

MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT
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405 North Spring Drive Fort Stockton, Texas 79735
Email: mpgcd@mpgcd.org Website: www.middlepecosgcd.org

Directors

Jerry McGuairt, President Janet Groth, Vice President M. R. Gonzalez, Secretary/Treasurer
Alvaro Mandujano, Jr. Vanessa Cardwell Ronald Cooper
Weldon Blackwelder Billy Jackson Jeff Sims Puja Boinpally Larry Drgac

Employees

Ty Edwards, General Manager
Office: Gail Reeves Field Technician: Anthony Bodnar

**MINUTES OF REGULAR BOARD MEETING AND PUBLIC HEARING
April 15, 2025
405 North Spring Drive, Fort Stockton, Texas**

A quorum of the District's Board of Directors held its regular Board meeting and Public Hearing in person with videoconference optional for the public and less than a quorum of the Board. Members of the public wishing to make public comment during the meeting were able to register by emailing mpgcd@mpgcd.org prior to 9:30 a.m. on April 15, 2025.

On this the 15th of April 2025, a Regular Board Meeting and Hearing was held by the Middle Pecos Groundwater Conservation District at the District's office at 405 North Spring Drive, Fort Stockton, Texas, with the following members present in person:

Jerry McGuairt	President, Precinct 1
Janet Groth	Precinct 1
Puja Boinpally	Precinct 2
M.R. Gonzalez	Precinct 2
Alvaro Mandujano Jr	Precinct 4
Billy Jackson	At Large
Vanessa Cardwell	City of Fort Stockton
Jeff Sims	City of Iraan

Quorum Present

Members Absent: Larry Drgac, Weldon Blackwelder, and Ronald Copper.

District employees and consultants participating: Ty Edwards, Gail Reeves, Anthony Bodnar, Vince Clause, and Mike Gershon.

Others attending: Joh Covington, Andrea Himmel, Paula McGuairt, Ryan Reed, Zach Swick, Ed McCarthy, Eddie McCarthy, Jeremiah Bihl, Mel Riggs, Ty Embrey, Geoff Pike, Glen Honaker Philip Allard, Shane Kelton, Kristie Duchesne, Mike Thornhill, Rode Mills, Paula McGuairt, Glenn McCorkle, and Chingiz Gadimov.

REGULAR BOARD MEETING

I Board Meeting called to order at 10:00 a.m. by President Jerry McGuairt and roll call was taken.

II Comments from **public and media**: No Comments

III Consider and/or act upon **Minutes of Regular Meeting on February 18, 2025.**

The draft Minutes were emailed to the Board prior to the meeting. Alvaro Mandujano, Jr made a motion to approve the Minutes for the meeting of February 18, 2025, as presented. Motion seconded by Vanessa Cardwell.

Motion passed. Vote: 8 FOR -0- Oppose 3 Absent 0 Abstain

IV Consider and/or act upon **Treasurer's Report for the Month Ending February 28, 2025.**

General Manager Ty Edwards presented the Treasurer's report to the Board, Janet Groth made a motion to approve the Treasurer's Report ending February 28, 2025, as presented. Motion seconded by Puja Boinpally.

Motion passed. Vote: 8 FOR -0- Oppose 3 Absent 0 Abstain

V Consider and/or act upon **Treasurer's Report for the Month Ending March 31, 2025.**

General Manager Ty Edwards presented the Treasurer's report to the Board, Vanessa Cardwell made a motion to approve the Treasurer's Report ending March 31, 2025, as presented. Motion seconded by Janet Groth.

Motion passed. Vote: 8 FOR -0- Oppose 3 Absent 0 Abstain

PUBLIC HEARING ON PRODUCTION PERMIT APPLICATION FOR LONGFELLOWRANCH PARTNERS LP

I Call to order at **10:11 a.m.** the public hearing on **Application for a Production Permit for Longfellow Partners LP.**

Party representing application: Eddie McCarthy, Mike Thornhill, Kristie Duchesne and Rode Mills.

Protestant to application: None

Public Comment: None

President McGuairt declared the application uncontested.

General Manager Ty Edwards presented the application to the board. Longfellow Ranch Partners, LP has made application for a Production Permit with the Middle Pecos Groundwater Conservation District for a 2 well system approximately 25 miles South of Fort Stockton on US Highway 285 and 1 ½ mile North of Century Gas Plant on the North Side of Puckett Rd, in Pecos County, Texas.

