

***NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE
EXTENSION POLICY OF
EL OSO WATER SUPPLY CORPORATION***

Pursuant to Chapter 13.2502 of the Texas Water Code, El Oso Water Supply Corporation hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of El Oso Water Supply Corporation, Certificate of Convenience and Necessity No. 10570, in Karnes, Wilson, Bee, Live Oak and Atascosa Counties, into two or more lots or sites for the purposes of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water service connections on a single contiguous tract of land must comply with title of subdivision service extension policy stated in the tariff (the "Subdivision Policy") contained in El Oso Water Supply Corporation's tariff.

El Oso Water Supply Corporation is not required to extend retail water service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Applicable elements of the Subdivision include:

- Evaluation by El Oso Water Supply Corporation of the impact a proposed subdivision service extension will make on El Oso Water Supply Corporation's water supply service system and payment of the costs for this evaluation;
- Payment of reasonable costs or fees by the developer for providing water supply service capacity;
- Forfeiture of reserved water supply capacity for failure to pay applicable fees;
- Payment of costs of any improvements to El Oso Water Supply Corporation's system that are necessary to provide the water service;
- Construction according to design approved by El Oso Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

El Oso Water Supply Corporation's tariff and a map showing El Oso Water Supply Corporation's service area may be reviewed at El Oso Water Supply Corporation's office at 4098 S. Hwy 181, Kenedy, Texas 78119; tariff/policy and service area map also are filed of record at the Texas Commission of Environmental Quality in Austin, Texas and may be reviewed by contacting the TCEQ, c/o Utility Rates and Services Section, Water Utilities Division, P.O. Box 13087, Austin, Texas 78711.