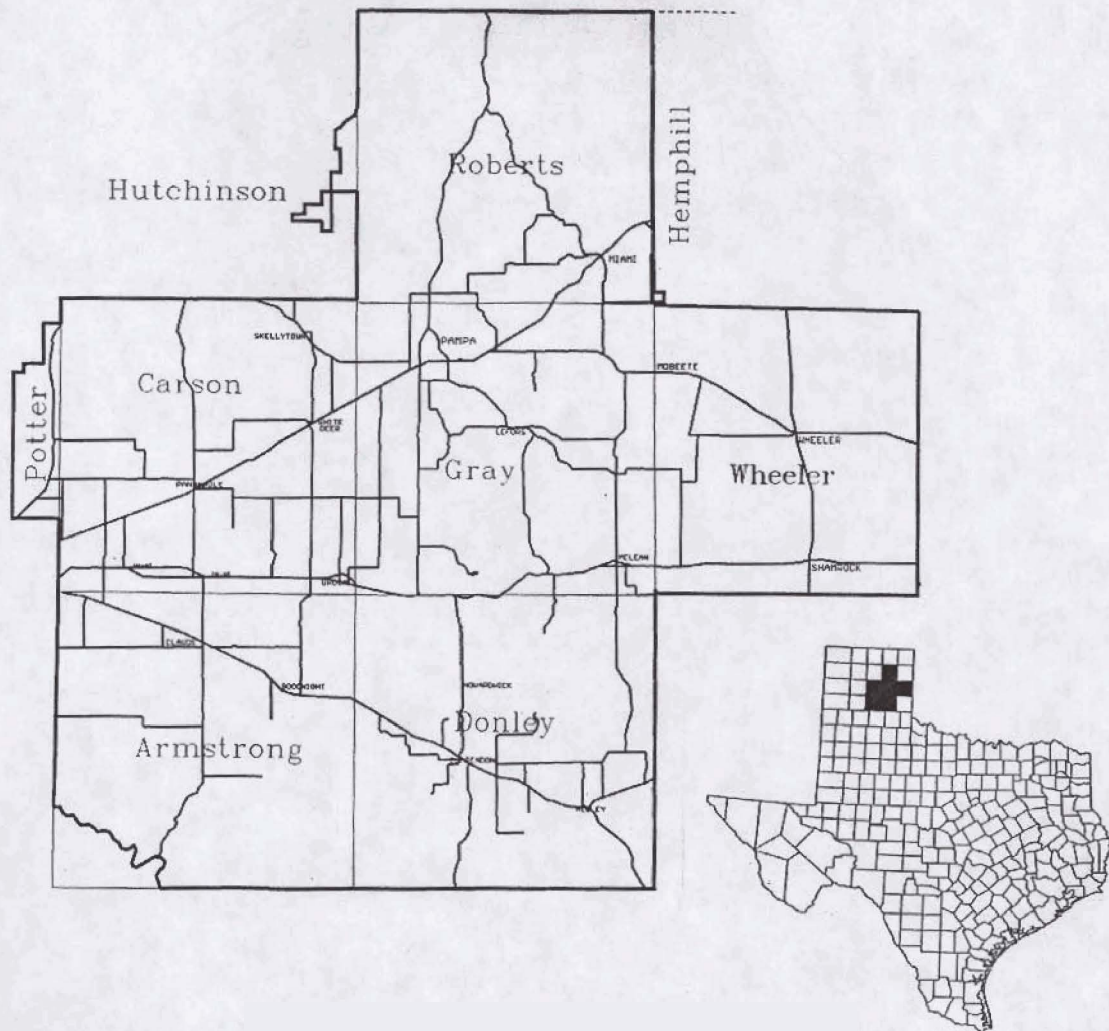


Panhandle Ground Water Conservation District No. 3



MANAGEMENT PLAN
Adopted July 8, 1998

**PANHANDLE GROUND WATER
CONSERVATION DISTRICT
MANAGEMENT PLAN**

Adopted July 8, 1998

TABLE OF CONTENTS

DISTRICT MISSION	4
TIME PERIOD FOR THIS PLAN	4
STATEMENT OF GUIDING PRINCIPLES	4
General Description	5
Location and Extent	5
Topography and Drainage	6
Ground Water Resources	6
Surface Water Resources	8
Groundwater Use	10
Projected Water Supplies	10
Projected Demands for Water	12
Potential Demand and Supply Issues and Solutions	14
GOALS, MANAGEMENT OBJECTIVES AND PERFORMANCE STANDARDS	16
Management of Groundwater Supplies	16
Actions, Procedures, Performance, and Avoidance, for Plan Implementation	18
Tracking progress in achieving goals and management objectives	19
Goal 1.0 Retain 50 % of current supplies, or saturated thickness, in 50 years (in 2048)	

Goal 2.0	Implement strategies that will provide the most efficient groundwater use	20
Goal 3.0	Implement strategies that will control and prevent groundwater waste or contamination	24
Goal 4.0	Implement strategies to address conjunctive surface water management issues	28
Goal 5.0	Implement strategies that will address natural resource issues	30
Goal 6.0	Improve operating efficiency and customer service	31
SB-1 MANAGEMENT GOALS DETERMINED NOT-APPLICABLE		33
Goal 7.0	Control and prevention of subsidence	33
SUMMARY DEFINITIONS		33

DISTRICT MISSION

The Panhandle Ground Water Conservation District will strive to develop, promote, and implement water conservation, augmentation, and management strategies, to protect water resources for the benefit of the citizens, economy, and environment of the District.

TIME PERIOD FOR THIS PLAN

This plan, which uses a ten-year planning horizon, becomes effective upon adoption by the Board of Directors, and remains in effect until a revised plan is certified, or September 1, 2008, whichever is earlier.

STATEMENT OF GUIDING PRINCIPLES

The District recognizes that the groundwater resources of the region are of vital importance. The preservation of this most valuable resource can be managed in a prudent and cost effective manner through conservation, education, regulation, and permitting. The District's overall management goal is to have 50% of current supplies, or saturated thickness, still available 50 years after the certification of this plan. A basic understanding of the