


TCEQ Interoffice Memorandum

CID 109356

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

THRU:  Chris Kozlowski, Team Leader
Water Rights Permitting Team

FROM: Lillian E. Beerman, Project Manager
Water Rights Permitting Team

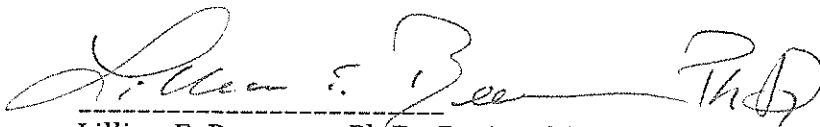
DATE: October 26, 2017

SUBJECT: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code § 11.121, Requiring Mailed and Published Notice
Big Iron Ore Creek and Little Iron Ore Creek, Neches River Basin
San Augustine County

The application was received on September 3, 2015. Additional information and fees were received on July 20, 2016 and August 8 and October 23, 2017. The application was declared administratively complete and accepted for filing with the Office of the Chief Clerk on October 26, 2017. Full basin mailed and published notice to all water right holders of record is required pursuant to Title 30 Texas Administrative Code § 295.151.

Ronnie Borders seeks a Water Use Permit to divert and use not to exceed 800 acre-feet of water per year from a point on Big Iron Ore Creek, Neches River Basin and to divert and use not to exceed 800 acre-feet of water per year from a point on Little Iron Ore Creek, Neches River Basin for storage in two off-channel reservoirs and subsequent mining use in San Augustine County, Neches River Basin.

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



Lillian E. Beerman, Ph.D., Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

OCC Mailed Notice Required ☒ YES

☐ NO

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY
2017 OCT 26 PM 12:13
CHIEF CLERKS OFFICE

Bryan W. Shaw, Ph.D., P.E., *Chairman*.
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 26, 2017

Mr. Anthony Castilaw, President
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, TX 75961

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code § 11.121, Requiring Mailed and Published Notice
Big Iron Ore Creek and Little Iron Ore Creek, Neches River Basin
San Augustine County

Dear Mr. Castilaw

This acknowledges the receipt of additional information and fees on August 8, 2017 and October 23, 2017 (Receipt No. M803212, enclosed).

The application was declared administratively complete and filed with the Office of the Chief Clerk on October 26, 2017. 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 or comments please contact me by email at lillian.beerman@tceq.texas.gov or by phone at (512) 239-4019.

Sincerely,

A handwritten signature in cursive script that reads "Lillian E. Beerman, Ph.D.".

Lillian E. Beerman, Ph.D., Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Enclosure



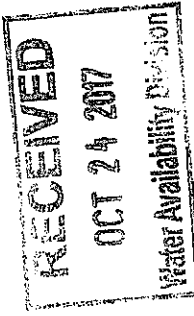
23-OCT-17 04:33 PM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

<u>Fee Description</u>	<u>Fee Code</u>	<u>Account#</u>	<u>Account Name</u>
WTR USE PERMITS	WUP		
	WUP		
WATER USE PERMITS			

<u>Ref#1</u>	<u>Ref#2</u>	<u>Paid In By</u>	<u>Check Number</u>	<u>CC Type</u>	<u>Card Auth.</u>	<u>User Data</u>	<u>Tran Code</u>	<u>Rec Code</u>	<u>Slip Key</u>	<u>Document#</u>	<u>Tran Date</u>	<u>Tran Amount</u>
M803212			6206							BS000061003	23-OCT-17	-\$415.50
13222			102317				N			D8800831		
CASITLAW			SPREDEAU				CK					
ENVIRONMENT												
AL SERVICES												
LLC												

Total (Fee Code):



-\$415.50

Grand Total:

-\$18,960.50



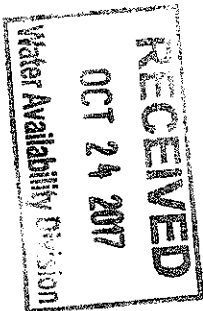
23-OCT-17 04:33 PM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

Fee Description	Fee Code	Ref#1	Check Number	CC Type	Slip Key	Tran Date	Tran Amount
	Account#	Ref#2	Card Auth.	Tran Code	Document#		
Account Name	Paid In By	User Data	Rec Code				
WTR USE PERMITS	WUP	M803212	6206		BS00061003	23-OCT-17	-\$415.50
	WUP	13222	102317	N	D8800831		
WATER USE PERMITS		CASTILAW	SPREDEAU	CK			
		ENVIRONMENT					
		AL SERVICES					
		LLC					

Total (Fee Code): -\$415.50

Grand Total: -\$18,960.50



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Michael Bobo

Call from: Lillian E. Beever

Date of call: Oct 23, 2017

File no.: WRPERM 13222

Phone no.: (936) 559-9991

Subject: Ronnie Borders
RFI #3

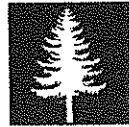
Information for file: Returned Voicemail Received
Oct 20, 2017 from Michael Bobo
Castilaw Env. (Env. Consulting Mgr)

Bobo wanted to let me know
RFI #3 response was on its way
and that he had confirmed
ZIP Code.

I informed Mr. Bobo that I had
already received their Response
and I too, had noted that Res.
was on the line for ZIP Code.

Signed

Lillian E. Beever



CASTILAW

ENVIRONMENTAL SERVICES, LLC

October 20, 2017

Ms. Lillian Beerman
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Castilaw Environmental Services, LLC - Project No. 15-CES-286

Ms. Beerman,

In response to your letter dated September 26, 2017, Castilaw Environmental Services, LLC (CES) is pleased to submit the following information.

1. Confirm the ZIP Code for both reservoirs and both diversion points is 75972.

In researching the ZIP Code maps, we determined the following:

- Reservoir 1 and Diversion Point 1 are in ZIP Code 75972.
- Reservoir 2 and Diversion Point 2 are in ZIP Code 75935.

2. Remit fees in the amount of \$ 415.50... payable to the TCEQ

Please find enclosed check number 6206 in the amount of \$ 415.50, payable to TCEQ.

Please do not hesitate to contact me at 936-559-9991 (Office) should you have any questions or need additional information associated with this application.

Thank You,

Anthony Castilaw
President / Sr. Environmental Specialist

Enclosure

510 E. Pilar Street
Nacogdoches, Texas 75961
Office: 936-559-9991 Fax: 936-559-9993



Please Return to: Lillian Beerman

Application Fees

Application No.:	WRPERM 13222
Date Check Received:	10/23/2017
Check No.	6206
Check Amount:	\$415.50
Payor's Name:	Castilaw Environmental Services
Payor's Address:	PO Box 631025 510 E Pilar Street Nacogdoches, Tx 75963
Payor's Phone No.:	936-559-9991

Lillian Beerman

From: [REDACTED]
Sent: Thursday, September 28, 2017 9:08 AM
To: Lillian Beerman
Subject: RE: RFI_Ronnie Borders_WRPERM #13222_Big Iron Ore Creek and Little Iron Ore Creek, Neches River Basin_San Augustine County

Thank you Lillian

Anthony Castilaw
Castilaw Environmental Services, LLC
(936) 559-9991 (Office)
(936) 645-3316 (Cell)
www.castilawenvironmental.com

----- Original Message -----

Subject: RFI_Ronnie Borders_WRPERM #13222_Big Iron Ore Creek and Little Iron Ore Creek, Neches River Basin_San Augustine County
From: Lillian Beerman <Lillian.Beerman@Tceq.Texas.Gov>
Date: Thu, September 28, 2017 8:57 am

[REDACTED]
Anthony Castilaw,

Attached is a copy of TCEQ Water Availability Division's third Request for Information from Ronnie Borders WRPERM No. 13222.
Please provide information and fees no later than October 26, 2017.

Thank you,

Lillian E. Beerman, Ph.D.

Project Manager, Water Rights Permitting
Water Availability Division MC-160
Texas Commission on Environmental Quality
12100 Park 35 Circle, Bldg. F, 3rd Floor
Austin, Texas 78753
lillian.beerman@tceq.texas.gov
☎: (512) 239-4019



Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 26, 2017

Anthony Castilaw
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, TX 75961

CERTIFIED MAIL

9489 0090 0027 6009 5131 41

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code § 11.121, Requiring Mailed and Published Notice
Big Iron Ore Creek and Little Iron Ore Creek, Neches River Basin
San Augustine County

Dear Mr. Castilaw:

This acknowledges receipt of additional information on August 8, 2017.

Additional information and fees are required before the application can be declared administratively complete.

1. Confirm the ZIP Code for both reservoirs and both diversion points is 75972.
2. Remit fees in the amount of \$ 415.50 as described below. Please make checks payable to the TCEQ or Texas Commission on Environmental Quality.


Filing Fee (100 - 5,000 ac-ft)	\$	250.00
Recording Fee (\$1.25 x 6 pages)	\$	7.50
Storage Fee (\$0.50 x 320 ac-ft)	\$	160.00
Use Fee (\$1.00 x 1,600 ac-ft)	\$	1,600.00
Notice Fee (Neches River Basin)	\$	213.38
TOTAL FEES	\$	2,230.88
FEES RECEIVED	\$	1,815.38
BALANCE DUE	\$	415.50

Please submit the requested information and fees by October 26, 2017 or the application may be returned pursuant to 30 Texas Administrative Code § 281.18.

Ronnie Borders
Application No. 13222
September 26, 2017
Page 2 of 2

If you have any questions concerning this matter please contact me via email at lillian.beerman@tceq.texas.gov or by telephone at (512) 239-4019.

Sincerely,

A handwritten signature in cursive script that reads "Lillian E. Beerman, Ph.D.".

Lillian E. Beerman, Ph.D., Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 26, 2017

Anthony Castilaw
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, TX 75961

CERTIFIED MAIL

9489 0090 0027 6009 5131 41

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code § 11.121, Requiring Mailed and Published Notice
Big Iron Ore Creek and Little Iron Ore Creek, Neches River Basin
San Augustine County

Dear Mr. Castilaw:

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Please submit the requested information and fees by October 26, 2017 or the application may be returned pursuant to 30 Texas Administrative Code § 281.18.

Ronnie Borders
Application No. 13222
September 26, 2017
Page 2 of 2

If you have any questions concerning this matter please contact me via email at lillian.beerman@tceq.texas.gov or by telephone at (512) 239-4019.

Sincerely,

A handwritten signature in cursive script that reads "Lillian E. Beerman, Ph.D.".

Lillian E. Beerman, Ph.D., Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Lillian E. Beerman

Call from: Anthony Castilaw

Date of call: Sept 19, 2017

File no.: 13222

Phone no.: (919) 365-5999

Subject: Ronnie Borders
RFI #3

Information for file: Mr. Castilaw called to
inquire about status of
Ronnie Borders.

Told him a 3RD RFI
primarily for fees.

Signed Lillian E. Beerman, Ph.D.



August 2, 2017

Ms. Lillian Beerman
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Castilaw Environmental Services, LLC - Project No. 15-CES-286

RECEIVED
2017 AUG - 8 P 3: 21
WATER AVAILABILITY DIV.

Ms. Beerman,

Included below is a response to the additional information that was requested by the TCEQ, in a letter dated July 14, 2017, that is required prior to the application being declared administratively complete:

1. Confirm that the respective latitude and longitude coordinates of the proposed off-channel Reservoir No. 1 and Diversion Point No. 1 are 31.583978° N and 94.275208° W and 31.559412° N and 94.290937° W, as given on Figures 1 and 2 of the response. Staff notes that the text of the RFI response is not consistent with the maps provided.

The latitude and longitude coordinates of the proposed off-channel Reservoir No. 1 and Diversion Point No. 1 are 31.583978° N and 94.275208° W and 31.559412° N and 94.290937° W, respectively.

2. Confirm that the capacity of Reservoir No. 1 is 90 acre-feet.

The capacity of Reservoir No. 1 is 130 acre-feet.

3. Confirm that the requested maximum diversion rate of Diversion Point No.1 (previously Diversion Point No. 3) for Reservoir No. 1 is 4.5 cfs (2,000 gpm).

The requested maximum diversion rate of Diversion Point No. 1 for Reservoir No. 1 is 4.5 cfs (2,000 gpm).

Ms. Lillian Beerman
August 2, 2017
Page 2

4. Confirm that the requested maximum diversion rate of Diversion Point No. 2 for Reservoir No. 2 is 4.5 cfs (2,000 gpm).

The requested maximum diversion rate of Diversion Point No. 2 for Reservoir No. 2 is 4.5 cfs (2,000 gpm).

5. Provide specific and quantified five-year and ten-year targets for water savings and the basis for development of such goals for this water use/facility, as required in *The Industrial/Mining Water Conservation Plan* previously submitted.

Each reservoir has a water savings five-year goal of 6% and a ten-year goal of 12%.

6. Provide a recorded copy of the deed(s) for the property where Reservoir No. 1 and Diversion Point No. 1 are located. The deed(s) should include the legal description of the land (metes and bounds). Please note that the application must be in the name(s) of all landowners as shown on the deeds; otherwise, proper consent of the application must be provided pursuant to Title 30 Texas Administrative Code (TAC) § 295.10.

The warranty deed for the property at Reservoir No. 1 is made up of two tracks, both equaling 21.34 acres of land, recorded in Vol. 241, Page 484 and Vol. 241, Page 493, Deed Records, San Augustine County. The warranty deed for the property at Diversion Point No. 1 is recorded in Vol. 42, Page 632, Deeds Records, San Augustine County. Attached are the warranty deeds and consent letter.

7. Confirm the place of use for mining purposes is in San Augustine County, solely within the Neches River Basin.

The place of use for mining purposes is solely within the Neches River Basin within San Augustine County.

CLOSING

Please do not hesitate to contact me at 936-559-9991 (Office) should you have any questions or need additional information associated with this application.

Thank You,



Anthony Castilaw
Principal

Attachments



CASTILAW
ENVIRONMENTAL SERVICES, LLC

July 31, 2017

Ms. Lillian Beerman
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Castilaw Environmental Services, LLC - Project No. 15-CES-286

Ms. Beerman,

Castilaw Environmental Services, LLC (CES) is pleased to submit the following evidence of consent for Ronnie W. Borders, Ltd. Ronnie W. Borders, Ltd. gives consent to Ronnie Borders to continue with the Water Use Permit application and installation of the two (2) proposed reservoirs and their associated diversion points. Please contact me should you have any comments or questions.

Thank You,

Anthony Castilaw

Anthony Castilaw
President / Sr. Environmental Specialist

Consent Accepted:

Ronnie W Borders 7 31 17
Landowner Signature Date

R of Borders 7 31 17
Applicant Signature Date

"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 in the public records: your social security number or your driver's license number."

WARRANTY DEED

Date: September 25, 2015

Grantor: STEPHEN RICHARD UPCHURCH and wife, CARLA D. UPCHURCH

Grantor's Mailing Address (including county): 14131 Prestonwood Forest, Houston, Harris County, Texas 77070

Grantee: RONNIE W. BORDERS, LTD.

Grantee's Mailing Address (including county): PO Box 548, Center, Shelby County, Texas 75935

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

Property (including any improvements):

TRACT ONE: Being 21.34 acres of land, more or less, a part of the S. HAMILTON SURVEY, A-165, San Augustine County, Texas and being the land described in Deed from Texas Gulf Timber Co., Inc. to Veteran's Land Board of the State of Texas, dated August 17, 1983, recorded in Vol. 241, Page 484, Deed Records, San Augustine County, Texas.

TRACT TWO: Being 21.34 acres of land, more or less, a part of the S. HAMILTON SURVEY, A-165, San Augustine County, Texas and being the land described in Deed from Texas Gulf Timber Co., Inc. to Veteran's Land Board of the State of Texas, dated August 18, 1983, recorded in Vol. 241, Page 493, Deed Records, San Augustine County, Texas; together with an easement.

Both Tracts being more particularly described in Exhibit "A" attached hereto and made a part hereof for all intents and purposes.

Reservations from Conveyance: None. See

Exceptions to Conveyance and Warranty:

Easements, rights-of-way and prescriptive rights, whether of record or not; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances and other instruments, other than liens and conveyances, that affect the property.

Grantor, for the Consideration and subject to the Reservations from Conveyance and Exceptions to Conveyance and Warranty, grants, sells and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee, 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.

Grantor warrants that all ad valorem taxes for 2014 and prior tax years have been paid. The ad valorem taxes for 2015 have been prorated and Grantee assumes payment thereof.

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

Stephen Richard Upchurch
STEPHEN RICHARD UPCHURCH

Carla D. Upchurch
CARLA D. UPCHURCH

0000000000

0000000000

0000000000

0000000000

THE STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me by Stephen Richard Upchurch and wife, Carla D. Upchurch, on this the 2nd day of September, 2015.



Betty J. Pennington
NOTARY PUBLIC FOR THE STATE OF TEXAS

PREPARED BY: J. KEN MUCKELROY, ATTORNEY AT LAW, P.C.

P. O. Box 674, San Augustine, Texas 75972

Phone: (936)275-2304 Fax: (936)275-2305

AFTER RECORDATION, PLEASE RETURN TO: J. KEN MUCKELROY, ATTORNEY

mw:j:landSA15-149.pur

00886603

BK

324

43

EXHIBIT A

TRACT ONE:

BEING all that certain tract or parcel of land lying and situated in San Augustine County, Texas out of the SAM HAMILTON SURVEY, ABSTRACT NO. 165, and being a part or portion of that certain tract described in Patent from the State of Texas to Austin Wade, Assignee of Sam Hamilton, dated March 30, 1870 and recorded in Volume J-2, on Page 925 of the Deed Records of San Augustine County, Texas, to which reference is hereby made for all purposes and the said part or portion being described by metes and bounds as follows, to-wit:

BEGINNING S 1 deg 07' 56" W 742.20 feet from the Northwest corner of the aforesaid referred to HAMILTON SURVEY as found monumented on the ground, at a 1/2" iron pin set for corner on the West boundary line of same;

THENCE S 87 deg 16' 47" E at 1261.51 feet, a 1/2" iron pin set for corner;

THENCE S 1 deg 07' 56" E, at 725.13 feet, a 1/2" iron pin set for corner;

THENCE N 88 deg 29' 04" W, at 1260.00 feet intersect the West boundary line of the said HAMILTON SURVEY, a 1/2" iron pin set for corner;

THENCE N 1 deg 07' 56" W with the West boundary line of the said HAMILTON SURVEY, at 751.68 feet the point and place of beginning and containing 21.34 acres of land, more or less.

TRACT TWO:

BEING all that certain tract or parcel of land lying and situated in San Augustine County, Texas out of the SAM HAMILTON SURVEY, ABSTRACT NO. 165 and being a part or portion of that certain tract described in Patent from the State of Texas to Austin Wade, Assignee of Sam Hamilton, dated March 30, 1870 and recorded in Volume J-2, on Page 925 of the Deed Records of San Augustine County, Texas, to which reference is hereby made for all purposes and the said part or portion being described by metes and bounds as follows, to-wit:

BEGINNING at the Northwest corner of the aforesaid referred to HAMILTON SURVEY as found monumented on the ground, a concrete monument for corner;

EXHIBIT A

THENCE S 86 deg 56' 11" E, with the North boundary line of the said Hamilton Survey as found marked and painted on the ground, at 1262.04 feet, a 1/2" iron pin set for corner;

THENCE S 1 deg. 07' 56" E, at 734.62 feet, a 1/2" iron pin set for corner;

THENCE N 87 deg 16' 47" W at 1261.51 feet intersect the West boundary line of the said HAMILTON SURVEY, a 1/2" iron pin set for corner;

THENCE N 1 deg 07' 56" W, with the West boundary line of the said HAMILTON SURVEY, at 742.20 feet the point and place of beginning and containing 21.34 acres of land, more or less.

There is also conveyed a common Private Roadway Easement and Utility Easement conveyance from PROFESSIONAL PROPERTIES A PARTNERSHIP, to all the present or future owners of said tracts, dated April 8, 1983, and filed for record on April 8, 1983 in Volume 238, page 709 in the Deed Records of San Augustine County, Texas and described as follows:

BEING all that certain tract or parcel of land lying and situated in San Augustine County, Texas out of the SAM HAMILTON SURVEY, ABSTRACT NO. 165 and being a part or portion of that certain tract described in Patent from the State of Texas to Austin Wade, Assignee of Sam Hamilton, dated March 30, 1870 and recorded in Volume J-2, on Page 925 of the Deed Records of San Augustine County, Texas, to which reference is hereby made for all purposes and the said part or portion being described by metes and bounds as follows, to-wit:

BEGINNING on a public road at the most Northern Southeast corner of the aforesaid referred to HAMILTON SURVEY, a 1/2" iron pin found for corner;

THENCE N 2 Deg. 09' 10" W 60 feet with the most Northern East boundary line of the said Hamilton Survey;

THENCE S 88 deg. 48' 30" W 604.88 feet to a point for corner;

EXHIBIT A

THENCE S 1 deg 30' 01" E 60 feet to a point for corner;
THENCE S 88 deg. 48' 30" W 556.77 feet to a point for corner;

THENCE N 88 deg 29' 04" W 564.89 feet to a point for corner;
THENCE N 1 deg 07' 56" W 302.31 feet to a point for corner;
THENCE S 88 deg. 52' 04" W 50.00 feet to a point for corner;
THENCE S 1 deg 07' 56" E 350.05 feet to a point for corner;
THENCE S 88 deg 29' 04" E 613.81 feet to a point for corner;
THENCE N 88 deg 48' 30" E 558.22 feet to a point for corner;
THENCE S 1 deg. 30' 01" E 1601.93 feet to a point for corner;

THENCE N 88 deg 29' 04" W 2442.92 feet to a point for corner;

THENCE S 1 deg 07' 56" E 50.05 feet to the Southwest corner of the said HAMILTON SURVEY;

THENCE S 88 deg 29' 04" E 2493.31 feet to the Southeast corner of the said HAMILTON SURVEY;

THENCE N 1 deg 30' 01" W 1704.36 feet to an ell corner of the said HAMILTON SURVEY;

THENCE N 88 deg 48' 30" E 555.56 feet to the place of beginning.

FILED FOR RECORD
STATE OF ALABAMA
On: Oct 02, 2013 At: 02:00
Document Number: 00056203
Fees: 40.00
NOTARIAL PUBLIC NOTICE
COUNTY CLERK
Jill M. Davis, Deputy
SHE SWEET, JR., CLERK
AND PROVISIONAL CLERK IN DISTRICTS
THE SALE, REVENUE OR USE OF THE
DESCRIBED REAL PROPERTY ELABORATE ON
THEIR OWN RISK IS UNLAWFUL AND
UNENFORCEABLE UNDER PENALTY LAWS.

Page 3 of 3

00056203

BK

324

12

WARRANTY DEED

Date: December 19, 2011

Grantor: Ronnie Borders
627 CR 1012
Center, Shelby County, TX 75935

Grantee: Ronnie W. Borders, Ltd.
706 Southview Circle
Center, Shelby County, TX 75935

Consideration: Ten dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor.

Property (including any improvements):

BEING 187.56 acres, more or less, in San Augustine County Texas, described in a Special Deed from Sabine New Orleans L.L.C. to Ronnie Borders, dated July 22, 2003 and recorded in Vol. 42, Page 632, Deed Records, San Augustine County, Texas and which real property is further described by metes and bounds in Exhibit "A", attached hereto and made a part hereof for all purposes.

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 the Exceptions to Conveyance and Warranty.

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

Ronnie Borders
Ronnie Borders

STATE OF TEXAS)
COUNTY OF SHELBY)

This instrument was acknowledged before me on Dec. 19, 2011 by Ronnie Borders.



Beth B. Brown
Notary Public, State of Texas
Printed Name: Beth B. Brown
Commission Expires: 4-22-2013

After Recording Return to:
Ronnie W. Borders Ltd.
706 Southview Circle
Center, TX 75935

00825940

BR

2011

571

263

Exhibit "A"

BEING 187.56 acres of land, more or less, situated approximately 12 miles northwesterly from the town of San Augustine, Texas, being two tracts of land on the MARY WARD SURVEY A-305, Tract 1. conveyed to Frank Sharp by G.C. Mitchell, December 31, 1928, Recorded Deed Records of San Augustine County, Texas, in Volume 68 Page 480, and Tract 2. Conveyed to Frank Sharp by G.C. Mitchell, March 4, 1929, Recorded Deed Records of San Augustine County, Texas, in Volume 68, Page 481, said tracts of land being approximately 75 acres of land, more or less. Tract 3. Being that tract of land conveyed to Frank Sharp by W. R. Thomas October 1923, and of record Deed Records San Augustine County, Texas in Volume 61, Page 95. Said combined tracts of land contain 187.56 acres of land upon survey of East Bank of Attoyac River. Said 187.56 acre tract being more fully described as follows:

BEGINNING at a found 1" iron pipe on the SBL of the Simpson Holloway Survey, said corner being the NEC of a 124.5 acre tract, Part of the J. T. Patterson Survey A-218, and being Block No. 9, in a suit styled E. A. Blount vs. H. H. Hall, et al, of record in Volume P., Page 523, 635 District Court minutes of Nacogdoches County, Texas and reference is here made to deed from L. B. Mast to Mrs. E. A. Blount dated December 12, 1923, of record in Volume 61, Page 225, Deed Records of San Augustine, Texas. Said corner being the NEC of the PARCEL NO. 4, as described in a deed from Rosine Blount Mc Faddin, et al to Temple Industries, Inc., dated August 15, 1969, Volume 159, Page 197, et seq. Said corner being witnessed by the following trees marked "X", painted blue/yellow,

1. 9" Pin Oak N 72 15 W 10.75 ft.,
2. 10" Sweet Gum S 65 15 W 42.7 ft.,
3. 4" Sweet Gum S 00 30 E 21.2 ft.,
4. 4" Sweet Gum S 37 15 E 13.80 ft.

