

**RULES OF THE
SARATOGA UNDERGROUND WATER CONSERVATION DISTRICT**

IN TEXAS ARE HEREBY PUBLISHED AS OF

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PREAMBLE

In accordance with the terms and provisions of Article XVI Section 59 of the Constitution of Texas and Chapters 36 of the Texas Water Code, the following rules are hereby ratified and adopted by the Saratoga Underground Water Conservation District. All references herein citing sections of the Texas Water Code Chapter 36 as authority shall be shown as sections or subsections of said Code, i.e. (36.113) shall reference Section 36.113 of the Texas Water Code. Nothing in these rules shall be construed as depriving or divesting the right of ownership as recognized by Section 36.002 of the Texas Water Code.

The rules, regulations and modes of procedure herein contained are and have been adopted for the purpose of simplifying procedure, avoiding delays, saving expense, and facilitating the administration of the ground water laws of the State by the District.

SECTION 1 – DEFINITIONS AND CONCEPTS

1.1 Definitions

Unless the context hereof indicates a contrary meaning, the words hereinafter defined, either capitalized or uncapitalized, shall have the following meaning in these rules:

- (a) “Exempt well” shall mean a well that is exempt from permitting under Section 3.2.
- (b) A “Non-exempt” well shall mean a well that is not exempt from permitting under Section 3.2
- (c) "Abandoned Well" shall mean a well that has not been used for twelve consecutive months. A well is considered to be in use in the following cases:
 - (1) A non-deteriorated well which contains the casing, pump and pump column in good condition; or
 - (2) A non- deteriorated well which has been capped.
- (d) An “Aggregate Well” shall mean more than one well whose combined total production is aggregated for permitting purposes. Transport wells may not include aggregated wells.

- (e) "Applicant" shall be the owner of the land on which the well or proposed well is located, unless the landowner authorizes another person to own the permit or registration.
- (f) "Beneficial Use" or "Beneficial Purpose" shall mean use for:
 - (1) agricultural, gardening, domestic, stock raising, municipal, mining, manufacturing, industrial, commercial, recreational, or pleasure purposes;
 - (2) exploring for, producing, handling, or treating oil, gas, sulphur, or other minerals; or
 - (3) any other purpose that is useful and beneficial to the user that does not commit waste as defined in this rule.
- (g) "Board" shall mean the Board of Directors of the Saratoga Underground Water Conservation District.
- (h) "Casing" shall mean a tubular watertight structure installed in an excavated or drilled hole to maintain the well opening.
 - (i) A "Completed Well" is a well that has been drilled, equipped and is ready to pump water.
 - (j) "Conservation" shall mean those practices, techniques, and technologies that will reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water.
- (k) "Deteriorated Well" shall mean a well, the condition of which will cause, or is likely to, based on judgment of the Board, cause pollution of any water in the District.
- (l) "District" shall mean the Saratoga Underground Water Conservation District. When applications, reports, and other papers are required to be filed or sent to "the District" this means the District's headquarters in Lampasas, Texas. When these Rules state that an action is taken by "the District", such action may be taken by the Board.
- (m) "Driller's Log" shall mean a record, made at the time of drilling, showing the depth, thickness, character of the different strata penetrated, and location of water-bearing strata, as well as the depth, size, and character of casing installed.
- (n) "Flow monitoring device" shall mean an electrical or mechanical register that incorporates both a digit totalizer and instantaneous flow-rate indicator utilizing generally accepted units (i.e. gallons, acre feet, or acre inches).

- (o) "Groundwater" shall mean water percolating below the earth's surface within the District, but shall not include water produced with oil in the production of oil and gas.
- (p) "Licensed Water Well Driller" shall mean any person who holds a license issued by the State of Texas pursuant to the provisions of the Texas Water Well Drillers Act, as amended, and the substantive rules of the Water Well Drillers Board, or its successors.
- (q) "Permit" shall mean a drilling and production permit as described, as applicable, in Rules 3, 4 and 5.
- (r) "Person" shall mean and include any individual, partnership, firm, corporation, entity, municipal corporation, unincorporated area, government, or governmental subdivisions or agency, business trust, estate, trust, or any other legal entity or association.
- (s) "Pollution" shall mean the alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the District, that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, or property; or to public health, safety, or welfare; or impairs the usefulness of the water for any lawful or reasonable purpose.
- (t) A "Replacement Well" is a well that is drilled to replace the production of an existing well. For non-exempt wells, in order to be considered a replacement well, the existing well must be capped or plugged in accordance with 6.2. For exempt wells, the existing well can continue in production as long as the pumping capability of the existing and replacement well is not more than 17.36 gallons per minute.
- (u) "Underground Water Reservoir" shall mean water suitable for agricultural, gardening, public supply, domestic, or stock raising uses, percolating below the earth's surface in the District.
- (v) The word "Waste" as used herein shall mean any one or more of the following:
 - (1) The withdrawal of groundwater from an Underground Water Reservoir at a rate and in an amount that causes or threatens to cause intrusion into the reservoir, water unsuitable for agricultural, gardening, domestic, or stock raising purposes;
 - (2) The flowing or producing of water from an Underground Water Reservoir if the water produced is not used for a beneficial purpose;

