

**REAL ESTATE CONTRACT
Cobb Cavern Conservation Easement**

STATE OF TEXAS

COUNTY OF WILLIAMSON

THIS REAL ESTATE CONTRACT ("Contract") is made by and between **LYDA FAMILY TRUST** (hereinafter "Seller") and the **WILLIAMSON COUNTY CONSERVATION FOUNDATION**, (referred to in this Contract as "Purchaser"), upon the terms and conditions set forth in this Contract.

**ARTICLE I
PURCHASE AND SALE**

By this Contract, Seller sells and agrees to convey, and Purchaser purchases and agrees to pay for, the tract of land described as follows:

A Conservation Easement (the "Conservation Easement") over all of that certain tract of land situated in Williamson County, Texas, generally described as 98.756 acres of land, more or less, plus a non-exclusive access easement over and across Grantor's Remaining Property along a route to be designated from time to time by Grantor and as further described in the Conservation Easement attached hereto, all of which herein shall mean the "Property" and is more fully shown on Exhibit "A", attached hereto, and made a part hereof.

The Conservation Easement is attached hereto and incorporated herein as Exhibit "A".

**ARTICLE II
PURCHASE PRICE**

2.01. The purchase price for the Easement shall be the sum of ONE MILLION FOUR HUNDRED EIGHTY ONE THOUSAND THREE HUNDRED FORTY AND NO/100 DOLLARS (\$1,481,340.00).

2.02 Pursuant to the terms of an Option Contract dated July 21, 2011, Purchaser has previously paid to Seller the amount of \$275,000.00; and pursuant to an Option Contract Extension dated November 22, 2011, Purchaser has previously paid to seller the amount of \$376,875.00, for which payments Purchaser shall receive a credit herein, leaving EIGHT

HUNDRED TWENTY-NINE THOUSAND FOUR HUNDRED SIXTY-FIVE AND NO/100 DOLLARS (\$829,465.00) as the remaining purchase price to be paid.

ARTICLE III PURCHASER'S OBLIGATIONS

3.01. Conditions to Purchaser's Obligations. The obligations of Purchaser hereunder to consummate the transactions contemplated hereby are subject to the satisfaction of each of the following conditions (any of which may be waived in whole or in part by Purchaser at or prior to the closing.)

3.02. Preliminary Title Commitment. Purchaser, at Purchaser's sole cost and expense, has caused Independence Title Company ("Title Company") to issue a preliminary title report (the "Title Commitment") accompanied by copies of all recorded documents relating to easements, rights-of-way, etc., affecting the Property. In the event that title to the Property is not satisfactory to Purchaser, after notice of such unsatisfactory condition Seller shall provide Purchaser with any assistance reasonably requested as necessary to eliminate or modify such matters. In the event Seller is unable to do so prior to the closing date or by other date as agreed to between the parties, Purchaser may terminate this Contract and it shall thereupon be null and void for all purposes and the Escrow Deposit shall be forthwith returned by the Title Company to Purchaser.

3.03. Grant Conditions. The purchase is subject to Purchaser receiving Federal and/or State agency approval of such. Failure to receive such approval shall not be considered a Purchaser default, and Purchaser shall have the option of terminating this contract without penalty.

3.04. Miscellaneous. Seller shall have performed, observed, and complied with all of the covenants, agreements, and conditions required by this Contract to be performed, observed, and complied with by Seller prior to or as of the closing.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

4.01. Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser as follows, which representations and warranties shall be deemed made by Seller to Purchaser also as of the closing date, to the best of Seller's knowledge:

- (a) Except as may be disclosed in any Environmental Site Assessment, to Seller's actual knowledge (with no further duty to investigate), the Property has never been used (i) for the storage, transportation, processing or disposal of hazardous waste, industrial or municipal solid waste as those terms are defined in the Texas Solid Waste Disposal Act; or (ii) in such a way as to create any environmental condition that is actionable under any federal, state or local environmental law or regulation.

- (b) The person signing this Contract on behalf of Seller has the full right, power and authority to enter into this Contract on behalf of Seller and to carry out Seller's obligations, including the conveyance of the Property to Purchaser as provided in this Contract, without the joinder of any other person.
- (c) Except as may be disclosed in any Reservations From and Exceptions to Conveyance and Warranty, to the best of Seller's knowledge, there are no outstanding written or oral leases or agreements relating to the use or possession of the Property, and to Seller's actual knowledge (with no further duty to investigate), there are no parties claiming adverse possession of the Property;
- (d) To Seller's actual knowledge (with no further duty to investigate), there are no actions, suits or proceedings pending or threatened against Seller affecting any portion of the Property or affecting Seller's ability to sell and convey the Property, at law or in equity, or before any governmental authority, including but not limited to, proceedings to enforce the power of eminent domain or condemnation by any governmental authority possessing such powers.
- (e) Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions relating to the Property, or any part thereof;

4.02. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller as follows, which representations and warranties shall be deemed made by Purchaser to Seller also as of the closing date, to the best of Purchaser's knowledge:

- (a) There are no attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy or under other debtor relief laws contemplated by, pending, or to the best of Purchaser's knowledge, threatened against Purchaser.
- (b) The person signing this Agreement as Purchaser or on behalf of Purchaser has the full right, power and authority to enter into this Agreement as Purchaser or on behalf of Purchaser, and to carry out Purchaser's obligations without the joinder of any other person.
- (c) No notice of a violation of any governmental requirement has been issued to Purchaser and there are no actions, suits or proceedings pending or, to Purchaser's actual knowledge, threatened against Purchaser affecting Purchaser's ability to perform its obligations under this Agreement, including without limitation, purchaser and holding title to the Property, at law or in equity, or before any government authority.
- (d) Purchaser acknowledges that it is subject to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with

Disabilities Act of 1990, the Age Discrimination Act of 1975, and Title IX of the Education Amendments of 1972. Purchaser agrees to offer all persons the opportunity to participate in programs or activities regardless of race, color, national origin, age, sex or disability. Further, Purchaser agrees that no individual will be turned away or otherwise denied access to or benefit from any program or activity associated with the Property that is directly associated with a program on the basis of race, color, national origin, age and sex (in educational activities) or disability.

- (e) Purchaser has and will continue to have at Closing the financial capacity to perform its obligations hereunder.

4.03. **Property Condition.** Seller will convey the Property "AS IS" and "WITH ALL FAULTS" subject to the following disclaimer:

It is understood and agreed that other than the warranties of title contained in the Easement and other than the warranties and representations expressly made in this Agreement, or exceptions thereto, Seller has not made any warranties or representations of any kind or character, express or implied, with respect to the Property, including, but not limited to, zoning, tax consequences, physical or environmental conditions, existence of endangered or threatened species of plants, availability of access, ingress or egress, operating history, projections, valuation, marketability, suitability for a particular purpose, governmental approvals, governmental regulations or any other matter or thing relating to or affecting the Property. Purchaser agrees that with respect to the Property, Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representations or warranties of Seller (other than the warranties and representations otherwise expressly contained in this Agreement). Purchaser represents that it is a knowledgeable purchaser of real estate and that it is relying solely on its own expertise and that of its consultants, and that Purchaser has conducted or had the opportunity to conduct such inspections and investigations of the Property, including, but not limited to, the physical and environmental conditions thereof, and relies upon same, and assumes the risk that adverse matters, including, but not limited to, adverse physical and environmental conditions, may not have been revealed by its inspections and investigations. Purchaser acknowledges and agrees that upon Closing, Seller is selling and conveying to Purchaser and Purchaser is accepting the Property "AS IS, WHERE IS, WITH ALL FAULTS," and there are no oral agreements or representations, collateral to or affecting the Property by Seller or any third party other than those expressly contained in this Agreement. In no event is Seller responsible or liable for latent or patent defects or faults, if any, in the Property, or for remedying or repairing same, including, but not limited to, defects relating to asbestos or asbestos containing materials, underground storage tanks or hazardous or toxic materials, chemicals, or waste, or for constructing or repairing any streets, water wells, septic tank systems, utilities or any improvements located on the Property or shown on any plat of the Property and for complying with the requirements of the Endangered Species Act. These provisions shall survive the Closing.

ARTICLE V CLOSING

5.01. **Closing Date.** The closing shall be held at the office of Title Company, on or before February 29, 2012 (which date is herein referred to as the "closing date").

5.02. **Seller's Obligations at Closing.** At the closing Seller shall:

- (a) Deliver to Purchaser a duly executed and acknowledged Conservation Easement conveying good and marketable title of the Conservation Easement, free and clear of any and all liens, encumbrances, conditions, easements, assessments, and restrictions, except for the following:
 - (1) Any exceptions approved by Purchaser pursuant to this contract; and
 - (2) Any exceptions approved by Purchaser in writing.
- (b) Deliver to Purchaser a Texas Owner's Title Policy at Purchaser's sole expense, issued by Title Company, in Purchaser's favor in the full amount of the purchase price, insuring Purchaser's easement title to the Property subject only to those title exceptions listed herein, such other exceptions as may be approved in writing by Purchaser, and the standard printed exceptions contained in the usual form of Texas Owner's Title Policy.
- (c) Execute and deliver such other documents reasonably requested by Title Company to consummate the transaction contemplated herein.

5.03. **Purchaser's Obligations at Closing.** At the Closing, Purchaser shall

- (a) Pay any remainder portion of the purchase price.
- (b) Execute and deliver such other documents reasonably requested by Title Company to consummate the transaction contemplated herein.

5.04. **Closing Costs.** All costs and expenses of closing in consummating the sale and purchase of the Property shall be borne and paid as follows:

- (a) Owner's Title Policy and survey to be paid by Purchaser.
- (b) All other closing costs shall be paid by Purchaser.

(c) Attorney's fees paid by each respectively.

ARTICLE VI REMEDIES

6.01. Purchaser's Remedies. In the event Seller shall fail to fully and timely perform any of its obligations hereunder or shall fail to consummate the sale of the Property for any reason, except Purchaser's default, Purchaser may: (1) enforce specific performance of this Contract; (2) terminate this Contract by giving Seller timely written notice of such election prior to or at Closing; or (3) waive, prior to or at Closing, as applicable, the applicable objection or condition and proceed to close the transaction contemplated hereby in accordance with the remaining terms hereof.

6.02. Seller's Remedies. In the event Purchaser fails or refuses to timely comply with its obligations hereunder or is unable to do so as the result of its act or failure to act, the conditions to Purchaser's obligations set forth in Article III having been satisfied and Purchaser being in default and Seller not being in default hereunder, Seller may terminate this Contract, and recover any other damages resulting from Purchaser's act or failure to act.

6.03. Attorney's Fees. In the event of any default by either party, the non-defaulting party is entitled to recover from the defaulting party its reasonable attorney's fees, expenses and court costs.

ARTICLE VII MISCELLANEOUS

7.01. Notice. Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to Seller or Purchaser, as the case may be, at the address set forth opposite the signature of the party.

7.02. Applicable Law. This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Williamson County, Texas.

7.03. Binding. This Contract shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this Contract.

7.04. Survival. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, this invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if the invalid, illegal, or unenforceable provision had never been contained herein.

7.05 Construction. Each party acknowledges that it and its counsel have reviewed this Agreement and that the normal rules of construction are not applicable and there will be no presumption that any ambiguities will be resolved against the drafting party in the interpretation of this Contract.

7.06. Entire Agreement. This Contract constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

7.07. Time of Essence. Time is of the essence in this Contract.


7.08. Gender. Words of any gender used in this Contract shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

7.09 Effective Date. This Contract shall be effective as of the date of due execution by both parties hereto.

SELLER:

LYDA FAMILY TRUST

Address:

By: 
Printed Name: LIANN LYDA
Title: TRUSTEE
Date: 2/27/12

P.O. Box 1757
GEORGETOWN, TX 78627

PURCHASER:

WILLIAMSON COUNTY CONSERVATION FOUNDATION

Address:

By: _____
Title: _____
Date: _____

219 Perry Mayfield
Leander, Texas 78641

Exhibit "A"

CONSERVATION EASEMENT

This CONSERVATION EASEMENT made by and between LYDA FAMILY TRUST ("Grantor") and WILLIAMSON COUNTY, as trustee for WILLIAMSON COUNTY CONSERVATION FOUNDATION ("Grantee") this _____ day of _____, 2012.

RECITALS:

- A. Grantor is the sole-owner in fee simple of certain real property, that has ecological, scientific, educational, and aesthetic value in its present state as a natural area that has not been subject to development or exploitation, is located in Williamson County, Texas, and is more particularly described in Exhibit "A", encompassing 83.856 acres, and Exhibit "B", encompassing 14.900 acres (the "Property"), totaling 98.756 acres.
- B. The Property is a significant natural area that qualifies as a "...relatively natural habitat of fish, wildlife, or plants, or similar ecosystem," as that phrase is used in P.L. 96541, 26 USC 170(h)(4)(A)(ii), as amended, and in regulations promulgated thereunder. Specifically, the Property is habitat for native wildlife, including certain species of endangered karst or cave invertebrates (KI), is in the vicinity of habitat suitable for the endangered black-capped vireo (BCVI) and golden-cheeked warbler (GCWA), may constitute a portion of the watershed benefiting the Georgetown salamander (GTS) (KI, BCVI, GCWA, and GTS, defined below), and represents the topography and vegetation that is often found in this portion of western Williamson County.
- C. Grantor intends that the Conservation Values (defined below) of the Property be preserved and maintained by permitting only those land uses on the Property that do not significantly impair or interfere with such Conservation Values.
- D. Grantor further intends to convey to Grantee the right of ingress, egress, and access to the Property to allow Grantee to conduct the activities set forth in the Management Plan (defined below).
- E. Grantor and Grantee acknowledge that the Property can only be accessed by ingress and egress over and across Grantor's Remaining Property, and Grantor further intends to convey to Grantee a non-exclusive access easement over and across Grantor's Remaining Property along the route established by Grantor pursuant to the Access Easement granted to Grantee in that certain Conservation Easement recorded as Document No. 2007032525, Williamson County, Texas.
- F. The condition of the Property, at the time of the signing of this easement, is documented in an Easement Documentation Report (defined below).
- G. The Grantor and Grantee have the common purpose of conserving the Conservation Values of the Property in perpetuity, and the State of Texas has authorized the creation of conservation easements pursuant to Chapter 183 of the Texas Natural Resource Code and Grantor and Grantee wish to avail themselves of the provisions of that law.
- H. Grantee intends that the Property be considered a karst fauna area (KFA) and that such

KFA is a component part of Grantee's Habitat Conservation Plan on file with the Service.

DEFINITIONS

"BCVI" means the black-capped vireo (*Vireo atricapilla*) a listed endangered species (52 Fed. Reg. 37420).

"Conservation Easement" means this conservation easement granted Grantee to conserve biological resources and to impose certain restrictions with respect to the relevant Property (defined below).

"Conservation Values" means the presence on the Property of KIs, the benefit of preserving the Property to the GCWA, BCVI, and GTS, and the natural, scenic, and open space characteristics of the Property.

"Easement Documentation Report" means the condition of the Property as described in (a) the "Recovery Land Acquisition – Cobb Preserve, Williamson County, Texas, Project Statement" on file with the Service (the "Service," as defined below), and (b) the Executive Summary of the Biological, Hydrological, and Cultural Resources of the Proposed Cobb Ranch Conservation Bank, Williamson County, Texas, on file with the Service, which describes property, a portion of which includes and encompasses the Property .

"ESA" means the Federal Endangered Species Act (16 U.S.C. § 1531 et seq.) and all regulations promulgated pursuant to the ESA.

"GTS" means the Georgetown salamander, (*Eurycea naufragia*), a spring adapted salamander designated as a candidate as of October 30, 2001 (66 Fed. Reg. 54808)

"GCWA" means the golden-cheeked warbler (*Dendroica chrysoparia*), a listed endangered species (55 Fed. Reg. 53,153).

"Grantor's Remaining Property" means the tract of real property situated in Williamson County, Texas, as more particularly described in Exhibit "C", that is immediately adjacent to and surrounds the Property.

"KI" means the following karst or cave invertebrates:

(a) Bone Cave Harvestman (*Texella reyesi*), a troglobitic harvestman that was originally listed under *Texella reddelli*.

(b) Coffin Cave Mold Beetle (*Batrisodes texanus*), a troglobitic pselaphine beetle. It was originally listed under *Texamaurops redelli* (53 Fed. Reg. 36029), then taxonomically split into two species (*Texamaurops redelli* and *Batrisodes texanus*) (58 Fed. Reg. 43818).

"Management Plan" means the Operation, Management, and Monitoring Plan for karst features

submitted by the Williamson County Conservation Foundation and on file with the Service.

“Property” means the tract of real property situated in Williamson County, Texas, containing 98.756 acres and described in Exhibits A and B.

“Service” means the United States Fish and Wildlife Service.

“Third Party Beneficiaries” means TPWD (defined below) and the Service.

“TPWD” means the Texas Parks and Wildlife Department.

NOW, THEREFORE, the Grantor, for and in consideration of the facts recited above and of the mutual covenants, terms, conditions, and restrictions contained herein and in return for Ten and no/100 Dollars (\$10) and other good and valuable consideration paid by Grantee to Grantor, the Grantor hereby gives, grants, bargains, sells, and conveys unto the Grantee a Conservation Easement in perpetuity over the Property of the nature and character as follows:

1. Purposes. The purposes of this Conservation Easement include the following: to ensure that the Property will be managed for long-term conservation of and use by endangered KIs and to benefit GTSSs, BCVIs, and GCWAs, including without limitation, management and related activities conducted on the Property by Grantee pursuant to the Management Plan; to ensure the Property will be retained forever predominantly in its natural, scenic, and open space condition; to protect native plants, animals, or plant communities on the Property; and to prevent any use of the Property that will impair or interfere with these Conservation Values or interests of the Property, while allowing for traditional uses on the Property that are compatible with and not destructive of the Conservation Values of the Property, such as limited recreational use.

The Grantor intends that this Conservation Easement will restrict the use of the Property to only such activities as are consistent with the purposes of this Conservation Easement. Grantor will not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the purposes of this Conservation Easement. However, unless specified below, nothing in this Conservation Easement shall require Grantor to take any action to restore the condition of the Property after any act of God or other event over which Grantor had no control. Grantor understands that nothing in this Conservation Easement relieves Grantor of any obligation or restriction on the use of the Property imposed by law.

