

Changing Owners of Water Rights

Water Availability Division Water Rights Compliance Assurance Team (WRCAT)

Overview

- What is a Water Right?
- Where are they located?
- Change of Ownership Process.
- Online and In-person Resources for documents.

What is a Water Right?

Texas Water Code (TWC) §11.002(5)

 "A right acquired under the laws of Texas to impound, divert, or use state water."

State Water is:

 "The water of the ordinary flow, underflow, and tides of every flowing river, natural stream, and lake, and of every bay or arm of the Gulf of Mexico, and the stormwater, floodwater, and rainwater of every river, natural stream and watercourse in the state."



Water Rights By Basin

| Basin | # of WRs | Basin | # of WRs |
|------------------------|----------|----------------------|----------|
| 01 Canadian | 38 | 13 Brazos-Colorado | 69 |
| 02 Red River | 278 | 14 Colorado | 1221 |
| 03 Sulphur | 57 | 15 Colorado-Lavaca | 30 |
| 04 Cypress | 84 | 16 Lavaca | 56 |
| 05 Sabine | 193 | 17 Lavaca-Guadalupe | 5 |
| 06 Neches | 237 | 18 Guadalupe | 353 |
| 07 Neches-Trinity | 110 | 19 San Antonio | 267 |
| 08 Trinity | 644 | 20 San Antonio- | 19 |
| 09 Trinity-San Jacinto | 17 | Nueces | |
| 10 San Jacinto | 151 | 21 Nueces | 254 |
| 11 San Jacinto-Brazos | 62 | 22 Nueces-Rio Grande | 83 |
| 12 Brazos | 1130 | 23 Rio Grande | 863 |
| | | Total Water Rights | 6221 |

Title 30 TAC §297.81: General Rules of Conveyance

 Irrigation water rights convey proportionately with the land, unless specifically withheld.

• Exceptions:

- An irrigation authorization is issued to a non-landowner, making it personal to the permitee.
- If the irrigation water right is held by a Water Corporation, Water District, River Authority or Governmental Entity. The water right must be specified in the conveyance document.

Title 30 TAC §297.81: General Rules of Conveyance (cont.)

 If the water right is reserved from conveyance and the owner wishes to alter the Place of Use, Diversion Point or Purpose of Use, then an **amendment** application must be filed with the Executive Director pursuant to TAC §295.71.

 (d) A water right may be conveyed separately from the land; provided, however, the water right must be utilized in accordance with its terms and conditions until amended by the commission.

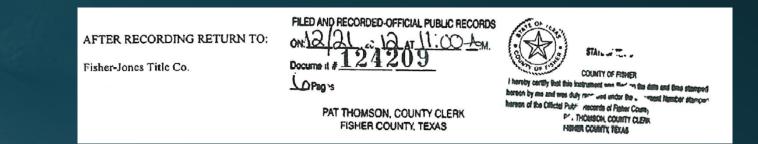
Title 30 TAC §297.82: Duty to inform the Executive Director

 An owner of a water right, or his or her agent, shall promptly inform the Executive Director of any transfer of water right or change of the owner's address.

| Hydroelectric Flood Co | trol DNavigation DWater Quality DOther | | |
|------------------------|--|----------|--|
| Comments: NA | (e not owned this | vropertu | |
| - Dra. Source | | | |
| PUY SEVERA | I VERONS. | | |
| | | | |

Title 30 TAC §297.83: Recording Conveyances of Water Rights

- Water right conveyance documents must be recorded with the County Clerk.
- Provide copies of the recorded instruments evidencing a complete chain of title from the owner of record.



Examples of Documents Submitted

- Warranty Deeds
- Special Warranty Deeds
- Bill of Sale
- Water Rights Transfer
 Deed
- Partition Deed
- Gift Deed
- Quitclaim Deed

- Will, Probate Order, Will
 Inventory
- Deed of Trust
- Trust Agreement
- Covenants & Restrictions
- Certificate of Merger
- Certificate of Formation
- Water Rights Conveyance

Sidebar - Amendments

 Authorization changes to a water right are handled by the Water Rights Permitting Team (WRPT)

 If a new owner wishes to amend a water right, the change of ownership should be completed first

WRCAT and WRPT work together to process these applications

Change of Ownership for a Surface Water Right

- TWC §11.040
 - (a) A permanent water right is an easement and passes with the title to land.
 - (b) A written instrument conveying a permanent water right may be recorded in the same manner as any other instrument relating to a conveyance of land.
- Change of Ownership Form No. 10204
 - Water Right Number
 - New Owner Name
 - Mailing Address
 - Phone Numbers
- Must be notarized.

Change of Ownership Form No. 10204: 2 Form Pages, 4 instruction pages

SURFACE WATER RIGHTS CHANGE OF OWNERSHIP FORM

This Form is required to update the TCEO ownership records of surface water rights in Texas. Submit a separate form for each water right. See accompanying instructions regarding completion of this Form. If you require additional assistance, you may contact the Water Rights Compliance Assurance Team (WRCAT) at (512) 239-4691.

