

A. Settlement Statement

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv Unins	6. File Number 157178	7. Loan Number	8. Mortgage Ins Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv Ins.	6. <input type="checkbox"/> Seller Finance			
7. <input type="checkbox"/> Cash Sale.					

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower County of Hidalgo, Texas 2818 S. Bus Hwy 83 Edinburg, TX 78539	E. Name & Address of Seller Encino Transport, L.L.C. 2404 Heron Avenue McAllen, TX 78504	F. Name & Address of Lender
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G. Property Location Texan Gardens, Lot 1-4, Block 19, Hidalgo County Iowa Road Mission, TX 78572	H. Settlement Agent Name Valley Land Title Co. 6013 N. 10th Street McAllen, TX 78504 Tax ID: 20-4064406 Underwritten By: Commonwealth	I. Settlement Date 8/8/2018 Fund:
	Place of Settlement Valley Land Title Company 217 W. Cano Edinburg, TX 78539	

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract Sales Price	\$811,370.00	401. Contract Sales Price	\$811,370.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower	\$5,281.50	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City property taxes		406. City property taxes	
107. County property taxes		407. County property taxes	
108. Annual assessments		408. Annual assessments	
109. School property taxes		409. School property taxes	
110. Water District Taxes 08/09/18 thru 12/31/18	\$103.29	410. Water District Taxes 08/09/18 thru 12/31/18	\$103.29
111. HOA Dues		411. HOA Dues	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
120. Gross Amount Due From Borrower	\$816,754.79	420. Gross Amount Due to Seller	\$811,473.29
200. Amounts Paid By Or in Behalf Of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money		501. Excess Deposit	
202. Principal amount of new loan(s)		502. Settlement Charges to Seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing Loan(s) Taken Subject to	
204. Loan Amount 2nd Lien		504. Payoff of first mortgage to loan	
205.		505. Payoff of second mortgage to loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City property taxes		510. City property taxes	
211. County property taxes 01/01/18 thru 08/08/18	\$2,261.76	511. County property taxes 01/01/18 thru 08/08/18	\$2,261.76
212. Annual assessments		512. Annual assessments	
213. School property taxes 01/01/18 thru 08/08/18	\$3,260.92	513. School property taxes 01/01/18 thru 08/08/18	\$3,260.92
214. Water District Taxes		514. Water District Taxes	
215. HOA Dues		515. HOA Dues	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	\$5,522.68	520. Total Reduction Amount Due Seller	\$5,522.68
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross Amount due from borrower (line 120)	\$816,754.79	601. Gross Amount due to seller (line 420)	\$811,473.29
302. Less amounts paid by/for borrower (line 220)	\$5,522.68	602. Less reductions in amt. due seller (line 520)	\$5,522.68
303. Cash From Borrower	\$811,232.11	603. Cash To Seller	\$805,950.61

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper. The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information requested does not lend itself to confidentiality.

L. Settlement Charges

			Paid From	Paid From
			Borrower's	Seller's
			Funds at	Funds at
			Settlement	Settlement
700. Total Sales/Broker's Commission based on price	\$811,370.00	@ % = \$0.00		
Division of Commission (line 700) as follows:				
701.	to			
702.	to			
703. Commission Paid at Settlement			\$0.00	\$0.00
704. The following persons, firms or	to			
705. corporation s received a portion	to			
706. of the real estate commission amount	to			
707. shown above:	to			
800. Items Payable in Connection with Loan				
801. Loan Origination Fee %	to			
802. Loan Discount %	to			
803. Appraisal Fee	to			
804. Credit Report	to			
805. Lender's Inspection Fee	to			
806. Mortgage Insurance Application	to			
807. Assumption Fee	to			
900. Items Required by Lender To Be Paid in Advance				
901. Interest from 8/8/2018 to 9/1/2018 @ \$0/day				
902. Mortgage Insurance Premium for months	to			
903. Hazard Insurance Premium for years	to			
1000. Reserves Deposited With Lender				
1001. Hazard insurance	months @	per month	\$0.00	
1002. Mortgage insurance	months @	per month	\$0.00	
1003. City property taxes	months @	per month	\$0.00	
1004. County property taxes	months @	per month	\$0.00	
1005. Annual assessments	months @	per month	\$0.00	
1006. School property taxes	months @	per month	\$0.00	
1007. Water District taxes	months @	per month	\$0.00	
1008. HOA Dues	months @	per month	\$0.00	
1011. Aggregate Adjustment				
1100. Title Charges				
1101. Settlement or closing fee	to			
1102. Abstract or title search	to			
1103. Title examination	to			
1104. Title insurance binder	to			
1105. Document preparation	to			
1106. Notary fees	to			
1107. Attorney's fees	to			
(includes above items numbers:)		
1108. Title insurance	to	Valley Land Title Company	\$4,816.00	
(includes above items numbers:)		
1109. Lender's coverage	\$0.00/\$0.00			
1110. Owner's coverage	\$811,370.00/\$4,816.00			
1111. Escrow fee	to	Valley Land Title Company	\$350.00	
1112.	to			
1113. Tax Service Fee	to	Hidalgo County Property Tax Service	\$55.00	
1114. Guaranty Assessment Recoupment Charge	to	Valley Land Title Company-Guaranty ARC Fee	\$4.50	\$0.00
1200. Government Recording and Transfer Charges				
1201. Recording Fees	Deed \$56.00 ; Mortgage ; Rel	to Valley Land Title Company	\$56.00	
1202. City/county tax/stamps	Deed ; Mortgage	to		
1203. State tax/stamps	Deed ; Mortgage	to		
1204.	to			
1300. Additional Settlement Charges				
1301. Survey	to			
1302. Pest Inspection	to			
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)			\$5,281.50	