2. Grantor’s Obligations.

- 2.1 Grantor will comply with the terms of this Conservation Easement and cooperate with the Grantee and Third Party Beneficiaries in the protection of this Property.
- 2.2 Grantor will repair and restore changes to the Property that degrade or harm the Conservation Values of the Property caused by the Grantor, Grantor’s guests, tenants, lessees, representatives, or agents.

- 2.3 Grantor shall undertake all reasonable actions to prevent the unlawful entry and trespass by persons whose activities may degrade or harm the Conservation Values of the Property.
 - 2.4 Unless exempt from payment of taxes, Grantor shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority.
 - 2.5 To the extent allowed by law, Grantor and successors in interest shall be allowed to apply for currently existing designations or exemptions with regard to taxation or assessment of the Property or which may be enacted in the future. This Conservation Easement shall be without prejudice to Grantors' and successors' in interest rights to receive such designations.
3. Prohibited Uses. Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement and associated Management Plan is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited, except as provided in Section 4 below:
- 3.1 Construction. Except for temporary photography blinds/observation platforms, there shall be no placement or construction of structures or other improvements on or above the Property; including, without limitation, a tennis court or other recreational court or field, landing strip, building, mobile home, swimming pool, signs, asphalt or concrete pavement, billboard or other advertising display, antenna, utility pole, golf course, tower, conduit line, or sodium vapor light. Notwithstanding the foregoing, Grantor may maintain and repair the existing home on the Property and its associated facilities, including but not limited to, a well, connecting lines, and waste water facilities (the "Improvements"), but may not expand such Improvements. All such maintenance and repair shall be conducted in manner that does not impact the Conservation Values. Any excavation or trenching necessary for such maintenance or repair is subject to Section 3.2, below. In the event the Improvements are partially or completely destroyed through no fault of the Grantor, Grantor may reconstruct the Improvements in a manner that does not increase the impact of the Improvements on the Conservation Values beyond the impact of the original Improvements. Provided, however, that reconstruction of the Improvements following partial or complete destruction may only be undertaken with the written approval of Grantee and the Third Party Beneficiaries, and such approval shall not be unreasonably withheld.
 - 3.2 Surface or Subsurface Alteration. There shall be no ditching, draining, construction of dikes, filling, excavating, dredging, mining or drilling, removal of topsoil, sand, gravel, rock, minerals or other materials, on or below the surface of the Property unless the Grantee and Third Party Beneficiaries give prior written consent.

- 3.3 Vegetation Alteration. There shall be no use of bulldozers, root plowing, and/or chaining unless the Grantee and Third Party Beneficiaries give prior written consent. All vegetation alteration will be in accordance with guidelines set forth in the Management Plan, if any. Grantor must not introduce or knowingly allow non-native vegetation onto the Property. Grantor shall have no affirmative obligation to detect non-native vegetation beyond that imposed upon Grantor in the Management Plan.
- 3.4 Chemicals. The use of pesticides or biocides, including, but not limited to, insecticides, fungicides, rodenticides, and herbicides is prohibited, except as expressly allowed in the Management Plan or approved by Grantee and Third Party beneficiaries in writing.
- 3.5 Dumping. There shall be no storage or dumping of ashes, trash, garbage, or other unsightly or offensive material, hazardous substance, or toxic waste, nor any placement of underground storage tanks in, on, or under the Property; there shall be no changing of the topography through the placing of soil or other substance or material such as landfill or dredging spoils.
- 3.6 Soil and Hydrology. There shall be no use on the Property or activity that causes or is likely to cause soil degradation, erosion, or siltation. Alteration, depletion, extraction or pollution of surface water, natural water courses, lakes, ponds, marshes, subsurface water, or any other water bodies on the Property is prohibited. Grantor shall not transfer, encumber, lease, sell or otherwise sever such rights from title to the Property itself without the written approval of the Grantee and Third Party Beneficiaries.
- 3.7 Vehicles. There shall be no operation of dune buggies, motorcycles, or all-terrain vehicles on the Property unless otherwise specified herein or in the Management Plan.
- 3.8 Subdivision. The Property may not be divided, partitioned, or subdivided except as a unit containing the entire Property in order to segregate it from the remainder of Grantor's property. The Property, for the benefits of this Conservation Easement, shall remain as an undivided approximately 98.756 acre tract in perpetuity.
- 3.9 Density. Neither the Property nor any portion of it shall be included as part of the gross area of other property not subject to this Conservation Easement for the purposes of determining density, lot coverage, or open space requirements under otherwise applicable laws, regulations, or ordinances controlling land use and building density. No development rights that have been encumbered or extinguished by this Conservation Easement shall be transferred to any other lands pursuant to a transferable development rights scheme, cluster development arrangement, or otherwise.

- 3.10 Commercial Activity. Except as provided for in Section 4.7, there shall be no commercial or industrial use of, or activity on, the Property unless written approval is obtained from both the Grantee and Third Party Beneficiaries.
- 3.11 Easement . Except as provided in this Conservation Easement, Grantor must not grant or convey any easements under or across the Property, including, but not limited to, access easements and utility easements, except such easements already in existence or pursuant to imminent exercise of or power of eminent domain by an entity holding such power. Existing easements and their respective purposes are identified on Title Commitment 1109681-GTN attached as Exhibit D hereto. Grantee will notify Grantor and Third Party Beneficiaries of any entity seeking to exercise the power of eminent domain regarding the Property.
4. Grantor's Reserved Rights. The Grantor hereby reserves the following rights:
- 4.1 Transfer. Subject to the right of first refusal in Section 5.1, the right to sell, give, mortgage, lease, or otherwise convey the Property, provided such conveyance is subject to the terms of this Conservation Easement.
- 4.2 Structures. The right to temporary photography blinds/observation decks on the Property.
- 4.3 Diseased Trees. The right to cut, trench, and remove diseased or dead trees, shrubs, or plants, subject to the prior written approval of the Grantee and Third Party Beneficiaries or in accordance with guidelines set forth in the Management Plan, if any.
- 4.4 Grazing. Grazing is prohibited.
- 4.5 Roads. The right to repair, replace, and improve existing roadways in accordance with guidelines set forth in the Management Plan, if any, and to maintain roads or trails necessary on the Property for the execution of the Management Plan. Any new roads or trails must be approved by the Grantee and Third Party Beneficiaries and shall not reduce the Conservation Values of the Property.
- 4.6 Hunting. No hunting shall be allowed on the Property at any time, except that Grantor shall have the right to remove nonnative animals in a manner that does not negatively impact the Conservation Values of the Property.
- 4.7 Recreational/Commercial Uses. The right to use the Property for recreational purposes including horseback riding, hiking, wildlife photography, bicycling, and bird watching, provided these activities follow limitations as described herein and/or in the Management Plan and are done in a manner to not impact endangered species, species habitat or the other Conservation Values of the Property and follow all applicable state and Federal laws. The level of recreational use of the Property shall be developed with the approval of the Service. Notwithstanding the foregoing, there shall be no recreational caving use on the Property

- 4.8 Fencing. The right to construct and maintain fencing in accordance with the Management Plan. The entire Conservation Easement shall be fenced off no later than 36 months following establishment of the karst fauna area for the KI.
- 4.9 Vehicles. The use of vehicles shall be limited to existing roads, fencelines, and trails accessing photo blinds or observation decks. All-terrain vehicles may be used off existing trails to access photography blinds/observation decks, inspect fence lines, and monitor species status and habitat condition. All vehicles will be used in a manner to avoid impact to the habitat and endangered species.
- 4.10 General. All rights, title, interest in, and use of the Property not specifically granted to Grantee and Third Party Beneficiaries in this Conservation Easement is retained by Grantor.

5. Grantee's Rights and Access Easement.

- 5.1 Right of First Refusal. Grantor hereby grants to Grantee, its successors, legal representatives and assigns a right of first refusal (the "Right") to acquire the fee simple interest in the Property at such time if ever Grantor (including Grantor's assigns, subsidiaries, parents, affiliates or successors in interest with respect to the Property) ever desire to sell such Property (or any portion thereof) to any other party. In the event Grantor receives from any other party a bona-fide offer to purchase the Property (or any portion thereof) on terms that are acceptable to Grantor (the "Offer"), Grantor shall, as a condition precedent to its right to consummate such sale or ground lease, deliver to Grantee a written notice (the "Offer Notice") which sets forth in reasonable detail the terms and provisions of such proposed sale or ground lease, including a copy of the Offer. The Offer Notice must be given not less than sixty (60) days prior to the anticipated closing date of such sale. Grantee shall have the option, for a period of thirty (30) days after receipt of the Offer Notice, to elect to accept such sale or ground lease on substantially the same terms and conditions as are set forth in the Offer Notice. Such election shall be by delivery of written notice to Grantor prior to the expiration of such 30-day period. If Grantee does not exercise such option prior to the expiration of such 30-day period, Grantee shall be deemed to have elected to decline the Offer, and Grantor shall, for a period of one hundred eighty (180) days following the expiration of such 30-day period (or such longer period as may be agreed upon by the parties), be free to consummate such sale referred to in the Offer Notice strictly in accordance with the terms of the Offer Notice. If such transaction is not completed within such 180-day period, Grantor must again comply with the provisions of this Section in connection with any proposed sale or ground lease of the Property (or portion thereof).
- 5.2 Right of Access to Property for Management Plan Activities and Enforcement. To accomplish the purpose of this Conservation Easement, Grantor hereby further conveys to Grantee the right of ingress, egress, access, and entry to the Property at all reasonable times for the purposes of (a) conducting any and all activities on the Property pursuant to the Management Plan, including without limitation,

inspecting, managing, monitoring, and conducting fire ant treatments; (b) inspecting the Property to determine if the Grantor is complying with the covenants and purposes of this Conservation Easement; (c) conducting surveys and other scientific observations or studies, copies of which studies shall be provided to Grantor upon written request by Grantor; (d) enforcing the terms of this Conservation Easement; and (e) taking any and all actions with respect to the Property, as may be necessary or appropriate, with or without order of court, to remedy or abate violations hereof. For purposes of Section 5.2(a)-(c), at least seventy-two (72) hours prior written notice to Grantor shall be provided, and entry onto the Property shall occur during daylight hours and regular business days. Grantee agrees to use best efforts to coordinate any and all entry onto the Property so that the number of total entries onto the Property is minimized and shall not exceed twice per month, and to provide quarterly reports to Grantor of the name, date, and affiliation of all entries onto the Property of Grantee or Grantee's agents pursuant to the Management Plan. Notwithstanding the foregoing sentence, for purposes of Section 5.2 (d)-(e), notice shall be provided and entry onto the Property shall be conducted pursuant to Section 15.

5.3 Access Easement Across Grantor's Remaining Property. Grantor hereby further conveys to Grantee and Third Party Beneficiaries a non-exclusive access easement over and across Grantor's Remaining Property along the route established by Grantor pursuant to the Access Easement granted to Grantee in that certain Conservation Easement recorded as Document No. 2007032525, Williamson County, Texas. The easement set forth in this Section 5.3 shall bind Grantor's lessees, agents, personal representatives, successors and assigns, and all other successors to Grantor in interest of Grantor's Remaining Property, and shall continue as a servitude running in perpetuity with Grantor's Remaining Property.

6. Third Party Beneficiaries' Rights. This Conservation Easement creates rights of third party enforcement by TPWD and the Service, as evidenced by the Endangered Species Habitat Conservation Plan Land Acquisition Grant No. E-143-RL between the Service and TPWD and the TPWD Contract _____ between TPWD, Williamson County, and the Williamson County Conservation Foundation. To accomplish the purpose of this Conservation Easement, the following rights are conveyed to the Third Party Beneficiaries by this Conservation Easement:

6.1 Right to Protect. The right to preserve and protect the Conservation Values of the Property in accordance with the terms of this Conservation Easement.

6.2 Right of Entry. The right to enter the Property at all reasonable times and with prior notice to Grantor for the purposes of: (a) inspecting the Property to determine if the Grantor is complying with the covenants and purposes of this Conservation Easement; (b) enforcing the terms of this Conservation Easement; (c) taking any and all actions with respect to the Property, as may be necessary or appropriate, with or without order of court, to remedy or abate violations hereof. For purposes of Section 6.2(a), at least seventy-two (72) hours prior written notice to Grantor shall be provided, and entry onto the Property shall occur during

daylight hours and regular business days. Third Party Beneficiaries agree to use best efforts to coordinate any and all entry onto the Property so that the number of total entries onto the Property is minimized and to the maximum extent practicable shall not exceed twice per month, and to provide quarterly reports to Grantor of the name, date and affiliation of all entries onto the Property of Third Party Beneficiaries and Third Party Beneficiaries' agents. Notwithstanding the foregoing sentence, for purposes of Section 6.2(b)-(c), notice shall be provided and entry onto the Property shall be conducted pursuant to Section 15. Grantee and Third Party beneficiaries may notify Grantor of multiple visits with one notice.

- 6.3 Enforcement. The right to prevent any activity on or use of the Property that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use.
7. Discretionary Consent. The Grantee's and Third Party Beneficiaries' consent for activities otherwise prohibited in this Conservation Easement, or for any activities requiring Grantee's and Third Party Beneficiaries' consent, may be given under the following conditions and circumstances. If, owing to unforeseen or changed circumstances, any of the activities listed in this Conservation Easement are deemed desirable by the Grantor, the Grantee, and Third Party Beneficiaries, the Grantee and Third Party Beneficiaries may, in their sole discretion, give permission for such activities, subject to the limitations herein. Such requests for permission, and permission for activities requiring the Grantee's and Third Party Beneficiaries' consent, shall be in writing and shall describe the proposed activity in sufficient detail to allow the Grantee and Third Party Beneficiaries to judge the consistency of the proposed activity with the purposes of this Conservation Easement. The Grantee and Third Party Beneficiaries may give their permission only if they determine, in their sole discretion, that such activities (1) do not violate the purposes of this Conservation Easement and (2) either enhance or do not impair any conservation interests associated with the Property. Notwithstanding the foregoing, the Grantee and Third Party Beneficiaries and Grantor have no right or power to agree to any activities that would result in the termination of this Conservation Easement or to allow any residential, commercial or industrial structures or any commercial or industrial activities on the Property, except as outlined in this Conservation Easement.
8. Habitat Management. The habitat on the Property will be managed for the benefit of KIs, and other species in accordance with the Management Plan.
9. Public Access. Except as otherwise provided in this Conservation Easement, nothing contained in this Conservation Easement shall give or grant to the public or any party other than Grantor, Grantee and Third Party Beneficiaries a right to enter upon or to use the Property or any portion thereof.
10. Costs and Liabilities. Except as otherwise provided in this Conservation Easement or the Management Plan, including without limitation, the Grantee's obligation to conduct or

pay for operation and maintenance of the Property as more particularly described in the Management Plan, the Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property, including the maintenance of comprehensive general liability insurance coverage. Grantee shall maintain its own general liability insurance coverage.

To the extent allowed by law, each party agrees to release, hold harmless, defend and indemnify the other from any and all liabilities including, but not limited to, injury, losses, damages, judgments, costs, expenses and fees that the indemnified party may suffer or incur as a result of or arising out of the activities of the other party on the Property.

11. Taxes. The Grantor shall pay any real estate taxes or other assessments levied on Grantor's interest in the Property. If the Grantor becomes delinquent in payment of taxes or assessments, so that a lien is created against the Property and public notice of sale is posted and written notice thereof is given to Grantor, the Grantee, at its option, shall, after written notice to the Grantor, have the right to purchase and acquire the Grantor's interest in the Property by paying funds to discharge the lien or delinquent taxes or assessments, or to take such other actions as may be necessary to protect the Grantee's interest in the Property and to assure the continued enforceability of this Conservation Easement.
12. Title. The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Property in fee simple and has good right to grant and convey this Conservation Easement, and that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement. This conveyance is subject to all easements, rights of way, reservations, covenants, conditions, restrictions, and other title exceptions specifically identified on Title Commitment 1109681-GTN attached as Exhibit D hereto. The Grantor shall provide notice to Grantee and to Third Party Beneficiaries in the event that title to the Property is transferred.
13. Hazardous Waste. To the best of Grantor's knowledge without diligent inquiry, Grantor covenants, represents and warrants to the Grantee that no hazardous substance or toxic waste exists nor has been generated, treated, stored, used, disposed of, or deposited in or on the Property, and that there are no underground storage tanks located on the Property. Within sixty (60) days of the effective date of this Conservation Easement, Grantee shall submit a prevention or containment plan to the Third Party Beneficiaries to address an existing transformer on the Property. The Third Party Beneficiaries shall have the right to approve, disapprove or modify such prevention or containment plan.
14. Grantee's and Third Party Beneficiaries' Remedies. If the Grantee or Third Party Beneficiaries become aware of a violation of the terms of this Conservation Easement, the Grantee or Third Party Beneficiaries shall give notice to the Grantor, at the Grantor's last known address, of such violation via certified mail, return receipt requested, and request corrective action sufficient to abate such violation and to restore the Property to its previous condition. Grantor agrees that the Easement Documentation Report shall be deemed to provide objective information concerning the Property's condition at the time

of this grant. Failure by the Grantor to abate the violation and take such other corrective action as may be requested by the Grantee and Third Party Beneficiaries within thirty (30) days after receipt of such notice shall entitle the Grantee or Third Party Beneficiaries to bring an action at law or equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement; to require the restoration of the Property to its previous condition; to enjoin the non-compliance by ex parte, temporary or permanent injunction in a court of competent jurisdiction; and/or to recover any actual damages arising from the noncompliance. Such damages, when recovered, must be applied by the Grantee to corrective action on the Property. If the court or arbitration process determines that the Grantor has failed to comply with this Conservation Easement, the Grantor shall reimburse the Grantee for any reasonable costs of enforcement, including costs of restoration, mediation, arbitration, court costs and reasonable attorney's fees.