THENCE with the SBL of the Simpson Holloway Survey A-149, and with a hacked/blazed painted line (blue-yellow) S 75 30 48 W, at 461.37 ft. hit 25" Pine Tree marked line 10/, at 1603.78 1/2" iron pipe found for the NWC said 124.5 acre tract referenced above, said corner being also the NEC of a 86 acre tract once in the name of Mrs. E. T. Watson, said corner witnessed by,

1. 6" Pin Oak S 36 20 E 22.22 ft.,
2. 24" Post Oak S 21 50 W 3.33 ft.,
3. 34" Post Oak N 50 50 E 17.52 ft.,
4. 20" Post Oak N 80 48 W 30.05 ft.,

said trees marked blue-yellow, at 2076.51 ft. East Bank East Fork Ironosa Creek, at 2397.39 ft. East Bank West Fork Ironosa Creek, at 2772.37 ft. pass NEC 21.25 acre tract, once in the name of T. R. Calcote, said corner being a 3/8" iron rod with a "T" post, said corner being south of, and 15.86 ft. normal to NBL PATTERERSON, SBL SIMPSON HOLLOWAY, at 3050.19 ft. pass 1 1/2" axle, the NEC 21.25 acre tract, once in the name of Vailie Calcote, said corner being south of, and 10.38 ft. normal to the NBL PATTERSON SURVEY, and SBL of the SIMPSON HOLLOWAY, at 3327.78 ft. pass NEC of a 21.25 acre tract once in the name A. R. Green, said corner being a 3/8" iron rod, south of and 4.78 ft. normal to the NBL PATTERSON and SBL of the SIMPSON HOLLOWAY SURVEY, at 3605.92 ft. pass NEC of an 80 acre tract once in the name of FROST LUMBER COMPANY, said corner being a 1-1/2" axle N. of and 0.54 normal to the NBL PATTERSON and SBL SIMPSON HOLLOWAY SURVEY, at 4526.26 ft. pass 48" Oak Tree marked 11/0, said tree 0.39 ft. south of line and marked correctly, at a total distance of 4726.10 set 3/4" iron rod on the east bank of the Attoyac River for SWC 187.686 acre tract herein described. Said corner witnessed by:

1. 12" OAK marked "X" (dead), S 05 35 55 W 31.10 ft.,
2. 12" OAK marked "X" (dead) S 34 01 05 E 26.90 ft.,
3. 10" ELM marked "X" S 07 56 00 E 6.50 ft.,
4. 22" OAK marked "X" N 03 03 07 W 11.30 ft.

THENCE with the east bank of the Attoyac River as follows to wit:

1. N 07 05 38 E 182.77 ft.,
2. N 18 57 02 W 178.64 ft.,
3. N 57 11 20 W 229.24 ft.,
4. N 48 25 19 W 246.51 ft.,

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NO 1

EN

5. N 31 49 36 E 25.69 ft.,
 6. N 44 29 28 W 244.19 ft.,
 7. N 00 38 58 E 140.62 ft.,
 8. N 40 48 51 E 166.27 ft.,
 9. N 74 31 58 E 116.62 ft.,
 10. N 79 56 33 E 91.36 ft.,
 11. N 73 24 24 E 77.58 ft.,
 12. N 85 11 58 E 104.24 ft.,
 13. N 73 01 44 E 58.42 ft.,
 14. N 11 18 13 E 35.81 ft.,
 15. N 29 27 32 W 163.92 ft. to the NWC of the 187.56 acre tract herein described, set $\frac{3}{4}$ iron rod for corner on the east bank of the Attoyac River, said corner witnessed as follows:

1. 16" 14" DBL Hackberry S 88 28 59 W 2.59 ft.,
2. 14" ASH yellow band S 33 19 15 E 10.97 ft.,
3. 12" Hackberry S 08 34 12 W 18.87 ft.,

THENCE N 61 06 41 E, following a yellow hacked and blazed property line, 2800.12 ft. to a 1" iron pipe at a fence corner for corner. This line follows the general course of an old wire fence now down, not encroaching on the property herein described. Said corner witnessed:

1. 16" Pine Tree "S" N 44 00 E 18.45 ft.,
2. 12" Sweet Gum "X" S 10 00 W 22.35 ft.,
3. 12" Hickory "X" N 17 10 E 18.8 ft.,

THENCE S 02 09 44 W with a hacked, blazed and blue and yellow painted line 1207.06 ft. to a 1" iron pipe painted blue for corner. Said corner witnessed:

1. 18" Oak S 55 E 25.2 ft.,
2. 22" Pin Oak "X" S 56 W 18.4 ft.,
3. 20" Oak marked "X" and line N 60 05 E 21.3 ft.,

THENCE N 60 08 46 E with a hacked, blazed, and blue-yellow painted line crossing three sloughs a distance of 3481.90 ft. to corner on line on west bank of Ironosa Creek and continuing N 60 08 46 E an additional 44.80 ft. to the NEC of 187.56 acre tract herein described at a total distance of 3526.70 ft., set $\frac{3}{4}$ iron rod for corner on the East bank of Ironosa Creek. Witnessed:

1. Sweet Gum "X" S 58 05 23 50 W 59.43 ft.,
2. ELM "X" S 71 04 40 W 50.52 ft.,
3. Sweet Gum "X" S 47 57 47 W 61.79 ft.,
4. Hickory "X" S 77 28 29 W 64.52 ft.,
5. Hickory "X" S 62 28 42 W 53.1 ft.,

THENCE with the East Bank of Ironosa Creek southwardly as follows to wit:

1. S 14 48 46 W 209.94 ft.,
2. N 80 03 46 E 113.89 ft.,
3. S 55 41 14 E 97.50 ft.,
4. S 45 03 46 W 266.66 ft.,
5. S 37 53 46 W 227.77 ft.,
6. S 79 53 46 W 140.83 ft.,
7. N 50 26 14 W 88.88 ft.,
8. N 37 03 46 E 111.11 ft.,
9. S 77 43 46 W 241.66 ft.,
10. S 07 56 14 E 88.88 ft.,
11. S 70 56 14 E 86.10 ft.,
12. S 28 26 14 E 111.11 ft.,
13. S 09 18 46 W 175.55 ft.,
14. S 50 06 14 E 83.33 ft.,
15. N 66 53 46 E 119.44 ft.,
16. N 76 43 46 E 111.11 ft.,
17. S 63 26 14 E 69.44 ft.,
18. S 03 56 14 E 61.11 ft.,
19. S 48 43 46 W 129.72 ft.,
20. S 50 46 14 E 197.22 ft.,
21. S 15 33 46 W 80.56 ft.,
22. S 71 35 46 W 225.00 ft.,
23. N 88 26 14 W 166.67 ft.,
24. S 69 18 46 W 111.11 ft.,
25. S 20 03 46 W 138.89 ft., to iron stake for corner on drain or old-course Ironosa Creek.

Witnessed:

1. 14" Hackberry N 61 15 W 34.8 ft.,
2. 12" Elm N 88 E 38.0 ft.,
3. 8" Sweet Gum S 09 30 E 11.5 ft.,
4. 6" Sweet Gum N 13 10 E 17.0 ft.,

THENCE S 01 03 46 W with main course drain/old channel 138.89 ft., iron stake witnessed.

1. 5" Elm N 18 10 W 10.3 ft.,
2. 12" Birch N 64 35 E 22.2 ft.,
3. 13" Pin Oak N 80 15 W 45.8 ft.,
4. 11" Pin oak S 28 20 W 23.9 ft.,

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BR

2003

5/27/03

574

THENCE S 45 56 14 E 222.22 ft. to iron stake for corner. Witnessed:

1. 9" Pin Oak N 51 00 W 36.9 ft.,
2. 20" Pine S 23 45 W 36.5 ft.,
3. 10" Pine S 26 40 E 27.5 ft.,
4. 12" Birch S 74 45 E 3.3 ft.,

THENCE S 51 03 46 W with a hacked, blazed and painted line 455.56 ft. to the PLACE OF BEGINNING and containing 187.56 acres of land, more or less.

FILED AND RECORDED
REAL PROPERTY RECORDS
On: Dec 21, 2012 at 02:01P

Document Number: 00047960
Amount: 28.00

HONORABLE Diana Kover
COUNTY CLERK

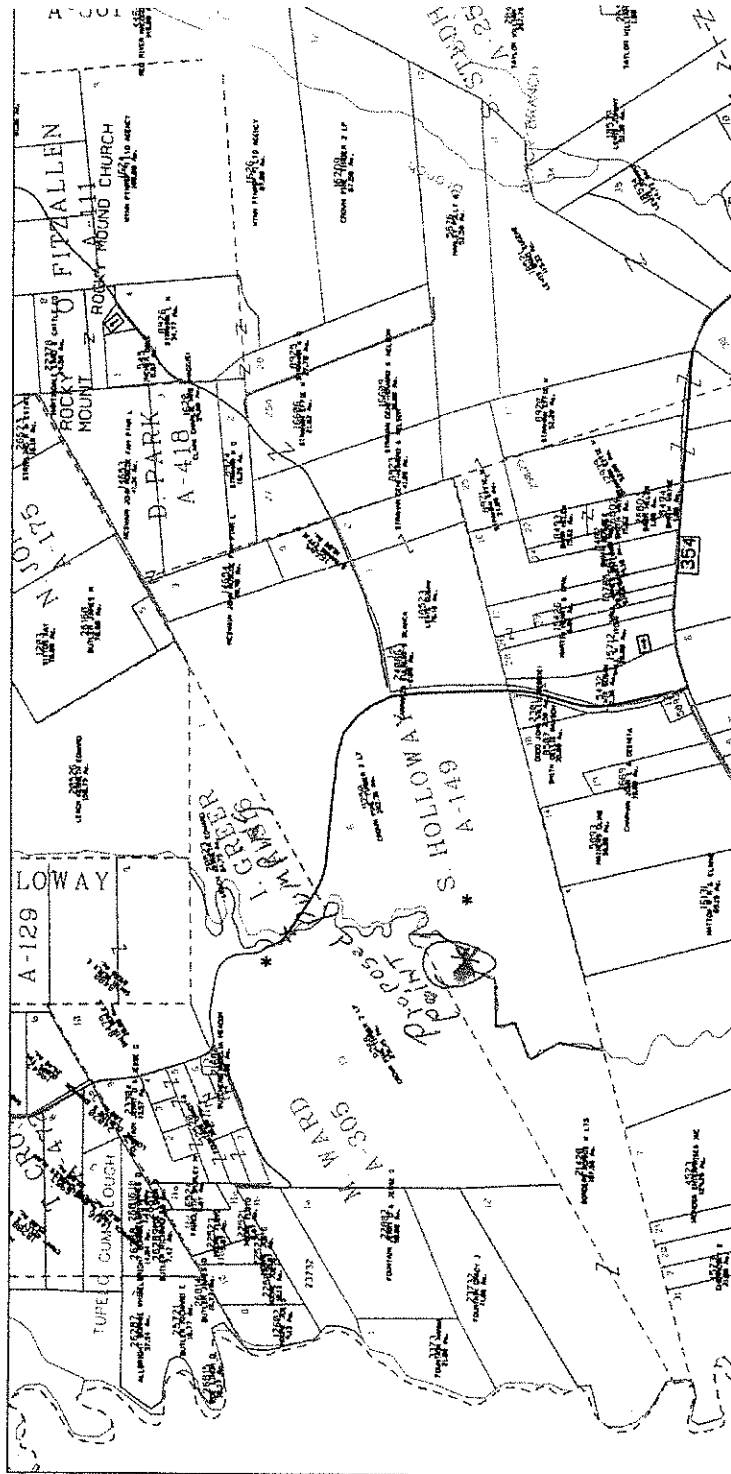
By
Lindsay Bryant, Deputy
San Augustine County
ANY PROVISION HEREIN WHICH RESTRICTS
THE SALE, RENTAL OR USE OF THE
DESCRIBED REAL PROPERTY BECAUSE OF
COLOR OR RACE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW.

00047960

BK

283

574



...|San Augustine.dgn 8/18/2015 9:50:10 AM

Lillian Beerman

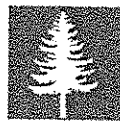
From: [REDACTED]
Sent: Tuesday, August 01, 2017 9:51 AM
To: Lillian Beerman
Subject: Application 13222 Water Use Permit (Ronnie Borders)
Attachments: Signed Consent Letter.pdf

Ms. Lillian,

Attached is the consent letter for Ronnie Borders project number: 13222 water use permit. I just wanted to let you look at it and make sure it was sufficient before we mailed it.

Thanks,

Destiny Russell
Castilaw Environmental Services, LLC
(936) 559-9991



CASTILAW
ENVIRONMENTAL SERVICES, LLC

July 31, 2017

Ms. Lillian Beerman
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Castilaw Environmental Services, LLC - Project No. 15-CES-286

Ms. Beerman,

Castilaw Environmental Services, LLC (CES) is pleased to submit the following evidence of consent for Ronnie W. Borders, Ltd. Ronnie W. Borders, Ltd. gives consent to Ronnie Borders to continue with the Water Use Permit application and installation of the two (2) proposed reservoirs and their associated diversion points. Please contact me should you have any comments or questions.

Thank You,

Anthony Castilaw

Anthony Castilaw
President / Sr. Environmental Specialist

Consent Accepted:

Ronnie W. Borders 7 31 17
Landowner Signature Date

Ronnie W. Borders 7 31 17
Applicant Signature Date

510 E. Pilar Street
Nacogdoches, Texas 75961
Office: 936-559-9991 Fax: 936-559-9993

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Dwight Russell Call from: William E. Beerman
Date of call: August 1, 2017 File no.: WRPERM #13222
Phone no.: (936) 559-9991 Subject: Ronnie Borders
Anthony Castilano, consultant

Information for file:

informed Dwight Russell that
the consent form was adequate

Signed

William E. Beerman

Lillian Beerman

From: [REDACTED]
Sent: Monday, July 31, 2017 10:41 AM
To: Lillian Beerman
Subject: App No. 13222 Water Use Permit (Ronnie Borders)
Attachments: 15-CES-286 Ronnie Borders Consent (2017).pdf

Hi Lillian,

I left a voice message in reference to Application No. 13222 Water Use Permit for Ronnie Borders. I decided to just send you a pdf of the letter of consent for the land deeds to make sure this it is sufficient for your records before we get it signed and sent in.

Thank You,

Destiny Russell
Castilaw Environmental Services, LLC
(936) 559-9991



CASTILAW
ENVIRONMENTAL SERVICES, LLC

July 31, 2017

Ms. Lillian Beerman
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Castilaw Environmental Services, LLC - Project No. 15-CES-286

Ms. Beerman,

Castilaw Environmental Services, LLC (CES) is pleased to submit the following evidence of consent for Ronnie W. Borders, Ltd. Ronnie W. Borders, Ltd. gives consent to Ronnie Borders to continue with the Water Use Permit application and installation of the two (2) proposed reservoirs and their associated diversion points. Please contact me should you have any comments or questions.

Thank You,

Anthony Castilaw
President / Sr. Environmental Specialist

Consent Accepted:

Landowner Signature

Date

Applicant Signature

Date

510 E. Pilar Street
Nacogdoches, Texas 75961
Office: 936-559-9991 Fax: 936-559-9993

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: William Reerman Call from: Destiny Russell
Date of call: July 31, 2017 File no.: 13222
Phone no.: (936) 559-9991 Subject: Ronnie Borders
Castilaw Env.

Information for file: Voicemail Ms. Russell, spoke with
Wanted to confirm Anthony Castilaw
that they had given
appropriate format for consent
for Ronnie Borders to
act as agent for
Ronnie Borders, Ltd.

Signed

William E. Brown

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Deating Russell
Date of call: 4/24/2017
Phone no.: (936) 559-9991

Call from: Lillian E. Beerman
File no.: 13222
Subject: Ronnie Borders
RFI #2

Information for file:

- Returned her voicemail
- I Said make sure quantifiable targets, e.g. 5% or 10% goals.
- Discussed Ronnie Borders LTD giving authority to Ronnie Borders need form signed consent

Signed

Lillian E. Beerman

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Voicemail to Me

Call to: Lillian Beerman

Call from: Destiny ~~Garcia~~ Russell

Date of call: 1:25 / 7/24/2017

File no.: #13222

Phone no.: (936) 558-9991

Subject: Water Use Permit/RFI
Ronnie Borders

Information for file: Anthony Castilaw

#5/#6 of Conservation Plan.

Summer Water from Wells.

5 + 10 yr targets for water

savings.

During Summer Months

Signed

Lillian S. Beerman

Lillian Beerman

From: [REDACTED]
Sent: Thursday, July 20, 2017 10:29 AM
To: Lillian Beerman
Subject: RE: Request for Information_Ronnie Borders_WRPERM No. 13222_Price Creek_Neches River Basin_San Augustine County

Thank you Lillian

Anthony Castilaw
Castilaw Environmental Services, LLC
(936) 559-9991 (Office)
(936) 645-3316 (Cell)
www.castilawenvironmental.com

----- Original Message -----

Subject: Request for Information_Ronnie Borders_WRPERM No. 13222_Price Creek_Neches River Basin_San Augustine County
From: Lillian Beerman <Lillian.Beerman@Tceq.Texas.Gov>
Date: Thu, July 20, 2017 10:23 am

[REDACTED]

MR. ANTHONY CASTILAW,

ATTACHED IS A COPY OF THE TCEQ'S REQUEST FOR INFORMATION REGARDING RONNIE BORDERS, WRPERM NO. 13222 IN THE NECHES RIVER BASIN, SAN AUGUSTINE COUNTY.

IF YOU HAVE ANY QUESTIONS PLEASE DON'T HESITATE TO CONTACT ME.

THANK YOU,

Lillian E. Beerman, Ph.D.

Project Manager, Water Rights Permitting
Water Availability Division MC-160
Texas Commission on Environmental Quality
12100 Park 35 Circle, Bldg. F, 3rd Floor
Austin, Texas 78753
lillian.beerman@tceq.texas.gov
☎: (512) 239-4019



Lillian Beerman

From: Lillian Beerman
Sent: Thursday, July 20, 2017 10:24 AM
To: [REDACTED]
Subject: Request for Information_Ronnie Borders_WRPERM No. 13222_Price Creek_Neches River Basin_San Augustine County
Attachments: Ronnie Borders_RFI #2_13222.pdf

MR. ANTHONY CASTILAW,

ATTACHED IS A COPY OF THE TCEQ'S REQUEST FOR INFORMATION REGARDING RONNIE BORDERS, WRPERM NO. 13222 IN THE NECHES RIVER BASIN, SAN AUGUSTINE COUNTY.
IF YOU HAVE ANY QUESTIONS PLEASE DON'T HESITATE TO CONTACT ME.

THANK YOU,

Lillian E. Beerman, Ph.D.

Project Manager, Water Rights Permitting

Water Availability Division MC-160

Texas Commission on Environmental Quality

12100 Park 35 Circle, Bldg. F, 3rd Floor

Austin, Texas 78753

lillian.beerman@tceq.texas.gov

☎: (512) 239-4019



Texas COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Anthony Castilaw
Date of call: July 20, 2017
Phone no.: (936) 559-9991

Call from: Lillian E. Beerman
File no.: 13222
Subject: Ronnie Borders

Information for file: Called to make sure I had
correct ~~at~~ address. Email was returned
ADAM MILLER has left Castilaw
for job with Army Corps of Engineers.
Castilaw, himself, will be contact
for permit application.

Signed Lillian E. Beerman

Lillian Beerman

From: Lillian Beerman
Sent: Monday, July 17, 2017 3:12 PM
To: [REDACTED]
Subject: Request for Information_Ronnie Borders_WRPERM No. 13222_Price Creek_Neches River Basin_San Augustine County
Attachments: Ronnie Borders_RFI #2_13222.pdf

MR. MILLER,

ATTACHED IS A COPY OF THE TCEQ'S REQUEST FOR INFORMATION REGARDING RONNIE BORDERS, WRPERM NO. 13222 IN THE NECHES RIVER BASIN, SAN AUGUSTINE COUNTY.
IF YOU HAVE ANY QUESTIONS PLEASE DON'T HESITATE TO CONTACT ME.

THANK YOU,

Lillian E. Beerman, Ph. D.

Project Manager, Water Rights Permitting
Water Availability Division MC-160
Texas Commission on Environmental Quality
12100 Park 35 Circle, Bldg. F, 3rd Floor
Austin, Texas 78753
lillian.beerman@tceq.texas.gov
☎: (512) 239-4019



Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

July 14, 2017

Mr. Adam Miller
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, TX 75961

CERTIFIED MAIL

9489 0090 0027 6009 3700 27

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code §§ 11.121, 11.042, Requiring Mailed and Published Notice
Unnamed tributary of Price Creek, Big Iron Ore Creek, and Little Iron Ore Creek,
Neches River Basin
San Augustine County

Dear Mr. Miller:

This acknowledges receipt, on July 20, 2016, of additional information and fees in the amount of \$1,815.38 (Receipt Nos. M632319A and M632319B, enclosed).

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

1. Confirm that the respective latitude and longitude coordinates of the proposed off-channel Reservoir No.1 and Diversion Point No.1 are 31.583978° N and 94.275208° W and 31.559412° N and 94.290937° W, as given on Figures 1 and 2 of the response. Staff notes that the text of the RFI response is not consistent with the maps provided.
2. Confirm that the capacity of Reservoir No.1 is 90 acre-feet.
3. Confirm that the requested maximum diversion rate of Diversion Point No.1 (previously Diversion Point No.3) for Reservoir No.1 is 4.5 cfs (2,000 gpm).
4. Confirm that the requested maximum diversion rate of Diversion Point No.2 for Reservoir No.2 is 4.5 cfs (2,000 gpm).
5. Provide specific and quantified five-year and ten-year targets for water savings and the basis for development of such goals for this water use/facility, as required in *The Industrial/Mining Water Conservation Plan* previously submitted.
6. Provide a recorded copy of the deed(s) for the property where Reservoir No. 1 and Diversion Point No. 1 are located. The deed(s) should include the legal description of the land (metes and bounds). Please note that the application must be in the name(s) of all landowners as shown on the deeds; otherwise, proper consent of the application must be provided pursuant to Title 30 Texas Administrative Code (TAC) § 295.10.

Ronnie Borders
Application No. 13222
July 14, 2017
Page 2 of 2

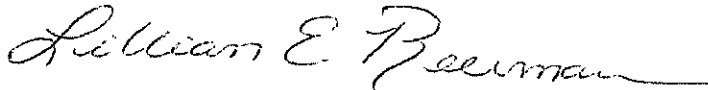
7. Confirm the place of use for mining purposes is in San Augustine County, solely within the Neches River Basin.

Please submit the requested information by August 14, 2017 or the application may be returned pursuant to 30 TAC § 281.18.

Please be aware that application to obtain a Water Use Permit may result in annual Water Use Assessment Fees (WUF). For more detailed information on these fees, see the enclosed *Frequently Asked Questions* fact sheet or contact the Water Quality Monitoring & Assessment Section at (512) 239-3838.

If you have any questions concerning this matter please contact me via email at lillian.beerman@tceq.texas.gov or by telephone at (512) 239-4019.

Sincerely,



Lillian E. Beerman, Ph.D., Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Enclosures



21-JUL-16 09:39 AM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

Fee Code
Account#
Account Name

Fee Description

WTR USE PERMITS
WUP
WUP
WATER USE PERMITS

<u>Ref#1</u>	<u>Check Number</u>	<u>CC Type</u>	<u>Card Auth.</u>	<u>Tran Code</u>	<u>Slip Key</u>	<u>Tran Date</u>	<u>Tran Amount</u>
<u>Ref#2</u>	<u>User Data</u>	<u>Rec Code</u>	<u>Document#</u>				
M632319A	5990		B800050966	21-JUL-16			
13222	072016	N	D6806386				
CASITIAW	VHERNAND	CK					
ENVIRONMENT							
AL SERVICES							
LLC							

Total (Fee Code): -\$1,602.00

Grand Total: -\$15,937.38

RECEIVED
2016 JUL 22 A 10:55
WATER AVAILABILITY DIV.



21-JUL-16 09:39 AM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

Fee Description
Fee Code
Account#
Account Name

NOTICE FEES-WUP-
WATER USE PERM
PTGU
PTGU
NOTICE FEES WUP WATER USE
PERMITS

Ref#1
Ref#2
Paid In By
M632319B
13222
CASTILAW
ENVIRONMENT
AL SERVICES
LLC

Check Number CC Type
Card Auth. Tran Code
User Data Rec Code

5990
072016
VHERNAND
CK

Slip Key
Document#

BS000050966
D6806386

Tran Amount

-\$213.38

Tran Date

21-JUL-16

Total (Fee Code):

-\$213.38

Water Use Assessment Fee (WUF): The Annual Fee Associated with Water Rights Permits

How can this affect me?