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.

County of Hidalgo, Texas

By: Ramon Garcia, Chairman of the Board

Encino Transport, LLC, a Texas Limited Liability Company

By: Juan Villanueva, President

SETTLEMENT AGENT CERTIFICATION

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.

Settlement Agent _____ Date _____

Warning: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

TAX PRORATION AGREEMENT

Date: August 8, 2018

Re: GF# 157178

Property:

Being a 9.998 acre tract of land, more or less, situated in Hidalgo County, Texas, and being the West 1/2 of the West 1/2 of Lots 1,2,3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

Beginning at a Mag Nail set for the intersection of Mile 7 (80' Right of Way), and Iowa Road (60' Right of Way). for the Southwest corner of said Lot 1, Block 19, and for the Southwest corner of this herein described tract of land;

Thence with Iowa Road and the West line of said Lots 1, 2, 3, and 4, Block 19, N 08°052'45" E, a distance of 1199.76 (1200.00) feet to a Mag Nail set for the Southwest corner of Las Comadres Acres Phase III Subdivision, recorded by plat in Document No. 2661354, Map Records, Hidalgo County, Texas, for the Northwest corner of said Lot 4, and the Northwest corner of this herein described tract of land;

Thence, departing Iowa Road, with the North line of said Lot 4, being a Southerly line of said Las Comadres Acres Phase III Subdivision, S81°07' 15"E, at a distance of 30.00 feet passing a 5/8" inch iron pin with plastic cap stamped "ROWSS POP COR" set in the existing East Right of Way line of Iowa Road, continuing a total distance of 363.00 feet to a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set for an interior corner of said Las Compadres Acres Phase III Subdivision, and for the Northeast corner of this herein described tract of land;

THENCE across and through said Lot 4, 3, 2 and 1, Block 19, S08°52'45" W, at a distance of 1159.76 feet passing a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set in the existing North Right of Way line of Mile 7 Road, continuing a total distance of 1199.76 feet to a Mag Nail set in the South line of said Lot 1, for the Southeast corner of this herein described tract of land;

THENCE with the Mile 7 Road and the South line of said Lot 1, N 81°07'15" W, a distance of 363.00 feet to a POINT OF BEGINNING.

CURRENT AD VALOREM TAXES FOR PERIOD 1-1 TO 12-31:

(These taxes are due 1-1 the following year and are delinquent if not paid before 2-1 of said year, but may be paid as early as 10-1 of the current year, with certain taxing bodies)

Account No.: T2200-00-019-0001-05

State & County	\$3,752.46	\$2,261.76
La Joya ISD Independent School District	\$5,410.17	\$3,260.92
City of Mission	\$ 0.00	\$ 0.00
TOTAL CURRENT AD VALOREM TAXES	\$9,162.63	
<u>220</u> days due by SELLER to BUYER 365		\$ 5,522.68
HIDALGO COUNTY IRRIGATION DISTRICT # 16 FLAT RATE	\$260.00	

Flat Rate & Assessment paid in advance to Seller
(Flat Rate & Assessment is payable for one year in advance each year).