- (3) The escape of groundwater from an Underground Water Reservoir to any other reservoir that does not contain groundwater, or contains undesirable water;
 - (4) The pollution or harmful alteration of groundwater in an Underground Water Reservoir by salt water, other deleterious matter admitted from another stratum or from the surface of the ground;
 - (5) Willfully or negligently causing, suffering, or permitting groundwater to escape into any river, creek, natural water course, depression, lake, reservoir, drain, sewer, street, highway, road, or road ditch, or onto any land other than that of the owner of the well or;
 - (6) Groundwater pumped for irrigation that escapes as irrigation tail-water onto land other than that of the owner of the well unless permission has been granted by the occupant of the land receiving the discharge.
 - (7) The loss of groundwater in the distribution system and/or storage facilities of a public water supply system in excess of 20% of total annual pumpage. This loss is also termed "shrinkage", "line loss" or "unaccounted for water". Excessive line loss is a non-beneficial use of groundwater.
- (w) "Water" shall mean groundwater.
- (x) "Well" or "Water Well" shall mean and include any artificial excavation into which groundwater from an Underground Water Reservoir may flow and be produced.
- (y) "Well Location" shall mean the location of a proposed well on an application duly filed until such application is granted or denied, or the location of a well on a valid permit.

1.2 Use and effect of Rules

The District uses these rules in the exercise of the powers conferred by law and in the accomplishment of the purposes of the District Act.

1.3 Changes to Rules

All changes to the District's Rules shall only be made after notice and public hearing. Such changes include repeal or amendment of existing Rules and the adoption of new Rules.

Section 2 - WELL REGISTRATION

2.1 Registration of Existing Wells

The owner of an existing well located in Lampasas County may register the well with the District. Forms for registering an existing well are available from the District Office. The well shall be registered under its existing State well number. If the well does not have a State well number, the District shall issue a temporary well number pending assignment of a State well number.

Registration of an existing Completed Well with the District prior to October 1, 2005 shall entitle the owner of the well to be granted a Designation of Historic and Existing Use. Transport wells are not entitled to a Designation of Historic and Existing Use. Designations of Historic and Existing Use shall be given priority consideration in the designation of a Critical Groundwater Management Area and in requests for selection for inclusion in any voluntary groundwater monitoring program.

2.2 Registration of New Wells

The owner of a new well proposed to be located in Lampasas County shall file an intent to drill a new well with the District prior to commencement of drilling. Forms for an intent to drill a new well are available from the District Office. A registration fee shall be charged and paid at the time of filing the intent to drill. If the intent to drill indicates that the owner intends that the well be an exempt well, unless further clarification is requested from the District within ten days, the owner may commence drilling the well. If the intent to drill indicates that the owner intends that the well be a non-exempt well, the owner or his representative shall follow the application procedures set forth in Sections 4 and 5.

Within 60 days after drilling and casing of the well, the well driller shall submit a complete record; to include an accurate driller's log, any electric log which may have been made, and such additional data as may be required by the District.

Within 60 days after completion of the well, the well owner shall submit a complete record concerning the equipping and completion of the well. Such report shall include any such additional data concerning the description of the well, its discharge and equipment as may be required by the District. The report shall also certify that the information in the registration application is true and correct. Such report shall be filed with the District at its office in Lampasas, Texas. The District may issue a temporary well number pending assignment of a State well number.

The District shall review the above referenced reports and determine whether the new well is an exempt well under Rule 3.2. If the well is determined to be non-exempt, the rules governing non-exempt wells shall apply. If the well is determined to be exempt, no

further processing is required, except as may be required by Rule 2.3 regarding changes in well conditions.

2.3 Changes to Registered Wells

Increases in the pumping capability, changes in the use of groundwater, or reductions in lot size to 10 acres or less must be reported to the District and may result in the well being reclassified as non-exempt which would require the well owner to apply for an operating permit. A transfer of ownership of the registered well shall be reported to the District but transfers of ownership are not a reason for reclassification of the well.

An existing well may be reworked or re-equipped or replaced in a manner that will not change the existing well status. A replacement well, in order to be considered such, must be drilled within three hundred (300) feet of the existing well. A well that is used as a replacement for a well that has been granted a Designation of Historic and Existing Use shall be entitled to a Designation of Historic and Existing Use. For exempt wells where the existing well is not capped or plugged, the well owner may designate either the existing well or the replacement well as the well with the Designation of Historic and Existing Use. Replacement wells shall file the forms described in Section 2.2.

2.4 Providing Correct and Current Address to the District

Owners of registered wells under these Rules are entitled to notices in certain circumstances. It is the duty of the owner of a well to provide the District with a current address.

2.5 Confidentiality of Information

Tex Occ. Code Title 12, Chapter 1901.251 authorizes the owner of the well to keep information contained in the well driller's report which is filed with the state to be declared confidential and removed from the public record by sending a written request by certified mail to the State. The owner may send a copy of this letter to the district which shall accept this request and shall remove all information regarding the owner's well from public record in the District's files.

SECTION 3 GENERAL PERMITTING PROCEDURES

3.1 Requirement for Permit to Drill.

No person shall drill, own, pump or operate a well or produce groundwater from a well located within an Underground Water Reservoir aquifer without a permit unless that well is exempt under Rule 3.2. Owners of all wells not exempt by Rule 3.2 shall be required to obtain a permit following the procedures in Section 4. Additionally, owners of transport wells shall be required to also follow the procedures outlined in Section 5.