aquifers and their hydrogeologic properties, as well as a quantization of the resources, is the foundation from which to build prudent planning measures. The Ogallala aquifer is a limited groundwater resource and must be conserved and preserved for future generations. This management document is intended as a tool to focus the thoughts and actions of those given the responsibility for the execution of District activities.

General Description

Panhandle Ground Water Conservation District (PGWCD) consists of Armstrong, Carson, Donley, Gray, Roberts, and Wheeler counties, along with parts of Hutchinson, Hemphill, and Potter counties. The District was created by legislature in 1955, where it began operating in portions of Gray, Carson, Potter, and Armstrong counties. Elections were held in 1988, 1991, 1994, and 1997 to annex the remaining portions of the present District boundaries. The current Board of Directors are John Spearman, President; Frank Simms, Vice President; Charles Bowers, Secretary; and Directors, Phillip Smith, Jerry Green, Jim Thompson, Robert A. Clark, and Danny Hardcastle. General Manager of the District is C.E. Williams.

Panhandle Ground Water Conservation District's areal extent is 5,409 square miles. The District's economy is dominated by agricultural and petrochemical production. The agricultural income is derived primarily from beef cattle production, wheat, corn, milo, peanuts, soybeans, sunflowers, and cotton. The production of petroleum also contributes to the income of the District. There is, also, substantial chemical, manufacturing, and nuclear weapons industries in the District.

Location and Extent

The Panhandle Ground Water Conservation District has an area of 3.5 million acres and is located in the panhandle region of Texas, extending from just east of Amarillo to the Oklahoma border. It is primarily bordered to the north by the Canadian River, and to the south by the Salt Fork of the Red River.

Topography and Drainage

Basically, the area consists of flat plains that contain numerous playa basins. This area is used primarily for crop production. There are also substantial rolling plains that are used for cattle production and oil and gas activities. The altitude of the land surface ranges from 2100 feet to 3600 feet above mean sea level.

The District lies within, and between, the drainage systems of both the Canadian River Basin and the Red River Basin.

