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Val Verde County
By Maria Elena Cardenas

Vol. 796
Pg. 109

STATE OF TEXAS §
§
COUNTY OF VAL VERDE §

COPY

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

Date: December 27, 2001

Grantor: THE NATURE CONSERVANCY, a non-profit corporation organized and existing under the laws of the District of Columbia

Grantor's Mailing Address: 711 Navarro, Suite 410
San Antonio, Texas 78205

Grantee: DEVIL'S RIVER RANCH, L.L.C., a Texas limited liability company

Grantee's Mailing Address: 12850 Hillcrest Road, Ste. 200
Dallas, Texas 75230

Consideration: Cash paid by Grantee to Grantor, which Grantor acknowledges receiving. A portion of such cash was paid, at Grantee's request, by Metropolitan Life Insurance Company and is evidenced by a note dated of even date herewith, executed by Grantee and payable to the order of Metropolitan Life Insurance Company in the principal amount of Two Million Eight Hundred Thousand Dollars ($2,800,000.00). The note is secured by a first and superior vendor's lien and superior title retained in this deed in favor of Metropolitan Life Insurance Company and by a first lien deed of trust dated of even date herewith from Grantee to Jerry D. Michel, Trustee.

Property: All of that land described on Exhibit A attached and made a part of this deed, together with all rights, appurtenances, easements, improvements and fixtures thereon or thereto, except as reserved herein.

Subject to the following reservations:

Grantor hereby reserves for itself and its successors and assigns forever, an easement over and across the easement property more particularly described on Exhibit B attached hereto and made a part hereof (the "Easement Property"), to provide free and uninterrupted ingress and egress to and from the real property more particularly described on Exhibit C ("Dominant Estate Property"), to and from the northeast entrance of the Property. This reserved easement is appurtenant to and runs with the Dominant Estate Property and all portions of it, whether or not the easement is referenced in any conveyance of the Dominant Estate Property or any portion of it. The easement is perpetual and binds and inures to the benefit of Grantor and Grantee and their respective successors and assigns, including without limitation, subsequent owners of the Property and the Dominant Estate Property and all portions thereof.

Grantor hereby reserves for itself and its successors and assigns forever, including but not limited to Grantee, the rights to non-exclusive use of the roadway easement described in the Correction Cross Easement Agreement dated October 12, 1976 recorded in Volume 307, Page 397, Deed Records, Val Verde County, Texas, and re-recorded in Volume 365, Page 183, Deed Records, Val Verde County, Texas and being more fully described therein as Exhibit C, Road Easement No. 3, which easement provides ingress and egress to and from the northeast entrance of the Property, to and from State Highway 277. This easement is and continues to be appurtenant to both the Property and the Dominant Estate Property and all portions of them to the extent set forth in the Correction Cross Easement Agreement.

Grantor hereby reserves for itself and its successors and assigns forever, including but not limited to Grantee, the rights to the non-exclusive easement described in the Easement Agreement dated September 4, 1980, recorded in Volume 372, Page 372, Deed Records, Val Verde County, Texas, to the extent set forth in said Easement Agreement.

Grantor hereby reserves for itself and its successors and assigns forever, a conservation easement over and across the Property as set forth in Exhibit D attached hereto and made a part of this deed.

Subject to the following exceptions to conveyance and exclusions from warranty:

Any discrepancies, conflicts, or shortages in area or boundary lines; any protrusions, encroachments or overlapping of improvements.

Any portions of the Property which fall within the boundaries of any road or roadway.

Any and all regulations and ordinances of governmental authorities.

All presently outstanding oil, gas and other minerals and mineral interests, royalty interests and other interests owned by third parties as reflected of record, and any and all mineral leases.

All presently outstanding easements that exist of record, or that are visible and apparent on the ground, as well as all easements and matters shown on the plat of the Property prepared by Charles W. Rothe, R.P.L.S. No. 2453 dated December 10, 2001.

The additional matters set forth on Exhibit E attached hereto and made a part hereof.

Taxes for the year 2001, which Grantee assumes and agrees to pay, and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

GRANTOR HEREBY CONVEYS THE PROPERTY IN ITS PRESENT "AS IS" CONDITION, AND GRANTOR EXPRESSLY DISCLAIMS, AND GRANTEE ACKNOWLEDGES AND ACCEPTS

THAT GRANTOR HAS DISCLAIMED, ANY AND ALL REPRESENTATION, WARRANTIES, OR GUARANTEES, OF ANY KIND, PAST, PRESENT, OR FUTURE, ORAL OR WRITTEN, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW (EXCEPT AS TO TITLE AS HEREIN PROVIDED), OF OR CONCERNING (I) THE NATURE, QUALITY, OR CONDITION OF THE PROPERTY; (II) ANY INCOME TO BE DERIVED FROM THE PROPERTY; (III) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES, REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY; (IV) THE SUITABILITY OR FITNESS OF THE PROPERTY FOR ANY PURPOSE WHATSOEVER; (V) THE MANNER, CONSTRUCTION, CONDITION, AND STATE OF REPAIR OR LACK OF REPAIR OF ANY IMPROVEMENTS LOCATED ON THE PROPERTY, OR THE SURFACE OR SUBSURFACE OF THE PROPERTY, WHETHER OR NOT OBVIOUS, VISIBLE, OR APPARENT, AND THERE IS EXPRESSLY NEGATED ANY WARRANTY AS TO CONDITION, HABITABILITY, FITNESS FOR ANY SPECIFIC OR PARTICULAR PURPOSE, MERCHANTABILITY, OR OTHERWISE; AND (V) ANY REPRESENTATION REGARDING THE ENVIRONMENTAL CONDITION OF THE PROPERTY AND THE PRESENCE OF HAZARDOUS MATERIALS OR HAZARDOUS MATERIAL CONTAMINATION, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATIONS REGARDING SOLID WASTE, AS DEFINED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS, OR THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTY OF ANY HAZARDOUS SUBSTANCE, AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER.

Grantor, for the consideration and subject to the reservations, exceptions to conveyance and exclusions from warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee, Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof (except as to reservations and exceptions above), by, through or under the Grantor, but not otherwise.

Metropolitan Life Insurance Company, at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the Property that is evidenced by the note. The first and superior vendor's lien against and superior title to the Property are retained for the benefit of Metropolitan Life Insurance Company and are transferred to Metropolitan Life Insurance Company without recourse against Grantor.

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

Executed as of the date first set forth above.

GRANTOR:

THE NATURE CONSERVANCY

By: _____

Name: James King

Title: West Texas Program Manager

STATE OF TEXAS §
§
COUNTY OF ~~BEXAR~~ JEFF DAVIS §

This instrument was acknowledged before me on this 27th day of December 2001, by JAMES KING, West Texas Program Manager of The Nature Conservancy, on behalf of said corporation.

LYNNE C. BALDWIN
MY COMMISSION EXPIRES
September 25, 2005

Lynne C. Baldwin
Notary Public

AFTER RECORDING RETURN TO:

Michael D. Hesse
Hesse & Hesse, L.L.P.
15303 Dallas Parkway
Suite 780, LB 25
Addison, Texas 75001

EXHIBIT A

THE STATE OF TEXAS
COUNTY OF VAL VERDE

PREPARED FOR: The Nature Conservancy

FIELD NOTES TO DESCRIBE

A survey of 16,655.987 acres of land situated about 25 miles N 09°30' W of Del Rio in Val Verde County, Texas, said 16,655.987 acres having approximate acreage in the following original surveys:

SURVEY NO.	ABSTRACT NO.	BLK. NO.	ORIGINAL GRANTEE	ACRES
7	169		C.C.S.D. & R.G.N.G. RR. Co.	75.161
8	2235	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	529.803
9	170	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	364.945
10	2600	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	605.352
11	171	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	666.258
12	2595	AZ-3	S. H. Henderson	500.223
13	172		C.C.S.D. & R.G.N.G. RR. Co.	623.679
14	2179	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	1.113
15	1762	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	451.039
16	2599	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	458.634
16 ½	3657	AZ-3	S.F. 12350	48.097
17	1764	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	132.037
W ½ 18	2597	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	132.773
19	187	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	618.315
19 ½	3658	AZ-3	S.F. 12351	97.656
19 ¾	3659	AZ-3	S.F. 12352	44.396
N ½ 20	3424	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	311.147
S ½ 20	2598	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	323.792
21	188	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	576.735
22	3356	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	573.464
22 ½	3648	AZ-3	Juan Gonzales	598.495
23	1426	AZ-3	T. C. RR. Co.	4.519
25 ¾	3630	AZ-3	C. P. Scales	145.904
4	2231	AZ-4		91.890
5	44	AZ-4	G.C. & S.F. RR. Co.	45.601
1014	3455		G.C. & S.F. RR. Co.	655.528
1015	1709		G.C. & S.F. RR. Co.	634.143
1016	3278		G.C. & S.F. RR. Co.	631.232
1017	1730		T. C. RR. Co.	652.529
1018	2031		T. C. RR. Co.	672.210
1019	1729		T. C. RR. Co.	672.286
1020	1938		T. C. RR. Co.	898.944
1021	1713		G.C. & S.F. RR. Co.	718.596
1022	2163		G.C. & S.F. RR. Co.	710.913
1023	1760		Henry Barker	690.795
1023 ½	2164		Henry Barker	672.788
1024	1814		John Little	680.218
W ½ 1024 ½	2577		John Little	249.304
E ½ 1024 ½	1986		John Little	95.473
				16,655.987

said 16,655.987 acres of land being a portion of that certain 21,976.630 acre tract of land described in a deed to The Nature Conservancy from Harold W. Nix, et ux, dated October 13, 2000, as recorded in Volume 756 on Page 514 of the Official Public Records of Val Verde County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 5/8" iron pin found by a 6" diameter cedar corner post on the recognized East line of said Survey No. 9 and the recognized West line of said Survey No. 8 for the Southwest corner of that certain 94.000 acre tract of land being Tract C of Tuck Ranch Subdivision, a subdivision as shown on a plat thereof recorded on Slide 37 on Sides 73 and 74 of the Plat Records of Val Verde County, Texas, an interior corner of said 21,976.630 acre tract of land, the Southeast corner of a certain 5324.643 acre tract of land, this day surveyed, and an interior corner of this survey;

THENCE: Along fence, the South line of said Tuck Ranch Subdivision, and the lower North line of said 21,976.630 acre tract of land, the following courses:

S 80-43-10 E 1697.89 feet to an 8" diameter cedar post for an angle point;

