-Mail dated April 26, 2022, in the #2 requirement pertaining to Corporations, attached is a section of the Agreement specifying the authority of Mr. Jose R. Garza as General Partner and Manager of the Corporation and a section of the sign-off of Mr. Garza of such title.

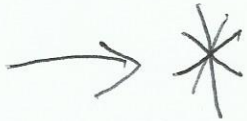
Attached is also a signed affidavit from Mr. Garza addressed to you verifying his present position of General Partner and Manager of Garza Bluebird Management, LLC

With this, we hope satisfies all requirements to approve his Request to Abandon.

Thank You

Partner. The General Partner shall have the right to deposit Partnership funds that, from time to time, are not required for the operation of the business of the Partnership in interest bearing bank accounts or to purchase commercial paper, treasury bills, or other short term instruments or any other investments as the General Partner deems necessary, appropriate, or advisable.

9.4. Tax Matters Partner. The Partners recognize that the General Partner will be treated as the tax matters partner of the Partnership pursuant to Section 6231(a)(7) of the Code. The General Partner shall use its best efforts to cause all Partners to become "notice partners" within the meaning of Section 6231(a)(8) of the Code. The General Partner shall keep all other Partners informed of all matters that may come to the attention of such General Partner in its capacity as tax matters partner by giving the other Partners notice thereof within 30 days after the General Partner becomes informed of any such matter. This provision is not intended to authorize such General Partner to take any action that is left to the determination of an individual Partner under Sections 6222 through 6232 of the Code.



ARTICLE X.
MANAGEMENT; LIMITATIONS; MEETINGS;
STANDARD OF CARE; INDEMNIFICATION

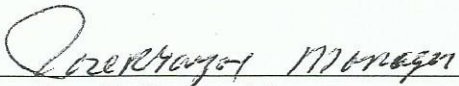
10.1. Management. The management and control of the Partnership shall be vested solely in the General Partner, who shall have (subject to the limitations imposed by Section 10.2 and elsewhere in this Agreement) full, exclusive, and complete discretion in the management and control of, and in the making of all decisions affecting, the Partnership business. Without limitation of the generality of the preceding sentence, the General Partner shall have (subject to the aforesaid limitations) the authority, the right, and the power, on behalf of the Partnership:

- a) to enter into, execute, amend, and perform any and all agreements, contracts, documents, certifications, and instruments binding the Partnership as may be necessary or convenient in connection with the ownership, management, maintenance, and operation of Partnership property;
- b) to execute, in furtherance of any or all of the purposes of the Partnership, any lease, bill of sale, contract, or other instrument purporting to convey or encumber the real or personal property of the Partnership;
- c) to sell, transfer, exchange, lease, farm out, or otherwise Dispose of the assets of the Partnership;
- d) to purchase or otherwise acquire land, mineral interests, oil and gas leases and other properties and assets;
- e) to vote corporate stock, general or limited partnership interests, or other securities that are assets of the Partnership; and to consent to the reorganization, consolidation, merger, wind up, or liquidation of a corporation or other business enterprise that is an asset of the Partnership;
- f) to establish reserves for working capital and for taxes, insurance, debt service, depreciation, depletion, repairs, replacements or renewals, or other costs and

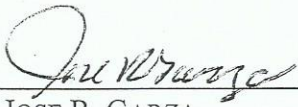
IN WITNESS WHEREOF, the General Partner and the Limited Partner have executed this Agreement effective as of the Effective Date.

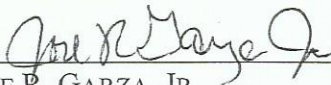
GENERAL PARTNER:

GARZA BLUEBIRD MANAGEMENT, LLC

By: 
JOSE R. GARZA, Manager

LIMITED PARTNERS:


JOSE R. GARZA


JOSE R. GARZA, JR.