Ground Water Resources

Within the District, the Ogallala aquifer is almost exclusively found in sediment of the Ogallala formation, which is Pleistocene in age. The Ogallala aquifer, the primary source of groundwater, yields water from the unconsolidated sands, clay, and silt of the Ogallala Formation. Inside the District boundaries, there are over 4,200 irrigation wells capable of producing water from the aquifer to meet the needs of the agricultural community. The District has 94 municipal wells, 63 industrial wells, and numerous non-permitted domestic and stock wells, to meet the needs of public water supply, domestic, industrial, and oil and gas secondary recovery (water flood) operations. Primary sources of water in the Ogallala aquifer are infiltration of water from playa lakes and infiltration of precipitation. The recharge rates of the aquifer in this area are low, due to high evaporation rates and a low infiltration rate. The recharge of the Ogallala aquifer is not sufficient to meet the water needs in this region, thus the saturated thickness of the aquifer is declining regionally. Generally, District wide, groundwater movement is to the northeast, away from

groundwater highs and towards the surface drainage system, or groundwater lows, that have developed as a result of production in large well fields.

In addition to the Ogallala aquifer, the District contains two minor aquifers. The Seymour aquifer provides some water in the southeast portion of Wheeler County. The Seymour aquifer consists of isolated areas of alluvium, composed of poorly sorted gravel, conglomerate, sand, and silty clay. The Seymour aquifer is found in the sediment of the Seymour Formation, which was deposited in the Quaternary Period. There have been no significant declines in the Seymour aquifer, but the water quality of the aquifer has been degraded, due to overdrafts and past oilfield activities.

The Blaine aquifer, which is Permian in age, is a minor aquifer located in the southern portion of Wheeler County. The aquifer is contained in the Blaine Formation, which consists of solution channels formed by dissolving deposits of anhydrite and halite. Due to these dissolving salts within the formation, the Blaine aquifer is used mainly for agricultural purposes.

Currently, the analysis of groundwater resources is based on historical data and using available datasets to generate digital descriptions of the aquifers, as well as TWDB published estimates of recharge and availability rates. The data sets describe saturated thickness and yield, which, in turn, indicates the amount of water in storage. Recharge effects in the District, if any, have not been measurable, with the equipment available. Any recharge that may occur appears to be localized. Additional data and analysis will be required before accurate recharge estimates are available for use in groundwater supply calculations. Recharge has been considered insignificant, in the District's estimates. According to the Ground Water Availability study (TWDB Report #341, 1993), the Ogallala aquifer has an estimated annual recharge of 0.01 acre-feet, per acre, per year, the Seymour aquifer estimated annual recharge is 0.059 acre-feet, per acre, per year, and the Blaine

aquifer estimated annual recharge is 0.037 acre-feet, per acre, per year (TWDB Report # 341, 1993). In 1990, the portion of the Ogallala aquifer contained within the District had an estimated 69,540,000 acre-feet of recoverable water in storage (TWDB Report #341, 1993). The estimated recoverable water in storage for the Seymour and Blaine aquifers, within Donley and Wheeler counties, derived from the Groundwater Availability study (TWDB Report #341, 1993), are 5,523 acre-feet and 7,130 acre-feet, respectively.

Surface Water Resources of Panhandle Ground Water Conservation District

There are two major surface impoundments, Lake Meredith and Lake Greenbelt, used to supply water to cities inside and outside of the District. There are also numerous other small impoundments used for livestock consumption, agricultural purposes, and environmental needs.

Lake Meredith is located in parts of Hutchinson, Moore, and Potter counties, and is operated by the Canadian River Municipal Water Authority (CRMWA) as a municipal and industrial water supply for eleven member cities of the Authority. The lake is owned by the United States Bureau of Reclamation and is operated as a National Recreation Area by the National Park Service. Water rights to impound water in the lake (up to 500,000 acre-feet may be held in conservation storage), and to divert water from it for municipal and industrial uses, are held by the Authority under certificates of adjudication issued by the State of Texas. Lake Meredith provides a supplemental supply for most of the cities which receive its water, with other water being obtained from the High Plains Aquifer to complete the cities' needs. Water from the lake is blended with local ground water, by several cities. Other cities use the Lake water to supply their base demand, and rely upon their groundwater supplies to meet their peak demands. The city of Pampa, which is within the

