

**SHARED WATER WELL SYSTEM USER AGREEMENT
MATAGORDA INTRACOASTAL ESTATES SUBDIVISION
LOT 44 and LOTS 13-24**

This Shared Water Well System User Agreement (“Agreement”) is effective as of this the 20th day of July, 2023 by and between the below described Lots within the Matagorda Intracoastal Estates Subdivision (the “Subdivision”)

WHEREAS, CROSSTIMBERS LAND DEVELOPMENT, LLC, a Texas Limited Liability Company is the Developer of the Matagorda Intracoastal Estates Subdivision;

WHEREAS, Developer intends to drill a water well and install a distribution system on certain Lots, (as defined in those certain Declarations of Covenants, Conditions, and Restrictions of Matagorda Intracoastal Estates Subdivision (the “Declarations”)) for the purpose of providing water to the Subdivision; and

WHEREAS, subject to the Declarations the Owners of Lot 44 and Lots 13-24 enter into this Agreement for the purpose of defining the terms, conditions and agreements of the Parties in regards to their shared water well (the “Shared Water Well”).

NOW THEREFORE, in consideration of the terms, conditions, mutual agreements contained herein, the Parties agree as follows:

DEFINITIONS:

All terms found herein and not specifically defined shall be granted the same definition as found in those Declarations of Covenants, Conditions, and Restrictions of Matagorda Intracoastal Estate Subdivision filed for record in the Real Property Records of Matagorda County, Texas.

PARTIES TO THE AGREEMENT

This Agreement is by and between the Owners of Lot 44 and Lots 13-24 in the Matagorda Intracoastal Estate Subdivision. All Owners and their addresses are attached hereto as Exhibit A as it may be updated and amended from time to time. Each Owner is individually a “Party” and collectively the “Parties” to this Agreement.

OWNERSHIP OF THE WELL AND WATERWORKS

It is agreed by the Parties that the Owner of Lot 44 is the Owner of the Shared Water Well and the Owners of Lots 13-24 are hereby granted a right to water from the Shared Water Well and use of the Shared Water Well Distribution System but shall not have any ownership interest in the Shared Water Well. Each Party shall be entitled to receive a supply of water for one residential dwelling on their Lot from the Shared Water Well.

COST OF WATER SYSTEM CONSTRUCTION

The Developer shall be responsible for all of the initial costs for the drilling of the Shared Water Well, the installation of the electric meter and all other electrical components of the Shared Water Well Distribution System, the installation of the water distribution line, and the installation of a connection point at the front of each Lot.

COSTS AND RESPONSIBILITY FOR CONNECTING TO THE SHARED WATER WELL DISTRIBUTION SYSTEM

Each Lot Owner shall be responsible for connecting their Lot into the Shared Water Well Distribution System at the connection point in front of their Lot and the costs associated with the connection. No Lot Owner considered in this Agreement shall connect to the Shared Water Well Distribution System prior to their execution of this Agreement. No Lot Owner shall have any part or portion of their septic spray system or septic lines within fifty feet (50 ft) of a Shared Water Well or a Shared Water Well Distribution System line, or within fifty feet (50 ft) of the drainage easements along Private Roads 686 and 687.

RESPONSIBILITY OF MAINTENANCE AND ELECTRICITY

The Owner of Lot 44 shall be responsible for the cost for electricity to power and routine maintenance of the Shared Water Well and the Shared Water Well Distribution System. The Owner of Lot 44 is additionally responsible for inspecting and evaluating the Shared Water Well to ensure that it is in a sufficient state to fulfill the water needs of the Parties.

Each Party to this Agreement shall be responsible for inspecting and evaluating the Shared Water Well Distribution System that abuts their Lot and ensure that the Shared Water Well Distribution System is maintained to prevent leakage, seepage, or other defects which may cause contamination of the water or injury or damages to persons or property.

MAJOR REPAIRS OR SPECIAL MAINTENANCE

If at any time an emergency repair is required on the Shared Water Well or Shared Water Well Distribution System, the Owner of Lot 44 shall proceed immediately with the repair to the Shared Water Well or Shared Water Well Distribution System and shall invoice each Party proportionally for their share of the costs. Upon receipt of an invoice from the Owner of Lot 44, Parties shall promptly pay the invoice within 10 business days. An emergency repair shall be defined as any repair that is needed to immediately restore water to the Parties or to prevent contamination of the water supply.

If at any time major repairs or special maintenance are required for the Shared Water Well or Shared Water Well Distribution System that cost over \$1,000.00 and do not meet the definition of an emergency repair, the Owner of Lot 44 shall advise the Parties by written notice of the scope of repairs or maintenance to be completed and the estimate of the costs of the repair or maintenance. The Parties shall have 10 days from the notification date to object and/or seek additional information on the scope and estimated costs of the repair or maintenance from the Lot

44 Owner. Unless four (4) or more of the Parties object in writing to the proposal for repairs or maintenance, the Lot 44 Owner shall proceed with the proposed repairs or maintenance as sent in the notice to the Parties. At the completion of the work, the Lot 44 Owner shall invoice each Party proportionally for their share of the costs. Upon receipt of the invoice from the Owner of Lot 44, Parties shall promptly pay the invoice within 10 business days.

