

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS
GROUNDWATER CONSERVATION DISTRICT
HELD ON THE 11TH DAY OF MARCH 2010**

On the 11th day of March, 2010 at 3:00 p.m. in the Nacogdoches City Commission Chambers, Room 119, in the Nacogdoches City Hall at 202 E. Pilar Street, Nacogdoches, 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 there of, to wit:

Keith Wright	President
David Alders	Vice President
Keith Weathers	Treasurer/Finance Officer
Gloria Montes	Secretary
Jimmy Mize	Member

being present, and

Kelley Holcomb	Member
Pat Miller	Member

being absent, and

David Alford	General Manager
Lynn Thomas	Administrative Assistant

also present.

1. Call to Order:

With a quorum of board members present, the meeting was called to order at 3:06 p.m. and the invocation was given by President Keith Wright.

2. Approval of the minutes of the meeting of January 14, 2010:

After board review a motion was made to approve the minutes by Jimmy Mize and 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 March 9, 2010 is \$10,238.13. A quarterly report to date was reviewed along with a ledger printout, copies of bills, budget report, and A/R report. The board reviewed and discussed the financials of the District.

4. General Manager's Report

1. **Pending Completion:** We have 9 exempt wells in progress, 1 non-exempt wells in progress and 21 new O&G rig supply wells registered. I have inspected 8 new exempt wells and 0 new non-exempt wells since the last meeting.

Completed Wells:

- **Total Exempt wells in database: 483 [226- Nacogdoches Co., 257 - Angelina Co.]**
 - **Total Non-Exempt Ag wells in database: 181 [135- Nacogdoches Co., 46 Angelina Co.]**
 - **Total Oil & Gas supply wells in database: 684[633- Nacogdoches Co., 51- Angelina Co.]**
 - **Total Production fee based wells in database: 179**
 - **Total District wells recorded in databases: 1625** [this includes 98 plugged wells]
2. The last GMA-11 meeting was February 9th in Nacogdoches. We discussed the original 20 ft average drawdown chart vs. the new revised chart we call the 40 ft drawdown chart. Most districts want to go with the 20 ft average drawdown because the data is taken from the State Water Plan. [on agenda]
 3. We received 3 complaints that were investigated. One was for Bobby Dale Taylor who we have looked at last year. The complaint was for bad tasting water from a well that previously had a septic overflow around it. I did not find any contamination this time. The second complaint was for Petrohawk O&G and a frac tank they were building with 6 wells around it. The wells are closer than I would like them to be, but they fall within the RRC guidelines. The third complaint was for a Kenneth Mechell that had an open septic pool very close to a water well. It could not be determined if the septic tank was an old curb well or not. Tim sent him a letter and gave him 45 days to comply with a new septic system and clean up the old site.
 4. I waived a late fee (\$50) for Pleasure Point WSC. They are in the process of changing ownership and the new owner was not made aware of the situation and reporting. I have talked to the new owner.
 5. I attended the Region I meeting in Nacogdoches on February 17th.
 6. I was invited to a meeting with the TCEQ in Tyler February 16th. The report is attached.
 7. The next TAGD meeting is in Austin on March 30th and 31st. I am attending.
 8. We have filed the audits with the TCEQ as required by §49.194(a) Texas Water Code.
 9. We have filed updated directors information with the TCEQ as required in §36.054(e) and §49.054(f).
 10. The information for the TWCARMF for our insurance was updated as we do annually.
 11. Filed a survey of mining activity in the District with LBG-Guyton who is doing work for the TWDB and the BEG.

12. I have been working on some of our forms to where they can be filled out on-line and emailed back.

5. Unfinished Business

None

6. New Business

a. Annual Management Plan report.

A motion was made to approve the plan by Jimmy Mize and seconded by Gloria Montes pending a grammatical correction under the heading “Public School Education Programs”.

The motion passed unanimously.

b. Reconcile budget for year 2009.

Jimmy Mize requested an explanation be added to the budget explaining the balance as “spending funds previously established in the prior budget year.” A motion was made by Keith Weathers and seconded by Jimmy Mize to approve the reconciled budget. (attachment A)

The motion passed unanimously.

c. Legislative update – David Alders.

General Manager David Alford gave a presentation on local oil and gas exploration focusing on frac ponds and the water that is being pumped. The Board discussed the issue.

d. Carrizo Wilcox survey review.

The General Manager explained the TWDB survey.

e. Discuss pumping data for DFC’s for District.

The Board discussed the DFC at length and made the decision to use the District’s hydrology study for a new model data run.

f. Discuss Geothermal Heat wells.

The Board discussed creating new rules to regulate geothermal heat wells. It was suggested that a rules committee be established at the next meeting, to review in entirety the District’s rules and make committee suggestions to the Board.

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

President Keith Wright announced the next meeting date and time to be April 08, 2010 at 3:00 pm, at Lufkin City Hall.

8. Adjourn:

The meeting was adjourned by the President, Keith Wright at 4:55 p.m.

Keith Wright, President

Gloria Montes, Secretary