

**EDWARDS AQUIFER AUTHORITY
State of Texas**

**IN THE MATTER OF THE FOLLOWING
APPLICATION TO CONVERT BASE IRRIGATION
GROUNDWATER:**

FINAL ORDER GRANTING APPLICATION
TO CONVERT BASE IRRIGATION GROUNDWATER

ON THIS DAY CAME ON TO BE HEARD the above-styled and numbered Application to Convert Base Irrigation Groundwater (“Conversion Application” or “Application”) of Continental Homes of Texas, L.P. (“Applicant”). As set forth below, the General Manager of the Edwards Aquifer Authority (“EAA”) issued notice of his proposed action on the Conversion Application. The Board of Directors (“Board”) of the EAA, after having reviewed and considered the summaries of the evidence for the Conversion Application as contained in the materials in the Board Packet, the arguments and presentation of the General Manager of the EAA, and the arguments and presentations of the Applicant, or its representatives, and other applicants or permittees, or their representatives, who may have appeared before the Board, is of the opinion and finds that:

1. the facts necessary to support the General Manager's proposed action to grant the Conversion Application have been established by convincing evidence; and
2. the General Manager's proposed action is entitled to prevail with reference to the above-styled and numbered application.

Accordingly, the Board is of the opinion and finds that the Conversion Application should be granted. In support of this Final Order, the Board makes its Findings of Fact and Conclusions

of Law as follows:

FINDINGS OF FACT

1. On June 13, 2023, Continental Homes of Texas, L.P. was granted Regular Permit P200-923 (ME00354) by the EAA in the amount of 35.227 acre-feet/year (“AF/yr”) (35.227 AF/yr of base irrigation groundwater rights (“BIG”) based on the purchase of 35.227 acres of Historically Irrigated Land (“HIL”), from Regular Permit P103-423 (ME00354), 700 Red Bird Ranch Investments, Ltd. to Continental Homes of Texas, L.P., pursuant to Special Warranty Deed dated October 31, 2022, and recorded as Document # 2022011358, Official Public Records, Medina County, Texas.

2. On November 12, 2024, due to the sale and subsequent consolidation of 287.575 acres of land containing 188.073 acres of HIL from Regular Permit P103-423 (ME00354) from 700 Red Bird Ranch Investments, Ltd. to Continental Homes of Texas, L.P., pursuant to Special Warranty Deed dated August 27, 2024, and recorded as Document # 2024007620, the EAA reissued Regular Permit P200-923 (ME00354) in the amount of 223.300 AF BIG to Continental Homes of Texas, L.P.

3. On May 12, 2025, Applicant filed a Conversion Application with the EAA at the official business offices located at 900 E. Quincy Street, San Antonio, Texas. Applicant seeks issuance of an order granting the Conversion Application to convert 19.620 AF/yr of BIG to UIG.

4. After receipt of the Conversion Application, the General Manager of the EAA conducted an initial review of the Application for administrative completeness.

5. By letter dated November 14, 2025, the General Manager notified Applicant that he had determined that the Application was administratively complete.

6. After determining that the Conversion Application was administratively complete,

the General Manager conducted a technical review of the Application for the purpose of determining if the Application should be granted or denied, in whole or in part.

7. After completing the technical review of the Conversion Application, the General Manager concluded that he would recommend to the Board that the Application be granted in full, and a regular permit be issued to Applicant after converting 19.620 acre-feet BIG to UIG based on the physical development of 19.620 HIL.

8. In conjunction with the proposed action, the General Manager prepared a Technical Summary.

9. On December 16, 2025, the General Manager provided written notice to Applicant by United States mail that the technical review of the Application was complete, provided the proposed action and Technical Summary in support thereof, and informed Applicant that Applicant's Conversion Application was scheduled for consideration at the regular meeting of the Board on January 13, 2026, at the official offices of the Edwards Aquifer Authority, 900 E. Quincy Street, San Antonio, Texas.

10. The Docket Clerk of the EAA scheduled before the Board a presentation by the General Manager on the Conversion Application, his proposed action, and the proposed issuance of a Regular Permit in accordance therewith. The presentation occurred at the regular meeting of the Board held on January 13, 2026, at the official offices of the Edwards Aquifer Authority, 900 E. Quincy Street, San Antonio, Texas. Notice of public meeting for this meeting was duly and properly posted in accordance with Chapter 551, Texas Government Code. Additionally, an agenda item that is the subject of this Final Order was duly and properly listed in the notice of public meeting.