You are receiving this notice if you are the owner of a water right permit and you have recently changed your permit. Any change to your permit, including adding an authorized use, changing a diversion point, or a change of ownership, would cause the Water Use Fee assessor to review your permit for billable uses and may (depending on the change) result in you receiving a bill when you previously did not.

What is this fee?

The Water Use Assessment Fee is a fee that is assessed annually on applicable water rights permits. Texas Water Code, Sections 26.0135 & 26.0291 authorizes the TCEQ to establish fees to recover the reasonable costs of water quality assessment programs from wastewater and water right permit holders. TCEQ rules, 30 Texas Administrative Code (TAC), Sections 21.1-21.4, set out the methodology for assessing water use fees, described below.

Why are you billed?

If you hold a water right and do not fall under an exemption, then you are subject to the Water Use Assessment Fee. Unless the water right is amended to fall under an exemption, you will be billed for this water right on an annual basis.

Amendments can make a water right that was not previously billed now billable. For example, if you amend your water right to add an authorized use you could receive a bill in the year following your amendment.

What are reasons for exemption?

Exemptions are listed in 30 TAC, Section 21.3(c). Exemptions from the Water Use Assessment Fee include: municipal/domestic or industrial water rights directly associated with a facility that is assessed a Consolidated Water Quality Fee; agriculture (irrigation) water rights; non-priority hydroelectric water rights for a facility with a capacity of less than 2 megawatts; consumptive authorization less than 250 acre-feet; and non-consumptive authorization less than 2,500 acre-feet. If you can provide proof of these exemptions, please contact us using the information at the end of this document.

How is the fee assessed?

Fees are based on the annual authorization in the water right, not actual use. The total fee is the sum of the separate fees for each authorized use in each of the following categories for each permit.

The fee rate of **\$0.385** per acre-foot per year applies to authorized consumptive use (municipal/domestic, industrial, or mining purposes) if the specified limit is more than 250 acre-feet per year.

The fee rate of **\$0.021** per acre-foot per year applies to authorized non-consumptive use (including hydroelectric and some recreation) if the specified limit is more than 2,500 acre-feet per year.

The maximum water use fee for a single permit is \$115,000, which may be adjusted annually using the latest Consumer Price Index.

How are diversion amounts distributed amongst uses?

For permits with multiple uses that do not specify the amount per use, the total authorized amount is divided equally among all uses.

Example: 10,000 ac-ft for irrigation, municipal, industrial, and mining
 $10,000/4 = 2,500$ ac-ft per use
Irrigation is exempt; municipal/domestic not billed because wastewater treatment plant that uses the water already pays the Consolidated Water Quality Fee; industrial is billed \$962.50 at the consumptive rate for 2,500 ac-ft; mining billed \$962.50 at the consumptive rate for 2,500 ac-ft.

Where Do I Get More Information?

For copies of the fee rules (30 TAC, Sections 21.1-21.4), refer to the TCEQ rules from the Texas Administrative Code on the Secretary of State's web site at www.sos.state.tx.us. To learn more about the fee, please visit:

<http://www.tceq.state.tx.us/agency/drought/waterfees.html>

For billing and account balance information, call the TCEQ's Financial Administration Division, Revenue Section at (512) 239-0344.

If you have any questions about the Water Use Assessment Fee or the rates for your water right, contact the Water Quality Monitoring & Assessment Section at (512) 239-3838, or via email at wateruse@tceq.texas.gov, or write to:

Texas Commission on Environmental Quality
Water Quality Planning Division, MC 234
Water Use Fees
P.O. Box 13087
Austin, TX 78711-3087

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

July 14, 2017

Mr. Adam Miller
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, TX 75961

CERTIFIED MAIL

9489 0090 0027 6009 3700 27

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code §§ 11.121, 11.042, Requiring Mailed and Published Notice
Unnamed tributary of Price Creek, Big Iron Ore Creek, and Little Iron Ore Creek,
Neches River Basin
San Augustine County

Dear Mr. Miller:

This acknowledges receipt, on July 20, 2016, of additional information and fees in the amount of \$1,815.38 (Receipt Nos. M632319A and M632319B, enclosed).

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

1. Confirm that the respective latitude and longitude coordinates of the proposed off-channel Reservoir No.1 and Diversion Point No.1 are 31.583978° N and 94.275208° W and 31.559412° N and 94.290937° W, as given on Figures 1 and 2 of the response. Staff notes that the text of the RFI response is not consistent with the maps provided.
2. Confirm that the capacity of Reservoir No.1 is 90 acre-feet.
3. Confirm that the requested maximum diversion rate of Diversion Point No.1 (previously Diversion Point No.3) for Reservoir No.1 is 4.5 cfs (2,000 gpm).
4. Confirm that the requested maximum diversion rate of Diversion Point No.2 for Reservoir No.2 is 4.5 cfs (2,000 gpm).
5. Provide specific and quantified five-year and ten-year targets for water savings and the basis for development of such goals for this water use/facility, as required in *The Industrial/Mining Water Conservation Plan* previously submitted.
6. Provide a recorded copy of the deed(s) for the property where Reservoir No. 1 and Diversion Point No. 1 are located. The deed(s) should include the legal description of the land (metes and bounds). Please note that the application must be in the name(s) of all landowners as shown on the deeds; otherwise, proper consent of the application must be provided pursuant to Title 30 Texas Administrative Code (TAC) § 295.10.

Ronnie Borders
Application No. 13222
July 14, 2017
Page 2 of 2

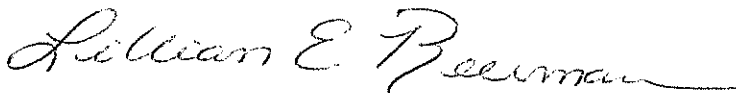
7. Confirm the place of use for mining purposes is in San Augustine County, solely within the Neches River Basin.

Please submit the requested information by August 14, 2017 or the application may be returned pursuant to 30 TAC § 281.18.

Please be aware that application to obtain a Water Use Permit may result in annual Water Use Assessment Fees (WUF). For more detailed information on these fees, see the enclosed *Frequently Asked Questions* fact sheet or contact the Water Quality Monitoring & Assessment Section at (512) 239-3838.

If you have any questions concerning this matter please contact me via email at lillian.beerman@tceq.texas.gov or by telephone at (512) 239-4019.

Sincerely,



Lillian E. Beerman, Ph.D., Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Enclosures



21-JUL-16 09:39 AM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

<u>Fee Code</u>	<u>Ref#1</u>	<u>Check Number</u>	<u>CC Type</u>	<u>Slip Key</u>	<u>Tran Date</u>	<u>Tran Amount</u>
<u>Account#</u>	<u>Ref#2</u>	<u>Card Auth.</u>	<u>Tran Code</u>	<u>Document#</u>		
<u>Account Name</u>	<u>Paid In By</u>	<u>User Data</u>	<u>Rec Code</u>			
WTR USE PERMITS						
WUP	M632319A	5990		BS00050966	21-JUL-16	-\$1,602.00
WUP	13222	072016	N	D6806386		
WATER USE PERMITS	CASTILIA	VHERNAND	CK			
	ENVIRONMENT					
	AL SERVICES					
	ILC					

Total (Fee Code) : -\$1,602.00

Grand Total: -\$15,937.38

2016 JUL 22 A 10:55
WATER AVAILABILITY DIV.
RECEIVED
Page 9 of 9



21-JUL-16 09:39 AM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

<u>Fee Description</u>	<u>Fee Code</u>	<u>Account#</u>	<u>Ref#1</u>	<u>Check Number</u>	<u>CC Type</u>	<u>Slip Key</u>	<u>Tran Date</u>	<u>Tran Amount</u>
			<u>Ref#2</u>	<u>Card Auth.</u>	<u>Tran Code</u>	<u>Document#</u>		
			<u>Paid In By</u>	<u>User Data</u>	<u>Rec Code</u>			
NOTICE FEES-WUP-	PTGU		M632319B	5990		BS00050966	21-JUL-16	- \$213.38
WATER USE PERM	PTGU		13222	072016	N	D6806386		
			CASTILAW	VERRNAND	CK			
			ENVIRONMENT					
			AL SERVICES					
			LLC					

Total (Fee Code) :

- \$213.38

Water Use Assessment Fee (WUF): The Annual Fee Associated with Water Rights Permits

How can this affect me?

You are receiving this notice if you are the owner of a water right permit and you have recently changed your permit. Any change to your permit, including adding an authorized use, changing a diversion point, or a change of ownership, would cause the Water Use Fee assessor to review your permit for billable uses and may (depending on the change) result in you receiving a bill when you previously did not.

What is this fee?

The Water Use Assessment Fee is a fee that is assessed annually on applicable water rights permits. Texas Water Code, Sections 26.0135 & 26.0291 authorizes the TCEQ to establish fees to recover the reasonable costs of water quality assessment programs from wastewater and water right permit holders. TCEQ rules, 30 Texas Administrative Code (TAC), Sections 21.1-21.4, set out the methodology for assessing water use fees, described below.

Why are you billed?

If you hold a water right and do not fall under an exemption, then you are subject to the Water Use Assessment Fee. Unless the water right is amended to fall under an exemption, you will be billed for this water right on an annual basis.

Amendments can make a water right that was not previously billed now billable. For example, if you amend your water right to add an authorized use you could receive a bill in the year following your amendment.

What are reasons for exemption?

Exemptions are listed in 30 TAC, Section 21.3(c). Exemptions from the Water Use Assessment Fee include: municipal/domestic or industrial water rights directly associated with a facility that is assessed a Consolidated Water Quality Fee; agriculture (irrigation) water rights; non-priority hydroelectric water rights for a facility with a capacity of less than 2 megawatts; consumptive authorization less than 250 acre-feet; and non-consumptive authorization less than 2,500 acre-feet. If you can provide proof of these exemptions, please contact us using the information at the end of this document.

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The fee rate of **\$0.021** per acre-foot per year applies to authorized non-consumptive use (including hydroelectric and some recreation) if the specified limit is more than 2,500 acre-feet per year.

The maximum water use fee for a single permit is \$115,000, which may be adjusted annually using the latest Consumer Price Index.

How are diversion amounts distributed amongst uses?

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Example: 10,000 ac-ft for irrigation, municipal, industrial, and mining
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Irrigation is exempt; municipal/domestic not billed because wastewater treatment plant that uses the water already pays the Consolidated Water Quality Fee; industrial is billed \$962.50 at the consumptive rate for 2,500 ac-ft; mining billed \$962.50 at the consumptive rate for 2,500 ac-ft.

Where Do I Get More Information?

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<http://www.tceq.state.tx.us/agency/drought/waterfees.html>

For billing and account balance information, call the TCEQ's Financial Administration Division, Revenue Section at (512) 239-0344.

If you have any questions about the Water Use Assessment Fee or the rates for your water right, contact the Water Quality Monitoring & Assessment Section at (512) 239-3838, or via email at wateruse@tceq.texas.gov, or write to:

Texas Commission on Environmental Quality
Water Quality Planning Division, MC 234
Water Use Fees
P.O. Box 13087
Austin, TX 78711-3087

THIS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: <u>Anthony Castilaw</u>	Call from: <u>Lou Hamilton</u>
Date of call: <u>7-6-97</u>	File no.: <u>13222</u>
Phone no.: <u>936 559-9991</u>	Subject: <u>RE Application Status</u>

Information for file: I contacted Mr. Castilaw and provided him with a status update regarding Ronnie Border application #13222.

Signed Lou Hamilton

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Lillian Beerman
Date of call: June 30, 2017
Phone no.: (936) 559-9991

Call from: Anthony Castilaw
File no.: 13222
Subject: Rennie Borders

Information for file: Anthony Castilaw, Castilaw Env. Services, LLC

Concerned about the length of time TCEQ was taking Rennie Borders WRPERM Application No. 13222

Wanted to know what was taking so long. Said he talked to Lori in the fall and she said the additional RFI questions would be drafted in 30 days. Says Lori is an acquaintance.

Will have Lori call to update him on Permit.

Signed Lillian E. Beerman

AS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: Adam Miller, PWS

Call from: Ally Beever

Date of call: Nov 1, 2016

File no.:

Phone no.: (936) 559-9991
Castilaw Env. Services

Subject: Return Call

Information for file: Regarding WR # 13222,
Ronnie Borders

Adam wanted to meet the latest project manager and find out if we received ^{their} ~~a~~ response to the RFI and fees.

Informed him that we received his response and fees.

Confirmed his e-mail address.

~~Essentially~~ Essentially it was a ~~courtesy~~ courtesy call.

Signed

Ally S. Beever



21-JUL-16 09:39 AM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

<u>Fee Description</u>	<u>Fee Code</u>	<u>Account#</u>	<u>Account Name</u>	<u>Ref#1</u>	<u>Ref#2</u>	<u>Check Number</u>	<u>CC Type</u>	<u>Slip Key</u>	<u>Tran Date</u>	<u>Tran Amount</u>
				<u>Paid In By</u>	<u>User Data</u>	<u>Card Auth.</u>	<u>Tran Code</u>	<u>Document#</u>		
NOTICE FEES-WUP -	PTGU			M632319B	5990			B500050966	21-JUL-16	- \$213.38
WATER USE PERM	PTGU			13222	072016		N	D6806386		
			NOTICE FEES WUP WATER USE	CASTILLAM	VHERNAND		CK			
			PERMITS	ENVIRONMENT						
			AL SERVICES							
			LLC							

Total (Fee Code) :

- \$213.38



21-JUL-16 09:39 AM

TCEQ - A/R RECEIPT REPORT BY ACCOUNT NUMBER

<u>Fee Code</u>	<u>Ref#1</u>	<u>Check Number</u>	<u>CC Type</u>	<u>Slip Key</u>	<u>Tran Date</u>	<u>Tran Amount</u>
<u>Account#</u>	<u>Ref#2</u>	<u>Card Auth.</u>	<u>Tran Code</u>	<u>Document#</u>		
<u>Fee Description</u>	<u>Account Name</u>	<u>Paid In By</u>	<u>User Data</u>	<u>Rec Code</u>		
WTR USE PERMITS	WUP	M632319A	5990		21-JUL-16	- \$1,602.00
	WUP	13222	072016	N		
		CASTILAW	VHERNAND	CK		
		ENVIRONMENT				
		AL SERVICES				
		LLC				

Total (Fee Code): - \$1,602.00

Grand Total: - \$15,937.38

RECEIVED
2016 JUL 22 A 10:55
WATER AVAILABILITY DIV.
Page 9 of 9

PAY TO THE ORDER
OF STATE COMPTROLLER
TODD

632319 7/20/16

Please Return to: Iliana Delgado

Application No.:	WRPERM 13222
Date Check Received:	07/20/2016
Check No.:	5990
Check Amount:	\$1815.38
Payor's Name:	Castilaw Environmental Services, LLC
Payor's Address:	PO BOX 631025, Nacogdoches, TX 75963
Payor's Phone No:	936559-9991

213.38 → Notice
1,602.00 → Applicant
Total - 1,815.38

WATER AVAILABILITY DIV.

2016 JUL 20 A 11: 27

RECEIVED

Morgan Scott

From: [REDACTED]
Sent: Thursday, June 30, 2016 3:41 PM
To: Morgan Scott
Cc: Anthony Castilaw
Subject: RE: Ronnie Border, Application No. 13222, RFI #1
Attachments: Application for Water Use Permit - Ronnie Borders.pdf

Morgan,

Attached is the response document, figures, water conservation plan, and a copy of the application check. We will be putting a hard copy of this document along with the application check in the mail to you. Please give us a call if you have any questions or need additional information.

Sincerely,

Adam Miller, PWS
Castilaw Environmental Services, LLC
(936) 559-9991

----- Original Message -----

Subject: RE: Ronnie Border, Application No. 13222, RFI #1
From: "Morgan Scott" <Morgan.Scott@Tceq.Texas.Gov>
Date: 6/2/16 2:25 pm

[REDACTED]

Mr. Miller,

Attached please find a pdf of the letter that was mailed to you today. Let me know if you have any questions or need further assistance.

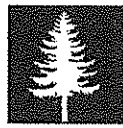
Thank you,

Morgan Scott, Project Manager

Water Rights Permitting Team

Water Availability Division

512-239-4675



CASTILAW

ENVIRONMENTAL SERVICES, LLC

RECEIVED

2016 JUL 20 A 11:21

WATER AVAILABILITY DIV.

June 30, 2016

Ms. Morgan Scott
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Castilaw Environmental Services, LLC - Project No. 15-CES-286

Ms. Scott,

Since the initial application that we submitted, on behalf of Mr. Ronnie Borders, to the Texas Commission on Environmental Quality (TCEQ) during late August 2015, Mr. Borders has altered the original proposed plans. One of the proposed reservoirs, identified as Reservoir 3, has been put on hold for the foreseeable future; therefore, this reservoir can be removed from consideration in the application. Also, the originally proposed Reservoir 1 has been relocated to a new location and has since been constructed. Additionally, the originally proposed diversion point for Reservoir 1 has been changed to the diversion point that was initially proposed for Reservoir 3. The attached revised figures depict the location of Reservoirs 1 & 2, their associated groundwater wells, and their proposed diversion points (Figures 1 - 4).

Included below is a response to the additional information that was requested by the TCEQ, in a letter dated April 29, 2016, that is required prior to the application being declared administratively complete:

1. Provide an application in the name(s) of all landowners as shown on the deeds; otherwise proper consent of the application must be provided pursuant to Title 30 Texas Administrative Code (TAC) 295.10 for the land where Diversion Points 2 and 3, and Reservoirs 2 & 3 are located.

The deed for the land at the proposed diversion point for water delivered to the recently constructed Reservoir 1 from Big Iron Ore Bayou is owned by Ronnie Borders as the Grantee of Ronnie W. Borders, Ltd.

The deed for the land at the proposed diversion point for water delivered to the existing Reservoir 2 on Little Iron Ore Bayou is owned by Ronnie Borders as the Grantee of Ronnie Borders.

2. Provide the location of the proposed off-channel Reservoir 1. Staff notes inconsistencies between the maps submitted with the application in Appendix A Location 1 Figures. Coordinates should be expressed in decimal degrees to at least 6 decimal places.

The originally proposed off-channel Reservoir 1 has been moved to a new location. The coordinates for off-channel Reservoir 1 are as follows: 31.584075, -94.275311. This off-channel reservoir is a recently constructed pond located on upland habitat and at present is being fed only by precipitation. Groundwater wells have been dug and will also be utilized as a water source. See the attached revised figures depicting the location of the reservoir, associated groundwater wells, and diversion point.

3. Confirm the location of the existing off-channel Reservoir 2. Staff has calculated the coordinates to be Latitude 31.615590 N, Longitude 94. 256537.

The coordinates, Latitude 31.615590 N, Longitude -94.256537 for the approximate center of Reservoir 2 are correct.

4. Provide the bearing and distance from an original survey corner to Diversion Points 1, 2, and 3 and Reservoirs 1, 2, and 3.

The locations are identified on the survey plat attached. Additionally, the attached figures depict the locations of Reservoir 1 and 2 and the proposed diversion points.

5. Confirm the drainage areas for the three proposed diversion points and on-channel reservoir as shown in the table below. Staff has calculated these areas to be:

Diversion Point 1 will not be used as Reservoir 1 has been moved to a new location. See the attached figures.

Diversion Point 2, for a drainage area of 191.91 sq. mi. is correct.

Diversion Point 3 is now the diversion point for Reservoir 1. The drainage area of 740.84 sq. miles is correct.

6. Confirm that Photograph 5 in Appendix G Location 3 Photographs is of Big Iron Ore Creek. Staff notes that it is labeled as Little Iron Ore Creek.

Photograph 5 is a photograph of Big Iron Ore Creek. Photographs 5 and 6 are now the diversion points for the revised Reservoir 1 diversion point.

7. Provide the top of dam capacity and the hazard classification for on-channel Reservoir 3.

Construction of the proposed on-channel Reservoir 3 has been put on hold for the foreseeable future; therefore, Reservoir 3 should be removed from consideration in this application.

8. Provide a completed Supplemental Discharge Point Information Sheet (enclosed) for the proposed discharge point for water transferred from Big Iron Ore Creek into on-channel Reservoir 3. Indicated the latitude and longitude coordinated in decimal degrees, to at least six decimal places. Specify the method used to calculate the discharge point location.

Construction of the proposed on-channel Reservoir 3 has been put on hold for the foreseeable future; therefore, Reservoir 3 should be removed from consideration in this application.

9. Provide the following additional information for the request to use the bed and banks of the unnamed tributary of Price Creek for the transfer of water from Diversion Point 3 to the on-channel Reservoir 3.

- a. Conveyance losses, including the method used to calculate the losses, due to transportation, evaporation (Including from Reservoir 3), seepage, channel or other associated carriage losses;

Construction of the proposed on-channel Reservoir 3 has been put on hold for the foreseeable future; therefore, Reservoir 3 should be removed from consideration in this application.

- b. An assessment of the adequacy of the quantity and quality of the flows remaining after the proposed diversion to meet instream flow needs and bay and estuary freshwater inflow needs.

Construction of the proposed on-channel Reservoir 3 has been put on hold for the foreseeable future; therefore, Reservoir 3 should be removed from consideration in this application.

10. Confirm that the requested maximum diversion amount from the two diversion points on Big Iron Ore Creek is 800 acre-feet per year. Confirm that the combined maximum rate of diversion from the two diversion points on Big Iron Ore Creek is 8.91 cfs (4,000gpm).

The new location for Reservoir 1 is requesting 800 acre/feet per year from Big Iron Ore Creek. The Reservoir 2 is requesting 800 acre/feet per year from Little Iron Ore Creek. Diversions will not occur during the summer months as groundwater will supplement reservoir levels.

11. Clarify if the applicant request to divert water from on-channel Reservoir 3. If the applicant proposed to divert water from Reservoir 3, provide a completed Supplemental Diversion

Point Information Sheet (Enclosed) for the diversion point. Indicate the latitude and longitude coordinates in decimal degrees, to at least six decimal places. Provide the proposed volume of water to be diverted in acre-feet per year.

Construction of the proposed on-channel Reservoir 3 has been put on hold for the foreseeable future; therefore, Reservoir 3 should be removed from consideration in this application.

12. Provide the place of use for the water diverted, including county and river basin. Staff acknowledges that the applicant indicated the place of use is "San Augustine County and Surrounding Counties"; however, all county names and river basins must be specified.

These ponds are being proposed to provide water necessary for oil & gas-related exploration activities in San Augustine County.

13. Provide a completed mining water conservation plan (enclosed).

The water conservation plan is included as an attachment.

14. Provide copies of the notice, with certified mail proof of delivery, sent to each governmental body of each county and municipality in which the proposed Reservoirs 1, 2, and 3, or any part of the reservoirs, will be located pursuant to Title 30 TAC 295.42 (enclosed).

Reservoirs 1 and 2 have already been constructed. The construction of Reservoir 3 has been put on hold for the foreseeable future; therefore, Reservoir 3 should be removed from consideration in this application.

CLOSING

Please do not hesitate to contact Mr. Anthony Castilaw or myself at 936-559-9991 (Office) should you have any questions or need additional information associated with this application.

