

## Shared Well Agreement

This Agreement, made and entered into this \_\_\_ day of \_\_\_\_\_, 2021 by and between Parcel 1, referred to as the “supplying party”, and Parcel 3, hereafter referred to as the “supplied party”.

WHEREAS, the supplying party is the owner of property located at TBD – Colony Line Trail

Which property is hereafter to as “Parcel 1” and is more fully described as follows:

TBD – Colony Line Trail  
McMahan, TX 78616

WHEREAS, the supplied party is the owner of property located at TBD – Colony Line Trail, which property is hereafter to as “Parcel 3” and is more fully described as follows:

TBD – Colony Line Trail  
McMahan, TX 78616

WHEREAS, the undersigned parties deem it necessary to provide a well system to service the parcels described herein and an Agreement has been reached relative to supplying water from the well, and

WHEREAS, there is a well located upon the above-described property of the supplying party; together with water distribution facilities, hereinafter referred to as “water distribution system”, for the purpose of supplying water to both properties connected to the said water distribution system, and

WHEREAS, it is the intention and purpose of the undersigned parties that the well and water distribution system shall be used and operated to provide and adequate supply of water for each of the properties connected thereto, ONLY for the domestic consumption of the occupants of said properties, and to assure the continuous and satisfactory operation and maintenance of the well and water distribution systems for the benefit of the present and future owners, their heirs, successors and assigns of the properties connected thereto; and

WHEREAS, the said well is deemed by the parties hereto to be of adequate capacity to supply all occupants on each of the parcels described herein with water from the well for domestic uses of a single family & others residing therein,

WHEREAS, the water from the well has undergone a water quality analysis from the State of Texas health authority and has been determined by the authority of supply safe for human consumption; and

WHEREAS, the parties hereto desire to enter this Agreement for the purpose of reducing to writing their respective right and obligations pertaining to said well and water distribution system.

NOWHEREFORE, in consideration of the promises and covenants herein contained, it is agreed that the well and water distribution system situated on Parcel 1 shall be used by the parties to this Agreement, as well as by all future owners and occupants of said Parcels 1 and 3, upon the following terms and conditions:

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1. That until this Agreement is terminated, as hereinafter provided, the parties hereto (and their heirs, successors and assigns, for the exclusive benefit of the respective parcels of said real estate, and for the exclusive use of the household residing thereon), are hereby granted the right in common with the other parties of this Agreement, to draw water from the well located on Parcel 1 for domestic use. The right to draw water to fill swimming pools and other man-made water features on either Parcel 1 or 3 is PROHIBITED, unless mutually agreed upon in writing between the owners of Parcel 1 and Parcel 3 described within this agreement.

2. That the owners or residents of the dwelling located on Parcel 3, as of the date of this Agreement shall:

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A. Pay or cause to be paid to the supplying party, monthly fee for one-half (1/2) of the electricity bill associated with the shared water well. Each shared water well is individually metered for electricity for an easy process of sharing expenses between participating parties.

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3. That the cost of any removal or replacement of pre-existing site improvements on an individual parcel necessary for system operation, maintenance, replacement, improvements, inspection or testing, damaged as a result of repair of the well or water distribution system maintenance will be borne by both parties, including the costs to remove and replace common boundary fencing or walls damaged.

4. That each of the parties hereby agrees that they will promptly repair, maintain and replace all water pipes or mains serving their respective dwellings.

5. That each of the parties to the Agreement does hereby grant to the other, his heirs, successors and assigns, such easements over, across and through the respective parcels as shall be reasonably necessary for the construction of the well, maintenance of water pipes, pumping equipment, mains, electrical wiring and conduit consistent with the purposes of this Agreement. These easements are described below, to wit:

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**The supplied party will have access to the water well area on the supplier side at will.**

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6. That each party shall have the right to act to correct any emergency situation and shall have access to the pertinent parcel in the absence of the other. An emergency situation shall be defined as the failure of any shared portion of the system to delivery water upon demand.
7. That only those parcels of real estate hereinabove described and the dwellings located thereon shall be permitted to receive water from said well and pumping equipment; and each of the parties hereto does hereby covenant and agree that he/she will not allow or permit other persons to connect to the pipes or mains serving his/her respective parcel.
8. That in the event the referenced well shall become contaminated and shall no longer supply water suitable for domestic consumption, or shall no longer supply water adequate for the needs of all relevant parties, or in the event that another source of water shall become available to the respective parcels, then the rights and obligations of the parties created by this Agreement shall cease and terminate in accordance with the terms and conditions hereinafter described.
9. That upon the availability of such other source of water, it is contemplated that a reasonable time shall be allowed to effectuate the necessary connections to the new source.
10. That the respective rights and obligation of the parties shall continue until the parties who wish to terminate their participation in the Well Agreement executed and filed a written and notarized statement of termination at the local county clerk's office. Upon termination of participation in this Agreement, the owner and occupant of each residence which is terminated from the Agreement shall have no further right to the use of the well. The terminated parties shall disconnect their respective lateral connection from said well system and shall have no further obligation to pay or collect for the maintenance and related expenses incurred thereafter. The costs of disconnection from the well and water system shall be borne by the owner of the pertinent parcel.
11. That in the event either party does not pay their portion of the electricity bill and/or other costs associated with the operation and maintenance of the shared water well, let it be known that the access of water CANNOT be shut off by either party.
12. That the term of the Agreement shall be perpetual, except as herein limited.
13. That the benefits and burdens of this Agreement shall constitute a covenant running with the parcels of land herein described and shall be binding upon the herein, successors in title and assigns of the parties hereto.
14. Any dispute under this Agreement shall be required to be resolved by binding arbitration of the parties hereto. If the parties cannot agree on an arbitrator, each party shall select one arbitrator and both arbitrators shall then select a third. The third arbitrator so selected shall arbitrate said dispute. The arbitration shall be governed by the rules of the American Arbitration Association then in force and effect.

15. It shall be deemed that any legal recourse by one party against the other party will result in civil court with the prevailing party being compensated for their legal expenses.

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Witness our signatures this the \_\_\_\_ day of \_\_\_\_\_, 2021.

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