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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §

COUNTY OF SAN JACINTO §

GRANT OF CONSERVATION EASEMENT

This Grant of Conservation Easement ("Conservation Easement") is made on this 23rd day of January, 2006, by TIN, INC. f/k/a Temple-Inland Forest Products Corporation, a Delaware corporation, with an address of 1300 South MoPac Expressway, Austin, Texas 78746 ("Grantor"), and THE NATURE CONSERVANCY, a non-profit corporation organized and existing under the laws of the District of Columbia, with a local address of 711 Navarro Street, Suite 410, San Antonio, Texas 78205 ("Grantee").

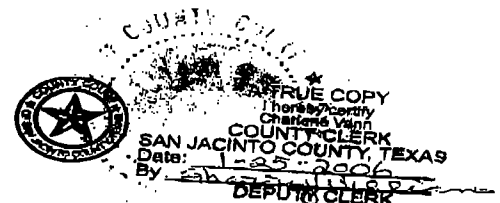
RECITALS:

A. Protected Property. The Grantor is the sole owner in fee simple of the property ("Property") more particularly described on Exhibit A attached hereto and incorporated herein by this reference, which consists of approximately 14.31 acres located in San Jacinto County, Texas and is generally known as the Temple-Inland/155 Silverstone, L.P. Tract.

B. Conservation Values. The Property is a significant natural area, and possesses significant natural, ecological, and aesthetic values for conservation purposes (collectively, the "Conservation Values"). These Conservation Values of the Property include habitats essential to maintaining various natural communities of plant and animal species, and include the ecological concerns more particularly described on Exhibit B attached hereto and made a part hereof, which contains an ecological assessment report that was originally prepared for a mitigation site in close proximity to the Property that is subject to a conservation easement in favor of Grantee and describes the same habitat conditions found on the Property.

The Property is dominated by hardwood flatwoods forest and lies within the 100-year floodplain with frequent saturation and inundation. The Property contains the following species, communities, or associations:

- Diamondleaf Oak Flatwoods Forest (G2G3)
- West Gulf Coastal Plain Mima Mound Forest (G3?)
- Emergent Pond (dominated by plumegrass) undescribed, but included in Gulf Coastal Plain Open Pond and Emergent Marshes
- Timber or canebrake rattlesnake (G4S4) listed as threatened in Texas by TPWD



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The Upper West Gulf Coastal Plain ecoregion assessment identifies plant associations (1 and 2) in the target terrestrial ecological system referred to as Gulf Coastal Plain Hardwood and Pine Hardwood Flatwoods Forests or Southeastern Coastal Plain Wet Hardwood Flatwoods. The Property provides habitat for a variety of resident and migratory bird species including neotropical songbirds. The Property has potential for conducting scientific investigations to increase knowledge of the biodiversity of the ecoregion.

In addition, the Property will provide additional buffer to the boundary of the Sam Houston National Forest for incompatible land use practices and the impact of non-native invasive species introduction. The Property will also serve as a buffer for the prescribed burn operations as part of red-cockaded woodpecker management that is conducted on the national forest.

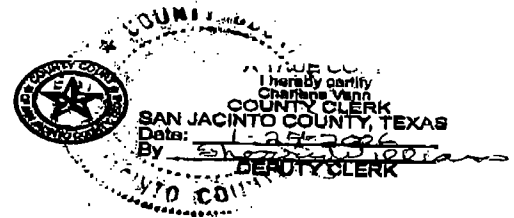
C. Easement Documentation Report. The characteristics of the Property, its current use and state of improvement, are described in a report entitled Easement Documentation Report of Temple-Inland/155 Silverstone, L.P. Tract, of even date herewith, prepared by Grantee for the Grantor. The Grantor worked with the Grantee to ensure that the report is a complete and accurate description of the Property as of the date of this Conservation Easement. It will be used by the Grantor and Grantee to assure that any future changes in the use of the Property will be consistent with the terms of this Conservation Easement. However, the Easement Documentation Report is not intended to preclude the use of other evidence to establish the present condition of the Property if there is a controversy over its use.

D. USACE Permit. Grantor is granting this Conservation Easement to Grantee pursuant to the terms of the United States Army Corps of Engineers ("USACE"), Galveston District, Permit No. 23692 (the "USACE Permit"), which Permit was granted in favor of 155 Silverstone, L.P. The USACE Permit requires that the Property be restricted for the purpose of providing compensation for adverse impact to the waters of the United States.

The Grantor and Grantee have the common purpose of conserving the above-described Conservation Values of the Property in perpetuity, and the State of Texas has authorized the creation of conservation easements pursuant to Chapter 183 of the Texas Natural Resources Code, TEX. NAT. RES. CODE ANN. §§ 183.01, *et. seq.*, and Grantor and Grantee wish to avail themselves of the provisions of that law.