Thank You,



Adam Miller, PWS
Sr. Environmental Specialist

Attachments

FIGURES

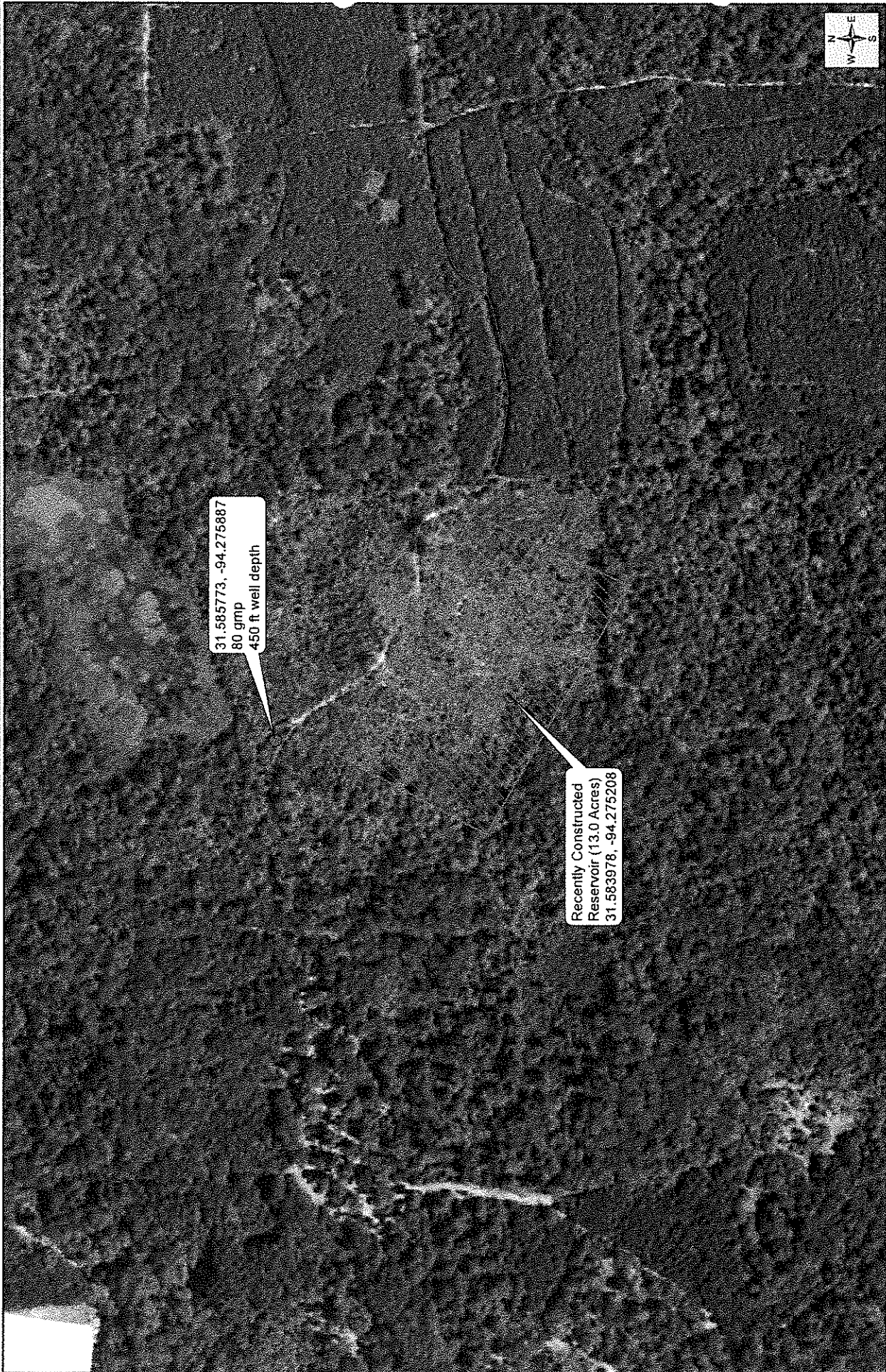


Figure 1 of 4
 Revised Reservoir 1 Location
 Water Well Location



Reservoir 1 - Proposed Water Use



Created By:
 A. Miller & D. Russell
 CES Project No. 15-CES-286

Ronnie Borders
 San Augustine County, Texas

Datum: NAD83 Zone 15
 Imagery Source: NAIP
 Vector Source: CES, ESRI, & USGS

Date: June 20, 2016

- Water Well Location
- ▨ Reservoir 1

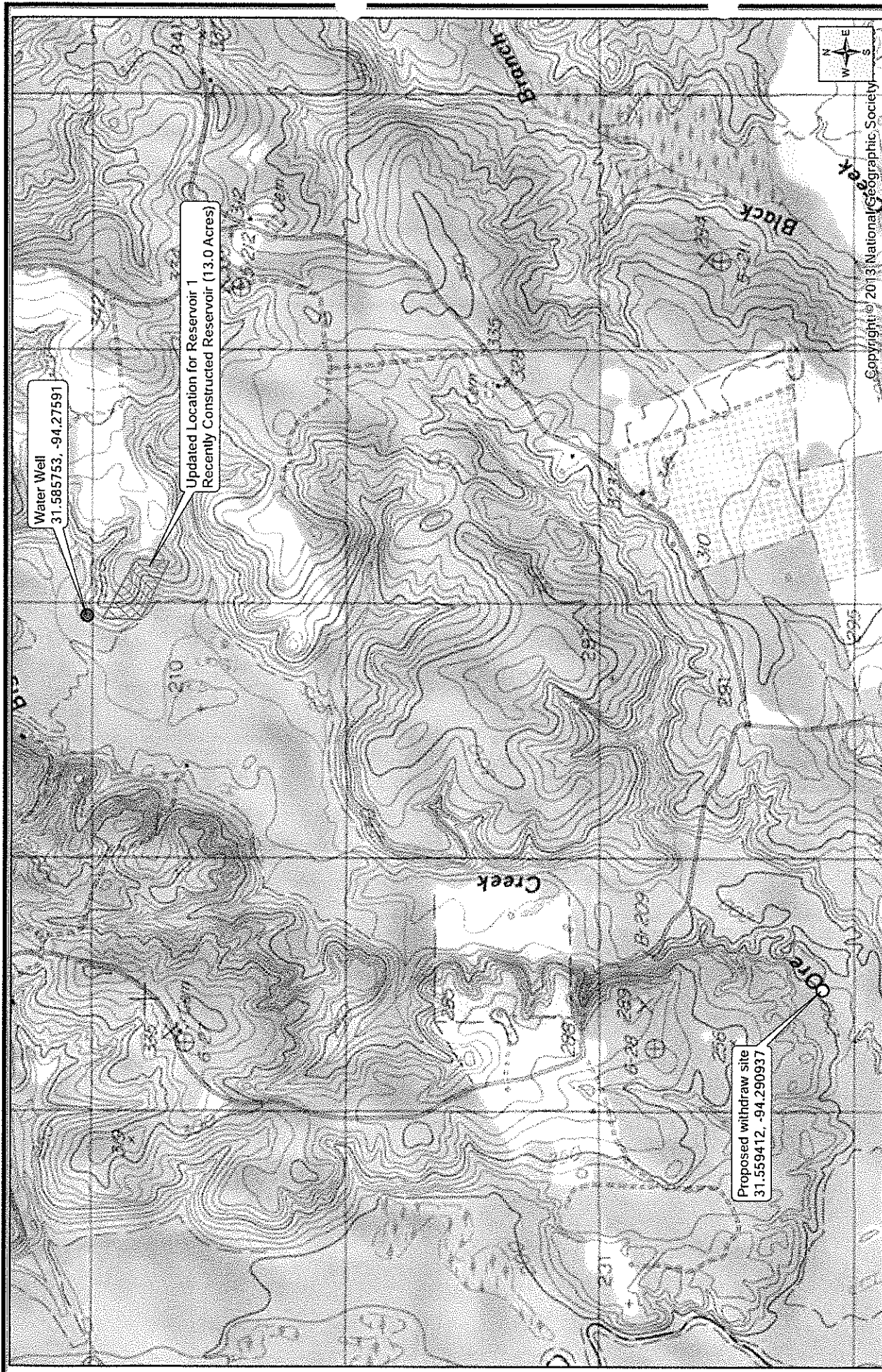


Figure 2 of 4
Reservoir 1
Topographic Map



Created By:
A. Miller & D. Russell
CES Project No. 15-CES-286

Reservoir 1 - Proposed Water Use

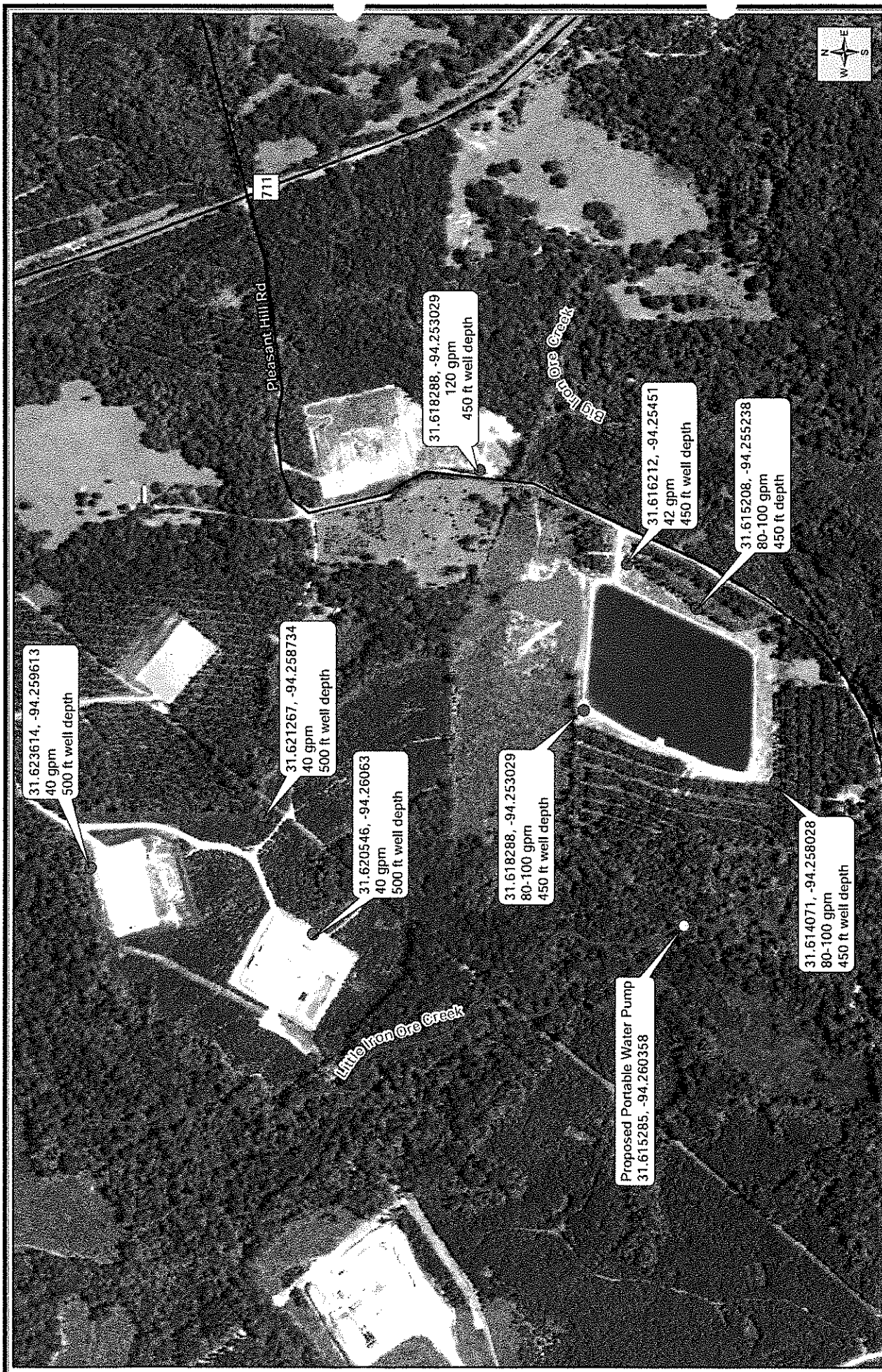


Ronnie Borders
San Augustine County, Texas

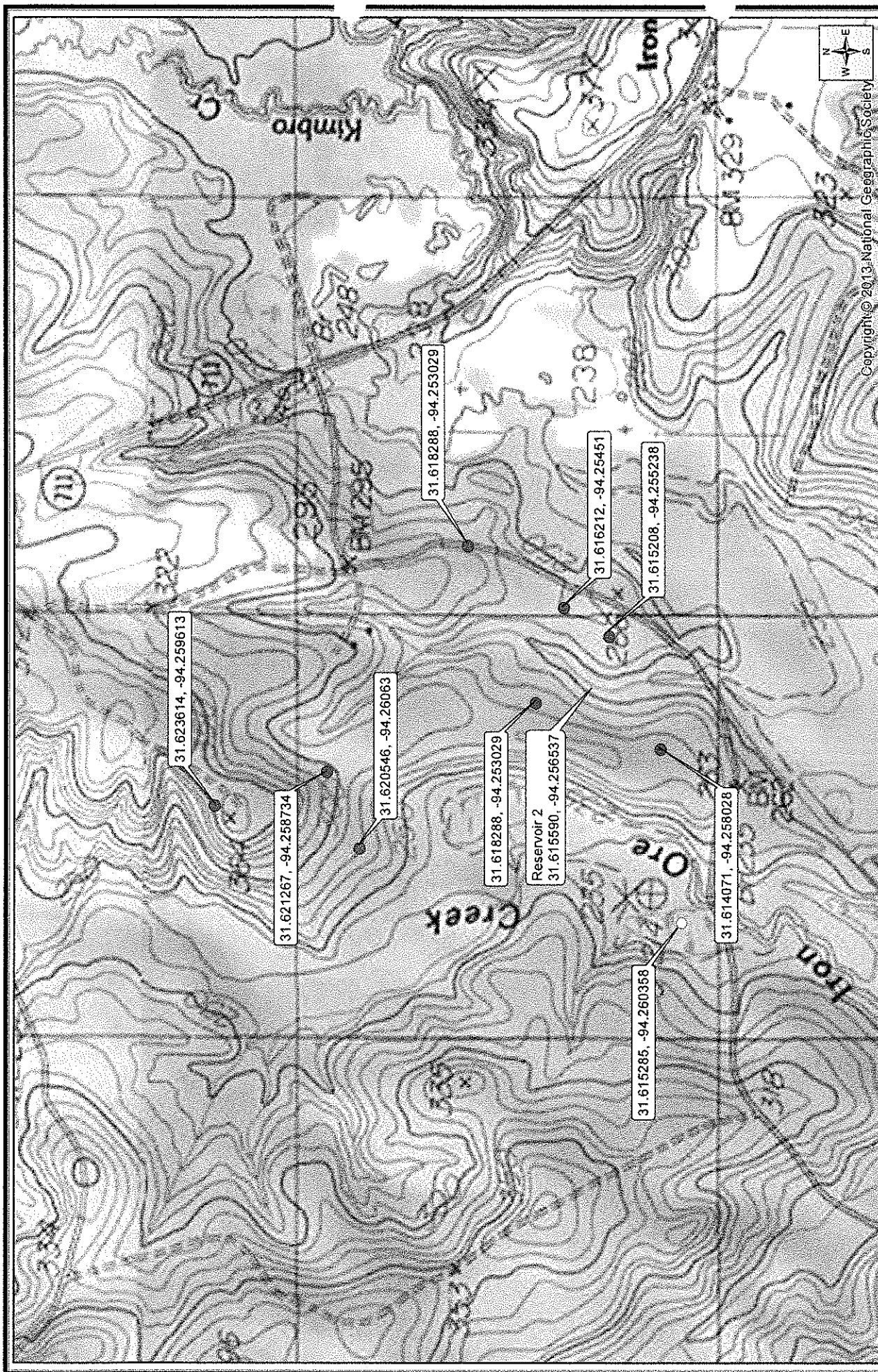
Datum: NAD83 Zone 15
Imagery Source: NGS
Quad: Chireno North
Vector Source: CES

Date: June 20, 2016

- Proposed Water Withdraw
- Water Well Location
- Reservoir



<p>Figure 3 of 4 Reservoir 2 Water Well Locations</p>	<p>Reservoir 2 - Proposed Water Use</p> <p>Ronnie Borders San Augustine County, Texas</p> <p>Created By: A. Miller & D. Russell CES Project No. 15-CES-286</p>	<p>CASTILAW ENVIRONMENTAL SERVICES, LLC SAN ANTONIO, TEXAS (202) 390-0991</p>
<p>Date: June 07, 2016</p>	<p>Datum: NAD83 Zone 15 Imagery Source: NAIP Vector Source: CES, USGS, & ESRI</p>	<p>Proposed Water Pump Water Well Location</p>



<p>Figure 4 of 4 Reservoir 2 Topographic Map</p>	<p>Reservoir 2 - Proposed Water Use</p>	<p>Date: June 07, 2016</p>
<p>Created By: A. Miller & D. Russell CES Project No. 15-CES-286</p>	<p>Ronnie Borders San Augustine County, Texas</p> <p>Datum: NAD83 Zone 15 Imagery Source: NGS Vector Source: CES</p>	<p>○ Proposed Water Pump ● Water Well Location</p>

WATER CONSERVATION PLAN



Texas Commission on Environmental Quality

INDUSTRIAL/MINING WATER CONSERVATION PLAN

This form is provided to assist entities in conservation plan development for industrial/mining water use. If you need assistance in completing this form or in developing your plan, please contact the conservation staff of the Resource Protection Team in the Water Supply Division at (512) 239-4691.

Name: Ronnie Borders
Address: P.O. Box 548 Center, TX 75935
Telephone Number: (936) 590-1888 Fax: ()
Form Completed by: Adam Miller of Castilaw Environmental Services, LLC
Title: Sr. Environmental Specialist
Signature: _____ Date: 6/30/2016

There is a revised Reservoir 1 location, as well as a change to the originally proposed Reservoir 1 water diversion point. Construction of Reservoir 3 has been postponed and should be removed from consideration at this time. The proposed diversion point for the previously proposed Reservoir 3 is now the proposed diversion point for Reservoir 1.

The Reservoir 2 and proposed diversion point for Reservoir 2 has remained unchanged.

NOTE: If the plan does not provide information for each requirement, include an explanation of why the requirement is not applicable.

I. BACKGROUND DATA

A. Water use

1. Annual diversion appropriated or requested (in acre-feet):

800 acre feet for each Reservoir 1 and Reservoir 2

2. Maximum diversion rate (cfs):

2000 gallons per minute

B. Water sources

Groundwater, Big Iron Ore Creek (Diversion Point 1, and Little Iron Ore Creek (Diversion Point 2).

- | <u>Source</u> (List water right numbers) | Current Use | <u>Anticipated Use</u> |
|--|---------------------------|--|
| <u> X </u> Surface water | 0 acre/feet | 800 acre/feet |
| <u> X </u> Groundwater | 190 acre/feet | Amount needed to supplement reservoir |
| <u> </u> Purchased | <u> </u> | <u> </u> |

- N/A; Water acquired to fill the existing Reservoir 2 has been sourced by groundwater. The recently constructed Reservoir 1 is currently being fed by direct precipitation and will begin to be filled by groundwater sources in the near future.**

- Supplier(s): N/A

- If other, identify source: _____

- Cost N/A

C. Industrial/Mining Information

1. Major product or service produced by applicant:

Water for use in oil & gas-related exploration activities within the local area.

2. Major Standard Industrial Classification Code(SIC):

Water to be used for drilling oil and gas wells.

1 3 8 1

North American Industry Classification System (NAICS):

3. Total number of employees at facility: N/A

II. WATER USE AND CONSERVATION PRACTICES

A. Water Use in Industrial or Mining Process:

Production Use	% Groundwater	% Surface Water	% Saline Water	% Treated Water	Water Use (In Acre-Feet)
Cooling, condensing, & refrigeration	0%	0%	0%	0%	0%
Processing, washing, transport	0%	0%	0%	0%	0%
Boiler feed	0%	0%	0%	0%	0%
Incorporated into product	0%	0%	0%	0%	0%
Other					

Facility Use	% Groundwater	% Surface Water	% Saline Water	% Treated Water	Water Use (In Acre-Feet)
Cooling tower(s)	0%	0%	0%	0%	0%
Pond(s)	0%	0%	0%	0%	0%
Once through	0%	0%	0%	0%	0%

Facility Use	% Groundwater	% Surface Water	% Saline Water	% Treated Water	Water Use (In Acre-Feet)
Sanitary & drinking water	0%	0%	0%	0%	0%
Irrigation & dust control	0%	0%	0%	0%	0%

1. Was fresh water recirculated at this facility? ■ Yes ■ No N/A
2. Was electric power generated at this facility (for in-plant use or for sale)?
■ Yes ■ No N/A
3. Description of the above use(s) of water (e.g., if water is being used for cooling, indicate the cooling system: tower, pond, etc.):

N/A

4. Describe or illustrate how surface water is diverted and delivered to the point(s) of use, the location of the diversion(s) and points of use, and how diversions are measured:

Surface water will be diverted from the stream via a portable pump through aluminum pipes to the reservoir. The water will then be pumped from the reservoir to the well pad for use via aluminum pipes.

5. Monthly water demand for previous year (in acre-feet):

	<u>Diversion</u>	<u>Percent of Return Flow</u>	<u>Monthly Demand</u>
January	0	0%	0
February	0	0%	0
March	0	0%	0
April	0	0%	0
May	0	0%	0
June	0	0%	0
July	0	0%	0
August	0	0%	0
September	0	0%	0
October	0	0%	0
November	0	0%	0
December	0	0%	0
TOTAL	0	0%	0

6. Projected monthly water demand for next year (in acre-feet): These figures are hypothetical as the exact timing on the need of water from oil and gas is unknown.

The monthly demand is unknown at this time as the water will be needed as the oil & gas wells in the area are drilled. Water will not be diverted from the streams during the summer months, as groundwater wells will supplement the ponds. This table is representative of each diversion point for Reservoir 1 and Reservoir 2.

	Diversion	Return Flow	Percent of Monthly Demand
January	100 acre/ft	0%	12.5%
February	125 acre/ft	0%	15.6%
March	100 acre/ft	0%	12.5%
April	100 acre/ft	0%	12.5%
May	25 acre/ft	0%	3.1%
June	0	0%	0%
July	0	0%	0%
August	0	0%	0%
September	25 acre/ft	0%	3.1%
October	100 acre/ft	0%	12.5%
November	125 acre/ft	0%	15.6%
December	100 acre/ft	0%	12.5%
TOTAL	800 acre/ft	0%	99.9%

B. Specific and Quantified Conservation Goal

Water conservation goals for the industrial and mining sector are generally established either for (1) the amount of water recycled, (2) the amount of water reused, or (3) the amount of water not lost or consumed, and therefore is available for return flow.

1. Water conservation goal (water use efficiency measure):

Type of goal to be used:

☐ Percent of water reused

☐ Percent of water not consumed, and therefore returned as flow

☒ Other (specify)

Surface water diversion will be supplemented by the used of groundwater wells.

2. Provide the specific and quantified five-year and ten-year targets for water savings and the basis for development of such goals for this water use/facility:

Applicant will utilize groundwater sources to maintain water levels during the summer months. The proposed withdraws from the stream will occur during the late fall, winter, and early spring months.

3. Describe the methods and/or device within an accuracy of plus or minus 5% used to measure and account for the amount of water diverted from the source of supply:

A gauge attached to the pump will record the total amount of water pumped from the stream. Records will be maintained by the personnel operating the pump.

4. Equipment and/or process modifications used to improve water efficiency:

Effective piping materials and equipment will be utilized to transport water to the oil & gas pad sites.

5. Leak-detection, repair, and water-loss accounting measures used:

Leaks may occur at joints in the pipe during pumping from the stream to pond or from the pond to the oil and gas well pad may occur. On-site personnel will monitor the pipe during pumping to identify and repair any leaks. Gauges will be utilized to during the use for oil and gas activities to determine outflow.

6. Other conservation techniques used:

Routine maintenance and inspections on the reservoir and pump components to keep the reservoirs in good working.

III. WASTEWATER USE CHARACTERISTICS

- A. Check the type(s) of wastewater disposal system(s) used at this facility:

N/A

- On-site wastewater plant
- Septic tank(s)
- Injection well(s)
- City or regional wastewater system
- Other (Please identify) _____

- B. What quantity of fresh water was consumed, and therefore not returned to a wastewater treatment system (public or private), or to a water course (including loss to product, evaporation, injection, etc.)?

Water acquired from the stream will be utilized for oil and gas drilling activities. Water utilized for these purposes is not projected to be returned directly to surface flow.

IV. ADDITIONAL COMMENTS/INFORMATION

Please provide any additional information that may indicate the present and future water needs at this facility, and any water problems.

The future use of water at this reservoir is tied to the needs of oil and gas-related exploration activities in the area. Withdraws from the stream will occur during the late fall, winter, and early spring months. Groundwater wells will supplement water supply as well and will be used solely during the summer and periods of drought.

Best Management Practices Guide

On November 2004, the Texas Water Development Board's (TWDB) Report 362 was completed by the Water Conservation Implementation Task Force. Report 362 is the Water Conservation Best Management Practices (BMP) Guide. The BMP Guide is a voluntary list of management practices that water users may implement in addition to the required components of Title 30, Texas Administrative Code, Chapter 288. The BMP Guide is available on the TWDB's website at the link below or by calling (512) 463-7847.

<http://www.twdb.state.tx.us/assistance/conservation/TaskForceDocs/WCITFBMPGuide.pdf>

If you have any questions on how to fill out this form or about the Industrial/Mining Water Conservation program, please contact us at 512/239-4691.

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact us at 512-239-3282.

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 2, 2016

Mr. Adam Miller
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, Tx 75961

CERTIFIED MAIL

91 7199 9991 7033 2770 9808

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code §§ 11.121, 11.042, Requiring Mailed and Published Notice
Unnamed tributary of Price Creek, Big Iron Ore Creek, and Little Iron Ore Creek,
Neches River Basin
San Augustine County

Dear Mr. Miller:

This acknowledges receipt, on May 31, 2016, of the applicant's request for an extension of time until June 30, 2016 to respond to the Texas Commission on Environmental Quality (TCEQ) request for additional information letter, dated April 29, 2016.

The extension request is granted until June 30, 2016 and after that date the application may be returned pursuant to Title 30 Texas Administrative Code § 281.18. No further extensions will be granted associated with this request for information.

If you have any questions concerning this matter please contact Ms. Morgan Scott by email at morgan.scott@tceq.texas.gov or by telephone at (512) 239-4675.

Sincerely,

A handwritten signature in cursive script that reads "Lori Hamilton".