<u>145</u> days due by BUYER to SELLER 365	\$ 103.29
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NET TAX PRORATION DUE SELLER TO BUYER	\$ 5,522.68
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The Undersigned hereby acknowledge their approval of the tax prorations set out above. They understand that the tax figures set out above and the reserves calculated on the closing statement are based on figures supplied by the taxing authorities named above and in the event that the actual tax figures for the year prorated prove to be different, resulting in the

necessity for adjustment, the undersigned agree and consent to make appropriate adjustments between themselves, and Valley Land Title Company shall have no responsibility in this regard.

Seller recognizes their responsibility for all taxes prior to the date of closing of the subject transaction. Should it develop at a later date, that taxes other than those collected at closing are due for prior years, Seller agrees to make full settlement to Valley Land Title Company.

Purchaser recognizes their responsibility for current year taxes. Further, PURCHASER AGREES TO CONTACT ALL TAXING AUTHORITIES AND THE APPRAISAL DISTRICT TO NOTIFY THEM OF THE CHANGE IN OWNERSHIP OF SUBJECT PROPERTY TO ASSURE PROPER RECEIPT OF FUTURE TAX NOTICES.

SELLER:

Encino Transport, LLC, a Texas
Limited Liability Company

By: _____
Juan Villanueva, President

BUYER:

County of Hidalgo, Texas

By: _____
Ramon Garcia, Chairman of the Board



AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

DATE: August 8, 2018

TO: Encino Transport, L.L.C.; AND
County of Hidalgo, Texas

FROM: VALLEY LAND TITLE COMPANY, LTD.

PROPERTY:

Being a 9.998 acre tract of land, more or less, situated in Hidalgo County, Texas, and being the West 1/2 of the West 1/2 of Lots 1,2,3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

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THENCE with the Mile 7 Road and the South line of said Lot 1, N 81°07'15" W, a distance of 363.00 feet to a POINT OF BEGINNING.

This is to give you notice that VALLEY LAND TITLE COMPANY, LTD. has a business relationship with HIDALGO COUNTY PROPERTY TAX SERVICE. The shareholders of VALLEY LAND TITLE COMPANY, LTD. composes a majority of the shareholders of HIDALGO COUNTY PROPERTY TAX SERVICE. Because of this relationship, this referral may provide VALLEY LAND TITLE COMPANY, LTD. a financial or other benefit. HIDALGO COUNTY PROPERTY TAX SERVICE is contracted to obtain tax information and guarantee taxes to VALLEY LAND TITLE COMPANY, LTD. on all real estate related closings.

HIDALGO COUNTY PROPERTY TAX SERVICE will charge \$55.00 for the first tax account and \$20.00 for each additional tax account from the various taxing authorities, plus tax. **THERE MAY BE OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES OR YOU MAY SECURE TAX CERTIFICATES FROM THE VARIOUS TAXING AUTHORITIES ON YOUR OWN AND DELIVER THEM TO VALLEY LAND TITLE COMPANY, LTD. THE NORMAL FEE PAID TO EACH TAXING AUTHORITY IS \$10.00 FOR EACH TAX ACCOUNT AND THERE ARE USUALLY 2 TO 4 TAXING AUTHORITIES TAXING YOUR PROPERTY. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.**

I/WE HAVE READ THIS DISCLOSURE FORM, AND UNDERSTAND THAT VALLEY LAND TITLE COMPANY, LTD. IS REFERRING ME/US TO HIDALGO COUNTY PROPERTY TAX SERVICE AND MAY RECEIVE A FINANCIAL OR OTHER BENEFIT AS THE RESULT OF THIS REFERRAL.

I XX prefer to use HIDALGO COUNTY PROPERTY TAX SERVICE _____ PREFER TO OBTAIN TAX CERTIFICATES ON MY OWN AND AGREE TO DELIVER THE SAME TO VALLEY LAND TITLE COMPANY, LTD. PRIOR TO CLOSING.

SELLER:

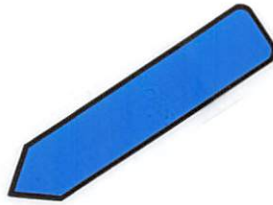
Encino Transport, LLC, a Texas
Limited Liability Company

By: _____
Juan Villanueva, President

BUYER/BORROWER:

County of Hidalgo, Texas

By: _____
Ramon Garcia, Chairman of the Board



VALLEY LAND TITLE COMPANY, LTD.

