SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into on this 8th day of February, 2010 (the "Effective Date"), between SAN Geronimo Valley Alliance, a Texas non-profit corporation, Eddoran Partnership, Ltd., a Texas limited partnership, Gallagher Ranch Partners, Ltd., a Texas limited partnership, Gallagher Ranch Cattle Co., Inc., a Texas corporation, Randall T. Johnson, Gary Schott, DeWayne Schott, Lisa Cross, John M. Hernandez, John N. (Neil) Hernandez, Douglas McNeel, William Philip Gramm, Kenneth Cox, Betty Lou Jonas, Ed Brummett, BP Real Estate Investments, Ltd., a Texas limited partnership, BP 1766 San Antonio, Ltd., a Texas limited partnership, 1766 Utility Hills, LLC, a Texas limited liability company, and Shaul Baruch (the "Parties").

Recitals

WHEREAS, BP 1766 San Antonio, Ltd is the owner of the "Development" more particularly described below;

WHEREAS, BP Real Estate Investments, Ltd. has applied for TPDES Permit No. WQ0014713001 to authorize the discharge of wastewater upstream of San Geronimo Creek, which application is under consideration by the Texas Commission on Environmental Quality (TCEQ Docket No. 2008-0699-MWD) and the State Office of Administrative Hearings (SOAH Docket No. 582-08-2859);

WHEREAS, the application by BP Real Estate Investments, Ltd. for TPDES Permit No. WQ0014713001 is being contested by the San Geronimo Valley Alliance ("SGVA"), Gary Schott, DeWayne Schott, Lisa Cross, Randall T. Johnson, John N. (Neil) Hernandez and John M. Hernandez, each of which is a party to the proceeding to consider that application;

WHEREAS, BP 1766 San Antonio, Ltd. has submitted Application No. M-68-18-8-000007 to the Medina County Groundwater Conservation District of the State of Texas, seeking an operating permit for the withdrawal of groundwater from water wells located in the Development;

WHEREAS, Application No. M-68-18-8-000007 by BP 1766 San Antonio Ltd is being contested by SGVA, Eddoran Partnership, Ltd., Gallagher Ranch Partners, Ltd., and Gallagher Ranch Cattle Company, Inc., each of which is a party to the proceeding to consider that application;

WHEREAS, 1766 Utility Hills, L.L.C. has submitted Application No. 36284-C to the Texas Commission on Environmental Quality for a certificate of convenience and necessity to provide water service for the Development;
WHEREAS, SGVA has requested a contested case hearing regarding Application No. 36284-C;

WHEREAS, 1766 Utility Hills, L.L.C. has submitted Application No. 36285-C to the Texas Commission on Environmental Quality for a certificate of convenience and necessity to provide sewer service for the Development;

WHEREAS, SGVA has requested a contested case hearing regarding Application No. 36285-C;

WHEREAS, BP 1766 San Antonio Ltd. has requested that the City of San Antonio/San Antonio Water System extend sewer and/or water service to the Development and/or consent to the creation of a public district for such purposes;

WHEREAS, SGVA has expressed concern regarding the City of San Antonio/San Antonio Water System extending sewer and/or water service to the Development; AND

WHEREAS, the Parties desire to resolve certain matters and to compromise and settle the said matters;

**Definitions**

For the purposes of this Agreement, the following terms have the following assigned meanings:

“BP” means BP Real Estate Investments, Ltd., BP 1766 San Antonio, Ltd., 1766 Utility Hills, LLC, and Shaul Baruch, as applicable, and all assigns, subsidiaries, successors, and affiliates of same, and all managers, directors, officers, and employees of the aforesaid persons acting on behalf of such persons.

“SGVA” means the San Geronimo Valley Alliance, a Texas non-profit corporation, and all of its subsidiaries, parents, predecessors, successors, assigns, affiliates, and all of its directors, officers, and employees acting in an official capacity on behalf of the SGVA. An “affiliate” of SGVA shall mean (i) any entity which has the right to exercise control over more than 50% of the voting rights of the Board of Directors of SGVA or (ii) any entity over which SGVA or its directors has/have the right to exercise control over more than 50% of the voting rights of the Board of Directors of such entity.

The "Development" means the 1766.877 acre tract of real property described by field notes in Exhibit "A" attached hereto and incorporated by reference herein and the proposed development known as the Hills of Castle Rock to be situated thereon and depicted in Exhibit "B" attached hereto and incorporated by reference herein.

"TCEQ" means the Texas Commission on Environmental Quality.

"MCGCD" means the Medina County Groundwater Conservation District.

"City/SAWS" means the City of San Antonio and/or the San Antonio Water System.

**Settlement Terms**

NOW, THEREFORE, for and in consideration of the mutual covenants set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Sewer Service**

1.1 **Withdrawal of Wastewater Permit Application.** BP will withdraw with prejudice its pending application for TPDES Permit No. WQ0014713-001.

1.2 **Prohibition on Future Wastewater Treatment Plant.** BP agrees that no wastewater treatment plant will be constructed within the boundaries of the Development or to serve the Development.

1.3 **Withdrawal of Sewer CCN Application.** BP agrees to withdraw with prejudice its application for a sewer CCN to serve the Development.

1.4 **Location of Septic Tanks.** BP agrees that septic tanks in the Development may not be located within the 100-year floodplain, as designated in the FEMA floodplain map at the time of the installation of the septic tank involved.

2. **Density/Land Use**

2.1 **Single Family Residences.** BP agrees to limit use of the Development to single-family residences, with the exception of a neighborhood amenity center with appurtenances (which may include a swimming pool, tennis courts, exercise/play equipment, patios, and pavilions).

2.2 **550 Lots.** BP agrees to limit the density of the Development to a maximum of 550 single-family residential units to be located within the physical boundaries of the Development and in accordance with the Proposed Density/Lot Layout attached hereto as Exhibit "B". Given the flexibility necessary in design and obtaining approvals for the Development, the lot lines and street right-of-ways depicted by Exhibit "B" are approximate and subject to revision.
2.3 **Greenspace.** The Development will include no less than 700 acres of greenspace. The generally anticipated location and layout of this greenspace is depicted in Exhibit "B". The location and layout of the Greenspace Easement as depicted by Exhibit "B" may be adjusted from time to time in the future by BP with the total acres being at least 700. No structure shall be built on this greenspace except for one amenity center with appurtenances, small park-related structures (such as a rest station, patio, pavilion, observation deck, or exercise/play equipment), hydrology-related structures, and hike/bike trails. Except for the aforementioned "structures" and that part of the greenspace consisting of public entries to the Development, ponds, parks, and trail systems, the natural ecology and native landscape shall be preserved, but managed reasonably. Greenspace areas will be set aside by the creation of easements on lots sold within the Development, except for the following areas:

(i) Greenspace immediately associated with one amenity center with appurtenances;

(ii) Landscaped public entries to the Development; and

(iii) Lots owned by BP, or a future homeowners association, that are no wider than 50 feet in width and which are used for the purpose of a hike/bike trail system.

2.4 **Average Minimum Lot Size.** BP agrees to limit the average minimum lot size in the Development to no less than 3.0 acres based on the total acreage of the Development. The average lot size shall be calculated in a manner consistent with the Medina County Subdivision Regulations in effect as of the effective date of this Agreement.

2.5 **Absolute Minimum Lot Size.** BP agrees to limit the absolute minimum lot size in the Development to no less than 1.1 acres.

2.6 **Impervious Cover.** BP agrees to limit the developed impervious cover of the Development to no more than 15%.

2.7 **Perimeter Buffer.** In order to screen homes built on lots immediately adjacent to S.H. 16 and/or P.R. 37 from being visible offsite, BP agrees to dedicate a greenspace buffer of at least 40 feet around the perimeter of the Development, with exceptions for utility and landscaped public entries into the Development. BP may take reasonable steps to maintain the greenspace buffer, which shall include tree pruning and managing the existing understory.

2.8 **Submittal of Agreement.** BP agrees that (i) it will submit a copy of this Agreement to Medina County at the same time that it submits its application for plat approval of that portion of the Development located in Medina County, and (ii) it
will submit a copy of this Agreement to Bandera County at the same time that it submits its application for plat approval of that portion of the Development located in Bandera County.