- 1. Indicate: Water Rights Permit No._____, or Certificate of Adjudication No._____
- Provide the contact information for the person TCEO may contact while processing this form. Please verify that the mailing address is recognized by the US Postal Service (USPS) on the USPS website at https://tools.usps.com/go/ZipLookupAction/input.action.

| Contact Name: | | | | |
|------------------------|--------|---------|------------------|--|
| Mailing Address: | | | | |
| City: | State: | | ZIP Code + four: | |
| Telephone No(s). Home: | | Office: | Fax: | |
| Email Address: | | | | |

3. Provide the Full Legal Name of each new owner of the water right and the address information of each owner (for Notices and communications once the water right ownership has been updated) in the spaces below. *Note - The names of the new owner(s) must match the legal recorded conveyance documents that prove the change of ownership. Additionally, if a new owner is an entity, the legal name must match the name as filed with the Texas Secretary of State, County, or any other legal documents forming the entity.

Please verify that the mailing address is recognized by the USPS website at https://tools.usps.com/go/ZipLookupAction!input.action.

First New Owner's Name(s): Mailing Address: City: State: ZIP Code + four:

For additional new owners, submit address(es) below or on a supplemental sheet(s). Additional New Owner(s) Contact Information:

a. Is any new owner a Corporation, a Limited Partnership, a Limited Liability Company, or Limited Liability Partnership registered with the Texas Secretary of State? Yes or No

If yes, provide Secretary of State Filing Number(s):______.You may verify an entity's name and filing number at http://www.sos.state.tx.us/corp/sosda/index.shtml

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- If a new owner is currently a customer with the TCEO, provide the Customer Number (CN) below. You may search for an Owner's CN on the TCEO website at http://www15.tceo.texas.gov/crpub/index.cfm?huseaction=cust.CustSearch
 - CN:______ (leave blank if the new owner does not yet have a CN).
- Pursuant to <u>Title 30 Texas Administrative Code (TAC) §§ 297.81-297.83</u>, relating to Conveyances of Land and Water Rights, the following additional items must be submitted or the Form may be returned without processing.
 - a. This "Change of Ownership" Form fully completed, signed, and notarized.
 - b. Documents establishing a complete chain of title from the owner of record to the new owner. All such conveyance documents must be copies of Certified and/or Recorded documents on file in applicable county property records. (These documents usually consist of deeds and other such conveyances or, in case of an inheritance usually, the (a) will, (b) probate order and (c) will inventory.
 - c. \$100 recording fee for processing the Change of Ownership Form for the water right. Make your remittance payable to Texas Commission on Environmental Quality.
- 6. Please Note if the water right is located in an area of a river basin under the jurisdiction of a TCEO Watermaster, the water right may not be used if there are any outstanding penalties, fees, or interest related to the water right. You may contact the applicable Watermaster to verify there are no outstanding fees, penalties, and interest related to the water right. Rio Grande Watermaster, (956) 430-6046; Concho Watermaster and South Texas Watermaster, (210) 490-3096; Brazos Watermaster, (254) 761-3006.

| Name (sign) | |
|--|---|
| Name (print) | |
| Subscribed and sworn to me as being true and correct before me thisday of, 20 | |
| | |
| Submit this completed Form and all required items to: Texas Commission on Environmental Quality Water Rights Compliance Assurance Team (WRCAT) PO Box 13088, MC-160 Austin, Texas 78711-3088 Telephone (512) 239-4691, FAX (512) 239-2214 | |
| <u>WRAS@tcea.texas.gov</u> TCEQ-10204 (revised 09/01/2017) Surface Water Rights Change Of Ownership Form | 2 |

Change of Ownership Form No. 10204: 2 Form Pages, 4 instruction pages

 Page 3 has information regarding some frequently asked questions and common misconceptions

 Pages 4-6 have detailed instructions for filling out each section of the form

If you have questions, you can always call or email

What Causes a Delay

- Incomplete Change of Ownership packages.
 - Missing or un-notarized application form.
 - Missing fee (§295.139).
 - Standard practice is one fee per application per water right.
 - Documents that have not been recorded with the County Clerk (§297.83).
 - Incomplete contact information.
 - Including a plat map is always a good idea.
- Unclear conveyance documents.
- Gaps in recorded chain of title.
- Acreage values that have changed over time.

Places to Look for Information

- County appraisal district webpages
- Texas file
- County clerk's office, or courthouse
 Record location can vary by county
 Probate records are typically kept separately
 Title policy

Title Policy

 You may already have most of the paperwork you need in the title search performed by the title company when you purchased your property

 Additional documents are sometimes required, but this can be a great head start and save you money. You already paid for these at closing of sale.

Take-Away

• Submit:

ASSIGNEE:

MINI ME MANAGEMENT, LTD., a Texas limited partnership

- By: BIGGLESWORTH DEVELOPMENT, L.L.C., a Texas limited liability company, General Partner
- Complete, recorded chain of title documents.
- Completed, notarized Change of Ownership Form, and
- \$100 recording fee.

Please make your remittance payable to the Texas
 Commission on Environmental Quality.

Contact Information

- For water right Changes of Ownership, Water Use Reports and Amendments to a Water Right please call:
 512-239-4691
- For general information on water rights permitting, please go to:

www.tceq.texas.gov/permitting/water_rights/wawr_permits.html