612 W. Nolana Ave. Suite 570

McALLEN, TEXAS 78504

(956) 687-7763

FAX (956) 217-3190

ACCEPTANCE OF TITLE POLICY EXCEPTIONS

GF NO. 157178

Gentlemen:

We agree that the Owner's Title Policy you are to issue covering:

Being a 9.998 acre tract of land, more or less, situated in Hidalgo County, Texas, and being the West 1/2 of the West 1/2 of Lots 1,2,3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

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THENCE with the Mile 7 Road and the South line of said Lot 1, N 81°07'15" W, a distance of 363.00 feet to a POINT OF BEGINNING.

will be on the usual Texas form which contains the following printed exceptions:

1. Restrictive covenants affecting the land described or referred to on Schedule B of the Title Commitment as Deleted
2. Any discrepancies, conflicts, or shortages in area or boundary lines, any encroachments, or any overlapping of improvements.
3. Standby fees and taxes for the year 2018 and subsequent years, and subsequent assessments for prior years due to change in land usage or ownership.

and that the policy to be issued on this particular transaction will contain the following special exceptions:

Statutory easements, rules, regulations and rights in favor of Hidalgo County Irrigation District No. 16.

Roads, easements and reservations as shown on the map of Texan Gardens Subdivision, recorded in Volume 8, Page 57, Map Records of Hidalgo County, Texas.

Easements for irrigation canals, branches, laterals, bridges, pipes, siphons, and other structures, telegraph, telephone and electric light and power lines, etc.. as shown by instrument dated January 3, 1947, recorded in Volume 602, Page 103 and dated November 16, 1951, recorded in Volume 733, Page 218, Deed Records of Hidalgo County, Texas.

Highway easement in favor of Hidalgo County as shown by instrument dated July 1, 1955, recorded in Volume 842, Page 482 and dated August 22, 1955, recorded in

Volume 842, Page 498, Deed Records of Hidalgo County, Texas.

Easement and Right of Way easement in favor of Central Power and Light Company as shown by instrument dated June 20, 2002, filed June 4, 2002 under Document Number 1117384, Official Records of Hidalgo County, Texas. (Covers Lot 1 only)

Easement and Right of Way easement in favor of Central Power and Light Company as shown by instrument dated September 12, 2002, filed January 29, 2003 under Document Number 1162396, Official Records of Hidalgo County, Texas. (Covers Lot 2 only)

Mineral and/or royalty reservation contained in deed dated September 4, 1990, recorded in Volume 2968, Page 799, Official Records of Hidalgo County, Texas.

Title to the herein described mineral interest not checked subsequent to date of aforesaid instrument.

Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in Memorandum of Lease Option Agreement executed by Mary Fearey Storie to Coastal Oil & Gas Corporation, dated October 22, 1997, filed January 5, 1998 under Document Number 645532, Official Records of Hidalgo County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in Memorandum of Geophysical and Lease Option Agreement in favor of Coastal Oil & Gas Corporation, filed January 29, 1998 under Document Numbers 651237, 651238, 651239 and 651240; filed March 30, 1998 under Document Numbers 665657, 665658, 665659, 665660; filed June 18, 1998 under Document Numbers 686960, 686961, 686962, 686963 and 686964, all in the Official Records of Hidalgo County, Texas. By instruments filed April 19, 1999 under Document Numbers 766721, 766722 and 766723; filed April 29, 1999 under Document Numbers 769294, 769295, 769296, 769297, 769298, 769299, 775192, and 852680, Official Records of Hidalgo County, Texas, said leases were extended. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in Memorandum of Geophysical and Lease Option Agreement in favor of Coastal Oil & Gas Corporation, filed January 15, 1999 under Document Numbers 740582 and 740583; filed January 26, 1999 under Document Number 743105, filed March 25, 1999 under Document Number 760167, and filed April 29, 1989 under Document Number 769294, Official Records of Hidalgo County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in favor of Coastal Oil & Gas USA, L.P., dated October 14, 1999, filed November 15, 1999 under Document Numbers 823049, 823054; dated October 14, 1999, filed November 23, 1999 under Document Numbers 825317, 825318, 825319, 825320, 825321, 825322 and 825323; filed November 30, 1999 under Document Number 826436; filed December 8, 1999 under Document Numbers 829056 and 829058;

