

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS  
GROUNDWATER CONSERVATION DISTRICT  
HELD ON THE 14<sup>th</sup> DAY OF JUNE, 2012**

On the 14<sup>th</sup> day of June 2012 at 3:00 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
Gloria Montes	Secretary
Kelley Holcomb	Member
Pat Miller	Member

being present, and

David Alders	Vice-President
Keith Weathers	Treasurer/Finance Officer
Jimmy Mize	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 3:04 p.m. by President Keith Wright and the invocation was given by President Wright.

**2. Approval of the minutes of the meeting of March 8, 2012:**

The Minutes were reviewed by Board members and a motion was made to approve the minutes by Gloria Montes, and seconded by Kelley Holcomb.

The motion passed unanimously.

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

Current balance through March 6, 2012 is \$34,527.40. A quarterly report to date was presented along with a ledger printout, copies of bills, budget report, and A/R report.

#### **4. General Manager's District Report:**

1. **Pending Completion:** We have 13 exempt wells in progress, 12 non-exempt well in progress, 1 new O&G rig supply wells, and 5 new O&G frac well registered. I have inspected 7 new exempt wells and 9 new non-exempt wells (5 frac well) since last month.

##### **Completed Wells:**

- **Total Exempt wells in database: 653 [ 309- Nac. Co., 344- Ang. Co.]**
  - **Total Non-Exempt Ag wells in database: 249 [ 189 Nac. Co., 60 Ang. Co.]**
  - **Total Oil & Gas rig supply wells in database: 758 [ 704 Nac. Co., 54- Ang.Co.]**
  - **Total Oil & Gas frac wells in database: 69 [all in Nac. Co.]**
  - **Total Production fee based wells in database: 192 [ 98 -Nac. Co., 94 –Ang. Co.]**
  - **Total District wells recorded in databases: 2144**[this includes 213 plugged wells]
2. GMA-11 meeting April 3, 2012, Nacogdoches Commissioner's room, 10:00 AM. The GMA-11 representatives met and heard a presentation from Forestar and Crown Pine Timber on changes they requested for the DFCs set for GMA-11. Panola County Representative, Larry Dorman, left the meeting prior to the presentation after objecting to the presentation.  
  
After the meeting and talking to several of the districts, Forestar Group and Crown Pine Timber sent a letter to the TWDB withdrawing their petition. The TWDB accepted their withdrawal.
  3. TAGD meeting March 27-28, 2012 in Austin: *EAA v. Day and McDaniel*- : spacing limitations could be a taking if lot size restricts wells; use and enjoyment could be a taking; tax on water produced like severance tax on O&G produced?; other limiting factors. Frac Focus website: <http://fracfocus.org/> We are scheduled to be Codified by the Texas Legislative Council we were told by Kristin Runkle with the Texas Legislative Council. This is the process of collecting and restating the law of a [jurisdiction](#).
  4. Board Members terms updates: Gloria Montes, David Alders and Kelley Holcomb's terms were up on 12/31/2012. Gloria and David have been re-appointed by Nacogdoches County Commissioners. Kelley is appointed by Nacogdoches County and Angelina County, and we have received confirmation of re-appointment from Nacogdoches County but not Angelina County.
  5. The next TAGD meeting is June 26<sup>th</sup> to 27<sup>th</sup>.
  6. Our Fleet Fuel Card is transitioning from Comdata to U.S. Bank Voyager Fleet, who has been awarded the State Contract.

#### **5. Unfinished Business**

None

#### **6. New Business**

- a. **Discuss and possibly take action on Transport Permit Application Fee.**

The Board discussed the application fee and process and directed the Manager to survey other Districts and come back with additional information for a vote.

The item was tabled until the next meeting.

**b. Quarterly Financial Report from the Financial Officer.**

In the absence of the Finance Officer, the General Manager gave a report of the District's current investments. A motion was made by Kelley Holcomb and seconded by Gloria Montes to accept the report.

The motion passed unanimously.

**c. Discuss and possibly take action on moving the District Offices.**

The City of Nacogdoches has requested that the District relocate the District offices to the first floor of the City Hall Building, which means the District will be losing considerable office space. The General Manager gave an alternative to move to another location with additional space at a cost of approximately \$500 per month. The Board discussed the move and it was decided it was in the best interest of the District to stay in the Nacogdoches City Hall Building. If the move proved to be unworkable in the future due to lack of space, the Board instructed the General Manager to come back to the Board with at least three proposals for alternative office space. The Board approved the purchase of used office furniture to replace the loss of built in shelves and cabinets.

No action was taken

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

President Keith Wright canceled the July meeting and stated the August meeting will be held at the regularly scheduled time and date: August 9, 2012 at 2:00 p.m. at Kurth Lodge in Angelina County, Texas.

**8. Adjourn:**

The meeting was adjourned by President Wright at 3:56 pm.

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Keith Wright, President

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Gloria Montes, Secretary