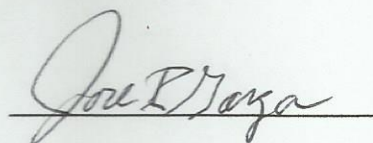
TO: Jenna Rollins, Project Manager

Texas Commission on Environmental Quality

My name is Jose R. Garza and I reside at 4607 Sanders Circle, Laredo, TX 78041

I am the General Partner and Manager of Garza Bluebird Management, LLC

I have full and complete control of and in the making of all decisions affecting the Partnership business.

A handwritten signature in cursive script, appearing to read "Jose R. Garza", is written over a horizontal line.

Jose R. Garza

General Partner, Manager

Garza Bluebird Management, LLC

Jenna Rollins

From: Jenna Rollins
Sent: Tuesday, April 26, 2022 3:15 PM
To: [REDACTED]
Subject: Jose R. Garza and Garza Bluebird Management, LLC, Application No. 21-3130
Attachments: Jose Garza and Garza Bluebird Management LLC_21-3130_RFI_Sent_4.26.22.pdf

Dear Mr. Garza,

Please see the attached request for information letter for the Jose R. Garza and Garza Bluebird Management, LLC application No. 21-3130 and provide a response by May 26, 2022.

Best,
Jenna Rollins, Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section
512-239-1845

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 26, 2022

Mr. Jose R. Garza
Garza Bluebird Management, LLC
4607 Sanders Circle
Laredo, Texas 78041

VIA E-MAIL

RE: Jose R. Garza and Garza Bluebird Management, LLC
ADJ 3130
CN605961853, CN605995174, RN101583706
Application to Abandon a Portion of Certificate of Adjudication No. 21-3130
Texas Water Code § 5.122, Not Requiring Notice
Nueces River, Nueces River Basin
La Salle County

Dear Mr. Garza:

This acknowledges receipt, on March 10, 2022, of the referenced application.

Additional information is required before the application can be declared administratively complete.

1. Provide an application in the name(s) of all owners of record of the portion of Certificate of Adjudication (COA) No. 21-3130 requested to be abandoned; otherwise, proper consent for the application must be provided pursuant to Title 30 Texas Administrative Code (TAC) § 295.14.

Based on the letter dated April 7, 2022 (copy attached), TCEQ records indicate that the portion of COA 21-3130 requested to be abandoned is co-owned by Jose R. Garza, Graciela Garza, and Garza Bluebird Management, LLC; thus, an application signed by all three owners or proper consent for the application is required.

2. Provide documentation evidencing that Jose R. Garza has the authority to sign for Garza Bluebird Management, LLC pursuant to Title 30 TAC §295.14(5):

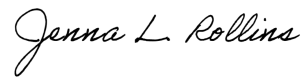
If the applicant is a corporation, public district, county, municipality, or other corporate entity, the application shall be signed by a duly authorized official. Written evidence in the form of bylaws, charters, or resolutions which specify the authority of the official to take such action shall be submitted. A corporation may file a corporate affidavit as evidence of the official's authority to sign.

Please provide the requested information by May 26, 2022 or the application may be returned pursuant to Title 30 TAC § 281.18.

Mr. Jose R. Garza
Jose R. Garza and Garza Bluebird Management, LLC
ADJ 21-3130
April 26, 2022

If you have any questions concerning this matter, please contact me via email at jenna.rollins@tceq.texas.gov or by telephone at (512) 239-1845.

Sincerely,

A handwritten signature in cursive script that reads "Jenna L. Rollins".

Jenna Rollins, Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Attachment


TCEQ Water Rights Change of Ownership Memorandum

To: Records Management **Date:** April 7, 2022
Through: Bert Galvan, Team Leader **Certificate of Adjudication:** No. 21-3130
Water Rights Compliance Assurance Team **Source County:** La Salle
From: Amanda Scott, Project Manager **Source Basin:** Nueces River
Water Rights Compliance Assurance Team
Subject: Abandonment Application Review Chain of Title

Title	Dated	Doc. No.	Vol. No.	Pg. No.
<i>Warranty Deed</i>	09/24/2001	71096	421	179
<i>Gift Deed</i>	09/23/2010	88922	519	402
<i>Warranty Deed</i>	09/23/2010	88921	519	398

Staff has completed the review of the above referenced deeds and has determined that Jose R. Garza, Graciela Garza, and Garza Bluebird Management, LLC are the sole owners of a 34 acre-foot portion of water right authorized under Certificate of Adjudication No. 21-3130 and currently owned by Manuel M. Sanchez and Loretta Sanchez.