3.2 Permit Exclusions and Exemptions.

The following wells are not required to have a permit from the District:

(1) A well used solely for domestic use or for providing water for livestock or poultry on a tract of land larger than 10 (ten) acres that is either drilled, completed or equipped so that it is incapable of producing more than 25,000 gallons of water in a day; provided, however that this exemption shall also apply after the effective date of this rule to a well that has been drilled or which is to be drilled on a tract of land equal to or less than 10 (ten) acres in size only if:

(a) the well is to be used solely for domestic use or providing water for livestock or poultry on a tract;

(b) such tract was platted prior to the effective date of this rule as a tract equal to or less than ten acres in size; and

(c) such tract is not further subdivided into smaller tracts of land after the effective date of this rule.

(2) A well that meets the requirements of 36.117 (b) (2) or 36.117 (b) (3) [governing wells permitted by the Railroad Commission of Texas] as long as 36.117 (d) does not apply to such wells; or

(3) Jet wells used for domestic needs.

3.3 Issuance of a permit

On approval of an application as set forth in sections 4 and 5, the District may issue a permit to the applicant subject to any safeguards or restrictions the Board determines are necessary in order to conserve the groundwater, prevent waste, minimize as far as practicable the draw-down of the water table or the reduction of artesian pressure, or lessen interference between wells. The applicant's right to produce shall be limited to the rate, term, quantity and purpose(s) stated in the permit. When two or more wells are owned and operated by the same retail water utility as a multi-well system, the District may issue an operating permit for an aggregate withdrawal. An operating permit for an aggregate withdrawal shall allow groundwater to be produced from any well of the aggregate system up to the permitted volume. The aggregate wells shall be listed on the permit. The District may issue a permit for lesser quantities or a lesser term than is requested by the applicant.

3.4 Time during which drilling shall be initiated

Actual on site drilling, pursuant to a permit granted by the District, shall be initiated within four (4) months from the date the permit is issued. If such drilling is not initiated within the four (4) months, the permit is void and drilling may not be initiated; provided,

however, that the District, for good cause, may extend the life of such permit for an additional four (4) months if an application for such extension shall have been made to the District during the first four (4) month period. Provided further, that when it is made known to the District that a proposed project will take more time to complete, the District upon receiving written application, may grant such time as is reasonably necessary to complete such project.

3.5 Requirements prior to start of production

For permitted wells completed after the effective date of these Rules, production shall not commence until:

- (a) The permit owner or his representative submits a complete record concerning the drilling, equipping and completion of the well. Such report shall include an accurate driller's log, any electric log which may have been made, and such additional data concerning the description of the well, its discharge, and its equipment as may be required by the District. The report shall also certify that the information in the permit application is true and correct. If there is a material variation between the permit application and the well as drilled and equipped, the District may require that the permit owner submit a revised application in accordance with section 4.2 or section 5.1.
- (b) In addition, in the case of wells subject to a transport permit and non-exempt wells, the permit owner or his representative certifies that the well has been equipped, at the well owners expense, with a flow monitoring device approved by the District and available for District inspection.
- (c) Operating permits on new wells shall be assessed a one time operating permit fee which shall be filed with the drilling record. On transport wells, the drilling record shall also include the transport permit fee. Transport permit fees are in addition to the operating permit fee. A transport permit fee is not a one time fee and must be paid every time the transport permit is renewed. All records and fees shall be filed with the District at its office in Lampasas, Texas.

3.6 Permit terms and renewal

- (a) Permits issued by the District are effective for three (3) years from the date of issuance. Each permit shall be considered for renewal every three (3) years from the anniversary of the original date of permit issuance. A permit issued prior to the effective date of this Rule shall be first considered for renewal on the next date that corresponds to a three year multiple of the anniversary of the original date of issuance, and then every three (3) years thereafter (b) At least ninety (90) days prior to a permit renewal date, the District shall send notice to the permit owner requesting verification of the owner's compliance with permit conditions, rules and orders of the Board. The permit owner shall respond to the request for verification of owner's compliance within 60 days.

(1) Upon receipt of the verification of owner's compliance, if the District makes a determination that a permit owner is in compliance with the permit conditions, rules and orders, the permit shall be automatically renewed and a renewal permit shall be issued to the permit owner, prior to the renewal date, with no material changes to the rights conditions, use of water, location of water use, or production amount; or

(2) Upon receipt of the verification of owner's compliance, if the District makes a determination that a permit owner is in general compliance with the permit conditions, rules and orders, but that additional information or updating of information is required, the District shall promptly notify the permit owner of the needed information for permit renewal. The permit shall automatically be renewed and the permit issued upon the District's determination of receipt of all required renewal information, if received prior to the permit renewal date. If the District does not receive the required information prior to the renewal date, the permit may not be renewed; or

(3) Upon receipt of the verification of owner's compliance, if the District makes a determination that a permit owner is not in compliance with the permit conditions, rules and orders, the District shall notify the permit owner by certified mail at least ten (10) days prior to the permit renewal date, and specify the District's findings. If the items of non-compliance are not corrected prior to the renewal date the permit may not be renewed.

