

**MINUTES OF A REGULAR MEETING OF THE PINEYWOODS
GROUNDWATER CONSERVATION DISTRICT
HELD ON THE 13th DAY OF SEPTEMBER, 2012**

On the 13th day of September 2012 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 thereof, to wit:

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

being present, and

Gloria Montes	Secretary
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 2:03 p.m. by President Keith Wright and the invocation was given by David Alders.

2. Approval of the minutes of the meeting of August 7, 2012:

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

The motion passed unanimously.

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

Current balance through August 6, 2012 is \$32,764.59. 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 6 exempt wells in progress, 4 non-exempt well in progress, 0 new O&G rig supply wells, and 0 new O&G frac well registered. I have inspected 5 new exempt wells and 2 new non-exempt wells (0 frac well) since last month.

Completed Wells:

- **Total Exempt wells in database: 681 [327- Nac. Co., 354- Ang. Co.]**
- **Total Non-Exempt Ag wells in database: 261 [195 Nac. Co., 66Ang. Co.]**
- **Total Oil & Gas rig supply wells in database: 745 [692 Nac. Co., 53 Ang.Co.]**
- **Total Oil & Gas frac wells in database: 61 [all in Nac. Co.]**
- **Total Production fee based wells in database: 192 [97 -Nac. Co., 95 –Ang. Co.]**
- **Total District wells recorded in databases: 2185** [this includes 245plugged wells]

2. I am starting to get bids on a new vehicle to replace the Dodge truck.
3. We have switched to the Voyager US Bank fuel card effective Sept. 1, 2012.

5. Unfinished Business

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

The Board discussed the permit application fee and decided to change the language. As previously stated "An application processing fee, sufficient to cover all reasonable and necessary costs to the District of processing the application will be charged. This fee will be determined by the General Manager or the Boards representative." The last sentence will be changed to "This fee will be recommended by the General Manager and approved by the Board of Directors." A motion was made for the change by Jimmy Mize and seconded by David Alders.

The motion passed unanimously.

6. New Business

a. Discuss and consider adopting Desired Future Conditions into the Management Plan.

The Board discussed adopting the DFC's.

No action was necessary.

b. Discuss and possibly take action on continuation of coverage with TML.

The General Manager gave the Board an overview of the 2013 Health Insurance increases. A motion was made by David Alders and seconded by Keith Wright to accept the continuation of coverage with TML.

The motion passed unanimously.

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

President Wright stated the next meeting will be held October 11, 2012 at 2:00 p.m. at Kurth Lodge in Angelina County, Texas.

8. Adjourn:

The meeting was adjourned by President Wright at 2:56 pm.

Keith Wright, President

Gloria Montes, Secretary