N 65-02-16 E 985.47 feet to the centerline of a cattleguard and a 60-foot-wide roadway R.O.W. easement for an angle point;

N 65-08-41 E 667.81 feet to a 6" diameter cedar post for an angle point;

N 69-57-52 E 468.39 feet to a 4" diameter cedar post for an angle point;

S 70-32-28 E 647.34 feet to an angle point; and

N 89-46-09 E 1882.40 feet to a 3" diameter pipe corner post for the lower Northeast corner of said 21,976.630 acre tract of land and the Northeast corner of this survey;

THENCE: Along fence and the middle East line of said 21,976.630 acre tract of land, the following courses:

S 02-40-35 W at 99.87 feet pass the centerline of a cattle-guard, continuing a total distance of 305.43 feet to a 3" diameter pipe corner post for an angle point;

S 37-16-41 E 767.86 feet to a 6" diameter cedar post for an angle point;

S 17-03-08 W 931.93 feet to a 6" diameter cedar post for an angle point;

S 28-30-50 E 1001.29 feet to a 6" diameter cedar post for an angle point;

S 15-42-29 E 810.55 feet to a 6" diameter cedar post for an angle point;

S 07-49-50 W 379.26 feet to a 6" diameter cedar post for an angle point;

S 07-44-52 W 699.62 feet to a 6" diameter cedar post for an angle point;

S 35-12-16 W 1023.27 feet to a 3" diameter pipe post for an angle point;

S 03-36-28 W 337.61 feet to a 3" diameter pipe post for an angle point;

S 67-35-41 E 72.38 feet to a 3" diameter pipe post for an angle point;

S 89-47-10 E 120.83 feet to a 3" diameter pipe post for an angle point;

S 65-27-48 E 693.56 feet to a 6" diameter cedar post for an angle point;

S 05-38-48 E 325.05 feet to a 6" diameter cedar post for an angle point; and

S 71-48-10 E 1528.46 feet to a 4" diameter treated corner post for the North corner of that certain 14.159 acre tract of land described as Exhibit "B" in a Boundary Agreement between Irvin E. Horton, Jr. et al and Harold W. Nix, dated October 13, 2000, as recorded in Volume 758 on Page 716 of the aforementioned Official Public Records, and an exterior corner of this survey;

THENCE: Leaving fence, along the middle East line of said 21,976.630 acre tract of land, and the East line of said 14.159 acre tract of land, S 10-52-27 E 2783.82 feet to a 4" diameter treated corner post for the South corner of said 14.159 acre tract of land, the Northwest corner of that certain 13.811 acre tract of land described as Exhibit "A" in the aforementioned Boundary Agreement, and an angle point of this survey, leaving fence, along the middle East line of said 21,976.630 acre tract of land and the West line of said 13.811 acre tract of land, S 10-39-05 E 1390.33 feet to a 4" diameter treated corner post for the Southwest corner of said 13.811 acre tract of land for an angle point of this survey;

THENCE: Along fence and the middle East line of said 21,976.630 acre tract of land, S 10-37-37 E 1336.97 feet to a ½" iron pin found by a 4" diameter treated corner post for an angle point in the Northwest line of that certain 1506.22 acre tract of land described in a deed to Irwin E. Horton, Jr. from Edward Howard Wiese and Carol Adeline Wiese, Trustees, dated March 17, 1999, as recorded in Volume 709 on Page 189 of the said Official Public Records, for an angle point of said 21,976.630 acre tract of land and an angle point of this survey;

THENCE: Along fence, a Southeast line of said 21,976.630 acre tract of land, and the Northwest line of said 1506.22 acre tract of land, S 44-55-24 W 2017.73 feet to an 8" diameter treated corner post for the recognized Southeast corner of said Survey No. 12, the recognized Northeast corner of Survey No. 4, Abstract No. 2594, S. H. Henderson, original Grantee, the recognized Southwest corner of said Survey No. 4, Block AZ-4, the Northwest corner of said 1506.22 acre tract of land, the upper Northeast corner of that certain 9666.47 acre tract of land described in a deed to Indianhead Ranch, Inc. from B. J. "Red" McCombs, et al, dated June 7, 1982, as recorded in Volume 403 on Page 428 of the Deed Records of Val Verde County, Texas, the upper Southeast corner of said 21,976.630 acre tract of land, and the upper Southeast corner of this survey;

THENCE: Along fence, generally along the recognized South line of said Survey No. 12, the recognized South line of said Survey No. 13, the recognized North line of said Survey No. 4, the upper South line of said 21,976.630 acre tract of land, and the middle North line of said 9066.47 acre tract of land, S 89-39-27 W 3478.74 feet to an 8" diameter creosote post for an angle point and S 89-35-21 W 4101.48 feet to a 3" diameter pipe corner post for the recognized Northwest corner of said Survey No. 4, the recognized Northeast corner of said Survey No. 14, an angle point in the South line of said 21,976.630 acre tract of land, an angle point in the middle North line of said 9666.47 acre tract of land, and an angle point of this survey;

THENCE: Leaving fence, along the recognized South line of said Survey No. 13, the recognized North line of said Survey No. 14, the middle North line of said 9666.47 acre tract of land, and the upper South line of said 21,976.630 acre tract of land, N 89-22-06 W 648.70 feet to a 2" diameter iron pipe set for the Southeast corner of that certain 104.484 acre tract of land being a portion of that certain 577.252 acre tract of land described in a Boundary Line Agreement to Indianhead Ranch, Inc. from Herman Hospital Estate, dated October 14, 1986, as recorded in Volume 472 on Page 253 of the aforementioned Deed Records, an exterior corner of said 21,976.630 acre tract of land and an exterior corner of this survey;

THENCE: Along the East line of said 104.484 acre tract of land and a West line of said 21,976.630 acre tract of land, N 00-40-15 E 732.77 feet to a 2" diameter iron pipe set in fence for the Northeast corner of said 104.484 acre tract of land, an interior corner of said 21,976.630 acre tract of land, and an interior corner of this survey;

THENCE: Along fence, the upper South and lower East line of said 21,976.630 acre tract of land, in part along said 577.252 acre boundary, and in part along the boundary of that certain 430.986 acres of land described in the aforementioned Boundary Line Agreement to Herman Hospital Estate from Indianhead Ranch, Inc., dated October 14, 1986, as recorded in Volume 472 on Page 253 of the said Deed Records, and along the boundary as described in said Boundary Line Agreement, the following courses:

S 80-04-15 W 2759.24 feet to a 4" diameter pipe post for an angle point;

S 67-05-41 W 3077.03 feet to a 4" diameter pipe post for an angle point;

S 29-34-49 W 799.89 feet to a 4" diameter pipe post for an angle point;

S 79-17-48 W 1400.45 feet to a 4" diameter pipe post for an angle point;

N 73-08-08 W 271.08 feet to a 3" diameter pipe post on top of a bluff for an angle point;

S 58-40-08 W 429.97 feet to a 6" diameter pipe post for an angle point;

S 40-45-02 W 1732.94 feet to a 6" diameter pipe post for an angle point;

S 17-21-42 W 1934.47 feet to a 6" diameter pipe post for an angle point;

S 23-53-17 W 701.12 feet to a 6" diameter pipe post for an angle point;

S 02-19-42 E 1255.03 feet to a 6" diameter pipe post for an angle point;

S 37-01-10 W 507.26 feet to a 6" diameter pipe post for an angle point;

S 18-39-55 W 536.44 feet to a 5/8" iron pin found in a round concrete marker for an angle point;

S 18-46-06 W 205.39 feet to a 6" diameter pipe post for an angle point;

S 24-54-46 E 358.66 feet to a 5/8" iron pin found in a round concrete marker for an angle point;

S 24-51-04 E 1159.51 feet to a 6" diameter pipe post for an angle point;

S 38-26-03 E 275.69 feet to a 6" diameter pipe post for an angle point;

S 45-13-31 E 294.46 feet to a 6" diameter pipe post for an angle point;

S 49-42-05 E 14.52 feet to a 6" diameter pipe post for an angle point;

S 41-04-40 E 1890.88 feet to a 6" diameter pipe post for an angle point;

S 25-12-09 E 812.98 feet to a 6" diameter pipe post for an angle point;

S 12-00-33 E 803.34 feet to a 5/8" iron pin found in a round concrete marker for an angle point;

S 11-42-16 E 180.92 feet to a 6" diameter pipe post for an angle point;

S 32-52-56 E 1525.82 feet to a 6" diameter pipe post for an angle point;

S 87-26-30 E 836.15 feet to a 6" diameter pipe post for an angle point;

S 38-31-55 E 1635.35 feet to a 6" diameter pipe post for an angle point;

S 38-31-08 E 946.12 feet to a 4" diameter pipe post on the Northwest high bank of Amistad Lake for an angle point; and

S 38-50-32 E 29.70 feet to a point on the 1144.3 Contour Line of said Amistad Lake for the Southwest corner of said Indianhead Ranch, the lower Southeast corner of said Devils River Ranch, the lower Southeast corner of said 21,976.630 acre tract of land, and the lower Southeast corner of this survey;

THENCE: Along the 1144.3 Contour Line of said Amistad Lake, and the Southeast, South, and Southwest line of said 21,976.630 acre tract of land, the following courses:

S 65-03-43 W 1273.80 feet to a stainless steel monument spike for an angle point;

N 85-41-38 W 228.26 feet to an angle point;

S 81-59-43 W 137.66 feet to an angle point;

S 45-23-39 W 79.88 feet to an angle point;

S 12-41-23 E 66.01 feet to an angle point;

N 80-58-59 W 393.09 feet to an angle point;

N 15-58-15 W 127.98 feet to an angle point;

N 44-00-45 W 337.86 feet to an angle point;

N 04-40-23 E 156.78 feet to an angle point;

S 50-04-44 W 99.58 feet to an angle point;

S 10-30-01 E 150.00 feet to an angle point;

S 41-23-10 E 304.88 feet to an angle point;

S 34-07-24 W 75.36 feet to an angle point;

N 87-14-41 W 383.25 feet to an angle point:

N 38-41-46 W 103.30 feet to an angle point;

S 32-08-53 W 100.58 feet to an angle point;

S 77-52-12 W 246.02 feet to an angle point;

N 70-22-55 W 196.58 feet to an angle point;

S 66-49-42 W 74.07 feet to an angle point;

N 41-56-43 W 137.72 feet to an angle point;

S 14-03-05 W 121.61 feet to an angle point;

S 79-19-49 W 885.38 feet to an angle point;

S 61-00-18 W 697.13 feet to an angle point;