3.65 Production Fees for Non-Exempt Wells

a). Production fees for non-exempt wells will be assessed based on the Texas Water Code Chapter 36 Section 36.205 (see SUWCD Fee Schedule). The flow monitoring device for all non-exempt wells will be read monthly by a District Director to determine the amount of water produced during that month. A bill will be submitted to the producer within 10 days. The producer is to pay the fees upon receipt of the billing. Failure to submit fees could result in the forfeiture of the ability to produce as a non-exempt well. The producer, who has delinquent fees, must appear before a quorum of the Saratoga Underground Water Conservation District Board to retain the production privileges of a non-exempt well or face termination in accordance with Section 6.3. A majority of positive votes of board directors present will determine the status of the non-exempt well.

b). For non-exempt wells other than transport wells, production fees are in addition to the one time operating permit fee. The production fees and reporting of the amount of water produced is set forth in Section 3.65 of these rules. All records and fees shall be filed with the District at its office in Lampasas, Texas. The well's facilities, flow monitoring devices and daily production records shall be available during normal working hours for inspection by District personnel.

3.7 Permit Recall

After notice and an opportunity for a hearing, permits are subject to involuntary amendment or revocation for violation of District Rules, violation of the permit, including special permit conditions imposed by the Board, violation of the provisions of Chapter 36, Waste of groundwater, or other actions that the Board determines to be detrimental to the groundwater resources in Lampasas County.

3.8 Changes to permits

a) A permittee may apply for a transfer of ownership of any permit granted by the District, and such transfer may be approved as a ministerial act upon filing the required information. However, a transfer of ownership shall be approved as a ministerial act only if the transfer is to change the ownership of the permit and no other changes to the permit are requested.

b) A permittee may apply to the District for changes in the use, location of production, maximum permitted quantity or any other changes required. The application shall state in writing the reason, nature and the purpose of the proposed changes. The District may request any additional relevant information necessary to analyze the request for the amendment. A change in the location of use for uses other than municipal or industrial purposes does not require a permit revision or District approval.

c) An existing well may be reworked or re-equipped in a manner that will not change the existing well status. A permit must be applied for and granted by the District if a party wishes to replace an existing well with a replacement well. A replacement well, in order to be considered such, must be drilled within three hundred feet of the existing well.

3.9 Continuing Right of Supervision

All District permits are issued subject to the rules of the District and to the continuing right of the District to regulate groundwater within the District's boundaries as authorized by Chapter 36, Texas Water Code, as amended. The decision of the Board on any matter contained herein may be reconsidered by it on its own motion or upon motion showing changed conditions, or upon the discovery of new or different conditions or facts after the hearing or decision on such matter. If the Board should decide to reconsider a matter, after having announced a ruling or decision, or after having finally granted or denied an application, it shall give notice to persons who were proper parties to the original action, and such persons shall be entitled to a hearing thereon, if they file a request thereof within fifteen days from the date of the mailing of such notice.

SECTION 4 – OPERATING PERMIT APPLICATION PROCEDURES

4.1 Operating Permit on Existing Wells

The owner of an existing non-exempt well shall submit to the District an operating permit application on a form obtained from the District. Upon receipt of such application, the District shall issue an operating permit for such well. **No fee shall be charged for issuing an operating permit for an existing well.** Once the owner has submitted the application, the District shall issue the operating permit. No public hearing need be held.

4.2 Operating Permit on New Wells

If the well is projected to be non-exempt, the owner or his representative shall submit an operating permit application prior to beginning drilling the well. If a well that was originally projected to be exempt is drilled and, after drilling, the owner determines that it wishes to equip the well so as to make it non-exempt, such owner or his representative shall also file an operating permit application.

An application for an operating permit for a new non-exempt well shall be submitted to the District in writing and be sworn to by the well owner. The application shall be submitted on forms obtained from the District and shall contain such information as deemed necessary by the District to comply with the requirements of Chapter 36 and address specific District needs. Such information shall include, but is not limited to, a location map or property plat drawn on a scale that adequately details the well site, the property lines, the location of other existing wells on the subject tract, the location of the existing use(s), the location of any existing or proposed on-site wastewater system, and the location of any other potential source of contamination within 100 feet of the existing well. In order to adequately address the purposes and requirements of Chapter 36 and District Rules, the District may require further clarification or additional documentation from the applicant. An application from the owner of a proposed new non-exempt well shall not be administratively complete until the applicant: (1) publishes public notice of the application once in a newspaper of local circulation acceptable to the District and (2) provides public notice by certified mail, return receipt requested, to any adjacent landowner within one-quarter mile of the proposed well location.

If an application remains administratively incomplete for more than 180 days following either the original application date, or the date the District notified the applicant of the need to submit additional clarification or documentation, the application shall expire.

If the proposed well is located within a Critical Groundwater Depletion Area (see Rule 8), before approving the application the District shall consider the conditions within the CGDA, how the proposed well may affect the CGDA, whether additional groundwater

production is available, and, if available, how much can be allocated to the proposed well.

The District shall promptly consider and act on each administratively complete application for a permit. The District shall, within 30 days after the date a permit application is administratively complete, either act on the application or set it for a public hearing on a specific date. The District may approve an application if it determines that it meets the requirements of Chapter 36 and District Rules, otherwise it shall schedule a public hearing before the Board. Additionally, whenever a protest is received during the public comment period on a non-exempt well, the Board shall schedule a public hearing for consideration of the application. The public hearing shall be conducted in accordance with Section 9. The Board shall hold the hearing within 35 days of setting the hearing and shall act on the application within 35 days after the hearing is held.

After drilling and completing the well, the owner or his representative shall file the reports and fees set forth in Rule 3.5.