boundaries of the District, follows the latter procedure. Calculated annual firm yield of Lake Meredith is 76,000 acre-feet, although permits originally granted to the Authority were for greater amounts. Therefore, for planning calculations, it will be assumed to supply an average of 76,000 acre-feet per year (CRMWA, 1997), including during drought conditions, throughout the planning period to the year 2050. The Authority has a contract to provide 7.163 percent of the normal water supply from Lake Meredith to Pampa. CRMWA allocated 5,902.3 acre-feet of the Lake Meredith supply to Pampa, for calendar year 1997. Data was obtained from the Canadian River Municipal Water Authority and verified with the 1997 State Water Plan information from the Texas Water Development Board.

The second surface impoundment is Greenbelt Lake, located in Donley County. Greenbelt Municipal & Industrial Water Authority (Greenbelt) is the proprietor and operator of Greenbelt Lake. The possible annual supply from this impoundment is 9,400 acre-feet; however, the 1996 yield was 4,525 acre-feet (Greenbelt, 1997). Therefore, for planning calculations, it will be assumed to supply an average of 4,525 acre-feet per year, including during drought conditions, throughout the planning period to the year 2050. The Authority provided 488 acre-feet of the supply to Clarendon, and 91 acre-feet of the supply to Hedley, for calendar year 1996.

Groundwater Use in the Panhandle Ground Water Conservation District

During the past five years, annual Ogallala groundwater usage in the District has varied from a high of 217,943 acre-feet to a low of 137,279 acre-feet with an average of 168,555 acre-feet.

Annual usage for the past five years is as follows:

Year	Ogallala Usage (acre-feet)
1991	217,943
1992	201,056
1993	137,616
1994	137,279
1995	148,882
<i>average</i>	<i>168,555</i>

Table 1. District Ogallala Usage 1991-95.

Data was obtained from the Texas Water Development Board's summary of historical usage of municipal and manufacturing water use, estimated irrigation water use, and other sources available to the District.

Projected Water Supplies of Panhandle Ground Water Conservation District

The District management goal is to have at least 50% of the currently available ground water, estimated to be in current storage in the aquifer, be available in the year 2050. This will be accomplished by managing the groundwater usage within the District boundaries. Furthermore, District Rules should mandate that the rate of decline within any monitoring sub-region (defined by rule and mapped as 3 mile by 3 mile areas) should not exceed a linear projection of the maximum

allowable decline for any two consecutive years. However, the Board reserves the right to adjust the allowable withdrawals or percentage of the aquifer remaining, if the need arises. The future groundwater usage in the Ogallala aquifer, for the next 50 years, had to be estimated by the District. The estimate was determined by taking 34,770,000 acre-feet, which is 50% of the 69,540,000 acre-feet currently available Ogallala groundwater in storage, and dividing it by 208,555 acre-feet, which was derived by taking the average of the groundwater usage from the past five years (168,555 acre-feet) and adding 40,000 acre-feet to accommodate for CRMWA's permit to withdraw 40,000 acre-feet/year of groundwater from Roberts county:

$$34,770,000 \text{ acre-feet} / 208,555 \text{ acre-feet/year} = 167 \text{ years}$$

Based upon District estimate, the Ogallala aquifer could sustain an annual production rate of 208,555 acre-feet/year for approximately the next 160 years, on a District wide basis. While this estimation shows adequate availabilities on a District-wide basis, there will be many areas that will have local shortages. Although, data has yet to be developed to precisely describe the aquifer, the goal to maintain 50 percent of current recoverable volume in storage to the year 2050 applies to local areas of the District, as well as to the District as a whole.

Projected Demands for Water in the Panhandle Ground Water Conservation District

The TWDB has projected that the total water demands for the District will be 265,760 acre-feet, by the year 2050. The table below has the TWDB projections for each county in the District, as published in the TWDB planning document, "Water for Texas Today and Tomorrow, 1997". The projected water use figure chosen was the most-likely scenario, based on the 1996 State Water Plan Consensus, with the inclusion of the 40,000 acre-feet permitted to the Canadian River Municipal Water Authority by the District added to Roberts County's projections. Each projection takes into account population growth, rainfall, conservation measures, and water use from municipalities, irrigation, manufacturing, steam electric power cooling, mining, and livestock.