The application requests authorization to produce 322.6 acre-feet/year for Irrigation Use from the Rustler Aquifer.

A 12-hour specific capacity pumping test was conducted on Well 9-1 on February 5th, 2025, in accordance with District Rule 11.9.2(a). Based on the pump test data a calculated specific capacity of 2.72 gallons per minute per foot after 12 hours of pumping at an average rate of 243 gallons per minute. During the pump test we did not see any response to water levels in the Edwards Trinity Aquifer. The District will continue to monitor well 9-1 and add the well to its monthly monitor well route.

II Adjourn Hearing and consider and/or act on Application for a Production Permit for Longfellow Ranch Partners LP.

President Jerry McQuairt recessed the hearing at 10:31 a.m. Jeff Sims made a motion to approve the production permit application as presented from the Rustler Aquifer. Motion seconded by Billy Jackson.

Motion passed. Vote: 8 FOR. -0- Oppose 3 Absent 0 Abstain

REGULAR BOARD MEETING – CONTINUED at 10:32 a.m.

VI Consider and/or act upon allocating Transport Fees into one or more Mitigation and Well Plugging Funds and approved revenue line item(s) for accounting.

The Board discussed the District's current export fees and the idea of having a mitigation fund set up separate from our general operating account. Effective January 1, 2024, the maximum allowable rate the District may impose for an export fee under Rule 16.1(a)(2) shall increase for calendar year 2024 in accordance with the applicable subsections of Section 36.122 of the Texas Water Code. An increase in the export fee is not valid unless it is approved by the Board after a public hearing, which occurred for the 2024 increase. The District may only use funds obtained from the rate increase under this subsection for costs related to assessing and addressing impacts associated with groundwater development as provided by Section 36.207 of the Texas Water Code Section, including: (A) maintaining operability of wells significantly affected by groundwater development (B) developing or distributing alternative water supplies; and (C) conducting aquifer monitoring, data collection, and aquifer science.

Puja Boinpally makes a motion to set up a separate account to track and maintain all export fees collected for groundwater exported outside Pecos County for the purposes of a Mitigation Fund and for other purposes authorized by law. All export fees will be deposited into this account. The first 20 cents of the export fee is available to be used in the General Operating Account if necessary for District business.

The District may only use funds obtained from the rate increase above 20 cents under this subsection for costs related to assessing and addressing impacts associated with groundwater development as provided by Section 36.207 of the Texas Water Code Section, including: (A) maintaining operability of wells significantly affected by groundwater development (B) developing or distributing alternative water supplies and (C) conducting aquifer monitoring, data collection, and aquifer science.

The District during a Hearing held on November 19, 2024 set its export fee to 20 cents with the 3% increase allowed for the calendar year (2024). The current export fee for 2024 is 20.60 cents for each 1,000 gallons of water exported.

Motion seconded by Vanessa Cardwell.

Motion passed. Vote: 8 FOR. -0- Oppose 3 Absent 0 Abstain

VII **State legislative update** (89th Legislative Session commencing January 14, 2025).

The District updated the Board on all relevant bills. The District is tracking all bills filed that affect GCD's, open government or elections. We will be providing testimony as necessary and are actively involved in the Legislative Committee through TAGD.

Ty Embrey joined the meeting and gave the Board a high-level overview of the status of the Capitol.

VIII Update and possible action on **Pecos County Groundwater Flow Model** and Timeline on Tech Memos.

A new draft tech memo has been created for the model grid and in support of model development. That tech memo and all the tech memos have been and continue to be on the District's webpage with peer review and feedback encouraged. Belding Farms Data processed 5600 data points from 1957 to 2023. TWDB had over 47,000 water levels from 1940 to 2024. EcoKai transducer data from FSH joint study had over 500,000 data points for 2021-2024. LRE and the Halff data management system had 15,000 groundwater data points. While calibrating the database we realized all the data from numerous studies have not been added to the database. Several discrepancies were recognized on some of

the Belding Farms' wells for elevations compared to the model grid. Belding Farms corrected the coordinates on the suspected wells and LRE updated the database.