- 14.1 Emergency Enforcement. If the Grantee or Third Party Beneficiaries, in their reasonable discretion, determine that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, the Grantee or Third Party Beneficiaries may pursue remedies under this paragraph with prior notice to the Grantor by personal communication, telephone, or otherwise described herein, but without waiting for the period for cure to expire.
 - 14.2 Failure to Act or Delay. The Grantee and Third Party Beneficiaries do not waive or forfeit the right to take action as may be necessary to ensure compliance with this Conservation Easement and associated Management Plan by any prior failure to act and the Grantor hereby waives any defenses of waiver, estoppel or laches with respect to any failure to act or delay by the Grantee and Third Party Beneficiaries, their successors or assigns, in acting to enforce any restriction or exercise any rights under this Conservation Easement.
 - 14.3 Violations Due to Causes Beyond Grantor's Control. Nothing herein shall be construed to entitle the Grantee or Third Party Beneficiaries to institute any enforcement proceedings against the Grantor for any changes to the Property due to causes beyond the Grantor's control, such as changes caused by fire, flood, storm, earthquake or the unauthorized wrongful acts of third persons. In the event of violations of this Conservation Easement caused by the unauthorized wrongful acts of third persons, Grantor agrees to give Grantee and Third Party Beneficiaries timely notice of such acts as soon as Grantor becomes aware of such, and, upon request by the Grantee, to join in any suit or, at the election of the Grantor, to appoint the Grantee as its attorney-in-fact for the purposes of pursuing enforcement action.
15. Dispute Resolution. If a dispute arises between Grantor, Grantee and/or Third Party Beneficiaries, and if said dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation under the Commercial Mediation Rules of the American Arbitration Association, before resorting to arbitration. Thereafter, any unresolved controversy shall be settled by arbitration in accordance with Commercial Arbitration Rules of the American Arbitration Association,

and judgment upon the decision tendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Notwithstanding the mediation and arbitration requirements of this Section 15, for any violation of the terms of this Conservation Easement that might cause temporary or permanent damage to the Conservation Values of the Property, the provisions of Section 14 regarding injunctive relief for Grantee and Third Party Beneficiaries shall control over this Section 15. The parties acknowledge that TPWD, as a Texas state agency, has no authority to enter into an agreement for binding arbitration, or to waive its sovereign immunity.

16. Parties Subject to Easement. The covenants agreed to and the terms, conditions, and restrictions imposed by this grant shall not only be binding upon the Grantor but also its lessees, agents, personal representatives, successors and assigns, and all other successors to Grantor in interest and shall continue as a servitude running in perpetuity with the Property.
17. Subsequent Transfers. The Grantor agrees that the terms, conditions, restrictions and purposes of this grant or reference thereto will be inserted by the Grantor in any subsequent deed or other legal instrument by which the Grantor divests either the fee simple title or possessory interest in the Property.
18. Merger. The Grantor and the Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interest in the Property.
19. Assignment. The parties hereto recognize that the benefits of this easement are in gross and assignable. Any assignment shall be to a qualified organization, as that term is defined in Section 170(h)(3) of the IRC of 1986, that is organized and operated primarily for one of the conservation purposes specified in Section 170(h)(3) of the IRC and committed to hold the easement solely for the conservation purposes that the contribution was originally intended to advance. Grantor and Third Party Beneficiaries must give written approval of the organization prior to assignment.

If Grantee ever ceases to exist or no longer qualifies under Section 170(h) of the Code, or applicable state law, upon motion of Grantor, Grantee, Third Party Beneficiaries or an interested third party, a court of competent jurisdiction shall transfer this Conservation Easement and associated Management Plan to another qualified organization having similar purposes that agrees to assume the responsibilities imposed by this Conservation Easement and associated Management Plan. In the event that Grantee is unable to fulfill its responsibilities as the holder of this Conservation Easement and associated Management Plan, Grantee will attempt to cooperate with Grantor and Third Party Beneficiaries to identify and select a substitute organization that is acceptable to Grantor and Third Party Beneficiaries. Provided, however, the parties agree and acknowledge that Federal funds have been used by Grantee to purchase the Conservation Easement herein conveyed. If the Grantee ceases to exist or no longer qualifies to hold the conservation easement, the Grantee shall notify the Third Party Beneficiaries. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that Grantee shall be required to comply with instructions from the Third Party Beneficiaries. Furthermore, the parties acknowledge and agree that nothing contained herein shall bind the Third

Party Beneficiaries regarding the nature of such instructions.

20. Extinguishment. The Grantor agrees that, at the time of the conveyance of this Conservation Easement to the Grantee, this Conservation Easement gives rise to a real property right, immediately vested in the Grantee.

When a change in conditions takes place that makes impossible or impractical any continued protection of the Property for conservation purposes, and the restrictions contained herein are extinguished by judicial proceeding, the Grantee, or subsequent subgrantees, shall request disposition of the Property in accordance with 43 C.F.R. §12.71.

Notwithstanding anything herein to the contrary, the parties acknowledge and agree that Grantee shall be required to comply with the disposition instructions from the Third Party Beneficiaries. Furthermore, the parties acknowledge and agree that nothing contained herein shall bind the Third Party Beneficiaries regarding the nature of such disposition instructions.

21. Eminent Domain. Whenever all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Conservation Easement, the Grantor and the Grantee shall join in appropriate actions at the time of the taking to recover the full value of the taking and all incidental or direct damages resulting from it to the extent allowed by law, and the proceeds shall be divided in accordance with the proportionate value of the Grantee's and Grantor's interests, as provided in Treasury Regulation Section 1.170A-14(g)(6), and Grantee's proceeds shall be used as specified above. All expenses incurred by the Grantor and the Grantee in such action shall be paid out of the recovered proceeds. Any federal grant funds that must be repaid shall be repaid at current market value based on the cost share for any interest in the Property.

22. Miscellaneous Provisions.

22.1 Severability. If any provision of this Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Conservation Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid shall not be affected thereby.

22.2 Successors and Assigns. The term "Grantor" shall include the Grantor and the Grantor's heirs, executors, administrators, successors and assigns and shall also mean the masculine, feminine, corporate, singular or plural form of the word as needed in the context of its use. The term "Grantee" shall include Williamson County, Texas, and its successors and assigns.

22.3 Rerecording. The Grantee is authorized to record or file any notices or instruments appropriate to assure the perpetual enforceability of this Conservation Easement; and Grantor appoints the Grantee its attorney-in-fact for the purpose of

filing, recording and rerecording, if necessary, any instrument pursuant to this Conservation Easement. Without limiting the foregoing, the Grantor agrees to execute any such instruments upon request.

- 22.4 Captions. The captions herein have been inserted solely for convenience of reference and are not a part of this Conservation Easement and shall have no effect upon construction or interpretation.
- 22.5 Counterparts. The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.
- 22.6 Legislative Changes. All references to state and Federal laws shall be applicable to similar successor provisions as may be hereinafter enacted from time to time.
- 22.7 Notices. The following notices required in this Conservation Easement shall be sent by registered or certified mail to the addresses below or to such address as may be hereafter specified by notice in writing.
- a. Notice of Change of Address of Parties
 - b. Notice of Change of Ownership of Property
 - c. Notice to Review or Request to Amend Management Plan
 - d. Notice of Violation
 - e. Notice of Tax Delinquency
 - f. Notification of Cessation of Grantee
 - g. Extinguishment of Easement
 - h. Amendment of Easement

Grantor, Grantee, and Third Party Beneficiaries agree to send updated contact information for notice to the other parties within thirty (30) days of change of such information, or change of ownership of the Property. If a response to a notice provided under this Section 22.7 is required, the Grantor, Grantee, and Third Party Beneficiaries agree to respond within thirty (30) days of receipt of the notice. All other notices and communication between Grantor, Grantee and Third Party Beneficiaries may be conducted in writing or via telephone, and all parties agree to respond within a reasonable amount of time.

If to Grantor: LYDA FAMILY TRUST
P.O. Box 1757
Georgetown, Texas 78627
Attn: Clark Lyda
Phone: (512) 635-0002
Fax: _____

with a copy to: _____

Attn: _____

Phone: _____

Fax: _____

If to Grantee: WILLIAMSON COUNTY
Attn: Gary Boyd
350 Discovery Blvd. Suite 207
Cedar Park, Texas 78613
Phone: (512) 260-4226

with a copy to:

Charlie Crossfield
309 E. Main Street
Round Rock, Texas 78664
Phone: (512) 255-8877
Fax: (512) 255-8986

If To Third Party U.S. Fish and Wildlife Service
Beneficiary: Austin Ecological Services Field Office
10711 Burnett Road, Suite 200
Austin, Texas 78758
Attn: Field Supervisor
Phone: (512) 490-0057
Fax: (512) 490-0974

Texas Parks and Wildlife Department
4200 Smith School Rd.
Austin, TX 78744
Attn: Federal Grants Program
Phone: (512) 389-4800
FAX: (512) 389-8043

- 22.8 Appropriations. The duties of the Third Party Beneficiaries to carry out its obligations pursuant to this Conservation Easement and associated Management Plan shall be subject to the availability of appropriated funds.
- 22.9 Amendment. This Conservation Easement may not be amended, modified, or rescinded except upon written consent by the Grantor, Grantee, and Third Party Beneficiaries.
- 22.10 Costs of Enforcement. If Grantee and/or the Third Party Beneficiaries prevails in any action to enforce this Conservation Easement, any costs incurred in enforcing

the terms of this Conservation Easement against Grantor, including, but not limited to, costs of suit and attorney's fees, and any costs of restoration necessitated by Grantor's violation of the terms of this Conservation Easement shall be borne by Grantor. Grantor shall be entitled to the costs of enforcement if it prevails in any action it brings or is brought by Grantee and/or the Third Party Beneficiaries, to the extent otherwise allowed by law.

- 22.11 Endangered Species Act. Grantor and Grantee each acknowledge that all activities accomplished or permitted under this Conservation Easement and associated Management Plan (or in general) must comply with all appropriate local, state, and Federal statutes including, but not limited to, the ESA.
- 22.12 Federal Interest, Non-discrimination. So long as the Property is managed by Williamson County for the purpose for which it was acquired Williamson County is subject to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and Title IX of the Education Amendments of 1972. Further, Williamson County agrees, to the extent required by law, that no individual will be turned away or otherwise denied access to or benefit from any program on the Property or activity that is directly associated with a program on the Property on the basis of race, color, national origin, age and sex (in educational activities) or disability.
- 22.13 Effective Date. This Conservation Easement shall not become effective and binding until (i) the Service executes and/or approves the initial Management Plan, and (ii) this Conservation Easement is fully executed by Grantor and Grantee.
- 22.14 Conservation Easement Governing Document. In the event of any conflict between any term or provision of this Conservation Easement and the Management Plan, the Conservation Easement controls.

List of Exhibits:

Exhibit A – 83.856 Property – Metes and Bounds Description & Survey
Exhibit B – 14.90 acre Property – Metes and Bounds Description & Survey
Exhibit C – Grantor's Remaining Property
Exhibit D – Title Commitment
Exhibit E – Easement/Cave Footprint Overlay Map

Executed on this _____ day of _____, 20__.

(Signatures on the following page.)

GRANTOR:
LYDA FAMILY TRUST

By: _____
Name: _____
Title: _____

GRANTEE:
WILLIAMSON COUNTY

By: _____
Dan A. Gattis, County Judge

STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on this ____ day of _____, 2012, by _____, on behalf of the LYDA FAMILY TRUST.

Notary Public
My Commission Expires: _____

STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

 This instrument was acknowledged before me on this ____ day of
_____, 2012, by _____, on behalf of Williamson
County.

Notary Public
My Commission Expires: _____

PREPARED IN THE OFFICE OF:

Sheets & Crossfield, P.C.
309 E. Main Street
Round Rock, TX 78664

AFTER RECORDING RETURN TO:

Sheets & Crossfield, P.C.
309 E. Main Street
Round Rock, TX 78664

Exhibit "A"

METES AND BOUNDS DESCRIPTION

FOR AN 83.856 ACRE TRACT OF LAND BEING SITUATED IN THE PLEASANT BULL SURVEY, ABSTRACT NO. 70, WILLIAMSON COUNTY, TEXAS, AND BEING OUT OF THE CALLED 1,640.26 ACRE TRACT OF LAND CONVEYED TO CLARK E. LYDA, TRUSTEE OF THE LYDA FAMILY TRUST, CALLED "TRACT I" AS RECORDED IN GENERAL WARRANTY DEED RECORDED IN DOCUMENT NO. 9605280 OF THE OFFICIAL RECORDS OF WILLIAMSON COUNTY, TEXAS, SAID 83.856 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at 1/2" iron rod found with capped stamped "Forest 1847", monumenting the most westerly corner of said Lyda Family Trust tract, same being on the southwest corner of the called 38.03 acre tract of land conveyed to Mary Jane Boatright as recorded in Document No. 2003031849 of the Official Public Records of Williamson County, Texas, same being on a point in the easterly boundary line of the called 17.97 acre tract conveyed to Donald G. Williams and wife, Janet M. Williams, called "Tract 1" as described in Warranty Deed With Vendor's Lien recorded in Document No. 2008089754 of the Official Public Records of Williamson County, Texas;

THENCE with the said westerly boundary line of the Lyda Family Trust tract and easterly boundary line of said Williams tract, S20°01'06"E for a distance of 707.88 feet to a 1/2" iron rod found monumenting the southeast corner of said Williams tract and the northeast corner of the called 13.567 acre tract of land conveyed to Jon Andes and wife Amanda Andes by Warranty Deed with Vendor's Lien as recorded in Document No. 2006061096 of the Official Public Records of Williamson County, Texas;

THENCE departing the said westerly boundary line of the Lyda Family Trust tract, through the interior of said Lyda Family Trust tract, N54°22'59"E for a distance of 264.68 feet to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northwest corner and **POINT OF BEGINNING** hereof;


THENCE continuing through the interior of said Lyda Family Trust tract, the following five (5) courses and distances:

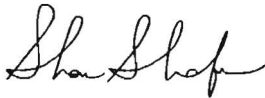
1. **N76°46'20"E** for a distance of **3,223.02 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northeast corner hereof;
2. **S13°13'40"E**, for a distance of **1,134.00 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the southeast corner hereof;

3. **S76°46'20"W** for a distance of **3,196.76 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the southwest corner hereof;
4. **N22°20'42"W** for a distance of **165.74 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting an angle point hereof;
5. **N13°13'40"W** for a distance of **970.35 feet** to the **POINT OF BEGINNING** hereof, and containing 83.856 acres of land more or less.

BEARING BASIS: NAD-83(1993), TEXAS CENTRAL (4203), STATE PLANE SYSTEM.
All distances are surface distances. Combined Surface Adjustment Factor used for this survey is 1.00015.

A sketch of survey has been prepared to accompany this metes and bounds description.

 **DIAMOND SURVEYING, INC.**
116 SKYLINE ROAD, GEORGETOWN, TX 78628
(512) 931-3100



August 11, 2011

SHANE SHAFER, R.P.L.S. NO. 5281

DATE

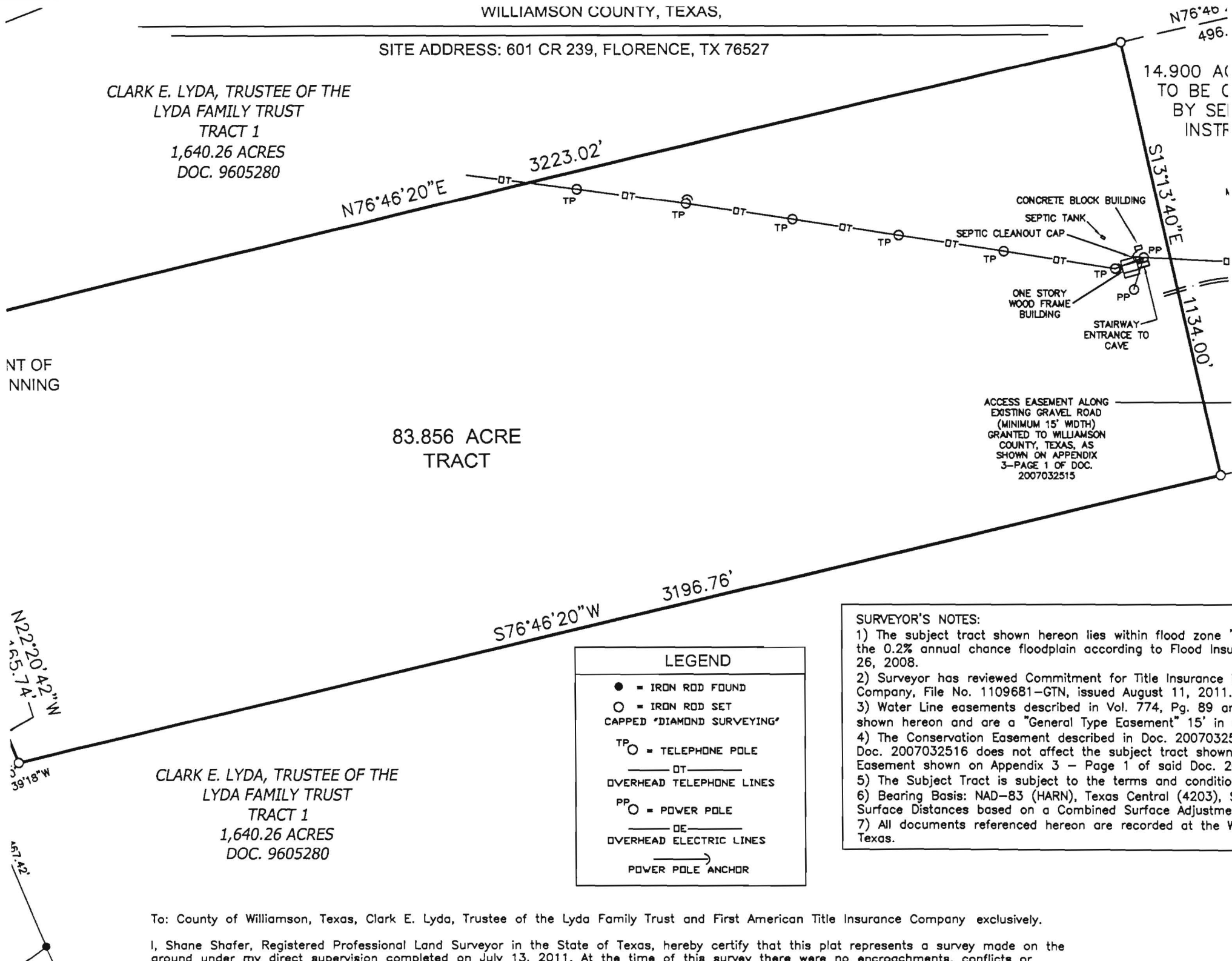


SITE ADDRESS: 601 CR 239, FLORENCE, TX 76527

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT 1
1,640.26 ACRES
DOC. 9605280

83.856 ACRE
TRACT

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT 1
1,640.26 ACRES
DOC. 9605280



LEGEND

- = IRON ROD FOUND
- = IRON ROD SET
- CAPPED "DIAMOND SURVEYING"
- TP ○ = TELEPHONE POLE
- DT = OVERHEAD TELEPHONE LINES
- PP ○ = POWER POLE
- DE = OVERHEAD ELECTRIC LINES
- = POWER POLE ANCHOR

SURVEYOR'S NOTES:

- 1) The subject tract shown hereon lies within flood zone "the 0.2% annual chance floodplain according to Flood Insurance Rate Map No. 17096B1-GTN, issued August 11, 2011.
- 2) Surveyor has reviewed Commitment for Title Insurance i Company, File No. 1109681-GTN, issued August 11, 2011.
- 3) Water Line easements described in Vol. 774, Pg. 89 and shown hereon and are a "General Type Easement" 15' in v
- 4) The Conservation Easement described in Doc. 2007032515 Doc. 2007032516 does not affect the subject tract shown Easement shown on Appendix 3 - Page 1 of said Doc. 20
- 5) The Subject Tract is subject to the terms and condition
- 6) Bearing Basis: NAD-83 (HARN), Texas Central (4203), S
- 7) All documents referenced hereon are recorded at the W Texas.

