



Bearings based on State Plane Coordinates, NAD 83, Texas Central Zone

FIDELITY NATIONAL TITLE INSURANCE COMPANY

SCHEDULE B

File No.:

Policy No.:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of the leases and easements, if any, shown in Schedule A and the following matters:

1. ~~The following restrictive covenants of record itemized below, but the Company insures that any such restrictive covenants have not been violated so as to affect, and that future violation thereof will not affect, the validity or priority of the Insured Mortgage (insert specific recording data or delete this exception):~~
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
4. Any titles or rights asserted by anyone, including but not limited to, persons, the public, corporations, governments or other entities.
  - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
  - b. to lands beyond the line of 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 right of access to that area or easement along and across that area.
5. Standby fees, taxes and assessments by any taxing authority for the year 2008, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
6. The following matters and all terms of the documents creating or offering evidence of the matters (The Company must insert matters or delete this exception.)
  - A. Rights of parties in possession.
  - B. Any visible and apparent road or other easement crossing the land, whether public or private easement, the existence of which is not disclosed by the public records, including, but not limited to, existing utility lines and equipment in place.
  - C. Any portion of subject property lying within the boundaries of a public or private roadway whether dedicated or not.
  - D. City zoning ordinances and restrictions if any.
  - E. Subject to any matters that might be disclosed by current survey, acceptable to this company, of the subject property.



## SCHEDULE B

(Continued)

File No.:

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- F. The Tax Certificate furnished by the taxing authorities is issued on real estate only. It does not include minerals and/or personal property, therefore, no liability is assumed herein for the payment of said mineral and/or personal property tax.
- G. Tract One:  
Easement filed 04/05/1965 from KIRST FOREST DEV CORP to EOL WATER SUPPLY CORP recorded as Instrument # 5065 in Volume 963, Page 228, McLennan County Deed Records.
- H. An undivided one-quarter interest in and to all oil, gas/or other minerals as reserved in deed dated March 17, 1943 executed by Aetna Life Insurance Company to Theron Omer Pridgeon and Juanita Stovall Pridgeon recorded in Volume 507, Page 13, McLennan County, Texas.
- I. Tract Nine:  
Reservation of all mineral rights of the grantors contained in Warranty Deed dated March 7, 1949, executed by Alma Louise Duffel and husband, Wyman H. Duffel and Vivian D. Heath, Sam Ruben Heath, Joe Duffer Heath to J. B. Heath, Jr., of record in Vol. 480, Page 259, Deed Records of Limestone County, Texas.
- J. Reservation of 7.5% of all oil, gas and other minerals contained in Warranty Deed dated December 23, 1968, executed by James H. Campbell and wife, Wanda S. Campbell to J. B. Thedford and wife, Velma C. Thedford, of record in Vol. 547, Page 687, Deed Records of Limestone County, Texas.
- K. As to Subject Property:  
Reservation of all oil, gas and 1/2 of the minerals contained in Warranty Deed dated December 23, 1968, executed by E. B. Dromgoole, Jr. and wife, Verneil Dromgoole to J. B. Thedford and wife, Velma C. Thedford, of record in Vol. 547, Page 683, Deed Records of Limestone County, Texas.
- L. Terms and Conditions as set out in Mineral Deed dated February 5, 1975, executed by E. B. Dromgoole, Jr. and wife, Verneil Dromgoole to Jean Moore, of record in Vol. 646, Page 513, Deed Records of Limestone County, Texas.
- M. Reservation contained in Warranty Deed with Vendor's Lien dated January 15, 1985, executed by Henry L. Smith and wife, Maggie L. Smith to Marilyn Smith and Jacquelyn Smith, of record in Vol. 739, Page 508, Deed Records of Limestone County, Texas.
- N. Title to all the coal, lignite, oil, gas and other minerals in, under and that may be produced from the land, together with all rights, privileges and immunities relating thereto.
- O. All matters reflected on Surveyor's Plat prepared by Ray L. Vannoy, R.P.L.S. No. 1988, including but not limited to the following: Encroachment of the subject property into the Gravel Road along the Eastern boundary of the property; Fencelines do not follow the property lines along the Eastern and Northern boundaries of the property.

## SCHEDULE E

(Continued)

File No.:

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- P. Company excepts from coverage that one certain triangular shaped tract out of the northeast corner of the called 109.78 acre tract in the W. Holmes Survey, A-239, Limestone County, Texas, said tract being shaded and that one certain 1.7 acre tract in the shape of a triangle located along the northeast line of the called 67.12 acre tract in the W. Pettus Survey, A-456, Limestone County, Texas in conflict with the 129 acre tract in the John Forrester Survey, A-623, Limestone County, Texas deed to John Barham in Vol. 845, Page 233, Deed Records of Limestone County, Texas as reflected in the plat of the subject property  
prepared by Ray L. Vannoy, R.P.L.S. No. 1988.
- Q. Reservation of all oil, gas and other minerals as set out in General Warranty Deed executed by Marilyn Smith, a.k.a Marilyn Olajuwon, and Jacquelyn Smith to Millennium Partnership, of record in Vol. 1295, Page 489, of the Real Property Records of Limestone County, Texas, and also of record in Document Number 2008035284, of the Official Public Records of McLennan County, Texas.

FIDELITY NATIONAL TITLE INSURANCE COMPANY

LEGAL DESCRIPTION

File Number:

Policy Number:

Legal description of the land:

BEING 431.7 acres of land, more or less, and being all that tract of land in the Counties of Limestone and McLennan and out of the following surveys: W. Holmes Survey, I-239; M. Hitchcock Survey, A-247; A. Coreo Survey, A-112; T. Duggan Survey, A-166; W. Pettus Survey, A-456; John Forrester Survey, A-623 and being more particularly described in Exhibit "A" attached hereto and made apart hereof for all purposes.

*less 67.96 acres = 363.732 acres.*

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item No. 2 of Schedule B hereof.