2.9 **Architectural Requirements.** BP agrees to utilize the following architectural requirements (enforceable through deed restrictions) for all residences and structures in the Development:

(i) All homes must be at least 2,200 square feet, exclusive of any garage space;

(ii) All homes and structures may not have more than two (2) stories, with an exception for walk-out basements and garages;

(iii) The exterior of all homes and structures must be at least 75% masonry;

(iv) High quality fencing construction materials; and

(v) External lighting will utilize dark sky lighting fixtures.

2.10 **Withdrawal of Protest.** Provided that BP is in compliance with Paragraphs 1.1 – 1.3 of this Agreement, Protestants agree that they will withdraw their protest and/or not oppose any application or request by BP for approval of a Master Development Plan, Preliminary Sketch Plan, Preliminary Plat, Final Plat, Stormwater Management Plan, Traffic Impact Analysis, and/or any other required entitlement relating to density/land use for the Development that complies with the limitations set forth in Paragraphs 2.1 – 2.8 of this Agreement.

3. **Water Sources**

3.1 **Limitations on Groundwater Service.** Within 30 days of the effective date of this Agreement, BP will amend Application No. M-68-18-8-000007 that is now pending before the MCGCD to request a maximum amount of groundwater to be withdrawn pursuant to the permit to be 425 acre-feet per year. The following limitations will also apply to the use of groundwater at the Development.

(a) BP will not seek any permit or combination of permits to withdraw more than 425 acre-feet per year of groundwater for the property encompassed by the Development;

(b) Except for a quantity reasonably necessary for the operation of an amenity center and the irrigation of any common areas, BP will not seek an operating permit from the Medina County Groundwater Conservation District for any use other than domestic use or non-commercial agricultural use;
(c) No groundwater well in the Development shall be used or authorized for any use other than domestic use or non-commercial agricultural use;

(d) At no time may the total amount of groundwater authorized to be withdrawn by wells located within the boundaries of the Development exceed 425 acre-feet per year. BP shall seek to amend its operating permit as necessary to ensure that this limit is not exceeded. In determining this total, amounts authorized by permit and amounts authorized by any exemptions shall be included. For purposes of making this determination each exempt well shall be deemed to have been authorized an allotment of 0.75 acre-feet of groundwater per year.

(e) Any groundwater well used to serve multiple households shall include a separate meter to determine the water used by each household; and

(f) No groundwater well will be drilled in any of the protected zones as described in Exhibit "C" attached hereto and incorporated herein by reference. Each of the following landowners shall be granted a restrictive covenant to enforce this limitation in that landowner's respective protected zone as depicted in Exhibit "C":

(i) Kenneth & Margaret Cox;
(ii) Betty Lou Jonas;
(iii) Larry & Lisa Cross; and
(iv) Ed Brummett.

3.2 Limitations Applicable if Water Service is Obtained from City/SAWS. If BP is able to obtain a binding commitment from the City/SAWS to provide water service to the Development and a public water system is constructed and/or extended that includes the Development, then BP agrees that:

(a) If an operating permit for Application No. M-68-18-8-000007 has not yet been issued by the MCGCD, BP will amend such application to request a maximum amount of groundwater to be withdrawn pursuant to a permit to be 25 acre/feet per year, and such groundwater shall be used solely for the irrigation of common areas in the Development;

(b) If BP has already received an operating permit for the withdrawal of groundwater to serve the Development, then BP shall submit a request to the MCGCD to amend such operating permit to authorize a maximum amount of groundwater withdrawal to be 25 acre/feet per year, and such groundwater shall be used solely for the irrigation of common areas in the Development.; and

(c) BP will not sell or transfer water obtained for the Development for any use outside the boundaries of the Development.
3.3 **Withdrawal of Groundwater Permit Protest.** SGVA, Eddoran Partnership, Ltd., Gallagher Ranch Partners, Ltd., and Gallagher Ranch Cattle Company, Inc. will withdraw their protest of Application No. M-68-18-8-000007 to the MCGCD within 30 days after that application is amended to limit the amount of groundwater authorized under that permit to no more than 425 acre-feet per year. Moreover, Protestants shall not oppose or protest any future request or application by BP to the MCGCD for an amendment of an operating permit, provided that such request or application complies with Paragraphs 3.1 and 3.2 of this Agreement.

3.4 **Prohibition on Sale or Transfer of Water.** Without regard to the source of water for the Development, BP shall not sell or transfer water for use outside of the Development. BP shall not sell or transfer groundwater rights to any person or entity for use outside of the Development.

3.5 **Agreement Not to Protest City/SAWS Water Service.** Provided that BP is in substantial compliance with the terms of this Agreement, SGVA will not contest or oppose an extension of water service by the City/SAWS that includes the Development.

4. **Restrictive Covenants**

4.1 **Restrictions Enforceable by Restrictive Covenants.** The following restrictions shall be placed on the Development, and recorded in the official public records of Medina County and Bandera County, with enforcement rights granted to the owners of property within the Development (or a future homeowners’ association for the Development), SGVA, and the owners of the properties adjacent to the Development which are currently owned by Eddoran Partnership, Ltd and Gallagher Ranch Partners, Ltd.:

   (i) The prohibition on the construction of a wastewater treatment plant in the Development, as set forth in Paragraph 1.2 of this Agreement;

   (ii) The 550 lot limitation set forth in Paragraph 2.2 of this Agreement;

   (iii) The preservation of greenspace within the Development as set forth in Paragraph 2.3 of this Agreement; and

   (iv) The prohibition on the sale or transfer of water rights outside of the Development set forth in Paragraph 3.4 of this Agreement;

The Parties acknowledge that these restrictions are being placed on the land within the Development for the benefit of SGVA, and for the benefit of the properties adjacent to the Development currently owned by Eddoran Partnership, Ltd and Gallagher Ranch Partners, Ltd.
4.2 Implementation of Restrictive Covenants. To implement Paragraph 4.1 hereof, the Restrictive Covenant Agreement attached to this Agreement as Exhibit "D" shall be executed by an authorized representative of BP 1766 San Antonio, Ltd. and filed in the official public records of Medina County, and also filed in the official public records of Bandera County.

4.3 Implementation of Restrictive Covenants Relating to Groundwater. To implement Paragraph 3.1(f) hereof, the Restrictive Covenant Agreements attached to this Agreement as Exhibit "E", Exhibit "F", Exhibit "G" and Exhibit "H" shall be executed by an authorized representative of BP 1766 San Antonio, Ltd. and filed in the official public records of Medina County, and also filed in the official public records of Bandera County.

5. Improvement District

5.1 No Protest or Opposition. Protestants agree not to protest or oppose any request or application by BP for the creation of a public district of any type that would allow BP the right to seek reimbursement through ad valorem taxes on future property owners in the Development for on-site and/or off-site improvements related to roads, drainage, septic systems, and/or water service (if the City/SAWS agrees to provide water service for the Development).


6.1 Confidentiality. The terms and conditions of this Agreement are not confidential.

6.2 Notice to SGVA. When notice to SGVA is required under this Agreement, that notice should be sent to:

San Geronimo Valley Alliance
  c/o Gary Schott
  19903 Bandera Road
  Helotes, Texas 78023

6.3 Notice to BP. When notice to BP is required under this Agreement, that notice should be sent to:

BP 1766 San Antonio, Ltd.
  c/o David Parkerson
  5953 Dallas Parkway, Suite 200-B
  Plano, Texas 75093

6.4 Timing and Manner of Delivery of Notice. All notices, required under this Agreement shall be in writing and either (i) delivered by personal delivery to such intended recipient, which personal delivery shall be evidenced by a written receipt thereof signed by such recipient or (ii) sent by United States certified, registered or
express mail, return receipt requested, postage prepaid, or by reputable express delivery service (such as Federal Express, UPS, Airborne, or DHL), fees prepaid, addressed to the intended recipient thereof, at the address listed for such party below, or at such other address as such party shall furnish in writing to the other parties to this Agreement. All such notices, shall be effective upon being personally delivered and properly receipted or three (3) days after being properly addressed and deposited in the United States mail or with a reputable express delivery service properly receipted, as set forth above.