County	1990 Total Water	2050 Total Projected
Armstrong	17,609	16,764
Carson	151,104	153,945
Donley	13,784	9,263
Gray	35,825	36,448
Roberts	5,062	44,391
Wheeler	5,238	4,706
Portion of Potter	220	224
Portion of Hutchinson	17	19
<i>Total</i>	<i>228,859</i>	<i>265,760</i>

Table 2. Total District Water Usage in 1990 and 2050 Projected.

District-wide groundwater demands in the year 2050 are projected to be as follows:

Groundwater Demand	Ogallala Usage in 2050 (acre-feet)	Blaine* Usage in 2050 (acre-feet)	Seymour* Usage in 2050 (acre-feet)	Total Usage in 2050 (acre-feet)
agricultural	198,959	713	748	200,420
municipal	50,608	----	----	50,608
mining	2,456	----	----	2,456
domestic	4,377	----	----	4,377
stock	1,554	----	238	1,792
manufacturing	6,107	----	----	6,107
<i>total</i>	<i>264,061</i>	<i>713</i>	<i>986</i>	<i>265,760</i>

* only utilized in Wheeler County

Table 3. Projected District Groundwater Usage in 2050.

Potential Demand and Supply Issues and Solutions

Based on supply and demand calculations and projections, it is obvious that problems will arise when demands exceed supplies. The projected supply and demand totals within the District are as follows:

Projected Supplies	Year 2050 (acre-feet)
Groundwater from the Ogallala aquifer ^a	237,914
Groundwater from the Seymour aquifer ^b	986
Groundwater from the Blaine aquifer ^c	713
Surface Water from Lake Meredith (Pampa) ^d	2,550*
Surface Water from Lake Greenbelt ^e	389
Misc. Surface Water Supply ^f	7,450
Total Projected Supply ^g (sum of a-f)	210,002
Total Projected Demand ^h (from table 2.)	265760
Excess (Shortage) ^(g minus h)	(-15,758)

* CRMWA, 1998

Table 4. Projected Shortages in 2050.

The projected supply and demand information came from the 1997 Water for Texas-Today and Tomorrow Plan, which determined the most likely set of conditions for each county, plus the addition of the 40,000 acre-feet permit, which was reported as surface water in the aforementioned report. However, the District believes that these numbers are designed for state wide planning. The methodology is not accurate on a local basis. The water shortage shown above indicates that pumping would be curtailed, since water production would not be economically feasible. However,

it does not seem to take into account the return of some irrigated acreage to dryland production. The District further believes that the shortage is over stated, by as much as 50%. Shortages will most likely be in the localized agricultural areas of Armstrong, Carson, and Potter counties. Some agricultural areas have already experienced shortages, in places where the economics of pumping groundwater are not feasible, and have ceased pumping. However, the majority of the shortages will occur beyond the effective date of this plan, in most regions of the District. The supplies available from surface and groundwater seem to be sufficient to meet the needs of most of the agricultural communities, during this planning period. One goal of the District is to gather more accurate information on irrigation pumpage and will include the additional information, when this plan is revised.

The District is currently involved in a program that will provide individual water assessments for the cities of Claude, Groom, Lefors, McLean, Miami, Mobeetie, Panhandle, Shamrock, Skellytown, Wheeler, and White Deer. Based on preliminary studies of the water assessments, Lefors, McLean, Shamrock, Skellytown, and Wheeler may experience a shortage of drinking water within the next 30 years. These assessments will analyze the needs of each city, and will encourage those cities who have shortfalls to develop either additional surface water supplies or purchase additional groundwater rights.