NOW, THEREFORE, the Grantor, for and in consideration of the facts recited above and of the mutual covenants, terms, conditions and restrictions contained herein, hereby grants, bargains, and conveys unto the Grantee 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, vegetative and hydrologic condition; to protect native plants, animals, and plant communities (and their habitats) on the Property, including those described on Exhibit B attached hereto and made a part hereof; to prevent any use



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prevent any use of the Property that will adversely affect or interfere with the Conservation Values of the Property described above; and to restrict the Property in accordance with the requirements of the USACE Permit. Grantor will not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the purposes of this Conservation Easement. However, unless otherwise specified below, nothing in this Conservation Easement shall require the Grantor to take any action to restore the condition of the Property after any act of God or other event over which Grantor had no control. Grantor understands that nothing in this Conservation Easement relieves 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 or the requirements in the USACE Permit is prohibited. The Grantor and Grantee will jointly develop a management plan designed to protect the soil stability, water quality and other Conservation Values of the Property. 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. Additional retained rights of Grantor are set forth in Paragraph 3 below.

- 2.1 Subdivision. The Property may not be divided, subdivided or partitioned, nor conveyed or pledged for a debt except in its current configuration as an entity.
- 2.2 Construction. No construction of structures or any improvements of any type shall be allowed on the Property.
- 2.3 Existing Road. Grantor shall have the right to use and maintain the existing soft surface roads and trails. The maintenance of such roads and trails shall be performed in compliance with Forestry Best Management Practices for Texas. Motorized vehicle activity on the Property shall be limited to the existing soft roads and trails. No new roads shall be allowed on the Property.
- 2.4 Mineral Extraction.
 - a. There shall be no extraction of surface minerals from the Property.
 - b. There shall be no surface mining of any minerals of any type on the Property.
 - c. To the extent of any subsurface minerals now or hereafter owned by Grantor (or by any subsequent owner of the Property), the following provisions shall apply: 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

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SAN JACINTO COUNTY, TEXAS
I Heraby Certify
Charlene Vann
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS
Date: 11-25-2006
By Sheri L. Hooten
DEPUTY CLERK
SAN JACINTO COUNTY, TEXAS

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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. Grantee must be given written notice of any mineral extraction thirty (30) days prior to beginning any work.

The parties hereto acknowledge that Grantor does not currently own all of the subsurface minerals in the Property, some or all of which rights are owned by others, and that nothing in this Conservation Easement shall be deemed to modify or otherwise impair any of such rights currently owned by others. The parties hereto agree that Grantor shall have no liability or obligation to Grantee in connection with or relating to the exercise of such existing rights owned by others, or the effects of such exercise on this Conservation Easement; provided, however, that whenever such others are required by law or pursuant to any existing or future contract, to obtain any consent from Grantor with respect to any access to or physical alteration of or improvement to the Property, Grantor shall, prior to giving any such consent, consult with Grantee and use its best efforts to incorporate conditions or restrictions on such consent as Grantee may reasonably determine are required in order to prevent or minimize an adverse impact on the Conservation Values of the Property.

- 2.5 Agricultural Use. The Property shall not be used for any agriculture activities of any kind, including without limitation, farming, haying, cropping or grazing.
- 2.6 Timber Harvest. No timber harvesting will be allowed except in response to natural catastrophes such as tornadoes, hurricanes, wildfires, forest health emergencies including pests and pathogens, and colonization by exotic species, etc. If Grantor elects to respond to these natural catastrophes they will do so in accordance with Forestry Best Management Practices for Texas in coordination with Grantee.
- 2.7 Grazing. Grantor shall not graze or pasture any animals on the Property.
- 2.8 Recreational Uses. Grantor shall have the right to engage in and permit others to engage in recreational uses of the Property which are consistent with the intent of this Conservation Easement and which do not require or result in any surface alteration or other development of the land. Examples of such recreational uses include but are not necessarily limited to hiking, birding, ecological walking tours, and hunting.

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SAN JACINTO COUNTY, TEXAS
I hereby certify
Charlene Vann
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS
Date: 1-25-2006
By: [Signature] 11800-2
DEPUTY CLERK
SANTO COUNTY

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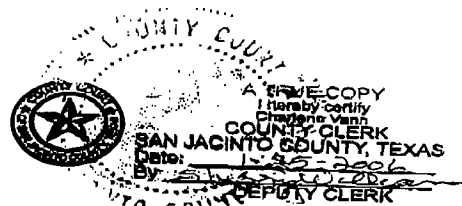
- 2.9 Excavation. There shall be no ditching, draining, diking, filling, excavating, dredging, removal of topsoil, sand, gravel, rock, minerals or other materials, mining, drilling or removal of minerals, nor any building of roads or change in the topography of the Property or disturbance in the soil in any manner.
- 2.10 Destruction of Plants, Disturbance of Natural Habitat. Grantor 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 Grantee, except that such approval shall not be required in case of emergency firebreaks. Subject to the prior approval of Grantee, Grantor shall have the right to cut and remove native trees, shrubs, or plants in order to preserve or enhance the Conservation Values of the Property. There shall be no planting of non-native trees, shrubs or plants on the Property. There shall be no use of fertilizers, plowing, or the introduction of non-native animals, unless Grantee's prior approval is obtained and in a manner that would not jeopardize the natural ecology of the area.
- 2.11 Hydrology. 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.
- 2.12 Signage. No signs or billboards or other advertising displays are allowed on the Property, except that signs whose placement, number and design do not significantly diminish the scenic character of the Property may be displayed to state the name and address of the Property and the names of persons living on the Property, to advertise or regulate permitted on-site activities, to advertise the Property for sale or rent, and to post the Property to control unauthorized entry or use.
- 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 Grantee or where necessary to address outbreaks of disease.
- 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 Grantor, 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.