N 59-23-53 W 149.32 feet to an angle point;

S 24-17-18 W 201.93 feet to an angle point;

S 80-42-19 W 422.90 feet to an angle point;

N 55-56-57 W 383.48 feet to an angle point;

N 08-14-04 W 482.42 feet to an angle point;

N 35-35-55 E 75.42 feet to a stainless steel monument spike for an angle point;

N 01-51-55 E 995.04 feet to an angle point;

N 11-11-05 E 172.51 feet to an angle point;

N 19-11-48 W 147.86 feet to an angle point;

N 05-32-38 W 319.92 feet to an angle point;

N 52-56-48 W 59.00 feet to an angle point;

S 11-56-12 W 101.48 feet to an angle point;

S 02-00-17 E 203.00 feet to an angle point;

N 25-57-25 W 295.26 feet to an angle point;

N 07-29-09 W 246.14 feet to an angle point;

N 26-31-20 W 179.83 feet to an angle point;

S 07-27-24 E 517.49 feet to an angle point;

S 06-25-00 E 511.23 feet to an angle point;

S 07-20-00 W 469.53 feet to an angle point;

S 16-20-01 W 132.91 feet to an angle point;

S 05-00-00 E 131.80 feet to an angle point;

S 13-50-29 E 265.47 feet to a stainless steel monument spike for an angle point;

N 89-24-55 W 113.39 feet to an angle point;

N 39-05-00 W 130.88 feet to an angle point;

S 04-24-59 E 210.00 feet to an angle point;

S 14-45-02 E 100.00 feet to an angle point;

S 02-35-00 E 510.00 feet to an angle point;

S 52-30-00 E 510.72 feet to an angle point;

S 86-15-00 E 498.48 feet to an angle point;

S 79-25-00 E 305.61 feet to an angle point;

S 86-35-00 E 915.52 feet to an angle point;

N 85-15-00 E 507.63 feet to an angle point;

N 70-50-00 E 151.65 feet to an angle point;

N 62-15-00 E 403.26 feet to an angle point;

N 86-00-00 E 121.85 feet to an angle point;

S 50-25-00 W 189.26 feet to an angle point;

N 80-20-00 E 212.92 feet to an angle point;

N 31-00-01 E 49.83 feet to an angle point;

N 45-29-38 E 172.05 feet to a stainless steel monument spike for an angle point;

S 82-30-34 E 231.58 feet to a stainless steel monument spike for an angle point;

S 19-46-35 E 48.73 feet to an angle point;

S 80-00-00 E 407.44 feet to an angle point;

S 68-21-02 E 101.13 feet to a stainless steel monument spike for an angle point;

S 21-57-01 W 115.04 feet to an angle point;

S 37-10-00 W 210.22 feet to an angle point;

N 85-30-00 W 112.99 feet to an angle point;

S 53-40-00 W 596.95 feet to an angle point;

S 40-00-00 W 869.98 feet to an angle point;

N 71-35-01 W 127.41 feet to an angle point;

S 17-00-00 W 403.34 feet to an angle point;

S 44-23-56 W 409.26 feet to an angle point;

N 79-13-45 W 78.14 feet to an angle point;

N 33-29-59 W 205.68 feet to an angle point;

N 70-00-02 W 68.59 feet to an angle point;

S 85-20-00 W 295.42 feet to an angle point;

N 78-55-49 W 90.06 feet to an angle point;

N 65-43-11 W 81.49 feet to an angle point;

S 29-20-00 E 112.21 feet to an angle point;

S 65-00-01 W 69.36 feet to an angle point;

N 70-00-00 W 166.57 feet to an angle point;

S 39-59-59 E 102.11 feet to an angle point;

S 62-59-59 W 49.58 feet to an angle point;

S 84-30-01 W 226.54 feet to an angle point;

S 40-00-00 W 359.99 feet to an angle point;

N 83-59-57 E 68.19 feet to an angle point;

N 38-00-00 E 293.47 feet to an angle point;

S 59-50-00 E 171.90 feet to an angle point;

N 59-30-00 E 292.29 feet to an angle point;

N 84-30-00 E 194.84 feet to an angle point;

S 74-59-59 E 127.11 feet to an angle point;

S 21-45-00 E 209.60 feet to an angle point;

S 73-39-15 W 257.25 feet to a stainless steel monument spike for an angle point;

S 14-42-35 W 470.34 feet to a stainless steel monument spike for an angle point;

S 62-16-46 W 334.78 feet to an angle point;

S 58-00-00 W 123.07 feet to an angle point;

N 79-00-01 W 102.32 feet to an angle point;

S 07-10-00 W 141.55 feet to an angle point;

S 52-10-00 W 584.11 feet to an angle point;

]

S 74-30-00 W 128.29 feet to an angle point;

S 28-59-59 W 101.92 feet to an angle point;

S 59-00-00 W 400.01 feet to an angle point;

S 82-30-01 W 102.60 feet to an angle point;

S 32-09-59 W 96.91 feet to an angle point;

N 86-00-02 E 97.44 feet to an angle point;

S 14-10-01 W 101.39 feet to an angle point;

S 53-38-24 W 599.64 feet to a stainless steel monument spike for an angle point;

S 80-46-23 W 448.30 feet to an angle point;

S 84-35-00 W 512.89 feet to an angle point;

N 89-35-00 W 717.55 feet to an angle point;

N 81-34-51 W 447.06 feet to a stainless steel monument spike for an angle point;

N 31-41-56 W 131.94 feet to an angle point;

S 43-35-02 W 92.08 feet to an angle point;

N 76-00-00 W 817.96 feet to an angle point;

N 72-05-00 W 500.51 feet to an angle point;

N 64-30-00 W 815.39 feet to an angle point;

N 45-00-00 W 101.21 feet to an angle point;

S 62-09-59 W 76.95 feet to an angle point;

N 61-50-00 W 213.86 feet to an angle point;

N 24-00-00 E 98.25 feet to an angle point;

N 09-00-00 E 227.28 feet to an angle point;

N 26-00-00 W 160.61 feet to an angle point;

S 08-15-01 W 156.98 feet to an angle point;

S 01-15-55 E 172.32 feet to an angle point;

S 62-49-20 W 160.13 feet to an angle point;

N 64-30-00 W 942.26 feet to an angle point;

N 50-00-00 W 141.73 feet to an angle point;

S 85-00-00 W 68.29 feet to an angle point;

N 69-19-52 W 338.20 feet to a stainless steel monument spike for an angle point;

N 15-40-28 E 72.14 feet to an angle point;

S 75-00-01 W 83.75 feet to an angle point;

N 56-27-36 W 914.48 feet to a stainless steel monument spike for an angle point;

N 28-25-52 E 88.17 feet to an angle point;

N 26-15-01 E 164.37 feet to an angle point;

N 86-00-00 E 153.45 feet to an angle point;

N 06-15-00 E 99.98 feet to an angle point;

S 79-00-04 W 27.88 feet to an angle point;

S 13-00-00 W 77.72 feet to an angle point;

N 86-45-01 W 93.16 feet to an angle point;

S 53-00-00 W 140.50 feet to an angle point;

S 24-45-00 W 172.61 feet to an angle point;

N 48-00-00 W 670.16 feet to an angle point;

N 45-20-00 W 614.42 feet to an angle point;

N 43-58-52 W 1065.62 feet to a stainless steel monument spike set for an angle point;

N 40-06-05 W 368.09 feet to an angle point;

N 22-30-00 W 226.72 feet to an angle point;

N 40-00-00 W 48.28 feet to an angle point;

S 38-29-58 W 75.72 feet to an angle point;

N 36-46-40 W 307.25 feet to a stainless steel monument spike for an angle point;

N 51-03-07 W 129.61 feet to an angle point;

N 32-06-16 W 1290.80 feet to a stainless steel monument spike for an angle point;

N 20-49-19 E 490.87 feet to an angle point;

N 07-59-59 W 130.45 feet to an angle point;

S 67-00-02 W 37.24 feet to an angle point;

N 28-20-00 W 391.51 feet to an angle point;

N 40-37-01 E 133.38 feet to an angle point;

N 64-36-01 E 118.45 feet to an angle point;

N 89-15-16 E 112.68 feet to an angle point;

N 68-00-00 W 91.80 feet to an angle point;

S 78-29-59 W 90.53 feet to an angle point;

S 55-00-00 W 146.46 feet to an angle point;

N 61-29-59 W 92.39 feet to an angle point;

N 30-24-00 E 277.64 feet to an angle point;

N 39-29-09 W 745.63 feet to an angle point;

N 25-00-00 W 194.49 feet to an angle point;

S 61-00-02 W 72.91 feet to an angle point;

N 19-00-00 E 156.49 feet to an angle point;

N 70-00-00 E 174.86 feet to an angle point;

N 04-59-59 W 80.41 feet to an angle point;

S 74-10-00 W 163.08 feet to an angle point;

N 32-09-35 W 432.69 feet to an angle point;

N 19-00-14 W 490.96 feet to an angle point;

N 07-33-43 W 744.26 feet to a stainless steel monument spike for an angle point;

N 01-58-38 E 1055.50 feet to a stainless steel monument spike for an angle point;

N 07-15-35 W 1211.34 feet to a 5/8" iron pin set for an angle point; and

N 16-38-48 W 1098.05 feet to a point on the East boundary line of the Devils River for an angle point;

THENCE: Along the East boundary line of said Devils River, and the West and Southwest line of said 21,976.630 acre tract of land, the following courses:

N 15-00-26 W 1795.96 feet to an angle point;

N 24-16-19 W 1685.44 feet to an angle point;

N 19-08-13 W 1231.02 feet to an angle point;

N 22-14-17 W 1193.65 feet to an angle point;

N 35-00-42 W 3678.36 feet to an angle point;

N 42-57-58 W 2311.27 feet to an angle point;

N 33-02-28 W 1420.90 feet to an angle point;

N 12-34-29 W 669.37 feet to an angle point;

N 13-00-21 E 2523.21 feet to an angle point;

N 29-25-16 E 1919.26 feet to an angle point;

N 32-02-03 E 2002.13 feet to an angle point;

N 28-36-37 E 2223.36 feet to an angle point;

N 24-25-48 E 1021.57 feet to a point on the projection of the recognized South line of Survey No. 1013, Abstract No. 1710, G.C. & S.F. RR. Co., original Grantee, and the recognized North line of said Survey No. 1014 for the Southwest corner of that certain property described in a deed to Robert S. Corbin and Gena Pivatto from Douglas Reed, et ux, dated January 21, 1997, as recorded in Volume 655 on Page 415 of the said Official Public Records, an exterior corner of said 21,976.630 acre tract of land, and the lower Northwest corner of this survey;

