

McELROY, SULLIVAN, RYAN & MILLER, L.L.P.

ATTORNEYS AT LAW

1201 SPYGLASS DRIVE, SUITE 200  
AUSTIN, TEXAS 78746

TELEPHONE  
(512) 327-8111

FACSIMILE  
(512) 327-6566

MAILING ADDRESS:  
P.O. BOX 12127  
AUSTIN, TEXAS 78711

File No Sketch File 19-1 March 10, 1998  
Calhoun County  
Request For Exchange  
Filed July 15 19 98  
By GARRY MAURO, Com'r  
Douglas Howard



Texas General Land Office  
Attn: Spencer Reid  
1700 N. Congress Avenue  
Austin, TX 78701

RE: Request for Exchange of Submerged Land Belonging to the Calhoun County  
Navigation District for Submerged Land Owned by the Permanent School Fund.

Dear Spencer:

As we discussed in our meeting earlier today, pursuant to Section 61.117 of the Texas Water Code, the Calhoun County Navigation District ("CCND") is offering to exchange land it owns identified in orange on the map we provided you, for lands owned by the Permanent School Fund identified in green on the map we provided you. In approximate numbers the acreage the District is offering to exchange amounts to approximately 12,000 acres in return for a little over 3,300 acres of permanent school fund land.

The Board has already authorized us to request and offer this exchange, and minor adjustments in the outlines of the acreage being offered and/or being accepted by the District are within the authority already provided to us by the Board. Please accept this letter as our request to finalize the exchange of property as reflected on the map we provided you as soon as possible.

If there is any additional information that we can provide you while you evaluate this proposed exchange just let me know.

Sincerely,

Dan Miller  
Attorney for Calhoun County Navigation District

DM/jam

cc: Lanell Aston, Texas General Land Office  
Larry Dio

Counter 35992



McELROY, SULLIVAN, RYAN & MILLER, L.L.P.

ATTORNEYS AT LAW

1201 SPYGLASS DRIVE, SUITE 200  
AUSTIN, TEXAS 78746

MAILING ADDRESS:  
P.O. BOX 12127  
AUSTIN, TEXAS 78711

TELEPHONE  
(512) 327-8111

FACSIMILE  
(512) 327-6566

March 25, 1998

VIA HAND DELIVERY

Mr. Robert F. Moreland  
Real Estate Section  
Legal Services Division  
Texas General Land Office  
1700 N. Congress Avenue, Room 626  
Austin, Texas 78701

File No Sketch File 19-2  
Calhoun County  
Proposed Land Exchange  
Filed JULY 15 19 98  
GARRY MAURO, Com'r  
By Douglas Howard

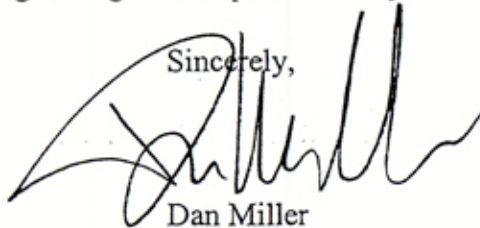
RE: Proposed Land Exchange Between Calhoun County Navigation District  
("CCND") and the State of Texas

Dear Bob:

Enclosed are drafts of the deeds we would propose to utilize for the contemplated land exchange. I have not prepared the exhibits A which will be attached to each deed because it was my impression that the GLO wanted to evaluate and prepare the legal descriptions of the affected lands. At the point, it is our plan to present a resolution to the CCND Board March 31, 1998, and have the Board approve the execution of the deed to the State and the receipt of the deed from the State with the appropriate legal descriptions attached. To that end, we would like to finalize the legal descriptions which will accompany the deeds, and the language of the deeds no later than March 30, 1998.

I look forward to receiving the legal descriptions from you.

Sincerely,



Dan Miller

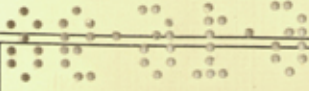
Attorney for Calhoun County Navigation District

DCM:phr  
Enclosure

cc: Lanell Aston ✓  
Texas General Land Office  
1700 N. Congress, Room 720  
Austin, Texas 78701

Counter 35993



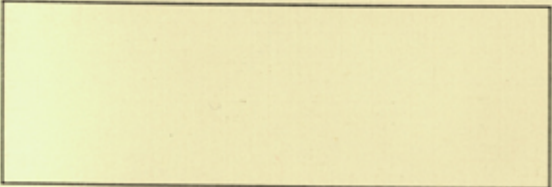


DEED WITHOUT WARRANTIES

THE CALHOUN COUNTY  
NAVIGATION DISTRICT

TO

THE STATE OF TEXAS



*ret*

LAW OFFICES OF  
**LAWRENCE A. DIO**  
P.O. BOX 165  
PORT LAVACA, TEXAS 77979

983332

Counter 36002



TEXAS GENERAL LAND OFFICE

GARRY MAURO  
COMMISSIONER

MEMORANDUM

DATE: March 27, 1998

TO: File

FR: Ingrid K. Hansen *Ingrid K. Hansen*  
Acting Director  
Natural Resource Damage Assessment Program

Re: Proposed Exchange of Lands with Calhoun County Navigation District

Portions of State Tracts 22, 24, and 38 and all of tracts 25 and 28 in Lavaca Bay are proposed to be exchanged for State Tracts now owned by the Calhoun County Navigation District.

The Alcoa, Point Comfort Operations and portions of Lavaca Bay are listed on the National Priorities List (Superfund). The delineation of those portions of Lavaca Bay that are actually considered part of the Superfund site is not yet completed because Alcoa, under an Agreed Order on Consent with the U.S. Environmental Protection Agency, is still conducting a remedial investigation/feasibility study (RI/FS).

State and federal natural resources trustees, including the General Land Office, are conducting a joint cooperative natural resource damage assessment with Alcoa and are familiar with studies and investigations examining the nature and extent of contamination in and around Lavaca Bay.

In view of the investigations and studies conducted to date, the GLO NRDA program recommends that the State engage in the proposed land transfer suggested by the Calhoun County Navigation District.