6.5 Updating Notice Address. A party may change the required address for notice by providing all parties with notice of the new address by written notice to all other parties to this Agreement.

6.6 Transfers of interests. This Agreement shall continue perpetually and shall be binding upon and inure to the benefit of the Parties and their heirs, devisees, successors and/or assigns.

6.7 Governing Law. This Agreement and its exhibits shall be governed and construed in accordance with the laws of the State of Texas, except for any conflict of law rules that may require reference to the laws of some other jurisdiction.

6.8 Remedies/Enforcement. In the event of any breach of this Agreement, the party asserting claims based on such breach shall be entitled to seek any remedy that may be available under the law, including but not limited to attorneys' fees, damages (both compensatory and punitive), civil penalties, preliminary and permanent injunction, and specific performance. In addition, in any legal proceeding related to the interpretation and/or performance of this Agreement, the prevailing party in such legal proceeding shall be entitled to recover its reasonable attorney's fees, costs, and expenses associated with such proceeding from the losing party(ies).

6.9 Choice of Venue. This Agreement is performable in part in Medina County, Texas. If any disputes arise under this Agreement, the Parties agree that venue for resolution of such disputes shall solely be with any court of competent jurisdiction located within Medina County, Texas. The Parties hereby waive any rights to object to venue in Medina County.

6.10 No Party to Be Deemed Drafter. The Parties have each had the opportunity to have legal counsel examine this Agreement and to propose changes to clarify any ambiguities. Accordingly, in any interpretation of this Agreement, an ambiguity will not be resolved by interpreting the Agreement against the drafter. The language of this Agreement will not be construed for or against either party on the supposition or finding that one party was the drafter.

6.11 Representaions/Warranties. The Parties represent and warrant that they have the power and authority to enter into this Agreement, and that this Agreement and all documents executed pursuant to this Agreement, to which they are a party, are
valid, binding, and enforceable upon them. In addition, the Parties represent and warrant that: (i) they have carefully read this Agreement and the exhibits attached hereto, (ii) they have relied solely upon their own respective judgment in deciding to execute this Agreement, (iii) they understand this Agreement and its terms and effects, (iv) they voluntarily execute this Agreement of their own free act, and (v) they have had adequate time to consult with legal counsel of their own choosing regarding all aspects of this Agreement prior to its execution.

6.12 Entire Agreement. This Agreement, together with all of the documents attached hereto as exhibits, contains the entire agreement of the Parties. There are no other agreements, oral or written between the Parties regarding the matters set forth herein, other than any agreements filed of record in accordance with Rule 11 of the Texas Rules of Civil Procedure, and this Agreement can be amended only by written agreement signed by the Parties. The recitals and exhibits are incorporated herein for all purposes.

6.13 Time is Of the Essence. Time is of the essence in the execution and performance of this Agreement.

6.14 Multiple Counterparts; Signatories. This Agreement may be executed in any number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one agreement. The Parties agree that original signatures are not necessary for this Agreement. The Parties have agreed to execute this Agreement independently and deliver the executed Agreement by any practical means, including facsimile transmission.

6.15 BP’s Obligations are Joint and Several. All obligations or responsibilities in this Agreement of BP Real Estate Investments, Ltd., BP 1766 San Antonio, Ltd., 1766 Utility Hills, LLC, and Shaul Baruch are joint and several in nature.

6.16 Severability. Any provision of this Agreement which is prohibited or unenforceable under applicable law shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

6.17 No Admissions. The Parties acknowledge that the negotiations for this Agreement and the terms of this Agreement do not constitute any admission of any party of the allegations by any other party in any of the pending hearings before the TCEQ or the MCGCD.

6.18 Costs/Expenses. Except as expressly set forth in this Agreement, the Parties agree to bear their own costs, expenses, and attorneys’ fees. Notwithstanding any other provision of this Agreement, BP agrees to pay for any cost assessed to Protestants by MCGCD in association with the hearing on BP’s Application No. M-68-18-8-00007, up to a maximum of $5,000.00.
6.19 **Reacquisition Covenant.** In the event of (i) a foreclosure and sale of the Development or any portion thereof or any subsequent sale of such property or any portion thereof, and (ii) BP Real Estate Investments, Ltd., BP 1766 San Antonio, Ltd., 1766 Utility Hills, LLC, Shaul Baruch, or any successor, affiliate, partner, member, shareholder, manager, director, officer or employee of any of said persons purchases such property or any portion thereof, or directly or indirectly owns any interest in any entity purchasing or owning such property, then BP and Shaul Baruch shall cause said entity or individual purchasing or owning such property to become subject to the terms of this Settlement Agreement and to cause such property to become subject to (a) the Restrictive Covenants set forth at Paragraph 4.1 hereof, and, (b) the Restrictive Covenants set forth at Paragraph 3.1(f) of this Agreement, as applicable, in accordance with the respective procedures set forth at Paragraphs 4.2 and 4.3 hereof.

EXECUTED in multiple counterparts to be EFFECTIVE as of the Effective Date first indicated above.
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

SAN GERONIMO VALLEY ALLIANCE,
A Texas non-profit corporation

By: ____________________________
Randall T. Johnson, President

ACKNOWLEDGMENT

STATE OF TEXAS §

COUNTY OF Bexar §

This instrument was acknowledged before me on the 9th day of February, 2010, by Randall T. Johnson, President of SAN GERONIMO VALLEY ALLIANCE, a Texas non-profit corporation for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said non-profit corporation.

(Jegan Evans Rogers)
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

EDDORAN PARTNERSHIP, LTD.,
A Texas limited partnership

By: Texas Wholesale Floral Co., Inc.,
Its General Partner

By:
Randall T. Johnson, President

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Bexar

This instrument was acknowledged before me on the 9th day of February, 2010, by Randall T. Johnson, President of Texas Wholesale Floral Co., Inc., a Texas corporation, acting in its capacity as general partner of EDDORAN PARTNERSHIP, LTD., a Texas limited partnership for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said limited partnership.

JENNAE EVANS ROGERS
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

GALLAGHER RANCH PARTNERS, LTD.,
A Texas limited partnership

By: Gallagher Ranch Management, LLC.,
Its General Partner

By: ____________________________
Neel McNeel Scott, Manager

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF BROOKS

This instrument was acknowledged before me on the 9th day of February, 2010, by Neel McNeel Scott, Manager of Gallagher Ranch Management, LLC, a Texas limited liability company, acting in its capacity as general partner of GALLAGHER RANCH PARTNERS, LTD., a Texas limited partnership for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said limited partnership.

______________________________
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

GALLAGHER RANCH CATTLE CO., INC.,
A Texas corporation

By:  
Neel McNeel Scott, President

ACKNOWLEDGMENT

STATE OF TEXAS  §

COUNTY OF BROOKS  §

This instrument was acknowledged before me on the 9th day of February, 2010, by Neel McNeel Scott, President of GALLAGHER RANCH CATTLE CO., INC., a Texas corporation for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said corporation.

MORI HINOJOSA  
Notary Public, State of Texas

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

RANDALL T. JOHNSON

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF PECOS

This instrument was acknowledged before me on the 9th day of February, 2010, by RANDALL T. JOHNSON.

JENNA EVANS ROGERS
Notary Public, State of Texas

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party
to this Agreement EFFECTIVE as of the Effective Date first indicated above.

GARY SCHOTT

ACKNOWLEDGMENT

STATE OF TEXAS  
COUNTY OF Bexar  

This instrument was acknowledged before me on the 9th day of February, 2010, by GARY SCHOTT.

JENANE EVANS ROGERS
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

DEWAYNE SCHOTT

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Beavar

This instrument was acknowledged before me on the 9th day of February, 2010, by DEWAYNE SCHOTT.

JENANE EVANS ROGERS
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

LISA CROSS

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Beav

This instrument was acknowledged before me on the 9th day of February, 2010, by LISA CROSS.

