

Middle Pecos Groundwater Conservation District

Minutes of December 18, 2007

On this the 18th day of December, 2007, a Regular Session of the Middle Pecos Groundwater Conservation District, of Pecos County, Texas, met in the Courtroom of the Pecos County Courthouse, Fort Stockton, Texas located at 103 West Callaghan with the following members present, to-wit:

Glenn Honaker	President, Precinct 1
John Dorris	Vice President, Precinct 3
Noemi Navarrete	Secretary/Treasurer, City of Fort Stockton
M. R. Gonzalez	Precinct 2
Lynn Holland	Precinct 3
Houston McKenzie	At Large
Alvaro Mandujano, Jr.	Precinct 4
Bart Reid	Precinct 4

Board members not present: Evans Turpin and Jack McIntyre

Others Present: Paul Weatherby/General Manager, Melissa Mills/Office Manager, Angie Pagel/Fort Stockton Pioneer, David Spencer/2-D's Oilfield, Alyson McDonald, Jeff Williams, Mike Mecke, Foster Cox and Amby Fuentes.

Call to Order. The meeting was called to order at 1:23 pm by President Glenn Honaker.

Consider and/or act upon minutes of October 21, 2007. A correction was noted that the minutes are from the last meeting on October 16, 2007. Houston McKenzie moved, M. R. Gonzalez seconded that the minutes of October 16, 2007 be approved, and the motion passed unanimously.

Comments from Public and Media (limit 5 minutes per person).

Mike Mecke from the Texas Cooperative Extension office presented the board and members of the public with a publication focusing on the Pecos River Group which presents watershed information and history for the region.

Paul Weatherby welcomed and introduced Melissa Mills, the new office manager for the Middle Pecos Groundwater Conservation District.

Consider and/or act upon the Account Payable, Treasurer's Report and Line Item Transfers. Three sets of Treasurer's Reports were presented for approval one at a time. Upon motion by Lynn Holland and seconded by Noemi Navarrete and carried unanimously to approve the Treasurer's Report of 9/30/2007 and the Line Item Transfers.

The Treasurer's Report of 11/20/2007 was approved with a motion by John Dorris, a second by Lynn Holland and carried unanimously.

The Treasurer's Report of 12/17/2007 was approved with a motion by Noemi Navarrete, a second by Alvaro Mandujano, Jr. and carried unanimously.

Mr. Weatherby reported that our funds at the Pecos County Bank are exceeding the \$100,000 limit for FDIC insured funds, and that all funds over the \$100,000 are covered by pledges of security by Frost National Bank of San Antonio.

Mr. Weatherby was commended on the outstanding job of working within the budget allowed for 2006/2007 fiscal year.

Note: The Accounts Payable was not acted upon during the original discussions of agenda item #III. It was returned to after agenda item #V.

Consider and/or act upon Drilling/Production Permits – Buford Water Sales, 2-D's Oilfield Services.

The Public Hearing regarding 2-D's Oilfield Services began at 1:45. President Glenn Honaker stated that there had been two protests filed. One by Mr. Ron Mayfield who represents the Fort Stockton Independent School District, and a second protest filed by Mr. Ken Ripley with the KFST Radio Station. The two who were protesting were not present, although they were notified at least 72 hours prior to the hearing. As a result the Board went into Executive Session at 2:06 to conference with Legal Counsel via phone. The meeting reconvened at 2:16 pm. President Glenn Honaker announced that the hearing could proceed even though the protest representatives were not present.

The protest filed by the Fort Stockton Independent School District is concerned that the location of the well(s) drilled will be impacting students by the truck traffic. Apparently the trucks are driving in and out of the property are creating dust and possibly are a hazard to the students near the elementary school. There are also concerns about the property being eyesores, that the wells were drilled without the proper permits, and that well #2 was drilled too close to one of the property lines.

The protest by KFST Radio Station is that truck traffic is creating dust which is a nuisance, that the wells were drilled without the proper permits, and that well #2 was drilled too close to one of the property lines.

General Manager Paul Weatherby was sworn in to summarize the Application process followed for 2-D's Oilfield Service.

- A. September 24, 2007 Mr. Spencer of 2-D's Oilfield Service faxed an Intent to Drill a well for industrial use and some domestic use. On the Intent to Drill, Mr. Spencer expressed the need for quick approval, due to the uncertain availability of the water well driller if approval could not be given at this time. Paul Weatherby went to the site and did allow drilling of Well 1 to proceed as long as the 100' spacing rule was adhered to and registration of the well needed to be completed once the well was drilled. November 6, 2007 well #1 was completed.
- B. A pump test on well #1 revealed that Mr. Spencer may need additional water. On October 28, 2007, a second Intent to Drill was submitted to the Middle Pecos Groundwater Conservation District office. Mr. Spencer put his notices in the newspaper on November 8th and 15th. He also sent out registered letters to all land owners. Neither Mr. Spencer nor the MPGCD received comments as a result. Once again, Mr. Weatherby gave permission to proceed with drilling well #2 with all the same stipulations as well #1 – and Mr.

