Docusign Envelope ID: 9C9541B8-7290-8D1A-839D-E8F12B636800

PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS

EQUAL HOUSING OPPORTUNITY

THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS ON THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE BUYER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

CONCERNING THE PROPERTY AT: 12333 Royal Springs Road, Conroe, TX 77303
(Street Address and City)

1. Definitions. For the purposes of this form the following definitions, with notes, apply.

A. "**Groundwater**" means water percolating below the surface of the earth. Groundwater is usually found in subsurface reservoirs or aquifers and is accessed by Water Wells.
[Note: Unless severed from the surface estate, Groundwater is owned by the surface landowner who may be able to access the Groundwater by drilling a Water Well in compliance with the law and rules of the applicable Groundwater District, if any.]

B. "**Groundwater District**" means a local or regional Groundwater Conservation District, Underground Water Conservation District, Subsidence District, or other special district or authority that regulates the drilling or operation of Water Wells.
[Note: Not all land in Texas is subject to a Groundwater District.]

C. "**Surface Water**" means water in lakes, rivers, creeks, streams, and in the bays, estuaries, and arms of the Gulf of Mexico.

D. "**Surface Water Rights**" means a permit, certified filing, or certificate of adjudication administered by the Texas Commission on Environmental Quality (TCEQ) that authorizes the diversion, impoundment, or use of Surface Water.
[Note: Not all diversions, impoundments, or uses of Surface Water require a Surface Water Right.]

E. "**Water Well**" means an artificial excavation that is drilled or dug for the purpose of exploring for or producing Groundwater.
[Note: The drilling and operation of a Water Well may be regulated, restricted, or prohibited in a Groundwater District. Subdividing a property may impact rights related to drilling or operating a Water Well. A Water Well may be owned and operated by individuals, groups, cooperatives, associations, or other entities.]

2. Information Related to Groundwater and Water Wells. [Attach additional sheets as necessary.]

A. Is any portion of the Property located in a Groundwater District? ☐ Yes ☒ No ☐ Unknown
If yes, identify the district and its website: _____

B. Is Seller aware of one or more Water Wells on the Property? ☐ Yes ☒ No
If yes:
(1) The total number of Water Wells known to Seller is _____
(2) The number of Water Wells known to Seller that are currently in use is _____
(3) The number of Water Wells known to Seller that are not currently in use and have been capped, covered, plugged, or abandoned is _____
(4) Identify any registrations or permits (by number) from a Groundwater District for the Water Wells on the Property: _____

C. If the answer to 2B is yes, complete the following to the extent known.

☐ (1) All Water Wells on the Property are owned or operated solely by Seller for the sole benefit of the Property.

☐ (2) The following Water Wells: (i) are owned or operated by the person identified; (ii) benefit the identified beneficiary; and (iii) are governed by the identified agreements or understandings (attach additional sheets for each Water Well):
Water Well: _____
Owners/Operators: _____
Beneficiary: _____
Agreement or Understanding: _____

(Address of Property)

D. Is Seller aware whether the Property receives water from a Water Well located on another property (not including water from a city, municipal utility district or other special district, water supply corporation, or private water company)? ☐ Yes ☒ No If yes, describe the Water Well and identify any agreements or understandings governing access to the water:_____

E. Is Seller aware whether a Water Well on the Property relies in whole or in part on Groundwater rights owned or leased from land outside the boundaries of the Property? ☐ Yes ☒ No If yes, describe the Groundwater rights owned or leased:_____

F. Is Seller aware whether any of the Groundwater rights to the Property have been severed, sold, or leased in whole or in part with or without the right to drill or operate a Water Well on the Property? ☐ Yes ☒ No If yes, describe the Groundwater rights severed, sold, or leased:_____

3. Information Related to Surface Water. [Attach additional sheets as necessary.]

A. Does Seller own any Surface Water Right associated with the Property ☐ Yes ☒ No
If yes:
(1) Identify the applicable Surface Water Right by its permit, filing, or certification of adjudication number: _____
(2) If more than one person owns an interest in any Surface Water Right identified in 3A(1), identify each person and their respective ownership interest: _____

B. Is there a pond, lake, or water tank on the Property, whether currently with or without water?
☐ Yes ☒ No

Notices to Buyer and Seller:

(1) Statutes, rules, regulations, and court rulings concerning Groundwater, Water Wells, Groundwater rights, surface water, and Surface Water Rights (collectively, **Water Rights**) are multifaceted and may be complex.
(2) The Seller may not have complete knowledge or understanding of the Water Rights related to or affecting the Property.
(3) Water Rights that relate to the Property may be held by others. To determine the extent and application of Water Rights related to Property, consult an attorney who can examine the title to the Property and issues regarding Water Rights.
(4) Rules and regulations of Groundwater Districts regarding Water Wells differ from district to district and should be reviewed if the Property has an existing or potential future Water Well. Some Groundwater Districts have ad valorem taxing authority and others do not. Consult the local Appraisal District for applicable taxes and tax rates.
(5) If the parties need or intend to reserve, specifically except, or separately convey Water Rights related to the Property, each party should consult an attorney before signing a binding contract to purchase or sell the Property.

Signed by:
Luis Martinez Jr 11/25/2026 | 4:24 PM EST
F8E48E8E225344A...

Seller	Date	Seller	Date
Buyer	Date	Buyer	Date

TREC
TEXAS REAL ESTATE COMMISSION

This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (http://www.trec.texas.gov) TREC No. 61-0.