To: County of Williamson, Texas, Clark E. Lyda, Trustee of the Lyda Family Trust and First American Title Insurance Company exclusively.

I, Shane Shafer, Registered Professional Land Surveyor in the State of Texas, hereby certify that this plat represents a survey made on the around under my direct supervision completed on July 13, 2011. At the time of this survey there were no encroachments, conflicts or

METES AND BOUNDS DESCRIPTION

FOR A 14.900 ACRE TRACT OF LAND BEING SITUATED IN THE PLEASANT BULL SURVEY, ABSTRACT NO. 70, WILLIAMSON COUNTY, TEXAS, AND BEING OUT OF THE CALLED 1,640.26 ACRE TRACT OF LAND CONVEYED TO CLARK E. LYDA, TRUSTEE OF THE LYDA FAMILY TRUST, CALLED "TRACT I" AS RECORDED IN GENERAL WARRANTY DEED RECORDED IN DOCUMENT NO. 9605280 OF THE OFFICIAL RECORDS OF WILLIAMSON COUNTY, TEXAS, SAID 14.900 ACRE TRACT MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at 1/2" iron rod found with capped stamped "Forest 1847", monumenting the most westerly corner of said Lyda Family Trust tract, same being on the southwest corner of the called 38.03 acre tract of land conveyed to Mary Jane Boatright as recorded in Document No. 2003031849 of the Official Public Records of Williamson County, Texas, same being on a point in the easterly boundary line of the called 17.97 acre tract conveyed to Donald G. Williams and wife, Janet M. Williams, called "Tract 1" as described in Warranty Deed With Vendor's Lien recorded in Document No. 2008089754 of the Official Public Records of Williamson County, Texas;

THENCE with the said westerly boundary line of the Lyda Family Trust tract and easterly boundary line of said Williams tract, S20°01'06"E for a distance of 707.88 feet to a 1/2" iron rod found monumenting the southeast corner of said Williams tract and the northeast corner of the called 13.567 acre tract of land conveyed to Jon Andes and wife Amanda Andes by Warranty Deed with Vendor's Lien as recorded in Document No. 2006061096 of the Official Public Records of Williamson County, Texas;

THENCE departing the said westerly boundary line of the Lyda Family Trust tract, through the interior of said Lyda Family Trust tract, N54°22'59"E for a distance of 264.68 feet to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northwest corner of an 83.856-acre tract of land to be conveyed by separate instrument;


THENCE continuing through the interior of said Lyda Family Trust tract, with the northerly boundary line of said 83.856-acre tract, N76°46'20"E for a distance of 3,223.02 feet to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northeast corner of said 83.856-acre tract, same being the northwest corner and **POINT OF BEGINNING** hereof;

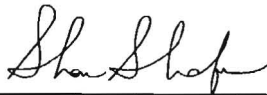
THENCE continuing through the interior of said Lyda Family Trust tract, the following four (4) courses and distances:

1. **N76°46'20"E** for a distance of **496.01 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northeast corner hereof, same being on a point in the westerly boundary line of the called 64.4-acre tract of land conveyed to Williamson County, Texas, by instrument titled "Conservation Easement" as recorded in Document No. 2007032515 of the Official Public Records of Williamson County, Texas, and from which a 1/2" iron rod found monumenting the northwest corner of said 64.4 acre Conservation Easement tract bears N20°53'43"W, for a distance of 344.23 feet;
2. With the said westerly boundary line of the 64.4-acre Conservation Easement, **S20°53'43"E**, for a distance of **1,144.23 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying", monumenting the southeast corner hereof, and from which a 1/2" iron rod found with cap marked "Hayne Consulting" monumenting the upper southwest corner of said 64.4 acre Conservation Easement tract bears S20°53'43"E, for a distance of 57.57 feet;
3. **S76°46'20"W** for a distance of **648.68 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the southwest corner hereof, same being on the southeast corner of aforementioned 83.856 acre tract;
4. **N13°13'40"W**, for a distance of **1,134.00 feet** to the **POINT OF BEGINNING** hereof, and containing 14.900 acres of land more or less.

BEARING BASIS: NAD-83(1993), TEXAS CENTRAL (4203), STATE PLANE SYSTEM.
All distances are surface distances. Combined Surface Adjustment Factor used for this survey is 1.00015.

A sketch of survey has been prepared to accompany this metes and bounds description.

 **DIAMOND SURVEYING, INC.**
116 SKYLINE ROAD, GEORGETOWN, TX 78628
(512) 931-3100



July 14, 2011

SHANE SHAFER, R.P.L.S. NO. 5281

DATE



SITE ADDRESS: 601 CR 239, FLORENCE, TX 76527

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT 1
1,640.26 ACRES
DOC. 9605280

83.856 ACRE TRACT TO BE CONVEYED
BY SEPARATE INSTRUMENT

POINT OF BEGINNING

CONCRETE BLOCK BUILDING
SEPTIC TANK
SEPTIC CLEANOUT CAP
ONE STORY WOOD FRAME BUILDING
STAIRWAY ENTRANCE TO CAVE

ACCESS EASEMENT ALONG
EXISTING GRAVEL ROAD
(MINIMUM 15' WIDTH)
GRANTED TO WILLIAMSON
COUNTY, TEXAS, AS
SHOWN ON APPENDIX
3-PAGE 1 OF DOC.
2007032515

SURVEYOR'S NOTES:

- 1) The subject tract shown hereon lies within flood zone "X", unshaded, areas determined to be outside the 0.2% annual chance floodplain according to Flood Insurance Rate Map No. 48491C0125E, dated Sept. 26, 2008.
- 2) Surveyor has reviewed Commitment for Title Insurance issued by First American Title Insurance Company, File No. 1109681-GTN, issued July 13, 2011.
- 3) Water Line easements described in Vol. 774, Pg. 89 and Vol. 774, Pg. 90 do affect the subject tract shown hereon and are a "General Type Easement" 15' in width, centered on the waterline as installed.
- 4) Water Line Replacement Easement described in Doc. 2007017179 does not affect the subject tract shown hereon.
- 5) The Conservation Easement described in Doc. 2007032515 and Subordination Agreement described in Doc. 2007032516 does not affect the subject tract shown hereon except in regards to the Access Easement shown on Appendix 3 - Page 1 of said Doc. 2007032515 as shown hereon.
- 6) There are no known cemeteries on the subject tract shown hereon.
- 7) Bearing Basis: NAD-83 (HARN), Texas Central (4203), State Plane System, distances shown hereon are Surface Distances based on a Combined Surface Adjustment Factor of 1.00015.
- 8) All documents referenced hereon are recorded at the Williamson County Clerk's office in Georgetown, Texas.

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT 1
1,640.26 ACRES
DOC. 9605280

To: County of Williamson, Texas, Clark E. Lyda, Trustee of the Lyda Family Trust and First American Title Insurance Company exclusively.

I, Shane Shafer, Registered Professional Land Surveyor in the State of Texas, hereby certify that this plat represents a survey made on the ground under my direct supervision completed on July 13, 2011. At the time of this survey there were no encroachments, conflicts or

Exhibit "C"

Grantor's Remaining Property

That certain 1,640.26 acre tract described as Tract 1 in the General Warranty Deed filed in Document No. 9536891, re-recorded in 9605280, Official Records of Williamson County, Texas.

SAVE AND EXCEPT that 30.0 acre tract and 17.27 acre tract conveyed to Chalk Ridge Holdings, L.P. in Document No. 2005099258, Official Public Records of Williamson County, Texas, and

SAVE AND EXCEPT that 4.7006 acre tract conveyed to Williamson County in Document No. 2006033370, Official Public Records of Williamson County, Texas.

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

Effective Date: **August 4, 2011, 8:00 am**

G.F. No. or File No. **1109681-GTN**

Commitment No. _____ issued: **August 11, 2011, 8:00 am**
(if applicable)

1. The policy or policies to be issued are:
 - (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount: **\$2,400,000.00**
PROPOSED INSURED: **County of Williamson, Texas**
 - (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE -
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount:
PROPOSED INSURED:
 - (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
 - (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
 - (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
Binder Amount:
PROPOSED INSURED:
Proposed Borrower:
 - (f) OTHER
Policy Amount:
PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Easement Estate**
3. Record title to the land on the Effective Date appears to be vested in:

Clark E. Lyda, Trustee of the Lyda Family Trust
4. Legal description of the land:

Tract 1: EASEMENT ESTATE created in that certain _____, dated _____, recorded in Document No. _____, Official Public Records, Williamson County, Texas, over and across that certain 14.900 acres of land, more or less, situated in the PLEASANT BULL SURVEY, No. 70, in Williamson County, Texas, being out of and a part of that certain 1,640.26 acre tract of land described in the General Warranty Deed filed in Document No. 9605280, Official Records, Williamson County, Texas. Said tract of 14.900 acres being more particularly described by metes and bounds description shown in EXHIBIT "A" attached hereto and made a part hereof.

Tract 2: EASEMENT ESTATE created in that certain _____, dated _____, recorded in Document No. _____, Official Public Records, Williamson County, Texas, over and across that certain 83.856 acres of land, more or less, situated in the PLEASANT BULL SURVEY, No. 70, in Williamson County, Texas, being out of and a part of that certain 1,640.26 acre tract of land described in the General Warranty Deed filed in Document No. 9605280, Official Records, Williamson County, Texas. Said tract of 14.900 acres being more particularly described by metes and bounds description shown in EXHIBIT "A" attached hereto and made a part hereof.

The Company is prohibited from insuring the area or quantity of the land described herein. Therefore, the Company does not represent that the acreage or square footage calculations are correct and references to the quantity are for informational purposes only.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

 Item No. 1, Schedule B, is hereby deleted.
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements. **Company has approved the current land title survey and upon request, and payment of any promulgated premium, this item will be amended in the policy(ies) to be issued to read: 'shortages in area'.**
3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.(Applies to the Owner Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year **2011**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
- a. Any and all portion of the subject property lying within the boundaries of a public or private roadway.
 - b. Easement:
Recorded: Volume 774, Page 89, Deed Records, Williamson County, Texas.
Purpose: Water Line(s)
 - c. Easement:
Recorded: Volume 774, Page 90, Deed Records, Williamson County, Texas.
Purpose: Water Line(s)
 - d. This item has been intentionally deleted.
 - e. Terms, Conditions, and Stipulations in the Agreement:
Recorded: Document No. 2007032515, as further affected by Subordination Agreement recorded in Document No. 2007032516, Official Public Records, Williamson County, Texas.
Type: Conservation Easement
 - f. This item has been intentionally deleted.
 - g. This item has been intentionally deleted.
 - h. Lack of a right of access to and from the land. Insuring provision number 4 is hereby deleted. (Owner Title Policy)
 - i. Terms, Conditions, and Stipulations in the Agreement: (TO BE RECORDED)
Recorded: Document No. _____, Official Public Records, Williamson County, Texas.
Type: Easement
 - j. All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
 - k. Rights of Parties in Possession. (Owner Policy)
 - l. This item has been intentionally deleted.

- m. This item has been intentionally deleted.
- n. Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements. *(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)*
- o. Matters reflected on survey prepared by Shane Shafer RPLS No. 5281:
 - 1. Rights of other parties in and to the use of the gravel road traversing subject property.
 - 2. Easement rights related to the Overhead Telephone Line traversing the subject property.
- p. Terms, Conditions, and Stipulations in the Memorandum:
 - Recorded: Document No. 2011048343, Official Public Records, Williamson County, Texas.
 - Type: Option Contract

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C


Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
5. **This item has been intentionally deleted.**
6. **This item has been intentionally deleted.**
7. **Company must be furnished with a copy of the Trust Agreement or Indenture of Lyda Family Trust, together with copies of any amendments, modifications, or revocations to determine the authority of the Trustee(s). Upon review, Company may make additional requirements or exceptions.**
8. **Company requires documentation to determine the legal entity of County of Williamson, Texas. Upon receipt of information, additional requirements will be made.**
9. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. The promulgated cost for each endorsement is \$50. Note to closer: Owner's policy premium must be calculated per Rate Rule R-36 when Schedule B includes this general mineral exception and the exception is not limited to Loan Policy only.**
10. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

11. Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.
12. Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.
13. Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.
14. **ARBITRATION:** The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}
15. **NOTE TO CLOSER:** Company has approved the land title survey dated 7/14/2011 (Tract 1) and 8/11/2011 (Tract 2), prepared by Shane Shafer RPLS No. 5281. Upon request, and payment of any promulgated premium, Item No. 2 of Schedule "B" may be amended on the Title Policy to read: "shortages in area".
16. **Release and/or Termination of that Memorandum of Option Contract:**
Recorded: Document No. 2011048343, Official Public Records, Williamson County, Texas.

NOTICE: The title insurance policy being issued to you contains an arbitration provision. It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. If you are the purchaser in the transaction and elect deletion of the arbitration provision, a form will be presented to you at closing for execution. If you are the lender in the transaction and desire deletion of the Arbitration provision, please inform us through your Loan Closing Instructions. **APPLIES TO LOAN POLICY ONLY.**

Countersigned
Independence Title Company

By 
Authorized Signatory

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. **1109681-GTN**

Effective Date: **August 4, 2011, 8:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment
Underwriter: First American Title Insurance Company, a California Corporation

Shareholder owning or controlling, directly or indirectly, ten percent or more of the share of the Underwriter: First American Title Insurance Company is a wholly owned subsidiary of First American Corporation, a public company formed in Delaware.

Directors: Dennis J. Gilmore, Mark J. Harmsworth, Parker S. Kennedy, Jeffrey S. Robinson and Timothy V. Kemp

Officers: President, Dennis J. Gilmore; Executive Vice President, Chief Financial Officer: Mark J. Harmsworth; Vice President, Secretary: Timothy V. Kemp; and Executive Vice President, Business Director: John M. Hollenbeck.

2. (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

ITCOT, LLC

- (b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

**Jay Southworth
Brian Pitman
FSBT Holdings, Inc.**

- (c) The following is a list of it's officers and directors:

**Brian Pitman, President/COO
Jay Southworth, Chairman/CEO**

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owners Policy	<u>\$1,778.00</u>
Loan Policy	<u>\$0.00</u>
Endorsement Charges	<u>\$266.70</u>
Other	<u>\$0.00</u>
Total	<u>\$2,044.70</u>

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

<u>Amount</u>	<u>To Whom</u>	<u>For Services</u>
---------------	----------------	---------------------

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

TEXAS TITLE INSURANCE INFORMATION

<p>Title insurance insures you against loss resulting from certain risks to your title.</p> <p>The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.</p>	<p>El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.</p> <p>El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transaccion.</p>
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Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.
- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.
- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the State Board of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.
- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION
(Not Applicable to the Texas Residential Owner Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

SIGNATURE

DATE

First American Title Insurance Company

Premium Amount	Rate Rules	Property Type	County Code	Liability at Reissue Rate	6	7	8
1 \$2,044.70	2 1000 0500	3 3	4 491	5			

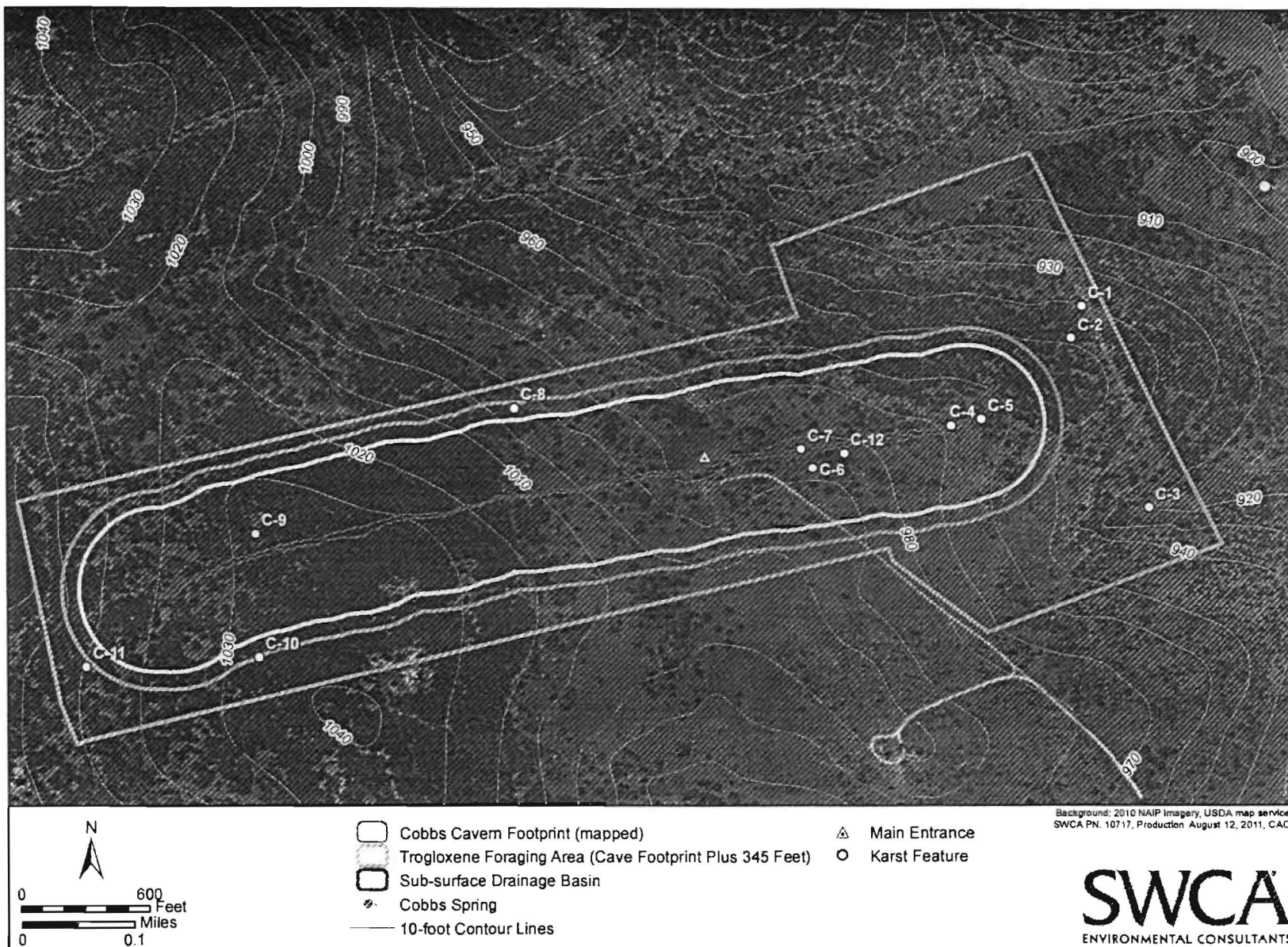


Figure 3. Cobbs Cavern Karst Fauna Area.