Jose R. Garza, Graciela Garza, and Garza Bluebird Management, LLC seek to abandon their portion of Certificate of Adjudication No. 21-3130, which authorizes owners to divert 34 acre-feet of water per year from the Nueces River, Nueces River Basin, for agricultural purposes to irrigate 51.27 acres of land within a 100-acre tract in La Salle County, Texas.


Amanda Scott



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

P.O. Box 13087, Austin, Texas 78711-3087
Telephone No. (512) 239-4600 FAX (512) 239-4770

ABANDONMENT OF WATER RIGHT

Notice: This form will not be processed until all delinquent fees and/or penalties owed to the TCEQ or the Office of the Attorney General on behalf of the TCEQ are paid in accordance with the Delinquent Fee and Penalty Protocol.

Please note that this action to voluntarily abandon, and the subsequent cancellation of, your water right may not be reversed and obtaining a water right in the future will require a new application for water. New applications require application/notice fees and may or may not be granted, subject to water availability. Additionally, water rights in the State of Texas may add value to the property they are associated with and/or may have a monetary value of their own. Please consider all of this in determining whether you wish to proceed with abandoning your water right.

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose signature appears below, who being sworn by me did state that the following facts are true and correct in his/her personal knowledge:

- 1. My name is JOSE R. GARZA, GARZA BLUEBIRD MANAGEMENT LLC
2. My address is 4607 SANDERS CIRCLE, LAREDO, TX 78041
3. I owe fees or penalties to the TCEQ: [] Yes [x] No

If yes, provide the amount and the nature of the fee or penalty as well as any identifying number:

- 4. I own the following described water right:
[] Permit No. [x] Certificate of Adjudication No. 21-3130
County: LA SALLE River Basin: NUECES
Authorized Use:
Portion to be Abandoned: ALL

5. It is my intent, by signing and filing this instrument, to voluntarily and intentionally waive and relinquish the above described portion of Permit/Certificate No. _____ and to tender it to the Texas Commission on Environmental Quality for cancellation. It is also my intent to waive notice of public hearing, as well as the public hearing itself, to consider this matter at any future date.

6. I understand that the Texas Commission on Environmental Quality will cancel the above described portion of Permit/Certificate No. 21-3130. I also understand that any outstanding indebtedness to the commission is not waived by this form.

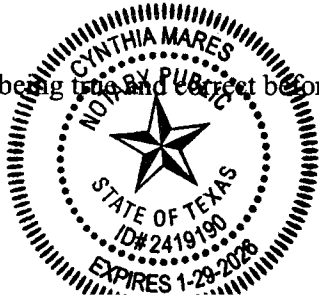
Signature of Jose R. Garza

Name (Sign) _____

Printed name of Jose R. GARZA

Name (Printed) _____

Subscribed and sworn to as being true and correct before me this 1st day of March, 2002



Signature of Notary Public Cynthia Mares

Notary Public for the State of Texas

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 7, 2022

Jose R Garza
Garza Bluebird Management LLC
4607 Sanders Cir
Laredo TX 78041-4639

RE: Change of Ownership
Water Use Permit No. 21-3130

Dear Mr. Garza:

In a letter dated December 7, 2021 (enclosed) we requested additional information regarding the above referenced certificate. To date we have not received the requested information required to complete the change of ownership. Until these documents are received, ownership and all liabilities associated with the water right remain with the current owner of record.

Pursuant to Title 30 Texas Administrative Code §281.18, please provide the requested information and fee by January 24, 2022, or the file may be closed.

