

**BEFORE THE  
EDWARDS AQUIFER AUTHORITY  
State of Texas**

**IN THE MATTER OF THE FOLLOWING** )  
**APPLICATION TO CONVERT BASE IRRIGATION** )  
**GROUNDWATER:** )  
 )  
 )  
 )  
**P201-062 Continental Homes of Texas, L.P.** )  
**(BE00040)** )

**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 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 January 31, 2001, Meta K. Keller was granted Initial Regular Permit (“IRP”) No. 2001-BE00040 (P100-072) by the EAA in the amount of 146 acre-feet/year (“AF/yr”) (73 AF/yr of base irrigation groundwater rights (“BIG”) and 73 AF/yr of unrestricted irrigation groundwater rights (“UIG”)) based on the irrigation of 73 acres of land during the historical period (June 1, 1972 – May 31, 1993).

2. On June 30, 2009, by Special Warranty Deed dated April 9, 2007, recorded as Document # 20070083499, Official Public Records, Bexar County, Texas, and Quitclaim Deed dated April 9, 2007, and recorded as Document # 20070083498, Official Public Records, Bexar County, Texas, Meta K. Keller and Diane Louise Stahley conveyed 214.48 acres to McCombs Legacy, Ltd., a Texas limited partnership, with a reservation of UIG associated with the IRP by Meta K. Keller. As a result, the EAA re-issued Regular Permit P100-072 (BE00040) in the amount of 73 AF/yr of BIG to McCombs Legacy, Ltd. and the EAA issued Regular Permit P104-325 (BE00040) in the amount of 73 AF/yr of UIG to Meta K. Keller.

3. On October 10, 2023, due to a correction of the legal place of use of the historically irrigated acres and the BIG amount, and the sale of 48.886 acres from Meta I. Keller to Diane L. Stahley (1 percent), pursuant to Special Warranty Deed dated October 10, 2007, and recorded as Document # 20070248316, Official Public Records, Bexar County, Texas, and from Diane L. Stahley to Keller-Stahley Properties, LP (1 percent), pursuant to Special Warranty Deed dated October 10, 2007, and recorded as Document # 2007024318, Official Public Records, Bexar County, Texas, and from Meta I. Keller to Keller-Stahley Properties, LP (99 percent), pursuant to Special Warranty Deed dated October 10, 2007, and recorded as Document # 20070248317, Official Public Records, Bexar County, Texas, and from Keller-Staley Properties, LP, a Texas

limited partnership to Diane L. Stahley Trust, an irrevocable trust (100 percent), pursuant to Special Warranty Deed dated December 21, 2012, and recorded as Document # 20120250148, Official Public Records, Bexar County, Texas, the EAA issued Regular Permit P201-059 (BE00040) in the amount of 13.550 AF/yr of BIG to Diane L. Stahley Trust, an irrevocable trust.

4. On October 10, 2023, due to the correction of the BIG amount and the sale of 214.48 acres from McCombs Legacy, Ltd. to Medina Stonehill, LLC, pursuant to Special Warranty Deed dated June 6, 2007, and recorded as Document # 20070133085, Official Public Records, Bexar County, Texas, the EAA re-issued Regular Permit P100-072 (BE00040) in the amount of 59.450 AF/yr of BIG to Medina Stonehill, LLC.

5. On December 12, 2023, due to the sale of 189.453 acres from Medina Stonehill, LLC to Continental Homes of Texas, L.P., pursuant to Special Warranty Deed dated August 21, 2023, and recorded as Document # 20230156015, Official Public Records, Bexar County, Texas, the EAA issued Regular Permit P201-062 (BE00040) in the amount of 37.521 AF/yr of BIG to Applicant.

6. On February 14, 2024, Applicant filed a Conversion Application with the EAA at the official business offices located at 900 E. Quincy, San Antonio, Texas. Applicant seeks issuance of an order granting the Conversion Application by converting 18.727 AF/yr of BIG to UIG.

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

8. By letter dated February 26, 2024, the General Manager notified Applicant that he had determined that the Application was administratively complete.

9. 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.

10. After completing the technical review of the Conversion Application, the General Manager concluded that he should recommend to the Board that the Application be granted in whole.

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

12. On May 22, 2024, 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.

13. 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 July 9, 2024, at the official offices of the Edwards Aquifer Authority, 900 E. Quincy, 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.

14. On May 29 and 30, and June 2, 2024, pursuant to EAA Rules § 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.

15. On May 31, 2024, pursuant to § 1.34 of the EAA Act and § 711.342(c) of the EAA's 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.

16. In accordance with §§ 707.525,707.601(4) and 707.603, the May 22, 2024 written letter to Applicant, the May 29 and 30, and June 2, 2024 newspaper publications, and the May 31, 2024 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 July 2, 2024. No requests were received.

17. 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.

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

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

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

21. The place of use set out in Regular Permit P201-062 (BE00040) 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 08/21/2023 as recorded with the County Clerk as Document #20230156015, Official Public Records, Bexar County, Texas.

22. A change in land use has occurred relative to the historically irrigated lands (“HIL”) constituting the place of use set out in Regular Permit No. P201-062 (BE00040) such that, in accordance with EAA Rules § 711.342(c)(6)(A), 67.607 acres of HIL have been developed into a single-family home subdivision.

23. A map showing the location of the HIL is attached as Exhibit A.
24. Applicant is not required to submit a groundwater conservation plan to the EAA.
25. Applicant is in compliance with the Act, the EAA Rules, other permits, and orders of the Board.
26. Applicant is the owner of the land to which the BIG that is the subject of the Conversion Application is appurtenant.
27. Applicant was not required to submit a new survey of the historically irrigated acres constituting the place of use set out in Regular Permit P201-062 (BE00040).

### **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 P201-062 (BE00040) such that these lands have been developed.
3. The Conversion Application otherwise complies with the Act and the EAA's Rules.
4. Accordingly, the Conversion Application should be granted in accordance with this Final Order Based, hereby converting 18.727 AF/yr of BIG to UIG associated with Regular Permit P201-062 (BE00040) 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 9<sup>TH</sup> DAY OF JULY, 2024.

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**ENRIQUE VALDIVIA**  
Chairman, Board of Directors  
Edwards Aquifer Authority

**ATTEST:**

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**BENJAMIN F. YOUNGBLOOD III**  
Secretary, Board of Directors  
Edwards Aquifer Authority

**APPROVED AS TO FORM:**

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**DARCY ALAN FROWNFELTER**  
General Counsel