ANNUAL FEE

Each Party will be responsible for advance payment of an Annual Fee to the Owner of Lot 44 for use of the Shared Water Well. On or about January 1st of each year, the Owner of Lot 44 shall send to each Party of this Agreement an invoice evidencing the Annual Fee due. Each Party shall be responsible for paying to the Owner of Lot 44 the annual fee by February 1st of each year. If a Party to this Agreement sells their Lot during the year, the selling Party shall be responsible for pro-rating the payment of this Annual Fee with the buying party at the real estate closing for the Lot. No Party shall have recourse against the Owner of Lot 44 for pro-ration of their Annual Fee based upon the sale of their Lot.

The initial Annual Fee shall be \$50.00 per month per Lot. If at any time the initial Annual Fee amount does not cover the electricity and routine maintenance costs of the Shared Water Well, the Owner of Lot 44 shall notify, in writing, the Parties to this Agreement of the proposed increase of the Annual Fee for the upcoming year, such notice to be at least 60 days prior to January 1st. The Owner of Lot 44 shall provide a justification for the increase of the Annual Fee within the notice. The Parties shall have 30 days after written notice is sent to object to the increase of the Annual Fee. If an objection is raised to the increase of the Annual Fee, the Parties shall vote, in person or by electronic communication to Owner of Lot 44, on the proposed Annual Fee increase no more than 45 days after the initial notice was sent to the Parties by Owner of Lot 44 and no less than 15 days prior to January 1. If no objection is raised or if a majority vote of the Parties is in favor of the increase, the Owner of Lot 44 shall send an updated invoice to the Parties on January 1 of the next year with the new Annual Fee amount.

ANNUAL FEE ASSESSMENT

The Annual Fee provided for herein shall be the personal and individual debt of the Owner of the Lot covered by this Agreement. No Party may exempt himself from liability for such Annual Fee. In the event of default in the payment of any such assessment, the Party shall be obligated to pay interest at the rate of eighteen percent (18%) per annum, (but in any event, no higher than the highest rate allowed by law) on the amount of the assessment from the due date thereof, together with all costs and expenses of collection, including attorneys' fees.

All sums assessed in the manner provided herein but unpaid shall, together with interest as provided for above and the cost of collection, including attorney's fees as herein provided, thereupon become a continuing lien and charge on the Lot covered by such assessment, which shall bind such Lot in the hands of the Owner, and his heirs, devisees, personal representatives and assigns. The aforesaid lien shall be superior to all other, liens and charges against said Lot, except only for tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed from a state or national bank, mortgage company,

savings association, credit union, insurance company or other institutional lender for the purchase and/or improvement of the Lot in question, and shall specifically be prior to any declaration of homestead. To evidence the aforesaid assessment lien, the Owner of Lot 44 shall prepare a written notice of assessment lien (the "Assessment Notice") setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice, if prepared, shall be signed by the Owner of Lot 44 and may be recorded in the office of the County Clerk of Matagorda County, Texas. Such lien for payment of assessments shall attach with the priority above set forth from the date that such payment becomes delinquent as set forth hereinabove, and may be enforced by non-judicial foreclosure of the defaulting Owner's Lot in the like manner as under a deed of trust (with power of sale) on real property subsequent to the recording of the Assessment Notice as provided above, or a suit may be instituted against the Owner personally obligated to pay the assessment and/or for foreclosure of the aforesaid lien judicially. No action may be brought to foreclose the lien created by recordation of a claim of lien pursuant to this Section, whether judicially, by power of sale, or otherwise, until the expiration of ten (10) days after Assessment Notice has been given to the Owner whose Lot is described in such claim of lien. In any foreclosure proceeding, whether judicial or not judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorneys' fees incurred along with any penalty fees and interest accrued.

PRIVATE WATER WELL

At any time an individual Lot Owner may elect to drill a private water well on their Lot for personal use subject to the terms and conditions found in the Declarations covering Private Water Wells and the following requirements:

1. A Private Water Well shall be solely for the personal use of the Lot Owner installing the Private Water Well and the immediately adjacent Lot Owners if the Lot Owners enter into a Shared Private Water Well Agreement. No Lot Owner connected to a Private Water Well shall be connected into the Shared Water Well Distribution System or the Shared Water Well.
2. Upon the completion of a Private Water Well, the Lot Owners connected to a Private Water Well shall 'opt' out of the Shared Water Well and Shared Water Well Distribution System and must notify all Parties to this Agreement by written communication thirty (30) days prior to severing the Shared Water Well connection.
3. It shall be the responsibility of the Lot Owners connected to a Private Water Well, after opting out of the Shared Water Well Agreement, to promptly arrange for the physical severing from the Shared Water Well Distribution System and all costs associated with the severing.
4. In the event a Lot Owner that is connected to a Private Water Well desires to connect or re-connect to a Shared Water Well Distribution System, the Lot Owner seeking connection must execute a Shared Water Well Agreement with the Lot Owner that owns the proper Shared Water Well in accordance with Section 6.02 above, which such Lot Owner that owns the Shared Water Well shall not unreasonably withhold consent to

the connection to the Shared Water Well Distribution System, prior to connecting to the Shared Water Well Distribution System. The cost for a Lot Owner to connect or re-connect into the Shared Water Well Distribution System shall be the responsibility of the Lot Owner seeking to connect or re-connect and the connection to the Lot Owner's Private Well shall be severed prior to the Lot Owner connecting or re-connecting to the Shared Water Well System.

