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 March 2012 for Contract No.: 1004831106  
Class I - Class II Injection Well Permitting Roadmap Project

Dear Sanjeev:

This letter presents the March 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 March 1, 2012 through March 31, 2012: None

3. Total Services for this period: None

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


Recent Project Activities:

7. In March 2012, CDM Smith completed the delivery of the fully executed TWDB Contract 1004831106 for this project on March 28, 2012 and returned them to TWDB. On March 29, an internal CDM conference call meeting was held with Rodney Chapin, Bill Mullican, Tina Petersen, and me to begin project planning for this project.
No professional services were expended or billed to this project for this period in March 2012.

**Task Description and Work Accomplished in March 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