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COUNTY COURT
By Charlene Venn
Charlene Venn
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS
Date: 1-25-2006
By: [Signature]
DEPUTY CLERK

CERTIFIED COPY

- 2.16 Predator Control. Grantor shall have the right to control, destroy, or trap predatory and problem animals which pose a material threat to humans and/or to the quality or condition of the native flora, fauna and habitat associations or other Conservation Values. The means and methods used to control, destroy or trap such animals shall be approved by Grantee. 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 commercial recreational uses, timber harvest, and mineral extraction to the extent such uses are allowed in this Conservation Easement and subject to the terms hereof) is prohibited.
- 2.18 Density. No development rights that have been encumbered or extinguished by this Conservation Easement shall be transferred to any other lands pursuant to a transferable development rights, scheme cluster development arrangement or otherwise.
3. **ADDITIONAL RIGHTS RETAINED BY GRANTOR.** Grantor retains 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, Grantor shall notify Grantee in writing to allow Grantee 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. **GRANTEE'S RIGHTS.** To accomplish the purpose of this Conservation Easement, the following rights are granted to Grantee and USACE by this Conservation Easement:
- 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.
- 4.2 Right of Entry. The right of Grantee and USACE, and their respective employees, agents, contractors and associated natural resource management professionals, to enter the Property for the purposes of: (a) inspecting the Property to determine if Grantor is complying with the terms of this Conservation Easement; (b) obtaining evidence for the purpose of seeking judicial enforcement of this Conservation Easement; (c) monitoring and research as described below; and (c) management of exotic and invasive species as described below. The Grantee and/or USACE shall



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provide at least fifteen (15) days written notice of site visits to allow Grantor opportunity to address safety issues consistent with Company policy; provided, however, that in any case where immediate entry is reasonably necessary to prevent, terminate, or mitigate damage to, or the destruction of, the Conservation Values, or to prevent, terminate, or mitigate a violation of the terms of this Conservation Easement, then Grantee and/or USACE agree to provide such notice as is reasonably practical under the circumstances.

- 4.3 Monitoring and Research. The right, but not the obligation, to (i) monitor the plant and wildlife populations, plant communities and natural habitats on the Property, and (ii) engage in scientific or education observations and studies on the Property, including collection of samples. Grantor agrees that all monitoring activity, natural resource inventory and assessment work or other natural resource research, conducted by Grantor or others, shall be reported to Grantee.
- 4.4 Management of Exotics and Invasive Species. The right, but not the obligation, to control, manage or destroy exotic non-native species or invasive species of plants and animals that threaten the Conservation Values of the Property. Grantee and/or USACE will consult with Grantor prior to implementing management activities.
- 4.5 Notice of Exercise of Grantor's Reserved or Retained Rights. Grantor hereby agrees to notify Grantee and USACE in writing at least fifteen (15) days before exercising any reserved or retained right under this Conservation Easement that may have an adverse impact on the Conservation Values (unless a different time period is otherwise expressly required in this easement).

5. **RESPONSIBILITIES OF GRANTOR 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 Grantor as owner of the Property. Among other things, this shall apply to:

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

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

6. **ACCESS.**

- 6.1 Grant of Access Easement. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor has GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY unto Grantee and USACE, a non-exclusive easement and right-of-way upon and

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COUNTY C

A TRUE COPY
I hereby certify
Charlene S. Ann
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS
Date: 1-23-2024
By: [Signature]
TO COUNTY CLERK

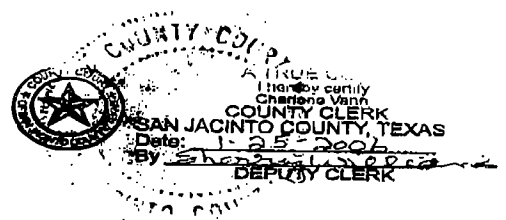
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across Grantor's land located in San Jacinto County, Texas, including the tract more particularly described in Vol. 260, Pg. 349, Deed Records of San Jacinto County, Texas, for the purpose of providing ingress and egress to the Property from FM 2025 and Campbell Acres Road. The easement, rights and privileges herein granted shall be perpetual, shall be an easement appurtenant to the Property and this Conservation Easement, and shall exist in favor of the Grantee and USACE, and their respective successors, assigns, representatives, and other transferees of this Conservation Easement. Grantor hereby binds itself and assigns, to WARRANT AND FOREVER DEFEND the access easement and rights unto Grantee and USACE, and their respective successors and assigns.