THENCE: Along the recognized South line of said Survey No. 1013 and the recognized North line of said Survey No. 1014, and an interior North line of said 21,976.630 acre tract of land, said line being about 61 ½ feet South of an existing fenceline, N 89-48-18 E at 6335.56 feet cross said fence, now running North of said fence at 8344.44 feet again cross said fence, now running South of said fence, at 9084.26 feet pass an 8" diameter cedar corner post in fence, continuing a total distance of 10,880.18 feet to a recognized Southeast corner of said Survey No. 1013, an interior corner of said 21,976.630 acre tract of land, and an interior corner of this survey;

THENCE: Along the recognized East line of said Survey No. 1013, and a West line of said 21,976.630 acre tract of land, N 00-11-42 W at 1317.97 feet cross the aforementioned fenceline, continuing a total distance of 2617.82 feet to a point on the recognized South line of Survey No. 1012, Abstract No. 3433, G.C. & S.F. RR. Co., original Grantee, for the recognized Northeast corner of said Survey No. 1013, an exterior corner of said 21,976.630 acre tract of land, and an exterior corner of this survey;

THENCE: Along the recognized South line of said Survey No. 1012, an interior North line of said 21,976.630 acre tract of land, N 89-48-18 E at 379.84 feet again cross said fence, continuing a total distance of 707.48 feet to the recognized Southeast corner of said Survey No. 1012, an interior corner of said 21,976.630 acre tract of land, and an interior corner of this survey;

THENCE: Along the recognized East line of said Survey No. 1012, and a West line of said 21,976.630 acre tract of land, N 00-11-42 W 1284.96 feet to a point for the lower Southwest corner of said 5324.643 acre tract of land and the upper Northwest corner of this survey;

THENCE: Along the Southwest and Southeast line of said 5324.643 acre tract of land, the following courses:

S 57-48-51 E 832.39 feet to a 5/8" iron pin set on the edge of a bluff for an angle point;

S 46-50-24 E 275.04 feet to a 5/8" iron pin set for an angle point;

S 68-32-45 E 241.91 feet to a 5/8" iron pin set for an angle point;

S 50-23-09 E 745.46 feet to a 5/8" iron pin set for an angle point;

S 72-00-11 E 525.83 feet to a 5/8" iron pin set for an angle point;

S 07-28-56 W 1344.54 feet to a 5/8" iron pin set for an angle point;

S 54-55-12 E 3311.44 feet to a 5/8" iron pin set in fence by an 8" diameter cedar post for an angle point;

Along fence, S 09-47-35 E 831.22 feet to a 5/8" iron pin set by a 6" diameter cedar post for an angle point;

Leaving fence, S 69-05-04 E 2049.47 feet to a 5/8" iron pin set for an angle point;

N 55-14-28 E 903.90 feet to a 5/8" iron pin set by a 6" diameter cedar post for an angle point;

Along fence, N 24-21-23 E 1159.52 feet to a 5/8" iron pin set by an 8" diameter cedar post for an angle point;

Along fence, N 36-44-29 E 1100.62 feet to a 5/8" iron pin set by an 8" diameter cedar post for an angle point;

Along fence, N 59-38-43 E 1081.03 feet to a 5/8" iron pin set by an 8" diameter cedar post for an angle point;

Leaving fence, N 71-41-49 E 2343.25 feet to a 5/8" iron pin set for an angle point; and

N 73-23-37 E 1452.10 feet to the POINT OF BEGINNING.

The bearings are relative to the bearings along the boundary line described in the aforementioned Boundary Line Agreement between Herrman Hospital Estate and Indianhead Ranch, Inc., particularly between two 4" diameter pipe posts having a bearing and distance of S 67-05-41 W 3077.03 feet.

I certify that the foregoing field note description was prepared from an actual survey made under my supervision on the ground and that same is true and correct. Witness my hand and seal this the 19th day of December 2001.

Charles W. Rothe

Charles W. Rothe
Registered Professional Surveyor No. 2453
1705 Avenue K, P. O. Box 426
Hondo, Texas 78861
Ph. (830) 426-3005
FAX (830) 426-8160

STATE OF TEXAS REGISTERED CHARLES W. ROTHE 2453 PROFESSIONAL LAND SURVEYOR

EXHIBIT B
Easement Property

THE STATE OF TEXAS
COUNTY OF VAL VERDE

PREPARED FOR: The Nature Conservancy

FIELD NOTES TO DESCRIBE

A survey of the centerline of a 30-foot-wide Ingress-Egress Easement situated about 25 miles N 09°30' W of Del Rio, in Val Verde County, Texas, said Easement lying within Survey No. 7, Abstract No. 169, C.C.S.D. & R.G.N.G. RR. Co., original Grantee, Survey No. 8, Abstract No. 2235, C.C.S.D. & R.G.N.G. RR. Co., original Grantee, and Survey No. 9, Abstract No. 170, C.C.S.D. & R.G.N.G. RR. Co., original Grantee, lying within a certain 16,655.987 acre tract of land, this day surveyed, said 16,655.987 acre tract of land being a portion of that certain 21,976.630 acre tract of land described in a deed to The Nature Conservancy from Harold W. Nix, et ux, dated October 13, 2000, as recorded in Volume 756 on Page 514 of the Official Public Records of Val Verde County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING: At a point on the centerline of a cattleguard on the middle East line of said 21,976.630 acre tract of land from which a 3" diameter pipe corner post for the Northeast corner of said 16,655.987 acre tract of land bears N 01-50-21 E 99.87 feet;

THENCE: Along the centerline of an existing ranch road, the following courses:

S 86-20-05 W 1215.81 feet to an angle point;

N 77-28-51 W 113.83 feet to an angle point;

N 71-59-07 W 165.31 feet to an angle point;

N 80-21-05 W 285.58 feet to an angle point;

N 81-32-21 W 235.60 feet to an angle point;

S 74-30-37 W 428.00 feet to an angle point;

S 71-26-14 W 1066.61 feet to an angle point;

S 73-01-00 W 1144.36 feet to an angle point;

N 87-39-16 W 151.78 feet to an angle point;

N 78-00-40 W 1395.65 feet to an angle point;

S 80-53-38 W 74.41 feet to the center of a cattleguard for an angle point;

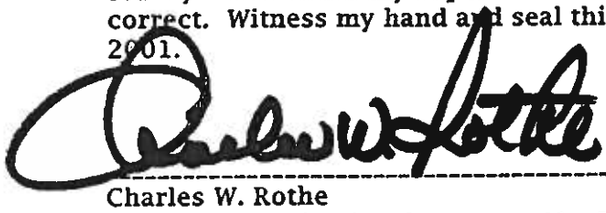
S 77-02-11 W 1355.07 feet to an angle point;

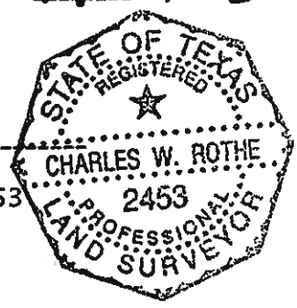
S 71-47-36 W 2167.43 feet to the point-of-intersection of an existing ranch road to the North; and

Along said existing ranch road to the North, N 26-27-17 W 54.14 feet to a point on the North line of said 16,655.987 acre tract of land and the South line of a certain 5324.643 acre tract of land, this day surveyed, for the Terminus Point of the centerline of this 30-foot-wide Ingress-Egress Easement from which a 5/8" iron pin found by a 6" diameter cedar corner post for an angle point in the North line of said 16,655.987 acre tract of land and the Southeast corner of said 5324.643 acre tract of land bears N 72-23-13 E 3570.96 feet.

The bearings are relative to the bearing along the East line of said 5324.643 acre tract of land between a 3" diameter pipe post at the Northeast corner and said 5/8" iron pin found by a 6" diameter cedar post at the Southeast corner having a bearing and distance of S 00-13-37 W 11,315.78 feet.

I certify that the foregoing field note description was prepared from an actual survey made under my supervision on the ground and that same is true and correct. Witness my hand and seal this the 19th day of December, 2001.





Charles W. Rothe
Registered Professional Surveyor No. 2453
1705 Avenue K, P. O. Box 426
Hondo, Texas 78861
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EXHIBIT C
Dominant Estate Property

THE STATE OF TEXAS
COUNTY OF VAL VERDE

PREPARED FOR: The Nature Conservancy

FIELD NOTES TO DESCRIBE

A survey of 5324.643 acres of land being all of that certain 5324.643 acres of land hereinafter described save and except that certain 4 acres of land, more or less, described in a deed to A. S. Stover, et ux from Ford Smith, dated April 6, 1988, as recorded in Volume 494 on Page 77 of the Deed Records of Val Verde County, Texas, situated about 25 miles N 09°30' W of Del Rio in Val Verde County, Texas, said 21,980.630 acres having approximate acreage in the following original surveys:

SURVEY NO.	ABSTRACT NO.	BLK. NO.	ORIGINAL GRANTEE	ACRES
2	3939	AZ-3	G.C. & S.F. RR. Co.	3.232
3	544	AZ-3	G.C. & S.F. RR. Co.	609.134
9	170	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	242.940
21	188	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	74.733
22	3356	AZ-3	C.C.S.D. & R.G.N.G. RR. Co.	154.277
23	1426	AZ-3	T. C. RR. Co.	731.227
24	3286	AZ-3	T. C. RR. Co.	686.106
25	1427	AZ-3	T. C. RR. Co.	71.813
25 ½	3471	AZ-3	G. W. Patton	415.695
25 ¾	3630	AZ-3	C. P. Scales	388.153
1008	2683		G.C. & S.F. RR. Co.	47.936
1009	1715		G.C. & S.F. RR. Co.	594.451
1010	3088		G.C. & S. F. RR. Co.	686.505
1011	1714		G.C. & S.F. RR. Co.	618.441
			Total	5324.643

said 5324.643 acres of land being a portion of that certain 21,976.630 acre tract of land described in a deed to The Nature Conservancy from Harold W. Nix, et ux, dated October 13, 2000, as recorded in Volume 756 on Page 514 of the Official Public Records of Val Verde County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 3" diameter pipe corner post on the South line of a certain County Road for the upper Northeast corner of said 21,976.630 acre tract of land at or near the recognized Northwest corner of a certain 117.92 acre tract of land described as Tract "J" of Tuck Ranch Subdivision, a subdivision as shown on a plat thereof recorded on Slide 37, Sides 73 and 74 of the Plat Records of Val Verde County, Texas, and the Northeast corner of this survey;