County: Williamson

CSJ Nos.: 0836-01-009
0440-01-033
0440-02-010

Highway: SH 195

ENVIRONMENTAL MITIGATION AGREEMENT

COBB'S CAVERN

THIS AGREEMENT IS MADE BETWEEN the State of Texas, acting by and through the Texas Department of Transportation ("TxDOT"), and the Williamson County Conservation Foundation, Inc., a Texas non-profit corporation formed by the Williamson County Commissioners Court (the "Conservation Foundation").

WITNESSETH

WHEREAS, TxDOT proposed to make highway improvements on State Highway 195, in Williamson County, being Project 2, from 3.4 miles south of SH 138 to 9.3 miles south of SH 138 (the "Project"), which highway improvements necessitated the acquisition of certain right of way; and

WHEREAS, in connection with the Project, TxDOT, through the Federal Highway Administration ("FHWA"), requested formal consultation with the United States Department of Interior, Fish and Wildlife Service (the "Fish and Wildlife Service"), pursuant to Section 7 of the Endangered Species Act, 16 U.S.C. § 1531 et. seq. (the "Act"). The Fish and Wildlife Service issued a biological opinion on December 9, 2011, concerning the Bone Cave harvestman, and Coffin Cave mold beetle, which species are listed as endangered pursuant to the Act. The biological opinion concluded that the Project may cause an incidental take of the species; and

WHEREAS, in order for the Project to be exempt from the prohibitions in the Act, the Fish and Wildlife Service imposed on FHWA certain terms and conditions; further, the biological opinion made clear that such terms and conditions were affected by the conservation measures already taken by Williamson County and the Conservation Foundation through the establishment of the Williamson County Regional Habitat Conservation Plan ("Regional HCP") dated August 15, 2008; and

WHEREAS, the terms and conditions of the biological opinion require the preservation of a karst fauna area ("KFA") named Cobb's Cavern in the North Williamson County karst fauna region ("KFR"), which KFA is hereinafter called the "Mitigation Property" or "Property," and is more particularly described in Attachment "A" attached hereto; and

WHEREAS, the Fish and Wildlife Service has reviewed the proposed preservation of the Mitigation Property as a KFA, and approved it by letter dated October 4, 2011; and

WHEREAS, Transportation Code, Section 201.617 authorizes the State to pay a fee to an appropriate public agency or private entity in lieu of acquiring or agreeing to manage property for the mitigation of an adverse environmental impact that is a direct result of a state highway improvement project; and

WHEREAS, TxDOT has determined that the payments made pursuant to this agreement to the Conservation Foundation are the most cost efficient method to satisfy the terms and conditions of the biological opinion issued with respect to the Project.

AGREEMENT

NOW THEREFORE, TxDOT and the Conservation Foundation agree as follows:

Article I. Acquisition of Mitigation Property; Conservation Easement; Payment

A. No later than 120 days after the effective date of this agreement, the Conservation Foundation agrees to acquire a conservation easement in the form shown in Attachment "B" for the Mitigation Property described in Attachment "A" and file the conservation easement in the real property records of Williamson County. The conservation easement includes third party beneficiaries' rights, including TxDOT's rights to protect the Mitigation Property, right of entry, and right to enforce. The Conservation Foundation agrees to manage and monitor the Mitigation Property, in perpetuity, under the terms and conditions of the Regional HCP approved by the Fish and Wildlife Service.

B. TxDOT will reimburse to the Conservation Foundation the costs of acquiring the conservation easement on the Mitigation Property in the amount of \$1,533,577.00 (ONE MILLION FIVE HUNDRED THIRTY THREE THOUSAND FIVE HUNDRED SEVENTY SEVEN DOLLARS). TxDOT will make a reimbursement payment no later than 30 days after the Conservation Foundation files the conservation easement in the real property records, and the Conservation Fund submits to TxDOT documentation showing it has incurred the following costs: \$1,481,340.00 for acquisition of the conservation easement, \$6000.00 for appraisal fees, \$2514 for attorneys' fees, \$7365.00 for surveying costs, and \$36,350.00 for analysis whether the property is a suitable KFA.

Article II. No Additional Payments

The Conservation Foundation, upon receipt of TxDOT's payments made under Article No. I, will have received all compensation from TxDOT required by this agreement.

Article III. Default

A party shall not be in default for failure to perform its obligations in accordance with this Agreement unless such failure continues for a period of thirty (30) days or more after receipt of written notice of the breach from the other party.

Article IV. Miscellaneous

A. No Joint Venture. The parties acknowledge that they are not an agent, servant, or employee of the other party, and that they are not part of a joint venture or joint enterprise. Without waiving any sovereign or governmental immunity available to either party under Texas law, without waiving any available defenses under Texas law, and without creating or granting any rights, contractual or otherwise, in or to any third persons or entities, the parties acknowledge that one party has no responsibility for the other party's negligent acts or omissions or other tortious conduct in the course of performance of this agreement.

B. No Assignment. TxDOT and the Conservation Foundation shall not assign or otherwise transfer their respective rights and obligations under this Agreement without the written approval of the other party.

C. Enforceability. In case any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

D. Sole Agreement. This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings, or written or oral agreements between the parties respecting the subject matter described herein.

E. Amendments. Any changes in the terms or responsibilities of the parties under the Agreement must be enacted through a written amendment. No amendment to this Agreement shall be of any effect unless in writing and executed by TxDOT and the Conservation Foundation.

F. Effective Date. This agreement becomes effective upon execution by all parties.

G. State auditor. The state auditor may conduct an audit or investigation of any entity receiving funds from TxDOT directly under this agreement or indirectly through a subcontract under this agreement. Acceptance of funds directly under this agreement or indirectly through a subcontract under this agreement acts as acceptance of the authority of the state auditor

H. Notices. Any notices required under this agreement shall be sent by United States mail to the following persons:

TxDOT:

Carlos A. Lopez, P.E.

2/24/2012

District Engineer, Austin District
Texas Department of Transportation
7901 N. IH 35
Austin, Texas 78753

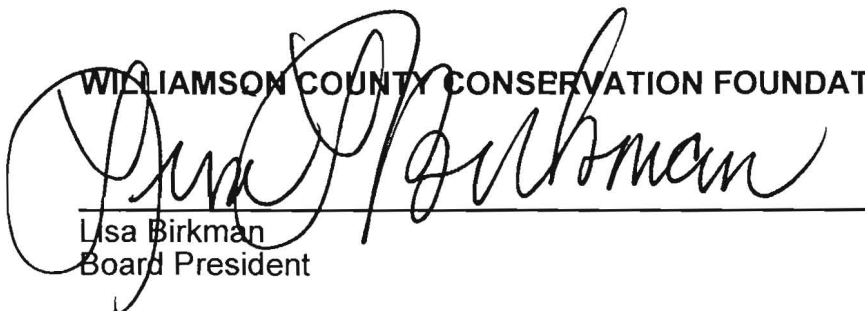
WILLIAMSON COUNTY CONSERVATION FOUNDATION, INC.:


Gary D. Boyd
Director, Environmental Programs
Williamson County
350 Discovery Blvd. #207
Cedar Park, Texas 78613

TEXAS DEPARTMENT OF TRANSPORTATION


Carlos A. Lopez, P.E.
District Engineer, Austin District


Date


WILLIAMSON COUNTY CONSERVATION FOUNDATION, INC.
Lisa Birkman
Board President


Date

2/24/2012

Attachment A
Description of Mitigation Property

Exhibit "A"

METES AND BOUNDS DESCRIPTION

FOR AN 83.856 ACRE TRACT OF LAND BEING SITUATED IN THE PLEASANT BULL SURVEY, ABSTRACT NO. 70, WILLIAMSON COUNTY, TEXAS, AND BEING OUT OF THE CALLED 1,640.26 ACRE TRACT OF LAND CONVEYED TO CLARK E. LYDA, TRUSTEE OF THE LYDA FAMILY TRUST, CALLED "TRACT I" AS RECORDED IN GENERAL WARRANTY DEED RECORDED IN DOCUMENT NO. 9605280 OF THE OFFICIAL RECORDS OF WILLIAMSON COUNTY, TEXAS, SAID 83.856 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at 1/2" iron rod found with capped stamped "Forest 1847", monumenting the most westerly corner of said Lyda Family Trust tract, same being on the southwest corner of the called 38.03 acre tract of land conveyed to Mary Jane Boatright as recorded in Document No. 2003031849 of the Official Public Records of Williamson County, Texas, same being on a point in the easterly boundary line of the called 17.97 acre tract conveyed to Donald G. Williams and wife, Janet M. Williams, called "Tract 1" as described in Warranty Deed With Vendor's Lien recorded in Document No. 2008089754 of the Official Public Records of Williamson County, Texas;

THENCE with the said westerly boundary line of the Lyda Family Trust tract and easterly boundary line of said Williams tract, S20°01'06"E for a distance of 707.88 feet to a 1/2" iron rod found monumenting the southeast corner of said Williams tract and the northeast corner of the called 13.567 acre tract of land conveyed to Jon Andes and wife Amanda Andes by Warranty Deed with Vendor's Lien as recorded in Document No. 2006061096 of the Official Public Records of Williamson County, Texas;

THENCE departing the said westerly boundary line of the Lyda Family Trust tract, through the interior of said Lyda Family Trust tract, N54°22'59"E for a distance of 264.68 feet to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northwest corner and **POINT OF BEGINNING** hereof;


THENCE continuing through the interior of said Lyda Family Trust tract, the following five (5) courses and distances:

1. **N76°46'20"E** for a distance of **3,223.02 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northeast corner hereof;
2. **S13°13'40"E**, for a distance of **1,134.00 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the southeast corner hereof;

3. **S76°46'20"W** for a distance of **3,196.76 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the southwest corner hereof;
4. **N22°20'42"W** for a distance of **165.74 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting an angle point hereof;
5. **N13°13'40"W** for a distance of **970.35 feet** to the **POINT OF BEGINNING** hereof, and containing 83.856 acres of land more or less.

BEARING BASIS: NAD-83(1993), TEXAS CENTRAL (4203), STATE PLANE SYSTEM.
All distances are surface distances. Combined Surface Adjustment Factor used for this survey is 1.00015.

A sketch of survey has been prepared to accompany this metes and bounds description.

 **DIAMOND SURVEYING, INC.**
116 SKYLINE ROAD, GEORGETOWN, TX 78628
(512) 931-3100



August 11, 2011

SHANE SHAFER, R.P.L.S. NO. 5281

DATE



SKETCH TO ACCOMPANY METES AND BOUNDS DESCRIPTION
FOR A 83.856 ACRE TRACT OF LAND BEING SITUATED IN THE PLEASANT BULL SURVEY, ABSTRACT NO. 70,
WILLIAMSON COUNTY, TEXAS, AND BEING OUT OF THE CALLED 1,640.26 ACRE TRACT OF LAND
CONVEYED TO CLARK E. LYDA, TRUSTEE OF THE LYDA FAMILY TRUST, CALLED "TRACT I" AS RECORDED
IN GENERAL WARRANTY DEED RECORDED IN DOCUMENT NO. 9605280 OF THE OFFICIAL RECORDS OF
WILLIAMSON COUNTY, TEXAS,

SITE ADDRESS: 601 CR 239, FLORENCE, TX 76527

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT I
1,640.26 ACRES
DOC. 9605280

83.856 ACRE
TRACT

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT I
1,640.26 ACRES
DOC. 9605280

14.900 ACRE TRACT
TO BE CONVEYED
BY SEPARATE
INSTRUMENT

SCALE:
1 INCH = 300 FEET

WILLIAMSON COUNTY, TEXAS
64.4 ACRES
CONSERVATION EASEMENT
DOC. NO. 2007032515

DONALD G. WILLIAMS AND WIFE,
TRUSTEES OF THE WILLIAMS FAMILY TRUST
CALLED 17.87 ACRES (TRACT I)
DOC. NO. 2008089754

MARY JANE BOATRIGHT
CALLED 38.03 ACRES
DOC. NO. 2003031849
DESCRIBED IN VOL. 930, PG. 565

W/ CAP
"FOREST 1847"

POINT OF
COMMENCEMENT

POINT OF
BEGINNING

ION ANDES AND WIFE, AMANDA ANDES
CALLED 13.587 ACRES
DOC. NO. 2006081096

GLEN CHARLES WELCH
CALLED 12.0 ACRES
VOL. 825, PG. 159

CONCRETE BLOCK BUILDING
SEPTIC TANK
SEPTIC CLEANOUT CAP
ONE STORY WOOD FRAME BUILDING
STAIRWAY ENTRANCE TO CAVE

ACCESS EASEMENT ALONG
EXISTING GRAVEL ROAD
(MINIMUM 15' WIDTH)
GRANTED TO WILLIAMSON
COUNTY, TEXAS, AS
SHOWN ON APPENDIX
3-PAGE 1 OF DOC.
2007032515

SURVEYOR'S NOTES:

- 1) The subject tract shown hereon lies within flood zone "X", unshaded, areas determined to be outside the 0.2% annual chance floodplain according to Flood Insurance Rate Map No. 48491C0125E, dated Sept. 26, 2008.
- 2) Surveyor has reviewed Commitment for Title Insurance issued by First American Title Insurance Company, File No. 1109881-GTN, issued August 11, 2011.
- 3) Water Line easements described in Vol. 774, Pg. 89 and Vol. 774, Pg. 90 do affect the subject tract shown hereon and are a "General Type Easement" 15' in width, centered on the waterline as installed.
- 4) The Conservation Easement described in Doc. 2007032515 and Subordination Agreement described in Doc. 2007032516 does not affect the subject tract shown hereon except in regards to the Access Easement shown on Appendix 3 - Page 1 of said Doc. 2007032515 as shown hereon.
- 5) The Subject Tract is subject to the terms and conditions as set forth in Doc. 2011048343
- 6) Bearing Basis: NAD-83 (HARN), Texas Central (4203), State Plane System, distances shown hereon are Surface Distances based on a Combined Surface Adjustment Factor of 1.00015.
- 7) All documents referenced hereon are recorded at the Williamson County Clerk's office in Georgetown, Texas.

LEGEND

- = IRON ROD FOUND
- = IRON ROD SET
- CAPPED "DIAMOND SURVEYING"
- TP = TELEPHONE POLE
- OT = OVERHEAD TELEPHONE LINES
- PP = POWER POLE
- OE = OVERHEAD ELECTRIC LINES
- PA = POWER POLE ANCHOR

To: County of Williamson, Texas, Clark E. Lyda, Trustee of the Lyda Family Trust and First American Title Insurance Company exclusively.

I, Shane Shafer, Registered Professional Land Surveyor in the State of Texas, hereby certify that this plat represents a survey made on the ground under my direct supervision completed on July 13, 2011. At the time of this survey there were no encroachments, conflicts or protrusions apparent on the ground, EXCEPT AS SHOWN. This survey was performed in conjunction with the transaction described in File No. 1109881-GTN, issue date of August 11, 2011, of the above named Title Company. This survey substantially complies with the standards for a Category 1A, Condition III Survey per the Manual of Practice for Land Surveying in the State of Texas, issued by the Texas Society of Professional Surveyors. USE OF THIS SURVEY BY OTHER PARTIES SHALL BE AT THEIR OWN RISK AND UNDERSIGNED SURVEYOR IS NOT RESPONSIBLE FOR ANY LOSS RESULTING THEREFROM.

