

**MINUTES OF THE OCTOBER 15, 2013
BOARD OF DIRECTORS MEETING NORTH PLAINS GROUNDWATER
CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session October 15, 2013, at 9:30 a.m. in the Conference Room of the Hampton Inn, 2010 South Dumas Avenue, Dumas, Texas 79029. The following persons were present:

Members Present:

Gene Born; President
Daniel L. Krienke, Director;
Bob Zimmer, Secretary; and,
Phil Haaland, Director.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Dale Hallmark, Assistant General Manager and Hydrologist;
Casey Tice, Compliance Coordinator;
Rebekah Purl, Public Relations Assistant;
Paul Sigle, Agricultural Engineer; and,
Odell Ward, GIS and Natural Resources Tech Lead.

Others present during part or all of the meeting:

Sabrina Leven;
Alan Bueber;
Ashley Handy;
C.C. Sysombath;
Louis Leven;
Scott Clawson;
Mark Howard;
Dee Vaughn;
Amy Haschke;
Steve Yoder;
F. Keith Good, District General Counsel; and,
Ellen Orr, Paralegal.

President Born declared a quorum present and called the meeting to order at 9:36 a.m.

Director Danny Krienke gave the invocation and President Born led the pledge.

President Born recessed the regular Board meeting at 9:39 a.m. to conduct formal Show Cause Hearing No. NPGCD 013-00 in re: Alan Bueber for failure to register a Well, or to obtain a Well Permit for a Well as required by District Rules 6 and 12.

At 10:12 a.m. President Born closed the formal Show Cause Hearing and the Board reconvened into regular session.

Bob Zimmer moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.071, to obtain legal advice from its attorney regarding pending compliance matters. Danny Krienke seconded the motion and the motion passed unanimously.

Executive Session: At 10:12 a.m., the Board went into Executive Session to seek legal advice from its attorney. At 10:37 p.m., Director Bob Zimmer moved that the Board

reconvene into regular session. Phil Haaland seconded the motion and the motion passed unanimously.

President Born asked if there were persons present who desired to make public comment. No public comment was made.

Danny Krienke moved to approve the items listed on the Consent Agenda, consisting of the approval of the Minutes of the Board of Directors Meeting of September 20, 2013; the approval of un-audited District expenses presented to the Board from September 1, 2013 through September 30, 2013, including the General Manager's Expense and Activity Report; and the approval of payment of professional services and out-of-pocket expenses to Lemon, Shearer, Phillips & Good, P.C. in the amount of \$6,511.04 for September 1, 2013, through September 30, 2013. Phil Haaland seconded the motion and the motion passed unanimously.

Bob Zimmer moved that the District assess a minimum civil penalty against Allen Bueber of \$50.00 per day from the date the pump was installed into the deteriorated Well, December 1, 2012 until the pump was removed and the Well was capped, September 24, 2013; require that Allen Bueber plug the deteriorated Well in accordance with District Rules on or before December 1, 2013; and to authorize the General Manager and the District's legal counsel to negotiate a standard Compromise Settlement Agreement with Mr. Bueber. Danny Krienke seconded the motion and the Board unanimously approved the motion.

Danny Krienke moved to table receiving report and considering action regarding developing proposed rules for public comment from the general manager's draft proposed rules on the Board's action Agenda until the November meeting of the Board. Bob Zimmer seconded the motion and the motion passed unanimously.