THENCE: For the most part along a fence, on or near the recognized East lines of said Survey Nos. 25, 24, 3, and 9, and the recognized West line of said Survey No. 2, Survey No. 1, Abstract No. 543, Block AZ-3, G.C. & S.F. RR. Co., original Grantee, Survey No. 4, Abstract No. 2956, Block AZ-3, G.C. & S.F. RR. Co., original Grantee, and Survey No. 8, along the upper East line of said 21,976.630 acre tract of land, and the West line of said Tuck Ranch Subdivision, the following courses:

S 00-12-53 W 3821.96 feet to a 4" diameter cedar post for an angle point;

S 00-29-37 W 3946.19 feet to a fence post for an angle point;

S 00-03-02 E 3413.01 feet to a fence post for an angle point; and

S 00-13-22 E 134.70 feet to a 5/8" iron pin set by a 6" diameter cedar corner post for the Southwest corner of that certain 94.00 acre tract of land, more or less, described as Tract "D" of the aforementioned Tuck Ranch Subdivision, an interior corner of said 21,976.630 acre tract of land, an angle point in the North line of a certain 16,655.987 acre tract of land, this day surveyed, and an interior corner of this survey from which the centerline of a cattleguard bears S 00-00-20 E 147.81 feet;

THENCE: Along the North line of said 16,665.987 acre tract of land, the following courses:

S 73-23-37 W 1452.10 feet to a 5/8" iron pin set for an angle point;

S 71-41-49 W 2343.25 feet to a 5/8" iron pin set by an 8" diameter cedar post for an angle point;

Along fence, S 59-38-43 W 1081.03 feet to a 5/8" iron pin set by an 8" diameter cedar post for an angle point;

Along fence, S 36-44-29 W 1100.62 feet to a 5/8" iron pin set by an 8" diameter cedar post for an angle point;

Along fence, S 24-21-23 W 1159.52 feet to a 5/8" iron pin set by a 6" diameter cedar post for an angle point;

Leaving fence, S 55-14-28 W 903.90 feet to a 5/8" iron pin set for an angle point;

N 69-05-04 W 2049.47 feet to a 5/8" iron pin set by a 6" diameter cedar post for an angle point;

Along fence, N 09-47-35 W 831.22 feet to a 5/8" iron pin set in fence by an 8" diameter cedar post for an angle point;

Leaving fence, N 54-55-12 W 3311.44 feet to a 5/8" iron pin set for an angle point;

N 07-28-56 E 1344.54 feet to a 5/8" iron pin set for an angle point;

N 72-00-11 W 525.83 feet to a 5/8" iron pin set for an angle point;

N 50-23-09 W 745.46 feet to a 5/8" iron pin set for an angle point;

N 68-32-45 W 241.91 feet to a 5/8" iron pin set for an angle point;

N 46-50-24 W 275.04 feet to a 5/8" iron pin set on the edge of a bluff for an angle point; and

N 57-48-51 W 832.39 feet to a point on the recognized East line of Survey No. 1012, Abstract No. 3433, G.C. & S.F. RR. Co., original Grantee, a middle West line of said Survey No. 25 ¾, and a West line of said 21,976.630 acre tract of land for the upper Northwest corner of said 16,655.987 acre tract of land, and the lower Southwest corner of this survey;

THENCE: Along the recognized East line of said Survey No. 1012, and a West line of said 21,976.630 acre tract of land, N 00-11-42 W 1453.06 feet to the recognized Northeast corner of said Survey No. 1012 and the recognized Southeast corner of said Survey No. 1011 for an interior corner of said 21,976.630 acre tract of land and an interior corner of this survey;

THENCE: Along the recognized North line of said Survey No. 1012, the recognized South line of said Survey No. 1011, and an interior South line of said 21,976.630 acre tract of land, S 89-48-18 W at 222.00 feet cross said fence at a point 243.10 feet South of a 6" diameter cedar corner post, continuing a total distance of 10,037.05 feet to a point on the East boundary line of said Devils River for the recognized Northwest corner of said Survey No. 1012, the recognized Southwest corner of Survey No. 1011, an exterior corner of said 21,976.630 acre tract of land, and an exterior corner of this survey;

THENCE: Along the East boundary line of said Devils River and the upper West boundary line of said 21,976.630 acre tract of land, the following courses:

N 06-30-26 E 1649.51 feet to an angle point;

N 11-36-59 E 1797.21 feet to an angle point;

N 33-39-25 E 437.81 feet to an angle point;

N 52-02-30 E 800.40 feet to an angle point;

N 46-06-41 E 1369.98 feet to an angle point;

N 42-13-33 E 1909.87 feet to an angle point;

N 16-00-33 E 2084.07 feet to an angle point; and

In part along the West line of said 4 acres of land, more or less, N 45-48-24 E 1325.96 feet to a 3" diameter pipe post at the end of a fence for the Northwest corner of said 4 acres of land, more or less, and the Northwest corner of this survey;

THENCE: Along an existing fenceline, in part along the Northeast line of said 4 acres of land, more or less, said fenceline being on or near a Northeast and Northwest line of said 21,976.630 acre tract of land,
the following courses:

S 47-58-47 E 65.86 feet to a 3" diameter pipe post on the Southeast high bank of the Devils River for an angle point;

S 45-17-24 E 227.84 feet to a 3" diameter pipe post for an angle point;

S 44-28-33 E 317.44 feet to a 3" diameter pipe corner post for an interior corner of this survey;

N 71-30-41 E 311.14 feet to a 3" diameter pipe post for an angle point;

N 47-23-16 E 176.63 feet to a 3" diameter pipe corner post on the Southwest line of a 50-foot-wide Ingress-Egress Easement described in an Easement Agreement to the property owners from T. W. Land, Ltd., dated July 9, 1988, as recorded in Volume 643 on Page 804 of the Official Public Records of Val Verde County, Texas, for an exterior corner of this survey;

THENCE: Along an existing fenceline and the North line of said 21,976.630 acre tract of land, the following courses:

S 40-57-37 W 3.70 feet to a 3" diameter pipe post for an angle point;

S 54-19-47 E 94.94 feet to a 3" diameter pipe post for an angle point;

S 20-39-13 E 154.18 feet to a 3" diameter pipe post for an angle point;

S 04-20-31 W 205.40 feet to a 3" diameter pipe post for an angle point;

S 08-27-37 E 192.16 feet to a 3" diameter pipe post for an angle point;

S 33-25-32 E 145.89 feet to a 3" diameter pipe post for an angle point;

S 21-44-18 W 156.94 feet to a 3" diameter pipe post for an angle point;

S 23-52-26 E 126.13 feet to a 3" diameter pipe post for an angle point;

S 65-53-08 E 317.71 feet to a 3" diameter pipe post for an angle point;

S 55-11-03 E 122.41 feet to a 3" diameter pipe post for an angle point;

S 66-15-51 E 161.43 feet to a 3" diameter pipe post for an angle point;

S 70-35-07 E 417.03 feet to a 3" diameter pipe post for an angle point;

S 82-49-51 E 146.98 feet to a 3" diameter pipe post for an angle point;

S 87-07-47 E 164.91 feet to a 3" diameter pipe post for an angle point;

N 89-24-18 E 308.91 feet to a 3" diameter pipe post for an angle point;

N 75-36-10 E 412.83 feet to a 3" diameter pipe post for an angle point;

S 78-30-57 E 146.96 feet to a 3" diameter pipe post for an angle point;

S 82-33-52 E 234.79 feet to a 3" diameter pipe post for an angle point;

N 44-53-14 E 185.88 feet to a 3" diameter pipe post for an angle point;

N 71-51-39 E 147.33 feet to a 3" diameter pipe post for an angle point;

N 85-37-57 E 252.79 feet to a 3" diameter pipe post for an angle point;

S 67-48-33 E 168.95 feet to a 3" diameter pipe post for an angle point;

S 81-12-36 E 290.72 feet to a 3" diameter pipe post for an angle point;

N 88-18-00 E 403.95 feet to a 3" diameter pipe post for an angle point;

N 81-08-18 E 201.41 feet to a 3" diameter pipe post for an angle point;

N 71-05-01 E 140.23 feet to a 3" diameter pipe post for an angle point;

N 54-49-58 E 92.08 feet to a 3" diameter pipe post for an angle point;

N 35-10-55 E 188.08 feet to a 3" diameter pipe post for an angle point;

N 52-16-44 E 174.64 feet to a 3" diameter pipe post for an angle point;

N 75-35-44 E 293.15 feet to a 3" diameter pipe post for an angle point;

S 83-22-38 E 290.95 feet to a 3" diameter pipe post for an angle point;

S 64-30-06 E 250.31 feet to a 3" diameter pipe post for an angle point;

S 35-59-41 E 170.62 feet to a 3" diameter pipe post for an angle point;

S 56-20-14 E 258.14 feet to a 3" diameter pipe post for an angle point;

S 49-04-05 E 139.41 feet to a 3" diameter pipe post for an angle point;

S 53-59-40 E 249.51 feet to a 3" diameter pipe post for an angle point;

S 34-35-21 E 107.02 feet to a 3" diameter pipe post for an angle point;

S 24-31-47 E 312.97 feet to a 3" diameter pipe post for an angle point;

S 01-21-37 E 142.00 feet to a 3" diameter pipe post for an angle point;

S 48-27-44 E 119.88 feet to a 3" diameter pipe post for an angle point;

N 73-54-54 E 190.74 feet to a 3" diameter pipe post for an angle point;

S 73-23-22 E 174.25 feet to a 3" diameter pipe post for an angle point;

S 79-46-02 E 189.97 feet to a 3" diameter pipe post for an angle point;

S 50-43-24 E 77.28 feet to a 3" diameter pipe post for an angle point;

S 69-11-40 E 99.57 feet to a 3" diameter pipe post for an angle point;

N 75-29-22 E 167.07 feet to a 3" diameter pipe post for an angle point;

S 75-57-26 E 196.00 feet to a 3" diameter pipe post for an angle point;

S 82-13-37 E 110.55 feet to a 3" diameter pipe post for an angle point;

N 77-03-17 E 189.45 feet to a 3" diameter pipe post for an angle point;

S 84-14-42 E 142.96 feet to a 3" diameter pipe post for an angle point;

N 71-48-44 E 98.81 feet to a 3" diameter pipe post for an angle point;

N 56-29-08 E 437.69 feet to a 3" diameter pipe post for an angle point;