Shane Shafer
SHANE SHAFER, R.P.L.S. NO. 5281

AUGUST 11, 2011
DATE



DIAMOND SURVEYING, INC.
116 SKYLINE ROAD, GEORGETOWN, TX 78628
(512) 931-3100

Exhibit "B"

METES AND BOUNDS DESCRIPTION

FOR A 14.900 ACRE TRACT OF LAND BEING SITUATED IN THE PLEASANT BULL SURVEY, ABSTRACT NO. 70, WILLIAMSON COUNTY, TEXAS, AND BEING OUT OF THE CALLED 1,640.26 ACRE TRACT OF LAND CONVEYED TO CLARK E. LYDA, TRUSTEE OF THE LYDA FAMILY TRUST, CALLED "TRACT I" AS RECORDED IN GENERAL WARRANTY DEED RECORDED IN DOCUMENT NO. 9605280 OF THE OFFICIAL RECORDS OF WILLIAMSON COUNTY, TEXAS, SAID 14.900 ACRE TRACT MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at 1/2" iron rod found with capped stamped "Forest 1847", monumenting the most westerly corner of said Lyda Family Trust tract, same being on the southwest corner of the called 38.03 acre tract of land conveyed to Mary Jane Boatright as recorded in Document No. 2003031849 of the Official Public Records of Williamson County, Texas, same being on a point in the easterly boundary line of the called 17.97 acre tract conveyed to Donald G. Williams and wife, Janet M. Williams, called "Tract 1" as described in Warranty Deed With Vendor's Lien recorded in Document No. 2008089754 of the Official Public Records of Williamson County, Texas;

THENCE with the said westerly boundary line of the Lyda Family Trust tract and easterly boundary line of said Williams tract, S20°01'06"E for a distance of 707.88 feet to a 1/2" iron rod found monumenting the southeast corner of said Williams tract and the northeast corner of the called 13.567 acre tract of land conveyed to Jon Andes and wife Amanda Andes by Warranty Deed with Vendor's Lien as recorded in Document No. 2006061096 of the Official Public Records of Williamson County, Texas;

THENCE departing the said westerly boundary line of the Lyda Family Trust tract, through the interior of said Lyda Family Trust tract, N54°22'59"E for a distance of 264.68 feet to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northwest corner of an 83.856-acre tract of land to be conveyed by separate instrument;


THENCE continuing through the interior of said Lyda Family Trust tract, with the northerly boundary line of said 83.856-acre tract, N76°46'20"E for a distance of 3,223.02 feet to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northeast corner of said 83.856-acre tract, same being the northwest corner and **POINT OF BEGINNING** hereof;


THENCE continuing through the interior of said Lyda Family Trust tract, the following four (4) courses and distances:

1. **N76°46'20"E** for a distance of **496.01 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the northeast corner hereof, same being on a point in the westerly boundary line of the called 64.4-acre tract of land conveyed to Williamson County, Texas, by instrument titled "Conservation Easement" as recorded in Document No. 2007032515 of the Official Public Records of Williamson County, Texas, and from which a 1/2" iron rod found monumenting the northwest corner of said 64.4 acre Conservation Easement tract bears N20°53'43"W, for a distance of 344.23 feet;
2. With the said westerly boundary line of the 64.4-acre Conservation Easement, **S20°53'43"E**, for a distance of **1,144.23 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying", monumenting the southeast corner hereof, and from which a 1/2" iron rod found with cap marked "Hayne Consulting" monumenting the upper southwest corner of said 64.4 acre Conservation Easement tract bears S20°53'43"E, for a distance of 57.57 feet;
3. **S76°46'20"W** for a distance of **648.68 feet** to a 1/2" iron rod set with cap marked "Diamond Surveying" monumenting the southwest corner hereof, same being on the southeast corner of aforementioned 83.856 acre tract;
4. **N13°13'40"W**, for a distance of **1,134.00 feet** to the **POINT OF BEGINNING** hereof, and containing 14.900 acres of land more or less.

BEARING BASIS: NAD-83(1993), TEXAS CENTRAL (4203), STATE PLANE SYSTEM.
All distances are surface distances. Combined Surface Adjustment Factor used for this survey is 1.00015.

A sketch of survey has been prepared to accompany this metes and bounds description.

 **DIAMOND SURVEYING, INC.**
116 SKYLINE ROAD, GEORGETOWN, TX 78628
(512) 931-3100



July 14, 2011

SHANE SHAFER, R.P.L.S. NO. 5281

DATE



SKETCH TO ACCOMPANY METES AND BOUNDS DESCRIPTION
 FOR A 14.900 ACRE TRACT OF LAND BEING SITUATED IN THE PLEASANT BULL SURVEY, ABSTRACT NO. 70,
 WILLIAMSON COUNTY, TEXAS, AND BEING OUT OF THE CALLED 1,640.26 ACRE TRACT OF LAND
 CONVEYED TO CLARK E. LYDA, TRUSTEE OF THE LYDA FAMILY TRUST, CALLED "TRACT I" AS RECORDED
 IN GENERAL WARRANTY DEED RECORDED IN DOCUMENT NO. 9605280 OF THE OFFICIAL RECORDS OF
 WILLIAMSON COUNTY, TEXAS,

SITE ADDRESS: 601 CR 239, FLORENCE, TX 76527

SCALE:
1 INCH = 300 FEET

WILLIAMSON COUNTY, TEXAS
84.4 ACRES
CONSERVATION EASEMENT
DOC. NO. 2007032515

CLARK E. LYDA, TRUSTEE OF THE
LYDA FAMILY TRUST
TRACT 1
1,640.26 ACRES
DOC. 9605280

83.856 ACRE TRACT TO BE CONVEYED
BY SEPARATE INSTRUMENT

SURVEYOR'S NOTES:

- 1) The subject tract shown hereon lies within flood zone "X", unshaded, areas determined to be outside the 0.2% annual chance floodplain according to Flood Insurance Rate Map No. 48491C0125E, dated Sept. 26, 2008.
- 2) Surveyor has reviewed Commitment for Title Insurance issued by First American Title Insurance Company, File No. 1109681-GTN, issued July 13, 2011.
- 3) Water Line easements described in Vol. 774, Pg. 89 and Vol. 774, Pg. 90 do affect the subject tract shown hereon and are a "General Type Easement" 15' in width, centered on the waterline as installed.
- 4) Water Line Replacement Easement described in Doc. 2007017179 does not affect the subject tract shown hereon.
- 5) The Conservation Easement described in Doc. 2007032515 and Subordination Agreement described in Doc. 2007032516 does not affect the subject tract shown hereon except in regards to the Access Easement shown on Appendix 3 - Page 1 of said Doc. 2007032515 as shown hereon.
- 6) There are no known cemeteries on the subject tract shown hereon.
- 7) Bearing Basis: NAD-83 (HARN), Texas Central (4203), State Plane System, distances shown hereon are Surface Distances based on a Combined Surface Adjustment Factor of 1.00015.
- 8) All documents referenced hereon are recorded at the Williamson County Clerk's office in Georgetown, Texas.

To: County of Williamson, Texas, Clark E. Lyda, Trustee of the Lyda Family Trust and First American Title Insurance Company exclusively.

I, Shane Shafer, Registered Professional Land Surveyor in the State of Texas, hereby certify that this plat represents a survey made on the ground under my direct supervision completed on July 13, 2011. At the time of this survey there were no encroachments, conflicts or protrusions apparent on the ground, EXCEPT AS SHOWN. This survey was performed in conjunction with the transaction described in File No. 1109681-GTN, issue date of July 13, 2011, of the above named Title Company. This survey substantially complies with the standards for a Category I-A, Condition III Survey per the Manual of Practice for Land Surveying in the State of Texas, issued by the Texas Society of Professional Surveyors. USE OF THIS SURVEY BY OTHER PARTIES SHALL BE AT THEIR OWN RISK AND UNDERSIGNED SURVEYOR IS NOT RESPONSIBLE FOR ANY LOSS RESULTING THEREFROM.

Shane Shafer
SHANE SHAFER, R.P.L.S. NO. 5281

JULY 14, 2011
DATE

LEGEND	
●	= IRON ROD FOUND
○	= IRON ROD SET CAPPED "DIAMOND SURVEYING"
TP ○	= TELEPHONE POLE
— DT —	OVERHEAD TELEPHONE LINES
PP ○	= POWER POLE
— OE —	OVERHEAD ELECTRIC LINES
—	POWER POLE ANCHOR



DIAMOND SURVEYING, INC.
116 SKYLINE ROAD, GEORGETOWN, TX 78628
(512) 931-3100

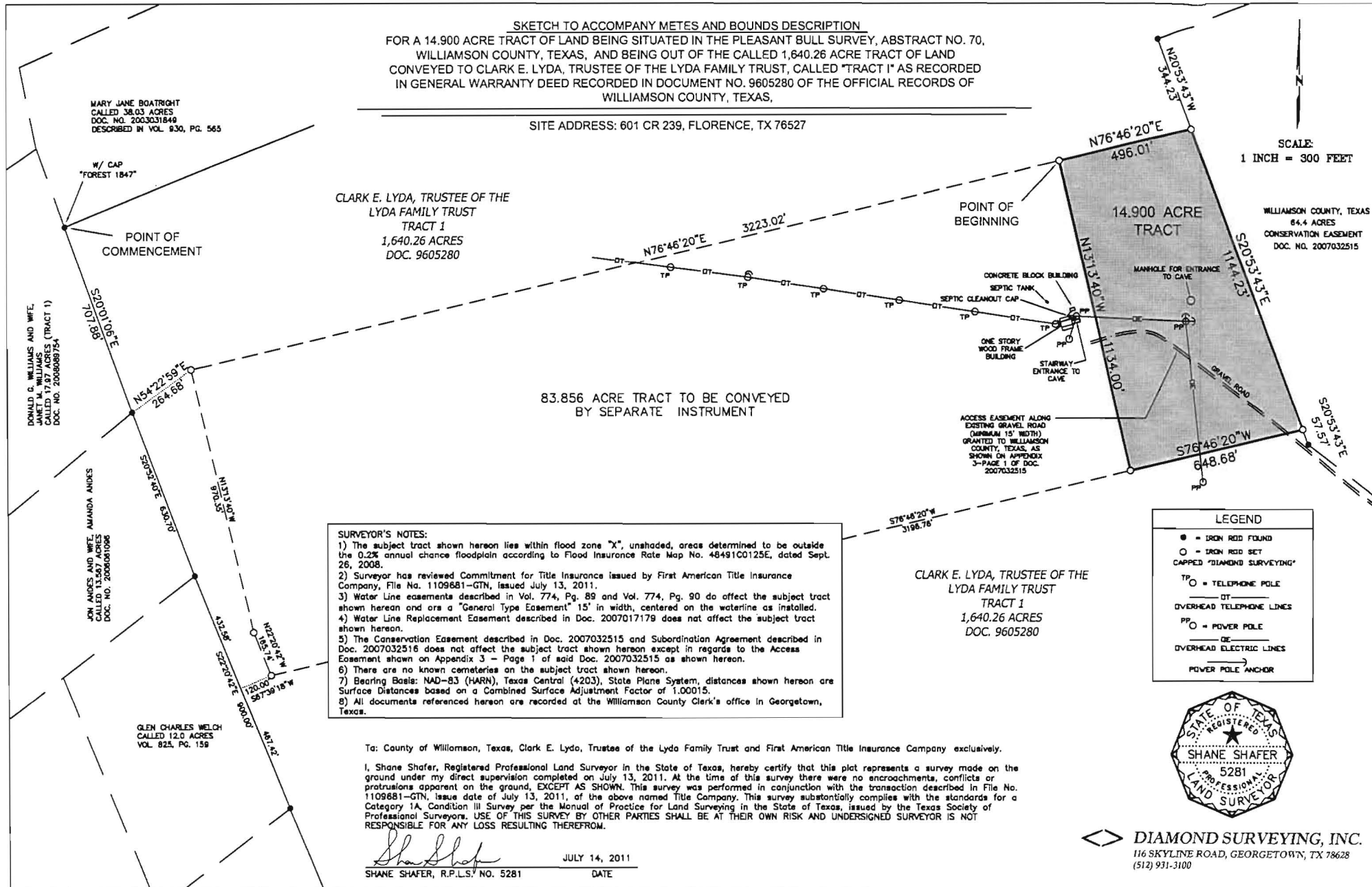


Exhibit "C"

Grantor's Remaining Property

That certain 1,640.26 acre tract described as Tract 1 in the General Warranty Deed filed in Document No. 9536891, re-recorded in 9605280, Official Records of Williamson County, Texas.

SAVE AND EXCEPT that 30.0 acre tract and 17.27 acre tract conveyed to Chalk Ridge Holdings, L.P. in Document No. 2005099258, Official Public Records of Williamson County, Texas, and

SAVE AND EXCEPT that 4.7006 acre tract conveyed to Williamson County in Document No. 2006033370, Official Public Records of Williamson County, Texas.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **August 4, 2011, 8:00 am**

G.F. No. or File No. **1109681-GTN**

Commitment No. _____ issued: **August 11, 2011, 8:00 am**
(if applicable)

1. The policy or policies to be issued are:

- (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount: **\$2,400,000.00**
PROPOSED INSURED: **County of Williamson, Texas**
- (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE -
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount:
PROPOSED INSURED:
- (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
- (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
- (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
Binder Amount:
PROPOSED INSURED:
Proposed Borrower:
- (f) OTHER
Policy Amount:
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is: **Easement Estate**

3. Record title to the land on the Effective Date appears to be vested in:

Clark E. Lyda, Trustee of the Lyda Family Trust

4. Legal description of the land:

Tract 1: EASEMENT ESTATE created in that certain _____, dated _____, recorded in Document No. _____, Official Public Records, Williamson County, Texas, over and across that certain 14.900 acres of land, more or less, situated in the PLEASANT BULL SURVEY, No. 70, in Williamson County, Texas, being out of and a part of that certain 1,640.26 acre tract of land described in the General Warranty Deed filed in Document No. 9605280, Official Records, Williamson County, Texas. Said tract of 14.900 acres being more particularly described by metes and bounds description shown in EXHIBIT "A" attached hereto and made a part hereof.

Tract 2: EASEMENT ESTATE created in that certain _____, dated _____, recorded in Document No. _____, Official Public Records, Williamson County, Texas, over and across that certain 83.856 acres of land, more or less, situated in the PLEASANT BULL SURVEY, No. 70, in Williamson County, Texas, being out of and a part of that certain 1,640.26 acre tract of land described in the General Warranty Deed filed in Document No. 9605280, Official Records, Williamson County, Texas. Said tract of 14.900 acres being more particularly described by metes and bounds description shown in EXHIBIT "A" attached hereto and made a part hereof.

The Company is prohibited from insuring the area or quantity of the land described herein. Therefore, the Company does not represent that the acreage or square footage calculations are correct and references to the quantity are for informational purposes only.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

Item No. 1, Schedule B, is hereby deleted.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements. **Company has approved the current land title survey and upon request, and payment of any promulgated premium, this item will be amended in the policy(ies) to be issued to read: 'shortages in area'.**
3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

(Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2011**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year ____ and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
- a. Any and all portion of the subject property lying within the boundaries of a public or private roadway.
 - b. Easement:
 - Recorded: Volume 774, Page 89, Deed Records, Williamson County, Texas.
 - Purpose: Water Line(s)
 - c. Easement:
 - Recorded: Volume 774, Page 90, Deed Records, Williamson County, Texas.
 - Purpose: Water Line(s)
 - d. This item has been intentionally deleted.
 - e. Terms, Conditions, and Stipulations in the Agreement:
 - Recorded: Document No. 2007032515, as further affected by Subordination Agreement recorded in Document No. 2007032516, Official Public Records, Williamson County, Texas.
 - Type: Conservation Easement
 - f. This item has been intentionally deleted.
 - g. This item has been intentionally deleted.
 - h. Lack of a right of access to and from the land. Insuring provision number 4 is hereby deleted. (Owner Title Policy)
 - i. Terms, Conditions, and Stipulations in the Agreement: (TO BE RECORDED)
 - Recorded: Document No. _____, Official Public Records, Williamson County, Texas.
 - Type: Easement
 - j. All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
 - k. Rights of Parties in Possession. (Owner Policy)
 - l. This item has been intentionally deleted.

- m. This item has been intentionally deleted.
- n. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements. *(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***
- o. **Matters reflected on survey prepared by Shane Shafer RPLS No. 5281:**
 - 1. **Rights of other parties in and to the use of the gravel road traversing subject property.**
 - 2. **Easement rights related to the Overhead Telephone Line traversing the subject property.**
- p. **Terms, Conditions, and Stipulations in the Memorandum:**
 - Recorded: Document No. 2011048343, Official Public Records, Williamson County, Texas.**
 - Type: Option Contract**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
5. **This item has been intentionally deleted.**
6. **This item has been intentionally deleted.**
7. **Company must be furnished with a copy of the Trust Agreement or Indenture of Lyda Family Trust, together with copies of any amendments, modifications, or revocations to determine the authority of the Trustee(s). Upon review, Company may make additional requirements or exceptions.**
8. **Company requires documentation to determine the legal entity of County of Williamson, Texas. Upon receipt of information, additional requirements will be made.**
9. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. The promulgated cost for each endorsement is \$50. Note to closer: Owner's policy premium must be calculated per Rate Rule R-36 when Schedule B includes this general mineral exception and the exception is not limited to Loan Policy only.**
10. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

11. Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.
12. Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.
13. Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.
14. **ARBITRATION:** The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}
15. **NOTE TO CLOSER:** Company has approved the land title survey dated 7/14/2011 (Tract 1) and 8/11/2011 (Tract 2), prepared by Shane Shafer RPLS No. 5281. Upon request, and payment of any promulgated premium, Item No. 2 of Schedule "B" may be amended on the Title Policy to read: "shortages in area".
16. **Release and/or Termination of that Memorandum of Option Contract:**
Recorded: Document No. 2011048343, Official Public Records, Williamson County, Texas.

NOTICE: The title insurance policy being issued to you contains an arbitration provision. It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. If you are the purchaser in the transaction and elect deletion of the arbitration provision, a form will be presented to you at closing for execution. If you are the lender in the transaction and desire deletion of the Arbitration provision, please inform us through your Loan Closing Instructions. **APPLIES TO LOAN POLICY ONLY.**

Countersigned
Independence Title Company

By  _____
Authorized Signatory

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. **1109681-GTN**

Effective Date: **August 4, 2011, 8:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment
Underwriter: First American Title Insurance Company, a California Corporation

Shareholder owning or controlling, directly or indirectly, ten percent or more of the share of the Underwriter: First American Title Insurance Company is a wholly owned subsidiary of First American Corporation, a public company formed in Delaware.

Directors: Dennis J. Gilmore, Mark J. Harmsworth, Parker S. Kennedy, Jeffrey S. Robinson and Timothy V. Kemp

Officers: President, Dennis J. Gilmore; Executive Vice President, Chief Financial Officer: Mark J. Harmsworth; Vice President, Secretary: Timothy V. Kemp; and Executive Vice President, Business Director: John M. Hollenbeck.

2. (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

ITCOT, LLC

(b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

**Jay Southworth
Brian Pitman
FSBT Holdings, Inc.**

- (c) The following is a list of it's officers and directors:

**Brian Pitman, President/COO
Jay Southworth, Chairman/CEO**

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owners Policy	<u>\$1,778.00</u>
Loan Policy	<u>\$0.00</u>
Endorsement Charges	<u>\$266.70</u>
Other	<u>\$0.00</u>
Total	<u>\$2,044.70</u>

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

<u>Amount</u>	<u>To Whom</u>	<u>For Services</u>
---------------	----------------	---------------------

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

TEXAS TITLE INSURANCE INFORMATION

<p>Title insurance insures you against loss resulting from certain risks to your title.</p>	<p>El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.</p>
<p>The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.</p>	<p>El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entendario completamente antes de la fecha para finalizar su transaccion.</p>

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.
- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.
- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the State Board of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.
- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION
(Not Applicable to the Texas Residential Owner Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

SIGNATURE

DATE

First American Title Insurance Company

Premium Amount	Rate Rules	Property Type	County Code	Liability at Reissue Rate	6	7	8
1 \$2,044.70	2 1000 0500	3 3	4 491	5			



Figure 3. Cobbs Cavern Karst Fauna Area.