More information about water rights change of ownerships, including how to submit your information online, can be found at https://www.tceq.texas.gov/permitting/water_rights/wr-permitting/wr_applications.html#transfer.

If you have any questions concerning this matter please contact me via e-mail at Kathy.Buckley@tceq.texas.gov or by telephone at (512) 239-0462.

Sincerely,

Kathy Buckley

Kathy Buckley, Project Manager
Water Rights Compliance Assurance Team
Water Availability Division

Enclosure

Cc: South Texas Watermaster

2/25/2020
I, JOSE R. GARZA, OWNER,
GARZA BLUEBIRD
MANAGEMENT LLC, HAVE DECIDED NOT
TO PROCEED WITH A CHANGE OF OWNERSHIP
AS DESCRIBED ABOVE, BUT TO PROCEED
TO ABANDON RIGHT TO OWNERSHIP.
SEE ATTACHED FORM AND THE REQUIRED
DOCUMENTS TO ABANDON RIGHTS. THANKS,

SIGN
HERE

Jose R. Garza
JOSE R. GARZA, OWNER, GARZA BLUEBIRD
MANAGEMENT, LLC

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • tceq.texas.gov

How is our customer service? tceq.texas.gov/customersurvey

printed on recycled paper

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 7, 2021

Jose R Garza
Garza Blue Bird Management LLC
4607 Sanders Cir
Laredo TX 78041-4639

RE: Change of Ownership
Certificate of Adjudication No. 21-3130

Dear Mr. Garza:

The TCEQ has been informed that you may be the owner of a portion of the above-mentioned water right (copy enclosed). Pursuant to Title 30 Texas Administrative Code (TAC) §§297.81-.83, Relating to Conveyances of Land and Water Rights, before a change of ownership can be completed, please provide the following information:

1. A completed Water Rights Change of Ownership form (enclosed, along with instructions). If you prefer to submit the change of ownership online, you may do so using the below link: <https://www.tceq.texas.gov/assets/public/permitting/forms/10204.pdf>.
2. Recorded copies of legal documents establishing a complete chain of title from the owners of record, Manuel M & Loretta Sanchez to Jose R & Graciela Garza, and Garza Blue Bird Management LLC. These documents usually consist of deeds and other such conveyances or, in case of an inheritance usually, the (a)will, (b)probate order and (c) will inventory. These documents may be submitted electronically as attachments to WRCOO@tceq.texas.gov. If your files are too large to be submitted via e-mail, utilize TCEQ's FTP ([FTP Help Site](#)), and e-mail [WRCAT](#) for directions on how to transfer these files. These documents may include at a minimum, copies of the following recorded documents:
 - a. Warranty Deed dated September 24, 2001 from Manuel M & Loretta Sanchez to Jose R Garza & Graciela Garza, and filed as Document No. 71096 in Volume 421, Page 179 in LaSalle County.
 - b. Warranty Deed dated September 23, 2010 from Robert R Garza, Jr to Garza Blue Bird Management LLC, and filed as Document No. 88921 in Volume 519, Page 398 in LaSalle County.
3. \$100 recording fee for processing the Change of Ownership Form for the water right. Make your remittance at [TCEQ ePay](#). Please indicate your voucher number or provide a copy in the submission e-mail. If paying by check, please make your remittance payable to Texas Commission on Environmental Quality.

Pursuant to Title 30 TAC 281.18, please provide the requested information and fee by January 4, 2022, or the file may be closed.

More information about water rights change of ownerships can be found at https://www.tceq.texas.gov/permitting/water_rights/wr-permitting/wr_applications.html#transfer, or if you have any questions concerning this matter please contact me via e-mail at Kathy.Buckley@tceq.texas.gov or by telephone at (512) 239-0462.