We have finalized the existing groundwater pumping data, recharge, aquifer parameters, boundary flows, spring locations, and surface water. We have begun working on groundwater evapotranspiration, model run specifications, Model calibration datasets, model calibration, groundwater budget, and model sensitivity.

Dr. Hutchison will be at the next meeting to give a full update to the Board. All tech memos associated with the model can be assessed at the following google link:

https://drive.google.com/drive/folders/1HYj8JRV4omAgKPJWBta-T20hZUbtYaPS?usp=drive_link

- IX Update and possible action on **San Andres efforts at RRC and TCEQ, and MPGCD v. RRC and Commissioners**, Cause No. D-1-GN-24-005222 (200th District Court, Travis County) and second cause filed on October 11, 2024.

The Board was briefed on the regulatory hearing activity from last fall through this summer at the Railroad Commission, and ultimately the Commissioners' final action on our request that wells be added to RRC's plugging list and prioritized for plugging. The RRC denied all our requests, which is not a surprise. This procedure was required to exhaust administrative remedies before seeking a judicial opinion about RRC's jurisdiction and duty to plug. The next step was for the District to file an original petition for judicial review, declaratory relief, and mandamus relief in the Travis County District Court, which was accomplished on August 16, 2024. Because RRC undertook additional procedural steps, we were conservative to ensure that we exhausted administrative remedies and then filed a second original petition on October 11, 2024. The Railroad Commission has filed its Original Answer denying all allegations in the first lawsuit. District Judge Laurie Eiserloh with Travis County 455th District Court recently issued a notice asking for a briefing schedule.

The District has met with TCEQ's senior management and program staff and discussed the new grant program to plug wells in Pecos County. TCEQ held a Rulemaking hearing on January 29, 2025. The District attended the hearing and made comments.

- X Update on **Fort Stockton Holdings, L.P. (FSH)-MPGCD Joint Study, Threshold Water Level Update and Drilling of New Rustler Monitor on Williams Farms**.

The Board and General Manager discussed the ongoing groundwater monitoring of the FSH threshold water levels. All wells are working and operating properly, and no wells are near any threshold water levels that would trigger cutbacks according to the FSH special permit conditions. A link to the FSH threshold water

levels is available at <https://mpgcd.half.com/Dashboard>. General Manager Ty Edwards screen-shared and provided an overview of current data.

Williams Farms and Fort Stockton Holdings have approved the drilling of the Rustler Monitor Well. Activities will begin immediately.

XI **Briefing and take action as necessary on withdrawal of its December 23 Petition for Inquiry and a restated petition for Inquiry filed at TCEQ by Cockrell Investment Partners, L.P on March 4, 2025.**

Legal Counsel Mike Gershon briefed the Board on the withdrawal of its December 23, 2024, petition and a restated petition of Inquiry filed at TCEQ by Cockrell Investment Partners, LP on March 4, 2025. Cockrell is an affected person as defined in Texas Water Code Section 36.3011 (as a local landowner and permit holder) and submitted its restated Petition for Inquiry pursuant to that statute and 30 Texas Administrative Code Section 293.23. It is Cockrell's position that the District has failed to adopt rules, the rules adopted by the District are not designed to achieve the desired future conditions and the groundwater in the management area of the District is not adequately protected by the rules it has adopted. Much of Cockrell's petition criticizes the Fort Stockton Holdings' permitting and settlement and is critical of the District's management and its approach to groundwater regulation.

TCEQ's Governor-appointed Commissioners will take up the restated petition on May 22, 2025, and allow oral argument by Cockrell, the District, TCEQ's Executive Director and Office of Public Interest Counsel, and other interested persons. We have received a lot of calls and other outreach because of how widely distributed the restated petition was, and because of TCEQ staff's report at last week's Texas Alliance of Groundwater Districts' quarterly business meeting. Comments in opposition to Cockrell's restated petition have been filed at TCEQ by City of Fort Stockton, Pecos County, PCWCID#1, Reeves County GCD, and jointly by all the districts in GMA 7 and separately GMA 3.

If the Commission grants the restated petition, a "review panel" is appointed by the Commission to hold hearings, investigate Cockrell's allegations, and file a report with the Commission with findings and a recommendation. The statutory remedies are to dissolve the District, dissolve the Board and call an election, appoint a receiver, or order the District to take certain corrective action regarding its rules.