A Schedule of Well Permits was presented to the Board for its review. Bob Zimmer moved to remove HA-4757, and LI-5461 from the Schedule of Well Permits and to approve the remainder of the Schedule of Well Permits because the Wells are properly equipped and otherwise complies with District Rules. Phil Haaland seconded the motion and the motion passed unanimously.

| COUNTY | OWNER | WELL | METER LOCATION | CL. | MAX | QTR | SEC | BLK | SUR | YARDS | |
|------------|---------------------|---------|----------------|-----|------|-----|------|-----|-----------------|-------|------|
| | | | | | | | | | | N S | E W |
| DALLAM | SHANE ORMAN | DA-5328 | WELL | C | 800 | SW | 27 | 1 | B&B | 842S | 534W |
| DALLAM | G & G OPERATORS | DA-5416 | WELL | C | 800 | NW | 26 | 1 | CSS | 507N | 813W |
| DALLAM | PARKERLENE PILLANS | DA-5698 | WELL | B | 400 | NW | 393 | 1-T | T&NO | 446N | 439W |
| HARTLEY | CARGILL PORK | HA-4757 | WELL | C | 800 | SE | 3 | 5 | CSS | 766S | 506E |
| HARTLEY | FERRIS FARMS LTD | HA-5257 | PIVOT | C | 800 | NW | 95 | 48 | H&TC | 430N | 660W |
| HARTLEY | SCOTT NEFSTEAD | HA-5408 | WELL | B | 400 | SW | 104 | 48 | H&TC | 471S | 850W |
| HARTLEY | SCOTT MEEKS | HA-5679 | WELL | C | 800 | NW | 1 | 2 | ME COLE | 172 N | 10W |
| HANSFORD | S & S FARMS INC | HN-5230 | WELL | D | 1800 | NE | 165 | 45 | H&TC | 508N | 106E |
| HANSFORD | CATHERINE PATTERSON | HN-5413 | WELL | D | 1800 | SW | 7 | 1 | CIF | 433S | 102W |
| HANSFORD | CHAPCO INVESTMENTS | HN-5687 | WELL | B | 400 | NE | 100 | 2 | GH&H | 105N | 376E |
| HANSFORD | CHAPCO INVESTMENTS | HN-5688 | WELL | B | 400 | NE | 100 | 2 | GH&H | 105N | 633E |
| HANSFORD | BURGESS & PEARSON | HN-5858 | WELL | D | 1800 | SW | 120 | 4-T | T&NO | 122S | 666W |
| HUTCHINSON | LANCE GAILLARD | HU-4282 | WELL | D | 1800 | SE | 38 | 5-T | T&NO | 101S | 460E |
| HUTCHINSON | REX MCCLOY | HU-4494 | WELL | D | 1800 | SW | 2 | R-2 | D&PRR | 107S | 112W |
| HUTCHINSON | CUDD HOLDINGS LLC | HU-5183 | WELL | C | 800 | NE | 26 | 0 | ZC | 115N | 466E |
| HUTCHINSON | REX MCCLOY | HU-5783 | WELL | D | 1800 | NE | 137 | 5-T | COLLIER T&NO | 56N | 229E |
| HUTCHINSON | M T MCCLOY FARMS | HU-5784 | WELL | C | 800 | SW | 18 | B | DAY L&C | 408S | 675W |
| LIPSCOMB | ASHLEY SCHOENHALS | LI-6461 | WELL | D | 1800 | NW | 1131 | 43 | H&TC | 55N | 161W |
| MOORE | FARIA DAIRY | MO-4680 | WELL | C | 800 | NW | 20 | M-2 | | 316N | 265W |
| MOORE | SHANE ORMAN | MO-5615 | WELL | C | 800 | SE | 384 | 44 | H&TC | 111S | 435E |
| OCHILTREE | JOSH MCGARRAUGH | OC-5302 | WELL | D | 1800 | SE | 49 | R | AB&M | 111S | 458E |

| | | | | | | | | | | | |
|-----------|---|---------|------|---|------|----|------|-----|------|------|------|
| OCHILTREE | TREGELLAS FAMILY INVESTMENT PARTNERSHIP | OC-5404 | WELL | C | 800 | NW | 1087 | 43 | H&TC | 101N | 101W |
| OCHILTREE | GARRETT & WILLIAMS | OC-5628 | WELL | D | 1800 | NE | 43 | 4-T | T&NO | 519N | 24E |
| SHERMAN | STEFFANS ESTATE PARTNERSHIP | SH-5288 | WELL | D | 1800 | SW | 154 | 1-C | GH&H | 853N | 103W |
| SHERMAN | STEDJE BROS | SH-5396 | WELL | C | 800 | SW | 26 | 1-C | GH&H | 857S | 824W |

Bob Zimmer moved to table discussing and considering action regarding how the District may ensure protection and preservation of its groundwater resources quality related to disposal wells until the November meeting of the Board. Danny Krienke seconded the motion and the motion passed unanimously.