N 81-38-50 E 148.33 feet to a 3" diameter pipe post for an angle point;

N 61-42-10 E 418.11 feet to a 3" diameter pipe post for an angle point;

N 72-24-56 E 139.24 feet to a 3" diameter pipe post for an angle point;

S 87-46-29 E 88.47 feet to a 3" diameter pipe post for an angle point;

S 64-29-03 E 137.03 feet to a 4" diameter pipe post for an angle point;

N 21-08-51 E 241.65 feet to a 4" diameter pipe post for an angle point;

S 54-01-43 E 258.86 feet to a 4" diameter pipe post for an angle point;

S 71-26-08 E 423.54 feet to a 4" diameter pipe post for an angle point;

S 20-52-47 E 256.64 feet to a 4" diameter pipe post for an angle point;

S 37-54-35 E 215.20 feet to a 4" diameter pipe post at the North end of an entrance gate for an angle point;

Across said entrance, S 06-35-47 W 50.46 feet to a 4" diameter pipe post at the South end of said entrance gate for an angle point;

S 70-21-01 E 111.34 feet to a 4" diameter pipe post for an angle point;

S 67-19-57 E 315.33 feet to a 4" diameter pipe post for an angle point;

N 86-47-19 E 99.16 feet to a 4" diameter pipe post for an angle point;

N 78-03-54 E 264.27 feet to a 4" diameter pipe post for an angle point;

N 54-15-30 E 305.66 feet to a 4" diameter pipe post for an angle point;

N 86-30-31 E 629.39 feet to a 4" diameter pipe post for an angle point;

N 84-04-44 E 513.56 feet to a 4" diameter pipe post for an angle point;

S 73-07-16 E 222.07 feet to a 4" diameter pipe post for an angle point;

S 78-25-24 E 438.28 feet to a 4" diameter pipe post for an angle point;

S 87-25-44 E 252.20 feet to a 4" diameter pipe post for an angle point;

N 83-57-37 E 615.91 feet to a 4" diameter pipe post for an angle point; and

N 88-12-12 E 361.09 feet to a 4" diameter pipe post on the South line of the aforementioned County Road for the eastern terminus of said 50-foot-wide Ingress-Egress Easement and an angle point of this survey;

THENCE: Along fence and the South line of said County Road, the following courses:

S 80-59-00 E 676.16 feet to a 4" diameter pipe post for an angle point;

S 77-48-20 E 481.18 feet to a 4" diameter pipe post for an angle point;

N 88-50-33 E 231.41 feet to a 4" diameter pipe post for an angle point;

N 83-47-36 E 187.73 feet to a 4" diameter pipe post for an angle point;

N 62-02-17 E 262.48 feet to a 4" diameter pipe post for an angle point;

N 57-51-58 E 652.99 feet to a 4" diameter pipe post for an angle point; and

N 65-34-16 E 987.96 feet to the POINT OF BEGINNING.

The bearings are relative to the bearing between a 3" pipe corner post at the Northeast corner of this survey and a 5/8" iron pin found by a 6" cedar corner post at the Southeast corner of this survey having a bearing and distance of S 00-13-37 W 11,315.78 feet.

I certify that the foregoing field note description was prepared from an actual survey made under my supervision on the ground and that same is true and correct. Witness my hand and seal this the 19 day of December 2000.

Charles W. Rothe
Registered Professional Surveyor No. 2453
1705 Avenue K, P. O. Box 426
Hondo, Texas 78861
Ph. (830) 426-3005
FAX (830) 426-8160

STATE OF TEXAS REGISTERED CHARLES W. ROTHE 2453 PROFESSIONAL LAND SURVEYOR

EXHIBIT D
TO DEED FROM THE NATURE CONSERVANCY TO DEVIL'S RIVER RANCH, L.L.C.

RESERVATION OF CONSERVATION EASEMENT

STATE OF TEXAS §
COUNTY OF VAL VERDE §

The property described in the deed to which this exhibit is attached (hereinafter referred to as the "Property") is a pristine natural habitat of fish, wildlife, plants and ecological communities. The specific conservation values of the Property are or will be set forth in a Conservation Easement Documentation Report prepared or to be prepared by The Nature Conservancy ("Conservancy") and signed and acknowledged by Devil's River Ranch, L.L.C., a Texas limited liability company ("Grantee"). The Conservancy and Grantee have the common desire and purpose to protect the conservation values of the Property described in the documentation report and wish to create a conservation easement in favor of the Conservancy pursuant to Chapter 183 of the Texas Natural Resources Code, et. seq.

NOW, THEREFORE, the Conservancy hereby reserves and retains a conservation easement in perpetuity over the Property of the nature and character as follows:

1. **PURPOSE.** The purpose of this Conservation Easement is to ensure that the Property will be retained forever predominantly in its natural and scenic condition; to protect native plants, animals, or plant communities on the Property; to prevent any use of the Property that will significantly impair or interfere with the conservation values of the Property described above, 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 residential construction, ranching and farming of existing pastures and fields, outdoor recreation, fishing, and hunting.

Grantee 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 otherwise specified below, nothing in this Conservation Easement shall require the Grantee to take any action to restore the condition of the Property after any act of God or other event over which Grantee had no control. Grantee understands that nothing in this Conservation

Easement relieves them of any obligation or restriction on the use of the Property imposed by law.

2. **PROPERTY USES.** Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following is a listing of activities and uses which are expressly prohibited or which are expressly allowed. The Conservancy and Grantee have determined that the allowed activities do not impair the conservation values of the Property. Additional retained rights of Grantee are set forth in Paragraph 3 below.

2.1 Subdivision. The Property may not be divided, subdivided or partitioned.

2.2 Construction. Grantee shall have the right to construct two additional residences and associated outbuildings on the Property. Grantee may construct driveways, utilities, and a well to serve two new residences. All improvements shall be sited as to cause the least disturbance to the conservation values of the Property and the landscape of the Devils River watershed. The location of each residences shall be subject to the approval of the Conservancy, which approval shall not be unreasonably withheld. Outside existing and new residences, structures shall be limited to traditional ranching improvements to the Devils River area such as fences, corrals, pens, water wells, hunting blinds, fishing pavilion, and water tanks and troughs. Septic systems and leach fields will meet county codes and other applicable law, and will not be built or installed within 200 feet of the Devils River or tributary. Materials used in construction of any improvements shall be non-reflective and compatible with the scenic character of the Property. Grantee may construct driveways, utilities and a well to serve the new buildings. No other structures may be placed or constructed on the Property. Furthermore, there shall be no constructing or placing of any new airplane landing strip, utility pole (other than those necessary to service the Property's improvements), utility tower, conduit or line on or above the Property. Outdoor lighting shall be placed and shielded so as to minimize the impact on surrounding areas. Notwithstanding the foregoing, Grantee shall at all times use best efforts and practices in the

construction of improvements to have limited impact on the conservation values of the Property.

2.3 Existing Improvements. Grantee shall have the right to maintain, remodel, and repair existing structures, water tanks, fences, corrals, water wells, header dams, utilities, and other improvements, and in the event of their destruction, to reconstruct any such existing improvements with another of similar size, function, capacity, location and material.

2.4 Mineral Extraction. Extraction of subsurface minerals may be accomplished only by extraction methods that will have a limited and localized impact on, and not significantly impair or interfere with the conservation values of the Property and the purposes of this Conservation Easement. Without limiting the generality of the foregoing, minerals shall not be extracted by any surface mining methods. The extractor shall at all times use best efforts and practices to prevent damage or impairment of natural values and shall restore any area damaged to its original condition. All extraction facilities must be concealed or otherwise located so as to be compatible with existing topography and landscape to the greatest extent practical. The Conservancy must be given written notice of any mineral extraction thirty (30) days prior to beginning any work. All surface mining on the Property is strictly prohibited.

2.5 Agricultural Use. Grantee shall have the right to i) breed, raise and pasture livestock in accordance with 2.7 below, ii) to breed and raise bees for the production of honey, iii) to plant, raise and harvest crops in existing fields on the Property and iv) to perform primary processing, store and sell, including direct sales to the public, of crops and products harvested and produced principally on the Property. Grantee may not establish or maintain any commercial feedlot on the Property, which is defined for the purpose of this Conservation Easement as a confined area or facility within which the land is not grazed or cropped at least annually and which is used to receive livestock that has been raised off the Property for feeding and fattening for market.

2.6 Roads. Grantee shall have the right to maintain existing roads. New roads are discouraged; however, Grantee shall also have the right to develop new roads subject to the Conservancy's approval.

2.7 Grazing. Grantee shall have the right to graze and pasture domestic animals except sheep or goats pursuant to a Grazing Plan, to be updated at least every five years, that is prepared by a range management specialist and approved by the Conservancy, and that is designed to ensure the maintenance of good rangeland health and a quality mix of native grasses, forbs, shrubs and woodland vegetation, while protecting soil stability, water quality and other conservation values of the Property. Introduction of exotic animals is not allowed except for domestic livestock as allowed in the Grazing Plan.

2.8 Home Businesses. Any business that is conducted by, and in the home of, a person residing on the Property, is allowed.

2.9 Recreational Uses. Grantee shall have the right to engage in and permit others to engage in recreational uses of the Property, including, without limitation, hunting and fishing, that require no surface alteration or other development of the land.

2.10 Excavation. Except as necessary to accommodate construction of the improvements allowed above, maintenance of existing roads, hiking and horseback trails, and other activities expressly permitted under this Conservation Easement, there shall be no ditching, draining, diking, filling, excavating, dredging, removal of topsoil, sand, gravel, rock, minerals or other materials, mining, drilling or removal of minerals, nor any building of roads or change in the topography of the Property or disturbance in the soil in any manner. Existing caliche pits for road maintenance shall be allowed; however, any new pits for road or construction materials including location, size, and depth must be approved by the Conservancy.

2.11 Destruction of Plants, Disturbance of Natural Habitat. Grantee shall have the right to cut and remove diseased or exotic trees, shrubs, or plants, and to cut firebreaks, subject to the prior approval of the Conservancy, except that such approval shall not be required in case of emergency firebreaks. Grantee shall also have the right to cut and remove trees, shrubs or plants to accommodate the

activities expressly permitted under this Conservation Easement. There shall be no additional removal, harvesting, destruction or cutting of native trees, shrubs or plants. Except for use around improvements, in approved food plots allowed in the Grazing Plan, or in gardens there shall be no planting of non-native trees, shrubs or plants on the Property. Furthermore, except to accommodate the activities expressly permitted under this Conservation Easement there shall be no use of fertilizers, plowing, introduction of non-native animals or plants, or disturbance or change in the natural habitat in any manner.