and filed February 22, 2000 under Document Numbers 848189, 848190 Official Records of Hidalgo County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated March 1, 1999, by and between King Ranch Minerals, Inc., as Lessor, and Smith Production, Inc., as Lessee, recorded under Document Number 852680, Official Records of Hidalgo County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated May 21, 2003, in favor of Smith Production, Inc., as Lessee, filed on July 1, 2003, under Document Number 1215807 and filed January 21, 2004 under Document Number 1287963; filed December 28, 2006 under Document Number 1702851, Official Records of Hidalgo County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated October 5, 2002, by and between in favor of Smith Production, Inc., a Texas Corporation, as Lessee, filed on October 6, 2003, under Document Number 1251791; filed March 15, 2004 under Document Number 1331472; filed November 4, 2004 under Document Number 1399771; filed November 4, 2004 under Document Number 1399777; filed December 8, 2004 under Document Number 1411464; filed December 8, 2004 under Document Number 1411465; filed December 29, 2004 under Document Number 1418009; filed December 31, 2004 under Document Number 1419913; filed December 13, 2006 under Document Number 2006-1698205, 2006-1698206; filed December 28, 2006 under Document Number 2006-1702852, Official Records of Hidalgo County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to ownership or holder of such interest(s).

Terms, stipulations and conditions contained in Declaration of Unit as set forth in instrument dated March 30, 2006, filed April 6, 2006 under Document Number 2006-1600108, Official Records of Hidalgo County, Texas.

Any claim or allegation that the land, described in Schedule "A", was or is to be conveyed in violation of state statutes or any county or municipal ordinances requiring the platting of the land or affecting subdivisions, or any loss of the use of the land by reason thereof.

Rights of parties in possession.

Visible and apparent easements on or across the property herein described.

Any portion of the property described herein within the limits or boundaries of any public or private roadway and/or highway.

Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land. (NOTE: UPON RECEIPT OF A SURVEY ACCEPTABLE TO COMPANY, THIS EXCEPTION WILL BE DELETED. COMPANY RESERVES THE RIGHT TO ADD ADDITIONAL EXCEPTIONS PER ITS EXAMINATION OF SAID SURVEY.)

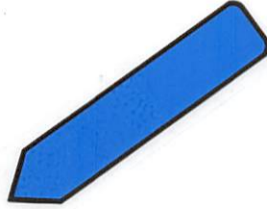
4. Lien or liens created or assumed in conjunction with this transaction, if any.
5. Rights of parties in possession.

Since the title company examines only the record title and does not actually see the property, we hereby waive inspection by the title company of this property and accept our policy subject to the rights of parties in possession. We agree that it is our responsibility to inspect said premises and to obtain possession of it from the present occupants, if any.

OWNER:

County of Hidalgo, Texas

By: Ramon Garcia, Chairman of the Board



Date: August 8, 2018

NOTIFICATION OF TAXING AUTHORITIES

GF# 157178

RE: Being a 9.998 acre tract of land, more or less, situated in Hidalgo County, Texas, and being the West 1/2 of the West 1/2 of Lots 1,2,3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

Beginning at a Mag Nail set for the intersection of Mile 7 (80' Right of Way), and Iowa Road (60' Right of Way). for the Southwest corner of said Lot 1, Block 19, and for the Southwest corner of this herein described tract of land;

Thence with Iowa Road and the West line of said Lots 1, 2, 3, and 4, Block 19, N 08°05'24" E, a distance of 1199.76 (1200.00) feet to a Mag Nail set for the Southwest corner of Las Comadres Acres Phase III Subdivision, recorded by plat in Document No. 2661354, Map Records, Hidalgo County, Texas, for the Northwest corner of said Lot 4, and the Northwest corner of this herein described tract of land;

Thence, departing Iowa Road, with the North line of said Lot 4, being a Southerly line of said Las Comadres Acres Phase III Subdivision, S81°07' 15"E, at a distance of 30.00 feet passing a 5/8" inch iron pin with plastic cap stamped "ROWSS POP COR" set in the existing East Right of Way line of Iowa Road, continuing a total distance of 363.00 feet to a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set for an interior corner of said Las Compadres Acres Phase III Subdivision, and for the Northeast corner of this herein described tract of land;

THENCE across and through said Lot 4, 3, 2 and 1, Block 19, S08°52'45" W, at a distance of 1159.76 feet passing a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set in the existing North Right of Way line of Mile 7 Road, continuing a total distance of 1199.76 feet to a Mag Nail set in the South line of said Lot 1, for the Southeast corner of this herein described tract of land;

THENCE with the Mile 7 Road and the South line of said Lot 1, N 81°07'15" W, a distance of 363.00 feet to a POINT OF BEGINNING.