- 6.2 Public 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. Grantor has the right to limit access and entry to the Property by gates or otherwise, so long as such actions by Grantor do not interfere with or restrict Grantee's and/or USACE's right of entry as set forth in this Conservation Easement.

7. **ENFORCEMENT.** The Grantee and USACE shall each have the right to prevent and correct violations of the terms of this Conservation Easement, and enforce this easement in an action at law or equity. USACE shall have a third-party right of enforcement as authorized by applicable state law on conservation easements. Grantee and/or USACE may each enter the Property for the purpose of inspecting for violations. If the Grantee or USACE determines a violation has occurred, either party may at its discretion and without the joinder of the other, take appropriate legal action. Except when an ongoing or imminent violation could substantially diminish or impair the Conservation Values of the Property, the Grantee and/or USACE shall give the Grantor written notice of the violation and thirty (30) days to correct it before filing any legal action. If a court with jurisdiction determines that a violation may exist or has occurred, the Grantee and/or USACE may obtain an injunction to stop it, temporarily or permanently. A court may also issue an injunction requiring the Grantor to restore the Property to its condition prior to the violation. The failure of the Grantee or USACE 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 assignable. The Grantee shall have the right to transfer or assign this Conservation Easement to any private nonprofit organization or government entity that at the time of transfer is qualified to be a holder of a conservation easement under Chapter 183 of the Texas Natural Resources Code, and the organization or government entity expressly agrees to assume the responsibility imposed on the Grantee by this Conservation Easement. If the Grantee ever ceases to exist or no longer qualifies as a holder of a conservation easement under 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.



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9. **TRANSFER OF PROPERTY.** Any time the Property, or any interest therein, is transferred by the Grantor to any third party, the Grantor shall notify the Grantee and USACE 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. This easement is a covenant running with the land.

10. **AMENDMENT OF EASEMENT.** This Conservation Easement may be amended only with the written consent of Grantor, Grantee and USACE. Any such amendment shall be consistent with the purposes of this Conservation Easement. 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 Grantor and Grantee have no right or power to agree to any amendment that would affect the enforceability of this Conservation Easement.

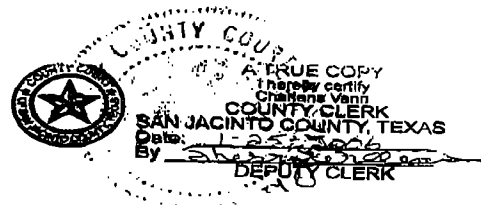
11. **TERMINATION OF EASEMENT.** If it is determined that conditions on or surrounding the Property have changed so much that it is impossible to fulfill the conservation purposes set forth above, a court with jurisdiction may, at the joint request of Grantor, Grantee, and USACE, terminate this Conservation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

At the time of the conveyance of this Conservation Easement to the Grantee, this Conservation Easement gives rise to a real property right, immediately vested in the Grantee. If the easement is terminated and the Property is sold or taken for public use, then, the Grantee shall be entitled to a percentage of the gross sale proceeds or condemnation award equal to the ratio of the appraised value of this easement to the unrestricted fair market value of the Property, as these values are determined on the date 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.** Grantor hereby releases and agrees to indemnify, defend (with counsel approved by the Grantee) and hold harmless Grantee and USACE and each of their respective officers, directors, employees, agents, and contractors (the "Grantee Parties") from and against any and all claims, costs, liabilities, penalties, damages, or expenses of any kind or nature whatsoever (including, but not limited to, court costs and reasonable attorneys' fees and expenses) arising or resulting from this Conservation Easement or any activities on the Property or any condition of the Property, including without limitation any environmental condition now or that may hereafter arise on the Property. THIS INDEMNITY APPLIES TO CLAIMS AND LIABILITIES ARISING OUT OF OR ALLEGED TO ARISE OUT OF THE NEGLIGENCE OF



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GRANTEE, USACE, OR ANY OF THE GRANTEE PARTIES, BUT NOT THE GROSS NEGLIGENCE OF THE GRANTEE, USACE OR ANY OF THE GRANTEE PARTIES.

14. **TITLE.** The Grantor covenants, warrants and represents that the Grantor is the sole owner of the Property in fee simple and has good right to grant and convey this Conservation Easement; that the Property is free and clear of any and all encumbrances, save and except outstanding ownership of the subsurface minerals and the rights and incidents of ownership thereof. Grantor further warrants that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement.

