

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS  
GROUNDWATER CONSERVATION DISTRICT  
HELD ON THE 7th DAY OF January, 2016**

On the 7th day of January, 2016 at 1:35 p.m. at Kurth Lodge in Angelina County, Texas, the Board of Directors of the Pineywoods Groundwater Conservation District convened in a regular meeting at which time the following items were discussed and action possibly taken with the following members thereof, to wit:

Keith Wright	President
David Alders	Vice-President
Gloria Montes	Secretary
Keith Weathers	Member
Kelley Holcomb	Member
John Derrick	Member

being present, and

Jimmy Mize	Treasurer
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being absent, and

Jackie Risner	General Manager
Cheryl Benke	Administrative Assistant

also present.

**1. Call to Order:**

With a quorum of board members present, the meeting was called to order at 1:35 p.m. by President Keith Wright and the invocation was given by David Alders.

**6.a. Oath of Office for new Board member, John Derrick.**

Judge Wes Suiter gave the oath of office to John Derrick who was appointed by Angelina to represent Large Industry. (Note: This item was moved up in the agenda to accommodate Judge Suiter's schedule.)

**2. Approval of the minutes of the meeting of December 17, 2015:**

The Minutes were reviewed by Board members. A motion was made by Gloria Montes to approve the minutes, and the motion was seconded by Keith Weathers. The motion passed unanimously.

**3. Receive a report from the General Manager concerning the financial position of the District:**

Current balance through December 31, 2015 was \$31,066.14. A quarterly report to date was presented along with a ledger printout, copies of bills, budget report, Balance Sheet, and A/R report.

**4. General Manager’s District Report:**

Pending Completion: We have 18 exempt wells in progress, 7 non-exempt wells in progress, 1 new O&G rig supply well, and 0 new frac wells registered. We have received 8 new exempt wells and 0 new non-exempt wells, 1 new O&G rig supply and 0 frac wells since the last report.

Completed Wells:

- Total Exempt wells in database: 916 (437 in Nac. Co., 479 in Ang Co.)
- Total Non-Exempt Ag wells in database: 280 (206 in Nac. Co., 74 Ang. Co.)
- Total Oil & Gas rig supply wells in database: 696 (641 in Nac. Co., 55 in Ang. Co.)
- Total Oil & Gas frac wells in database: 28 (all in Nac. Co.)
- Total Production fee based wells in database: 199 (102- Nac. Co., 97- Ang. Co.)
- Total District wells recorded in database: 2481 (this includes 362 plugged wells)

Activities:

No variances granted this month

- Attending TAG meeting January 26-28, 2016 in Austin
- Rig supply plugging continuing, 28 rig supplies plugged this month
- Attending GMA-11 meeting on January 19, 2016
- Prepare for board member appointments
- New well inspections conducted:

Nacogdoches County

Exempt

- Ken Rodriguez
- Dirk Dekerlegard

Angelina County

Exempt

- Brad Jackson
- Betty Russell
- Donald Bogue
- Tim Compton
- C. Michael Bryan
- Patricia Dirba

Rig Supply

- XTO Energy

**5. Unfinished Business**

None.

**6. New Business**

**b. Election of PGCD Board of Directors officers for 2015.**

Keith Weathers moved to re-elect the 2015 slate of officers. The motion was seconded by John Derrick, and the motion passed unanimously to re-elect the following officers:

President & Finance Officer	Keith Wright
Vice-President	David Alders
Secretary	Gloria Montes
Treasurer	Jimmy Mize

**c. Review and possibly approve 4<sup>th</sup> Quarter 2015 Investment Report.**

Keith Weathers moved and David Alders second the motion that the Investment Report be approved. Motion passed.

**d. Submit 2015 General Manager’s Annual Report.**

Jackie Risner presented the General Manager’s Report and answered a few questions about its contents, after which the President accepted the report into the District’s records.

**e. Consider and possibly adopt new District Fee Schedule.**

The Board members discussed the District’s fee schedule and possible increases. Due to District rules that require a public hearing to change Production fees, the Board will hold a Public Meeting in April to address a possible increase from \$.02 per 1,000 gallons to \$.025 as allowed by the State legislature. In light of that requirement, the Board members moved on to a discussion of proposed fees for registration of exempt wells, drilling permits and operating permits for non-exempt wells as listed below:

Registration Fee for Exempt Well		\$100
Drilling Permit for Non-Exempt Well	<u>Well Casing Size</u>	<u>(I.D.)</u>
	≤ 6 inches	\$ 100.00
	> 6 to 10 inches	\$ 500.00
	> 10 inches	\$1,000.00
Operating Permit for Non-Exempt Well	<u>Well Casing Size</u>	<u>(I.D.)</u>
	≤ 6 inches	\$100.00
	> 6 to 10 inches	\$225.00
	> 10 inches	\$425.00
Permit Amendment	Domestic/Agriculture/Industrial	\$100.00
	Public Water Supply	\$225.00
Test Well	Drilling Permit fee	\$225.00

After discussion ceased, Kelley Holcomb moved to adopt the proposed increases above, effective February 1, 2016, with the addition of revisions to the following operating permit fees:

Operating Permit for Non-Exempt Well	> 6 to 10 inches	\$250.00
	> 10 inches	\$550.00

David Alders seconded Kelley's motion, and the motion was approved unanimously.

**7. Announcement of the date and location of the next meeting of the District Board of Directors:**

Keith Wright announced the next meeting will be held on April 14, 2016, at 1:30 at Kurth Lodge, Angelina County, Texas.

**8. Adjourn:**

The meeting was adjourned by President Wright at 2:20 p.m.

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Keith Wright, President

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Gloria Montes, Secretary