

**NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE EXTENSION
POLICY OF Mustang Valley Water Supply Corporation**

Pursuant to Chapter 13.2502 of the Texas Water Code, Mustang Valley 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 Mustang Valley Water Supply Corporation's Certificate of Convenience and Necessity No. 11175, in Bosque and Coryell Counties, into two or more lots or sites for the purpose 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 *Section F. Developer, Subdivision And Non-Standard Service Requirements* (the "Subdivision Policy") contained in Mustang Valley Water Supply Corporation's Tariff.

Mustang Valley 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 Policy include:

Evaluation by Mustang Valley Water Supply Corporation of the impact a proposed subdivision service extension will make on Mustang Valley Water Supply Corporation's water supply system and payment of the costs for this evaluation;

Payment of reasonable costs or fees by the developer for providing water supply capacity;

Payment of fees for reserving water supply capacity;

Forfeiture of reserved water supply capacity for failure to pay applicable fees;

Payment of costs of any improvements to Mustang Valley Water Supply Corporation's system that are necessary to provide the water service;

Construction according to design approved by Mustang Valley Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Mustang Valley Water Supply Corporation Tariff and a map showing Mustang Valley Water Supply Corporation service area may be reviewed at Mustang Valley Water Supply Corporation office, at 103 S. 3rd Street, Cranfills Gap, Texas 76637. The Tariff and service area map also are filed of record at the Public Utility Commission of Texas.