PROHIBITED PRACTICES

The Parties herein, their heirs, successors and/or assigns, will not construct any potential source of contamination within fifty feet (50') of the Shared Water Well or Shared Water Well Distribution System herein described, so long as the same is operated to furnish water for the Lots herein. Any potential source of contamination may include but is not limited to: septic systems and septic spray areas, sewer lines, underground storage tanks, grazing animal pens where manure can accumulate, enclosures for maintaining fowl or animal manure, liquid or dry chemical storage, herbicides, insecticides, hazardous waste, or garbage of any kind. New structures shall meet Subdivision setback requirements and not harbor any potential source of contamination. The Parties will not cross-connect any portion or segment of the water system with any other water source or wastewater disposal outlets.

RESTRICTIONS ON USE

The Parties shall be restricted from the following actions and uses:

1. No Party shall furnish water from the Shared Water Well or Shared Water Well Distribution System to any other individuals, Lots, properties, or dwellings other than those authorized by this Agreement.
2. No Party shall use water from the Shared Water Well or Shared Water Well Distribution System for a commercial use or for lot irrigation.
3. No Party shall transport water from the Shared Water Well to an offsite location, with the exception of minor personal use.

HEIRS, SUCCESSORS, ASSIGNS

The terms and conditions in this Agreement shall run with the land and be binding on all Parties having or acquiring any right, title, or interest in this land described herein or any part hereof and it shall pass to and be for the benefit of each Owner thereof.

GENERAL PROVISIONS

1. Amendment: This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed by all Parties to this Agreement.

2. Termination: This Agreement may not be terminated unless each Lot which is a Party to this Agreement has created a Private Water Well under this Agreement and the Declarations. If all Parties to this Agreement have created a Private Water Well, then this Agreement shall be terminated upon written notice to the Association signed by all Parties to this Agreement, notifying the Association of this Agreement's termination.

3. Governing Law: This Agreement shall be construed in accordance with and governed in all respects by, the laws of the State of Texas, regardless of the laws that might otherwise govern such applicable principles of conflicts of laws thereof.

4. Notices. All notices and other communications pursuant to this Agreement shall be in writing and deemed to be sufficient if contained in a written instrument and shall be deemed given if delivered personally, sent by nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, or by electronic notice to the respective parties listed on Exhibit A.

5. Severability: If any provision of this Agreement or any part of any such provision is held under any circumstances to be invalid or unenforceable in any jurisdiction, then (a) such provision or part thereof shall, with respect to such circumstances and in such jurisdiction, be deemed amended to conform to applicable laws so as to be valid and enforceable to the fullest possible extent, (b) the invalidity or unenforceability of such provision or part thereof under such circumstances and in such jurisdiction shall not affect the validity or enforceability of such provision or part thereof under any other circumstances or in any other jurisdiction and (c) such invalidity or unenforceability of such provision or part thereof shall not affect the validity or enforceability of the remainder of such provision or the validity or enforceability of any other provision of this Agreement.

6. Attorneys' Fees. Should any litigation, arbitration or other proceeding be commenced between the parties concerning this Agreement (including, without limitation, the enforcement hereof and the rights and duties of the parties hereunder), the party prevailing shall be entitled, in addition to such other relief as may be granted, such party's attorneys' fees and expenses in connection with such litigation, arbitration or other proceeding.

7. Counterpart Execution: This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute but one and the same instrument.

8. Captions: The captions contained in this Agreement are for convenience of reference only and shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

[The Remainder of this Page Left Intentionally Blank]

LOT OWNER #44 (SHARED WATER WELL OWNER)

RECIPIENTS OF SHARED WATER WELL DISTRIBUTION SYSTEM ON LOT 44

LOT #13 OWNER

LOT #14 OWNER

LOT #15 OWNER

LOT #16 OWNER

LOT #17 OWNER

LOT #18 OWNER

LOT #19 OWNER

LOT #20 OWNER

LOT #21 OWNER

LOT #22 OWNER

LOT #23 OWNER

LOT #24 OWNER

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #13.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #14.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #15.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #16.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #17.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #18.

THE STATE OF TEXAS §

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #19.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #20.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #21.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #22.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #23.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #24.

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, _____, by _____, Owner of Lot #44.

NOTARY PUBLIC, STATE OF TEXAS

EXHIBIT A

PARTIES TO THIS AGREEMENT

The following Lots and Owners shall be subject to this Agreement:

LOT #13

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #14

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #15

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #16

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #17

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #18

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #19

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #20

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #21

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #22

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #23

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #24

Property Owner(s): _____

Property Owner(s) Address: _____

LOT #44 (Shared Well Owner)

Property Owner(s): _____

Property Owner(s) Address: _____