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

To Grantor:

Temple-Inland
Attn: Legal Dept.- General Counsel
1300 South Mopac Expressway
Austin, Texas 78746

To the Grantee:

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

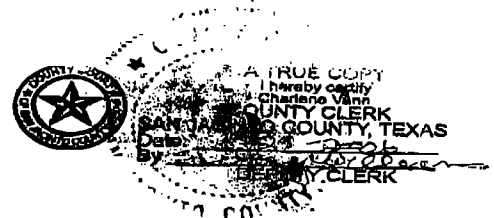
16. **ENVIRONMENTAL CONDITION.** The Grantor warrants that it has no knowledge of a release or threatened release of hazardous substances or wastes on the Property. Neither Grantee nor USACE shall have any liability for any environmental condition on the Property.

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

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

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

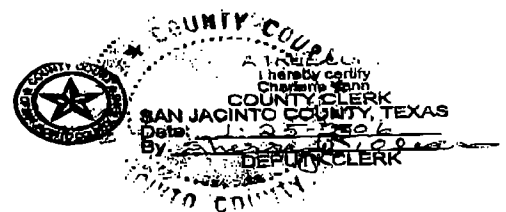
20. **NO ENDORSEMENT.** Grantee's acceptance of this Conservation Easement shall not be construed to be an endorsement of, or approval of, any of the activities that are the subject of and/or purpose of the USACE Permit.



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21. **ACCEPTANCE & EFFECTIVE DATE.** As attested by the signature of Grantee's authorized representative affixed hereto, the Grantee hereby accepts the rights and responsibilities conveyed by this Conservation Easement. This Conservation Easement is to be effective the date recorded in the Real Property Records of San Jacinto County, Texas.

[Signatures on following page.]



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TO HAVE AND TO HOLD, this Grant of Conservation Easement unto the Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, the Grantor and Grantee, intending to legally bind themselves, have set their hands and seals on the date first written above.


GRANTOR:

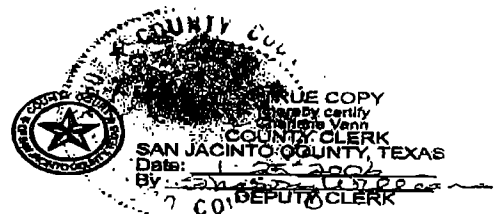
TIN INC.

By: 
J. M. DeCosmo,
Vice President-Forest

GRANTEE:

THE NATURE CONSERVANCY

By: 
Name: Carter Smith
Title: Texas State Director



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STATE OF TEXAS
COUNTY OF TRAVIS§
§

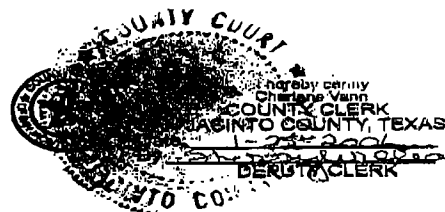
This instrument was acknowledged before me on the 23rd day of January, 2006,
by J. M. DeCosmo, Vice President-Forest of TIN, INC., on behalf of said corporation.

Theresa Risenhoover (SEAL)
NOTARY PUBLIC

My commission expires:
_____STATE OF Texas
COUNTY OF Bexar§
§

This instrument was acknowledged before me on the 24 day of January, 2006,
by Carter Smith Texas State of THE NATURE CONSERVANCY, on
behalf of said corporation. Director

Cheryl L. Sharp (SEAL)
NOTARY PUBLIC

My commission expires:
12-27-2008

Jan-19-06

15:56

From-TEMPLE-INLAND INC.

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EXHIBIT

A

TEMPLE-INLAND FOREST PRODUCTS CORPORATION
SILVERSTONE MITIGATION SITE - PHASE III
14.31 ACRE TRACT
T. L. ROARK SURVEY, ABSTRACT NO. 454
WILSON & JEFFERSON SURVEY, ABSTRACT NO. 362
SAN JACINTO COUNTY, TEXAS

All that certain tract or parcel of land lying and situated in San Jacinto County, Texas, within the WILSON & JEFFERSON SURVEY, ABSTRACT NO. 362, and the T. L. ROARK SURVEY, ABSTRACT NO. 454, being out of and a part of that certain 584.134 acre tract (598.252 acres less 14.118 acres) which was conveyed from Sabine Investment Company of Texas, Inc., to Temple-Inland Forest Products Corporation by deed dated June 23, 1997 and recorded in Volume 260, on Page 349 of the Deed Records of San Jacinto County, Texas, to which reference is hereby made for any and all purposes, being described as follows, to wit:

BEGINNING N 87° 54' 15" E 1130.61 feet from a 1/2" iron pipe found marking the Northwest corner of said Wilson & Jefferson Survey, same being the Southwest corner of the said T. L. Roark Survey, at a 1/2" iron rod set for corner;

THENCE S 71° 44' 02" E at 100.49 feet cross common boundary between said surveys, and in all 169.38 feet to a 1/2" iron rod set for corner;

THENCE S 49° 17' 25" E 380.06 feet to a 1/2" iron rod set for corner;

THENCE S 42° 07' 49" E 166.20 feet to a 1/2" iron rod set for corner;

THENCE S 16° 44' 52" E 77.99 feet to a 1/2" iron rod set for corner;

