

PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT
107 N. GONZALES CUERO, TX 77954
PUBLIC HEARING AND BOARD MEETING
MINUTES

APRIL 15, 2014 – 2:00 P.M.

Board Members Present: Darnell Knippa, Chairman (Pct. 2), Clem Waskow, Vice-Chairman (At Large), Wilbert Sauermilch, Secretary/Treasurer (Pct. 3), Marvin Sager, Director (Pct. 4), and Tim Pennell, Director (Pct. 1).

Also in attendance: Charlotte Krause, GM, Marcia Mann, Admin. Assistant, and Jim Allison, Board Attorney.

Guests: Beth Reineke and George Lale (BHP).

1. Call to order: The meeting was called to order by the Chairman at 2:00 P.M.
2. Welcome guests: Guests were welcomed by Chairman.
3. Public comment: No public comment.

PUBLIC HEARINGS OPENED AT 2:04 P.M.

4. Public Hearing – Petrohawk Energy – Bonnie Burton & Lanette Gips
 - a. Public Hearing on the Operating Permit Application from Petrohawk Energy on Bonnie Burton & Lanette Gips's property: The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 20 AF of water per year for a total of 50 AF of water per year from 2 permitted wells. This property is located on US Highway 87 North near Westhoff, Texas and involves 114 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from Petrohawk Energy on Bonnie Burton & Lanette Gips's property: A motion to approve the Operating Permit Application in the amount of 20 AF of water per year for a total of 50 AF of water per year from 2 permitted wells was made by Tim Pennell, seconded by Wilbert Sauermilch, which carried unanimously.
5. Public Hearing – Petrohawk Energy – Vasbinder Limited Partnership
 - a. Public Hearing on the Operating Permit Application from Petrohawk Energy on Vasbinder Limited Partnership's property: The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year. This property is located on Vasbinder Road near Yorktown, Texas and involves 257 acres. No public comment or objection stated.

- b. Discussion and consideration of operating permit application from Petrohawk Energy on Vasbinder Limited Partnership's property: A motion to approve the Operating Permit Application in the amount of 40 AF of water per year was made by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
6. Public Hearing – Petrohawk Energy – Dorothy Simek
- a. Public Hearing on the Operating Permit Application from Petrohawk Energy on Dorothy Simek's property: The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year. This property is located on Cabeza Rd. near Yorktown, Texas and involves 146 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from Petrohawk Energy on Dorothy Simek's property: A motion to approve the Operating Permit Application in the amount of 40 AF of water per year was made by Wilbert Sauermilch, seconded by Tim Pennell, which carried unanimously.
7. Public Hearing – Petrohawk Energy – Ellyce Hansen
- a. Public Hearing on the Operating Permit Application from Petrohawk Energy on Ellyce Hansen's property: The proposed permit application is to be to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 80 AF of water per year for a total of 164 AF of water per year from 4 permitted wells. This property is located on Bellevue Cemetery Road near Westhoff, Texas and involves 652 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from Petrohawk Energy on Ellyce Hansen's property: A motion to approve the Operating Permit Application in the amount of 80 AF of water per year for a total of 164 AF of water per year from 4 permitted wells was made by Tim Pennell, seconded by Clem Waskow, which carried unanimously.
8. Public Hearing – Petrohawk Energy – W.E. Butler Estate
- a. Public Hearing on the Operating Permit Application from Petrohawk Energy on W.E. Butler Estate's property: The proposed permit application is to be to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year from 4 permitted wells. This property is located on Cabeza Road near Yorktown, Texas and involves 127 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from Petrohawk Energy on W.E. Butler Estate's property: A motion to approve the Operating Permit Application in the amount of 40 AF of water per year was made by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
9. Public Hearing – Burlington Resources – Bill & Glenn Braden
-

- a. Public Hearing on the Operating Permit Amendment Application from Burlington Resources on Bill & Glenn Braden's property: The proposed permit amendment application is to be used to hydraulic fracture an oilfield location. The Operating Permit Amendment Application is requesting 40 AF of water per year for a total of 80 AF of water per year. This property is located on FM 766 near Hochheim, Texas and involves 326 acres. No public comment or objection stated.
- b. Discussion and consideration of operating permit amendment application from Burlington Resources on Bill & Glenn Braden's property: A motion to approve the Operating Permit Amendment Application in the amount of 40 AF of water per year for a total of 80 AF of water per year was made by Marvin Sager, seconded by Tim Pennell, which carried unanimously.