2/24/2012

Attachment B
Conservation Easement on Mitigation Property

CONSERVATION EASEMENT

This CONSERVATION EASEMENT made by and between LYDA FAMILY TRUST (“Grantor”) and WILLIAMSON COUNTY, as trustee for WILLIAMSON COUNTY CONSERVATION FOUNDATION (“Grantee”) this _____ day of _____, 2011.

RECITALS:

- A. Grantor is the sole-owner in fee simple of certain real property, that has ecological, scientific, educational, and aesthetic value in its present state as a natural area that has not been subject to development or exploitation, is located in Williamson County, Texas, and is more particularly described in Exhibit “A”, encompassing 83.856 acres, and Exhibit “B”, encompassing 14.900 acres (the “Property”), totaling 98.756 acres.
- B. The Property is a significant natural area that qualifies as a “...relatively natural habitat of fish, wildlife, or plants, or similar ecosystem,” as that phrase is used in P.L. 96541, 26 USC 170(h)(4)(A)(ii), as amended, and in regulations promulgated thereunder. Specifically, the Property is habitat for native wildlife, including certain species of endangered karst or cave invertebrates (KI), is in the vicinity of habitat suitable for the endangered black-capped vireo (BCVI) and golden-cheeked warbler (GCWA), may constitute a portion of the watershed benefiting the Georgetown salamander (GTS) (KI, BCVI, GCWA, and GTS, defined below), and represents the topography and vegetation that is often found in this portion of western Williamson County.
- C. Grantor intends that the Conservation Values (defined below) of the Property be preserved and maintained by permitting only those land uses on the Property that do not significantly impair or interfere with such Conservation Values.
- D. Grantor further intends to convey to Grantee the right of ingress, egress, and access to the Property to allow Grantee to conduct the activities set forth in the Management Plan (defined below).
- E. Grantor and Grantee acknowledge that the Property can only be accessed by ingress and egress over and across Grantor’s Remaining Property, and Grantor further intends to convey to Grantee a non-exclusive access easement over and across Grantor’s Remaining Property along the route established by Grantor pursuant to the Access Easement granted to Grantee in that certain Conservation Easement recorded as Document No. 2007032525, Williamson County, Texas.
- F. The condition of the Property, at the time of the signing of this easement, is documented in an Easement Documentation Report (defined below).
- G. The Grantor and Grantee have the common purpose of conserving the Conservation Values of the Property in perpetuity, and the State of Texas has authorized the creation of conservation easements pursuant to Chapter 183 of the Texas Natural Resource Code and Grantor and Grantee wish to avail themselves of the provisions of that law.
- H. Grantee intends that the Property be considered a karst fauna area (KFA) and that such

KFA is a component part of Grantee's Habitat Conservation Plan on file with the Service.

DEFINITIONS

"BCVI" means the black-capped vireo (*Vireo atricapilla*) a listed endangered species (52 Fed. Reg. 37420).

"Conservation Easement" means this conservation easement granted Grantee to conserve biological resources and to impose certain restrictions with respect to the relevant Property (defined below).

"Conservation Values" means the presence on the Property of KIs, the benefit of preserving the Property to the GCWA, BCVI, and GTS, and the natural, scenic, and open space characteristics of the Property.

"Easement Documentation Report" means the condition of the Property as described in (a) the "Recovery Land Acquisition – Cobb Preserve, Williamson County, Texas, Project Statement" on file with the Service (the "Service," as defined below), and (b) the Executive Summary of the Biological, Hydrological, and Cultural Resources of the Proposed Cobb Ranch Conservation Bank, Williamson County, Texas, on file with the Service, which describes property, a portion of which includes and encompasses the Property .

"ESA" means the Federal Endangered Species Act (16 U.S.C. § 1531 et seq.) and all regulations promulgated pursuant to the ESA.

"GTS" means the Georgetown salamander, (*Eurycea naufragia*), a spring adapted salamander designated as a candidate as of October 30, 2001 (66 Fed. Reg. 54808)

"GCWA" means the golden-cheeked warbler (*Dendroica chrysoparia*), a listed endangered species (55 Fed. Reg. 53,153).

"Grantor's Remaining Property" means the tract of real property situated in Williamson County, Texas, as more particularly described in Exhibit "C", that is immediately adjacent to and surrounds the Property.

"KI" means the following karst or cave invertebrates:

(a) Bone Cave Harvestman (*Texella reyesi*), a troglobitic harvestman that was originally listed under *Texella reddelli*.

(b) Coffin Cave Mold Beetle (*Batrisodes texanus*), a troglobitic pselaphine beetle. It was originally listed under *Texamaurops redelli* (53 Fed. Reg. 36029), then taxonomically split into two species (*Texamaurops redelli* and *Batrisodes texanus*) (58 Fed. Reg. 43818).

"Management Plan" means the Operation, Management, and Monitoring Plan for karst features

submitted by the Williamson County Conservation Foundation and on file with the Service.

“Property” means the tract of real property situated in Williamson County, Texas, containing 98.756 acres and described in Exhibits A and B.

“Service” means the United States Fish and Wildlife Service.

“Third Party Beneficiaries” means TXDOT (defined below) and the Service.

“TXDOT” means the Texas Department of Transportation.

NOW, THEREFORE, the Grantor, for and in consideration of the facts recited above and of the mutual covenants, terms, conditions, and restrictions contained herein and in return for Ten and no/100 Dollars (\$10) and other good and valuable consideration paid by Grantee to Grantor, the Grantor hereby gives, grants, bargains, sells, and conveys unto the Grantee a Conservation Easement in perpetuity over the Property of the nature and character as follows:

1. Purposes. The purposes of this Conservation Easement include the following: to ensure that the Property will be managed for long-term conservation of and use by endangered KIs and to benefit GTSSs, BCVIs, and GCWAs, including without limitation, management and related activities conducted on the Property by Grantee pursuant to the Management Plan; to ensure the Property will be retained forever predominantly in its natural, scenic, and open space condition; to protect native plants, animals, or plant communities on the Property; and to prevent any use of the Property that will impair or interfere with these Conservation Values or interests of the Property, while allowing for traditional uses on the Property that are compatible with and not destructive of the Conservation Values of the Property, such as limited recreational use.

The Grantor intends that this Conservation Easement will restrict the use of the Property to only such activities as are consistent with the purposes of this Conservation Easement. Grantor will not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the purposes of this Conservation Easement. However, unless specified below, nothing in this Conservation Easement shall require Grantor to take any action to restore the condition of the Property after any act of God or other event over which Grantor had no control. Grantor understands that nothing in this Conservation Easement relieves Grantor of any obligation or restriction on the use of the Property imposed by law.

2. Grantor’s Obligations.

- 2.1 Grantor will comply with the terms of this Conservation Easement and cooperate with the Grantee and Third Party Beneficiaries in the protection of this Property.
- 2.2 Grantor will repair and restore changes to the Property that degrade or harm the Conservation Values of the Property caused by the Grantor, Grantor’s guests, tenants, lessees, representatives, or agents.

- 2.3 Grantor shall undertake all reasonable actions to prevent the unlawful entry and trespass by persons whose activities may degrade or harm the Conservation Values of the Property.
- 2.4 Unless exempt from payment of taxes, Grantor shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority.
- 2.5 To the extent allowed by law, Grantor and successors in interest shall be allowed to apply for currently existing designations or exemptions with regard to taxation or assessment of the Property or which may be enacted in the future. This Conservation Easement shall be without prejudice to Grantors' and successors' in interest rights to receive such designations.
3. Prohibited Uses. Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement and associated Management Plan is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited, except as provided in Section 4 below:
- 3.1 Construction. Except for temporary photography blinds/observation platforms, there shall be no placement or construction of structures or other improvements on or above the Property; including, without limitation, a tennis court or other recreational court or field, landing strip, building, mobile home, swimming pool, signs, asphalt or concrete pavement, billboard or other advertising display, antenna, utility pole, golf course, tower, conduit line, or sodium vapor light. Notwithstanding the foregoing, Grantor may maintain and repair the existing home on the Property and its associated facilities, including but not limited to, a well, connecting lines, and waste water facilities (the "Improvements"), but may not expand such Improvements. All such maintenance and repair shall be conducted in manner that does not impact the Conservation Values. Any excavation or trenching necessary for such maintenance or repair is subject to Section 3.2, below. In the event the Improvements are partially or completely destroyed through no fault of the Grantor, Grantor may reconstruct the Improvements in a manner that does not increase the impact of the Improvements on the Conservation Values beyond the impact of the original Improvements. Provided, however, that reconstruction of the Improvements following partial or complete destruction may only be undertaken with the written approval of Grantee and the Third Party Beneficiaries, and such approval shall not be unreasonably withheld.
- 3.2 Surface or Subsurface Alteration. There shall be no ditching, draining, construction of dikes, filling, excavating, dredging, mining or drilling, removal of topsoil, sand, gravel, rock, minerals or other materials, on or below the surface of the Property unless the Grantee and Third Party Beneficiaries give prior written consent.

- 3.3 Vegetation Alteration. There shall be no use of bulldozers, root plowing, and/or chaining unless the Grantee and Third Party Beneficiaries give prior written consent. All vegetation alteration will be in accordance with guidelines set forth in the Management Plan, if any. Grantor must not introduce or knowingly allow non-native vegetation onto the Property. Grantor shall have no affirmative obligation to detect non-native vegetation beyond that imposed upon Grantor in the Management Plan.
- 3.4 Chemicals. The use of pesticides or biocides, including, but not limited to, insecticides, fungicides, rodenticides, and herbicides is prohibited, except as expressly allowed in the Management Plan or approved by Grantee and Third Party beneficiaries in writing.
- 3.5 Dumping. There shall be no storage or dumping of ashes, trash, garbage, or other unsightly or offensive material, hazardous substance, or toxic waste, nor any placement of underground storage tanks in, on, or under the Property; there shall be no changing of the topography through the placing of soil or other substance or material such as landfill or dredging spoils.
- 3.6 Soil and Hydrology. There shall be no use on the Property or activity that causes or is likely to cause soil degradation, erosion, or siltation. Alteration, depletion, extraction or pollution of surface water, natural water courses, lakes, ponds, marshes, subsurface water, or any other water bodies on the Property is prohibited. Grantor shall not transfer, encumber, lease, sell or otherwise sever such rights from title to the Property itself without the written approval of the Grantee and Third Party Beneficiaries.
- 3.7 Vehicles. There shall be no operation of dune buggies, motorcycles, or all-terrain vehicles on the Property unless otherwise specified herein or in the Management Plan.
- 3.8 Subdivision. The Property may not be divided, partitioned, or subdivided except as a unit containing the entire Property in order to segregate it from the remainder of Grantor's property. The Property, for the benefits of this Conservation Easement, shall remain as an undivided approximately 98.756 acre tract in perpetuity.
- 3.9 Density. Neither the Property nor any portion of it shall be included as part of the gross area of other property not subject to this Conservation Easement for the purposes of determining density, lot coverage, or open space requirements under otherwise applicable laws, regulations, or ordinances controlling land use and building density. No development rights that have been encumbered or extinguished by this Conservation Easement shall be transferred to any other lands pursuant to a transferable development rights scheme, cluster development arrangement, or otherwise.

- 3.10 Commercial Activity. Except as provided for in Section 4.7, there shall be no commercial or industrial use of, or activity on, the Property unless written approval is obtained from both the Grantee and Third Party Beneficiaries.
- 3.11 Easement. Except as provided in this Conservation Easement, Grantor must not grant or convey any easements under or across the Property, including, but not limited to, access easements and utility easements, except such easements already in existence or pursuant to imminent exercise of or power of eminent domain by an entity holding such power. Existing easements and their respective purposes are identified on Title Commitment 1109681-GTN attached as Exhibit D hereto. Grantee will notify Grantor and Third Party Beneficiaries of any entity seeking to exercise the power of eminent domain regarding the Property.
4. Grantor's Reserved Rights. The Grantor hereby reserves the following rights:
- 4.1 Transfer. Subject to the right of first refusal in Section 5.1, the right to sell, give, mortgage, lease, or otherwise convey the Property, provided such conveyance is subject to the terms of this Conservation Easement.
- 4.2 Structures. The right to temporary photography blinds/observation decks on the Property.
- 4.3 Diseased Trees. The right to cut, trench, and remove diseased or dead trees, shrubs, or plants, subject to the prior written approval of the Grantee and Third Party Beneficiaries or in accordance with guidelines set forth in the Management Plan, if any.
- 4.4 Grazing. Grazing is prohibited.
- 4.5 Roads. The right to repair, replace, and improve existing roadways in accordance with guidelines set forth in the Management Plan, if any, and to maintain roads or trails necessary on the Property for the execution of the Management Plan. Any new roads or trails must be approved by the Grantee and Third Party Beneficiaries and shall not reduce the Conservation Values of the Property.
- 4.6 Hunting. No hunting shall be allowed on the Property at any time, except that Grantor shall have the right to remove nonnative animals in a manner that does not negatively impact the Conservation Values of the Property.
- 4.7 Recreational/Commercial Uses. The right to use the Property for recreational purposes including horseback riding, hiking, wildlife photography, bicycling, and bird watching, provided these activities follow limitations as described herein and/or in the Management Plan and are done in a manner to not impact endangered species, species habitat or the other Conservation Values of the Property and follow all applicable state and Federal laws. The level of recreational use of the Property shall be developed with the approval of the Service. Notwithstanding the foregoing, there shall be no recreational caving use on the Property

- 4.8 Fencing. The right to construct and maintain fencing in accordance with the Management Plan. The entire Conservation Easement shall be fenced off no later than 36 months following establishment of the karst fauna area for the KI.
- 4.9 Vehicles. The use of vehicles shall be limited to existing roads, fencelines, and trails accessing photo blinds or observation decks. All-terrain vehicles may be used off existing trails to access photography blinds/observation decks, inspect fence lines, and monitor species status and habitat condition. All vehicles will be used in a manner to avoid impact to the habitat and endangered species.
- 4.10 General. All rights, title, interest in, and use of the Property not specifically granted to Grantee and Third Party Beneficiaries in this Conservation Easement is retained by Grantor.

5. Grantee's Rights and Access Easement.

- 5.1 Right of First Refusal. Grantor hereby grants to Grantee, its successors, legal representatives and assigns a right of first refusal (the "Right") to acquire the fee simple interest in the Property at such time if ever Grantor (including Grantor's assigns, subsidiaries, parents, affiliates or successors in interest with respect to the Property) ever desire to sell such Property (or any portion thereof) to any other party. In the event Grantor receives from any other party a bona-fide offer to purchase the Property (or any portion thereof) on terms that are acceptable to Grantor (the "Offer"), Grantor shall, as a condition precedent to its right to consummate such sale or ground lease, deliver to Grantee a written notice (the "Offer Notice") which sets forth in reasonable detail the terms and provisions of such proposed sale or ground lease, including a copy of the Offer. The Offer Notice must be given not less than sixty (60) days prior to the anticipated closing date of such sale. Grantee shall have the option, for a period of thirty (30) days after receipt of the Offer Notice, to elect to accept such sale or ground lease on substantially the same terms and conditions as are set forth in the Offer Notice. Such election shall be by delivery of written notice to Grantor prior to the expiration of such 30-day period. If Grantee does not exercise such option prior to the expiration of such 30-day period, Grantee shall be deemed to have elected to decline the Offer, and Grantor shall, for a period of one hundred eighty (180) days following the expiration of such 30-day period (or such longer period as may be agreed upon by the parties), be free to consummate such sale referred to in the Offer Notice strictly in accordance with the terms of the Offer Notice. If such transaction is not completed within such 180-day period, Grantor must again comply with the provisions of this Section in connection with any proposed sale or ground lease of the Property (or portion thereof).
- 5.2 Right of Access to Property for Management Plan Activities and Enforcement. To accomplish the purpose of this Conservation Easement, Grantor hereby further conveys to Grantee the right of ingress, egress, access, and entry to the Property at all reasonable times for the purposes of (a) conducting any and all activities on the Property pursuant to the Management Plan, including without limitation,

inspecting, managing, monitoring, and conducting fire ant treatments; (b) inspecting the Property to determine if the Grantor is complying with the covenants and purposes of this Conservation Easement; (c) conducting surveys and other scientific observations or studies, copies of which studies shall be provided to Grantor upon written request by Grantor; (d) enforcing the terms of this Conservation Easement; and (e) taking any and all actions with respect to the Property, as may be necessary or appropriate, with or without order of court, to remedy or abate violations hereof. For purposes of Section 5.2(a)-(c), at least seventy-two (72) hours prior written notice to Grantor shall be provided, and entry onto the Property shall occur during daylight hours and regular business days. Grantee agrees to use best efforts to coordinate any and all entry onto the Property so that the number of total entries onto the Property is minimized and shall not exceed twice per month, and to provide quarterly reports to Grantor of the name, date, and affiliation of all entries onto the Property of Grantee or Grantee's agents pursuant to the Management Plan. Notwithstanding the foregoing sentence, for purposes of Section 5.2 (d)-(e), notice shall be provided and entry onto the Property shall be conducted pursuant to Section 15.

5.3 Access Easement Across Grantor's Remaining Property. Grantor hereby further conveys to Grantee and Third Party Beneficiaries a non-exclusive access easement over and across Grantor's Remaining Property along the route established by Grantor pursuant to the Access Easement granted to Grantee in that certain Conservation Easement recorded as Document No. 2007032525, Williamson County, Texas. The easement set forth in this Section 5.3 shall bind Grantor's lessees, agents, personal representatives, successors and assigns, and all other successors to Grantor in interest of Grantor's Remaining Property, and shall continue as a servitude running in perpetuity with Grantor's Remaining Property.

6. Third Party Beneficiaries' Rights. This Conservation Easement creates rights of third party enforcement by TXDOT and the Service. TxDOT and the Williamson County Conservation Fund entered into a separate environmental mitigation agreement under which TxDOT agreed to reimburse the costs of purchasing this Conservation Easement. To accomplish the purpose of this Conservation Easement, the following rights are conveyed to the Third Party Beneficiaries by this Conservation Easement:

6.1 Right to Protect. The right to preserve and protect the Conservation Values of the Property in accordance with the terms of this Conservation Easement.