THENCE S 27° 20' 53" E 266.08 feet to a 1/2" iron rod set for corner;

THENCE S 04° 47' 05" E 197.34 feet to a 1/2" iron rod set for corner;

THENCE S 35° 18' 32" W 602.17 feet to a 1/2" iron rod set for corner;

THENCE S 06° 42' 43" W 113.43 feet to a 1/2" iron rod set for corner;

THENCE S 05° 48' 19" E 85.76 feet to a 1/2" iron rod set for corner;

THENCE S 00° 25' 58" E 61.76 feet to a 1/2" iron rod set for corner;

THENCE S 89° 28' 54" W 83.83 feet to a 1/2" iron rod set for corner;

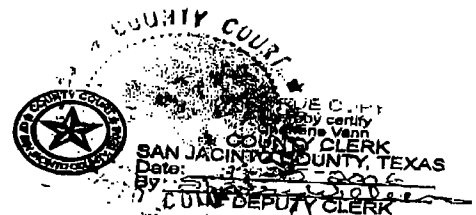
THENCE N 25° 49' 47" W 61.00 feet to a 1/2" iron rod set for corner;

THENCE N 30° 28' 49" W 47.52 feet to a 1/2" iron rod set for corner;

THENCE N 19° 17' 01" W 109.15 feet to a 1/2" iron rod set for corner;

THENCE N 03° 26' 07" E 183.36 feet to a 1/2" iron rod set for corner;

THENCE N 09° 23' 15" W 1192.87 feet to a 1/2" iron rod set for corner;



Jan-19-06

15:57

From=TEMPLE-INLAND INC.

T-150 P.003/003 F-179

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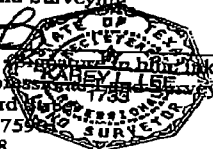
THENCE N 06° 59' 01" W at 93.46 feet cross common boundary between said surveys, and in all 125.93 feet to the place of beginning containing 14.31 acres of land, more or less.

Basis of Bearings:

The West boundary line of a certain 14.432 acre tract which is described (and designated as a wetland area) in Exhibit B of deed from Sabine Investment Company of Texas, Inc., to Temple Inland Forest Products Corporation by deed dated June 23, 1997 and recorded in Volume 260, on Page 349 of the Deed Records of San Jacinto County, Texas, which line is called S 01° 09' 58" E 205.46 feet.

EVERETT GRIFFITH, JR. & ASSOCIATES, INC.
Engineering and Surveying

Handwritten signature of Carey L. Lee
Carey L. Lee
Registered Professional Surveyor No. 1733
408 North Third Street
Lufkin, Texas 75901
(936) 634-5528
October 25, 2005



SEE ATTACHED PLAT

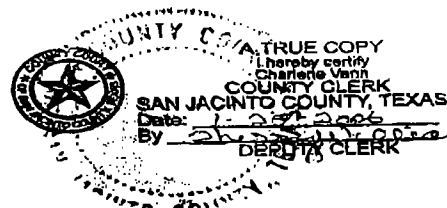


EXHIBIT B

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ECOLOGICAL ASSESSMENT REPORT FOR A WETLAND MITIGATION SITE ON TEMPLE- INLAND PROPERTY IN COMPARTMENT 01511 IN SAN JACINTO COUNTY

Eric L. Keith
Raven Environmental Services Inc.
&
Bill Goodrum
Temple Inland

Date: 5 April 2005

Compartment: 01511

I. Introduction

This report will focus on a 48-acre wetland mitigation site on Temple-Inland property in Compartment 01511 in San Jacinto County. The property lies approximately 7 miles west of Cleveland, Texas on highway 2025 and is adjacent to the southeast boundary of National Forest land. Humble Independent School District (HISD) is undergoing an expansion project in which approximately 7 acres of wetland habitat will be impacted by construction activities. In order to compensate for the wetland loss, 48 acres of predominantly bottomland hardwood wetland forest will be mitigated and preserved on Temple property. Sam Damico with Damico Environmental Services has conducted a wetland delineation on the acreage described in this report.

Temple Inland purchased the property in 1992 from Steven Damuth and the Company owns no mineral rights on the property. Previous management history of the property is not known but it appears to have been predominately ranching and timber operations. In 1992 a selective harvest of pine sawtimber occurred on the property but no historical records on the details of the harvest are available. The property is highly threatened by conversion to real estate property with rural development immediately to the south and west. Additional threats that can be readily observed are pasture and commercial plantation forest operations.

II. Habitat Description

Three distinct plant communities or associations are located in the 48-acre mitigation area. The dominant association is classified as the *Quercus laurifolia* - *Quercus phellos* - *Quercus nigra* / *Viburnum dentatum* - (*Sebastiania frutescens*) / *Carex glaucescens* Upper West Gulf Flatwoods Forest or Upper West Gulf Coastal Plain Diamondleaf Oak Flatwoods Forest. This community is located in the swales or low, wet areas throughout the mitigation area. The following are excerpts from the Nature Serve website, which adequately describe the plant communities present in the mitigation area. Most of the species listed in the descriptions below were observed during this investigation.

