

October 16, 2024

EXTENSION OF RULE 11 AGREEMENT

Michael Gershon
Lloyd Gosselink Rochelle & Townsend, PC
816 Congress Ave., Suite 1900
Austin, Texas 78701

Re: Extension of September 19, 2024 Rule 11 agreement providing for abatement of proceedings relating to pending permit applications associated with the Upwell project (the “Rule 11 Agreement”).

Dear Mr. Gershon,

The Texas A&M University System and the Brazos Valley Groundwater Conservation District and its General Manager (collectively, the “Parties”) have agreed to extend the abatement period in the Rule 11 Agreement to allow further time to explore the potential resolution of matters associated with the Upwell project and related permit applications. A copy of the Rule 11 Agreement is attached for your reference.

This is to memorialize the Parties’ agreement to extend the abatement period contemplated in paragraph (1) of the Rule 11 Agreement an additional thirty (30) days, to and including Monday, November 18, 2024.

If this accurately reflects the terms agreed upon, please indicate by signing below and returning to me for filing, if necessary, as a Rule 11 agreement.

Sincerely,



Lynn Sherman
Attorney for Texas A&M
University System

October 16, 2024

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AGREED:

Michael Gershon
Attorney for Defendants
Brazos Valley Groundwater Conservation
District and Alan Day, General Manager for
Brazos Valley Groundwater Conservation
District

September 19, 2024

RULE 11 AGREEMENT

Michael Gershon
Lloyd Gosselink Rochelle & Townsend, PC
816 Congress Ave., Suite 1900
Austin, Texas 78701

Re: Abatement of administrative, litigation and other proceedings relating to pending permit applications associated with the Upwell project

Dear Mr. Gershon,

This letter is intended to memorialize, pursuant to Tex. R. Civ. P. 11 and 1 T.A.C. § 155.415 (to the extent this State Office of Administrative Hearings (“SOAH”) rule becomes applicable), the following agreements reached between the Texas A&M University System (the “A&M System”), the Brazos Valley Groundwater Conservation District (the “District”), and the District’s General Manager (“General Manager”) (collectively, the “Parties”) in connection with the pending permit applications and contested case hearing requests associated with the project proposed by Upwell Water LLC, UW Brazos Valley Farm (“UWBVF”), and/or their affiliates (the “Upwell Project”):

(1) To allow an opportunity for settlement discussions to occur, the A&M System and the District and its General Manager hereby temporarily suspend and abate all administrative, legal or contested case actions and proceedings regarding (a) the production and transport permits for the UW Brazos Valley Farm (“UWBVF”) project, and (b) the lawsuit styled *Texas A&M University System v. Brazos Valley Groundwater Conservation District and Alan Day, General Manager of Brazos Valley Groundwater Conservation District*; Cause No. 24-002626-CV-472; In the 472nd District Court of Brazos County, Texas (the “Lawsuit”) for a period of thirty (30) days (the “Abatement Period”).

(2) The District will proceed with the preliminary hearing on UWBVF’s pending applications for groundwater from the Simsboro Aquifer: (BVTP-002) for RH2O LLC; (BVTP-003) for Clifford A. Skiles III; (BVTP-004) for James C. Brien; (BVTP-005) for L. Wiese Moore LLC; (BVTP-006) for Fazzino Investments LP; (BVTP-007) for Ely Family Partnership LP; and (BVTP-008) for Cula d'Brazos LLC, all of whom are co-applicants with UW Brazos Valley Farm LLC, that the District’s Board of Directors (“Board”) took formal action to set before the Board

on October 10, 2024, unless canceled by the Board. Given the limited Abatement Period, each or all of the Parties may coordinate with UWBVF to enter a separate Rule 11 and/or Rule 155.415 to abate any referral to SOAH if either or all of the Parties believe that more time is required to pursue settlement.

(3) During the term of the Abatement Period, the A&M System and the District and its General Manager will, in coordination with UWBVF and other parties, pursue efforts to seek a resolution of issues and disputes associated with the pending permit applications submitted by UWBVF, landowners associated with the Upwell project, and the A&M System.

(4) The Abatement Period may be extended by written agreement signed by, or on behalf of, the Parties.

(5) In the event that a resolution of all issues is reached during the Abatement Period, the A&M System will promptly dismiss the Lawsuit.

(6) For avoidance of doubt, the District acknowledges that it will not take action to refer the A&M System's pending permit application number BVDO-0421 to SOAH prior to the expiration of the Abatement Period.

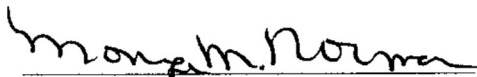
If this accurately reflects the terms agreed upon, please indicate by signing below and returning to me for filing, if necessary, as a Rule 11 agreement.

Sincerely,



Lynn Sherman
Attorney for Texas A&M
University System

AGREED:



Monique M. Norman

Attorney for Defendant
Brazos Valley Groundwater Conservation District