Further in light of the U.S. Supreme Court decision in *Seminole Tribe of Florida v. Florida*, 116 S.Ct. 1114 (1996), the State of Texas has sovereign immunity from liability under the Comprehensive Environmental Response, Compensation, and Liability Act. (CERCLA, a/k/a Superfund).

cc: Spencer Reid  
LaNell Aston  
Peter Samuels  
Alcoa NRDA file

File No Sketch File 19-3  
Calhoun County  
Proposed Exchange of Lands  
Filed JULY 15 19 98  
By GARRY MAURO, Com'r  
Douglas Howard

Counter 35994



983332

DEED WITHOUT WARRANTIES

STATE OF TEXAS

15.00  
5.00  
1.00 pd  
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§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF CALHOUN

That the CALHOUN COUNTY NAVIGATION DISTRICT, ("Grantor"), by virtue of the authority vested in it by the provisions of Acts of 62<sup>nd</sup> Legislature (1971), Ch. 58, Sec. 1, as amended by Acts of 63<sup>rd</sup> Legislature (1973), Ch. 237, Sec. 2, and Acts 64<sup>th</sup> Legislature (1975), Ch. 310, Sec. 3, now codified as Section 61.117, Texas Water Code, (Vernons Supp. 1998), for and in consideration of TEN and No/100 Dollars (\$10.00) and other good and valuable consideration to the extent of the value of the land hereby conveyed, the receipt and sufficiency of which is hereby acknowledged, has GRANTED, SOLD, and CONVEYED, and by these presents does GRANT, SELL, and CONVEY unto THE STATE OF TEXAS for the use and benefit of the PERMANENT SCHOOL FUND, ("Grantee"), whose mailing address is 1700 North Congress Avenue, Austin, Texas 78701, the lands described as follows:

approximately 11,860 acres of submerged land located in Matagorda Bay and the Gulf of Mexico (GOM), Matagorda and Calhoun Counties, Texas, and being all or a part of Matagorda Bay, State Tract Nos. 111, 111A, 112, 113, 137, 138 and 138A and GOM, State Tract Nos. 629S, 630S, 635S, 636S, 637S, 638S, 639S, 642S, 643S, 644S, 645S, 646S, 647S, 653S and 654S, being more particularly described in Exhibit "A" attached hereto and expressly made a part of this instrument ("the lands").

TO HAVE AND TO HOLD the above described lands, together with all and singular the rights, improvements, and appurtenances thereto in any way belonging unto the Grantees, their successors and assigns forever.

This conveyance is further made subject to all covenants, conditions, reservations, rights-of-way, easements, and leases, if any, that are valid, in existence, and of record.

File No Sketch File 19-4  
Calhoun County  
Deed Without Warranties  
Filed July 15 19 98  
By Garry Mauro, Com'r  
Douglas Howard



THIS DEED IS MADE AND ACCEPTED WITHOUT ANY WARRANTIES  
WHATSOEVER, EXPRESS OR IMPLIED.

Executed this 31st day of March, 1998.

Calhoun County Navigation District

By: [Signature]  
Name: J.C. Melcher, Jr.  
Title: Chairman, Board of Commissioners

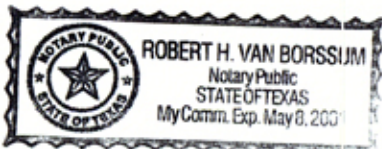
Attest: [Signature]  
H.C. Wehmeyer, Jr.  
Secretary, Board of Commissioners



STATE OF TEXAS           §  
  §  
COUNTY OF CALHOUN   §

Personally appeared before me this 31st day of March, 1998, J.C. Melcher, Jr., Chairman, Board of Commissioners, of the Calhoun County Navigation District, and acknowledged that he executed the foregoing Deed in that capacity.

[Signature]  
Notary Public  
My Commission Expires: May 8, 2001





Field Note description of approximately 11,860 acres of submerged lands lying and being situated in Matagorda Bay and the Gulf of Mexico (GOM) in Calhoun and Matagorda Counties, Texas. The said 11,860 acres being comprised of all or part of the submerged lands in Matagorda Bay Tract Nos. 111, 111A, 112, 113, 137, 138, 138A, and GOM Tract Nos. 629S, 630S, 635S, 636S, 637S, 638S, 639S, 642S, 643S, 644S, 645S, 646S, 647S, 653S, and 654S and also being a part of a 47,765 acre tract of submerged lands patented to the Calhoun County Navigation District, October 30, 1956, being Patent No. 369, Volume 26-B, and being more particularly described by metes and bounds as follows:

BEGINNING at a point on the western shore of Matagorda Bay, on Matagorda Island, on the south side of the mouth of McHenry Bayou (also known as Saluria Bayou), said beginning point being north a distance of 250 feet, more or less, from the cupola of the Saluria Coast Guard Station, said cupola having an "X" value of 2,833,698.43 feet and a "Y" value of 214,883.21 feet in the Lambert Grid system, Texas South Central Zone, NAD 1927, said beginning point also being the same beginning point of the above mentioned 47,765 acre tract and being in the shoreward boundary Line of State Drilling Block No. 111A;

Thence generally SOUTH and SOUTHWESTWARDLY with the meanders of the shore line of Matagorda Bay and the GOM, and with the shoreward boundary of said State Drilling Block 111A, and State Drilling Block Nos. 629S, 636S, 637S, 644S, and 645S to the northern shore terminus on Matagorda Island of the common boundary line between State Drilling Block Nos. 645S and 655S;

Thence SOUTH with the common boundary line between State Drilling Block Nos. 645S and 655S to the common corner of State Drilling Block Nos. 645S and 654S on the east boundary line of State Drilling Block No. 655S, said corner having a coordinate value of X = 2,831,635.81 feet and Y = 187,440.00 feet, Texas South Central Zone, NAD 1927;

Thence SOUTH 45° EAST across State Drilling Block No. 654S to its southeast corner, same being the common corner of State Drilling Block Nos. 653S, 654S, 661S, and 662S, said corner having a coordinate value of X = 2,836,915.81 feet and Y = 182,160.00 feet, Texas South Central Zone;

Thence NORTH 45° EAST across State Drilling Block Nos. 653S, 647S, and 642S, to the common corner of State Drilling Block Nos. 639S, 640S, 641S, and 642S, said corner having a coordinate value of X = 2,852,755.81 feet and Y = 189,000.00 feet, Texas South Central Zone, NAD 1927;



Thence NORTH 45° WEST across State Drilling Block No. 639S to its northwest corner, same being the common corner of State Drilling Block Nos. 634S, 635S, 638S and 639S, said corner having a coordinate value of X = 2,847,475.81 feet and Y = 203,280.00 feet, Texas South Central Zone, NAD 1927;

Thence NORTH with the common boundary line between State Drilling Block Nos. 635S and 630S on their east boundary, and State Drilling Block Nos. 634S, 631S, and 628S on their west boundary, to the northern terminus of said common boundary line on the shore of Matagorda Peninsula in Matagorda County, Texas;

Thence WESTWARDLY, NORTHERLY and EASTERLY with the meanders of the shoreline of Decrow's Point and the boundary of the E. DeCrow Survey, Matagorda County, Texas and the western end of Matagorda Peninsula, to the eastern terminus of the north boundary line of State Drilling Block No. 138A, on the northwestern shore of Matagorda Peninsula in said E. DeCrow Survey, Matagorda County, Texas;