GOALS, MANAGEMENT OBJECTIVES AND PERFORMANCE STANDARDS

Management of Groundwater Supplies

For forty years, the District has managed, and will continue to manage, the supply of groundwater within the District, in order to conserve and preserve the limited resource while seeking to maintain the economic viability of all resource user groups, public and private. In consideration of the economic and cultural activities occurring within the District, the District will continue to identify and engage in such activities and practices that, if implemented, would result in a reduction of groundwater use. The observation network will continue to be reviewed and maintained, in order to monitor changing storage conditions of groundwater supplies within the District. The District will make a regular assessment of water supply and groundwater storage conditions and will report those conditions to the Board, and to the public. The District will continue to undertake as necessary, and co-operate with, investigations of the groundwater resources within the District, and will make the results of investigations available to the public, upon adoption by the Board.

The District has, or will amend as necessary, rules to regulate groundwater withdrawals by means of spacing, depletion, and production limits. The relevant factors to be considered, in making the determination to grant a permit or limit groundwater withdrawals, will include:

1. The purpose of the District and its' rules;
2. The equitable conservation and preservation of the resource; and
3. The economic hardship resulting from granting or denying a permit, or the terms prescribed by the rules.

In pursuit of the District's mission of preserving and protecting the resource, the District may require reduction of groundwater withdrawals to amounts which will lessen adverse affects to the aquifer. To achieve this purpose, the District may, at the Board's discretion, amend any permits after notice and hearing. The District's determination to seek a permit amendment will be based on current and projected aquifer conditions observed by the District. The District will enforce the terms and conditions of permits and the rules of the District, by enjoining the permit holder in a court of competent jurisdiction, as provided for in TWC 36.102, if necessary.

A contingency plan to cope with the effects of water supply deficits, due to climatic or other conditions, will be developed by the District and will be adopted by the Board, after notice and hearing. In developing the contingency plan, the District will consider the economic effect of conservation measures upon all water resource user groups, the local implications of the degree and effect of changes in water storage conditions, the unique hydrogeologic conditions of the aquifers within the District, and the appropriate conditions under which to implement the contingency plan.

The District will employ all technical resources at its disposal, to evaluate the resources available within the District and to determine the effectiveness of regulatory or conservation measures. A public, or private, user may appeal to the Board for discretion in enforcement of the provisions of the water supply deficit contingency plan, on grounds of adverse economic hardship or unique local conditions. The exercise of said discretion by the Board shall not be construed as limiting the power of the Board.

Actions, Procedures, Performance, and Avoidance, for Plan Implementation

The District will implement the provisions of this plan, and will utilize the provisions of this plan, as a guidepost for determining the direction or priority for all District activities. All operations of the District, all agreements entered into by the District, and any additional planning efforts in which the District may participate, will be consistent with the provisions of this plan.

The District has adopted, and will amend as necessary, rules relating to the permitting of wells, depletion, and the production of groundwater. The rules adopted by the District shall be pursuant to Texas Water Code, Chapter 36, and the provisions of this plan. All rules will be adhered to and enforced. The promulgation and enforcement of the rules will be based on the best technical evidence available.

The District shall treat all citizens with equality. Citizens may apply to the District for discretion in enforcement of the rules, on grounds of adverse economic effect or unique local characteristics. In granting of discretion to any rule, the Board shall consider the potential for adverse effect on adjacent owners and aquifer conditions. The exercise of said discretion, by the Board, shall not be construed as limiting the power of the Board.

The District will seek cooperation in the implementation of this plan and the management of groundwater supplies within the District. All activities of the District will be undertaken in cooperation and coordination with local owners and the appropriate state, regional, or local water management entities.

Tracking progress in achieving goals and management objectives.

The methodology that the District will use to trace its' progress on an annual basis, in achieving all of its' management goals, will be as follows:

The planned tasks and activities related to each Goal and its' management objectives will be recorded in a project management software program. The accomplishment of each task will be recorded in the project management program. The program's reports will be used to provide information for an annual status report. The status of each management objective will be reported in the annual report to the Board. Implementation of this system is included in Goal 6, Management Objective 6.1.

The District manager will prepare and present an annual report to the Board of Directors, on District performance, in regards to achieving management goals and objectives, during the last monthly Board of Directors meeting each calendar year, beginning December, 1999. The report will include the number of instances each activity was engaged in during the year, referenced to the expenditure of staff time and budget, so that the effectiveness and efficiency of each activity may be evaluated.