JENANE EVANS ROGERS
My Commission Expires
February 3, 2011

Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

John m Hernande

JOHN M. HERNANDEZ

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Bexar

This instrument was acknowledged before me on the 9th day of February, 2010, by JOHN M. HERNANDEZ.

JENANE EVANS ROGERS
Notary Public, State of Texas

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

JOHN N. (NEIL) HERNANDEZ

ACKNOWLEDGMENT

STATE OF TEXAS $5

COUNTY OF Bexar $5

This instrument was acknowledged before me on the 9th day of February, 2010, by JOHN N. (NEIL) HERNANDEZ.

JENANE EVANS ROGERS
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

Douglas McNeel
DOUGLAS MCNEEL

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF Beav §

This instrument was acknowledged before me on the 9th day of February, 2010, by DOUGLAS MCNEEL.

Jenane Evans Rogers
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

[Signature]
WILLIAM PHILIP GRAMM

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Bexar

This instrument was acknowledged before me on the ___ day of February, 2010, by WILLIAM PHILIP GRAMM.

[Signature]
Madelyn Schott
Notary Public, State of Texas

(Madelyn Schott)

(My Commission Expires)

Mar 8, 2010

SETTLEMENT AGREEMENT

PAGE 23 OF 30
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

KENNETH COX

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Bexar

This instrument was acknowledged before me on the 9th day of February, 2010, by KENNETH COX.

JENANE EVANS ROGERS
Notary Public, State of Texas

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

Betty Lou Jonas

BETTY LOU JONAS

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Brazos

This instrument was acknowledged before me on the 9th day of February, 2010, by BETTY LOU JONAS.

Jenane Evans Rogers
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

ED BRUMMETT

ACKNOWLEDGMENT

STATE OF TEXAS $  
COUNTY OF Bexar $  

This instrument was acknowledged before me on the 9th day of February, 2010, by ED BRUMMETT.

JENANE EVANS ROGERS  
Notary Public, State of Texas

(Name - Typed or Printed)

(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

BP REAL ESTATE INVESTMENTS, LTD.,
A Texas limited partnership

By: BP Real Estate Investments GP, LLC,
Its General Partner

By: [Signature]
Shaull Baruch, Manager

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF [Collin]

This instrument was acknowledged before me on the 10 day of February, 2010, by SHAUL BARUCH, Manager of BP Real Estate Investments GP, LLC, a Texas limited liability company, acting in its capacity as general partner of BP REAL ESTATE INVESTMENTS, LTD., a Texas limited partnership for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said limited partnership.

[Signature]
Notary Public, State of Texas

(Bronnie Quesada Azulai)
(My Commission Expires)

March 10, 2010
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

BP 1766 SAN ANTONIO, LTD.,
A Texas limited partnership

By: BP 1766 San Antonio GP, LLC,
Its General Partner

By: [Signature]
Shaul Baruch, Manager

ACKNOWLEDGMENT

STATE OF TEXAS $^

COUNTY OF [Illegible] $^

This instrument was acknowledged before me on the 10th day of February, 2010, by SHAUL BARUCH, Manager of BP 1766 San Antonio GP, LLC, a Texas limited liability company, acting in its capacity as general partner of BP 1766 SAN ANTONIO, LTD., a Texas limited partnership for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said limited partnership.

[Signature]
Notary Public, State of Texas

Bonnie Quesada Azulai
(My Commission Expires)

SETTLEMENT AGREEMENT

PAGE 28 OF 30
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

1766 UTILITY HILLS, LLC,
A Texas limited liability company

By: Shaul Baruch, Manager

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Collin

This instrument was acknowledged before me on the 10th day of February, 2010, by SHAUL BARUCH, Manager of 1766 UTILITY HILLS, LLC, a Texas limited liability company for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said limited liability company.

Bonnie Guadalupe Azulai
Notary Public, State of Texas

(Name - Typed or Printed)

March 10, 2012
(My Commission Expires)
IN WITNESS WHEREOF this Agreement is EXECUTED by the undersigned party to this Agreement EFFECTIVE as of the Effective Date first indicated above.

 SHAUL BARUCH

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF CULBRETH

This instrument was acknowledged before me on the 10th day of February, 2010, by SHAUL BARUCH.

Notary Public, State of Texas

(Name - Typed or Printed)

(March 10, 2012)

(My Commission Expires)
<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;A&quot;</td>
<td>Property Description Development Property</td>
</tr>
<tr>
<td>&quot;B&quot;</td>
<td>Proposed Development</td>
</tr>
<tr>
<td>&quot;C&quot;</td>
<td>Water Well Restriction Zones</td>
</tr>
<tr>
<td>&quot;D&quot;</td>
<td>Declaration of Restrictive Covenants</td>
</tr>
<tr>
<td>&quot;E&quot;</td>
<td>Declaration of Restrictive Covenants Relating to Groundwater #1 (Jonas)</td>
</tr>
<tr>
<td>&quot;F&quot;</td>
<td>Declaration of Restrictive Covenants Relating to Groundwater #2 (Cox)</td>
</tr>
<tr>
<td>&quot;G&quot;</td>
<td>Declaration of Restrictive Covenants Relating to Groundwater #3 (Cross)</td>
</tr>
<tr>
<td>&quot;H&quot;</td>
<td>Declaration of Restrictive Covenants Relating to Groundwater #4 (Brummett)</td>
</tr>
</tbody>
</table>
Field notes of a 1766.877 acres of land consisting of a Tract 1-1589.538 acre tract of land consisting of 45.58 acres in Bandera and Medina County, Texas and a Tract 2 – 177.339 acres out of the following survey being that tract called 1700 acres and recorded in Volume 75, Page 513 of the Official Public Records of Medina County, Texas and being more particularly described by metes and bounds in two tracts as follows:

<table>
<thead>
<tr>
<th>Survey Name</th>
<th>County</th>
<th>Survey</th>
<th>Abstract</th>
<th>Acres in 1766.877</th>
<th>Patent Acres</th>
<th>Patent Acres on ground</th>
<th>Excess 1766.877</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comanche Creek Irrigation Co.</td>
<td>Medina</td>
<td>125</td>
<td>294</td>
<td>654.59</td>
<td>640</td>
<td>658.22</td>
<td>18.12</td>
</tr>
<tr>
<td>Jesus Gomez</td>
<td>Bandera</td>
<td>126</td>
<td>2502</td>
<td>36.42</td>
<td>640</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jesus Gomez</td>
<td>Medina</td>
<td>126</td>
<td>1380</td>
<td>621.22</td>
<td>640</td>
<td>671.29</td>
<td>30.66</td>
</tr>
<tr>
<td>H. H. Crain</td>
<td>Medina</td>
<td>127</td>
<td>1371</td>
<td>155.08</td>
<td>640</td>
<td></td>
<td></td>
</tr>
<tr>
<td>George S. Kelley</td>
<td>Medina</td>
<td>245</td>
<td>2510</td>
<td>265.13</td>
<td>348.6</td>
<td>350.79</td>
<td>1.70</td>
</tr>
<tr>
<td>George S. Kelley</td>
<td>Bandera</td>
<td>245</td>
<td>583</td>
<td>6.85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mrs. S. E. Thompson</td>
<td>Medina</td>
<td>139</td>
<td>1475</td>
<td>0.03</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manual Leal</td>
<td>Medina</td>
<td>244</td>
<td>639</td>
<td>3.89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pedro Medina</td>
<td>Medina</td>
<td>243</td>
<td>674</td>
<td>6.65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Julia A. Tompсон</td>
<td>Medina</td>
<td>753</td>
<td>1958</td>
<td>0.42</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logan Vandever</td>
<td>Medina</td>
<td>185</td>
<td>988</td>
<td>3.97</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G. W. Brooks</td>
<td>Medina</td>
<td>136</td>
<td>1436</td>
<td>8.38</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James Granger</td>
<td>Medina</td>
<td>245 ½</td>
<td>1987</td>
<td>0.64</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James Granger</td>
<td>Bandera</td>
<td>245 ½</td>
<td>909</td>
<td>1.17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Georgetown R. R. Co.</td>
<td>Medina</td>
<td>255</td>
<td>1132</td>
<td>1.30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Georgetown R. R. Co.</td>
<td>Bandera</td>
<td>255</td>
<td>2503</td>
<td>0.95</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. E. &amp; W. T. R. R. Co.</td>
<td>Bandera</td>
<td>279</td>
<td>700</td>
<td>0.19</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL EXCESS IN 1766.877 ACRES IS 50.48 ACRES
TRACT 1

Beginning at an iron pin found in the southwest line of State Highway 16 for the northeast corner of this tract and the 1700 acre tract and the southeast corner of Oak Country Subdivision recorded in Volume 6, Page 97 of the Plat Records of Bandera County, Texas.

