

Middle Pecos Groundwater Conservation District  
Minutes of February 17, 2015

On this the 17th day of February, 2015, a regular board meeting and public hearings were held by the Middle Pecos Groundwater Conservation District in the office located at 405 North Spring Drive, Fort Stockton, Texas, with the following members present, to-wit:

Jerry McGuairt	President, Precinct 1
M. R. Gonzalez	Secretary/Treasurer, Precinct 2
John Dorris	Vice President, Precinct 3
Janet Groth	Precinct 1
Ruben Falcon	Precinct 2 (Newly elected)
Weldon Blackwelder	Precinct 3
Alvaro Mandujano, Jr.	Precinct 4
Ronald Cooper	Precinct 4
Vanessa Cardwell	City of Fort Stockton
Jeffery McMahan	City of Iraan (Newly elected)
Terry Whigham	At Large

Quorum Present.

Board members absent: Ronald Cooper and Ruben Falcon

Others present: Paul Weatherby, Gail Reeves, Ty Edwards, Harvey Gray, Melissa Mills, Brock Thompson, Ed McCarthy, Jr., Jeff Williams, Tommy Ervin, Chance Murphy, Alan Murphy, Rocky Rives, Greg Neal, Gary Harrell, Steve Chapman, Wayne Morkovsky, James Cravens, Todd Suter, Jim Tinkler, Robert Jamison, J. D. Head, and Bob Beal/Fort Stockton Pioneer.

**REGULAR BOARD MEETING and PUBLIC HEARINGS**

- I Call to order at 10:00 by President Jerry McGuairt.
- II Comments from **public and media** (limit 5 minutes per person) - Members of the public may address the Board for a limited time concerning any subject whether or not it is on the agenda. The Board is not allowed to take action on any subject presented that is not on the agenda, nor is the Board required to provide a response.

No comment from the public or media.

- III Consider and/or act upon the **Audit for the Fiscal Year ending 09-30-2014 as presented by Smith and Rives, PC**

Rocky Rives with Smith and Rives, PC Certified Public Accountants presented the audit to the Board and answered all questions. The opinion rendered is that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the MPGCD, as of September 30, 2014, and the respective changes in financial position thereof for the year ended in

conformity with accounting principles generally accepted in the United States of America. There are no findings that require disclosure or corrective action in the audit report.

John Dorris made a motion to approve the Audit for Fiscal Year ending 09-30-2014 as presented. Seconded by Weldon Blackwelder.  
Motion Carried unanimously.

NOTE: The following is taken up out of agenda order.

V Consider and/or act upon **Minutes of January 20, 2015**

Terry Whigham made a motion to accept the minutes of January 20, 2015.  
Motion seconded by Vanessa Cardwell. Motion carried without objection.

IV Executive Session as authorized under the Texas Open Meetings Act, V.T.C.A., Government Code, Chapter 551.071 to consult with attorney regarding Pecos SS, LLC

An Executive Session was called at 10:12 a.m. by President Jerry McGuairt pursuant to the Texas Open Meetings Act, Sections 551.071 of the Texas Government Code, to consult with attorney regarding Pecos SS, LLC

NOTE: Alvaro Mandujano, Jr. arrived at 10:42 a.m.

The executive session ended at 11:00 a.m. The Board reconvened the open session. President McGuairt stated that no decisions or votes were made in executive session.

VI Consider and/or act upon **Accounts Payable and Treasurer's Report and Line Item Transfers for the Month Ending January 31, 2015**

Ronnie Cooper made a motion to accept the Accounts Payable and Treasurer's Report and Line Item Transfers for the Month Ending January 31, 2015. Motion seconded by Weldon Blackwelder. Motion carried without objection.

VII Presentation by Tommy Ervin regarding free flowing San Andres wells in North Pecos County

Mr. Tommy Ervin presented the Board with a plan to use the free-flowing wells near Imperial, TX – in Pecos County. The wells are flowing from the San Andres aquifer. He envisions building power plants and desalination plants in northern Pecos County to clean up the water for potable use, then possibly sell it to the oilfield, and San Angelo, and Abilene. He will be in soon with an application to produce and export the water.

VIII Call to order at 11:29 a.m. by President Jerry McGuairt. Public Hearing on  
**Production Permit Application for Robert Jamison**

The application requests 10 acre feet/year from the Pecos Valley Aquifer for 1 well located on T&P RR CO Block 49T9 Section 27 approximately 5 miles North of Interstate 10 and Kennedy Rd, in Pecos County, Texas. The purpose of this well is for Industrial Use.

Party representing application: Robert Jamison

Protestant to application: None

Public comment: None

Ty Edwards presented the application to the Board. The application is administratively complete.

IX Adjourn hearing and consider and/or act on **Production Permit Application for Robert Jamison**

Jerry McGuairt adjourned the hearing at 11:24 a.m.

Vanessa Cardwell made a motion to approve the production permit for 10 acre feet/year from the Pecos Valley Aquifer for 1 well located on T&P RR CO Block 49T9 Section 27 approximately 5 miles North of Interstate 10 and Kennedy Rd, in Pecos County, Texas, on an annual basis. The purpose of this well is for Industrial Use. Motion seconded by Ruben Falcon. Motion carried unanimously.

X Call to order at 11:35 a.m.: Public Hearing on **Drilling Permit Application for Suter Farms LLC**

Application request: 1 well located on the South East Corner of T&P RR CO Block 48T8 Section 24 in Pecos County, TX. The well is projected to be 1500 ft in depth and drilled into the Rustler Aquifer. The purpose of this well is for Irrigation Use.