SECTION 5 – TRANSPORT PERMIT APPLICATION PROCEDURES

5.1 Application Required

An owner of a well producing groundwater that is transported outside of Lampasas County shall obtain a transport permit from the District unless the well is exempt from permitting under Rule 3.2 or this Rule. The requirements of this rule are applicable without regard to the manner the water is transferred out of the district and specifically includes discharges into watercourses to convey water as well as pipelines and aqueducts. Transportation of water that is part of a manufactured product such as water bottled for sale outside the county requires a transport permit. The application process, review process, and the terms and conditions of Board-approved transport permits shall be in compliance with and pursuant to all the provisions of District Rules and Section 36.122.

5.2 Exceptions

Groundwater transported by truck and used outside Lampasas County for emergency purposes such as fire fighting needs does not require a transport permit. If the groundwater is to be used on property that straddles the District boundary line, a permit is not required as long as the water is used solely on the tract of land that straddles the property line and is an exempt well under 3.2.

5.3 Application Procedure

The well owner shall submit an application for a transport permit on a form obtained from the District. It shall include, but is not limited to, the following information: (1) the

availability of water in the District and in the proposed receiving areas during the period for which the water supply is requested and (2) the projected effect of the proposed transfer on aquifer conditions, depletion, subsidence, or effects on existing permit holders or other groundwater uses within the District; and (3) the projected effect upon holders of wells that have obtained a Historic and Existing Use Designation. A transport application from the owner of a proposed new non- exempt well shall not be administratively complete until the applicant: (1) publishes public notice of the application once in a newspaper of local circulation acceptable to the District and (2) provides public notice by certified mail, return receipt requested, to any adjacent landowner within one-quarter mile of the proposed well location.

The District shall determine whether the transport permit application is administratively complete. In order to adequately address the purposes and requirements of Chapter 36 and District Rules, the District may require further clarification or additional documentation from the applicant.

If an application remains administratively incomplete for more than 180 days following either the original application date, or the date the District notified the applicant of the need to submit additional clarification or documentation, the application shall expire.

5.4 Export Fee

The District shall impose a reasonable application fee and export fees for transport permits. Such fees shall be assessed in accordance with the current fee schedule adopted by the Board or the fees allowed by Section 36.122(e), whichever is greater.

5.5 Board Approval

In reviewing the application for the proposed transfer of water outside of Lampasas County, the District shall consider the application and all its associated documents. The District shall not deny the application based solely on the fact that the applicant seeks to transfer groundwater outside the District, however, the Board may deny or limit the transport permit if it determines that it is warranted by consideration of (1) the availability of water in the District and in the proposed receiving areas during the period for which the water supply is requested; (2) the effect of the proposed transfer on aquifer conditions, depletion, subsidence, or effects on existing permit holders or other groundwater uses within the District; (3) the projected effect upon holders of wells that have obtained a Historic and Existing Use Designation; and (4) the approved regional water plan and certified district management plan.

The Board shall, within 30 days after the date a permit application is administratively complete either act on the application or set it for a public hearing on a specific date. The Board may approve an application if it determines that it meets the requirements of Chapter 36 and District Rules, otherwise, a public hearing before the Board shall be scheduled. Additionally, whenever a protest is received during the public comment period on a potential transport well, the Board shall schedule a public hearing for

consideration of the application. The public hearing shall be conducted in accordance with the District's public hearing policy. The District shall hold the hearing within 35 days of setting the hearing and shall act on the application within 35 days after the hearing is held.

5.6 Transport Permit Terms and Conditions

Transport permits approved by the Board and issued by the District shall contain, in addition to the information set forth in an operating permit, the amount of water that may be transferred out of the District and the period for which the water may be transferred in accordance with Section 36.122. Notwithstanding Rule 3.6, the District may issue a Transport Permit for a period of less than three years. Further, after drilling and completing the well, the owner or his representative shall file the reports and fees set forth in Rule 3.5.

All permitted wells or permitted transport facilities that produce groundwater for transport outside Lampasas County shall be equipped with a functional and accurate flow-measuring device that measures the daily production rate of groundwater transported outside Lampasas County. The person holding a transport permit is required to keep records of daily production rates of groundwater transported outside Lampasas County. These daily production records shall be submitted to the District on a monthly basis, together with any applicable export fees. The wells, facilities, flow monitoring devices, and daily production records shall be available during normal working hours for inspection by District employees or personnel.

5.7 Transport Permit Amendments

Transport permit holders may apply for an amendment to their permitted export volume on a form obtained from the District. Applications requesting an increase in the permitted export volume shall require a public hearing and Board action.

SECTION 6 WELL STANDARDS AND SPACING REQUIREMENTS

6.1 Well Construction and Closure Standards

Construction and completion of wells and installation of pumps shall be in accordance with the Texas Water Code Chapter 32, "Water Well Drillers" and Chapter 33, "Water Well Pump Installers," as amended and the Administrative Rules of the Texas Department of Licensing and Regulation, 16 Texas Administrative Code, Chapter 76, as amended.

Open or uncovered wells must be capped or plugged in accordance with the requirements of the TCEQ, the Texas Department of Licensing and Regulation's Water Well Drillers and Pump Installers Program, and the District Rules and Well Construction Standards.