Please be advised that tax statements will continue to be sent to the previous owner. In order for tax statements to be sent to you, upon receipt of the recorded Warranty Deed which is mailed to you directly from our office, you need to take it to the following office so that they can change their records accordingly:

Hidalgo County Appraisal District
4405 South Professional Drive (West of Bert Ogden on Trenton Road)
Edinburg, Texas 78539
WWW.HIDALGOAD.ORG
(956) 381-8466

This information will also need to be given to any Water District which affects the property.

PLEASE NOTE THAT IT IS THE NEW OWNERS RESPONSIBILITY TO NOTIFY THE APPRAISAL DISTRICT AND WATER DISTRICT OF THE CHANGE OF OWNERSHIP. FAILURE TO DO SO MAY RESULT IN PENALTY AND INTEREST CHARGES BEING ADDED TO YOUR TAX STATEMENTS FOR LATE PAYMENT.

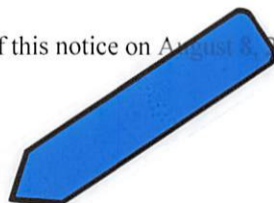
The undersigned hereby acknowledges receipt of this notice on August 10, 2018.

BUYER:

County of Hidalgo, Texas

By:

Ramon Garcia, Chairman of the Board



BUYER'S ACCEPTANCE OF DEED

The undersigned Buyer hereby accepts and consents to the form of Deed attached hereto including, but not limited to, the provision(s) concerning title exceptions contained therein, and acknowledges that same is in conformity with Buyer's intent, and the terms and provisions of same shall control in the event of any conflict of the contract Buyer has signed regarding the property described in the attached Deed.

BUYER:

County of Hidalgo, Texas

By: Ramon Garcia, Chairman of the Board



DATED: August 8, 2018

WAIVER OF INSPECTION

PLEASE SIGN & RETURN THIS WAIVER

GF NO: 157178

TO: VALLEY LAND TITLE COMPANY, LTD.

AGENT FOR: Commonwealth Land Title Insurance Company

Gentlemen:

I/We, County of Hidalgo, Texas have this day purchased from Encino Transport, L.L.C. (if married spouse should join in Deed) the following described property in Hidalgo County, Texas, to-wit:

Being a 9.998 acre tract of land, more or less, situated in Hidalgo County, Texas, and being the West 1/2 of the West 1/2 of Lots 1,2,3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

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THENCE across and through said Lot 4, 3, 2 and 1, Block 19, S08°52'45" W, at a distance of 1159.76 feet passing a 5/8" iron pin with plastic cap stamped "ROWSS PROP COR" set in the existing North Right of Way line of Mile 7 Road, continuing a total distance of 1199.76 feet to a Mag Nail set in the South line of said Lot 1, for the Southeast corner of this herein described tract of land;

THENCE with the Mile 7 Road and the South line of said Lot 1, N 81°07'15" W, a distance of 363.00 feet to a POINT OF BEGINNING.

I/We waive inspection and hereby accept a policy showing the exception "Right of Parties in Possession".

EXECUTED on August 8, 2018

BUYER:

County of Hidalgo, Texas

By: Ramon Garcia, Chairman of the Board





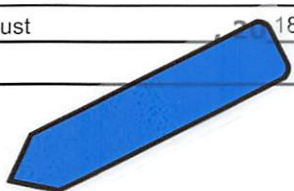
AMENDMENT TO CONTRACT CONCERNING THE PROPERTY AT

Iowa Road (Street Address and City)

Seller and Buyer amend the contract as follows: (check each applicable box)

- (1) The Sales Price in Paragraph 3 of the contract is: A. Cash portion of Sales Price payable by Buyer at closing ... B. Sum of financing described in the contract ... C. Sales Price (Sum of A and B) ... (2) In addition to any repairs and treatments otherwise required by the contract, Seller, at Seller's expense, shall complete the following repairs and treatments: (3) The date in Paragraph 9 of the contract is changed to August 8, 2018. (4) The amount in Paragraph 12A(1)(b) of the contract is changed to \$... (5) The cost of lender required repairs and treatment, as itemized on the attached list, will be paid as follows: \$... by Seller; \$... by Buyer. (6) Buyer has paid Seller an additional Option Fee of \$... for an extension of the unrestricted right to terminate the contract on or before 5:00 p.m. on ... 20... This additional Option Fee will not be credited to the Sales Price. (7) Buyer waives the unrestricted right to terminate the contract for which the Option Fee was paid. (8) The date for Buyer to give written notice to Seller that Buyer cannot obtain Buyer Approval as set forth in the Third Party Financing Addendum is changed to ... 20... (9) Other Modifications: (Insert only factual statements and business details applicable to this sale.)