Lori Hamilton, Manager
Water Rights Permitting and Availability Section
Water Availability Division

Morgan Scott

From: [REDACTED]
Sent: Tuesday, May 31, 2016 3:18 PM
To: Morgan Scott
Cc: Anthony Castilaw
Subject: RE: Ronnie Border, Application No. 13222, RFI #1
Attachments: Time Extension App. No 13222 Ronnie Borders.pdf

Follow Up Flag: Follow up
Flag Status: Completed

Morgan,

Attached is our time extension request for Application No. 13222 (Ronnie Borders - Water Use Permit Application). I thank you for the time extension as we are putting together all the requested information.

Sincerely,

Adam Miller, PWS
Castilaw Environmental Services, LLC
Nacogdoches, Texas
(936) 559-9991

----- Original Message -----

Subject: Ronnie Border, Application No. 13222, RFI #1
From: "Morgan Scott" <Morgan.Scott@Tceq.Texas.Gov>
Date: 4/29/16 10:04 am

[REDACTED]

Mr. Miller and Mr. Borders,

Please see the attached request for information letter that was mailed to you today. Let me know if you have any questions or need assistance.

Thank you,

Morgan Scott, Project Manager

Water Rights Permitting Team



CASTILAW
ENVIRONMENTAL SERVICES, LLC

May 31, 2016

Ms. Morgan Scott
Water Rights Permitting Team
Water Rights Permitting MC-160
P.O. Box 13087
Austin, TX 78711-3087

RE: Request for a Time Extension Associated with the Water Use Permit Application No. 13222 for Ronnie Borders Located in San Augustine County, Texas
Castilaw Environmental Services, LLC - Project No. 16-CES-286

Ms. Scott,

Please accept this letter as a request for a 30-day extension for the Ronnie Borders WRPEM 13222, CN604609701, RN108963216 Application No. 13222 for a water use permit. We are in the process of compiling all of the requested information to administratively complete the additional requested information from your letter dated April 29, 2016. The completed additional information requested will be submitted to your office on or before June 30, 2016.

Thank You,

Adam Miller, PWS
Sr. Environmental Specialist

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 29, 2016

Mr. Adam Miller
Castilaw Environmental Services, LLC
510 E. Pilar Street
Nacogdoches, Tx 75961

CERTIFIED MAIL

91 7199 9991 7033 2770 9846

RE: Ronnie Borders
WRPERM 13222
CN604609701, RN108963216
Application No. 13222 for a Water Use Permit
Texas Water Code §§ 11.121, 11.042, Requiring Mailed and Published Notice
Unnamed tributary of Price Creek, Big Iron Ore Creek, and Little Iron Ore
Creek,
Neches River Basin
San Augustine County

Dear Mr. Miller:

This acknowledges receipt, on September 3, 2015, of the referenced application.

This area is considered to have limited water available for appropriation for either a term or perpetual right. TCEQ may be unable to recommend granting the application without an alternate source of water.

If an alternate source will be included in the application, please provide documentation for the alternate source such as a signed water supply contract, a contract for reuse of effluent, or groundwater. If groundwater will be used, provide the following information on any well or wells to be used including, but not limited to: the depth of well, the name of the aquifer and formation from which the water is withdrawn, a 24-hour pump test, and water quality information. Water quality information should include, but not be limited to, the following: chloride, sulfate, Total Dissolved Solids (TDS), pH, and temperature. Temperature must be measured on site at the time the groundwater sample is collected.

If data for on-site wells are unavailable, historical data collected from similar sized wells drawing water from the same aquifer may be provided. However, note that the on-site data may still be required when it becomes available.

Additional information and fees are required before the application can be declared administratively complete.

1. Provide an application in the name(s) of all landowners as shown on the deeds; otherwise, proper consent of the application must be provided pursuant to Title

30 Texas Administrative Code (TAC) § 295.10 for the land where Diversion Points 2 and 3, and Reservoirs 2 and 3 are located.

Staff acknowledges receipt of *Warranty Deed* dated December 19, 2011 recorded as Document No. 00047960 in the Official Public Records of San Augustine County and *Special Warranty Deed* recorded as Document No. 00045947 in the Official Public Records of San Augustine County; however, the deeds convey property to Ronnie W. Borders, Ltd. and the applicant listed on the submitted application is Ronnie Borders.

2. Provide the location of the proposed off-channel Reservoir 1. Staff notes inconsistencies between the maps submitted with the application in Appendix A *Location 1 Figures*. Coordinates should be expressed in decimal degrees to at least 6 decimal places.
3. Confirm the location of the existing off-channel Reservoir 2. Staff has calculated the coordinates to be Latitude 31.615590° N, Longitude 94.256537° W.
4. Provide the bearing and distance from an original survey corner to Diversion Points 1, 2, and 3 and Reservoirs 1, 2, and 3.
5. Confirm the drainage areas for the three proposed diversion points and on-channel reservoir as shown in the table below. Staff has calculated these areas to be:

Location	Drainage Area (sq mi)
Diversion Point 1	419.36
Diversion Point 2	191.93
Diversion Point 3	740.84
On-channel Reservoir 3	3.34

6. Confirm that Photograph 5 in Appendix G *Location 3 Photographs* is of Big Iron Ore Creek. Staff notes that it is labeled as Little Iron Ore Creek.
7. Provide the top of dam capacity and the hazard classification for on-channel Reservoir 3.
8. Provide a completed *Supplemental Discharge Point Information Sheet* (enclosed) for the proposed discharge point for water transferred from Big Iron Ore Creek into on-channel Reservoir 3. Indicate the latitude and longitude coordinates in decimal degrees, to at least six decimal places. Specify the method used to calculate the discharge point location.
9. Provide the following additional information for the request to use the bed and banks of the unnamed tributary of Price Creek for the transfer of water from Diversion Point 3 to the on-channel Reservoir 3:

- a. Conveyance losses, including the method used to calculate the losses, due to transportation, evaporation (including from Reservoir 3), seepage, channel or other associated carriage losses;
 - b. An assessment of the adequacy of the quantity and quality of the flows remaining after the proposed diversion to meet instream flow needs and bay and estuary freshwater inflow needs.
10. Confirm that the requested maximum diversion amount from the two diversion points on Big Iron Ore Creek is 800 acre-feet per year. Confirm that the combined maximum rate of diversion from the two diversion points on Big Iron Ore Creek is 8.91 cfs (4,000 gpm).
11. Clarify if the applicant requests to divert water from on-channel Reservoir 3. If the applicant proposes to divert water from Reservoir 3, provide a completed *Supplemental Diversion Point Information Sheet* (enclosed) for the diversion point. Indicate the latitude and longitude coordinates in decimal degrees, to at least six decimal places. Provide the proposed volume of water to be diverted in acre-feet per year.
12. Provide the place of use for the water diverted, including county and river basin. Staff acknowledges that the applicant indicated the place of use is, "San Augustine County and Surrounding Counties"; however, all county names and river basins must be specified.
13. Provide a completed mining water conservation plan (enclosed).
14. Provide copies of the notice, with certified mail proof of delivery, sent to each governmental body of each county and municipality in which the proposed Reservoirs 1, 2, and 3, or any part of the reservoirs, will be located pursuant to Title 30 TAC § 295.42 (enclosed).
15. Remit fees in the amount of **\$1,815.38** as described below. Please make checks payable to the TCEQ or Texas Commission on Environmental Quality.

Filing Fee (100 - 5,000 acre-feet)	\$	250.00
Recording Fee (\$1.25 x 6 pages)	\$	7.50
Storage Fee (\$0.50 x 689 acre-feet)	\$	344.50
Use Fee (\$1.00 x 1,000 acre-feet)	\$	1,000.00
Notice Fee (Neches River Basin)	\$	213.38
TOTAL FEES	\$	1,815.38
FEES RECEIVED	\$	0.00
BALANCE DUE	\$	1,815.38

Please submit the requested information and fees by **May 31, 2016** the application may be returned pursuant to Title 30 TAC § 281.18.

Ronnie Borders
Application No. 13222
April 29, 2016
Page 4 of 4

If you have any questions concerning this matter please contact me via email at morgan.scott@tceq.texas.gov or by telephone at (512) 239-4675.

Sincerely,

A handwritten signature in black ink, appearing to read "Morgan Scott", with a stylized flourish at the end.

Morgan Scott, Project Manager
Water Rights Permitting Team
Water Rights Permitting and Availability Section

Enclosures



CASTILAW

ENVIRONMENTAL SERVICES, LLC

RECEIVED
TCEQ
WATER SUPPLY DIV.
2015 SEP 3 PM 2 53

August 31, 2015

Water Rights Permitting MC-160
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Re: Request for a Permit to Appropriate Public Waters from Streams in San Augustine County,
Texas to Reservoirs for Oil & Gas Drilling Activities
Castilaw Environmental Services, LLC Project No. 15-CES-286

Castilaw Environmental Services, LLC (CES) is submitting this application on behalf of Ronnie Borders, who is proposing to appropriate public water into one (1) existing reservoir and two (2) proposed reservoirs identified as Locations 1-3. These proposed projects are located within the Angelina/Neches River Basin in the northwestern portion of San Augustine County, Texas. These three reservoirs as well as the proposed locations of the portable water pumps adjacent to the stream channels are owned by Ronnie Borders. There will be one (1) portable pump with a pump capacity of 2,000 gallons per minute (gpm) for each reservoir location. The deed and survey are included in Appendix E and Appendix H of this report. Because of the variability of timing the oil and gas drilling locations an accurate estimate of monthly withdraws could not be made.

Location 1 is a proposed 10.29-acre off-channel reservoir that will at normal operating level hold 90 acre-feet of water (Location 1). This reservoir is expected to divert 400 acre-feet of water per year from Big Iron Ore Creek. Big Iron Ore Creek has approximately 16 feet (ft) bank to bank width with a channel depth of approximately 7 ft (Photographs 1 & 2). Water from this reservoir will be used in association with oil and gas drilling activities. The preferred construction start date for Location 1 is early September. Location 1 is located 11.9 miles northwest of the county seat San Augustine, San Augustine County, Texas. The NAD83 coordinates for the diversion point Big Iron Ore Creek are as follows: Latitude 31.620423° North, Longitude -94.250263° West (Figure 2). The drainage area above this diversion point is approximately 3,111-acres. One (1) portable pump will be positioned at this location which has a capacity to pump 2,000 gpm. An aerial and topographic figure are attached illustrating the reservoir and diversion point (Figures 2 & 3). There is no discharge point associated with this reservoir and there is no proposed return flow from this reservoir.

Location 2 is an existing 12.5-acre off-channel pond that presently has three ground water wells supplying the reservoir (Figure 4). At normal operating level this reservoir holds 190 acre-feet of water. This reservoir is expected to divert 200 acre-feet of water per year from Little Iron Ore Creek. This reservoir is topographically positioned in a location that may have been a stream channel or swale through the area. However this reservoir does not impound water as this water flow has directed around the square shaped isolated reservoir. Water from this reservoir will be used in

510 E. Pilar Street
Nacogdoches, Texas 75961
Office: 936-559-9991 Fax: 936-559-9993

association with oil and gas drilling activities. The preferred diversion start date for Location 2 is early September. Location 2 is located 11.2 miles northwest of the county seat San Augustine, San Augustine County, Texas. The NAD83 coordinates for the diversion point at Little Iron Ore Creek are as follows: Latitude 31.615285° North, Longitude -94.260358° West (Figure 5). The drainage area above this point is approximately 1,443 acres. Little Iron Ore Creek has approximately 14 feet (ft) bank to bank width with a channel depth of approximately 6 ft (Photographs 3 & 4). One (1) portable pump will be positioned at this location which has a capacity to pump 2,000 gpm. An aerial and topographic figure are attached illustrating the reservoir and diversion point (Figures 5 & 6). There is no discharge point associated with this reservoir and there is no proposed return flow from this reservoir.

Location 3 is a proposed 61.0-acre on-channel pond that is expected to impound 409 acre-feet of water per year on an intermittent tributary of Price Creek. This reservoir additionally is expected to divert 400 acre-feet of water per year from Big Iron Creek. The water pipeline will follow on top of the ground along an existing lease road. Water from this reservoir will be used in association with oil and gas drilling activities. Location 3 is located 8.0 miles northwest of the county seat San Augustine, San Augustine County, Texas. The NAD83 coordinates for the diversion point at Big Iron Ore Creek are as follows: Latitude 31.559830° North, Longitude, -94.291635° West (Figure 7). The drainage area above this diversion point is approximately 2,645 acres. One (1) portable pump will be positioned at this location which has a capacity to pump 2,000 gpm. Big Iron Ore Creek has approximately 16 feet (ft) bank to bank width with a channel depth of approximately 7 ft (Photographs 5 & 6). The NAD83 coordinates for the proposed on-channel pond are as follows: Latitude 31.557138° North, Longitude -94.240539° West. The drainage area above the proposed dam is approximately 442.0 acres. This proposed 61-acre on-channel reservoir will hold 409 acre/feet of water. An aerial and topographic figure are attached illustrating the reservoir and diversion point (Figures 8 & 9).

Ronnie Borders has requested that CES submit the application to the TCEQ review of the proposed project with the goal of permitting these reservoir appropriation projects either separately or together in the most prudent and quick manor possible, as the oil and gas companies in the area are proposing to begin drilling in the near future. I have attached a copy of the application form, deed and survey, and figures of the project sites. Please let us know of additional and supplemental information needed for these proposed projects. If you have any questions or need any additional information regarding this investigation report, please do not hesitate to contact Anthony Castilaw or myself at (936) 559-9991.

Sincerely,



Adam Miller
Senior Environmental Specialist

Attachments

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
APPLICATION FOR PERMIT TO APPROPRIATE STATE WATER
(SECTION 11.121, 11.042, 11.085 OR 11.143, TEXAS WATER CODE)
TAC CHAPTERS 30, 50, 281, 287, 288, 295, 297 AND 299
Water Supply Division, Water Rights Permitting MC-160**

P.O. Box 13087

Austin, Texas 78711-3087

Telephone (512) 239-4691, FAX (512) 239-4770

(if including a check, mail directly to P.O. Box 13088, Austin, TX 78711-3088)

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.

1. Applicant Information.

A. Applicant Name(s): **Ronnie Borders**

Mailing Address: **P.O. Box 548 Center, TX 75935**

Telephone Number: **936-590-1888** Fax Number:

Email Address: [REDACTED]

B. Customer Reference Number (if issued): CN

Note: If you do not have a Customer Reference Number, complete Section II of the Core Data Form (TCEQ-10400) and submit it with this application.

C. Fees and Penalties

Applicant owes fees or penalties?

☐ Yes ☒ No

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

D. Lienholder Information

Provide this information on the holder of any liens on any land to which the water right would be appurtenant):

N/A

2. Dam (structure), Reservoir and Watercourse Data.

A. Type of Storage Reservoir (indicate by checking (√) all applicable)

☐ on-channel ☒ off-channel ☐ existing structure ☒ proposed structure* ☐ exempt structure**

*Applicant shall provide a copy of the notice that was mailed to each member of the governing body of each county and municipality in which the reservoir, or any part of the reservoir, will be located as well as copies of the certified mailing cards.

**TWC Section 11.143 for uses of water for other than domestic, livestock, or fish and wildlife from an existing, exempt reservoir with a capacity of 200 acre-feet or less. Please complete Paragraph 6 below if proceeding under TWC 11.143.

Date of Construction: **September 2015** (would like to begin as soon as possible)

B. Location of Structure No. **Location 1**

- 1) Watercourse: **Big Iron Ore Creek**
- 2) Location from County Seat: **11.9** miles in a **NW** direction from **San Augustine, San Augustine County, Texas**.
Location from nearby town (if other than County Seat): **N/A** miles in a **N/A** direction from **N/A**, a nearby town shown on county highway map.
- 3) Zip Code: **75935**
- 4) The dam will be/is located in the **N/A** Original Survey No. **N/A**, Abstract No. **N/A** in **N/A** County, Texas.
- 5) Station **N/A** on the centerline of the dam is **N/A° N/A** (bearing), **N/A** feet (distance) from the **N/A** corner of **N/A** Original Survey No. **N/A**, Abstract No. **N/A**, in **N/A** County, Texas, also being at Latitude **N/A°N**, Longitude **N/A°W**.
Provide the Latitude and Longitude coordinates in decimal degrees, to at least six decimal places, and indicate the method used to calculate the diversion point location.

C. Reservoir:

- 1) Acre-feet of water impounded by structure at normal maximum operating level: **90 acre-feet**
- 2) Surface area in acres of reservoir at normal maximum operating level: **10.29 acres**

D. Drainage Area

The drainage area above the dam is **N/A** acres or **N/A** square miles.

E. Other

- 1) If this is a U.S. Natural Resources Conservation Service (NRCS) (formerly Soil Conservation Service (SCS)) floodwater-retarding structure, provide the Site No. **N/A** and watershed project name **N/A**.
- 2) Do you request authorization to close the "ports" or "windows" in the service spillway?

☐ Yes ☒ No

3. **Appropriation/ Request (total amount of water needed, including maximum projected uses and accounting for evaporative losses for off-channel storage, if applicable).**

A. Appropriated water will be used as follows:

	Purpose*	Place of Use	Acre-feet per year
1)	Oil & Gas Activity	San Augustine County & Surrounding Counties	400 acre-feet per year
2)			
3)			

*If agricultural use, list crops(s) to be irrigated:

B. Lands to be irrigated (if applicable):

- 1) Applicant proposes to irrigate a total of N/A acres in any one year. This acreage is all of or part of a larger tract(s) which is described in a supplement attached to this application and contains a total of N/A acres in N/A County, Texas.

A copy of the deed(s) describing the overall tract(s) with the recording information from the county records are attached in Appendix E and Appendix H.

- 2) Location of land to be irrigated: In the N/A
Original Survey No. N/A, Abstract No. N/A.

C. Diversion Point No. **Location 1.**

- 1) Watercourse: **Big Iron Ore Creek.**

- 2) Location of point of diversion at Latitude **31.620423°N**, Longitude **-94.250263°W**,
Provide Latitude and Longitude coordinates in decimal degrees, to at least six decimal places, and indicate the method used to calculate the diversion point location.

Deed & Survey Attached

also bearing ___°___feet

(distance) from the ___ corner of the ___ Original

Survey No. ___, Abstract No. ___, County, Texas.

- 3) Location from County Seat: **11.9** miles in a **NW** direction from
San Augustine, San Augustine County, Texas.

Location from nearby town (if other than County Seat): N/A miles in a N/A
direction from N/A, a nearby town shown on county
highway map.

- 4) Zip Code: **75935**

- 5) The diversion will be (check (√) all appropriate boxes and if applicable, indicate whether existing or proposed):

	Directly from stream	Existing	Proposed
	From an on-channel reservoir		
	From stream to an off-channel reservoir		X
	From a stream to an on-channel reservoir		
	From an off-channel reservoir		
	Other method (explain fully, use additional sheets if necessary)		

- 6) Rate of Diversion (Check (√) applicable provision):

X 1. Diversion Facility:

A. **2,000** Maximum gpm (gallons per minute)

B. **1** - Number of pumps

C. **Portable** - Type of pump

D. **2,000 gpm**, Pump capacity of each pump

E. Portable pump X Yes or ___ No.

___2. If by gravity:

- A. N/A Headgate N/A Diversion Dam N/A Maximum gpm
B. N/A Other method (explain fully - use additional sheets if necessary)
-
-

7) The drainage area above the diversion point is 3,111 acres or square miles.

D. Return Water or Return Flow (location and quantity information, provide Latitude and Longitude coordinates in decimal degrees to at least six decimal places and indicate the method used to calculate the diversion point location):

Water which is diverted but not consumed as a result of the above stated use, will be returned to

N/A, tributary of N/A

N/A, tributary of N/A,

N/A Basin, at a point which is at Latitude N/A

N/A°N, Longitude N/A°W, also, bearing

N/A, N/A (direction), N/A feet (distance) from the

N/A corner of the N/A Original Survey

No. N/A, Abstract No. N/A, in N/A County, Texas.

Zip Code: N/A

Estimated annual amount of return flow to said stream will be N/A acre-feet.

E. Surplus Water (provide Latitude and Longitude coordinates in decimal degrees to at least six decimal places and indicate the method used to calculate the diversion point location):

Water which is diverted but not used beneficially will be returned to N/A,

tributary of N/A, N/A Basin at a point

which is at Latitude N/A°N, Longitude N/A°W, also

bearing N/A°N/A (direction), N/A feet

(distance) from the N/A corner of the N/A Original Survey

No. N/A, Abstract No. N/A, in N/A County, Texas.

Zip Code: N/A

4. Discharge Point Information (if applicable, provide Latitude and Longitude coordinates in decimal degrees to at least six decimal places and indicate the method used to calculate the diversion point location).

Discharge Point No. or Name: N/A

A. Select the appropriate box for the source of water being discharged:

- ☐ Treated effluent
☐ Groundwater
☐ Other

B. Location of discharge point will be/is at Latitude N/A° N, Longitude N/A°W,

also bearing °, N/A feet from the N/A corner of the N/A

Original Survey No. N/A, Abstract No., in

N/A County, Texas.

What method was used to determine the Latitude and Longitude for the discharge point? (i.e., GPS Unit, USGS 7.5 Topographic Map, etc.)

N/A

C. Location from County Seat: **N/A** miles in a **N/A** direction from **N/A**,
N/A County, Texas.

Location from nearby town (if other than County Seat): **N/A** miles in a **N/A**
direction from **N/A**, a nearby town shown on county highway map.

D. Zip Code: **N/A**

E. Water will be discharged into **N/A** stream/reservoir,
(tributaries) **N/A** Basin.

F. Water will be discharged at a maximum rate of **N/A** cfs (**N/A** gpm).

G. The amount of water that will be discharged is **N/A** acre-feet per year.

H. The purpose of use for the water being discharged will be **N/A**.

I. Additional information required:

For groundwater

- 1) Provide water quality analysis and 24 hour pump test for the well if one has been conducted.
- 2) Locate and label the groundwater well(s) on a USGS 7.5 Minute Topographic Map
- 3) Provide a copy of the groundwater well permit if it is located in a Groundwater Conservation District.
- 4) What aquifer the water is being pumped from?

For treated effluent

- 1) What is the TPDES Permit Number? Provide a copy of the permit.
- 2) Provide the monthly discharge data for the past 5 years.
- 3) What % of treated water was groundwater, surface water?
- 4) If any original water is surface water, provide the base water right number.

5. General Information.

- A. The proposed **X** or existing works will be (are) located on the land of **Ronnie Borders**, whose mailing address is **P.O. Box 548 Center, TX 75935.**
- B. If an application for the appropriation is granted, either in whole or in part, construction works will begin within **one week** after such permit is issued. The proposed work will be completed within **2 months** from the date the permit is issued.
- C. A Water Conservation Plan is attached? Yes **X** No.
- D. **N/A** Interbasin transfer is not requested.
N/A Applicant requests authorization to transfer **N/A** acre-feet of water per year from the **N/A** Basin to the **N/A** Basin of which
N/A acre-feet of water will be used for **N/A** purposes and

N/A acre-feet of water will be used for N/A purposes.

- E. N/A Bed and Banks request to transfer N/A acre-feet of water per year within the bed and banks of N/A , tributary of N/A, N/A Basin.

- F. Is this project located within 200 river miles of the coast? _ Yes ☒ No ___ Unknown

5. Maps, plats, plans, and drawings accompany this application as required by applicable TAC Sections.

☒ Yes _ No. Attach additional sheets.

6. _____The dam(s) and reservoir(s) shown on the attached application was (were) constructed for domestic and livestock purposes and I/we elect to seek a permit under Section 11.143 of the Texas Water Code.
7. Provide information describing how this application addresses a water supply need in a manner that is consistent with the state water plan or the applicable approved regional water plan for any area in which the proposed appropriation is located or, in the alternative, describe conditions that warrant a waiver of this requirement.

Water appropriated for these proposed reservoir projects will supply oil & gas drilling company's water required for drilling activities.

R. G. Borders

Applicant Name (Sign)

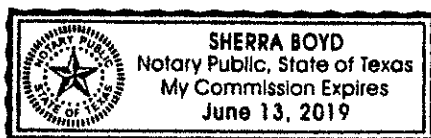
Applicant Name (Sign)

Ronnie Borders

Applicant Name (Printed)

Applicant Name (Printed)

SWORN TO AND SUBSCRIBED before me this 27th day of August, 20 15.



Sherra Boyd

Notary Public for the State of Texas

Supplemental Dam/Reservoir Information Sheet

Dam (structure), Reservoir and Watercourse Data

- A. Type of Storage Reservoir (indicate by checking (✓) all applicable)

☐ on-channel ☒ off-channel ☒ existing structure ☐ proposed structure* ☐ exempt structure**

*Applicant shall provide a copy of the notice that was mailed to each member of the governing body of each county and municipality in which the reservoir, or any part of the reservoir, will be located as well as copies of the certified mailing cards.

**TWC Section 11.143 for uses of water for other than domestic, livestock, or fish and wildlife from an existing, exempt reservoir with a capacity of 200 acre-feet or less. Please complete Paragraph 6 below if proceeding under TWC 11.143.