Thence WEST with the common boundary line between State Drilling Block Nos. 138A and 139 to the common corner of State Drilling Block Nos. 138 and 139, same being on the north boundary line of State Drilling Block No. 138A, said corner having a coordinate value of X = 2,845,282.99 feet and Y = 218,428.07 feet, Texas South Central Zone, NAD 1927;

Thence NORTH with the common boundary line of State Drilling Block Nos. 138 and 139, to the common corner of State Drilling Block Nos. 137, 138, 139, and 140, said corner having a coordinate value of X = 2,845,158.60 feet and Y = 223,706.60 feet, Texas South Central Zone, NAD 1927;

Thence NORTH 45° WEST across State Drilling Block Nos. 137 and 113 to the common south corner between State Drilling Block Nos. 110 and 114, said corner having a coordinate value of X = 2,834,352.76 feet and Y = 234,014.88 feet, Texas South Central Zone, NAD 1927;

Thence SOUTH with the common boundary line between State Drilling Block Nos. 110 and 113, to the southern terminus of the west boundary line of State Drilling Block No. 113 on the westerly shore of Matagorda Bay;

Thence generally SOUTHEASTWARDLY with the meanders of Matagorda Bay and the west boundary line of State Drilling Block No. 113, to the north jetty of the Intracoastal Canal where it enters Matagorda Bay;

Thence approximately NORTH 69° EAST with said north jetty of the Intracoastal Canal, to the eastern end of said jetty;

Thence approximately SOUTH 21° EAST across the Intracoastal Canal, to the eastern end of the south jetty of the Intracoastal Canal where the same enters Matagorda Bay;



# 503 / 106

Thence approximately SOUTH 69° WEST with said south jetty, to the shore line of Matagorda Bay, in the Santiago Gonzales Survey, Calhoun County, Texas;

Thence generally SOUTH with the meanders of the shore line of Matagorda Bay, crossing the mouth of old canal or Barroom Bay Bayou, Big Bayou, and McHenry's Bayou (also known as Saluria Bayou), and also with the shoreward boundaries of State Drilling Block Nos. 113, 112, 111, and 111A, to the PLACE OF BEGINNING, containing approximately 11,860 acres of submerged lands.

All courses recited herein are Lambert Grid.



**EXHIBIT 2**



This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National Origin.

Filed for Record in:  
CALHOUN COUNTY, TEXAS  
MARLENE PAUL  
COUNTY CLERK

On: Apr 30, 1998 at 04:02P  
Receipt Number - 7134  
By, Shirley Foester

*Shirley Foester*  
Deputy

FILED

'98 MAY 26 P4:05

*Lalvone Garrett*  
COUNTY CLERK  
MATAGORDA COUNTY, TEXAS

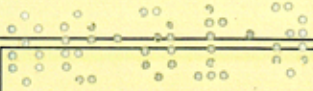
STATE OF TEXAS COUNTY OF MATAGORDA  
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the OFFICIAL RECORDS of Matagorda County, Texas on

MAY 26 1998



*Lalvone Garrett*  
County Clerk, Matagorda County, Texas



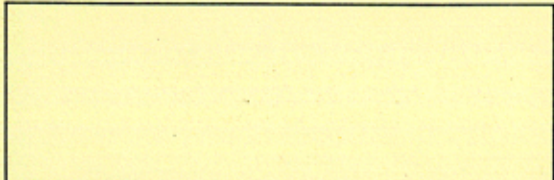


DEED WITHOUT WARRANTIES

THE CALHOUN COUNTY  
NAVIGATION DISTRICT

TO

THE STATE OF TEXAS



*ret*

LAW OFFICES OF  
**LAWRENCE A. DIO**

P.O. BOX 165  
PORT LAVACA, TEXAS 77979

983332

Counter 36002



pd 7.00  
5.00  
1.00

Be it resolved, the Board of the Calhoun County Navigation District hereby approves an exchange of lands between the Calhoun County Navigation District and the State of Texas pursuant to Section 61.117 of the Texas Water Code, said lands being described in the deeds attached to this Resolution as Exhibits 1 and 2. The Calhoun County Navigation District finds that the lands being conveyed to the State as part of this exchange are in excess of the Navigation District's needs, and it being understood that changes in the legal descriptions and acreage contained within the deeds attached as Exhibits 1 and 2 are possible, and that it is the Board's intent to approve the exchange of lands identified by the attached deeds.

The Board, by this resolution, directs its counsel to finalize the precise language of the deeds in consultation with the General Land Office, and requests the School Land Board to approve this exchange at its meeting to be held on April 7, 1998. By this resolution, the Board authorizes its Chairman to execute the deed attached as Exhibit 2 conveying lands to the State of Texas as it may be changed by counsel for the Navigation District in consultation with the Texas General Land Office, and the District hereby ratifies and confirms said deed when executed by the Chairman as the action of the Commissioners, and approved by the Board in all respects.

Approved by vote of the Board this 31st day of March, 1998.

By: [Signature]  
J.C. Melcher, Jr., Chairman of the Board  
Calhoun County Navigation District

Attested: [Signature]  
H.C. Wehmeyer, Jr., Secretary of the Board  
Calhoun County Navigation District

File No Sketch File 19-5  
Calhoun County  
Resolution

Filed July 15 19 98  
GARRY MAURO, Com'r

By Douglas Howard





CERTIFICATION OF RESOLUTION

503 / 93

THAT I, H. C. WEHMEYER, JR., Secretary of the Calhoun County Navigation District's Board of Commissioners, do hereby certify that the aforesaid Resolution is the true and correct original of the Resolution passed by the Calhoun County Navigation District Commissioners at their meeting held in Calhoun County, Texas, on March 31, 1998, and is recorded in the Commissioners' minutes; further, the said J. C. Melcher, Jr. is Chairman of the Board and H. C. Wehmeyer, Jr. is Secretary.

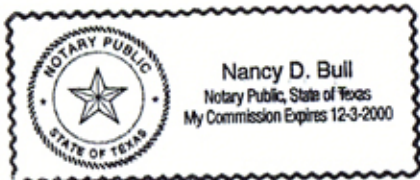
WITNESS MY HAND this 31st day of March, 1998.

H.C. Wehmeyer Jr.,  
H. C. WEHMEYER, JR., Secretary

THE STATE OF TEXAS           §  
  §  
COUNTY OF CALHOUN         §

BEFORE ME, the undersigned authority, on this day personally appeared H. C. WEHMEYER, JR., Secretary, of the Board of Commissioners of THE CALHOUN COUNTY NAVIGATION DISTRICT, known to me to be the person whose name is subscribed to the foregoing Certification of Resolution, and acknowledged to me that he executed the same in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL this 31<sup>st</sup> day of March, 1998.