Thence with the southwest line of State Highway 16 and the northeast line of the 1700 acre tract as follows:
S 37° 36' 15" E. 493.82 feet to a Texas Department of Transportation (TXDOT) Monument found at an angle point.
S 34° 06' 10" E. 166.79 feet to a TXDOT monument found at an angle.
S 26° 38' 10" E. 167.15 feet to a TXDOT monument found at an angle.
S 23° 09' 02" E. 537.72 feet to a TXDOT monument found at an angle.
S 25° 37' 01" E. 209.94 feet to a TXDOT monument found at an angle.
S 36° 10' 22" E. 210.07 feet to a TXDOT monument found at an angle.
S 38° 41' 34" E. 696.06 feet to a TXDOT monument found at an angle.
S 22° 02' 56" E. 104.52 feet to a TXDOT monument found at an angle.
S 38° 43' 59" E. 349.79 feet to a TXDOT monument found at an angle.
N 51° 27' 50" E. 29.94 feet to a TXDOT monument found at an angle.
S 38° 39' 41" E. 416.62 feet to a ½" iron pin found for the beginning point of a curve to the left.
Southeasterly with a curve to the left, having a radius of 766.20 feet, central angle of 20°22'33" an arc distance of 272.48 feet (Chord Bears: S 37° 45' 45" E. 271.05 feet) to a TXDOT monument found at an angle point.
S 48° 13' 48" E. 190.40 feet to a TXDOT monument found at an angle.
S 55° 32' 50" E. 22.98 feet to an iron pin found for a lower northeast corner of this tract and the 1700 acre tract and the northwest corner of a 28.76 acre tract recorded in Volume 402, Page 1182 of the Official Public Records of Medina County, Texas.

Thence with the east line of the 1700 acre tract and the west line of the 28.76 acre tract and a 30.51 acre tract of record in Volume 465, Page 542 of the Official Public Records of Medina County, Texas as follows:
S 00° 46' 53" W. 1729.26 feet to a fence post found for the southwest corner of the 28.76 acre tract and the northwest corner of the 30.51 acre tract.
S 00° 23' 38" W. 885.44 feet to a fence post found for the southwest corner of the 30.51 acre tract and an interior corner of this tract and the 1700 acre tract.

Thence N 89° 03' 03" E. 838.06 feet with a north line of this tract and the 1700 acre tract and the south line of the 30.51 acre tract to a ½" iron pin found for the lower northeast corner of this tract and the 1700 acre tract and a northwest corner of a 74.615 acre tract designated as Tract 1 conveyed to James and Johnny Clay Johnson of record in Volume 249, Page 193 of the Official Records of Medina County, Texas.

Thence with the east line of this tract and the 1700 acre tract and the west line of the 74.615 acre tract and the west line of an 850.0 acre tract of land conveyed to Eddpran Partnership, LTD. of record in Volume 286, Page 821 of the Official Public Records of Medina County, Texas as follows:
S 01° 32' 29" E. 2019.57 feet to a fence post found at an angle.
S 01° 43' 03" E. 394.01 feet to a fence post found at an angle.
S 02° 27' 30" W. 684.96 feet to a fence post found at an angle.
S 36° 18' 35" E. 54.18 feet to a fence post found at an angle.
S 13° 43' 51" E. 61.67 feet to a fence post found at an angle.
S 04° 42' 07" E. 84.84 feet to a fence post found at an angle.
S 34° 44' 19" W. 57.91 feet to a fence post found at an angle.
S 16° 11' 18" W. 23.25 feet to a fence post found at an angle in the 1700 acre tract and for the southwest corner of the 74.615 acre tract and the northwest corner of the 850.0 acre tract.
S 85° 41'55" W. 91.98 feet to a fence post found at an angle.
S 13° 20' 17" E. 103.74 feet to a fence post found at an angle.
S 21° 18' 53" E. 80.33 feet to a fence post found at an angle.
S 02° 18' 56" W. 400.53 feet to a fence post found for the upper southeast corner of the 1700 acre tract and this tract and for an interior corner of the 850.0 acre tract.

Thence with the south line of this tract and the 1700 acre tract and the north line of the 850.0 acre tract as follows:
S 82° 52' 34" W. 202.86 feet to fence post at an angle point.
N 85° 40' 47" W. 346.25 feet to a fence post at an angle point.
S 87° 30' 10" W. 414.26 feet to a fence post at an angle point.
S 88° 22' 31" W. 430.62 feet to an iron pin found in the north Right of Way line of Park Road 37.

Thence with the south line of this tract and the 1700 acre tract and the north right of way line of Park Road 37 as follows:
Westerly along the arc of a curve to the left having a radius of 750.91 feet, a central angle of 18° 54' 45" a distance of 247.86 feet (Chord Bears: N 80° 48' 33" E. 246.74 feet) to an iron pin found at the end of said curve.
S 89° 48' 39" W. 718.13 feet to an iron pin found at an angle point.
N 89° 35' 03" W. 471.50 feet to an iron pin set at the beginning of a curve to the right.
Westerly along the arc of a curve to the right, passing an interior corner of the 1700 acre tract, having a radius of 728.94 feet, a central angle of 21° 49' 23" a distance of 277.64 feet (Chord Bears: N 78° 40' 33 W. 275.97 feet) to an iron pin found at the end of said curve.

Thence with the south line of this tract and the north Right of Way line of Park Road 37 as follows:
N 67° 45' 48" W. 588.53 feet to an iron pin set at the beginning of a curve to the right.
Westerly along the arc of a curve to the right having a radius of 1110.92 feet, a central angle of 10° 16' 59" a distance of 199.38 feet (Chord Bears: N 62° 36' 37 W. 199.11 feet) to an iron pin found at the end of said curve.
N 57° 31' 09" W. 281.50 feet to an iron pin found at the beginning of a curve to the left.
Westerly along the arc of a curve to the left having a radius of 254.38 feet, a central angle of 45° 00' 25" a distance of 199.82 feet (Chord Bears: N 80° 01' 50 W. 194.72 feet) to an iron pin found at a point of compound curvature.
Westerly along the arc of said compound curve to the left having a radius of 344.71 feet, a central angle of 18° 05' 04" a distance of 108.80 feet (Chord Bears: S 68° 23' 53 W. 108.35 feet) to an iron pin set at the end of said curve.
S 59° 54' 14" W. 4.09 feet to an iron pin set at the beginning of a curve to the right.
Southwesterly along the arc of a curve to the right having a radius of 728.94 feet, a central angle of 09° 21' 32" a distance of 119.07 feet (Chord Bears: S 64° 00' 54 W. 118.94 feet) to an iron pin set at the end of said curve.
S 68° 39' 03" W. 355.53 feet to an iron pin found at an angle point.
S 72° 09' 55" W. 370.49 feet to an iron pin found at an angle point.
S 76° 40' 00" W. 197.38 feet to an iron pin found at an angle point.