2.12 Hydrology. Other than the construction of wells to serve allowed improvements, there shall be no alteration, depletion or extraction of surface water, natural water courses, lakes, ponds, marshes, subsurface water or any other water bodies on the Property. New septic systems as provided herein must meet county codes where applicable, and comply with the provisions regarding pollution and new developments, and comply with any and all other applicable law, rules and regulations. New septic systems and concomitant leach fields must be installed no closer than two hundred feet (200') from live surface waters of flowing streams, rivers and dry arroyos.

2.13 No Biocides. There shall be no use of pesticides or biocides, including but not limited to insecticides, fungicides, rodenticides, and herbicides, except as approved by the Conservancy to control invasive species detrimental to the conservation values of the Property, and except as needed around improvements on the Property and in existing agricultural fields allowed in the Grazing Plan. No pesticide use shall be permitted which would injure or destroy a significant naturally occurring ecosystem.

2.14 No Dumping. There shall be no storage or dumping of 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 land fill or dredging spoils, nor shall activities be conducted on the Property or on the adjacent property owned by Grantee, that could cause erosion or siltation on the Property.

2.15 No Pollution. There shall be no pollution, of surface water, natural water courses, lakes, ponds, marshes, subsurface water or any other water bodies, nor shall activities be conducted on the Property that would be detrimental to water purity or that could alter the natural water level or flow in or over the Property.

2.16 Predator Control. Grantee shall have the right to control, destroy, or trap predatory and problem animals which pose a material threat to livestock, and/or humans by means and methods approved by the Conservancy. The method employed shall be selective and specific to individuals, rather than broadcast, nonselective techniques.

2.17 Commercial Development. Any commercial or industrial use of or activity on the Property, other than those relating to agriculture, fishing, hunting, recreation, home businesses or mineral extraction as permitted herein is prohibited.

2.18 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; provided, however, that with prior written permission of the the Conservancy, this paragraph shall not preclude such transfer of development rights resulting from the destruction or demolition of any existing residential building on the Property.

2.19 Exotics. Grantee will use its best efforts to aggressively reduce the number of existing exotic animal on the Property. No new introductions are allowed except for domestic livestock allowed in the Grazing Plan.

3. **ADDITIONAL RIGHTS OF GRANTEE.** Grantee shall have the following additional rights:

3.1 Existing Uses. The right to undertake or continue any activity or use of the Property not prohibited by this Conservation Easement. Prior to making any

change in use of the Property, Grantee shall notify the Conservancy in writing to allow the Conservancy a reasonable opportunity to determine whether such change would violate the terms of this Conservation Easement.

3.2 Transfer. The right to sell, give, mortgage, lease, or otherwise convey the Property subject to the terms of this Conservation Easement.

4. **CONSERVANCY'S RIGHTS.** To accomplish the purpose of this Conservation Easement, the following additional rights are retained by the Conservancy:

4.1 Right to Enforce. The right to preserve and protect the conservation values of the Property and enforce the terms of this Conservation Easement by appropriate legal proceedings including, but not limited to, the right to require the restoration of the Property to its condition at the time of the grant of the Conservation Easement.

4.2 Right of Entry. The right of the Conservancy's staff, contractors and associated natural resource management professionals to enter the Property after prior written consent, which consent will not be given less than one time each calendar year, to Grantee, for the purposes of: (a) inspecting the Property to determine if Grantee is complying with the covenants and purposes of this Conservation Easement; and (b) monitoring and research as described below; and (c) management of exotic and invasive species.

4.4 Monitoring and Research. The right, but not the obligation, to monitor the plant and wildlife populations, plant communities and natural habitats on the Property. Grantee shall cooperate with the Conservancy in establishing, at no expense to Grantee, a written Monitoring and Research Plan to direct the monitoring of and research on plant and wildlife populations, plant communities and natural habitats on the Property. Grantee agrees that all monitoring activity, natural resource inventory and assessment work or other natural resource research, conducted by Grantee or others, shall be reported to the Conservancy.

4.5 Discretionary Consent. The Conservancy's consent for activities otherwise prohibited or requiring the Conservancy's consent under paragraph 2 above, may be given under the following conditions and circumstances. If, owing to unforeseen or

changed circumstances, any of the prohibited activities listed in paragraph 2 are deemed desirable by both the Conservancy and Grantee, the Conservancy may, in its sole discretion, give permission for such activities, subject to the limitations herein. Such requests for permission, and permission for activities requiring the Conservancy's consent shall be in writing and shall describe the proposed activity in sufficient detail to allow the the Conservancy to judge the consistency of the proposed activity with the purpose of this Conservation Easement. The Conservancy may give its permission only if it determines, in its sole discretion, that such activities (1) do not violate the purpose of this Conservation Easement and (2) either enhance or do not impair any significant conservation interests associated with the Property. Notwithstanding the foregoing, the Conservancy and Grantee have no right or power to agree to any activities that would result in the termination of this Conservation Easement.

5. **RESPONSIBILITIES OF CONSERVANCY AND GRANTEE NOT AFFECTED.** Other than as specified herein, this Conservation Easement is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligation of the Grantee as owner of the Property. Among other things, this shall apply to:

(a) *Taxes* - The Grantee shall be solely responsible for payment of all taxes and assessments levied against the Property.

(b) *Upkeep and Maintenance* - The Grantee shall be solely responsible for the upkeep and maintenance of the Property, to the extent it may be required by law. The Conservancy shall have no obligation for the upkeep or maintenance of the Property.

6. **ACCESS.** No right of access by the general public to any portion of the Property is conveyed by this Conservation Easement. However, the public has the right to view the Property from adjacent publicly accessible areas such as public roads and waterways

7. **ENFORCEMENT.** The Conservancy shall have the right to prevent and correct violations of the terms of this Conservation Easement. With advance written notice the

Conservancy may enter the Property for the purpose of inspecting for violations. If the Conservancy finds what is a violation, it may at its discretion take appropriate legal action. Except when an ongoing or imminent violation could substantially diminish or impair the conservation values of the Property, the Conservancy shall give the Grantee written notice of the violation and sixty (60) days to correct it (or to begin good faith efforts to correct in the event the violation is something which cannot be reasonably corrected in sixty (60) days), before filing any legal action. If a court with jurisdiction determines that a violation may exist or has occurred, the Conservancy may obtain an injunction to stop it, temporarily or permanently. A court may also issue an injunction requiring the Grantee to restore the Property to its condition prior to the violation. The failure of the Conservancy to discover a violation or to take immediate legal action shall not bar it from doing so at a later time.

8. **TRANSFER OF EASEMENT.** The parties recognize and agree that the benefits of this Conservation Easement are in gross and are not assignable except as expressly set forth in the next sentence. The Conservancy shall have the right to transfer or assign this Conservation Easement to any private nonprofit organization that at the time of transfer, is a "qualified organization" under Section 170(h) of the U.S. Internal Revenue Code, and the organization expressly agrees to assume the responsibility imposed on the Conservancy by this Conservation Easement. If the Conservancy ever ceases to exist or no longer qualifies under Sec. 170(h) or applicable state law, a court with jurisdiction shall transfer this Conservation Easement to another qualified organization having similar purposes that agrees to assume the responsibility.

9. **TRANSFER OF PROPERTY.** Any time the Property, or any interest therein, is transferred by the Grantee to any third party, the Grantee shall notify the Conservancy in writing at least thirty (30) days prior to the transfer of the Property, and the document of conveyance shall expressly refer to this Conservation Easement.

10. **AMENDMENT OF EASEMENT.** This Conservation Easement may be amended only with the written consent of Grantee and the Conservancy. Any such amendment shall be consistent with the purposes of this Conservation Easement and shall comply with Sec. 170(h) of the Internal Revenue Code, or any regulations promulgated in accordance with that section. Any

such amendment shall also be consistent with Chapter 183 of the Texas Natural Resources Code, or any regulations promulgated pursuant to that law. The Grantee and the Conservancy have no right or power to agree to any amendment that would affect the enforceability of this Conservation Easement.

11. **TERMINATION OF EASEMENT.** If it is determined that conditions on or surrounding the Property have changed so much that it is impossible to fulfill the conservation purposes set forth above, a court with jurisdiction may, at the joint request of both the Conservancy and Grantee, terminate this Conservation Easement.

If condemnation of a part of the Property or of the entire Property by public authority renders it impossible to fulfill any of these conservation purposes, the Conservation Easement may be terminated through condemnation proceedings.

At the time of the reservation of this Conservation Easement to the Conservancy, this Conservation Easement gives rise to a real property right, immediately vested in the Conservancy. If the Conservation Easement is terminated and the Property is sold or taken for public use, then, as required by Sec. 1.170A-14(g)(6) of the Treasury regulations, the Conservancy shall be entitled to a percentage of the gross sale proceeds or condemnation award (minus any amount attributable to new improvements made after the date of this conveyance, which amount shall be reserved to Grantee) equal to the ratio of the appraised value of this Conservation Easement to the unrestricted fair market value of the Property, as these values are determined on the date of this Conservation Easement. The Conservancy shall use the proceeds consistently with the conservation purposes of this Conservation Easement.

12. **INTERPRETATION.** This Conservation Easement shall be interpreted under the laws of Texas, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.

13. **INDEMNIFICATION.** 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 that causes injury to a person(s) or damage to property.

14. **NOTICES.** Any notices required by this Conservation Easement shall be in writing and shall be personally delivered or sent by first class mail, to the Conservancy and Grantee, respectively, at the following addresses, unless a party has been notified by the other of a change of address.

To Conservancy:

Devil's River Ranch, L.L.C.
12850 Hillcrest Road, Suite 200
Dallas, Texas 75230

To the Grantee:

Legal Department
The Nature Conservancy
P.O. Box 1440
San Antonio, Texas 78295-1440

15. **SEVERABILITY.** If any provision of this Conservation Easement is found to be invalid, the remaining provisions shall not be altered thereby.

16. **PARTIES.** Every provision of this Conservation Easement that applies to the Grantee or the Conservancy shall also apply to their respective heirs, executors, administrators, assigns, and all other successors as their interest may appear.

17. **RE-RECORDING.** In order to ensure the perpetual enforceability of the Conservation Easement, the Conservancy is authorized to re-record this instrument or any other appropriate notice or instrument.

18. **MERGER.** The parties agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interest in the Property.