Sincerely,

Kathy Buckley

Kathy Buckley, Project Manager
Water Rights Compliance Assurance Team
Water Rights Permitting & Availability Section

Enclosures

cc: South Texas Watermaster's Area

SURFACE WATER RIGHTS CHANGE OF OWNERSHIP FORM

This Form is required to update the TCEQ ownership records of surface water rights in Texas. Submit a separate form for each water right. **See accompanying instructions regarding completion of this Form.** If you require additional assistance, you may contact the Water Rights Compliance Assurance Team (WRCAT) at (512) 239-4600.

1. Indicate: **Water Rights Permit No.** _____ and **River Basin No.** _____, *or*
Certificate of Adjudication No. _____
2. Provide the contact information for the person TCEQ may contact while processing this form. Please verify that the mailing address is recognized by the US Postal Service (USPS) on the USPS website at <https://tools.usps.com/go/ZipLookupAction!input.action>.

Contact Name: _____

Mailing Address: _____

City: _____ State: _____ ZIP Code + four: _____

Telephone No(s). Home: _____ Office: _____

Email Address: _____

3. Provide the Full Legal Name of each new owner of the water right and the address information of each owner (for Notices and communications once the water right ownership has been updated) in the spaces below. ****Note - The names of the new owner(s) must match the legal recorded conveyance documents that prove the change of ownership. Additionally, if a new owner is an entity, the legal name must match the name as filed with the Texas Secretary of State, County, or any other legal documents forming the entity.***

Please verify that the mailing address is recognized by the USPS website at <https://tools.usps.com/go/ZipLookupAction!input.action>.

First New Owner's Name(s): _____

Mailing Address: _____

City: _____ State: _____ ZIP Code + four: _____

Telephone No(s). Home: _____ Office: _____

Email Address: _____

Submit additional new owners name(s) and address(es) below or on a supplemental sheet.

Additional New Owner(s) Contact Information:

CERTIFICATE OF ADJUDICATION

CERTIFICATE OF ADJUDICATION: 21-3130 OWNER: C. C. Speed
Speed Investments, Inc.
4812 Ayers Street
Corpus Christi, TX 78415

COUNTY: La Salle PRIORITY DATE: June 29, 1910

WATERCOURSE: Nueces River BASIN: Nueces

WHEREAS, by final decree of the 38th Judicial District Court of Uvalde County, in Cause No. 13,341, In Re: The Adjudication of Water Rights of the Upper Nueces River Segment of the Nueces River Basin, dated September 18, 1982, a right was recognized under Certified Filing 222 authorizing C. C. Speed to appropriate waters of the State of Texas as set forth below;

NOW, THEREFORE, this certificate of adjudication to appropriate waters of the State of Texas in the Nueces River Basin is issued to C. C. Speed, subject to the following terms and conditions:

1. USE

Owner is authorized to divert and use not to exceed 126 acre-feet of water per annum from the Nueces River to irrigate a maximum of 190 acres of land out of a 190 acre tract located in the I. & G.N. R.R. Co. Survey 18, Abstract 467, La Salle County, Texas, said 190 acre tract being described as follows:

- (1) BEGINNING at a stake on the southwest bank of the Nueces River, being the lower corner of the I. & G.N. R.R. Co. Survey 17, Abstract 466 and the upper corner of the I. & G.N. R.R. Co. Survey 18, Abstract 467;
- (2) THENCE S 45°W, 2876 varas along and with said dividing line to a stake for a corner;
- (3) THENCE S 45°E, 950 varas to a stake in the southeast line of said Survey 18;
- (4) THENCE N 45°E, 1640 varas approximately along the southeast line of Survey 18 to a corner on the southwest bank of the Nueces River;
- (5) THENCE up and along the southwest bank of said river with its meanders to the place of beginning.

2. DIVERSION

A. Location:

At a point on the Nueces River in the I. & G.N. R.R. Co. Survey 18, Abstract 467, La Salle County, Texas.

B. Maximum Rate: 0.67 cfs (300 gpm).

3. PRIORITY

The time priority of owner's right is June 29, 1910.