"This hardwood flatwoods forest is one of several described types known to occur in the Upper West Gulf Coastal Plain of Texas, and probably Arkansas and Louisiana, as well as in the West Gulf Coastal Plain of Texas. It is found on broad, seasonally wet flats on high Pleistocene terraces which are not typically affected by overbank flooding from streams or rivers. The local landscape in which this type occurs is topographically variable with alternating mounds and depressions. Mounds may be only a few feet higher than depressions, but the difference contributes to local vegetation differences which are represented by different associations. As currently described, this association encompasses vegetation occurring in swales with varying hydroperiods and/or possibly varying soil nutrients, primarily areas with fairly substantial hydroperiods. The vegetation is characterized by *Quercus laurifolia* in the canopy often occurring with *Quercus phellos*. Understory components may include *Fraxinus pennsylvanica*, *Nyssa biflora*, *Sebastiania frutescens*, *Sabal minor*, *Cephalanthus occidentalis*, and *Cornus foemina*. Areas with apparently slightly shorter hydroperiods or differing soil nutrients, characterized by a mixture of hydric to mesic oaks and other hardwoods in the canopy, including *Quercus phellos* which is often dominant, *Quercus pagoda*, *Quercus michauxii*, *Quercus nigra*, *Nyssa biflora*, and *Fraxinus*



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pennsylvanica, are accommodated by other associations. Subcanopy components include *Crataegus marshallii*, *Carpinus caroliniana*, *Ulmus alata*, *Ilex opaca*, *Liquidambar styraciflua*, *Acer rubrum*, and *Ulmus americana*. Characteristic vines include *Campsis radicans*, *Smilax rotundifolia*, *Smilax bona-nox*, *Ampelopsis arborea*, *Brunnichia ovata*, *Vitis rotundifolia*, and *Berchemia scandens*. Ground cover is usually sparse to patchy but may reach 50% cover. Characteristic ground cover components include *Carex glaucescens* and *Chasmanthium laxum* which are often dominants, *Carex intumescens*, *Carex debilis*, *Polygonum punctatum*, *Lycopus rubellus*, *Juncus repens*, *Eleocharis microcarpa*, *Saururus cernuus*, *Amsonia* sp., *Trachelospermum difforme*, and *Rhynchospora corniculata*" (Nature Serve 2005).

"When originally created, this flatwoods forest was broadly defined to accommodate the vegetation present on both mounds and swales. This type has now been modified to represent only swale vegetation; however, even within the swales or intermounds, the vegetation is quite variable and may warrant further separation into distinct associations. Drier mounds are covered under *Quercus alba* - *Carya alba* / *Symplocos tinctoria* / *Mitchella repens* Forest (CEGL007980). This association is known from the Yellow Creek Hunt Club in Arkansas and from a number of sites on the national forests in eastern Texas, where vegetation and soil data have been collected" (Nature Serve 2005).

"This type is geographically restricted to west of the Mississippi River. Most examples within the historical distribution are believed to have been negatively impacted by land-use practices, especially intensive forestry which alters microtopography, hydrology, and species composition. In particular, some stands have been impacted by removal of more valuable timber species. Examples on the Sam Houston National Forest vary from completely logged over to fairly good condition. Remaining examples receive no special attention or protection." (Nature Serve 2005).

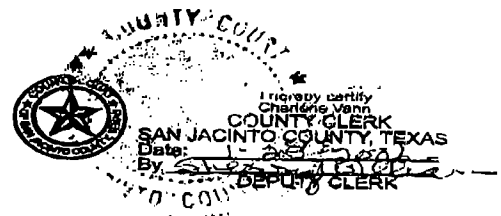
The second plant association occurs on the drier mounds within the surrounding low areas. This plant association is described as the *Quercus alba* - *Carya alba* / *Symplocos tinctoria* / *Mitchella repens* Forest or West Gulf Coastal Plain Mima Mound Forest. This plant community is located on small mima mounds within floodplains or flatwoods environments of the Upper West Gulf Coastal Plain of Arkansas, Texas, and possibly Louisiana. "These mounds are topographically higher than the surrounding landscape and are found on somewhat coarser-textured soils. Dominant trees include *Quercus alba* and *Nyssa sylvatica* with *Acer rubrum* var. *rubrian* and *Carya alba*. Scattered *Pinus taeda* are often present, the density of which is dependent upon past disturbance. *Cornus florida* is the dominant understory tree, rarely with *Sassafras albidum*. *Symplocos tinctoria* and *Hamelia virginiana* are the dominant shrubs with *Asimina triloba*, *Callicarpa americana* (disturbed mounds), and *Vaccinium arboreum* occurring as occasional shrubs. *Parthenocissus quinquefolia* is the usual woody vine occasionally with *Smilax bona-nox* and *Vitis rotundifolia*. Dominant herbaceous species include *Chasmanthium sessiliflorum*. The herbaceous layer can be sparse due to low light levels and litter build-up. *Mitchella repens* is the common ground cover."