The annual report will be maintained on file at the District office.

Goal 1.0 Retain 50 % of current supplies, or saturated thickness, in 50 years (in 2048).

Management Objective 1.1

The District will develop a system of measurement and evaluation of current supplies, by July 1, 1999.

Actions and Procedures

1. Determine a baseline groundwater volume in the District.
2. Develop a measurement and tracking system.

Performance Standards

1. A baseline volume and saturated thickness, for the District, will be determined, by July 1, 1999.
2. A tracking mechanism, for use by the District, will be developed, by July 1, 1999.

Management Objective 1.2

Develop a groundwater modeling capability for the District.

Actions and Procedures

1. Evaluate available methods for estimating recharge, discharge, flow, and storage.
2. Select, purchase, and train operators for the selected system.
3. Implement the selected system.

Performance Standards

1. Complete evaluation, by August 1, 2000.
2. Implement system, by November 1, 2000.

Goal 2.0 Implement strategies that will provide the most efficient groundwater use.

Management Objective 2.1

Encourage efficient groundwater use, by continuing a program of annual groundwater static level measurement and reporting.

Actions and Procedures

1. Measure water levels of the wells completed in the Ogallala aquifer, within the District's optimal water level network.
2. Establish an optimal water level measurement network for Wheeler County.
3. Generate annual depletion maps from the water level measurements.

Performance Standard

1. Establish a water level measurement network for Wheeler County, by November 1, 1998.
2. Measure 90% of the wells in the optimal water level network annually, by March 1.
3. Record the water level measurement data annually, by March 30.
4. Publish an annual depletion map, by June 1.
5. Obtain IRS approval of the annual depletion map, by December 30.

Management Objective 2.2

Encourage efficient groundwater use, by increasing the use of LEPA, low pressure, and other efficient sprinkler systems, which will decrease the use of, less efficient, row irrigation. This will be accomplished by increasing the use of the District's Agricultural Water Conservation Equipment Loan Program, as long as Texas Water Development Board funds are available.

Actions and Procedures

1. Increase awareness of the loan program by publicity releases in local newspapers and the District's newsletter, the *Panhandle Water News (PWN)*.
2. Provide timely response to loan applicants.

Performance Standard

1. Include a reminder about the loan program in each quarterly issue of *PWN*, as long as funds are available.
2. Provide an article about the loan program to all local newspapers, annually.
3. Process all loan applications, within 30 days.
4. Provide approximately eight agriculture loans per year.

Management Objective 2.3

Encourage efficient groundwater use, by disseminating educational information regarding the current conservation practices, for efficient use of water resources.

Performance Standard

1. Publish *Panhandle Water News (PWN)* quarterly.
2. Distribute at least one handout per year, encouraging efficient irrigation practices, to irrigation farmers within the District..
3. Conduct an annual field demonstration of efficient irrigation practices, starting in calendar year 1999.

Management Objective 2.4

Encourage efficient groundwater use, by maintaining local control and the private ownership of groundwater rights.

Actions and Procedures

1. Maintain active membership and participation in the Texas Alliance of Groundwater Districts (TAGD), Texas Water Conservation Association (TWCA), and Groundwater Management Districts Association (GMDA).
2. Monitor literature, Texas Register, Federal Register, legislative notices, TAGD, TWCA, and GMDA, via Internet and written publications, for groundwater proposals affecting private property rights, each week.
3. Attend legislative hearings and give testimony on groundwater issues that might potentially affect private property rights of groundwater users.
4. Monitor, review, and make comments, as appropriate, on rules, regulations, and programs initiated by TNRCC and TWDB, which concern groundwater use.

Performance Standard

1. Annually, attend and participate in, 80% of TAGD, TWCA, and GMDA meetings and functions.
2. Accomplish all weekly reviews.
3. Annually, attend, monitor, and give testimony, as appropriate, on pertinent legislative issues affecting groundwater usage and private ownership of groundwater.

4. Annually, attend, monitor, and make comment, as appropriate, on rules, regulations, programs, and orders issued by TNRCC and TWDB.

Goal 3.0 Implement strategies that will control and prevent groundwater waste or contamination.