Exhibit "A"
Page 3 of 11
S 80° 28' 41" W. 140.30 feet to an iron pin FUND at the beginning of a curve to the left.
Southwesterly along the arc of a curve to the left having a radius of 321.48 feet, a central
angle of 53° 18' 58" a distance of 299.15 feet (Chord Bears: S 53° 26' 27" W. 286.47
feet) to an iron pin set at the end of said curve.
S 26° 59' 55" W. 3.78 feet to an iron pin found at the beginning of a curve to the right.
Southwesterly along the arc of a curve to the right having a radius of 374.29 feet, a
central angle of 20° 15' 18" a distance of 132.32 feet (Chord Bears: S 37° 32' 42 W.
131.63 feet) to an iron pin found at the end of said curve.
S 47° 39' 08" W. 1.71 feet to an iron pin found at the beginning of a curve to the left.
Southwesterly along the arc of a curve to the left having a radius of 671.67 feet, a central
angle of 13° 05' 01" a distance of 153.38 feet (Chord Bears: S 41° 07' 12" W. 153.04
feet) to an iron pin set at the end of said curve.
S 34° 35' 12" W. 136.85 feet to an iron pin found at an angle point.
S 59° 15' 13" W. 163.50 feet to an iron pin found at an angle point.
S 83° 55' 42" W. 185.49 feet to an iron pin found at the beginning of a curve to the right.
Southwesterly along the arc of a curve to the left having a radius of 751.20 feet, a central
angle of 10° 08' 11" a distance of 132.90 feet (Chord Bears: S 78° 46' 15" W. 132.72
feet) to an iron pin found at the end of said curve.
S 73° 41' 55" W. 710.49 feet to an iron pin found at the beginning of a curve to the left.
Southwesterly along the arc of a curve to the left having a radius of 1076.74 feet, a
central angle of 10° 52' 26" a distance of 204.35 feet (Chord Bears: S 68° 43' 43" W.
204.04 feet) to an iron pin set at a point of compound curvature.
Southwesterly along the arc of a curve to the left having a radius of 1076.74 feet, a
central angle of 23° 21' 05" a distance of 438.84 feet (Chord Bears: S 51° 12' 16" W.
435.81 feet) to an iron pin found at the end of said curve.
S 39° 34' 34" W. 94.39 feet to an iron pin found at the beginning of a curve to the left.
Southwesterly along the arc of a curve to the left having a radius of 459.41 feet, a central
angle of 18° 49' 05" a distance of 150.89 feet (Chord Bears: S 30° 06' 10" W. 150.21
feet) to an iron pin set at the end of said curve.
S 20° 39' 04" W. 49.49 feet to an iron pin found at an angle point.
S 41° 28' 41" W. 179.38 feet to an iron pin found at an angle point.
S 62° 15' 16" W. 163.36 feet to an iron pin found at the beginning of a curve to the right.
Southwesterly along the arc of a curve to the right having a radius of 848.35 feet, a
central angle of 05° 29' 51" a distance of 81.40 feet (Chord Bears: S 64° 48' 13" W.
81.37 feet) to an iron pin found in the west line of the 1700 acre tract for the southwest
corner of this tract and being the southeast corner of Lot 14 Big Valley Unit 3 recorded in
Volume 6, Page 46 of the Plat Records of Medina County, Texas.

Thence with the west line of this tract and the 1700 acre tract and the east line of the Big
Valley Unit 3 and Big Valley Unit 1 of record in Volume 5, Page 31 and Big Valley Unit 2
of record in Volume 6, Page 17 of the Plat Records of Medina County, Texas as follows:
N 00° 33' 06" W. 205.98 feet with the east line of Lot No. 14 to a ½" iron pin found for the
east common corner between said Lot No. 14 and Lot No. 13.

N 01° 15' 47" W. 124.66 feet with the east line of said Lot No. 13 to a ½" iron pin found
for the east common corner between said Lot No. 13 and Lot No. 6.
N 00° 34' 45" W. 197.28 feet with the east line of said Lot No. 6 to the east common
corner between said Lot No. 6 and Lot No. 5.
N 00° 51' 39" W. 269.69 feet with the east line of said Lot No 5 to a ½" iron pin found for
the east common corner between said Lot No. 5 and Lot No. 4.
N 01° 18' 00" W. 65.19 feet with the east line of said Lot No. 4 to a ½" iron pin for the east common corner between said Lot No. 4 and Lot No. 13 of Big Valley, Unit 1.  
N 01° 14' 10" W. 187.82 feet with the east line of said Lot No. 13 to a ½" iron pin found for the east common corner between said Lot No. 13 and Lot No. 12.  
N 01° 20' 25" W. 591.57 feet with the east line of said Lot No. 12 to a ½" iron pin found for the east common corner between said Lot No. 12 and Lot No. 11.  
N 01° 13' 36" W. 120.32 feet with the east line of said Lot No. 11 to a ½" iron pin found for the east common corner between said Lot No. 11 and Lot No. 10.  
N 01° 35' 09" W. 262.14 feet with the east line of said Lot No. 10 to the east common corner between said Lot No. 10 and Lot No. 9.  
N 02° 19' 18" W. 270.24 feet with the east line of said Lot No. 9 to a ½" iron pin found for the east common corner between said Lot No. 9 and Lot No. 8.  
N 01° 05' 29" W. 118.22 feet with the east line of said Lot No. 8 to a ½" iron pin found to the east common corner between said Lot No. 8 and Lot No. 7.  
N 00° 45' 02" W. 60.46 feet with the east line of said Lot No. 7 to a 1/2" iron pin found for the east common corner between said Lot No. 7 and Lot No. 6.  
N 00° 43' 12" W. 99.54 feet with the east line of said Lot No. 6 to a ½" iron pin found for the east common corner between said Lot No. 6 and Lot No. 5.  
N 00° 28' 23" W. 249.81 feet with the east line of said Lot No. 5 to a ½" iron pin found for the east common corner between said Lot No. 5 and Lot No. 4.  
N 00° 35' 55" W. 199.66 feet with the east line of said Lot No. 4 to a ½" iron pin found for the east common corner between said Lot No. 4 and Lot No. 3.  
N 00° 30' 03" W. 99.98 feet with the east line of said Lot No. 3 to a ½" iron pin found for the east common corner between said Lot No. 3 and Lot No. 2.  
N 00° 36' 08" W. 316.91 feet with the east line of said Lot No. 2 to a ½" iron pin found for the east common corner between said Lot No. 2 and Lot No. 1.  
N 00° 47' 52" W. 431.10 feet with the east line of said Lot No. 1 to a ½" iron pin found for the east common corner between said Lot No. 1 and Lot No. 29 of Big Valley, Unit 2.  
N 02° 11' 52" W. 148.58 feet with the east line of said Lot No. 29 to a ½" iron pin found for the east common corner between said Lot No. 29 and Lot No. 28.  
N 00° 54' 53" W. 241.92 feet with the east line of said Lot No. 28 to a ½" iron pin found for the east common corner between said Lot No. 28 and Lot No. 27.  
N 00° 15' 46" E. 112.56 feet with the east line of said Lot No. 27 to a ½" iron pin found for the east common corner between said Lot No. 27 and Lot No. 26.  
N 00° 33' 44" E. 81.61 feet with the east line of said Lot No. 26 to a ½" iron pin found for the east common corner between said Lot No. 26 and Lot No. 25.  
N 00° 03' 03" W. 79.93 feet with the east line of said Lot No. 25 to a ½" iron pin found for the east common corner between said Lot No. 25 and Lot No. 24.  
N 00° 03' 41" E. 52.64 feet with the east line of said Lot No. 24 to a ½" iron pin found for the east common corner between said Lot No. 24 and Lot No. 23.  
N 00° 19' 31" E. 202.37 feet with the east line of said Lot No. 23 to a ½" iron pin found for the east common corner between said Lot No. 23 and Lot No. 22.  
N 00° 14' 15" W. 108.05 feet with the east line of said Lot No. 22 to a ½" iron pin found for the east common corner between said Lot No. 22 and Lot No. 21.  
N 00° 17' 17" W. 160.14 feet with the east line of said Lot No. 21 to a ½" iron pin found for the east common corner between said Lot No. 21 and Lot No. 18.  
N 00° 21' 16" W. 373.86 feet with the east line of said Lot No. 18 to a ½" iron pin found for the east common corner between said Lot No. 18 and Lot No. 17.  
N 00° 25' 41" E. 532.56 feet with the east line of said Lot No. 17 to a ½" iron pin found for the east common corner between said Lot No. 17 and Lot No. 16.
N 00° 08' 18" E. 170.55 feet with the east line of said Lot No. 16 to a ½" iron pin found for the northeast corner of said Lot No. 16 and the southeast corner of a 20.793 acre tract of land conveyed to Scott A. Maddox recorded in Volume 365, Page 380 of the Official Public Records of Bandera County, Texas.

