

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

APRIL 16, 2013 – 2:00 P.M.

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

Board Members Absent: Gil Riedesel, Director (Pct. 4).

Also in attendance: Charlotte Krause, GM, and Marcia Mann, Administrative Assistant.

Guests: Brittney Harryman and Kaleigh Moya (Petrohawk/BHP); and Robert Egg.

1. Call to Order: The meeting was called to order by the Chairman at 2:00 P.M.
2. Welcome Guests: Guests were welcomed and thanked for their interest.
3. Public Comment: None at this time.

PUBLIC HEARINGS OPENED AT 2:01P.M.

4. Public Hearing – Sabine South Texas, LLC – Jim Frank Loos
 - a. Public Hearing on Operating Permit Application from Sabine South Texas, LLC, on Jim Frank Loos's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 30 AF (acre feet) of water per year for a total of 60 AF (acre feet) of water per year from two water wells. This property is located near Hochheim, Texas and involves 696 acres: No public comment or objection stated.
 - b. Discussion and consideration of drilling and operating permit applications from Sabine South Texas, LLC, on Jim Frank Loos's property: A motion to approve the Operating Permit Application in the amount of 30 AF (acre feet) of water per year for a total of 60 AF (acre feet) of water per year from two water wells was made by Tim Pennell, seconded by Wilbert Sauermilch, and carried unanimously.
5. Public Hearing – Petrohawk Energy – Donald Elder
 - a. Public Hearing on the Operating Permit Application from Petrohawk Energy on Donald Elder'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 with one other water well permitted for a total of 50 AF (acre feet) of water per year. This property is located on Elder Rd. near Cuero, Texas and involves 284 acres: No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from Petrohawk Energy on Donald Elder's property: A motion to approve the Operating Permit Application in the amount of 20 AF (acre feet) of water per year with one other water well permitted

for a total of 50 AF (acre feet) of water per year was made by Tim Pennell, seconded by Clem Waskow, and carried unanimously.

PUBLIC HEARINGS WERE CLOSED AT 2:07 P.M.

6. Minutes from 03/19/13 Meeting (provided prior to meeting): A motion to approve the minutes as presented was made by Wilbert Sauermilch, seconded by Tim Pennell, and carried unanimously.
7. Financial Report: In reviewing the financial reports Board members asked if Board Attorney, Jim Allison, had submitted any bills for payment covering services rendered after May of 2012, and GM replied that no further bills have been received. Board has previously requested Allison to bill more frequently, specifically a minimum of quarterly. With a motion by Tim Pennell, seconded by Clem Waskow, which carried unanimously, GM was directed to draft a letter notifying Attorney Allison that future bills not submitted by the end of the month following the end of each quarter would not be paid.

A motion to approve the financial reports as presented was made by Wilbert Sauermilch, seconded by Clem Waskow, and carried unanimously.

8. Quarterly Investment Report: A motion to approve the Quarterly Investment Report as presented was made by Wilbert Sauermilch, seconded by Tim Pennell, which carried unanimously.
9. Discussion and consideration of potential new board members: A special meeting will be called for Board members to meet candidates interested in filling the vacant Pct. 4 Director's slot.
10. 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.
11. 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.
12. Next Scheduled Board Meeting Date: Next regular board meeting is scheduled for May 21, 2013, at 2:00 P.M.
13. Adjourn: Meeting was adjourned at 3:20 with a motion by Tim Pennell, seconded by Clem Waskow, which carried unanimously.



Sec/Wilbert Sauermilch

Recorded: Marcia Mann, Admin. Assistant