6.2 Right of Entry. The right to enter the Property at all reasonable times and with prior notice to Grantor for the purposes of: (a) inspecting the Property to determine if the Grantor is complying with the covenants and purposes of this Conservation Easement; (b) enforcing the terms of this Conservation Easement; (c) taking any and all actions with respect to the Property, as may be necessary or appropriate, with or without order of court, to remedy or abate violations hereof. For purposes of Section 6.2(a), at least seventy-two (72) hours prior written notice to Grantor shall be provided, and entry onto the Property shall occur during daylight hours and regular business days. Third Party Beneficiaries agree to use

best efforts to coordinate any and all entry onto the Property so that the number of total entries onto the Property is minimized and to the maximum extent practicable shall not exceed twice per month, and to provide quarterly reports to Grantor of the name, date and affiliation of all entries onto the Property of Third Party Beneficiaries and Third Party Beneficiaries' agents. Notwithstanding the foregoing sentence, for purposes of Section 6.2(b)-(c), notice shall be provided and entry onto the Property shall be conducted pursuant to Section 15. Grantee and Third Party beneficiaries may notify Grantor of multiple visits with one notice.

6.3 Enforcement. The right to prevent any activity on or use of the Property that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use.

7. Discretionary Consent. The Grantee's and Third Party Beneficiaries' consent for activities otherwise prohibited in this Conservation Easement, or for any activities requiring Grantee's and Third Party Beneficiaries' consent, may be given under the following conditions and circumstances. If, owing to unforeseen or changed circumstances, any of the activities listed in this Conservation Easement are deemed desirable by the Grantor, the Grantee, and Third Party Beneficiaries, the Grantee and Third Party Beneficiaries may, in their sole discretion, give permission for such activities, subject to the limitations herein. Such requests for permission, and permission for activities requiring the Grantee's and Third Party Beneficiaries' consent, shall be in writing and shall describe the proposed activity in sufficient detail to allow the Grantee and Third Party Beneficiaries to judge the consistency of the proposed activity with the purposes of this Conservation Easement. The Grantee and Third Party Beneficiaries may give their permission only if they determine, in their sole discretion, that such activities (1) do not violate the purposes of this Conservation Easement and (2) either enhance or do not impair any conservation interests associated with the Property. Notwithstanding the foregoing, the Grantee and Third Party Beneficiaries and Grantor have no right or power to agree to any activities that would result in the termination of this Conservation Easement or to allow any residential, commercial or industrial structures or any commercial or industrial activities on the Property, except as outlined in this Conservation Easement.
8. Habitat Management. The habitat on the Property will be managed for the benefit of KIs, and other species in accordance with the Management Plan.
9. Public Access. Except as otherwise provided in this Conservation Easement, nothing contained in this Conservation Easement shall give or grant to the public or any party other than Grantor, Grantee and Third Party Beneficiaries a right to enter upon or to use the Property or any portion thereof.
10. Costs and Liabilities. Except as otherwise provided in this Conservation Easement or the Management Plan, including without limitation, the Grantee's obligation to conduct or pay for operation and maintenance of the Property as more particularly described in the

Management Plan, the Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property, including the maintenance of comprehensive general liability insurance coverage. Grantee shall maintain its own general liability insurance coverage.

To the extent allowed by law, each party agrees to release, hold harmless, defend and indemnify the other from any and all liabilities including, but not limited to, injury, losses, damages, judgments, costs, expenses and fees that the indemnified party may suffer or incur as a result of or arising out of the activities of the other party on the Property.

11. Taxes. The Grantor shall pay any real estate taxes or other assessments levied on Grantor's interest in the Property. If the Grantor becomes delinquent in payment of taxes or assessments, so that a lien is created against the Property and public notice of sale is posted and written notice thereof is given to Grantor, the Grantee, at its option, shall, after written notice to the Grantor, have the right to purchase and acquire the Grantor's interest in the Property by paying funds to discharge the lien or delinquent taxes or assessments, or to take such other actions as may be necessary to protect the Grantee's interest in the Property and to assure the continued enforceability of this Conservation Easement.
12. Title. The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Property in fee simple and has good right to grant and convey this Conservation Easement, and that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement. This conveyance is subject to all easements, rights of way, reservations, covenants, conditions, restrictions, and other title exceptions specifically identified on Title Commitment 1109681-GTN attached as Exhibit D hereto. The Grantor shall provide notice to Grantee and to Third Party Beneficiaries in the event that title to the Property is transferred.
13. Hazardous Waste. To the best of Grantor's knowledge without diligent inquiry, Grantor covenants, represents and warrants to the Grantee that, other than substances associated with the transformer located near the cave entrance no hazardous substance or toxic waste exists nor has been generated, treated, stored, used, disposed of, or deposited in or on the Property, and that there are no underground storage tanks located on the Property. Within sixty (60) days of the effective date of this Conservation Easement, Grantee shall submit a prevention or containment plan to the Third Party Beneficiaries to address an existing transformer on the Property. The Third Party Beneficiaries shall have the right to approve, disapprove or modify such prevention or containment plan.
14. Grantee's and Third Party Beneficiaries' Remedies. If the Grantee or Third Party Beneficiaries become aware of a violation of the terms of this Conservation Easement, the Grantee or Third Party Beneficiaries shall give notice to the Grantor, at the Grantor's last known address, of such violation via certified mail, return receipt requested, and request corrective action sufficient to abate such violation and to restore the Property to its previous condition. Grantor agrees that the Easement Documentation Report shall be deemed to provide objective information concerning the Property's condition at the time

of this grant. Failure by the Grantor to abate the violation and take such other corrective action as may be requested by the Grantee and Third Party Beneficiaries within thirty (30) days after receipt of such notice shall entitle the Grantee or Third Party Beneficiaries to bring an action at law or equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement; to require the restoration of the Property to its previous condition; to enjoin the non-compliance by ex parte, temporary or permanent injunction in a court of competent jurisdiction; and/or to recover any actual damages arising from the noncompliance. Such damages, when recovered, must be applied by the Grantee to corrective action on the Property. If the court or arbitration process determines that the Grantor has failed to comply with this Conservation Easement, the Grantor shall reimburse the Grantee for any reasonable costs of enforcement, including costs of restoration, mediation, arbitration, court costs and reasonable attorney's fees.

14.1 Emergency Enforcement. If the Grantee or Third Party Beneficiaries, in their reasonable discretion, determine that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, the Grantee or Third Party Beneficiaries may pursue remedies under this paragraph with prior notice to the Grantor by personal communication, telephone, or otherwise described herein, but without waiting for the period for cure to expire.

14.2 Failure to Act or Delay. The Grantee and Third Party Beneficiaries do not waive or forfeit the right to take action as may be necessary to ensure compliance with this Conservation Easement and associated Management Plan by any prior failure to act and the Grantor hereby waives any defenses of waiver, estoppel or laches with respect to any failure to act or delay by the Grantee and Third Party Beneficiaries, their successors or assigns, in acting to enforce any restriction or exercise any rights under this Conservation Easement.

14.3 Violations Due to Causes Beyond Grantor's Control. Nothing herein shall be construed to entitle the Grantee or Third Party Beneficiaries to institute any enforcement proceedings against the Grantor for any changes to the Property due to causes beyond the Grantor's control, such as changes caused by fire, flood, storm, earthquake or the unauthorized wrongful acts of third persons. In the event of violations of this Conservation Easement caused by the unauthorized wrongful acts of third persons, Grantor agrees to give Grantee and Third Party Beneficiaries timely notice of such acts as soon as Grantor becomes aware of such, and, upon request by the Grantee, to join in any suit or, at the election of the Grantor, to appoint the Grantee as its attorney-in-fact for the purposes of pursuing enforcement action.

15. Dispute Resolution. If a dispute arises between Grantor, Grantee and/or Third Party Beneficiaries, and if said dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation under the Commercial Mediation Rules of the American Arbitration Association, before resorting to arbitration. Thereafter, any unresolved controversy shall be settled by arbitration in accordance with Commercial Arbitration Rules of the American Arbitration Association,

and judgment upon the decision tendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Notwithstanding the mediation and arbitration requirements of this Section 15, for any violation of the terms of this Conservation Easement that might cause temporary or permanent damage to the Conservation Values of the Property, the provisions of Section 14 regarding injunctive relief for Grantee and Third Party Beneficiaries shall control over this Section 15. The parties acknowledge that TXDOT, as a Texas state agency, has no authority to enter into an agreement for binding arbitration, or to waive its sovereign immunity.

16. Parties Subject to Easement. The covenants agreed to and the terms, conditions, and restrictions imposed by this grant shall not only be binding upon the Grantor but also its lessees, agents, personal representatives, successors and assigns, and all other successors to Grantor in interest and shall continue as a servitude running in perpetuity with the Property.
17. Subsequent Transfers. The Grantor agrees that the terms, conditions, restrictions and purposes of this grant or reference thereto will be inserted by the Grantor in any subsequent deed or other legal instrument by which the Grantor divests either the fee simple title or possessory interest in the Property.
18. Merger. The Grantor and the Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interest in the Property.
19. Assignment. The parties hereto recognize that the benefits of this easement are in gross and assignable. Any assignment shall be to a qualified organization, as that term is defined in Section 170(h)(3) of the IRC of 1986, that is organized and operated primarily for one of the conservation purposes specified in Section 170(h)(3) of the IRC and committed to hold the easement solely for the conservation purposes that the contribution was originally intended to advance. Grantor and Third Party Beneficiaries must give written approval of the organization prior to assignment.

If Grantee ever ceases to exist or no longer qualifies under Section 170(h) of the Code, or applicable state law, upon motion of Grantor, Grantee, Third Party Beneficiaries or an interested third party, a court of competent jurisdiction shall transfer this Conservation Easement and associated Management Plan to another qualified organization having similar purposes that agrees to assume the responsibilities imposed by this Conservation Easement and associated Management Plan. In the event that Grantee is unable to fulfill its responsibilities as the holder of this Conservation Easement and associated Management Plan, Grantee will attempt to cooperate with Grantor and Third Party Beneficiaries to identify and select a substitute organization that is acceptable to Grantor and Third Party Beneficiaries. Provided, however, the parties agree and acknowledge that Federal funds have been used by Grantee to purchase the Conservation Easement herein conveyed. If the Grantee ceases to exist or no longer qualifies to hold the conservation easement, the Grantee shall notify the Third Party Beneficiaries. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that Grantee shall be required to comply with instructions from the Third Party Beneficiaries. Furthermore, the parties acknowledge and agree that nothing contained herein shall bind the Third

Party Beneficiaries regarding the nature of such instructions.

20. Extinguishment. The Grantor agrees that, at the time of the conveyance of this Conservation Easement to the Grantee, this Conservation Easement gives rise to a real property right, immediately vested in the Grantee.

When a change in conditions takes place that makes impossible or impractical any continued protection of the Property for conservation purposes, and the restrictions contained herein are extinguished by judicial proceeding, the Grantee, or subsequent subgrantees, shall request disposition of the Property in accordance with 43 C.F.R. §12.71.

Notwithstanding anything herein to the contrary, the parties acknowledge and agree that Grantee shall be required to comply with the disposition instructions from the Third Party Beneficiaries. Furthermore, the parties acknowledge and agree that nothing contained herein shall bind the Third Party Beneficiaries regarding the nature of such disposition instructions.

21. Eminent Domain. Whenever all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Conservation Easement, the Grantor and the Grantee shall join in appropriate actions at the time of the taking to recover the full value of the taking and all incidental or direct damages resulting from it to the extent allowed by law, and the proceeds shall be divided in accordance with the proportionate value of the Grantee's and Grantor's interests, as provided in Treasury Regulation Section 1.170A-14(g)(6), and Grantee's proceeds shall be used as specified above. All expenses incurred by the Grantor and the Grantee in such action shall be paid out of the recovered proceeds. Any federal grant funds that must be repaid shall be repaid at current market value based on the cost share for any interest in the Property.

22. Miscellaneous Provisions.

22.1 Severability. If any provision of this Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Conservation Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid shall not be affected thereby.

22.2 Successors and Assigns. The term "Grantor" shall include the Grantor and the Grantor's heirs, executors, administrators, successors and assigns and shall also mean the masculine, feminine, corporate, singular or plural form of the word as needed in the context of its use. The term "Grantee" shall include Williamson County, Texas, and its successors and assigns.

22.3 Rerecording. The Grantee is authorized to record or file any notices or instruments appropriate to assure the perpetual enforceability of this Conservation Easement; and Grantor appoints the Grantee its attorney-in-fact for the purpose of

filing, recording and rerecording, if necessary, any instrument pursuant to this Conservation Easement. Without limiting the foregoing, the Grantor agrees to execute any such instruments upon request.

- 22.4 Captions. The captions herein have been inserted solely for convenience of reference and are not a part of this Conservation Easement and shall have no effect upon construction or interpretation.
- 22.5 Counterparts. The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.
- 22.6 Legislative Changes. All references to state and Federal laws shall be applicable to similar successor provisions as may be hereinafter enacted from time to time.
- 22.7 Notices. The following notices required in this Conservation Easement shall be sent by registered or certified mail to the addresses below or to such address as may be hereafter specified by notice in writing.
- a. Notice of Change of Address of Parties
 - b. Notice of Change of Ownership of Property
 - c. Notice to Review or Request to Amend Management Plan
 - d. Notice of Violation
 - e. Notice of Tax Delinquency
 - f. Notification of Cessation of Grantee
 - g. Extinguishment of Easement
 - h. Amendment of Easement

Grantor, Grantee, and Third Party Beneficiaries agree to send updated contact information for notice to the other parties within thirty (30) days of change of such information, or change of ownership of the Property. If a response to a notice provided under this Section 22.7 is required, the Grantor, Grantee, and Third Party Beneficiaries agree to respond within thirty (30) days of receipt of the notice. All other notices and communication between Grantor, Grantee and Third Party Beneficiaries may be conducted in writing or via telephone, and all parties agree to respond within a reasonable amount of time.

If to Grantor: LYDA FAMILY TRUST
P.O. Box 1757
Georgetown, Texas 78627
Attn: Clark Lyda
Phone: (512) 635-0002
Fax: _____

with a copy to: _____

Attn: _____

Phone: _____

Fax: _____

If to Grantee: WILLIAMSON COUNTY
Attn: Gary Boyd
350 Discovery Blvd. Suite 207
Cedar Park, Texas 78613
Phone: (512) 260-4226

with a copy to:

Charlie Crossfield
309 E. Main Street
Round Rock, Texas 78664
Phone: (512) 255-8877
Fax: (512) 255-8986

If to Third Party Beneficiary: U.S. Fish and Wildlife Service
Austin Ecological Services Field Office
10711 Burnett Road, Suite 200
Austin, Texas 78758
Attn: Field Supervisor
Phone: (512) 490-0057
Fax: (512) 490-0974

Texas Department of Transportation
Carlos A. Lopez
District Engineer, Austin District
7901 North IH 35
Austin, Texas 78753
Phone: (512) 832-7022

- 22.8 Appropriations. The duties of the Third Party Beneficiaries to carry out its obligations pursuant to this Conservation Easement and associated Management Plan shall be subject to the availability of appropriated funds.
- 22.9 Amendment. This Conservation Easement may not be amended, modified, or rescinded except upon written consent by the Grantor, Grantee, and Third Party Beneficiaries.
- 22.10 Costs of Enforcement. If Grantee and/or the Third Party Beneficiaries prevails in any action to enforce this Conservation Easement, any costs incurred in enforcing

the terms of this Conservation Easement against Grantor, including, but not limited to, costs of suit and attorney's fees, and any costs of restoration necessitated by Grantor's violation of the terms of this Conservation Easement shall be borne by Grantor. Grantor shall be entitled to the costs of enforcement if it prevails in any action it brings or is brought by Grantee and/or the Third Party Beneficiaries, to the extent otherwise allowed by law.

- 22.11 Endangered Species Act. Grantor and Grantee each acknowledge that all activities accomplished or permitted under this Conservation Easement and associated Management Plan (or in general) must comply with all appropriate local, state, and Federal statutes including, but not limited to, the ESA.
- 22.12 Federal Interest, Non-discrimination. So long as the Property is managed by Williamson County for the purpose for which it was acquired Williamson County is subject to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and Title IX of the Education Amendments of 1972. Further, Williamson County agrees, to the extent required by law, that no individual will be turned away or otherwise denied access to or benefit from any program on the Property or activity that is directly associated with a program on the Property on the basis of race, color, national origin, age and sex (in educational activities) or disability.
- 22.13 Effective Date. This Conservation Easement shall not become effective and binding until (i) the Service executes and/or approves the initial Management Plan, and (ii) this Conservation Easement is fully executed by Grantor and Grantee.
- 22.14 Conservation Easement Governing Document. In the event of any conflict between any term or provision of this Conservation Easement and the Management Plan, the Conservation Easement controls.

List of Exhibits:

Exhibit A – 83.856 Property – Metes and Bounds Description & Survey
Exhibit B – 14.90 acre Property – Metes and Bounds Description & Survey
Exhibit C – Grantor's Remaining Property
Exhibit D – Title Commitment
Exhibit E – Easement/Cave Footprint Overlay Map

Executed on this _____ day of _____, 20____.

(Signatures on the following page.)

GRANTOR:
LYDA FAMILY TRUST

By: _____
Name: _____
Title: _____

GRANTEE:
WILLIAMSON COUNTY

By:  _____
Dan A. Gattis, County Judge

STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on this ____ day of _____, 2011, by _____, on behalf of the LYDA FAMILY TRUST.

Notary Public
My Commission Expires: _____

STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on this 2nd day of February, ~~2011~~, by DAN A. GATTIS, on behalf of Williamson County. 2012

Wendy E. Coco

Notary Public

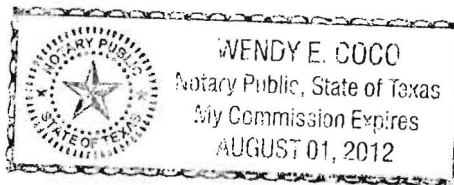
My Commission Expires: 8/1/12

PREPARED IN THE OFFICE OF:

Sheets & Crossfield, P.C.

309 E. Main Street

Round Rock, TX 78664



AFTER RECORDING RETURN TO:

Sheets & Crossfield, P.C.

309 E. Main Street

Round Rock, TX 78664