6.2 Persons authorized to drill wells and install pumps

a) Only persons who are licensed water well drillers, in good standing with the Department of Licensing and Regulation Texas Water Well Drillers Board and whose licenses are verified with the District are allowed to commercially drill water wells within the District. License verification with the District shall be on forms provided by the District and be in accordance with and contain information called for in the form of verification. Owners may drill water wells on their property provided wells are completed according to State and District completion requirements.

b) Commercial Pump Installers are required to show licensed verification with the District. License verification shall be on forms provided by the District and shall be in accordance with and contain the information called for in the form of verification.

6.3 Sealing of Wells

Following public notice, the Board may order the sealing of a well that is in violation of District Rules or that has been prohibited from producing groundwater. The reasons for ordering the sealing of a well include: (1) failure to apply for an operating permit or a transport permit prior to drilling a nonexempt well; (2) operating a nonexempt well without an operating permit or a transport permit; (3) exceeding the production limits when the well is located within a Critical Groundwater Depletion Area (CGDA); or (4) when the Board has denied, cancelled, or revoked an operating permit or transport permit.

Once the Board has ordered a well sealed, the District is authorized to provide notice of intent to access the well for the purpose of sealing the well pursuant to Section 36.123. Upon accessing the well, District may seal the well by physical means, tag it to indicate that the well has been sealed by the District, or take any other appropriate action necessary to clearly indicate that the well has been sealed. The seal is intended to preclude operation of the well and/or identify unauthorized operation of the well.

Unless a person has permission from the District to modify or remove a well seal, tampering with, altering, damaging, removing, or violating the seal of a sealed well in any way, or pumping groundwater from a well that has been sealed constitutes a violation of District Rules and subjects the person who performs that action, as well as the well owner who authorizes, allows, encourages, or condones such action, to enforcement and penalties pursuant to all applicable District Rules

6.4 Well Spacing Requirements

To minimize as far as practicable the drawdown of the water table, the reduction of artesian pressure, to control subsidence, to prevent interference between wells, to prevent degradation of water quality, or to prevent waste, the district by rule may regulate the spacing of water wells.

- a) All wells drilled prior to the effective date of these Rules, shall be drilled in accordance with state law in effect, if any, on the date such drilling commenced.
- b) All new wells must comply with the spacing and location requirements set forth under the Texas Water Well Drillers and Pump Installers Administration Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code, unless a written variance is granted by the Texas Department of Licensing and Regulation and a copy of the variance is forwarded to the District by the applicant or registrant.
- c) After authorization to drill a well has been granted under a registration or a permit, the well, if drilled, must be drilled within three hundred (300) feet of the location specified in the permit, and not elsewhere. If the well should be commenced or drilled at a different location, the drilling or operation of such well may be enjoined by the Board pursuant to Chapter 36, Texas Water Code, and these Rules.
- d) In addition to the requirements of 6.6 (b), the following spacing of wells shall be required for new wells in Lampasas County.

Pumping Capability of Proposed Well in Gallons per Minute	Spacing Required Between Registered Wells and the Proposed Well	Distance of Proposed Well from Property Lines
Up to 17.36	150 feet	50 feet
17.36 – 50 GPM	300 feet	200 feet
> 50 GPM	3000 feet	1000 feet

6.5 Exceptions to Spacing Requirements

- a) If the applicant presents waivers signed by the adjoining landowner(s) stating that they have no objection to the proposed location of the well site, the District may waive the spacing requirements for the new proposed well location.
- b) The District, shall, if good cause is shown, enter special orders or add special permit conditions increasing or decreasing spacing requirements.
- c) A landowner may drill a well or wells to supplement an existing well and such supplemental well(s) does not need to meet the spacing requirements as long as the

combined pumping capability of the existing and supplemental well(s) is not more than 17.36 gallons per minute.

6.6 Well and Property Access

The District has authority under Section 36.123 to enter any public or private property in Lampasas County at any reasonable time for purposes of inspecting and investigating conditions relating to water quality, water wells, or compliance with District Rules, regulations, permits, or other orders. Notwithstanding this authority, the District may enter onto a person's property only with (i) the permission of the property owner or his designated agent, or (ii) by Court Order.

SECTION 7 - CONSERVATION MEASURES

7.1 Designation of Conservation Measures

The Board may impose measures deemed appropriate to provide for the conservation of groundwater to prevent waste and to carry out the duties of the District, including requiring

- a) All groundwater supply systems to institute conservation oriented rate structure in the sale of water to their retail customers.
- b) All groundwater supply systems to have a water conservation plan which requires:
 1. Voluntary conservation measures and information/education programs; and
 2. Promotion of water saving devices and water efficient landscaping.
- c) All permit applications to contain a statement relating to effective water conservation programs and methods that will insure a concerted water conservation program.

7.2 Groundwater Monitoring Program

- a) The Farm Bureau of Lampasas County shall create a database of information on existing water wells located within Lampasas County and shall provide such database to the District in accordance with mutually agreed upon timetables. The District shall locate, collect, and add existing data to this database as opportunity permits.
- b) Pursuant to Section 36.107 and Section 36.109, the District may implement any research projects or scientific studies and collect any information deemed necessary by the Board including groundwater use, water conservation, aquifer recharge, groundwater quantity and quality, aquifer conditions, geology, hydrology, hydrogeology, and other groundwater related fields. Participation in these programs by owners of registered wells

shall be voluntary. Owners of permitted and transport wells may be required by the District to participate.