Nancy D. Bull  
NOTARY PUBLIC, STATE OF TEXAS



503 / 94

This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National Origin.

Filed for Record in:  
CALHOUN COUNTY, TEXAS  
MARLENE PAUL  
COUNTY CLERK

On: Apr 30, 1998 at 11:57A  
Receipt Number - 7115  
By, Shirley Foester

*Shirley Foester*  
Deputy

FILED

'98 MAY 26 P4:03

*DeVonne Jarrett*

COUNTY CLERK  
MATAGORDA COUNTY, TEXAS

STATE OF TEXAS COUNTY OF MATAGORDA  
I 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 RECORDS of Matagorda County, Texas on

MAY 26 1998



*DeVonne Jarrett*

County Clerk, Matagorda County, Texas

File #  
0053340

Vol  
202

Page  
504

Counter 36005

*Shirley A. Jones  
P.O. Box 182  
Port Aransas, Texas*

203 V 94



This document has been received by this Office for recording into the Official Public Records. We do hereby advise that we do not discriminate on the basis of race, creed, color, sex or national origin.

Filed for Record in:  
CALHOUN COUNTY, TEXAS  
MARLENE PAUL  
COUNTY CLERK

On: Apr 30, 1998 at 11:57A  
Receipt Number - 7112  
By: Shirley Forester

*Shirley Forester*  
Deputy

STATE OF TEXAS  
COUNTY OF MATAGORDA  
I hereby certify that this instrument was FILED in File  
Number 502 on the date and at the time stamped  
hereon by me and was duly RECORDED in the  
OFFICIAL RECORDS of Matagorda County, Texas on

MAY 28 1998

*Delmar Jantz*



County Clerk, Matagorda County, Texas

MAY 28 9 10 AM '98

*Delmar Jantz*

Lawrence A. Dio  
P.O. Box 165  
Port Lavaca 77979

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505 Vol  
204 Pgs

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**Texas General Land Office**  
Garry Mauro, Commissioner

Stephen F. Austin Building  
1700 North Congress Avenue  
Austin, Texas 78701-1495  
(512) 463-5001

April 22, 1998

**Spencer L. Reid**  
Senior Deputy Commissioner  
(512) 463-5236  
Fax (512) 463-5098

Mr. Dan Miller  
McElroy, Sullivan, Ryan & Miller  
1201 Spyglass Drive  
Suite 200  
Austin, Texas 78746

File No Sketch File 19-6  
Calhoun County  
Letter-Title Report  
Filed JULY 15 19 98  
By GARRY MAURO, Com'r  
Douglas Howard

Dear Dan:

As you know, the School Land Board approved the land exchange between the State and the Calhoun County Navigation District (CCND) on April 7, 1998. The deed you submitted to be signed by the Commissioner has been executed but, as I advised you on April 7, 1998, we wanted to obtain a title report prior to delivery of the deeds to verify that the CCND has not previously conveyed any of the property it is now conveying to the State as part of this exchange.

The General Land Office (GLO) has contracted with an outside firm to prepare the title report, and because the individual responsible for preparing the report was on vacation, the report was not prepared nor submitted to the GLO last week as had been promised. We do expect the title report to be prepared this week, and assuming it reveals no prior conveyances of the property the district is intending to exchange with the State, the deeds will be delivered to you later this week or at the beginning of next week. We apologize for the delay.

The GLO will also furnish you a copy of each of the easements currently encumbering the property being conveyed to you by the State.

The exchange has already been approved and the deeds have been executed pending receipt of the title report. Thank you for your assistance in facilitating this exchange. If you have any further questions, please do not hesitate to call me or LaNell Aston.

Sincerely,

Spencer Reid  
Senior Deputy Commissioner

SR/la





**Texas General Land Office**  
Garry Mauro, Commissioner

Stephen F. Austin Building  
1700 North Congress Avenue  
Austin, Texas 78701-1495  
(512) 463-5001

**Spencer L. Reid**  
Senior Deputy Commissioner  
(512) 463-5236  
Fax (512) 463-5098

April 23, 1998

Dan Miller  
McElroy, Sullivan, Ryan & Miller  
1201 Spyglass Drive  
Suite 200  
Austin, Texas 78746

File No. Sketch File 19-7 County Calhoun  
Letter-Transmission of Resolution &  
Deed Without Warranties 19 98  
Filed JULY 15  
By GARRY MAURO, Com'r  
Douglas Howard

Dear Dan:

Enclosed please find two fully executed original sets of documents consisting of 1) Resolution by the Board of Calhoun County Navigation District (CCND); 2) Deed from the State of Texas to CCND; and 3) Deed Without Warranties from CCND to the State of Texas.

Please have one set of the above mentioned documents recorded in the Calhoun and Matagorda County Clerk's offices and return a file stamped certified copy of each to this office for our records.

Also, enclosed is a copy of each of the current easements encumbering the property being conveyed to CCND by the State.

Thank you for your assistance in completing this transaction so quickly.

Sincerely,

LaNell H. Aston  
Director, Office of Senior Deputy Commissioner

enclosures



983331

DEED FROM THE STATE OF TEXAS

COPY

pd 15.00  
5.00  
1.00

STATE OF TEXAS

§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF CALHOUN

That the STATE OF TEXAS, as "GRANTOR", acting on behalf of the Permanent School Fund, by and through GARRY MAURO, Commissioner, Texas General Land Office, and Chairman, School Land Board, by virtue of the authority vested in it by the provisions of Acts of 62<sup>nd</sup> Legislature (1971), Ch. 58, Sec. 1, as amended by Acts of 63<sup>rd</sup> Legislature (1973), Ch. 237, Sec. 2, and Acts 64<sup>th</sup> Legislature (1975), Ch. 310, Sec. 3, now codified as Section 61.117, Texas Water Code, (Vernons Supp. 1998), for and in consideration of TEN and No/100 Dollars (\$10.00) and other valuable consideration to the extent of the value of the land hereby conveyed, the receipt and sufficiency of which is hereby acknowledged, has GRANTED, SOLD, and CONVEYED, and by these presents does GRANT, SELL, and CONVEY unto the CALHOUN COUNTY NAVIGATION DISTRICT, "GRANTEE", whose mailing address is P.O. Box 397, Point Comfort, Texas 77978, the lands described as follows:

approximately 505 acres of submerged state-owned land located in Matagorda Bay, Calhoun County, Texas, and being a part of State Tract Nos. 140, 141, and 142, and approximately 2880 acres of submerged state-owned land located in Lavaca Bay, Calhoun County, Texas, and being all or a part of State Tract Nos. 22, 23, 24, 26, 26 and 38, being more particularly described in Exhibit "A" and "B" attached hereto and expressly made a part of this instrument ("the lands").