Party representing application: Todd Suter

Protestant to application: None

Public comment: None

Ty Edwards presented the application to the Board. This well was previously approved to be drilled on 04-15-2014, but has since expired. This application is for the same well but the location has changed a little bit. The application is administratively complete.

XI Adjourn hearing and consider and/or act on **Drilling Permit Application for Suter Farms LLC<sup>2</sup>**

Jerry McGuairt adjourned the hearing at 11:40 a.m.

Alvaro Mandujano, Jr. made a motion to approve 1 well located on the South East Corner of T&P RR CO Block 48T8 Section 24 in Pecos County, TX. The well is projected to be 1500 ft in depth and drilled into the Rustler Aquifer. The purpose of this well is for Irrigation Use. Motion seconded by M. R. Gonzalez. Motion carried unanimously.

XII Call to order at 11:40 a.m.: Public Hearing on **Drilling Permit Application for Mandujano Brothers**

Application request: To drill 2 wells located on the South Section line of H&GN Block 8 Section 35 in Pecos County, TX. The 2 wells are projected to be 800 ft in depth and drilled into the Pecos Valley Aquifer. The purpose of these wells is for Irrigation Use.

Board member Alvaro Mandujano, Jr. recused himself from proceedings due to a conflict of interest. (Disclosure Affidavit signed)

Party representing application: None

Protestant to application: None

Public comment: None

The consensus of the Board was to request that Mando Mandujano be present for the hearing. Mr. Mandujano is a Board member on a Board that was in session at the same time as this hearing today. The MPGCD Board requested that Mr. Mandujano be contacted to see if he could appear at 1pm.

Ruben Falcon made a motion to table the hearing until the end of the meeting. Motion seconded by Janet Groth. Motion carried.

The following agenda items may appear out of posted order:

XIV Consider and/or act upon **Dates for Management Plan Hearings**

We have requested a deadline extension for our management plan so that the deadline will coincide with the DFC (Desired Future Conditions) process for Region F. The Region F DFC process begins in April 2015. Then we can use the adopted DFC's from Region F for our GMA 7 information.

The GMA 3 management plan information is more difficult to get. The stakeholders are Reeves, Loving, Crane, Ward and Winkler counties and they

are invited to have input even though they do not have groundwater conservation districts.

Tabled until a later time. No action taken.

XV **Progress Reports: Well Registrations, Production Permits, Drilling Permits, Data Loggers, ongoing Water Quality Analysis**

- Well Registrations: Progress report in their notebooks.
- Water Quality Analysis: Continuing to gather samples.
- Production Permits: One scheduled for February at this time.
- Drilling Permits: No new ones at this time.
- Data Loggers: Operations ongoing normally. Several transducers are needing replaced due to normal use.
- Water Analysis Program: Normal operations ongoing. We are also monitoring the artesian wells at Imperial.
- Drought Monitor Map: The current drought monitor map shows us out of the drought.
- Rain gauges: We have 2 cases of rain gauges that are to be installed throughout Pecos County. The wells on telemetry are our intended sites. They are available to the public also.

The Board recessed for lunch at 11:55 a.m.

XII **Reconvene hearing at 1:00 p.m.: Public Hearing on Drilling Permit Application for Mandujano Brothers**

Application request: To drill 2 wells located on the South Section line of H&GN Block 8 Section 35 in Pecos County, TX. The 2 wells are projected to be 800 ft in depth and drilled into the Pecos Valley Aquifer. The purpose of these wells is for Irrigation Use.

Board member Alvaro Mandujano, Jr. recused himself from proceedings due to a conflict of interest. (Disclosure Affidavit signed)

Party representing application: Mando Mandujano

Protestant to application: None

Public comment: None

Ty Edwards presented the application to the Board. The Mandujano family are land owners that drill their own wells and are not required to submit well logs to Texas Department of Licensing and Regulations (TDLR); but, MPGCD does require well logs to be submitted to us. The application is administratively complete.

Mando Mandujano was sworn in by McGuairt. He stated that the farm had been in production since 1960. These two wells are not replacement wells, they are two new wells.

XIII Adjourn hearing and consider and/or act on **Drilling Permit Application for Mandujano Brothers**<sup>2</sup>

Jerry McGuairt adjourned the hearing at 1:05 p.m.

Ruben Falcon made a motion to approve the application to drill 2 wells located on the South Section line of H&GN Block 8 Section 35 in Pecos County, TX. The 2 wells are projected to be 800 ft in depth and drilled into the Pecos Valley Aquifer. The purpose of these wells is for Irrigation Use. The motion was seconded by Janet Groth. Motion carried with one recusal.

XVI Consider and/or act upon **General Manager's Correspondence**

- A report comparing the benchmark well readings between February 2010 and February 2015 for Management Zones 1, 2 and 3 was presented to the Board.
- A powerpoint regarding Bugington Energy, LLC, "Oilfield related" contamination was shown to the Board.

XVII Consider and/or act upon **General Manager's 2014 Annual Report**

Janet Groth made a motion to accept the General Manager's 2014 Annual Report as presented. Motion seconded by John Dorris. Motion carried unanimously.

XVIII **Directors' comments** No comments from the Board

XIX Consider and/or act upon **agenda for next meeting**

- Allan Standen to present "Pecos County" hydrogeological study
- Production permit possibly: Sheffield area
- Production permit possibly: STW – Capitan Reef aquifer
- Pecos SS, LLC may be on the March agenda – we are awaiting the transcripts

**XX Adjourn**

John Dorris made a motion to adjourn the meeting at 1:45 p.m. Motion seconded by Janet Groth. Motion carried unanimously.

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M. R. Gonzalez, Secretary/Treasurer

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Jerry McGuairt, President

Date Approved \_\_\_\_\_