Date of Construction: **2013**

- B. Location of Structure No. **Location 2**.

1) Watercourse: **N/A**

2) Location from County Seat: **10** miles in a **NW** direction from **San Augustine**,
San Augustine County, Texas.

Location from nearby town (if other than County Seat): **N/A** miles in a **N/A** direction from
N/A, a nearby town shown on county highway map.

3) Zip Code: **75935**

4) The dam will be/is located in the **N/A** Original Survey

No. **N/A**, Abstract No. **N/A** in **N/A** County, Texas.

5) Station **N/A** on the centerline of the dam is **N/A°N/A** (bearing), **N/A** feet
(distance) from the **N/A** corner of **N/A** Original

Survey No. **N/A**, Abstract No. **N/A**, in **N/A** County, Texas, also

being at Latitude **N/A°N**, Longitude **N/A°W**.

Provide Latitude and Longitude coordinates in decimal degrees to at least six decimal places and indicate the method used to calculate the diversion point location

- C. Reservoir:

1) Acre-feet of water impounded by structure at normal maximum operating level: **190 acre-feet**

2) Surface area in acres of reservoir at normal maximum operating level: **13 acres**

- D. The drainage area above the dam is **N/A** acres or **N/A** square miles.

- E. Other:

1) If this is a U.S. Natural Resources Conservation Service (NRCS) (formerly Soil Conservation Service (SCS)) floodwater-retarding structure, provide the Site No. **N/A** and watershed project name **N/A**

2) Do you request authorization to close the "ports" or "windows" in the service spillway?

☐ Yes ☒ No

Supplemental Dam/Reservoir Information Sheet

Dam (structure), Reservoir and Watercourse Data

- B. Type of Storage Reservoir (indicate by checking (✓) all applicable)

☒ on-channel ☐ off-channel ☐ existing structure ☒ proposed structure* ☐ exempt structure**

*Applicant shall provide a copy of the notice that was mailed to each member of the governing body of each county and municipality in which the reservoir, or any part of the reservoir, will be located as well as copies of the certified mailing cards.

**TWC Section 11.143 for uses of water for other than domestic, livestock, or fish and wildlife from an existing, exempt reservoir with a capacity of 200 acre-feet or less. Please complete Paragraph 6 below if proceeding under TWC 11.143.

Date of Construction Proposed Reservoir. Notice of Transfer Attached in Appendix H

- B. Location of Structure No. Location 3.

1) Watercourse: Intermittent Tributary of Price Creek

2) Location from County Seat: 8 miles in a NW direction from San Augustine,
San Augustine County, Texas.

Location from nearby town (if other than County Seat): N/A miles in a N/A direction from
N/A, a nearby town shown on county highway map.

3) Zip Code: 75935

4) The dam will be/is located in the _____ Original Survey
No. _____, Abstract No. _____ in _____ County, Texas.

5) Station _____ on the centerline of the dam is _____ ° _____ (bearing), _____ feet
(distance) from the _____ corner of _____ Original
Survey No. _____, Abstract No. _____, in _____ County, Texas, also
being at Latitude 31.557138°N, Longitude -94.240539°W.

Provide Latitude and Longitude coordinates in decimal degrees, to at least six decimal places, and indicate the method used to calculate the diversion point location.

- C. Reservoir:

1) Acre-feet of water impounded by structure at normal maximum operating level: 409 acre/feet

2) Surface area in acres of reservoir at normal maximum operating level: 61 acres

- D. The drainage area above the dam is 442 acres or _____ square miles.

- E. Other:

1) If this is a U.S. Natural Resources Conservation Service (NRCS) (formerly Soil Conservation Service (SCS)) floodwater-retarding structure, provide the Site No. N/A and watershed project name N/A

2) Do you request authorization to close the "ports" or "windows" in the service spillway?

☐ Yes ☒ No

Supplemental Diversion Point Information Sheet

Diversion Point No. **Location 2**. (Provide a completed *Supplemental Diversion Point Information Sheet* for additional diversions)

1) Watercourse: **Little Iron Ore Creek**

2) Location of point of diversion at Latitude **31.615285** °N, Longitude **-94.260358** °W,
also, bearing _____ °, _____ feet (distance) from the _____ corner of the
_____ Original Survey No. _____, Abstract No. _____, in
_____ County, Texas. Provide Latitude and Longitude coordinates in decimal
degrees, to at least six decimal places, and indicate the method used to calculate the diversion point location.

3) Location from County Seat: **10.8** miles in a **NW** direction from **San Augustine**,
San Augustine County, Texas.

Location from nearby town (if other than County Seat): **N/A** miles in a **N/A**
direction from **N/A**, a nearby town shown on county highway map.

4) Zip Code: **75935**

5) The diversion will be (check (√) all appropriate boxes and if applicable, indicate whether existing
or proposed):

	Existing	Proposed
Directly from stream		
From an on-channel reservoir		
From stream to an off-channel reservoir	X	
From a stream to an on-channel reservoir		
From an off-channel reservoir		
Other method (explain fully, use additional sheets if necessary)		

6) Rate of Diversion (Check (√) applicable provision):

___ 1. Diversion Facility:

A. **2000** Maximum gpm (gallons per minute)

1) **1** Number of pumps

2) **Portable** Type of pump

3) **2000** gpm, Pump capacity of each pump

4) Portable pump **X** Yes or ___ No

___ 2. If by gravity:

A. **N/A** Headgate **N/A** Diversion Dam **N/A** Maximum gpm

B. **N/A** Other method (explain fully - use additional sheets if necessary)

7) The drainage area above the diversion point is **1,443** acres or _____ square miles.

Supplemental Diversion Point Information Sheet

Diversion Point No. 3

1) Watercourse: Big Iron Ore Creek

2) Location of point of diversion at Latitude 31.559830°N, Longitude -94.291635 °W,
also, bearing _____ ° _____, _____ feet (distance) from the _____ corner of the
_____ Original Survey No. _____, Abstract No. _____, in
_____ County, Texas. Provide Latitude and Longitude coordinates in decimal
degrees, to at least six decimal places, and indicate the method used to calculate the diversion point location.

3) Location from County Seat: 11.1 miles in a NW direction from San Augustine,
San Augustine County, Texas.

Location from nearby town (if other than County Seat): N/A miles in a N/A
direction from N/A, a nearby town shown on county highway map.

4) Zip Code: 75935

5) The diversion will be (check (√) all appropriate boxes and if applicable, indicate whether existing
or proposed):

	Directly from stream	Existing	Proposed
	From an on-channel reservoir		
	From stream to an off-channel reservoir		
	From a stream to an on-channel reservoir		X
	From an off-channel reservoir		
	Other method (explain fully, use additional sheets if necessary)		

6) Rate of Diversion (Check (√) applicable provision):

___ 1. Diversion Facility:

A. 2000 Maximum gpm (gallons per minute)

1) 1 Number of pumps

2) Portable Type of pump

3) 2000 gpm, Pump capacity of each pump

4) Portable pump **X** Yes or ___ No

___ 2. If by gravity:

A. N/A Headgate N/A Diversion Dam N/A Maximum gpm

B. N/A Other method (explain fully - use additional sheets if necessary)

7) The drainage area above the diversion point is 2,645 acres or _____ square miles.

Supplemental Discharge Point Information Sheet

Discharge Point No. or Name: N/A

1) Select the appropriate box for the source of water being discharged:

- ☐ Treated effluent
- ☐ Groundwater
- ☐ Other

2) Location of discharge point will be/is at Latitude N/A° N, Longitude N/A°W,
also bearing N/A°N/A, N/A feet from the N/A corner of the N/A

Original Survey No. N/A, Abstract No. N/A, in N/A County, Texas.

Provide Latitude and Longitude coordinates in decimal degrees, to at least six decimal places and indicate the method was used to determine the Latitude and Longitude for the discharge point? (i.e., GPS Unit, USGS 7.5 Topographic Map, etc.)

3) Location from County Seat: N/A miles in a N/A direction from N/A,
N/A County, Texas.

Location from nearby town (if other than County Seat): N/A miles in a N/A
direction from N/A, a nearby town shown on county highway map.

4) Zip Code: N/A

5) Water will be discharged into N/A stream/reservoir,
(tributaries) N/A, N/A Basin.

6) Water will be discharged at a maximum rate of N/A cfs (N/A gpm).

7) The amount of water that will be discharged is N/A acre-feet per year.

8) The purpose of use for the water being discharged will be N/A.

9) Additional information required:

For groundwater

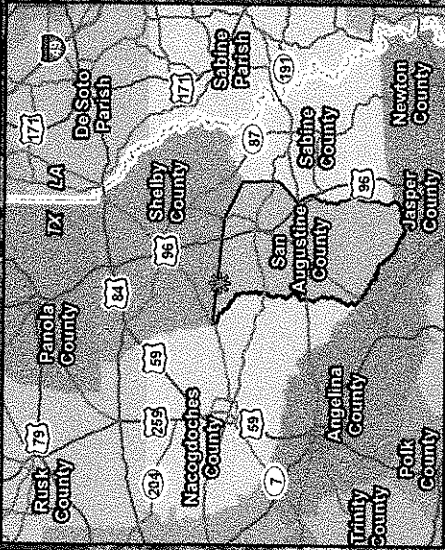
1. Provide water quality analysis and 24 hour pump test for the well if one has been conducted.
2. Locate and label the groundwater well(s) on a USGS 7.5 Minute Topographic Map
3. Provide a copy of the groundwater well permit if it is located in a Groundwater Conservation District.
4. What aquifer the water is being pumped from?


For treated effluent

1. What is the TPDES Permit Number? Provide a copy of the permit.
2. Provide the monthly discharge data for the past 5 years.
3. What % of treated water was groundwater, surface water?
4. If any original water is surface water, provide the base water right number.

Appendix A

Location 1 Figures



<p>Figure 1 of 9 Location 1 General Location Map</p>	<p>Water Use Permit - Location 1</p>	<p>Date: August 25, 2015</p>
<p>Created By: A. Miller & D. Russell CES Project No. 15-CES-286</p>	<p>Ronnie Borders San Augustine County, Texas</p> <p>Datum: NAD83 Zone 15 Imagery Source: NAIP 2014 Vector Source: CES, USGS, & ESRI</p>	<p> Project Location</p>

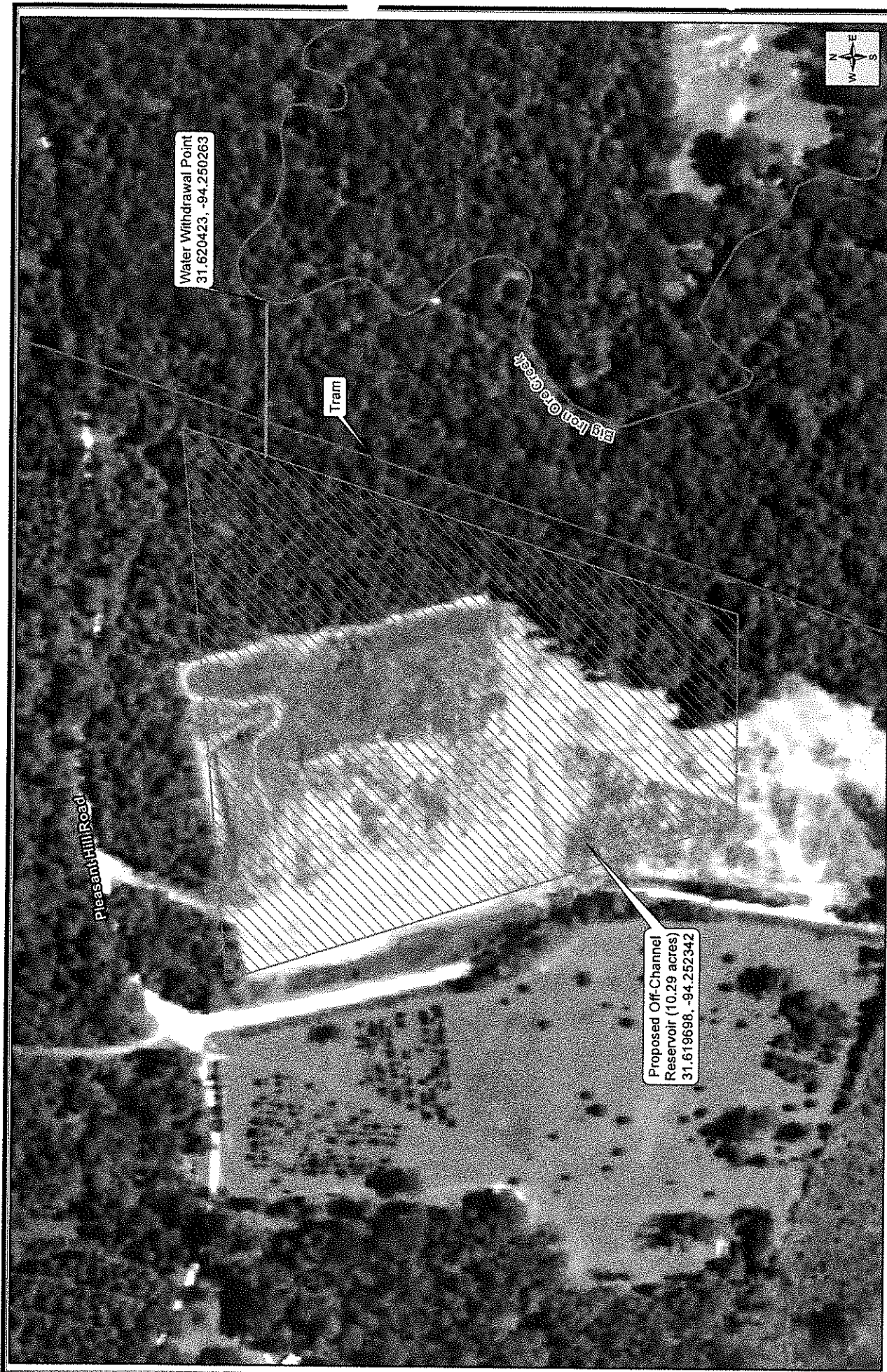


Figure 2 of 3
2014 Aerial Photograph
Location 1

CASTILAW
ENVIRONMENTAL SERVICES, LLC
NACOGDOCHES, TX
936-336-9991

Created By:
A. Miller & D. Russell
CES Project No. 15-CES-286

Water Use Permit - Location 1

Ronnie Borders
San Augustine County, Texas

Datum: NAD83 Zone 15
Imagery Source: NAIP
Vector Source: CES, USGS, & ESRI



Date: August 25, 2015

Perennial Stream
Water Pipeline
Former Tram
Proposed Reservoir

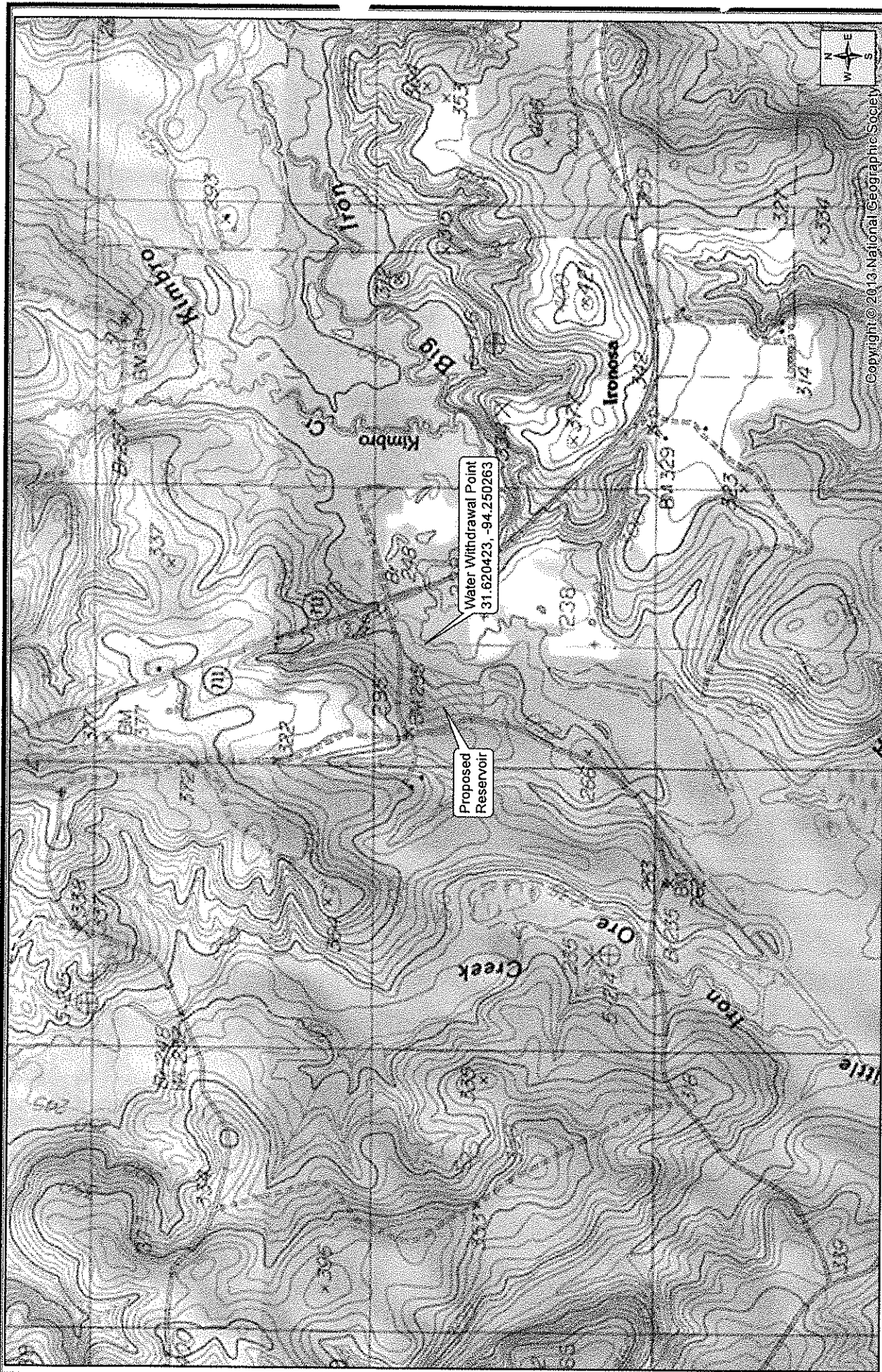


Figure 3 of 9
Topographic Map
Location 1

Water Use Permit - Location 1

Date: August 25, 2015



Created By:
A. Miller & D. Russell
CES Project No. 15-CES-286

Ronnie Borders
San Augustine County, Texas

Datum: NAD83 Zone 15
Imagery Source: NGS
Quad: Chireno North
Vector Source: CES



Water Storage Pond

Appendix B

Location 1 Photographs



Photograph 1 -- A view downstream of Big Iron Ore Creek at the proposed pump site for Location 1.



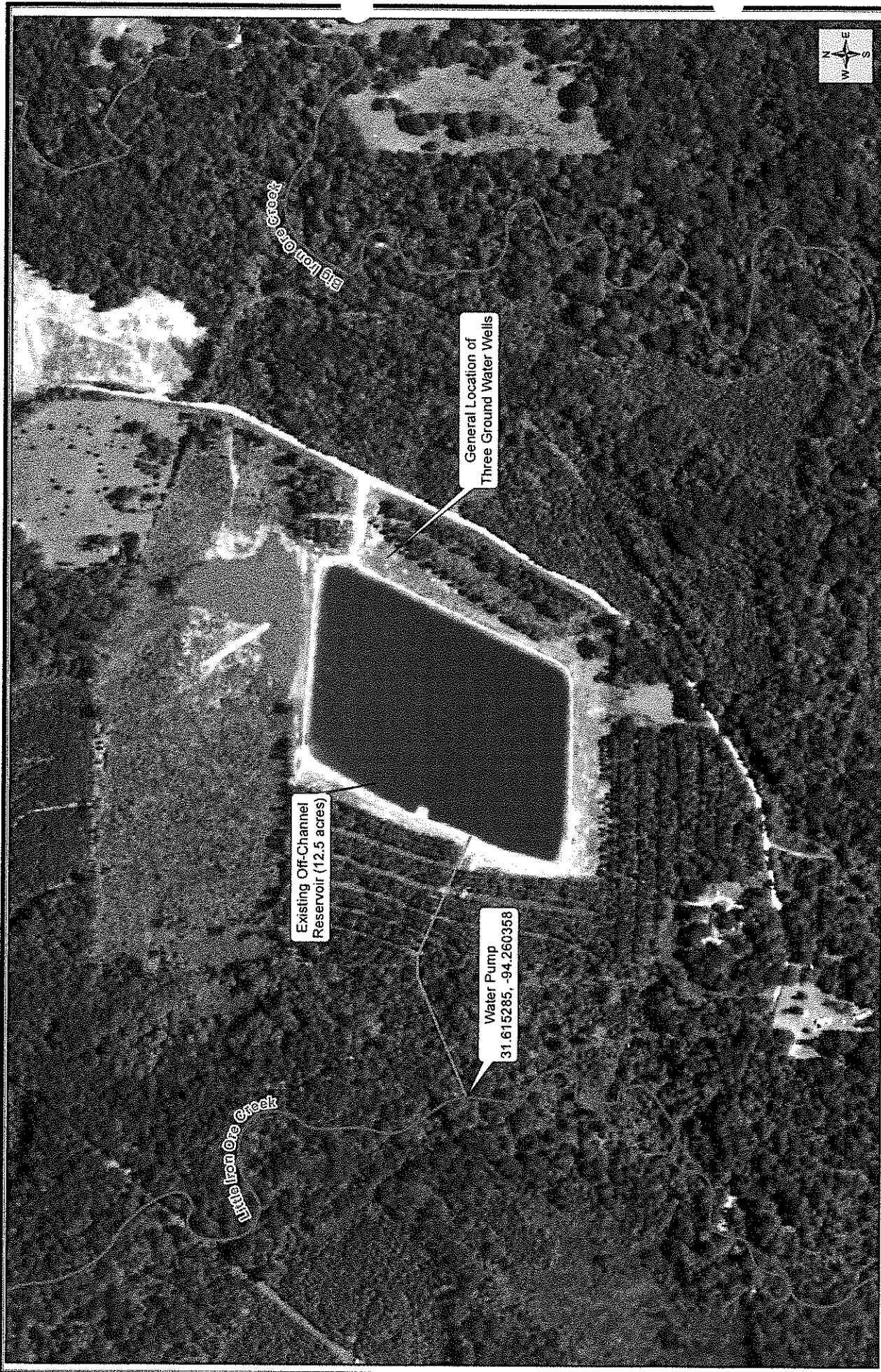
Photograph 2 -- A view upstream of Big Iron Ore Creek at the proposed pump site for Location 1.