Thence with the west line of this tract and the 1700 acre tract and the east line of the 20.793 acre tract as follows:
N 00° 30' 12" W. 66.12 feet to a ½" iron pin found at an angle.
N 00° 35' 54" W. 696.40 feet to a ½" iron pin found at an angle.
N 00° 37' 58" W. 1188.69 feet to a ½" iron pin found for the northeast corner of said 20.793 acre tract and the southeast corner of a 150 acre tract of land conveyed to Richard A. Koteras recorded in Volume 348, Page 898 of the Official Public Records of Bandera County, Texas.

THENCE N 00° 25' 47" W. 1229.30 feet with the west line of this tract and the 1700 acre tract and the east line of the 150 acre tract to a fence corner post for the most westerly northwest corner of this tract and the 1700 acre tract and the southwest corner of the 134,434 acre tract conveyed from Ozona National Bank to Patricia Lynch Fox by a Special Warranty Deed executed the 12th day of June, 1992 and recorded in Volume 367 at Page 869 of the Official Public Records of Bandera County, Texas;

THENCE S 89° 17' 10" E. 93.09 feet with a north line of this tract and the 1700 acre tract and the south line of said 134,434 acre tract to a ½" iron pin found for the southwest corner of a 8.296 acre tract conveyed from James R. Collier and Theda Barbara Collier to Anton F. Shadrock, Jr., and De'Ann A. Shadrock by a Warranty Deed with Vendor's Lien executed the 18th day of December, 1996, and recorded in Volume 453 at Page 761 of the Official Public Records of Bandera County, Texas;

Thence with a north line of this tract and the south line of the 8.296 acre tract as follows:
N 89° 19' 38" E. 558.05 feet to a fence post for an angle point.
N 86° 39' 15" E. 276.05 feet to a fence post for an angle point.
S 86° 45' 51" E. 230.61 feet to a ½" iron pin found for the south common corner between said 8.296 acres and Lot No. 155 of Spring Creek Ranch, a subdivision of Bandera County according to the plat of record in Volume 6 at Page 171 of the Plat Records of Bandera County, Texas;

Thence with a north line of this tract and the 1700 acre tract and the south line of Spring Creek Subdivision as follows:
N 87° 26' 40" E. 89.48 feet to a ½" iron pin found for the south common corner between said Lot No. 155 and Lot No. 156.
N 89° 16' 31" E. 90.14 feet to a ½" iron pin found for the south common corner between said Lot No. 156 and Lot No. 157.
N 89° 40' 33" E. 90.14 feet to a ½" iron pin found for the south common corner between said Lot No. 157 and Lot No. 158.
N 89° 37' 10" E. 90.35 feet to a ½" iron pin found for the south common corner between said Lot No. 158 and Lot No. 159.
S 88° 51' 10" E. 90.41 feet to a ½" iron pin found for the south common corner between said Lot No. 159 and Lot No. 160.
S 89° 51' 14" E. 90.20 feet to a ½" iron pin found for the south common corner between said Lot No. 160 and Lot No. 161.
S 89° 16' 52" E. 90.06 feet to a ½" iron pin found for the south common corner between said Lot No. 161 and Lot No. 162.
S 88° 20' 55" E. 87.10 feet to a ½" iron pin found for the south common corner between said Lot No. 162 and Lot No. 163.
S 89° 23' 29" E. 206.22 feet to a ½" iron pin found for the south common corner between said Lot No. 163 and Lot No. 164.
S 88° 59' 04" E. 323.17 feet to the south common corner between said Lot No. 164 and Lot No. 165.
S 88° 41' 10" E. 285.77 feet to a ½" iron pin found for the southeast corner of said Lot No. 165, and an interior corner of this tract and the 1700 acre tract.

Thence with the upper west line of this tract and the 1700 acre tract and the east line of Spring Creek Ranch Unit 6 and Oak Country, Unit 2 recorded in Volume 6, Page 99 of the Plat Records of Bandera County, Texas as follows:
N 00° 02' 34" E. 135.87 feet to a ½" iron pin found for the east common corner between said Lot No. 165 and Lot No. 166.
N 00° 10' 57" W. 411.25 feet to a ½" iron pin found for the east common corner between said Lot No. 167 and Lot No. 141 of Oak Country, Unit II.
N 00° 14' 14" W. 199.02 feet to a ½" iron pipe found for the east common corner between said Lot No. 141 and Lot No. 73.
N 00° 11' 59" W. 300.66 feet to a ½" iron pin found for the east common corner between said Lot No. 73 and Lot No. 72.
N 00° 36' 22" W. 185.11 feet to a ½" iron pin found for the east common corner between said Lot No. 72 and Lot No. 71.
N 00° 51' 48" W. 116.38 feet to a ½" iron pin found for the east common corner between said Lot No. 71 and Lot No. 70.
N 01° 00' 55" W. 109.73 feet to a ½" iron pin found for the east common corner between said Lot No. 70 and Lot No. 69.
N 01° 03' 27" W. 83.71 feet to a ½" iron pin found for the east common corner between said Lot No. 69 and Lot No. 68.
N 01° 49' 51" W. 128.06 feet to a ½" iron pin found for the east common corner between said Lot No. 68 and Lot No. 67.
N 02° 28' 36" W. 119.89 feet to a ½" iron pin found for the east common corner between said Lot No. 67 and Lot No. 66.
N 02° 09' 34" W. 119.96 feet to a ½" iron pin found for the east common corner between said Lot No. 66 and Lot No. 65.
N 02° 12' 21" W. 120.39 feet to a ½" iron pin found for the east common corner between said Lot No. 65 and Lot R-15 of Oak Country Subdivision Unit recorded in Volume 6, Page 97 of the Plat Records of Bandera County, Texas.

Thence N 02° 02' 49" W. 189.27 feet with the west line of this tract and the 1700 acre tract to a ½" iron pin found for northwest corner of this tract and the 1700 acre tract and the northeast corner of Lot R-15 and the southeast corner of R-14 and the southwest corner of Lot 31.

Thence with the north line of this tract and the 1700 acre tract and the south line of said Oak Country Subdivision as follows:

N 89° 20' 14" E. 770.71 feet to a common corner and Lot No. 31 and R-18.
N 89° 44' 48" E, 254.67 feet to an unmarked point.
S 89° 28' 47" E, at 26.70 feet passing a ½" iron pin found for the south common corner between Lot R-18, continuing with the south line of said Oak Country and for a total distance of 520.65 feet to a fence corner for the most northerly northeast corner of said 1700 acres and this tract, a reentrant corner of said Volume 6, Page 97;
S 01° 26' 08" W. 301.19 feet with an east line of this tract and the 1700 acre tract and the west line of Oak Country to a fence corner for a southwest corner of said Oak Country, a reentrant corner of said 1700 acres and this tract.
N 89° 54' 40" E. 1221.45 feet with the north line of this tract and the 1700 acre tract and the south line of said Oak Country to the place of beginning and containing 1589.538 acres of land according to a survey on the ground on June 16, 2005 by Baker Surveying, Inc.

TRACT 2

Field notes of a 177,339 acre tract of land situated in Medina County, Texas out of the Jesus Gomez Survey No. 126, Abstract No. 1380 and the H. H. Crain Survey No. 127, Abstract No. 1371 and the S. E. Thompson Survey No. 139, Abstract No. 1475, Medina County and being part of that tract called 1700 acres recorded in Volume 75, Page 513 of the Official Public Records of Medina County, Texas and the 0.03 of an acre tract of land recorded in Volume 286, Page 821 of the Official Public Records of Medina County, Texas and being more particularly described by metes and bounds as follows:

Note: All iron pins set are ½" rebar with a yellow plastic cap stamped "Baker Survey".