The locations of pertinent features related to this certificate are shown on Page 14 of the Upper Nueces River Segment Certificates of Adjudication Maps, copies of which are located in the offices of the Texas Department of Water Resources, Austin, Texas and the La Salle County Clerk.

This certificate of adjudication is issued subject to all terms, conditions and provisions in the final decree of the 38th Judicial District Court of Uvalde County, Texas, in Cause No. 13,341, In Re: The Adjudication of Water Rights of the Upper Nueces River Segment of the Nueces River Basin, dated September 18, 1982, and supersedes all rights of the owner asserted in that cause.

This certificate of adjudication is issued subject to senior and superior water rights in the Nueces River Basin.

This certificate of adjudication is issued subject to the Rules of the Texas Department of Water Resources and its continuing right of supervision of State water resources consistent with the public policy of the State as set forth in the Texas Water Code.

This water right is appurtenant to and is an undivided part of the above-described land within which irrigation is authorized. A transfer of any portion of the land described includes, unless otherwise specified, a proportionate amount of the water right owned by the owner or seller at the time of the transaction.

TEXAS WATER COMMISSION

Paul Hopkins

Paul Hopkins, Chairman

DATE ISSUED:

JAN 24 1984

ATTEST:

Mary Ann Hefner
Mary Ann Hefner, Chief Clerk

69657-RR

71096 INDEXED
WARRANTY DEED

DATE: September 24, 2001

GRANTOR: MANUEL M. SANCHEZ AND LORETTA SANCHEZ

GRANTOR'S MAILING ADDRESS: 2915 Elm, Laredo, Webb County, Texas 78043

GRANTEE: JOSE R. GARZA AND GRACIELA GARZA

GRANTEE'S MAILING ADDRESS: 4607 SANDERS LAREDO TEXAS 78041

CONSIDERATION: TEN AND NO/100 (\$10.00) DOLLARS, and other good and valuable consideration, to Grantor paid by Grantee, the receipt and sufficiency of which are hereby acknowledged and confessed, and for which no lien, either express or implied, is retained.

PROPERTY (including any improvements):

Situated in La Salle County, Texas, and being 100.00 acres of land, more or less, being out of and a part of a 370.56 acre tract out of the I&GN RR Co. Block 20, Survey No. 18, Abstract No. 467, said 100.00 acre tract being fully described by metes and bounds in attached Exhibit "A".

RESERVATIONS FROM CONVEYANCE: NONE

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. All roads, easements, and rights-of-ways shown of public record affecting the Property or which may be apparent or visible upon the ground;
2. Oil, Gas and Mineral Lease to J. Donald Jordan recorded in Volume 205, Pages 258-261, LaSalle County Deed Records;
3. Oil, Gas and Mineral Lease to Mission Oil Co. recorded in Volume 137, Pages 468-470, LaSalle County Deed Records;

Manuel M. Sanchez and Loretta Sanchez
Warranty Deed (100 Acres)


Page 1 of 3

VOL 421 PAGE 179

4. Mineral reservation in Deed to D.W. Kinsel and wife, Pearl M. Kinsel, recorded in Volume 149, Pages 220-223, LaSalle County Deed Records;
5. All reservations, provisions and conditions set out in Deed to Randal G. Stivers, Jr. and C.C. Speed, recorded in Volume 159, Pages 217-221, LaSalle County Deed Records;
6. A 1/16th non-participating royalty interest in and to all oil, gas and other minerals reserved by D.L. Neeley, et ux, Delia Neeley, in Deed recorded in Volume Y-3, Pages 346-347, LaSalle County Deed Records;
7. Restrictions, covenants and easements as referred to in Deed to C.C. Speed recorded in Volume 186, Pages 88-90, LaSalle County Deed Records;
8. Rights of mineral owners of ingress and egress for purposes of mining, drilling, exploring, operating, and developing the Property for oil, gas and other minerals and for removing them from the Property;
9. Overhead electrical transmission line which traverses portions of the Property as shown on Survey dated September 15, 2001, prepared by William D. Dover, Registered Professional Land Surveyor; and
10. Terms and conditions of Wintergarden, Groundwater Conservation District Management Plan recorded in Volume 410, Pages 328-385, LaSalle County Deed Records.