Appendix C

Location 2 Figures



<p>Figure 4 of 9 Location 2 General Location Map</p>	<p>Water Use Permit - Location 2</p>	<p>Date: August 26, 2015</p>
<p>Created By: A. Miller & D. Russell CES Project No. 15-CES-286</p>	<p>Ronnie Borders San Augustine County, Texas</p> <p>Datum: NAD83 Zone 15 Imagery Source: NAIP 2014 Vector Source: CES, USGS, & ESRI</p>	<p>Project Location</p>



<p>Figure 5 of 9 2014 Aerial Photograph Location 2</p>	<p>Water Use Permit - Location 2</p>	<p>Date: August 25, 2015</p>
<p>Created By: A. Miller & D. Russell CES Project No. 15-CES-286</p>	<p>Ronnie Borders San Augustine County, Texas</p> <p>Datum: NAD83 Zone 15 Imagery Source: NAIP Vector Source: CES, USGS, & ESRI</p>	<p>Perennial Stream Water Pipeline</p>

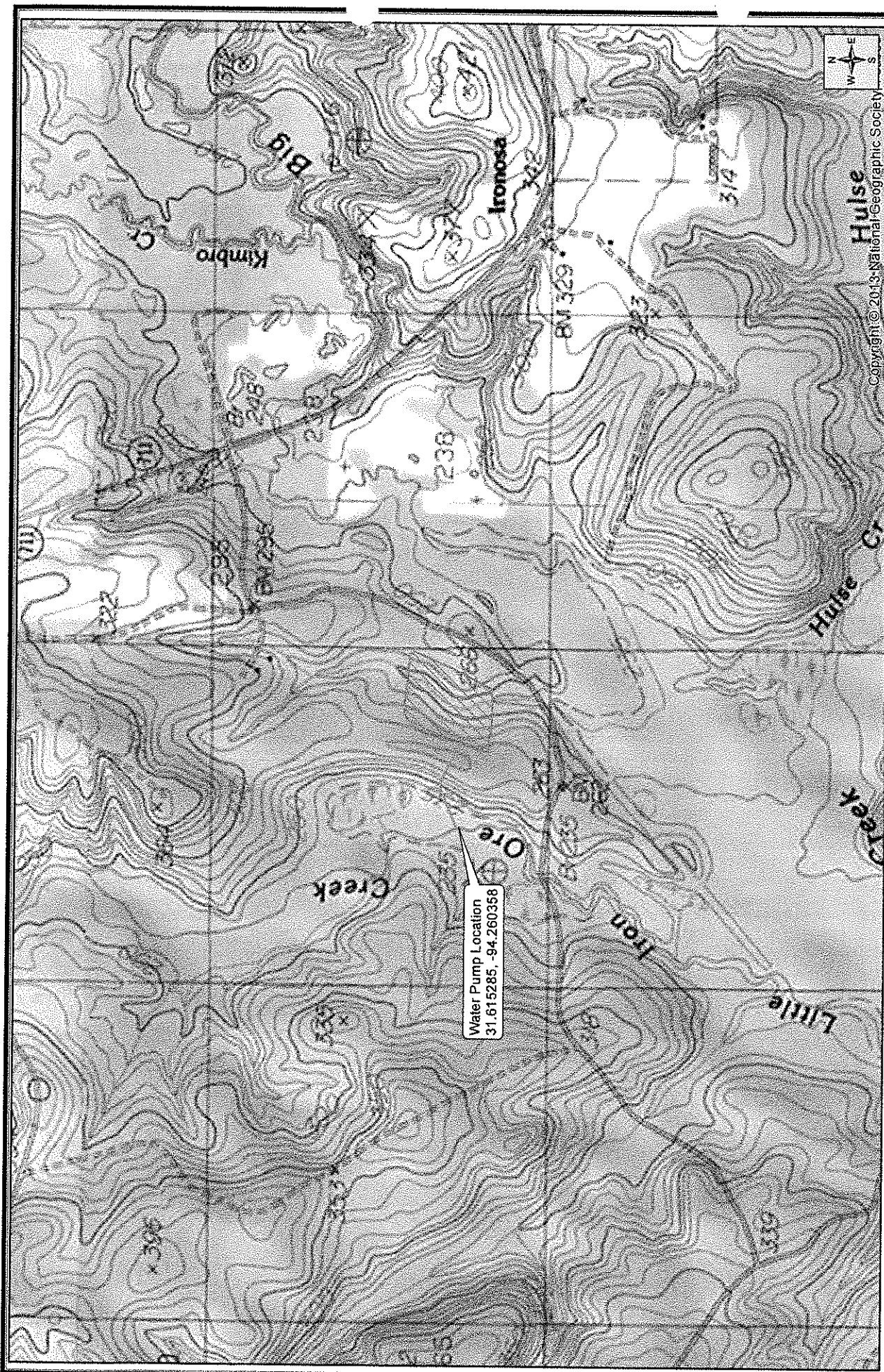


Figure 6 of 9
Topographic Map
Location 2

Water Use Permit - Location 2



Date: August 27, 2015

CASTILAW
ENVIRONMENTAL SERVICES, LLC
NACU INDUSTRIES, TX
906-559-9991

Created By:
A. Miller & D. Russell
CES Project No. 15-CES-286

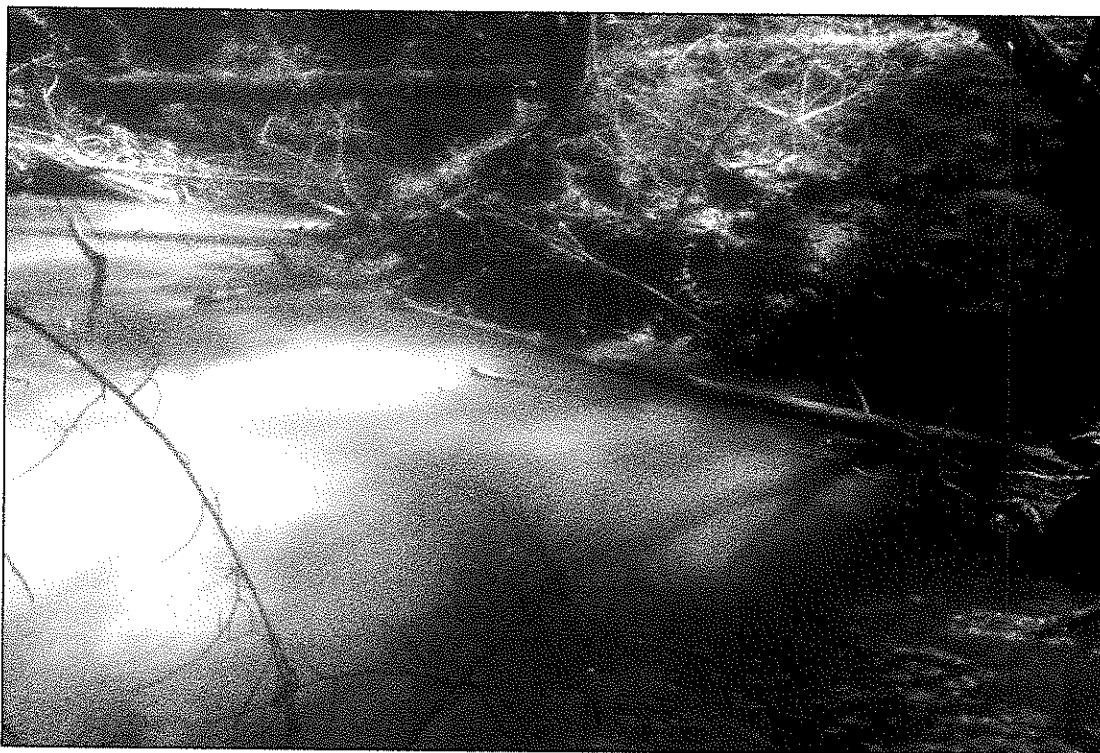
Ronnie Borders
San Augustine County, Texas

Datum: NAD83 Zone 15
Imagery Source: NGS
Quad: Chireno North
Vector Source: CES

 Existing Reservoir
 Water Pipeline

Appendix D

Location 2 Photographs



Photograph 3 – A view downstream of Little Iron Ore Creek at the proposed pump site for Location 2.



Photograph 4 – A view upstream of Little Iron Ore Creek at the proposed pump site for Location 2.

Appendix E

Locations 1 & 2 Deed & Survey Information

RAD Development, Ltd.
By: Lufkin Distribution & Supply Inc., general partner

By: [Signature]
Rufus H. Duncan Jr., President

THE STATE OF TEXAS §
COUNTY OF ANGELINA §

This document was acknowledged before me on the 4th day of December 2013, by Rufus H. Duncan, Jr., President, Lufkin Distribution & Supply, Inc., general partner, RAD Development, Ltd., a Texas limited partnership for and on behalf of said partnership.



[Signature]
Notary Public, State of Texas
Printed Name _____
My commission expires _____

0000000000

0000000000

0000000000

0000000000

SAN AUGUSTINE COUNTY, TEXAS

FIRST TRACT: Being 24.480 acres of land, more or less, made of those certain two tracts or parcels of land, a 13.480 acre tract and a 11.00 acres tract part of the W.A. ADAMS SURVEY, A-51, S.L. HOWARD SURVEY, A-162 and the D.L. TAYLOR SURVEY, A-295; San Augustine County, Texas, and being the land described as Tract Two in deed from John David Renfro and wife, Karen Hancy Renfro, to Renfro Timberlands, Ltd., dated April 28, 2006, recorded in Vol. 71, Page 511, Real Property Records, San Augustine County, Texas, and being more particularly described as follows; PARCEL ONE:

THENCE N 70° 25' 59" W, with the most Northern South boundary line of the said 104 1/2 acre tract and the North boundary line of the said 79.64 acre reservoir tract, at 626.80 feet the point and place of beginning and containing 13.980 acres of land, more or less.

FILED AND RECORDED
 REAL PROPERTY RECORDS
 Dec 20, 2013 at 12:08

Document Number: 00051855
 Amount: 28.00

SHARON L. MORSE, Notary Public
 COUNTY CLERK

Online Bond - Deed
 SAN ANTONIO, TEXAS
 ANY PROVISION HEREIN WHICH RELATES
 TO THE SALE, CONVEYANCE, OR USE OF THE
 DESCRIBED REAL PROPERTY OR ANY OF THE
 COLOURS OR MARKS IS HEREBY WAIVED AND
 AGREED TO BY ALL PARTIES.

EXHIBIT "A"

SAN AUGUSTINE COUNTY, TEXAS

TRACT ONE: - PARCEL TWO

BEGINNING at the Southwest corner of a tract described in a deed from S.A. Gunnels et ux. to Charles Fountain, dated November 20, 1944 and recorded in Volume 89, on Page 612 of the Deed Records of San Augustine County, Texas; also being the Northeast corner of a 1 acre tract described in a deed from W.F. Adams et ux. to the Trustees of School District No. 14, dated August 5, 1897 and recorded in Volume 8, on Page 551 of the Deed Records of San Augustine County, Texas, a metal fence post found for corner;

THENCE S 89° 28' 12" E, with the South boundary line of the said Charles Fountain tract, at 504.22 feet intersect the East boundary line of the said Charles Fountain tract, same being the Southwest corner of a 70.75 acre tract owned by International Paper Company a 1/2" iron rod with aluminum cap (marked F.R. Hill, Jr. RPS No. 1611) found for corner;

THENCE Two (2) lines with the South boundary line of the said International Paper Company 70.75 acre tract and with the centerline of a graded public road as follows:

(1) N 84° 21' 20" E, at 185.53 feet, a 1/2" iron rod with aluminum cap (marked F.R. Hill, Jr. RPS No. 1611) found for corner;

(2) N 81° 31' 13" E, at 187.48 feet, a 1/2" iron pin set for corner;

THENCE S 3° 40' 00" W, at 556.80 feet, a 1/2" iron pin set for corner;

THENCE S 88° 47' 23" W, at 582.40 feet intersect the centerline of a graded public road, a point for corner;

THENCE N 13° 29' 19" W, with the centerline of the said graded public road, at 235.40 feet intersect the South boundary line of the said 1 acre tract owned by School District No. 14, a 60d nail set for corner;

THENCE S 89° 25' 27" E, with the South boundary line of the said 1 acre tract owned by School District No. 14, at 119.75 feet the Southeast corner of the said 1 acre tract owned by School District No. 14, a metal fence post found for corner witnessed by a U.S.C. & G.S. bench mark R-485, 1943 brg. N 47° 15' W 129.52 feet;

THENCE N 0° 34' 28" E, with the East line of the said 1 acre tract owned by School District No. 14 at 208.93 feet the point and place of beginning and containing 11.00 acres of land, more or less.

00051855

BX

981

375

[illegible]

10859 = 24.48 acres

13 June Bond

Appendix F

Location 3 Figures




<p>Figure 7 of 9 Location 3 General Location Map</p>	<p>Water Use Permit - Location 3</p>	<p>Date: August 26, 2015</p>
<p>Created By: A. Miller & D. Russell CES Project No. 15-CES-286</p>	<p>Ronnie Borders San Augustine County, Texas</p> <p>Datum: NAD83 Zone 15 Imagery Source: NAIP 2014 Vector Source: CES, USGS, & ESRI</p>	<p>Project Location</p> 



Figure 8 of 9
2014 Aerial Photograph
Location 3



Created By:
A. Miller & D. Russell
CES Project No. 15-CES-286

Water Use Permit - Location 3

Ronnie Borders
San Augustine County, Texas



Datum: NAD83 Zone 15
Imagery Source: NAIP
Vector Source: CES, USGS, & ESRI

Date: August 26, 2015

Water Pipeline
Perennial Stream
Proposed On-Channel
Reservoir

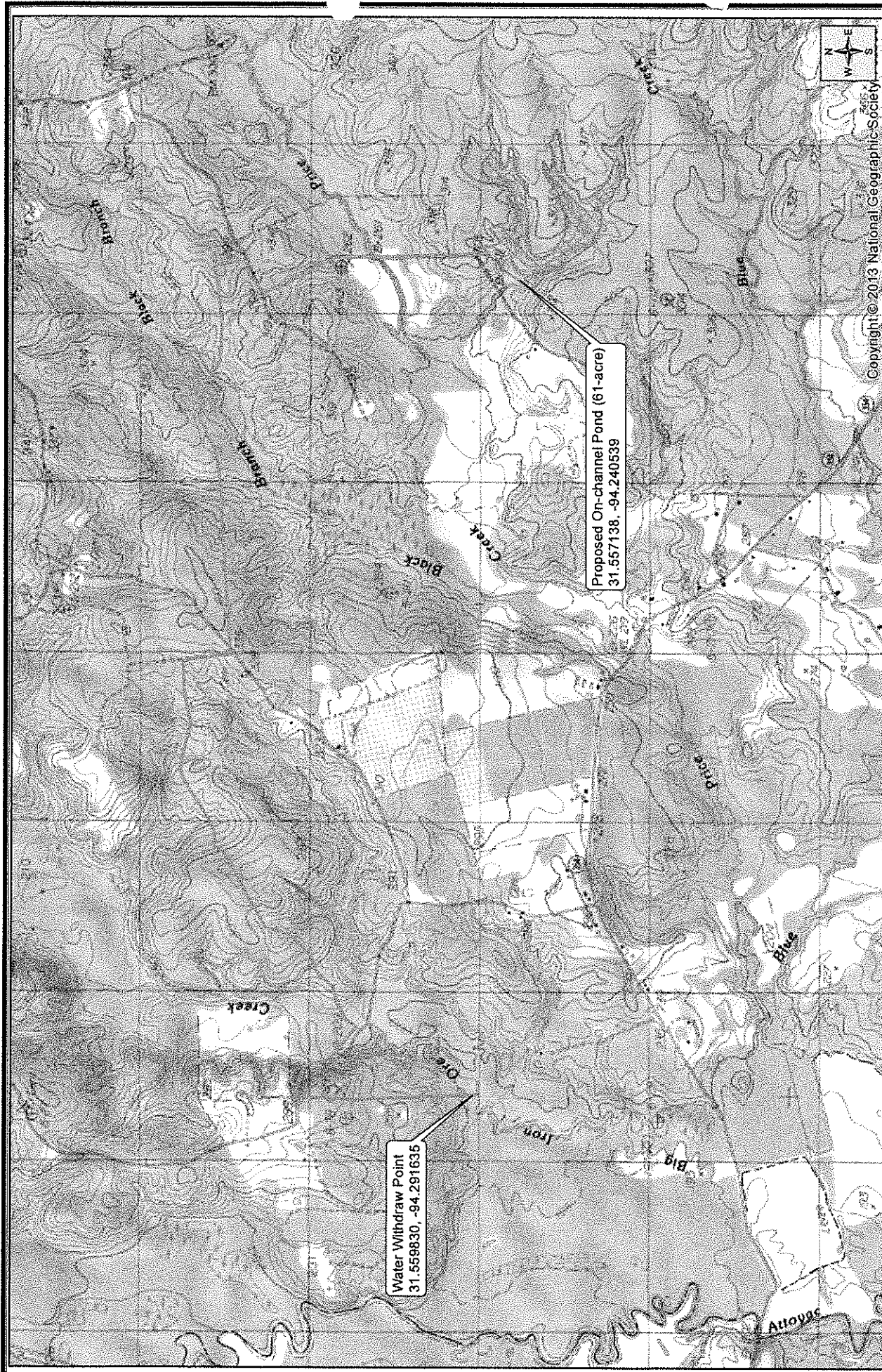


Figure 9 of 9
Topographic Map
Location 3

Water Use Permit - Location 3

Date: August 26, 2015



Created By:
A. Miller & D. Russell
CES Project No. 15-CES-286

Ronnie Borders
San Augustine County, Texas



Datum: NAD83 Zone 15
Imagery Source: NGS
Quads: Chireno North &
San Augustine West
Vector Source: CES

- Water Pipeline
- Perennial Stream
- Proposed On-Channel Reservoir

Appendix G

Location 3 Photographs



Photograph 5 – A view downstream of Little Iron Ore Creek at the proposed pump site for Location 3.



Photograph 6 – A view upstream of Big Iron Ore Creek at the proposed pump site for Location 3.

Appendix H

Location 3 Notice of Property Transfer

WARRANTY DEED

Date: December 19, 2011

Grantor: Ronnie Borders
627 CR 1012
Center, Shelby County, TX 75935

Grantee: Ronnie W. Borders, Ltd.
706 Southview Circle
Center, Shelby County, TX 75935

Consideration: Ten dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor.

Property (including any improvements):

BEING 187.56 acres, more or less, in San Augustine County Texas, described in a Special Deed from Sabine New Orleans L.L.C. to Ronnie Borders, dated July 22, 2003 and recorded in Vol. 42, Page 632, Deed Records, San Augustine County, Texas and which real property is further described by metes and bounds in Exhibit "A", attached hereto and made a part hereof for all purposes.

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 the Exceptions to Conveyance and Warranty.

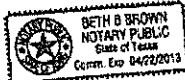
When the context requires, singular nouns and pronouns include the plural.

Ronnie Borders



STATE OF TEXAS)
COUNTY OF SHELBY)

This instrument was acknowledged before me on Dec. 19, 2011 by Ronnie Borders.



Beth B. Brown
Notary Public, State of Texas
Printed Name: Beth B. Brown
Commission Expires: 4-22-2013

After Recording Return to:
Ronnie W. Borders Ltd.
706 Southview Circle
Center, TX 75935

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Exhibit "A"

BEING 187.56 acres of land, more or less, situated approximately 12 miles northwesterly from the town of San Augustine, Texas, being two tracts of land on the MARY WARD SURVEY A-305, Tract 1. conveyed to Frank Sharp by G.C. Mitchell, December 31, 1928, Recorded Deed Records of San Augustine County, Texas, in Volume 68 Page 480, and Tract 2. Conveyed to Frank Sharp by G.C. Mitchell, March 4, 1929, Recorded Deed Records of San Augustine County, Texas, in Volume 68, Page 481, said tracts of land being approximately 75 acres of land, more or less. Tract 3. Being that tract of land conveyed to Frank Sharp by W. R. Thomas October 1923, and of record Deed Records San Augustine County, Texas in Volume 61, Page 95. Said combined tracts of land contain 187.56 acres of land upon survey of East Bank of Attoyac River. Said 187.56 acre tract being more fully described as follows:

BEGINNING at a found 1" iron pipe on the SBL of the Simpson Holloway Survey, said corner being the NEC of a 124.5 acre tract, Part of the J. T. Patterson Survey A-218, and being Block No. 9, in a suit styled E. A. Blount vs. H. H. Hall, et al, of record in Volume P., Page 623, 635 District Court minutes of Nacogdoches County, Texas and reference is here made to deed from L. B. Mast to Mrs. E. A. Blount dated December 12, 1923, of record in Volume 61, Page 226, Deed Records of San Augustine, Texas. Said corner being the NEC of the PARCEL NO. 4, as described in a deed from Rosine Blount Mc Faddin, et al to Temple Industries, Inc., dated August 15, 1969, Volume 159, Page 197, et seq. Said corner being witnessed by the following trees marked "X", painted blue/yellow,

1. 9" Pin Oak N 72 15 W 10.75 ft.,
2. 10" Sweet Gum S 65 15 W 42.7 ft.,
3. 4" Sweet Gum S 00 30 E 21.2 ft.,
4. 4" Sweet Gum S 37 15 E 13.80 ft.

THENCE with the SBL of the Simpson Holloway Survey A-149, and with a hacked/blazed painted line (blue-yellow) S 75 30 46 W, at 461.37 ft. hit 25" Pine Tree marked line 10/, at 1603.78 1/4" iron pipe found for the NWC said 124.5 acre tract referenced above, said corner being also the NEC of a 86 acre tract once in the name of Mrs. E. T. Watson, said corner witnessed by,

1. 6" Pin Oak S 36 20 E 22.22 ft.,
2. 24" Post Oak S 21 50 W 3.33 ft.,
3. 34" Post Oak N 50 50 E 17.52 ft.,
4. 20" Post Oak N 80 48 W 30.05 ft.,

said trees marked blue-yellow, at 2076.51 ft. East Bank East Fork Ironosa Creek, at 2397.38 ft. East Bank West Fork Ironosa Creek, at 2772.37 ft. pass NEC 21.25 acre tract, once in the name of T. R. Calcote, said corner being a 3/8" iron rod with a "T" post, said corner being south of, and 15.86 ft. normal to NBL PATTERERSON, SBL SIMPSON HOLLOWAY, at 3050.19 ft. pass 1 1/4" axle, the NEC 21.25 acre tract, once in the name of Vaille Calcote, said corner being south of, and 10.38 ft. normal to the NBL PATTERSON SURVEY, and SBL of the SIMPSON HOLLOWAY, at 3327.78 ft. pass NEC of a 21.25 acre tract once in the name A. R. Green, said corner being a 3/8" Iron rod, south of and 4.78 ft. normal to the NBL PATTERSON and SBL of the SIMPSON HOLLOWAY SURVEY, at 3605.92 ft. pass NEC of an 80 acre tract once in the name of FROST LUMBER COMPANY, said corner being a 1-1/2" axle N. of and 0.64 normal to the NBL PATTERSON and SBL SIMPSON HOLLOWAY SURVEY, at 4526.26 ft. pass 48" Oak Tree marked //O, said tree 0.39 ft. south of line and marked correctly, at a total distance of 4725.10 set 1/4" iron rod on the east bank of the Attoyac River for SWC 187.586 acre tract herein described. Said corner witnessed by:

1. 12" OAK marked "X" (dead), S 05 35 55 W 31.10 ft.,
2. 12" OAK marked "X" (dead) S 34 01 05 E 26.90 ft.,
3. 10" ELM marked "X" S 07 56 00 E 6.50 ft.,
4. 22" OAK marked "X" N 03 03 07 W 11.30 ft.

THENCE with the east bank of the Attoyac River as follows to wit:

1. N 07 05 38 E 182.77 ft.,
2. N 18 57 02 W 178.64 ft.,
3. N 57 11 20 W 229.24 ft.,
4. N 48 25 19 W 246.51 ft.,

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5. N 31 49 36 E 25.69 ft.,
 6. N 44 29 28 W 244.19 ft.,
 7. N 00 38 58 E 140.62 ft.,
 8. N 40 48 51 E 166.27 ft.,
 9. N 74 31 58 E 116.62 ft.,
 10. N 79 56 33 E 91.36 ft.,
 11. N 73 24 24 E 77.58 ft.,
 12. N 85 11 58 E 104.24 ft.,
 13. N 73 01 44 E 58.42 ft.,
 14. N 11 18 13 E 35.81 ft.,
 15. N 29 27 32 W 163.92 ft. to the NWC of the 187.56 acre tract herein described, set $\frac{3}{4}$ iron rod for corner on the east bank of the Attoyac River, said corner witnessed as follows:
 1. 16" 14" DBL Hackberry S 88 28 59 W 2.59 ft.,
 2. 14" ASH yellow band S 33 19 15 E 10.97 ft.,
 3. 12" Hackberry S 08 54 12 W 18.87 ft.,

THENCE N 61 06 41 E, following a yellow hacked and blazed property line, 2800.12 ft. to a 1" iron pipe at a fence corner for corner. This line follows the general course of an old wire fence now down, not encroaching on the property herein described. Said corner witnessed:

1. 16" Pine Tree "S" N 44 00 E 18.45 ft.,
2. 12" Sweet Gum "X" S 10 00 W 22.35 ft.,
3. 12" Hickory "X" N 17 10 E 18.8 ft.,

THENCE S 02 09 44 W with a hacked, blazed and blue and yellow painted line 1207.06 ft. to a 1" iron pipe painted blue for corner. Said corner witnessed:

1. 18" Oak S 65 E 25.2 ft.,
2. 22" Pin Oak "X" S 56 W 18.4 ft.,
3. 20" Oak marked "X" and line N 60 05 E 21.3 ft.,

THENCE N 60 08 46 E with a hacked, blazed, and blue-yellow painted line crossing three sloughs a distance of 3481.90 ft. to corner on line on west bank of Ironosa Creek and continuing N 60 08 46 E an additional 44.80 ft. to the NEC of 187.56 acre tract herein described at a total distance of 3526.70 ft., set $\frac{3}{4}$ iron rod for corner on the East bank of Ironosa Creek. Witnessed:

1. Sweet Gum "X" S 58 05 23 60 W 59.43 ft.,
2. ELM "X" S 71 04 40 W 50.52 ft.,
3. Sweet Gum "X" S 47 57 47 W 61.79 ft.,
4. Hickory "X" S 77 28 29 W 64.52 ft.,
5. Hickory "X" S 62 28 42 W 53.1 ft.,

THENCE with the East Bank of Ironosa Creek southwardly as follows to wit:

1. S 14 48 46 W 209.94 ft.,
2. N 80 03 46 E 113.89 ft.,
3. S 55 41 14 E 97.50 ft.,
4. S 45 03 46 W 266.66 ft.,
5. S 37 53 46 W 227.77 ft.,
6. S 79 53 46 W 140.83 ft.,
7. N 50 26 14 W 88.88 ft.,
8. N 37 03 46 E 111.11 ft.,
9. S 77 43 46 W 241.66 ft.,
10. S 07 56 14 88.88 ft.,
11. S 70 56 14 E 86.10 ft.,
12. S 28 26 14 E 111.11 ft.,
13. S 09 18 46 W 175.55 ft.,
14. S 50 06 14 E 83.33 ft.,
15. N 66 53 46 E 119.44 ft.,
16. N 76 43 46 E 111.11 ft.,
17. S 63 26 14 E 59.44 ft.,
18. S 03 56 14 E 61.11 ft.,
19. S 48 43 46 W 129.72 ft.,
20. S 50 46 14 E 197.22 ft.,
21. S 15 33 46 W 80.56 ft.,
22. S 71 33 46 W 225.00 ft.,
23. N 88 26 14 W 166.67 ft.,
24. S 69 18 46 W 111.11 ft.,
25. S 20 03 46 W 138.89 ft., to iron stake for corner on drain or old-course Ironosa Creek.