TO HAVE AND TO HOLD the above described lands, together with all and singular the rights, improvements, and appurtenances thereto in any way belonging unto the Grantees, their successors and assigns forever.

File No Sketch File 19-8  
Calhoun County  
Deed from the State of Texas - 505acs.  
Filed JULY 15 19 98  
By Garry Mauro  
GARRY MAURO, Com'r



503 / 96

This conveyance is further made subject to all covenants, conditions, reservations, rights-of-way, and easements, if any that are valid and of record, or visible and apparent upon the ground of the subject tract.

**THIS DEED IS MADE AND ACCEPTED WITHOUT ANY WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED.**

Witness my hand and seal of office this 25<sup>th</sup> day of April, 1998.

The STATE OF TEXAS  
on behalf of THE PERMANENT SCHOOL FUND

by: Garry Mauro  
GARRY MAURO, COMMISSIONER  
TEXAS GENERAL LAND OFFICE, and  
CHAIRMAN, SCHOOL LAND BOARD

APPROVED:

Legal	<u>RTM</u>
Contents	<u>la</u>
Deputy Comm.	---
Sr. Deputy Comm.	<u>SR</u>
Executive	---



Field Note description of approximately 505 acres of submerged lands lying and being situated in Matagorda Bay, Calhoun County, Texas. The said 505 acres being comprised of parts of State submerged lands, Matagorda Bay Tract Nos. 140, 141 and 142 and being more particularly described by metes and bounds as follows:

BEGINNING at the common corner of State Drilling Block Nos. 134, 135, 142, and 143, said corner having a coordinate value of X = 2,844,785.43 feet and Y = 239,542.19 feet, Texas South Central Zone, NAD 1927;

Thence EAST with the common boundary line of State Drilling Block Nos. 142 and 143 to the point of intersection with the Calhoun - Matagorda County Line, on said common boundary line;

Thence SOUTHWESTWARDLY with said Calhoun - Matagorda County Line and across State Drilling Block Nos. 142, 141 and 140 to the point of intersection with the common boundary line of State Drilling Block Nos. 137 and 140;

Thence NORTH with the common boundary line of State Drilling Block Nos. 137, 136 and 135 on their east boundary and State Drilling Block Nos. 140, 141 and 142 on their west boundary, to the PLACE OF BEGINNING, containing approximately 505 acres of submerged State-owned lands.

All courses recited herein are Lambert Grid.



EXHIBIT B

Field Note description of 2880 acres of submerged lands lying and being situated in Lavaca Bay, Calhoun County, Texas. The said 2880 acres being comprised of all or a part of State submerged lands, Lavaca Bay Tract Nos. 22, 23, 24, 26, 28, and 38 and being more particularly described by metes and bounds as follows:

BEGINNING at a point in Lavaca Bay, the common corner of State Drilling Block Nos. 28, 29, 35, and 36, said point having a coordinate value of X = 2,790,880.63 feet and Y = 285,805.13 feet, Texas South Central Zone, NAD 1927;

Thence WEST with the common boundary line between State Drilling Block Nos. 28 and 29, to the common corner of State Drilling Block Nos. 21, 22, 28 and 29;

Thence NORTH 45° WEST across State Drilling Block No. 22 to its northwest corner, same being the common corner of State Drilling Block Nos. 16, 17, 22, and 23;

Thence NORTH with the common boundary line between State Drilling Block Nos. 16 and 23 to the common corner of State Drilling Block Nos. 15, 16, 23, and 24, said point having a coordinate value of X = 2,780,074.80 feet and Y = 296,113.40 feet, Texas South Central Zone, NAD 1927;

Thence NORTH 45° EAST across State Drilling Block No. 24, to its northeast corner, same being the common corner of State Drilling Block Nos. 24, 25, 26 and 39, said point having a coordinate value of X = 2,785,228.94 feet and Y = 301,516.32 feet, Texas South Central Zone, NAD 1927;

Thence EAST with the common boundary line between State Drilling Block Nos. 26 and 39, to the common corner of State Drilling Block Nos. 26 and 38 on the south boundary line of State Drilling Block No. 39;

Thence SOUTH 45° EAST across State Drilling Block No. 38 to its southeast corner, same being the common corner of State Drilling Block Nos. 37, 38, 41 and 42, said point having a coordinate value of X = 2,795,910.39 feet and Y = 296,486.57 feet, Texas South Central Zone, NAD 1927;

Thence WEST with the common boundary line between State Drilling Block Nos. 38 and 26 on their south boundary and State Drilling Block Nos. 37 and 27 on their north boundary, to the common corner of State Drilling Block Nos. 23, 24, 26, and 27;

Thence SOUTH with the common boundary line between State Drilling Block Nos. 23 and 27, to the common corner of State Drilling Block Nos. 22, 23, 27 and 28;

Thence EAST with the common boundary line between State Drilling Block Nos. 27 and 28, to the common corner of State Drilling Block Nos. 27, 28, 36, and 37;



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Thence SOUTH with the common boundary line between State Drilling Block Nos. 28 and 36, TO THE PLACE OF BEGINNING and containing 2,880 acres of submerged State-owned lands.

All courses recited herein are Lambert Grid.

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Vol  
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Page  
616

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**EXHIBIT 1**

**File #**  
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**Page**  
617

**File #**  
0053340

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202

**Page**  
492

*Counter 36014*



This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National Origin.

Filed for Record in:  
CALHOUN COUNTY, TEXAS  
MARLENE PAUL  
COUNTY CLERK

On: Apr 30, 1998 at 04:02P  
Receipt Number - 7134  
By, Shirley Foester

*Shirley Foester*  
Deputy

FILED

'98 MAY 26 P4:04

*DeVone Jarrett*

COUNTY CLERK  
MATAGORDA COUNTY, TEXAS

STATE OF TEXAS COUNTY OF MATAGORDA  
I 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 RECORDS of Matagorda County, Texas on

MAY 26 1998

*DeVone Jarrett,*



County Clerk, Matagorda County, Texas

LAW OFFICES  
OF  
**LAWRENCE A. DIO**

P. O. BOX 165  
PORT LAVACA, TEXAS 77979

204 SOUTH ANN STREET  
TEL. 512-552-2947  
FAX 512-552-9266

June 11, 1998

Ms. LaNell H. Aston, Director  
Office of Senior Deputy Commissioner  
Texas General Land Office  
Stephen F. Austin Building  
1700 N. Congress Ave.  
Austin, TX 78701-1495

RE: Exchange Deeds between The Calhoun County Navigation  
District and the State of Texas (School Land Board)

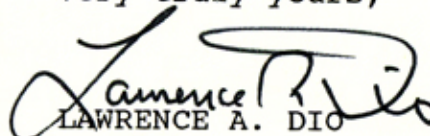
Dear Ms. Aston,

Enclosed please find the following:

1. The Calhoun County Navigation District's Resolution authorizing the District and the Texas School Board agreement for exchange of land which has been recorded in the Official Records of the County Clerks' offices of Calhoun County, Texas, and Matagorda County, Texas,
2. Original Deed from The Calhoun County Navigation District to The State of Texas of approximately 11,860 acres of land which has been recorded in the Official Records of the County Clerks' offices of Calhoun County, Texas, and Matagorda County, Texas; and,
3. Copy of the Deed from the State of Texas to The Calhoun County Navigation District of approximately 3,385 acres of submerged land which has been recorded in the Official Records of the County Clerks' offices of Calhoun County, Texas, and Matagorda County, Texas.