SECTION 8 CRITICAL GROUNDWATER DEPLETION AREA

8.1 Identification of a Critical Groundwater Depletion Area (CGDA)

If evidence of drawdown of the water table or reduction of artesian pressure in an area of an aquifer indicates an aquifer mining situation, that is, a non-sustainable yield, and/or in consideration of such local climate indicators such as the Palmer Hydrological Drought Severity Index published by the National Oceanic and Atmospheric Administration (NOAA), the Board may declare the area a Critical Groundwater Depletion Area (CGDA). Prior to establishing a CGDA the District shall invite comment and exchange aquifer condition data from well owners within the proposed CGDA. Following the foregoing collaboration study, notice and hearing shall be held using the procedures of Section 9 prior to declaration of a CGDA. A CGDA shall be classified into one of two categories:

(1) A Category One classification shall be assigned to an area experiencing critical depletion due to climatic events where the ability of the aquifer to provide sustainable yields at normal usage rates is seriously impaired. The duration and severity of the climatic conditions shall determine the extent and period of the conservation actions taken by the District. Upon return of normal climatic conditions and adequate recharge to bring the aquifer back to sustainable normal usage, the District shall cancel the CGDA.

(2) A Category Two classification shall be assigned to an area experiencing critical depletion due to increased pumpage that has caused or will shortly cause the aquifer to fall below sustainable yield on a permanent basis, not primarily caused by but possibly exacerbated by short-term climatic conditions. Conservation actions taken by the District shall remain in effect until such time the aquifer shows long-term reversal of the non-sustaining condition. Such reversal can conceivably be brought about through permanent pumpage reduction, use of alternative water sources, or changes in well owner's use of water.

8.2 Procedures Following Establishment of a CGDA

Once a CGDA is declared and delineated, the area shall be given a unique name or number for identification purposes and all registered and permitted well owners in the area shall be notified. Notification of all Board decisions related to a CGDA shall be made to all registered and permitted well owners within the CGDA by published notice. When the Board declares and delineates a CGDA, the Board shall take action, including any combination of the following:

(1) Deny all applications for drilling within the CGDA.

(2) Set production limits on Permitted Wells located within the CGDA to an

assigned volume of water as may be determined from the historical production data obtained from District records. The allowed volume shall be an amount that will halt the decline of the aquifer sustainable yield, which may allow continued but reduced pumpage. The approved conservation/drought management plans shall be considered in determining the production limits. The Board shall review the production allocation on a quarterly basis and make appropriate adjustments as permitted or dictated by aquifer conditions.

(3) Require all Permitted Wells within the CGDA to be equipped with a District approved meter or measuring device. The expense of the device shall be borne by the well owner.

(4) Require increased spacing for all new permits within the CGDA.

(5) Establish recommended production limits on all exempted wells within the CGDA to reasonably correspond to retail water utility conservation/drought management plans used within the District.

(6) Issue such rules as are necessary to protect holders of Historic and Existing Use Designations.

8.3 Reporting Requirements

Owners of Permitted Wells within the CGDA shall provide the District with reports of the amount of water produced from each well under permit in the CGDA on forms provided by the District and on a schedule determined by the Board. If the Board has not required metering devices on wells, production volume reports shall be provided by accurate estimates such as recording duration of pumping and the well output capacity (gpm).

8.4 Requests for Temporary Change in Water Allocation

Owners of Permitted Wells within the CGDA may request a temporary change in water allocation through petition to the Board. Decision on such requests shall be made consistent with prudent aquifer management, the effect on other well owners in the CGDA, and the degree of necessity for the request.

SECTION 9 HEARINGS

9.1 General Rules of Procedure for Hearings

a) Nature of Hearing. Hearings will be conducted in such manner as the Board deems most suitable to the particular case and technical rules of legal and court procedure need not be applied. It is the purpose of Board to obtain all the relevant and reliable information and testimony pertaining to the issue before it as conveniently, inexpensively, and speedily as possible without prejudicing the rights of either applicants or Protestants.

b) Hearing Officer. The Board may authorize the President, a Director, or any individual acting on the Board's behalf to serve as a hearing officer and to conduct hearings for the Board. The hearing officer shall have the authority to administer oaths and to make all rulings necessary and appropriate to conduct the hearing. If conducted by a committee or a hearing officer, a brief written summary of the hearing and recommendation of action shall be prepared by the hearing officer and provided to the Board for its consideration. A copy of the summary report shall be provided to all parties.

c) Who May Appear. Any interested party in a proceeding may appear either in person, or by attorney, or both in such proceedings. An interested party is a person having a justifiable interest, who is or may be affected by such proceeding. At the discretion of the Board anyone not a party at interest in a proceeding may appear.

d) Admissibility. Evidence will be admitted if it is of that quality upon which reasonable persons are accustomed to rely in the conduct of serious affairs. It is intended that needful and proper evidence shall be conveniently, inexpensively, and speedily produced while preserving the substantial rights of the parties to the proceeding.

e) Testimony shall be Pertinent. The testimony shall be confined to the subject matter contained in the application or contest. In the event that any party at a hearing shall pursue a line of testimony or interrogation of a witness that is clearly irrelevant, incompetent or immaterial, the person conducting the hearing may forthwith terminate such line of interrogation.

f) A Stipulation. Evidence may be stipulated by agreement of all parties at interest.

g) Limiting Number of Witnesses and Duration. The right is reserved to the Board or its hearing officer in any proceeding to limit the number of witnesses appearing whose testimony may be merely cumulative and to limit the total amount of time allotted to each party.