EXECUTED the ___ day of August, 2018. (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)



Buyer Seller

Buyer Seller

This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (http://www.trec.texas.gov) TREC No. 39-8. This form replaces TREC No. 39-7.

COPY

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

Date: August 8, 2018

Grantor: ENCINO TRANSPORT, L.L.C., a Texas Limited Liability Company

Grantor's Mailing Address:

2404 Heron Avenue
McAllen, Texas 78504

Grantee: COUNTY OF HIDALGO, TEXAS

Grantee's Mailing Address:

2818 S. Bus Hwy 281
Edinburg, Texas 78539

Consideration:

Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

See Exhibit "A" attached hereto and made a part hereof for all purposes.

Reservations from Conveyance:

Seller reserves and excepts for itself any and all oil, gas, sulphur, hydrocarbons and other minerals in, on and under and that may be produced from the Property, including all executory rights related thereto, together with all working and net revenue interests, royalties, payments and executory rights in and to the oil, gas, sulphur, hydrocarbon and mineral fee and mineral leasehold estates and other mineral rights and assets appurtenant to such Property; provided however, Seller (but only to the extent of Seller's title or interest in such minerals) waives any and all rights to use the surface of the Property, and agrees, in conducting any operations with respect to the exploration for and/or production, processing, transporting and/or marketing of oil, gas or other minerals under the Property, not to use or occupy any portion of the surface of the Property and not to place any fixtures, equipment, building or structures on the surface of the Property or travel upon or across the Property; provided, however, that nothing herein contained shall be construed to waive, release or relinquish any right, title or interest of Seller in and to the oil, gas and other minerals held by Seller, or the right of Seller to exploit, develop or produce the same with wells drilled at surface locations off the Property, including but not limited to, directional wells bottomed beneath or drilled through the subsurface of the Property by pooling the Property with adjoining lands.

Exceptions to Conveyance and Warranty:

1. Statutory easements, rules, regulations and rights in favor of Hidalgo County Irrigation District No. 16.
2. Roads, easements and reservations as shown on the map of Texan Gardens Subdivisoin, recorded in Volume 8, Page 57, Map Records of Hidalgo County, Texas.
3. Easements for irrigation canals, branches, laterals, bridges, pipes, siphons, and other structures, telegraph, telephone and electric light and power lines, etc.. as shown by instrument dated January 3, 1947, recorded in Volume 602, Page 103 and dated November 16, 1951, recorded in Volume 733, Page 218, Deed Records of Hidalgo County, Texas.
4. Highway easement in favor of Hidalgo County as shown by instrument dated July 1, 1955, recorded in Volume 842, Page 482 and dated August 22, 1955, recorded in Volume 842, Page 498, Deed Records of Hidalgo County, Texas.
5. Easement and Right of Way easement in favor of Central Power and Light Company as shown by instrument dated June 20, 2002, filed June 4, 2002 under Document Number 1117384, Official Records of Hidalgo County, Texas. (Covers Lot 1 only)
6. Easement and Right of Way easement in favor of Central Power and Light Company as shown by instrument dated September 12, 2002, filed January 29, 2003 under Document Number 1162396, Official Records of Hidalgo County, Texas. (Covers Lot 2 only)
7. Mineral and/or royalty reservation contained in deed dated September 4, 1990, recorded in Volume 2968, Page 799, Official Records of Hidalgo County, Texas.
8. Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in Memorandum of Lease Option Agreement executed by Mary Fearey Storie to Coastal Oil & Gas Corporation, dated October 22, 1997, filed January 5, 1998 under Document Number 645532, Official Records of Hidalgo County, Texas.
9. Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in Memorandum of Geophysical and Lease Option Agreement in favor of Coastal Oil & Gas Corporation, filed January 29, 1998 under Document Numbers 651237, 651238, 651239 and 651240; filed March 30, 1998 under Document Numbers 665657, 665658, 665659, 665660; filed June 18, 1998 under Document Numbers 686960, 686961, 686962, 686963 and 686964, all in the Official Records of Hidalgo County, Texas. By instruments filed April 19, 1999 under Document Numbers 766721, 766722 and 766723; filed April 29, 1999 under Document Numbers 769294, 769295, 769296, 769297, 769298, 769299, 775192, and 852680, Official Records of Hidalgo County, Texas
10. Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in Memorandum of Geophysical and Lease Option Agreement in favor of Coastal Oil & Gas Corporation, filed January 15, 1999 under Document Numbers 740582 and 740583; filed January 26, 1999 under Document Number 743105, filed March 25, 1999 under Document Number 760167, and filed April 29, 1989 under Document Number 769294, Official Records of Hidalgo County, Texas.

