

# Middle Pecos Groundwater Conservation District

Minutes of February 19, 2008

On this the 19<sup>th</sup> day of February, 2008, 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
Jack McIntyre	Precinct 1
Houston McKenzie	At Large

Board members not present: Alvaro Mandujano, Jr., S. Evans Turpin, and Bart Reid.

Others Present: Paul Weatherby/General Manager, Melissa Mills/Office Manager, Sharon Roosevelt/Fort Stockton Pioneer, Merrell Daggett, Foster Cox, Brad Newton and Bill Johnson..

**Call to Order.** The meeting was called to order at 1:05 pm by President Glenn Honaker.

**Consider and/or act upon minutes of January 15, 2008.** Houston McKenzie moved, John Dorris seconded that the minutes of January 15, 2008, be approved, and the motion passed unanimously.

**Comments from Public and Media (limit 5 minutes per person).** No comments.

**Consider and/or act upon the Account Payable, Treasurer's Report and Line Item Transfers.**

The Treasurer's Report of 2/18/2008 was approved with a motion by M. R. Gonzalez, a second by John Dorris and carried unanimously.

**Consider and/or act upon Board of Director Pct. 2.** The Board adjourned into Executive Session at 1:17 to discuss the vacant position of Precinct 2 Director. The Board reconvened at 1:57. President Honaker referred to the rules of the Middle Pecos Groundwater Conservation District, rule number 3.2 which states: *Vacancies in the office of director shall be filled by appointment of the board. If the vacant office is not scheduled for election for longer than two years at the time of the appointment, the board shall order an election for the unexpired term to be held as part of the next*

*regularly scheduled director's election. The appointed director's term shall end on qualification of the director elected at that election.*

The decision of the board is to not fill the position at this time. President Honaker invited both applicants, Merrell Daggett and Brad Newton, to pick up an application for the next scheduled general election to be held on May 10, 2008.

**Consider and/or act upon Drilling/Production Permits for 2-D's Oilfield Services, and League Ranch.**

League Ranch, owned by Foster Cox, applied for a drilling permit. The proper paper work has been completed by Mr. Cox, and the MPGCD has filed the proper permit hearing notice. Mr. John Dorris made a motion to approve the drilling permit for League Ranch. Mr. M. R. Gonzalez seconded the motion. The motion was unanimously approved.

Mr. Spencer of 2-D's Oilfield Services filed a request for a variance on January 14, 2008. Mr. Spencer was asked by the Board of Directors to notify the land owners affected by the water well having been drilled only 65' from the property line, as opposed to 100' as our rules state. Mr. Spencer complied with the request in a timely manner. The affected land owners made no response.

After much discussion, Lynn Holland made a motion to disallow the drilling permit of Well 2 for 2-D's Oilfield Services due to failure to comply with the 100' spacing rule and for not having written consent from neighboring land owners to grant the variance. John Dorris seconded the motion. A vote was not called for, and further discussions ensued.

Manager Weatherby asked the directors to review 11.10.11 of the Middle Pecos Groundwater Conservation District rules on page 37 referring to a request for a rehearing and appeal. More discussion followed, and Mr. Lynn Holland withdrew his motion.

John Dorris made a motion to disallow the variance for reasons that a request for a variance was made after the well had been drilled at 65' from the property line. And, because the MPGCD has not received written consent from the land owners affected giving the Board of Directors their approval to allow the Board to approve the variance. The motion was 2<sup>nd</sup> by Lynn Holland, and the motion passed unanimously.

**Consider and/or act upon Tax Abatement – eNormus Enterprises, LLC.**

The name is eNormus Enterprises, LLC. Owner is Norman Bangle. eNormus Enterprises has made application to Pecos County for a 3 year tax abatement and designation of a reinvestment zone. County Judge Joe Schuster forwarded this request to us for our consideration. Pecos County has granted them the tax abatement. Mr. Weatherby reported that after the 3 year abatement, the tax should range around \$669 annually,

Lynn Holland made a motion to grant eNormus Enterprises, LLC a tax abatement for 3 years. Seconded by M. R. Gonzalez. Motion Carried.

**Consider and/or act upon MPGCD Financial Investments.** Manager Paul Weatherby reported to the Board that \$277,475.13 is available to invest for 2008.

Investment of the \$277,475.13 will be as follows: \$150,000 in a 1 year CD @ 3.5% and \$127,475.13 into the Money Market account @ 1.5%. A motion to continue depositing our investments at Pecos County State Bank was made by John Dorris and seconded by Noemi Navarrete. The motion carried unanimously.

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

Well Registrations: The number of well registrations stand at 2,683.

Production and Drilling Permits: Several of the larger water users are starting to report their water usage.

Data Loggers: There are 7 data loggers remaining to install to monitor the static water levels.

Audit: Bob Card has not set a date for our audit at this time.

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

Manager Paul Weatherby reported that he attended a meeting in Monahans on January 23<sup>rd</sup> for the GMA3. The Texas Water Development Board and several West Texas counties were present at the meeting. This meeting has us in compliance with the Texas Water Development Board.

Election: The positions up for election are one for Precinct 2, one for Precinct 3, one for Precinct 4, one At Large and one for the City of Fort Stockton. There is a vacancy to fill for Precinct 2 for the unexpired term ending May 2010.

A motion was made to order an election to be held on May 10, 2008, by M. R. Gonzalez and seconded by Lynn Holland. Motion carried.

**Consider and/or act upon Agenda for next meeting.** 2-D's Oilfield Drilling /Production Permit if Mr. Spencer requests a re-hearing. Vote upon increasing the mileage paid on business, since the Pecos County Commissioners court has recently approved a 2¢ increase.

Lynn Holland made a motion to adjourn, seconded by Noemi Navarrete. The motion carried, and the meeting adjourned at 3:18 pm.

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Noemi Navarrete, Secretary/Treasurer  
City of Fort Stockton

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Glenn Honaker, President  
Precinct 1

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Date Approved