9.2 Protests

a) Notice of Protest. In the event anyone should desire to protest or oppose any pending matter before the Board or a hearing officer, the person wishing to protest must file with the Board or hearing officer a written notice of protest or opposition on or before the date on which the application or matter has been set for hearing. Such protest shall be filed at least five (5) days before the hearing date.

b) Protest Requirements. Protests shall be submitted in writing with a duplicate copy to the opposite party or parties and shall comply in substance with the following requirements:

1. Each protest shall show the name and address of the protestant.

2. The protestant shall identify any injury that will result from the proposed action or matter to be considered by the Board.

3. If the protest is based upon claim of interference with some present right of protestant, it shall include a statement of the basis of protestant's claim of right.

4. Protestant should call attention to any amendment of the application or adjustment which, if made would result in withdrawal of the protest.

c) **Contested Applications or Proceedings Defined.** An application, appeal, motion, or proceeding pending before the Board is considered contested when either protestants or interveners, or both, files the notice of protest as above set out or appears at the hearing or proceeding and present testimony or evidence in support of their contentions, or present a question or questions of law regarding the application, motion, or proceeding. When neither protestants nor interveners so appear and offer testimony or evidence in support of their contentions, or raise a question of law with reference to any pending application, motion, or proceeding, the same shall be considered as non-contested.

d) In the event of a contested hearing, each party shall furnish other parties to the proceeding with the copy of all motions, amendments, or briefs filed by him with the Board or examiners.

9.3 Final Order of the Board

The orders of the Board in any non-contested application or proceeding shall become the final order of the Board on the day it is entered by the Board. All orders of the Board in contested applications, appeals, or other proceedings shall contain a statement that the same was contested. In such event the order will become final after fifteen (15) days from the entry thereof and be binding on the parties thereto unless a motion for rehearing is filed.

9.4 Rehearing

a) Any person whose application is denied, whose contest is overruled, or who is not granted the relief desired, may file with the Board a motion for rehearing within fifteen (15) days from the announcement by the Board of its decision or action. The Board shall act thereon within thirty (30) days. If such a motion for rehearing is filed and is overruled, the order of the Board shall be final on the date acted on by the Board. If the motion is not acted upon, the Board's action becomes final following the expiration of thirty (30) days after filing the motion.

b) If the Board finds that an emergency exists, or that substantial injustice will result from delay, upon recitation of such finding, the order of the Board will become final on the date of the announcement of the order by the Board, and no motion for rehearing will be considered thereon.

c) If an application or contest is denied by the Board, and if the applicant or contestant has not had an opportunity for hearing before the Board, as elsewhere provided by these Rules, the applicant or contestant shall be entitled to a hearing before the Board. A written request to the Board for such a hearing, stating such facts, must be filed with the Board within the above fifteen (15) day period. If such motion is in order and is duly filed, the Board shall give notice to the applicant and all proper and necessary parties of the time and place of such hearing, and shall proceed to conduct such a hearing.

SECTION 10 - ENFORCEMENT OF RULES

10.1 General Enforcement of Rules

The District shall have all enforcement powers as set forth in these rules. An accusation of infraction of these Rules shall be investigated by the Board.

10.2 Enforcement of Rules in Courts

In addition to the enforcement powers set forth herein, if the Board determines that it appears a person has violated or is violating, any provision of Chapter 36 of the Texas Water Code, or any rule, regulation, permit, or order of the District, the Board may institute and conduct a suit in the name of the District for injunctive relief, for recovery of a civil penalty or for both injunctive relief and penalty.

- a) The Board may set reasonable civil penalties for breach of any rule of the District that shall not exceed the limits of Section 36.102.
- b) A penalty under this section is in addition to any other provided by the law of this state and may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the District's principal office or meeting place is located.
- c) If the District prevails in any suit to enforce its rules, the District may seek and the Court shall grant, in the same action, recover reasonable fees for attorneys, expert witnesses, and other costs incurred by the District before the court. The amount of the attorney's fees shall be fixed by the court.

SECTION 11 FEES AND DEPOSITS

11.1 Permit Application Fees and Other Fees

The Board, by resolution, may establish a schedule of fees for administrative acts of the district, including but not limited to the cost of reviewing and processing new registration and permit applications, renewal applications, the cost of permit hearings, and such administrative fees shall not unreasonably exceed the cost to the District for performing

such administrative acts. Applications shall not be accepted for filing or processing or hearings scheduled until receipt by the District of all applicable fees established by Board resolution. Permit fees shall only be adjusted after notice and public hearing.

11.2 Funding of the District

The cash funding of the District shall be limited to funds generated from District fees, any voluntary contributions and grants, and annual cash operating funds from the County general revenue fund in an amount not to exceed \$3000.00. Additionally, the District may apply to the County to use existing County office space, equipment, personnel and supplies.

If special circumstances arise outside of the normal annual operating expenditures of the District that require additional funds, the District may apply for additional cash funds from the County to cover such special circumstances. However, it is the intent of the District to derive its annual cash operating expenses from District fees, voluntary contributions and grants, and \$3000.00 from the County general revenue funds.

All requests for use of funds from the County general revenue fund are subject to the review and notice procedures required for establishing other County expenditures from the general revenue fund.