Beginning at a Texas Department of Transportation (TXDOT) Monument found for the northeast corner of this tract and the northwest corner of a 850.0 acre tract recorded in Volume 286, Page 821 of the Official Public Records of Medina County, Texas.

Thence S 01° 58' 02" E. 849.69 feet with the east line of this tract and the 1700 acre tract and the west line of the 850.00 acre tract to a ½" iron pin found for the northernmost southeast corner of this tract and being an interior corner of the 850.0 acre tract.

Thence S 89° 20' 17" W. 2866.93 feet an upper south line of this tract and the 1700 acre tract and a north line of the 850.0 acre tract to a ½" iron pin found for an interior corner of this tract and a north corner of the 850.0 acre tract.

Thence S 00° 44' 17" E. 1719.33 feet with the east line of this tract and the 1700 acre tract and the west line of the 850 acre tract to a ½" iron pin found for the southernmost southeast corner of the 1700 acre tract and the north corner of the 0.03 of an acre tract.

Thence S 00° 33' 00" E. 43.85 feet with the east line of this tract and the 0.03 of an acre tract and the west line of 850.0 acre tract to a ½" iron pin found for southeast corner of this tract and the 0.03 of an acre tract and the northeast corner of a 769.18 acre tract conveyed to Nell Ann Scott and recorded in Volume 158, Page 56 of the Official Public Records of Medina County, Texas.

Thence N 56° 42' 39" W. 80.58 feet with the south line of the 0.03 of an acre tract and this tract and the north line of the 769.18 acre tract to a 60d nail found in the south line of the 1700 acre tract for the west corner of the 0.03 of an acre tract.

Thence with the south line of this tract and the 1700 acre tract and the north line of the 769.18 acre tract as follows:
N 57° 04' 37" W. 116.80 feet to a ½" iron pin set at an angle point.
N 56° 13' 05" W. 9.75 feet to an 8" wood post found at an angle point.
S 81° 55' 53" W. 9.79 feet to a ½" iron pin found at an angle point.
S 81° 35' 10" W. 446.35 feet to a ½" iron pin found at an angle point.
S 82° 00' 50" W. 6.25 feet to a ½" iron pin found at an angle point.
N 89° 47' 40" W. 13.51 feet to a ½" iron pin found at an angle point.
N 89° 50' 48" W. 1061.98 feet to a ½" iron pin found at an angle point.

Exhibit "A"
Page 8 of 11
N 89° 17' 40" W. 954.22 feet to a ½" iron pin found for the southwest corner of this tract and the 1700 acre tract and being the southeast corner of a 21.085 acre tract recorded in Volume 436, Page 1049 of the Official Public Records of Medina County, Texas.

Thence N 00° 17' 23" W. 921.97 feet with the west line of this tract and the 1700 acre tract and the east line of the 21.085 acre tract to a ½" iron pin found in the south line of Park Road 37 for the northwest corner of this tract and the northeast corner of the 21.085 acre tract.

Thence with the north line of this tract and the south line of Park Road 37 as follows:
Northeasterly with the arc of a curve to the left having a radius of 916.47 feet, a central angle of 07° 14' 31" an arc distance of 115.84 feet (Chord Bears N 65° 26' 34" E. 115.76 feet to the end of said curve.
N 62° 16' 29" E. 163.27 feet to the point of the beginning of a curve to the left.
Northeasterly with the arc of said curve to the left having a radius of 321.48 feet, a central angle of 41° 46' 09" an arc distance of 234.36 feet (Chord Bears N 41° 32' 41" E. 229.21 feet to the end of said curve.
N 20° 31' 02" E. 49.51 feet to the beginning of a curve to the right.
Northeasterly along the arc of a curve to the right having a radius of 389.41 feet, a central angle of 18° 54' 36" an arc distance of 126.52 (Chord Bears: N 30° 10' 24" E. 127.94' feet) to an iron pin found at the end of said curve.
N 39° 31' 45" E. 94.23 feet to an iron pin set at the beginning of a curve to the right.
Northeasterly along the arc of a curve to the right having a radius of 1006.74 feet, a central angle of 23° 20' 27" an arc distance of 410.12 feet (Chord Bears: N 51° 13' 31" E. 407.29 feet) to an iron pin found at the end of said curve.
N 62° 55' 41" E. 214.19 feet to an iron pin set at the beginning of a curve to the right.
Northeasterly along the arc of a curve to the right having a radius of 1009.02 feet, a central angle of 10° 52' 56" an arc distance of 191.64 feet (Chord Bears: N 68° 20' 58" E. 191.36 feet) to an iron pin set at the end of said curve.
N 73° 46' 46" E. 710.30 feet to an iron pin set at the beginning of a curve to the right.
Northeasterly along the arc of a curve to the right having a radius of 681.20 feet, a central angle of 10° 08' 33" an arc distance of 120.59 feet (Chord Bears: N 78° 51' 49" E 120.43 feet) to an iron pin set at the end of said curve.
N 83° 55' 32" E. 185.06 feet to an iron pin set at the beginning of a curve to the left.
Northeasterly along the arc of a curve to the left having a radius of 264.18 feet, a central angle of 49° 46' 57" an arc distance of 222.54 feet (Chord Bears: N 59° 15' 30" E. 222.39 feet) to an iron pin with Grogan cap found at the end of said curve.
N 34° 36' 26" E. 136.66 feet to an iron pin set at the beginning of a curve to the right.
Northeasterly along the arc of a curve to the right having a radius of 601.62 feet, a central angle of 13° 05' 35" an arc distance of 137.48 feet (Chord Bears: N 41° 08' 25" E. 137.18 feet) to an iron pin set at the end of said curve.
N 47° 40' 25" E. 1.69 feet to an iron pin set at the beginning of a curve to the left.
Northeasterly along the arc of a curve to the left having a radius of 444.26 feet, a central angle of 20° 16' 15" an arc distance of 157.18 feet (Chord Bears: N 37° 33' 56" E. 156.36 feet) to an iron pin set at the end of said curve.
N 27° 37' 09" E. 3.68 feet to an iron pin set at the beginning of a curve to the right.
Southerly along the arc of a curve to the right having a radius of 251.48 feet, a central angle of 53° 24' 10" an arc distance of 234.39 feet (Chord Bears: N 53° 53' 21" E. 226.00 feet) to an iron pin set at the end of said curve.
N 80° 28' 21" E. 142.52 feet to an iron pin set at an angle point.
N 76° 43' 45" E. 202.13 feet to an iron pin set at an angle point.
N 72° 03' 20" E. 375.31 feet to an iron pin set at an angle point.
N 68° 44' 15" E. 357.87 feet to an iron pin set at the beginning of a curve to the left.
Northeasterly along the arc of a curve to the left having a radius of 798.94 feet, a central angle of 09° 21' 16" an arc distance of 130.45 feet (Chord Bears: N 64° 03' 46" E. 130.30 feet) to an iron pin set at the end of said curve.
N 59° 42' 01" E. 4.20 feet to an iron pin set at an angle point.
N 77° 45' 07" E. 85.29 feet to an iron pin set at an angle point.
S 85° 26' 10" E. 136.52 feet to an iron pin set at an angle point.
S 57° 31' 01" E. 281.15 feet to an iron pin set at the beginning of a curve to the left.
Southeasterly along the arc of a curve to the left having a radius of 1180.92 feet, a central angle of
10° 17' 09" an arc distance of 212.00 feet (Chord Bears: S 62° 35' 52" E. 211.72 feet) to an iron pin set at the end of said curve.
S 67° 45' 37" E. 588.51 feet to an iron pin set at the beginning of a curve to the left. 
Southeasterly along the arc of a curve to the left having a radius of 798.94 feet, a central angle of
06° 43' 31" an arc distance of 93.78 feet (Chord Bears: S 71° 05' 10" E. 93.72 feet) to the place of
beginning and containing 177.339 acres of land according to a survey on the ground June 16, 2005 by
Baker Surveying Inc.

Job No. 05-096/177.339 acres
Accompanying Plat Prepared
fileN/Draw2005/05-096

AMIL M. BAKER, JR.
Registered Professional Land
Surveyor 1469