11. On December 7, 2025, December 10, 2025, and December 11, 2025, pursuant to

EAA Rule § 707.525, Applicant published a Notice of Proposed Action on Application for Conversion of Base Irrigation Groundwater to Unrestricted Irrigation Groundwater in five (5) newspapers within the EAA's jurisdiction, outlining the General Manager's proposed action.

12. On December 16, 2025, pursuant to § 1.34 of the EAA Act and § 711.342(c) of the EAA Rules, the EAA provided permit holders, by United States mail, a copy of the Notice of Proposed Action on Application for Conversion of Base Irrigation Groundwater to Unrestricted Irrigation Groundwater, outlining the General Manager's proposed action.

13. In accordance with §§ 707.525 and 707.603 of the EAA Rules, the December 16, 2025 written letter to Applicant, the December 7, 2025, December 10, 2025, and December 11, 2025 newspaper publications, and the December 16, 2025 letter to permit holders provided notice of the right for any permit holder to request a contested case hearing on the Application and the General Manager's proposed action. The deadline to request a contested case hearing was January 12, 2026. No requests were received.

14. The Conversion Application was, contemporaneous with its receipt, affixed with a "date stamp" by the EAA to the front page of the Application indicating its date of receipt by the EAA.

15. Applicant paid the application fee of \$25 at the time the Conversion Application was filed with the EAA.

16. Applicant is not delinquent in the payment of any fee due and owing to the EAA, including but not limited to aquifer management fees.

17. Applicant has filed with the EAA all applicable reports.

18. The place of use set out in Regular Permit P200-923 (ME00354) includes irrigated land during the historical period. A description of the lands is as follows:

The tract(s) of land more fully described in Special Warranty Deed dated 07/29/2022, as recorded with the County Clerk as Document # 2022011358, Official Public Records, Medina County, Texas; and the tract(s) of land more fully described in Special Warranty Deed dated 08/27/2024, as recorded with the County Clerk as Document #2024007620, Official Public Records, Medina County, Texas.

19. A change in land use has occurred relative to the historically irrigated lands constituting the place of use set out in Regular Permit P200-923 (ME00354) such that, in accordance with EAA Rules § 711.342(c)(6)(A), 19.620 acres of HIL have been developed into a single-family home subdivision extension.

20. A map showing the location of the HIL is attached as Exhibit A.

21. Applicant is not required to submit a groundwater conservation plan to the EAA.

22. Applicant is in compliance with the Act, the EAA Rules, other permits, and orders of the Board.

23. Applicant is the owner of the land to which the BIG that is the subject of the Conversion Application is appurtenant.

24. Applicant was not required to submit a new survey of the historically irrigated acres constituting the place of use set out in Regular Permit P200-923 (ME00354).

CONCLUSIONS OF LAW

1. Because the Conversion Application seeks to convert BIG in the IRP to UIG associated with a groundwater withdrawal permit issued by the EAA, the Board of Directors of the EAA has jurisdiction over the Application.

2. The Conversion Application meets the requirements of Section § 711.342(c)(6)(A) of the EAA Rules and, therefore, a change in land use has occurred relative to the historically irrigated lands constituting the place of use set out in Regular Permit P200-923 (ME00354) such that these lands have been developed.

3. The Conversion Application otherwise complies with the Act and the EAA Rules.
4. Accordingly, the Conversion Application should be granted in accordance with this Final Order, hereby converting 19.620 AF/yr of BIG to UIG associated with Regular Permit P200-923 (ME00354) and the historically irrigated lands constituting the place of use for this Permit.

ORDERING PROVISION

IT IS THEREFORE ADJUDGED, ORDERED, AND DECREED that the above-styled and numbered Conversion Application is hereby **GRANTED** as follows:

1. the General Manager is directed to advise Applicant in writing of the issuance and effect of this Final Order;
2. when appropriate as determined by the General Manager, the General Manager is directed to prepare an amended Regular Permit reflecting the issuance and effect of this Final Order in the form of the approved Regular Permit form and subject to the Conditions for Regular Permits as may be in effect at the time of the issuance of this Final Order, for presentation to the Chairman of the Board of Directors of the EAA for signature; and
3. the General Manager is directed to make appropriate adjustments, changes, or modifications to the EAA's permits and water accounting database consistent with the issuance and effect of this Final Order.

PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE EDWARDS
AQUIFER AUTHORITY THIS 13TH DAY OF JANUARY 2026.

ENRIQUE VALDIVIA
Chairman, Board of Directors
Edwards Aquifer Authority

ATTEST:

RACHEL SANBORN
Secretary, Board of Directors
Edwards Aquifer Authority

APPROVED AS TO FORM:

DEBORAH TREJO
Counsel for the Edwards Aquifer Authority