July 6, 2012

Texas Water Development Board (TWDB)
Contract Administration
Attn: Sanjeev Kalaswad
P.O. Box 13231
Austin, TX 78711-3231

Subject: Monthly Progress Report for January 2012 for Contract No.: 1004831106
Class I - Class II Injection Well Permitting Roadmap Project

Dear Sanjeev:

This letter presents the January 2012 project progress report as required by the referenced TWDB contract. During this period, there have not been any expenditures made or labor expended, so there are no payment submissions or requests made thus far for this project.

1. TWDB Contract Number: 1004831106

2. Total Expenses for Billing Period from January 1, 2012 through January 31, 2012: None

3. Total Services for this period: None

4. Total TWDB Share of Total Study Grant Funds: $130,000


Recent Project Activities:

In January 2012, CDM Smith was anticipating the February 2, 2012 TWDB Board Meeting in which the amended Class I-Class II Injection Well Permitting project was on the Consent Agenda for approval. CDM Smith provided information to the TWDB about the project amendment. No professional services were expended or billed to this project for this period.
Mr. Sanjeev Kalaswad  
July 6, 2012  
Page 2

Task Description and Work Accomplished in January 2012 (% complete):

Task 1 – Project Management: None (0%)

Task 2 – Identification and Completion Characteristics of Class II Wells in Study Area and in Texas: None (0%)

Task 3 – Evaluation of Class II Wells in the SAWS Study Area: SAWS and LBG-Guyton are working independently

Task 4 – Coordination with TCEQ (and RRCT): None (0%)

Task 5 – Develop Roadmap for Permitting Process: None (0%)

Task 6 – Manual for Permitting Process: None (0%)

Project Issues Encountered: None

Please let me know if you have any questions.

Sincerely,

Roger E. Schenk, Jr.
Principal Scientist
CDM Smith Inc.
Texas TBPE Firm Registration No. F-3043

cc: Bill Mullican, CDM Smith