Spencer was made aware that nothing was final until the MPGCD Board approves applications, and that the Board can disapprove every decision that he, Mr. Weatherby, has allowed.

- C. Mr. Weatherby went to check on the progress of Well #2 as it was being drilled. He requested a measurement be taken, and found that the well was only 65' from the property line. This violates the 100' spacing rule. The well was already drilled to 180'. Mr. Spencer was contacted about this violation, and he decided to complete the drilling, knowing fully that the well may not be approved by the MPGCD Board of Directors.
- D. Mr. Mark Mehlhoff of Mark's Water Well Service, Inc. submitted a letter stating that the state of Texas only requires a 50' spacing rule, and he did not know the county of Pecos rule would override state law. Mr. Mehlhoff stated he could not move the well in any direction to stay in the same water strata to get 2-D's Oilfield Service, Inc. the water they would need.

At this time Mr. Spencer was sworn in. He reported that he was currently contacting the 3 property owners via register/return receipt mail. He also stated that his trucks use Gonzales Loop Road for road access, and they avoid the area in front of the schools. He also said he would use some of the water to help keep down the dirt.

A recommendation was made by Mr. Paul Weatherby that the production permit for Well #1 be approved. The application for a production permit states the wells are to be used as a system, not to exceed 20 acre feet per year. A motion was made by M. R. Gonzalez and seconded by Alvaro Mandujano, Jr. to grant approval for Well #1. The decision was unanimous. The MPGCD's attorney will draft an order reflecting the Board's decision regarding Well #1, and a copy will go to Mr. Spencer.

Well #2 was tabled, awaiting proof that the landowners have been contacted as to a variance to the MPGCD spacing of 100'. The matter will be resumed on January 15, 2008 at the next regular meeting of the MPGCD.

Regarding the filing of a production and drilling permit by Buford Water Sales, Mr. Clyde Sawyer has complied with the rules of the MPGCD and supplied us a copy of all filings of notices and the proper applications have been received. Mr. Sawyer has requested a production permit for industrial use and for his current operation of a large fish pond. He is also seeking permission to drill a well. He is asking for 10 acre feet of water per year for the wells as a system. Mr. Sawyer was not present, and the matter was not contested.

A motion to approve the production permit and the drilling permit for Buford Water Sales was made by M. R. Gonzalez, and seconded by Lynn Holland. Motion carried.

The permit hearing adjourned at 3pm. A recess followed the adjournment.

The meeting was reconvened at 3:15 pm.

Backing up to agenda item #III. Consider and/or act upon accounts payable.

A discussion about the bill from Turner Collie and Braden, Inc. for \$37,258.80 resulted in a consensus to require Turner Collie and Braden, Inc. to send us monthly itemized bills. A motion to approve the Accounts Payable as presented was made by Bart Reid and seconded by John Dorris. Motion carried.

Consider and/or act upon Amending 2007/2008 Budget/Employee Applications.

The Board went into Executive Session for discussion of personnel matters at 3:37pm. Reconvened at 4:32 pm. No action taken at this time.

Consider and/or act upon Amicus Brief – Guitar V. Hudspeth UWCD.

A motion was made to contribute \$1,000.00 in support of the Amicus Brief by M. R. Gonzalez, and seconded by Alvaro Mandujano, Jr.. Motion unanimously carried. (Houston McKenzie left the meeting at 4:40 pm)

Consider and/or act upon Progress Reports, Well Registrations, Production Permits, Drilling Permits, Data Loggers, Water Analysis, Audit.

Mr. Paul Weatherby reported to the Board that well registrations are obtained weekly, that there will be drilling permits presented at the next meeting for their consideration, that the water analysis program is going good, and that Mr. Bob Card will do our 2006/2007 audit soon. A reminder that the elections will be on May 10, 2008 and that John Dorris, M. R. Gonzalez, Houston McKenzie, Alvaro Mandujano, Jr. and Noemi Navarrete are up for re-election. No action was taken. (John Dorris left meeting @ 4.45 pm)

Consider and/or act upon Groundwater District(s) Correspondence GMA3.

There will be a meeting on January 23, 2008 in Monahans, Texas to discuss and draft the future desired conditions for the GMA3. No action taken.

Consider and/or act upon Agenda for next meeting. Mr. Foster Cox will be on the next agenda regarding his request. No action taken.

Alvaro Mandujano, Jr. made a motion to adjourn, seconded by Bart Reid. The motion carried, and the meeting adjourned at 4:47 pm.

Noemi Navarrete, Secretary/Treasurer
City of Fort Stockton

Glenn Honaker, President
Precinct 1

Date Approved