We greatly appreciate the courteous and expeditious manner the General Land Office handled the exchange and on behalf of The Calhoun County Navigation District, I extend our sincere appreciation to Mr. Mauro and the staff of the General Land Office.

Very truly yours,

  
LAWRENCE A. DIO

LAD/ndb

Pg. 1 of 2

Counter 35014

File No Sketch File 19-9 County  
Calhoun  
Letter-Exchange of Deeds  
Filed JULY 15 19 98  
By GARRY MAURO Com'r  
Douglas Howard



Encl

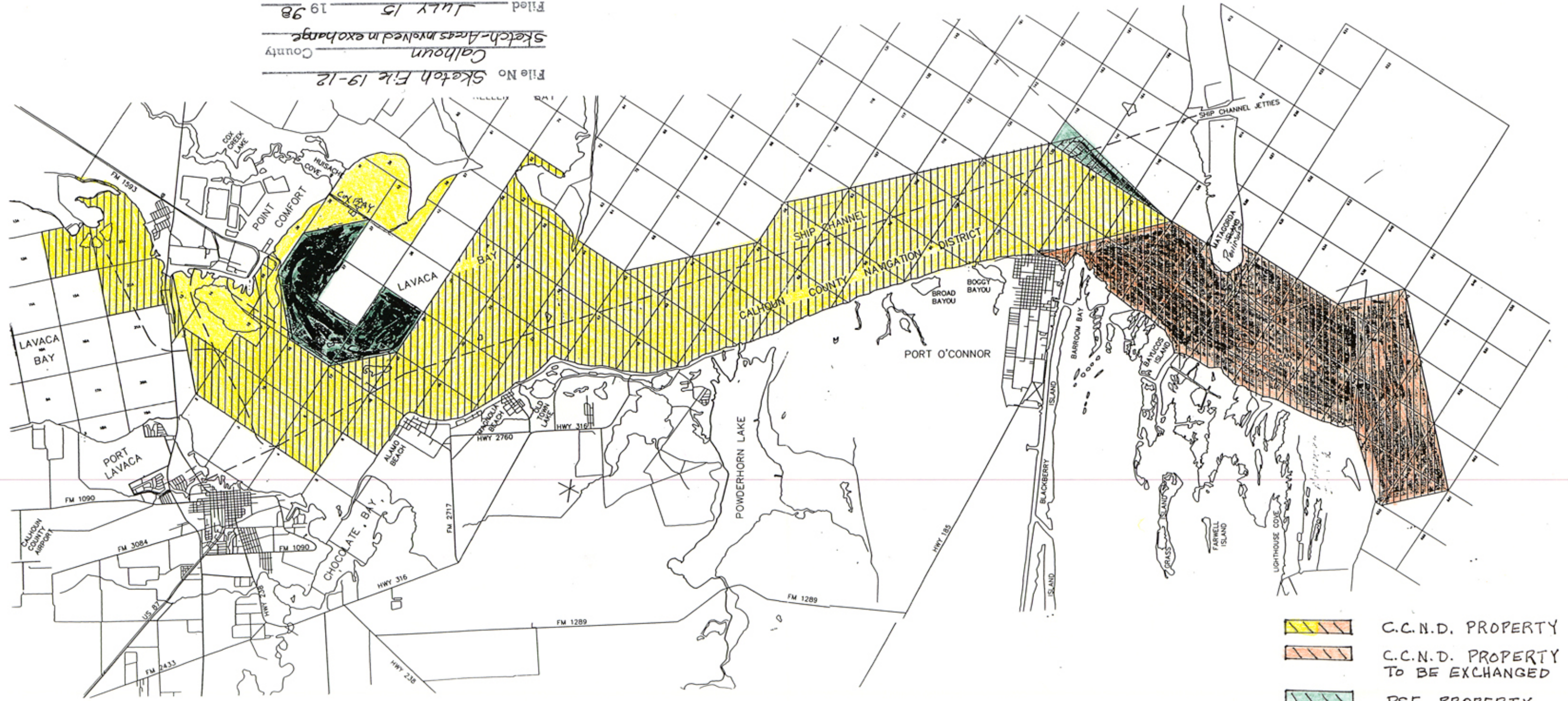
xc: Mr. Dan Miller  
McElroy, Sullivan, Ryan & Miller, L.L.P.  
P. O. Box 12127  
Austin, TX 78711




Mr. J. C. Melcher, Jr., Chairman  
The Calhoun County Navigation District  
P. O. Box 126  
Port Lavaca, TX 77979

Mr. Robert H. Van Borssum, Port Director  
The Calhoun County Navigation District  
P. O. Box 397  
Point Comfort, TX 77978



File No Sketch File 19-12  
 Calhoun County  
Sketch-Areas Involved in exchange  
 Filed July 15 1998  
 By GARRY MAURO, Com'r  
Bougar Howard