For the Consideration and subject to the Reservation from Conveyance and the Exceptions to Conveyance and Warranty, Grantors, as their respective interest appears, grant, sell, and convey to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantors bind Grantors' heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

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


 MANUEL M. SANCHEZ


 LORETTA SANCHEZ

Manuel M. Sanchez and Loretta Sanchez
 Warranty Deed (100 Acres)

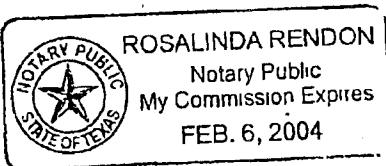
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STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me on this the 24 day of SEPTEMBER, 2001, by MANUEL M. SANCHEZ.



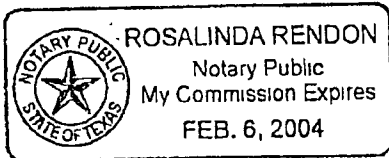
Rosalinda Rendon

NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me on this the 24 day of SEPTEMBER, 2001, by LORETTA SANCHEZ.



Rosalinda Rendon

NOTARY PUBLIC, STATE OF TEXAS

Manuel M. Sanchez and Loretta Sanchez
Warranty Deed (100 Acres)

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WARRANTY DEED

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

Date: September 23, 2010

Grantor: JOSE R. GARZA, JR.

Grantor's Mailing Address: 3810 Torey Mesquite, San Antonio, Texas 78261

Grantee: GARZA BLUEBIRD MANAGEMENT, LLC

Grantee's Mailing Address: 4607 Sanders Circle, Laredo, Texas 78041

Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration.

Property (including any improvements) (the "Property"):

A one-tenth of one percent undivided interest in and to 100.00 acres of land, more or less, situated in La Salle County, Texas, being out of and a part of a 370.56 acre tract out of the I&GN RR Co. Block 20, Survey No. 18, Abstract No. 467, said 100.00 acre tract being fully described by metes and bounds in attached Exhibit "A".

Reservations from and Exceptions to Conveyance and Warranty:

This Deed is expressly made by Grantor and accepted by Grantee subject to any and all restrictions, covenants, conditions and easements, if any, relating to the Properties to the extent they are still in force and effect and shown of record in the aforesaid counties, all regulations and ordinances or municipal and/or other governmental authorities, if any, but only to the extent they are still in effect relating to the Properties and any visible or apparent easements on or across the Property, including but not limited to the following:

1. All roads, easements, and rights-of-ways shown of public record affecting the Property or which may be apparent or visible upon the ground;
2. Oil, Gas and Mineral Lease to J. Donald Jordan recorded in Volume 205, Pages 258-261, LaSalle County Deed Records;

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3. Oil, Gas and Mineral Lease to Mission Oil Co. recorded in Volume 137, Pages 468-470, LaSalle County Deed Records;
4. Mineral reservation in Deed to D.W. Kinsel and wife, Pearl M. Kinsel, recorded in Volume 149, Pages 220-223, LaSalle County Deed Records;
5. All reservations, provisions and conditions set out in Deed to Randal G. Stivers, Jr. and C.C. Speed, recorded in Volume 159, Pages 217-221, LaSalle County Deed Records;
6. A 1/16th non-participating royalty interest in and to all oil, gas and other minerals reserved by D.L. Neeley, et ux, Delia Neeley, in Deed recorded in Volume Y-3, Pages 346-347, LaSalle County Deed Records;
7. Restrictions, covenants and easements as referred to in Deed to C.C. Speed recorded in Volume 186, Pages 88-90, LaSalle County Deed Records;
8. Rights of mineral owners of ingress and egress for purposes of mining, drilling, exploring, operating, and developing the Property for oil, gas and other minerals and for removing them from the Property;
9. Overhead electrical transmission line which traverses portion of the Property as shown on Survey dated September 15, 2001, prepared by William D. Dover, Registered Professional Land Surveyor; and
10. Terms and conditions of Wintergarden, Groundwater Conservation District Management Plan recorded in Volume 410, Pages 328-385, LaSalle County Deed Records.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and Exceptions to Conveyance and Warranty.

