

CAUSE NO. DCCV25-5642-369

SANDERSON FARMS, LLC, DBA
WAYNE-SANDERSON FARMS, BRIAN
KINNEY, INDIVIDUALLY AND DBA 4K
FARMS, CHARLIE AND RACHEL
PARKER, CHARLIE PARKER FARMS,
INC., SHANNON RODELL, BOBBY
COLE, INDIVIDUALLY AND DBA ARC
CATTLE & POULTRY, THUY TIEN
FARM, LLC, ANH QUOC PHAM, HQ
PHAMILY LLC, CLAY SMITH
INDIVIDUALLY AND DBA CIRCLE S
FARMS, EARL LANG AND RUSSELL
LANG, AND CONSOLIDATED WATER
SUPPLY CORPORATION.

Plaintiffs,

WALL RANCH-LEON COUNTY, LTD.

Intervenor,

v.

NECHES & TRINITY VALLEYS
GROUNDWATER CONSERVATION
DISTRICT,

Defendant.

IN THE DISTRICT COURT

FILED FOR RECORD
2025 OCT 24 PM 4:03
TERESIA COKER
DISTRICT CLERK
ANDERSON COUNTY, TX

369th JUDICIAL DISTRICT

ANDERSON COUNTY, TEXAS

FINAL JUDGMENT AND PERMANENT INJUNCTION

On this day, this action came on for final hearing before the Court. Plaintiffs Sanderson Farms, LLC, d/b/a Wayne-Sanderson Farms (“Wayne-Sanderson Farms”), Brian Kinney, individually and d/b/a 4K Farms, Charlie and Rachel Parker, Charlie Parker Farms, Inc., Shannon Rodell, Bobby Cole, individually and d/b/a ARC Cattle & Poultry, Thuy Tien Farm, LLC, Anh Quoc Pham, HQ Phamily LLC, Clay Smith, individually and d/b/a Circle S Farms, Earl Lang and

Russell Lang (collectively, “Growers”), Consolidated Water Supply Corporation (“CWSC,” and together with Wayne-Sanderson Farms and Growers collectively referred to as “Plaintiffs”), Intervenor Wall Ranch-Leon County, Ltd. (“Intervenor”) and Defendant Neches & Trinity Valleys Groundwater Conservation District (“Defendant”) all appeared by and through their respective counsel of record.

Plaintiffs, Intervenor and Defendant stipulate that a legitimate dispute exists between the parties regarding the validity of the actions taken by Defendant’s Board of Directors during the April 17, 2025 meeting regarding Redtown Ranch Holdings LLC and Pine Bliss LLC’s applications for drilling permits seeking to drill 43 wells and produce almost 49,000 acre-feet per year of groundwater (collectively, the “Applications”), at which meeting the Defendant’s Board of Directors declared the Applications to be administratively complete.

Plaintiffs, Intervenor and Defendant likewise stipulate that a legitimate dispute exists as to the validity of the orders and decisions made by the Defendant’s Board of Directors thereafter, including the unanimous vote during the June 19, 2025 public meeting referring the Applications to the State Office of Administrative Hearings (“SOAH”) to conduct a contested case hearing.

In accordance with the mandates of Chapter 36 of the Texas Water Code and Chapter 8863 of the Texas Special District Local Laws Code, Plaintiffs, Intervenor and Defendant stipulate that the results of various studies are important for Defendant’s Board of Directors to receive, review and consider before taking any action on the Applications or any other applications—including any applications that are part of a project that would require subsequent applications to be filed before the District—that individually or collectively, may result in new withdrawals in excess of 3,000 acre-feet annually. Specifically, Plaintiffs, Intervenor and Defendant stipulate that the results of the following studies should be received, reviewed, and considered by the

Defendant's Board of Directors before taking any action on the Applications or any other applications—including any applications that are part of a project that would require subsequent applications to be filed before the District—that individually or collectively, may result in new withdrawals in excess of 3,000 acre-feet annually:

1. A study by the Texas Water Development Board analyzing the maximum amount of groundwater that can be produced in perpetuity without impeding the desired future conditions for aquifers within the District, as compared to the modeled available groundwater for those aquifers, as well as, among other things, the hydrological effects the Applications' proposed production will have on the aquifers ("TWDB Study");
2. A study to be conducted by the Trinity River Authority on surface water and groundwater interactions in the Trinity River Basin, evaluating how full implementation of Texas Groundwater Management Area 11 and 12 pumping scenarios, including pursuant to the Applications and/or similar applications, could affect surface water flows, water rights reliability, and ecological resources in the Trinity River basin, with a focus on the alluvial aquifers and connected shallow systems ("TRA Study on Groundwater-Surface Water Interactions in the Trinity River Basin"); and
3. A study by Defendant regarding the impacts the Applications or similar applications will have on aquifers within the District ("District Study").

Plaintiffs, Intervenor and Defendant, therefore, seek to resolve this dispute through this Final Judgment and Permanent Injunction.

The Court adopts the above stipulations and so finds.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that Defendant's Board of Directors' April 17, 2025 vote to declare the Applications as administratively complete is hereby rescinded and rendered null and void;

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant's May 15, 2025 Order on Applications to Drill Water Wells (Redtown Ranch Holdings LLC) and Defendant's May 15, 2025 Order on Applications to Drill Water Wells (Pine Bliss LLC) are hereby rescinded and rendered null and void;

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant's Board of Director's June 19, 2025 vote to refer the Applications to the SOAH is hereby rescinded and rendered null and void;

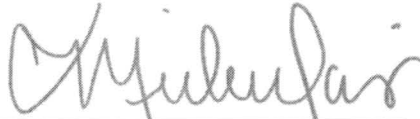
IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant's Board of Directors shall terminate the current contract with SOAH to conduct a contested case hearing on the Applications;

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant's Board of Directors and all other persons or entities acting in concert with Defendant are hereby permanently enjoined from before taking any action on the Applications or any other applications—including any applications that are part of a project that would require subsequent applications to be filed before the District—that individually or collectively, may result in new withdrawals in excess of 3,000 acre-feet annually until the Defendant's Board of Directors receives, reviews, and considers the TWDB Study, the TRA Study on Groundwater-Surface Water Interactions in the Trinity River Basin, and the District Study; and

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Plaintiffs, Intervenor and Defendant shall bear their own costs of court, attorney's fees, expert witness fees, and all other costs and expenses.

This is a Final Judgment and Permanent Injunction of the Court in this action. All relief requested by any party in this action that is not expressly granted herein is hereby DENIED.

Signed on this 23rd day of October 2025.

A handwritten signature in dark ink, appearing to read "C. Michael Davis", written over a horizontal line.

The Honorable C. Michael Davis

AGREED:

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