10. Public Hearing – Burlington Resources – Hilmer Koopman

- a. Public Hearing on the Operating Permit Amendment Application from Burlington Resources on Hilmer Koopman's property: The proposed permit amendment application is to be used to hydraulic fracture an oilfield location. The Operating Permit Amendment Application is requesting 15.5 AF of water per year for a total of 36 AF of water per year. This property is located on FM 108 near Yorktown, Texas and involves 79 acres. No public comment or objection stated.
- b. Discussion and consideration of operating permit amendment application from Burlington Resources on Hilmer Koopman's property: A motion to approve the Operating Permit Amendment Application in the amount of 15.5 AF of water per year for a total of 36 AF of water per year was made by Wilbert Sauermilch, seconded by Clem Waskow, which carried unanimously.

PUBLIC HEARINGS CLOSED AT 2:09 P.M.

11. Minutes from 03-18-14 Meeting (provided prior to meeting): A motion to approve the minutes as presented was made by Clem Waskow, seconded by Marvin Sager, which carried unanimously.
12. Financial Reports – March (provided prior to meeting): A motion to approve the March financial reports as presented was made by Wilbert Sauermilch, seconded by Tim Pennell, which carried unanimously.
13. Quarterly Investment Report (provided prior to meeting): A motion to approve the Quarterly Investment Report as presented was made by Wilbert Sauermilch, seconded by Tim Pennell, which carried unanimously.
14. Consideration and possible action on moving minutes and financials on monthly agendas to a "Consent Agenda": No action taken. These items will remain as individual agenda items.

15. Consideration and possible action on water quality testing program parameters: GM explained the options provided by Daniel B. Stephens & Assoc. Board decided to set a goal of testing a well in each grid if enough applications are received meeting the criteria established. A newspaper article will be published announcing the program. General water quality testing will be done in all areas of the county with additional specialized testing done in areas identified with a higher potential for contamination from uranium mining, oil & gas production, or any other possible sources.
16. Consideration and possible action on potential contamination of Mr. Respondek's water well: Mr. Respondek will be notified of the situation and his responsibility to make repairs necessary to stop oil from leaking into the well.
17. Consideration and possible action regarding video conferencing and office renovations: GM reported that it is not feasible to add sufficient space to the current district offices. Board suggested that GM contact the County and discuss the possibility of a cost sharing arrangement to add wiring for internet access to the Annex Courtroom where monthly Board meetings and Public Hearings are currently being held.
18. Consideration and possible action on update from GMA 15 meeting. Board will be receiving information to be reviewed to provide pumping estimates to the consultant working with GMA 15 in updating the DFC. A decision must be made at the May meeting to meet the deadline required by GMA 15.
19. Closed Meeting (If necessary) – Close the meeting to conduct private consultation with PVGCD attorney regarding matters protected by the attorney-client privilege pursuant to V.T.C.A. Government Code 551.07, or to discuss matters regarding personnel pursuant to V.T.C.A. Government Code 551.074: No Executive Session called.
20. Return to Open Meeting (If Necessary) – Return to open meeting and take any action deemed necessary based upon discussions in closed meeting pursuant to V.T.C.A. Government Code 551.102: No Executive Session called.
21. Next Scheduled Board Meeting: Next meeting is scheduled for May 20, 2014.
22. Adjournment: The meeting adjourned at 3:35 P.M. with a motion by Tim Pennell, seconded Clem Waskow, which carried unanimously.



Sec/Wilbert Sauermilch

Recorded: Marcia Mann, Admin. Assistant