The third plant association appears to be an undescribed marsh community. This community is predominantly open and herbaceous and is dominated by giant plumegrass (*Saccharum giganteum*). Other common species include caric sedges (*Carex verrucosa*, *Carex intumescens*, *Carex glaucescens*), beak sedges (*Rhynchospora* spp.), mermaidweed (*Proserpinaca palustris*), and yellow-eyed grass (*Xyris laxifolia*). No described plant association in Nature Serve 2005 mentions giant plumegrass as a community dominant. This habitat has been observed on Temple property in Jasper County (Compartment 409, report dated 7 June 2004) and in the immediate area in San Jacinto County.

III. Condition of habitat. (Ratings 0-10: 0=Natural habitat completely eliminated; 5=Habitat degraded, but still in relatively natural condition; 10=Pristine condition).

Diamondleaf Oak Flatwoods Forest
West Gulf Coastal Plain Mima Mound Forest

6-8
6-8



Undescribed marsh

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7

IV. Rare communities (Nature Conservancy 2000, Nature Serve Explorer 2005N)

Diamondleaf Oak Flatwoods Forest
 West Gulf Coastal Plain Mima Mound Forest
 Undescribed marsh

Global Rank
 G2G3
 G3?
 NA

V. Rare plant species (Nature Serve Explorer 2005)

None found, but uncommon species may occur in the undescribed marsh community.

VI. Rare animal species (Nature Serve Explorer 2005)

Timber or canebrake rattlesnakes have also been observed in the mitigation area (Bill Goodrum, pers. comm.). They occur throughout the eastern United States, but are declining throughout most of their range. Several populations have been extirpated including all populations in the states of Maine and Rhode Island and the province of Ontario in Canada. (Nature Serve 2005). Texas Parks and Wildlife list the species as threatened, however, Nature Serve ranks the species as secure globally (G4) and in Texas (S4). This species typically occurs in bottomland hardwood, upland hardwood, or pine-hardwood forests in eastern Texas. (pers. observation, Nature Serve 2005). The primary threats to the species include loss of habitat; habitat fragmentation and isolation of populations, which may become small and nonviable; and direct mortality caused by humans (including illegal snake hunters) and vehicles as habitat is encroached upon by urban/residential development (Nature Serve 2005).

VII. Surficial Geology and Soils

The surficial geology of the site consists of loamy alluvial sediments of early to mid Pleistocene age. Soils are nearly level with slopes ranging from 0 to 1 percent. The dominant soil series mapped at this location is the Sorter silt loam (Coarse-loamy, siliceous, superactive, thermic, Natric Vertisqualf). They are found in consociation, or as a intermound soil in complex with other soils. The Sorter series is poorly drained with negligible runoff and slow permeability. These soils remain saturated for long periods, especially during winter and spring. The Sorter series is listed on local, state and national hydric soils lists.

VII. Minerals

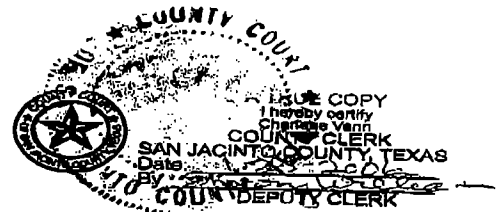
Temple Inland purchased the property from Steven Damuth in 1992 with no minerals being transferred. The following describes the abstract information:

- Wilson & Jefferson survey; abstract 362; San Jacinto County
 - Also abstract 878 in Liberty County County
- T.L. Roark survey; abstract 454 & 434.

IX. Literature cited

The Nature Conservancy. 2000. The West Gulf Coastal Plain Ecoregional Conservation Plan. West Gulf Coastal Plain Ecoregional Planning Team, The Nature Conservancy, Nacogdoches, TX, USA.

Nature Serve. 2005. Nature Serve Explorer: An online encyclopedia of life [web application]. Version 4.3. Nature Serve, Arlington, Virginia. Available <http://www.natureserve.org/explorer>. (Accessed: April 5, 2005).



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2005-1135

AFTER RECORDING RETURN TO:

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

FILED FOR
RECORD

2006 JAN 25 PM 3 25

Charlene Vann
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF SAN JACINTO
I, Charlene Vann, hereby certify that this instrument was FILED in file
number sequence on the date and at the time stamped hereon by me
and was duly RECORDED, in the official public records of San Jacinto
County, Texas as shown hereon by me on

JAN 25 2006

CLERK'S NOTICE: ANY PROVISION HEREIN WHICH RESTRICTS
THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE, IS INVALID AND
UNENFORCEABLE UNDER FEDERAL LAW.



CHARLENE VANN
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS



A TRUE COPY
I hereby certify
Charlene Vann
COUNTY CLERK
SAN JACINTO COUNTY, TEXAS
Date: 1/25/2006
BY: *Charlene Vann*
DERIVED CLERK