

**NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND SERVICE
EXTENSION POLICY OF
SARDIS-LONE ELM WATER SUPPLY CORPORATION**

Pursuant to Chapter 13.2502 of the Texas Water Code, Sardis-Lone Elm 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 Sardis-lone Elm Water Supply Corporation Certificate of Convenience and Necessity No. 10058, in Ellis County, 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 the Subdivision and Service Extension Policy contained in Sardis-Lone Elm Water Supply Corporation's tariff.

Sardis-lone Elm 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 Sardis-Lone Elm Water Supply Corporation of the impact a proposed subdivision service extension will make on Sardis-Lone Elm 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;

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

Payment of costs of any improvements to Sardis-Lone Elm Water Supply Corporation's system that are necessary to provide the water;

Construction according to design approved by Sardis Lone-Elm Water Supply Corporation and dedication by the developer of water facilities within the subdivision following inspection.

Sardis-lone Elm Water Supply Corporation's tariff and a map showing Sardis-Lone Elm Water Supply Corporation's service area may be reviewed at Sardis-Lone Elm Water Supply Corporation's office located at 6681 West Highland Road, Midlothian, Tx; the tariff and service area map also are filed of record at the Texas Commission on 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.