Witnessed:

1. 14" Hackberry N 61 15 W 34.8 ft.,
2. 12" Elm N 88 E 38.0 ft.,
3. 6" Sweet Gum S 09 30 E 11.5 ft.,
4. 6" Sweet Gum N 13 10 E 17.0 ft.,

THENCE S 01 03 46 W with main course drain/old channel 138.89 ft., iron stake witnessed,

1. 5" Elm N 18 10 W 10.3 ft.,
2. 12" Birch N 64 35 E 22.2 ft.,
3. 13" Pin Oak N 80 15 W 45.8 ft.,
4. 11" Pin oak S 28 20 W 23.9 ft.,

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THENCE S 45 56 14 E 222.22 ft. to iron stake for corner. Witnessed:

1. 9" Pin Oak N 51 00 W 36.9 ft.,
2. 20" Pine S 23 45 W 36.6 ft.,
3. 10" Pine S 26 40 E 27.5 ft.,
4. 12" Birch S 74 45 E 3.3 ft.,

THENCE S 51 03 46 W with a hacked, blazed and painted line 455.56 ft. to the PLACE OF BEGINNING and containing 187.56 acres of land, more or less.

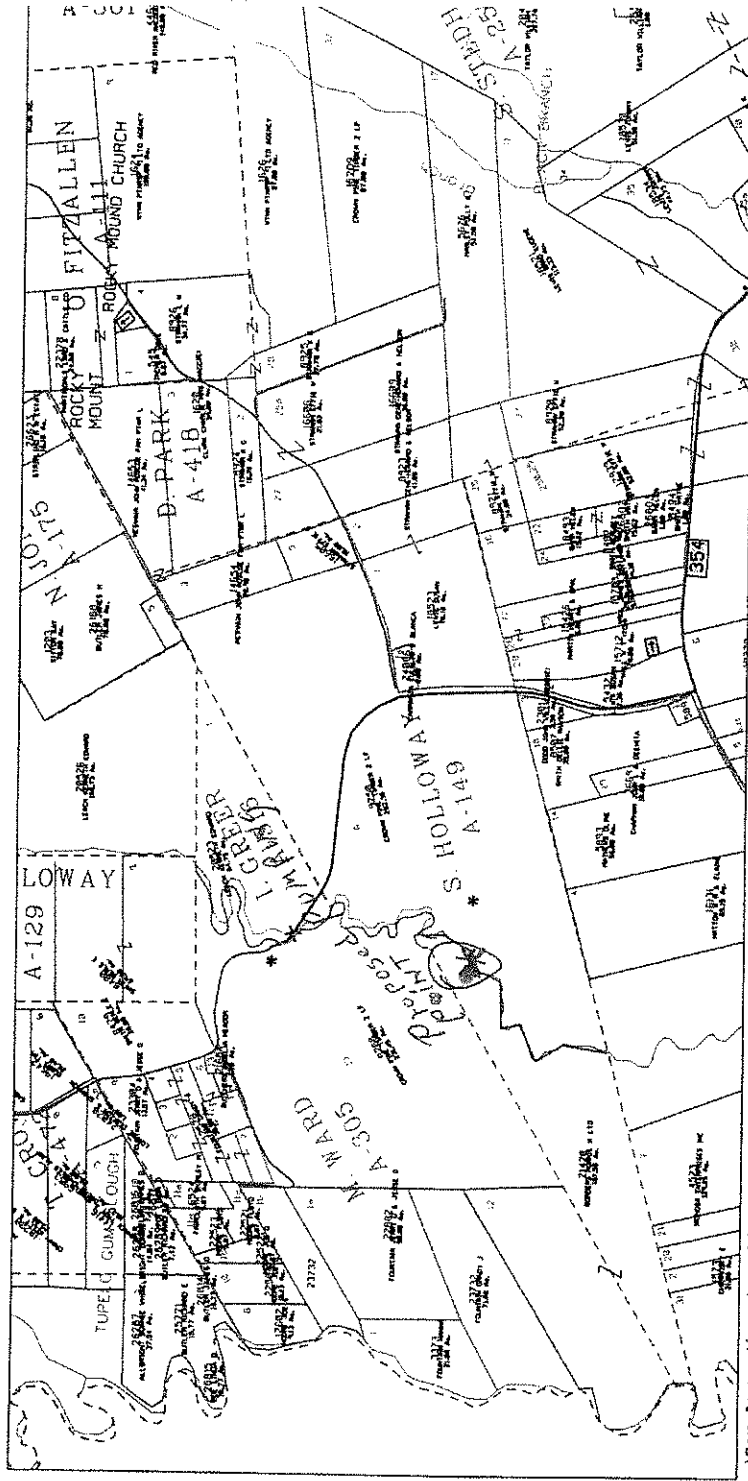
FILED AND RECORDED
REAL PROPERTY RECORDS
On Dec 21, 2012 at 02:10:1P
Document Number: 00047960
Amount 28.00
HONORABLE Diana Kover
COUNTY CLERK
By
Lindsey Brynn, Deputy
San Augustine County
AND PROVISION HEREIN WHICH RESTRICTS
THE SALE, RENTAL OR USE OF THE
DESCRIBED REAL PROPERTY BECAUSE OF
COLOR OR RACE IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW.

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

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SAN AUGUSTINE §

THAT CROWN PINE REALTY 1, INC., a Delaware corporation authorized to transact business in the State of Texas and with an office in Angelina County, Texas (hereinafter simply referred to as the "Grantor"), for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS and other good and valuable consideration to the undersigned paid by the Grantee herein named, the receipt and sufficiency of which are hereby acknowledged, has, subject to the exceptions and reservations hereinafter provided, GRANTED, SOLD and CONVEYED, and by these presents does, subject to the exceptions and reservations hereinafter provided, GRANT, SELL and CONVEY unto RONNIE W. BORDERS, LTD., a Texas limited partnership with an office in Shelby County, Texas (herein simply referred to as the "Grantee"), all of the following described real property situated in San Augustine County, Texas (the "Property"), to-wit:

BEING (i) 24.13 acres, more or less, situated in the L. S. Howard Survey, Abstract No. 162 and (ii)

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76.68 acres, more or less, situated in the Thomas Platt Survey, Abstract No. 219, both in San Augustine County, Texas, which said tracts of land are more particularly described on the Exhibit "A" attached hereto, incorporated herein by reference and made a part hereof for all purposes the same as if copied herein verbatim.

SAVE AND EXCEPT from the land hereinabove described (the "Property"), and Grantor expressly retains and reserves unto itself, its successors, lessees and assigns, the following:

1. All underground water, percolating water, artesian water, injected water, recharged water, stored water, and any other water from depths which are five hundred (500') feet or deeper below the surface of the Property and from any and all sources, aquifers, subsurface reservoirs, formations, strata, and/or horizons from depths which are five hundred (500') feet or deeper below the surface of the Property (collectively the "Groundwater");

2. Together with (i) all rights, title, and interests relating or pertaining to the Groundwater and/or related activities ("Groundwater Activities"), including but not limited to accessing, exploring for, drilling for, capturing, producing, withdrawing, developing, recharging, injecting, testing, treating, storing, and/or otherwise beneficially using the Groundwater; transporting the Groundwater from the Property for any purpose, including the commercial development and sale of the Groundwater; and injecting or otherwise introducing water into the aquifers, subsurface reservoirs, formations, strata, and/or horizons beneath the Property for recharge and aquifer storage and recovery operations; (ii) all of the real and personal property rights, appurtenances, authorities, licenses, consents and contracts, if any, relating or pertaining to the Groundwater and/or the Groundwater Activities (the "Groundwater Appurtenant Rights"), including but not limited to any historic use rights and/or other rights which now or in the future may be useful or necessary to conduct any Groundwater Activity, including but not limited to Grantor's ownership of all equipment, personal property, and/or fixtures used in connection with such an activity; (iii) all permit rights relating or pertaining to the Groundwater and/or to any Groundwater Activity that are now existing or may exist in the future from existing authorities that have jurisdiction over the Groundwater and/or the Groundwater Activities or from any authorities that may have

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jurisdiction in the future (the "Groundwater Permit Rights"), including but not limited to the right to make application for a permit, protest permit rights and request a modification or transfer of any permit rights; and (iv) any and all other rights relating or pertaining to the Groundwater, Groundwater Activities, Groundwater Appurtenant Rights and/or the Groundwater Permit Rights, together with all modifications, amendments, renewals, extensions or successors or substitutes thereto. All rights described in the preceding paragraph are referred to collectively as the "Groundwater Rights";

3. Together with an easement on, under and across the Property for Groundwater Activities, including but not limited to drilling, constructing, maintaining, repairing, replacing, operating and utilizing (i) groundwater wells, (ii) supporting groundwater well infrastructure, (iii) treatment facilities, (iv) gathering lines and pipelines, (v) pump stations, (vi) utilities, (vii) roads, and (viii) such other equipment or personal property as Grantor deems necessary or desirable in connection with the Groundwater Rights and any activities reasonably related thereto (the "Facilities");

4. Together with road and utility easements for the purpose of providing ingress and egress and utilities in, on and under the Property to the Facilities;

5. Together with sanitary control easements ("Sanitary Control Easements"), as necessary, for any Groundwater Activity, including but not limited to public water wells which will require easements that will (i) prohibit within an area surrounding each well and/or surface water pump, the construction and/or operation of underground petrochemical storage tanks, stock pens, feed lots, dump grounds, privies, cesspools, septic tanks, storm sewers, and all other construction or operations that could create an unsanitary condition within, on or across the Sanitary Control Easement that might impair the quality of the Groundwater Rights, (ii) prohibit (a) the use of chemicals or substances upon the Property which contaminate or may contaminate the Groundwater or (b) any other acts which adversely affects the quality of the Groundwater; and (iii) include such other terms and provisions as may now or hereafter be required by law or any existing or future authorities that may have jurisdiction over water wells or the Groundwater Rights; and

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6. Together with any and all claims, reimbursement rights or causes of action arising from the condemnation, taking or damage of the rights or property reserved by Grantor herein or any part thereof.

Provided, however, notwithstanding anything herein to the contrary, it is understood and agreed that the Grantor grants Grantee the right to make reasonable, non-commercial use of Groundwater for ordinary domestic purposes, livestock and forestry operations conducted on the Property.

Subject to the terms and provisions of the Surface Use Restrictions Agreement, referenced below, the reservations made herein shall remain dominant to the surface rights being conveyed by this Special Warranty Deed.

This conveyance is made and accepted subject to the following, which are exceptions to the conveyance and to the special warranty of title:

(1) Any and all visible and apparent easements over and across the Property, whether or not of record in San Augustine County, Texas;

(2) Any and all restrictions, conditions, covenants, easements, and mineral/royalty reservations or mineral/royalty interest conveyances, if any, relating to the Property, to the extent that they are still in force and effect, as shown of record in the Real Property Records of San Augustine County, Texas;

(3) Any and all discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements, and any portion of the subject Property lying within the boundary of any road or roadway;

(4) Ad valorem taxes for the year 2012, and all subsequent years, and any and all additional ad valorem taxes imposed after the date of execution of this Special Warranty Deed as a result of any change in use of any part or portion of the Property, the intent of the parties being that all such additional

AND GRANTEE ACKNOWLEDGES THAT GRANTEE IS RELYING SOLELY UPON ITS OWN (OR ITS REPRESENTATIVE'S) INSPECTION, EXAMINATION AND EVALUATION OF THE PROPERTY. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS CONVEYANCE, GRANTEE HEREBY ACCEPTS THE PROPERTY IN ITS "AS IS" - "WHERE IS" CONDITION AND WITH ALL FAULTS, IF ANY, AND WITHOUT REPRESENTATIONS AND WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, EXCEPT ONLY THE LIMITED TITLE WARRANTIES EXPRESSLY SET FORTH IN THIS DEED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IN CONNECTION WITH THE SALE OF THE PROPERTY TO GRANTEE, GRANTOR AND GRANTOR'S OFFICERS, MEMBERS, AGENTS, DIRECTORS, EMPLOYEES, MANAGERS, ATTORNEYS, CONTRACTORS, REPRESENTATIVES AND AFFILIATES ("GRANTOR'S RELATED PARTIES") HAVE MADE NO, AND SPECIFICALLY DISCLAIM, AND GRANTEE ACCEPTS THAT GRANTOR AND GRANTOR'S RELATED PARTIES HAVE DISCLAIMED, ANY AND ALL REPRESENTATIONS, GUARANTEES OR WARRANTIES, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW (EXCEPT AS TO TITLE AS HEREINABOVE PROVIDED), OF OR RELATING TO THE PROPERTY, INCLUDING WITHOUT LIMITATION, OR RELATING TO (A) THE USE, INCOME POTENTIAL, EXPENSES, OPERATION, CHARACTERISTICS, QUANTITY OR QUALITY OF TIMBER OR CONDITION OF THE PROPERTY OR ANY PORTION THEREOF, INCLUDING WITHOUT LIMITATION, WARRANTIES OF SUITABILITY, HABITABILITY, MERCHANTABILITY, TENANTABILITY, DESIGN OR FITNESS FOR ANY

SPECIFIC OR A PARTICULAR PURPOSE, OR GOOD AND WORKMANLIKE CONSTRUCTION, (B) THE NATURE, MANNER, CONSTRUCTION, CONDITION, STATE OF REPAIR OR LACK OF REPAIR OF ANY TIMBER OR IMPROVEMENTS LOCATED ON THE PROPERTY, ON THE SURFACE OR SUBSURFACE THEREOF, WHETHER OR NOT OBVIOUS, VISIBLE OR APPARENT, (C) THE NATURE OR QUALITY OF CONSTRUCTION, STRUCTURAL DESIGN OR ENGINEERING OF THE PROPERTY, (D) THE ENVIRONMENTAL CONDITION OF THE PROPERTY AND THE PRESENCE OR ABSENCE OF OR CONTAMINATION BY HAZARDOUS MATERIALS, OR THE COMPLIANCE OF THE PROPERTY WITH REGULATIONS OR LAWS PERTAINING TO HEALTH OR THE ENVIRONMENT, AND (E) THE SOIL CONDITIONS, DRAINAGE, FLOODING CHARACTERISTICS, UTILITIES OR OTHER CONDITIONS EXISTING WITH RESPECT TO THE PROPERTY. THE GRANTEE HEREBY EXPRESSLY ASSUMES ALL RISKS, LIABILITIES, CLAIMS, DAMAGES, AND COSTS (AND AGREES THAT GRANTOR SHALL NOT BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, OR OTHER DAMAGES) ON AND AFTER THE DATE OF THIS DEED RESULTING OR ARISING FROM OR RELATED TO THE OWNERSHIP, USE, CONDITIONS, LOCATIONS, MAINTENANCE, REPAIR OR OPERATION OF THE PROPERTY. GRANTEE ACKNOWLEDGES THAT ANY CONDITION OF THE PROPERTY WHICH GRANTEE DISCOVERS OR DESIRES TO CORRECT OR IMPROVE PRIOR TO OR AFTER THE DATE HEREOF SHALL BE AT GRANTEE'S SOLE EXPENSE. GRANTEE EXPRESSLY WAIVES (TO THE EXTENT ALLOWED BY APPLICABLE LAW) ANY CLAIMS UNDER FEDERAL LAW, STATE OR OTHER LAW THAT GRANTEE MIGHT

OTHERWISE HAVE AGAINST GRANTOR RELATING TO THE USE,
CHARACTERISTICS OR CONDITION OF THE PROPERTY.

TO HAVE AND TO HOLD the above described Property,
together with all and singular the appurtenances thereto in
anywise belonging, unto the said Grantee, its successors and
assigns forever; and Grantor does, subject to the exceptions and
reservations hereinabove provided, hereby bind itself, its
successors and assigns, to WARRANT AND FOREVER DEFEND all and
singular the said Property unto the said Grantee, its successors
and assigns, against every person whomsoever lawfully claiming
or to claim the same or any part thereof, by, through, or under
the Grantor, but not otherwise.

Ad valorem taxes for the year 2012 have been prorated
by and between the Grantor and the Grantee. Therefore, Grantee,
by acceptance of this Special Warranty Deed, agrees to be
responsible for, and to pay, the 2012 ad valorem taxes on the
Property and further agrees to indemnify and hold harmless the
Grantor from and against any and all responsibility or liability
whatsoever arising out of, or having to do with, the payment of
said 2012 ad valorem taxes.

[SIGNATURE PAGE TO FOLLOW]

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EXECUTED this 6th day of June, 2012.

CROWN PINE REALTY 1, INC.,
a Delaware corporation

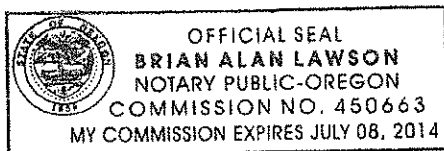
By: _____

Name: John S. Gilleland
Title: President

THE STATE OF OREGON §

COUNTY OF MULTNOMAH §

6th This instrument was acknowledged before me on the
day of June, 2012 by John S. Gilleland, the President of
Crown Pine Realty 1, Inc., a Delaware corporation, on behalf of
said corporation.



Notary Public, State of Oregon

Printed Name: BRIAN LAWSON

Commission Expires: JULY 8, 2014

GRANTEE'S ADDRESS:

P. O. Box 548
Center, Texas 75935

EXHIBIT "A"

STATE: Texas
COUNTY: SAN AUGUSTINE
Tract: AUG-90
LATS: 424050162 [01487]
Tax Parcel No.:
Compartment No.: 01487
Fee: X Leasehold:

Tract Ninety: Being 24.13 acres, more or less, a part of the L.S. HOWARD SURVEY A-162, San Augustine County, Texas, and being the land described as Tract No. 3 in the Deed from Champion International Corp. to Temple Inland Forest Products Corp., dated December 4, 1989, and recorded in Vol. 268, Pg. 832, Deed Records of San Augustine County, Texas; and being described by metes and bounds as follows, to wit:

Being 24.13 acres of land, more or less, out of L.S. Howard Survey, Abstract No. 162, and being the remainder of a twenty-five (25) acre tract owned by Leonard Holmes, said 25 acres tract being the same land conveyed by I. E. Verdell to L. J. Mills by deed dated September 11, 1905, and recorded in Volume 34, Page 442 of the Deed Records of San Augustine County, Texas, said 24.13 acres being more fully described as follows:

BEGINNING at the Southwest corner of L. S. Howard survey, abst. No. 162, and the Northwest corner of W. F. Adams Survey, Abst. No. 51, same being the Southwest corner of the above mentioned 25 acre tract in the east line of Thomas Platt Survey, Abst. No. 219, and in the East line of a 75.50 acre tract conveyed in the above mentioned deed, a concrete monument for corner;

THENCE North 00 deg. 02 min. 24" West with the common line between the said Platt and Howard Surveys, 375.59 vrs to the Northwest corner of the said 25 acre tract, a concrete monument for corner in the centerline of an old road;

THENCE Easterly with the old road, same being the North line of the said 25 acre tract as follows:

- 1) South 83 deg. 24 min. 06" East, 140.40 vrs;
- 2) South 87 deg. 07 min. 05" East, 118.66 vrs;
- 3) South 73 deg. 15 min. 28" East, 101.02 vrs, to the Northwest corner of a 2 acre tract heretofore sold by Leonard Homes, a concrete monument for corner;

THENCE South 26 deg. 24 min. 30" West, 75.34 vrs to the Southwest corner of the said 2 acre tract, a concrete monument for corner;

THENCE South 62 deg. 52 min. 00" East with the South line of the said 2 acre tract, 137.98 vrs to a concrete monument for corner on the bank of a branch; said branch being the East line of the said 25 acre tract;

THENCE downstream with the meanders of the said branch as follows:

- 1) South 28 deg. 05 min. 45" West, 91.64 vrs,

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- THENCE North 89 deg. 43 min. 42" West, 370.87[~] vrs to the place of beginning, containing 24.13 acres of land more or less.

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STATE: Texas
COUNTY: SAN AUGUSTINE
Tract: AUG-91
LATS: 424050219 [01487]
Tax Parcel No.:
Compartment No.: 01487
Fee: X Leasehold: _____

TRACT NINETY-ONE: Being 76.68 acres, more or less, a part of the THOMAS PLATT SURVEY A-219, San Augustine County, Texas, and being the land described as Tract No. 7 in the Deed from Champion International Corp. to Temple Inland Forest Products Corp., dated December 4, 1989, and recorded in Vol. 268, Pg. 832, Deed Records of San Augustine County, Texas; and being described by meter and bounds as follows, to wit:

Being 76.68 acres of land, more or less, a part of the Thomas Platt Survey, Abstract No. 219, San Augustine County, Texas, and being all of a 75.50 acre tract owned by Leonard Holmes, said 75.50 acres being also the same tract as conveyed by I. R. Verdell et ux to L. J. Mills by deed dated September 11, 1905, and recorded in Volume 34, Page 442 of the Deed Records of San Augustine County, Texas, said 76.68 acres being more fully described as follows:

BEGINNING at the Northeast corner of the Thomas Platt Survey, same being the Northeast corner of the above-described 75.50 acre tract, a concrete monument for corner;

THENCE South 00 deg. 02 min. 24" East with the East line of the Thomas Platt Survey, at 342.06 vrs pass the Northeast corner of a 25.00 acre tract conveyed in the above described deed into L. J. Mills, a concrete monument for corner in the centerline of an old road, at 717.65 vrs pass a concrete monument for the Southwest corner of the said 25.00 acre tract, same being the Southwest corner of the said Howard Survey and the Northwest corner of W. F. Adams Survey, Abstract No. 51, and continuing for a total distance of 1189.91 vrs to the Southeast corner of the above described 75.00 acre tract in the East line of the Platt Survey and the West line of the said Adams Survey, a concrete monument for corner;

THENCE South 88 deg. 24 min. 36" West, 157.10 vrs to the Southwest corner of the above-described 75.50 acre tract, a concrete monument for corner on the East bank of a creek;

TRENCHE upstream with the meanders of the said creek as follows:

- 1) North 25 deg. 40 min. East 33.00 vrs,
- 2) North 26 deg. 15 min. West 127.00 vrs,
- 3) North 10 deg. 15 min. East, 139.00 vrs,
- 4) South 89 deg. 55 min. West 115.50 vrs,
- 5) North 53 deg. 40 min. West, 55.00 vrs,
- 6) North 55 deg. 14 min. East, 85.50 vrs,
- 7) North 37 deg. 54 min. West, 43.00 vrs,
- 8) South 72 deg. 11 min. West, 36.00 vrs,
- 9) North 36 deg. 15 min. West 169.00 vrs,
- 10) North 12 deg. 23 min. West 298.00 vrs,

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TRACT NINETY-ONE (CONT.)

11) North 12 deg. 10 min. East, 49.00 yrs.
12) North 62 deg. 27 min. West 129.00 yrs.
13) North 61 deg. 58 min. East, 68.00 yrs.
14) North 15 deg. 22 min. West, 87.00 yrs to the
Northwest corner of the said 75.50 acre tract in the
North line of the said Platt Survey, a concrete monument
for corner on the East bank of the said creek;

THENCE North 75 deg. 14 min. 18" East, 611.13 yrs to the
place of beginning, containing 76.68 acres of land, more
or less.

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EXHIBIT "B"
(PERMITTED EXCEPTIONS)

1. Easements, discrepancies or conflicts in boundary lines, shortages in area, vacancies, excesses, encroachments, or any other facts that a current and accurate survey of the Property would disclose (or does disclose).

2. Any facts, rights, interests or claims which are not shown by the public record but which could be ascertained by an accurate survey of the Property or by making inquiry of persons in possession thereof.

3. Easements or encumbrances, or claims thereof, which are not shown by the public record.

4. All ad valorem property or other taxes (other than income taxes) not yet due and payable in respect to the Property for the current tax period and all subsequent tax periods, and all other assessments and other charges of any kind or nature imposed upon or levied against or on account of the Property by any governmental authority, including any additional or supplemental taxes that may result from a reassessment of the Property, and any potential roll-back or greenbelt taxes related to any agricultural, forest or open space exemption that is subject to recapture pursuant to applicable state laws.

5. Liens for taxes not yet due and payable.

6. The Property is hereby conveyed "as is" by the tract and not by the acre. The acreage, the boundary lines and corners are not being guaranteed by Grantor. No guarantee is given as to the acreage or square footage contained in the Property.

7. Rights of the public and others entitled thereto, if any, in and to the use of that part of the Property within the bounds of any street, road, highway, or public thoroughfare.

8. To the extent a tract included in the Property is bounded or traversed by a river, stream, branch or lake:

(i) the rights of upper and lower riparian owners and the rights of others to navigate such river or stream;

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