XII **Briefing and take action as necessary on following lawsuits:**

A. **Cockrell Investment Partners, L.P. v. MPGCD and its Board President in his official capacity, FSH and Republic Water Company of Texas, L.P., Case No. 23-0742 (Texas Supreme Court)(Cockrell I);**

In Cockrell I, Cockrell timely filed its petition by review. The Court will determine whether to grant, dismiss, refuse, or deny the petition. At least one Justice requested responses to the petition for review, and subsequently, at least three

Justices asked for briefing on the merits before deciding how to rule on the petition. To be clear, the Court has not yet decided whether to accept the appeal and issue a decision. Cockrell filed its brief on September 13, 2024, the District and FSH filed their briefs on November 25, 2024, and Cockrell replied on January 13, 2025. We are waiting on the Court to rule on the petition.

B. Cockrell Investment Partners, L.P. v. MPGCD and its General Manager in his official capacity, and FSH, Case No. 23-0593 (Texas Supreme Court)(Cockrell II);

In Cockrell II, the Court has ordered briefing on the same schedule as in Cockrell I, and all the parties filed their briefs as in Cockrell I.

C. Cockrell Investment Partners, L.P. v. Ty Edwards, In His Capacity as General Manager, and FSH, Case No. 08-23-00178-CV (El Paso Court of Appeals)(Cockrell III);

In Cockrell III, the District Court ruled in favor of FSH and MPGCD by granting their Pleas to the Jurisdiction. Cockrell appealed and timely filed its appellate briefs, then the District and FSH's appellate briefs were timely filed. On October 13th Cockrell filed a reply brief. On May 14th the Court set for submission without oral argument for June 4, 2024. Waiting for a decision from the Court, which abated the case awaiting the ruling from the Texas Supreme Court in Cockrell I and Cockrell II.

D. Cockrell Investment Partners, L.P. v. Middle Pecos Groundwater Conservation District, Cause No. P-8626-83-CV (83rd District Court)(Cockrell IV); and

In Cockrell IV, the lawsuit was filed on August 17th and served on September 13th by agreement. The District's answer and counterclaim were timely filed October 9th. FSH has advised that it will intervene and file plea to the jurisdiction. Cockrell filed Plaintiff's First Amended Petition on August 5, 2024. Remains pending without further action.

E. Cockrell Investment Partners, L.P. v. Middle Pecos Groundwater Conservation District, Cause No. P-13031-112-CV (112th District Court)(Cockrell V).

In Cockrell V, the lawsuit was filed on August 23rd and served on September 13th by agreement. The District's answer and counterclaim were timely filed October 9th. FSH has advised that it will intervene and file plea to the jurisdiction. Cockrell filed Plaintiff's First Amended Petition on August 5, 2024. Remains pending without further action.

XIII Progress Reports: Well Registrations, Production Permits, Drilling Permits, Data Loggers, Drought Monitor Map, Water Quality Analysis, and General Manager's Correspondence.

- Rig Data Report ending 04-12-2025 one rig in Pecos County
- Texas Drought Map for Pecos County 03-18-2025, 04-08-2025. Western Pecos County is in Extreme Drought decreasing as you go east with Moderate Drought in the far eastern part of Pecos County
- Water Use Reporting is ongoing for 2024 usage
- GMA 7 held on April 10, 2025
- Coupled Correlative Allocation for Groundwater Management in Texas
- PCWCID #1 April 2025

XIV Directors' Comments and consider and/or act upon agenda for next meeting.

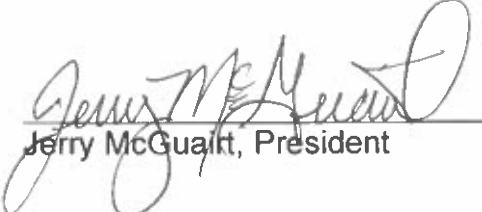
Next Board meeting is May 20, 2025. Management Plan Hearing is set for 10 am.

XV Adjourn Board meeting.

Jeff Sims made a motion to adjourn the meeting. Motion seconded by Alvaro Mandujano, Jr and the motion carried unanimously. The meeting was adjourned at 11:53 a.m.



M. R. Gonzalez, Secretary/Treasurer



Jerry McGualt, President

Date Approved 5/20/2025