

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS
GROUNDWATER CONSERVATION DISTRICT
HELD ON THE 9th DAY OF SEPTEMBER, 2010**

On the 9th day of September 2010 at 2:00 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 there of, to wit:

Keith Wright	President
David Alders	Vice-President
Keith Weathers	Treasurer/Finance Officer
Jimmy Mize	Member

being present, and

Kelley Holcomb	Member
Pat Miller	Member
Gloria Montes	Secretary

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 2:28 p.m. by President Keith Wright and the invocation was given by Vice-President David Alders.

2. Approval of the minutes of the meeting of July 15, 2010:

The Minutes were reviewed by Board members and a motion was made to approve the minutes by Jimmy Mize, and seconded by Keith Weathers.

The motion passed unanimously.

President Keith Wright moved item 6a to the next topic of discussion due to time constraints.

6. New Business

a. Discuss and possibly take action on a spacing waiver for Chris Runnells.

The Board approved the spacing waiver with the condition that the well casing have a 25 foot cement seal. A motion was made to approve by David Alders, and seconded by Keith Weathers.

The motion passed unanimously.

Item 5a, was moved to the next item of discussion.

5. Unfinished Business

a. Discuss finalizing Rules and By-Laws amendments.

President Keith Wright suggested the discussion wait until more board members were present, thus limited discussion was held, and no action was taken.

The meeting resumed with item 3, General Manager's financial report.

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

Current balance through September 07 is \$19,773.26 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, 3 non-exempt well in progress and 18 new O&G rig supply wells registered. I have inspected 7 new exempt wells and 4 new non-exempt wells since the last meeting.

Completed Wells:

- **Total Exempt wells in database: 506**[237- Nacogdoches Co., 269- Angelina Co.]
- **Total Non-Exempt Ag wells in database: 182** [136- Nacogdoches Co., 46 Angelina Co.]
- **Total Oil & Gas supply wells in database: 728**[677- Nacogdoches Co. (34 Frac wells), 51- Angelina Co.]
- **Total Production fee based wells in database: 176**
- **Total District wells recorded in databases: 1723** [this includes 131 plugged wells]

- 2.** A new newsletter is being mailed for September.
- 3.** I met with Samye Johnson, the new county judge, and several other people from San Augustine County, on August 10th, that are interested in starting or joining a GCD.

4. On August 17th, the City of Nacogdoches signed a new agreement for office space with the District.
5. I have visited a lot of frac ponds across Nacogdoches County lately.
6. Vested property rights.
7. **Announcement of the date and location of the next meeting of the District Board of Directors:**

President Keith Wright announced the next regular scheduled meeting will be held Thursday, October 14, 2010 at 2:00 p.m. at Kurth Lodge – Angelina County, Texas.

8. Adjourn:

The meeting was adjourned by President Keith Wright at 3:09 p.m.

Keith Wright, President

Gloria Montes, Secretary