Steve Walthour presented the following report to the Board regarding the demonstration programs of the District:

200-12

The 2013 200-12 Demonstration Project is in full swing. As of October 3rd, Brent Clark has harvested his control and managed fields, and Joe Reinart has harvested his control field. The remaining cooperators are close to harvest.

EPIC

The Extension Agents are continuing to monitor their demonstration sites. All the corn cooperators should be harvesting in the next couple of weeks. The sorghum EPIC Demonstration site looks great and is close to harvest.

Upcoming presentations of 200-12 Project information include:

Dec. 3-5, Amarillo Farm and Ranch Show, Amarillo, TX

Jan. 28, 2014, Colorado Farm Show, Greeley Colorado.

Phil Haaland moved to table considering general manager's request to enter into an agreement with Texas A&M AgriLife Research for research titled: "Corn Yield Performance of Commercial Hybrids and Planting Densities" for 2014" until the November meeting of the Board in order for Texas AgriLife representatives to be present at the meeting. Danny Krienke seconded the motion and the motion passed unanimously.

Bob Zimmer moved to table receiving presentation and review the 2012-2013 Hydrology and Groundwater Resources Report until the November meeting of the Board. Phil Haaland seconded the motion and the motion passed unanimously.

The General Manager requested that the Board endorse the factual information about Proposition 6 distributed by the Texas Water Development Board. Danny Krienke moved that the District endorse and publish the factual information regarding Proposition 6 distributed by the Texas Water Development Board. Phil Haaland seconded the motion and the motion passed unanimously.

The General Manager stated that he had nothing further to report on compliance matters before the District.

Phil Haaland moved to table considering action to approve contract between the District and Lemon, Shearer, Phillips & Good, P.C. for legal services on the Board's action Agenda until the November meeting of the Board. Bob Zimmer seconded the motion and the motion passed unanimously.

The General Manager reported that he had not yet received the proposal related to district facilities on the Board's action Agenda.

Director, Phil Haaland mentioned that because of the increase of theft of copper electrical wire to irrigation systems in the area would it be prudent for the District and the Corn

Board to promote Legislation that would require a Driver's License to be tendered at the salvage yard in order to sell scrap iron.

Bob Zimmer moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.071, to obtain legal advice from its attorney. Phil Haaland seconded the motion and the motion passed unanimously.

Executive Session: At 11:24 a.m., the Board went into Executive Session to obtain legal advice from its attorney. At 12:20 p.m., Director Bob Zimmer moved that the Board reconvene into regular session. Phil Haaland seconded the motion and the motion passed unanimously.

The Board reconvened into regular session at 12:26 p.m.

District Directors reported to the Board regarding meetings and/or seminars attended, weather conditions and economic development in each Director's precinct.

No Committee reports were made.

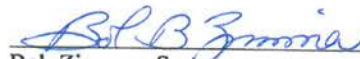
Steve Walthour presented the General Manager's Report, including information concerning upcoming meetings and conferences and the General Manager's activity summary.

Phil Haaland moved that the District prepare its required DFC Study itself with the assistance of Kyle Ingham. Danny Krienke seconded the motion and the motion passed unanimously.

By consensus, the Board set its next regular Board Meeting at 9:30 a.m. on November 12, 2013.

Phil Harland moved to adjourn the meeting. Bob Zimmer seconded the motion and the Board unanimously approved it. President Born declared the meeting adjourned at 12:40 p.m.


Gene Born, President


Bob Zimmer, Secretary