11. Leases for coal, lignite, oil, gas or other minerals, together with rights incident thereto, in favor of Coastal Oil & Gas USA, L.P., dated October 14, 1999, filed November 15, 1999 under Document Numbers 823049, 823054; dated October 14, 1999, filed November 23, 1999 under Document Numbers 825317, 825318, 825319, 825320, 825321, 825322 and 825323; filed November 30, 1999 under Document Number 826436; filed December 8, 1999 under Document Numbers 829056 and 829058; and filed February 22, 2000 under Document Numbers 848189, 848190 Official Records of Hidalgo County, Texas.
12. Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated March 1, 1999, by and between King Ranch Minerals, Inc., as Lessor, and Smith Production, Inc., as Lessee, recorded under Document Number 852680, Official Records of Hidalgo County, Texas.
13. Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated May 21, 2003, in favor of Smith Production, Inc., as Lessee, filed on July 1, 2003, under Document Number 1215807 and filed January 21, 2004 under Document Number 1287963; filed December 28, 2006 under Document Number 1702851, Official Records of Hidalgo County, Texas.
14. Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated October 5, 2002, by and between in favor of Smith Production, Inc., a Texas Corporation, as Lessee, filed on October 6, 2003, under Document Number 1251791; filed March 15, 2004 under Document Number 1331472; filed November 4, 2004 under Document Number 1399771; filed November 4, 2004 under Document Number 1399777; filed December 8, 2004 under Document Number 1411464; filed December 8, 2004 under Document Number 1411465; filed December 29, 2004 under Document Number 1418009; filed December 31, 2004 under Document Number 1419913; filed December 13, 2006 under Document Number 2006-1698205, 2006-1698206; filed December 28, 2006 under Document Number 2006-1702852, Official Records of Hidalgo County, Texas.
15. Terms, stipulations and conditions contained in Declaration of Unit as set forth in instrument dated March 30, 2006, filed April 6, 2006 under Document Number 2006-1600108, Official Records of Hidalgo County, Texas.
16. Any claim or allegation that the property described herein was or is to be conveyed in violation of state statutes or any county or municipal ordinances requiring the platting of the land or affecting subdivisions, or any loss of the use of the land by reason thereof.
17. Visible and apparent easements on or across the property herein described.
18. Any portion of the property described herein within the limits or boundaries of any public or private roadway and/or highway.

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 when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THOSE CONTAINED IN THE PURCHASE CONTRACT, THIS DEED, AND THE OTHER CLOSING DOCUMENTS. GRANTEE HAS NOT RELIED ON ANY INFORMATION OTHER THAN GRANTEE'S INSPECTION AND THE REPRESENTATIONS AND WARRANTIES EXPRESSLY CONTAINED IN THE PURCHASE CONTRACT, THIS DEED, AND THE OTHER CLOSING DOCUMENTS.

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

signature page to follow

**ENCINO TRANSPORT, L.L.C.,
A Texas Limited Liability Company**

By: _____
JUAN VILLANUEVA, President

STATE OF TEXAS)

COUNTY OF HIDALGO)

This instrument was acknowledged before me on _____, 2018, by **JUAN VILLANUEVA**, President of **ENCINO TRANSPORT, L.L.C.**, on its behalf in said capacity.

Notary Public, State of Texas
My commission expires: _____

PREPARED IN THE OFFICE OF:

**Matthew L. Jones
JONES, GALLIGAN, KEY & LOZANO L.L.P.
2300 West Pike Boulevard Suite 300
Weslaco, Texas 78596
Tel: (956) 968-5402
Fax: (956) 968-6089**

AFTER RECORDING RETURN TO:

**COUNTY OF HIDALGO, TEXAS
2818 S. Bus Hwy 281
Edinburg, Texas 78539**

EXHIBIT "A"

Being a 9.998 acre tract of land, more or less, situated in Hidalgo County, Texas, and being the West 1/2 of the West 1/2 of Lots 1,2,3, and 4, Block 19, Texan Gardens Subdivision, according to map, recorded in Volume 8, Page 57 and 58, of the Map Records, Hidalgo County, Texas, conveyed by Special Warranty Deed dated August 10, 2017 to Encino Transport, L.L.C, said 9.998 acre tract of land being more particularly described by metes and bounds as follows:

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