-  C.C.N.D. PROPERTY
-  C.C.N.D. PROPERTY TO BE EXCHANGED
-  PSF PROPERTY TO BE EXCHANGED

Counter 36018



Fold at line over top of envelope to  
the right of the return address

**CERTIFIED**

Z 439 182 305

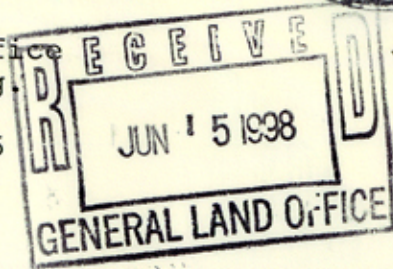
**MAIL**

LAW OFFICES OF  
**LAWRENCE A. DIO**

P.O. BOX 165  
PORT LAVACA, TEXAS 77979

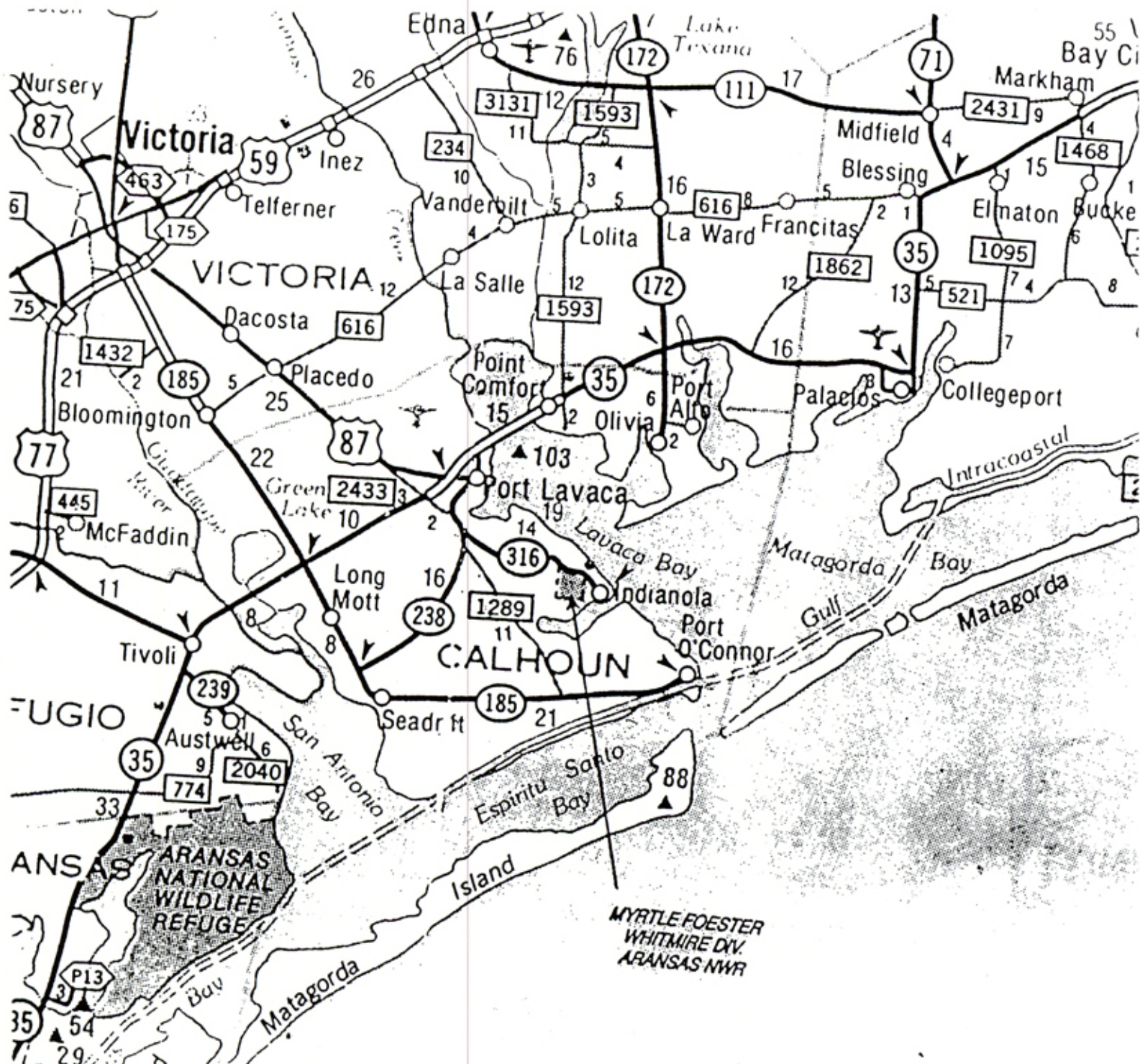


Ms. LaNell H. Aston  
Texas General Land Office  
Stephen F. Austin Bldg.  
1700 N. Congress Ave.  
Austin, TX 78701-1495



counter 36019





# Gulf of Mexico

File No Sketch File 15-11  
Calhoun County  
 Location Map  
 Filed July 15 19 98  
 By GARRY MAURO, Com'r  
Douglas Howard

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NAVIGATION—ART. III, § 52  
Ch. 61

§ 61.117

Texas, or involving the state's claim to title to land conveyed or sought to be conveyed under this Act, shall lie in the District Court of Travis County, Texas.

"Sec. 5. Any and all laws or parts of laws in conflict with the provisions of this Act are repealed to the extent of such conflict."

The 1975 amendment, in the first clause of subsec. (a), inserted "or any special law"; and in subsec. (c), subd. (3) substituted "however, a draft environmental impact statement \* \* \* between the district and the School Land Board" for "however, the School Land Board may waive the requirement of an environmental impact statement if the proposed use requires no dredging, filling, or bulkheading, and if such use will not have a significant impact on the environment. If the School Land Board does waive the submission of an environmental impact statement, it shall include a provision in the lease agreement requiring the district to file an environmental impact statement with the School Land Board before the district makes any use of such lands or flats which requires dredging, filling, or bulkheading, or which would have a significant impact on the environment."

The 1975 amendment also, in the first sentence of subsec. (d), deleted "the Texas Submerged Lands Advisory Committee," after "submit copies thereof to", inserted "Council on" and substituted "and the Environment" for "Council"; and, in subsec. (h), deleted, from

the end of the first sentence, ", and if the district submitted an environmental impact statement with its application to lease state owned lands or flats" and inserted, in the second sentence, ", or which requires only insubstantial dredging, filling, or bulkheading, as determined by the board".

Sections 1 and 3 of the 1975 Act amended Sections 60.038 and 61.117, respectively; §§ 4 and 5 thereof provide:

"Sec. 4. Venue for any action arising under this Act brought by or against the State of Texas; or involving the State's claim to title to land conveyed or sought to be conveyed under this Act, shall lie in a district court of Travis County, Texas.

"Sec. 5. Any and all laws or parts of laws in conflict with the provisions of this Act are repealed to the extent of such conflict."

Prior Law:

- Acts 1909, p. 32, § 30.
- Rev.Civ.St.1911, art. 5990.
- Acts 1930, 41st Leg., 4th C.S., p. 47, ch. 27, § 1.
- Acts 1931, 42nd Leg., 2nd C.S., p. 38, ch. 21, § 1.
- Acts 1932, 42nd Leg., 3rd C.S., p. 61, ch. 26, § 1.
- Acts 1951, 52nd Leg., p. 175, ch. 111, § 1.
- Vernon's Ann.Civ.St. art. 8225.

Cross References

Interagency planning councils, see Vernon's Ann.Civ.St. art. 4413(32a).  
School Land Board generally, see V.T.C.A. Natural Resources Code, § 32.001 et seq.