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

EXECUTED this 23rd day of September, 2010, to be effective at 12:02 a.m. on September 24, 2010.

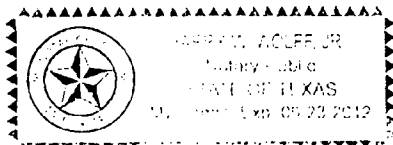


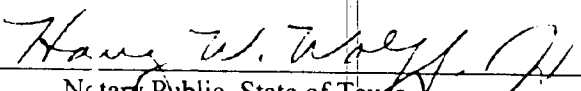
JOSE R. GARZA, JR.

STATE OF TEXAS §

COUNTY OF BEXAR §

This instrument was acknowledged before me on the 23rd day of September, 2010, by JOSE R. GARZA, JR.





Notary Public, State of Texas

AFTER RECORDING, RETURN TO:

Harry W. Wolff, Jr.
Cox Smith Matthews Incorporated
112 E. Pecan St., Ste. 1800
San Antonio, Texas 78205

EXHIBIT A

BEGINNING at a 5/8" iron pin set as southwest corner of the 100 acre tract and also being the southeast corner of a 202.29 acre tract conveyed in a deed from Phil Lyne to Louise Gates Davis, dated May 6th, 1987, recorded in Volume 285, Page 366;

THENCE N 44Deg-35Min-46Sec E, along and through a fence and also the Survey line for Survey No. 17 and Survey No. 18, a distance of 4762.2 feet to a 5/8" iron pin set for northwest corner of the herein 100.00 acre tract;

THENCE down the Nueces River following its gradient boundary along the south bank for the following five (5) calls;

THENCE S 52Deg-29Min-14Sec E, a distance of 96.43 feet to an angle point;

THENCE S 52Deg-29Min-07Sec E, a distance of 134.13 feet to an angle point;

THENCE S 12Deg-52Min-00Sec E, a distance of 268.77 feet to an angle point;

THENCE S 17Deg-29Min-34Sec E, a distance of 461.77 feet to an angle point;

THENCE S 54Deg-23Min-36Sec E, a distance of 141.77 feet to a 5/8" iron pin set as northeast corner for the herein 100.00 acre tract;

THENCE S 45Deg-20Min-00Sec W, a distance of 4229.20 feet, to a 5/8" iron pin set as southeast corner of the herein 100.00 acre tract, and being a point on the north Right-of-Way line of F.M. 3408;

THENCE northwesterly and continuing with said right-of-way line for the following seven (7) calls;

THENCE N 37Deg-14Min-20Sec W, a distance of 78.51 feet to an angle point;

THENCE N 44Deg-58Min-02Sec W, a distance of 147.86 feet to an angle point;

THENCE N 55Deg-21Min-43Sec W, a distance of 102.44 feet to an angle point;

THENCE N 54Deg-29Min-56Sec W, a distance of 102.58 feet to an angle point;

THENCE N 65Deg-53Min-53Sec W, a distance of 168.06 feet to a found concrete right-of-way marker;

THENCE N 67Deg-42Min-07Sec W, a distance of 334.98 feet to a found concrete right-of-way marker;

THENCE N 62Deg-56Min-05Sec W, a distance of 49.09 feet to the POINT OF BEGINNING and containing 100.00 more or less.

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FILED: November 16, 2010 AT 10:35 A.M.

RECORDED: November 30, 2010 AT 10:35 A.M.

MARGARITA A. ESQUEDA, COUNTY CLERK
LA SALLE COUNTY TEXAS

BY: [Signature]

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