19. **SUBSEQUENT LIENS ON PROPERTY.** No provisions of this Conservation Easement should be construed as impairing the ability of Grantee to use this Property as

collateral for subsequent borrowing, provided that any mortgage or lien arising from such a borrowing must be subordinate to this Conservation Easement.

RESERVED this Conservation Easement together with all and singular the appurtenances and privileges belonging or in any way pertaining thereto, either in law or in equity, either in possession or expectancy, for the proper use and benefit of The Nature Conservancy, its successors, and assigns forever.

TO HAVE AND TO HOLD, the said Conservation Easement unto The Nature Conservancy, its successors and assigns, forever.

IN WITNESS WHEREOF, The Nature Conservancy has executed this document on the 27th day of December, 2001.

THE NATURE CONSERVANCY

By: James King

Its West Texas Program Manager

STATE OF TEXAS §
COUNTY OF JEFF DAVIS §

This instrument was acknowledged before me on the 27th day of Dec., 2001, by JAMES KING, West Texas Program Manager of THE NATURE CONSERVANCY, on behalf of said corporation.

LYNNE C. BALDWIN
MY COMMISSION EXPIRES
September 25, 2005

Lynne C. Baldwin (SEAL)
NOTARY PUBLIC

My commission expires: 09/25/05

ACCEPTANCE

DEVIL'S RIVER RANCH, L.L.C., a Texas limited liability company, Grantee, hereby executes and seals this document to indicate acceptance of the terms contained herein on this 27th day of December, 2001.

GRANTEE:

DEVIL'S RIVER RANCH, L.L.C.,
a Texas limited liability company

By: Rodger M. Sanders
Rodger M. Sanders,
Sole Manager

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Rodger M. Sanders, the Sole Manager of Devil's River Ranch, L.L.C., a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he executed the same for the purposes and consideration therein stated and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27th day of December, 2001.

Laura Draxler (SEAL)
NOTARY PUBLIC

My commission expires:

_____

LAURA DRAXLER
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 03-08-2004

AFTER RECORDING RETURN TO:

Catherine M. Del Castillo
The Nature Conservancy
P.O. Box 1440
San Antonio, Texas 78295

EXHIBIT E

Additional Exceptions and Exclusions from Warranty

1. 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 the 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.

2. ½ Royalty Reservation as set out in Deed dated October 3, 2000 recorded in Volume 756, Pages 514-544, Official Public Records, Val Verde County, Texas.

3. Contract and Grant of Right of Way Easement dated September 14, 1967 granted to United States of America recorded in Volume 193, Pages 520-525, Deed Records, Val Verde County, Texas, and as shown on survey dated December 27, 2001, by Charles W. Rothe, Registered Professional Surveyor.

4. Easement for Water Line purposes contained in Cross-Easement Agreement from Devil's River Ranch to Hussie Miers dated October 12, 1976 recorded in Volume 307, Pages 397-410, Deed Records, Val Verde County, Texas and as corrected by the certain Correction Cross Easement Agreement recorded in Volume 365, Pages 183-196, both Deed Records, Val Verde County, Texas covering the property described in Exhibit "D" and Exhibit "F" of the Cross Easement Agreement and as shown on the survey prepared by Charles W. Rothe, Registered Professional Surveyor dated December 27, 2001.

5. The Following Surveys are Mineral Classified: North Half of Survey 20, Block AZ-3 containing 300 acres as set out in Patent recorded in Volume 54, Page 32, Deed Records, Val Verde County, Texas and all of Survey 1014 as set out in Patent recorded in Volume 54, Page 31, Deed Records, Val Verde County, Texas.

6. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 23-24, Deed Records, Val Verde County, Texas. (Survey 1015, CG&SF Ry Co)

7. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 26-27, Deed Records, Val Verde County, Texas. (Survey 1016, Abst. 1933, GC&SF Ry Co, and Survey 1016, Abst. 3278, GC&SF Ry Co,)

8. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 18-19, Deed Records, Val Verde County, Texas. (Survey 1017, TC Ry Co)

11, Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 28-29, Deed Records, Val Verde County, Texas. (Survey 1018, TC Ry Co,)

12. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 17-18, Deed Records, Val Verde County, Texas. (Survey 1019, TC Ry Co. - erroneously described as Survey 1021)

13. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 16-17, Deed Records, Val Verde County, Texas. (West Half - Survey 1020, Abst. 1938, TC Ry Co. and East Half - Survey 1020, Abst. 2028, TC Ry Co)

14. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 15-16, Deed Records, Val Verde County, Texas. (Survey 1021, GC & SF Ry Co.)

15. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 19-20, Deed Records, Val Verde County, Texas. (Survey 1023, Henry Parker)

16. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 22-23, Deed Records, Val Verde County, Texas. (Survey 1023 ½ , Henry Parker)

17. Undivided ½ mineral interest as conveyed to Capt. G. M. Church in deed dated May 5, 1919 recorded in Volume 41, Pages 21-22, Deed Records, Val Verde County, Texas. (Survey 1024, John Little)

18. The Following Surveys are Mineral Classified: Survey 16 ½, J. W. Carruthers; Survey 19 ½ J. W. Carruthers as set out in Patent recorded in Volume 81, Page 402, Deed Records, Val Verde County, Texas and Survey 19 ¾, J. W. Carruthers as set out in Patent recorded in Volume 50, Page 118, Deed Records, Val Verde County, Texas.

19. Undivided 1/14th mineral interest as conveyed to C. J. Bohner in deed dated September 6, 1950 recorded in Volume 120, Pages 43-44, Deed Records, Val Verde County, Texas in 7854.54 acres.

20. Undivided 1/14th mineral interest as conveyed to C. B. Christie in deed dated September 6, 1950 recorded in Volume 120, Pages 48-49, Deed Records, Val Verde County, Texas in 7854.54 acres.

21. Undivided 1/14th mineral interest as conveyed to Bert Broday in deed dated September 6, 1950 recorded in Volume 120, Pages 65-66, Deed Records, Val Verde County, Texas in 7854.54 acres.

22. Undivided 1/14th mineral interest as conveyed to C. W. Cahoon Jr. in deed dated September 18, 1950 recorded in Volume 120, Pages 73-74, Deed Records, Val Verde County, Texas in 7854.54 acres.

23. Undivided 1/14th mineral interest as conveyed to Frank Wood in deed dated September 20, 1950 recorded in Volume 120, Pages 86-87, Deed Records, Val Verde County, Texas in 7854.54 acres.

24. Undivided 1/14th mineral interest as conveyed to Albert Crenshaw in deed dated December 31, 1950 recorded in Volume 120, Pages 528-529, Deed Records, Val Verde County, Texas in 7854.54 acres. .

25. Undivided ½ Non Participating mineral interest (except S/2 of Survey 20, Abstract 2598 and Survey 1014, Abstract 3455) as reserved in deed dated September 11, 1973 recorded in Volume 258, Pages 363-368, Deed Records, Val Verde County, Texas.

26. Undivided ½ mineral interest in Surveys 16-17, Block AZ-3, as conveyed in deed dated August 11, 1927 recorded in Volume 65, Pages 524-525, Deed Records, Val Verde County, Texas.

27. Undivided ½ mineral interest in Survey 18, Block AZ-3, as conveyed in deed dated January 9, 1930 recorded in Volume 77, Pages 360-361, Deed Records, Val Verde County, Texas.

28. Road Right of Way Easement dated April 30, 1987 recorded in Volume 480, Pages 189-191, Deed Records, Val Verde County, Texas and replaced and corrected by Correction Easement dated February 26, 1988 recorded in Volume 492, Pages 295, Deed Records, Val Verde County, Texas, and as shown on survey dated December 27, 2001 by Charles W. Rothe, Registered Professional Surveyor.

29. Road, Windmill and Water Pipeline Agreement dated June 4, 1982 recorded in Volume 404, Pages 24-31, Deed Records, Val Verde County, Texas and modified in Volume 460, Pages 113-125, Deed Records, Val Verde County, Texas.

30. Boundary Line Agreement dated October 14, 1986 executed by and between Hermann Hospital Estate and Indianhead Ranch, Inc. recorded in Volume 472, Pages 253-264, Deed Records, Val Verde County, Texas.

31. Any right, title, interest or claim (valid or invalid) of any character had or asserted by the State of Texas or by any other government or governmental authority or by the public generally (1) in and to portions of the above described property which may be within the bed, shore, or banks of a perennial stream or of a stream or lake navigable in fact a body of water affected by the ebb and flow of the tide; and (2) in and to portions of the above described property which may be between the water's edge and the line of vegetation on the upland or for any claim or right of ingress and egress therefrom.

32. Boundary Agreement dated October 3, 2000 executed by and between Harold W. Nix and Indianhead Ranch, Inc. recorded in Volume 758, Pages 706-708, Official Public Records, Val Verde County, Texas.

33. Boundary Agreement dated October 3, 2000 executed by and between Robert Corbin, et als and Harold W. Nix recorded in Volume 758 , Pages 709-715, Official Public Records, Val Verde County, Texas.

34. Boundary Agreement dated October 13, 2000 executed by and between Irvin E Horton Jr. et al and Harold W. Nix recorded in Volume 758, Pages 716-723, Official Public Records, Val Verde County, Texas.

35. The Following Fence encroachments and protrusions:

    a) 14.159 acres under Title but outside of fence line in Survey 5.

    b) 8.689 acres under Title but outside the Fence line in Survey 13.

    c) 1.246 acres under Title but outside the fence line along Surveys 1013 and 1014.

    d) 10.439 acres under Title but outside of fence line in Survey 25 ¾ .

36. As to the Easement Tract described in Cross Easement Agreement dated October 12, 1976 recorded in Volume 307, Pages 397-410, Deed Records, Val Verde County, Texas, and corrected in Correction Cross Easement recorded in Volume 365, Pages 183-196, Deed Records, Val Verde County, Texas and being more fully described on Exhibit C, Road Easement No. 3 of said Document, the following additional exceptions:

    a) Terms and Conditions of that Cross Easement dated October 12, 1976 recorded in Volume 307, Pages 397-410, Deed Records, Val Verde County, Texas and re-recorded in Volume 365, Pages 183-196, both Deed Records, Val Verde County, Texas other than the terms creating the Estate insured hereunder.

    b) Any Ad Valorem taxes that might be due on lands used for Easement purposes.

    c) All mineral interest as reserved in Easement dated October 12, 1976 executed by Devil's River Ranch, Ltd. to, et als, to Hussie Miers, et als, recorded in Volume 365, Pages 183-196, Deed Records, Val Verde County, Texas.

d) Rights of parties in possession and visible and apparent easements on the property.