Administrative Code References

School Land Board, land resources, practice and procedure for state-owned lands and flats, see 31 TAC § 155.21 et seq.

Law Review Commentaries

Navigation districts and regional planning in Texas Gulf Coast Area. G. Sidney Buchanan, 10 Houston L.Rev. 533 (1973).  
Seashore boundary law: Natural and artificial modifications. Carol Eggert Dinkins, 10 Houston L.Rev. 43 (1972).

§ 61.117. Limitations on Sales and Use of State Lands and Flats

(a) The State of Texas shall retain its rights in all mines and minerals, including oil, gas, and geothermal resources, in and under the land, together with the right to enter the land for the purpose of development when it leases land under Section 61.116 of this code.

(b) All leases of land under Section 61.116 are subject to oil, gas, or mineral leases in existence at the time of the lease to the district.

(c) Any land which has been franchised or leased or is being used by any navigation district or by the United States for the purpose of navigation,

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Calhoun County  
Limitations on Sales & Use of State Lands  
& Flats

Filed JULY 15 19 98

By GARRY MAURO, Com'r  
Douglas Howard



§ 61.117

GENERAL LAW DISTRICTS  
Title 4

industry, or other purpose incident to the operation of a port shall not be entered or possessed by the State of Texas or by anyone claiming under the State of Texas for the purpose of exploring for oil, gas, or other minerals except by directional drilling. No easement, lease, or permit may be granted on land which has been leased to a navigation district which will interfere with the proposed use of the land by the navigation district, and the prior approval of the navigation district shall be obtained for such purpose.

(d) No surface drilling location may be nearer than 660 feet and special permission from the Commissioner of the General Land Office is necessary to make any surface location nearer than 2,160 feet, measured at right angles from the nearest bulkhead line designated by a navigation district or the United States as the bulkhead line or from the nearest dredged bottom edge of any channel, slip, or turning basin which has been dredged, or which has been authorized by the United States as a federal project for future construction, whichever is nearer.

(e) In the event land is leased to a navigation district for construction of a navigation project, the School Land Board may in the lease designate the district to be the agent of the State of Texas with authority to grant to the United States of America such easements for dredging and disposal of dredged material as may be required for federal participation in the project. In designating the district to be the agent of the State of Texas for the purpose of granting spoil easements, the board may include a requirement that the district obtain the approval of the board before granting any such easement. Such approval may be given in the form of accepting a master plan for spoil disposal.

(f) Districts which, prior to the enactment of this provision, have obtained patents to state owned lands or flats under Article 8225, Revised Civil Statutes of Texas, 1925,<sup>1</sup> or under any general or special act, and which still claim title to any such lands or flats, may not hereafter dispose of any such lands or flats which were conveyed to them by the State of Texas and may not lease such lands or flats for a use for which districts are not authorized to lease their other lands; however, in the event a district possesses lands it finds to be in excess of its needs, it may sell such surplus lands or flats back to the State of Texas for the same consideration as originally paid to the state or exchange them for other lands with the State of Texas. It is further provided that the limitation on resale of lands or flats acquired from the State of Texas shall not prevent a district from exchanging such lands or flats for land, or rights in land, of an adjacent littoral owner for the purpose of adjusting or straightening the boundary between such lands. All such exchanges made after December 31, 1973, shall be subject to the approval of the School Land Board.

(g) Any district which, prior to the effective date of this Act has maintained, and which at the effective date of this Act is maintaining, any channel, dredged material disposal site, or other navigational aid or improvement on state owned lands to which the district holds no patent or lease from the state shall notify the General Land Office of the boundaries of such submerged

NAVIGATION  
Ch. 61

land used by  
Land Office.

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63rd Leg., p. 5.  
§ 3, eff. May 2

<sup>1</sup> Repealed.

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Acts 1971, 62nd Leg., p. 110, ch. 58, § 1, eff. Aug. 30, 1971. Amended by Acts 1973, 63rd Leg., p. 555, ch. 237, § 2, eff. June 11, 1973; Acts 1975, 64th Leg., p. 803, ch. 310, § 3, eff. May 27, 1975.

<sup>1</sup> Repealed.

#### Historical Note

The 1973 amendment inserted "and Use" in section head; substituted "leases" for "sells" and "sales", respectively, in subsecs. (a) and (b) and "lease to the district" for "sale" in subsec. (b); added the second sentence in subsec. (c) and added subsecs. (e), (f).

Sections 1 and 3 of the 1973 Act amended Sections 61.116 and 61.038(a), respectively; §§ 4, 5 thereof are set out as notes under Section 61.116.

The 1975 amendment in subsec. (a), inserted "and geothermal resources"; in first sentence of subsec. (f), substituted "which were conveyed to them by the State of Texas and may not lease such lands or flats for a use for which districts are not authorized to lease their other lands" for "except by lease as provided in Section 61.116 of this code" and added at the end thereof, "or exchange them for other lands

with the State of Texas"; and added subsec. (g).

Sections 1 and 2 of the 1975 Act amended Sections 61.038 and 61.116, respectively; §§ 4, 5 thereof are set out as notes under Section 61.116.

#### Prior Law:

Acts 1909, p. 32, § 30.

Rev.Civ.St.1911, art. 5990.

Acts 1930, 41st Leg., 4th C.S., p. 47, ch. 27, § 1.

Acts 1931, 42nd Leg., 2nd C.S., p. 38, ch. 21, § 1.

Acts 1932, 42nd Leg., 3rd C.S., p. 61, ch. 26, § 1.

Acts 1951, 52nd Leg., p. 175, ch. 111, § 1.  
Vernon's Ann.Civ.St. art. 8225.

#### Cross References

Sale or lease of land as authorized by this section, see § 60.038(a).

#### Administrative Code References

School Land Board, land resources, practice and procedure for state-owned lands and flats, see 31 TAC § 155.21 et seq.

#### Law Review Commentaries

Seashore boundary law: Natural and artificial modifications. Carol Eggert Dinkins, 10 Houston L.Rev. 43 (1972).

### § 61.118. Construction Contracts

(a) Except as provided in this section, the provisions of Chapter 3, Title 128, Revised Civil Statutes of Texas, 1925,<sup>1</sup> governing water control and preservation districts which relate to advertising for, awarding, and performing contracts for the construction of improvements and work authorized by law shall apply to construction contracts made under this subchapter.

(b) The bidder's deposit for a construction contract shall be five percent of the amount bid, and the contractor's bond shall be for not less than 25 percent of the contract price.

(c) The contract shall be signed by at least two of the commissioners, and the partial payments made under the contract shall not be more than 90 percent of the contract price.