Management Objective 3.1

Each year, take positive and prompt action to identify all reported wasteful* practices within the District.

Actions and Procedures

1. Record each complaint or notice received, or discovered.
2. Report each complaint to the landowner and /or operator.
3. Resolve the complaint and note the corrective action taken.
4. Report resolution of each complaint to the landowner/operator, and to the Board.

Performance Standard:

1. All notices or complaints will be investigated and reported to the landowner/operator, within 2 working days.
2. All complaints and resolutions will be reported to the Board, at their next meeting.

Management Objective 3.2

Prevent waste, by implementing PGWCD Rule 15 - “Depletion”.

Actions and Procedures

1. Adopt a District acceptable decline rate.
2. Review the acceptable decline rate each five years.
3. Reviews of acceptable decline rate as required by Landowner Petition, if petitioned.
4. Establish Depletion Study Areas and Strategic Conservation Depletion Areas, as needed.
5. Adopt production limits, drilling moratoriums, and install flow meters, as required.

Performance Standard

1. The Board will establish an acceptable decline rate for the District, by January 1, 1999.
2. Complete five-year review, by July 1, 2003.
3. Review all public comments to petition or rule within sixty days of receipt of petition.
4. As long as needed, review and revise the acceptable decline rate, as approved by the Board, by January 1, 2004.
5. Determine permitted water pumping volume, within sixty days of establishing SCDA.
6. Verify installation of required flow meters, within sixty days of establishing SCDA.

Management Objective 3.3

Control and prevent the contamination of groundwater, by continuing our program of groundwater quality monitoring.

Actions and Procedures

1. Establish an optimal water quality network for Wheeler County.

2. Annually, collect samples from the District's baseline water quality well network.

Performance Standards

1. Establish a water quality well network for Wheeler County aquifers, by November 1, 1998.
2. Sample 80% of the wells in the optimal water level network annually, by August 31.
3. Record all water quality measurement data, within thirty days of sampling, annually.
4. Provide the water quality data to the Texas Water Development Board, and the public, annually, within sixty days of sampling.

Management Objective 3.4

Continue, and expand if necessary, the groundwater conservation educational programs, within the District.

Actions and Procedures

1. Present water conservation and education literature to schools.
2. Sponsor student attendance at water educational programs.
3. Establish a District Internet information page.

Performance Standards

1. Annually, make twelve elementary school presentations.
2. Annually, sponsor one primary or secondary student to a water camp, by calendar year 2000.
3. Publish the District's water level monitoring data on the District web page, by December 31, 1999.
4. Publish the District's Rules and the Management Plan on the District web page, by December 31, 1999.
5. Publish water quality data on the District web page, by December 31, 1999.

Management Objective 3.5

Initiate a program to identify and close abandoned wells.

Actions and Procedures

1. Identify, review, and obtain historical records, and other information sources.
2. Record locations of abandoned wells, on GIS system.
3. Report open, unplugged, or abandoned oil & gas wells to the Texas Railroad Commission.
4. Enforce the District's plugging rules, deadlines, and standards, for abandoned wells.
5. Report unplugged, abandoned, water wells to the well owners and Board of Directors.

Performance Standard:

1. Complete the abandoned well survey of Wheeler County, by December 31, 2000.
2. Complete a survey of one county each subsequent calendar year.
3. Identified unplugged, open, or abandoned water wells will be reported to the well owners and Board of Directors, and abandoned oil and gas wells will be reported to the Railroad Commission, within 30 days.
4. Well plugging actions meet current state standards (Water Well Drillers Standards).

Goal 4.0 Implement strategies to address conjunctive surface water management issues.

Management Objective 4.1

Annually, coordinate emergency response/drought contingency planning with surface-water entities.

Actions and Procedures

1. Attend and participate in annual response/planning meetings:
 - a. Panhandle Water Planning Group;
 - b. Canadian River Municipal Water Authority;
 - c. Greenbelt Municipal & Industrial Water Authority.
2. Provide input for the Regional Drought Management Response Plan.
3. Develop the definitions of conditions that trigger implementation of the drought management plan.
4. Prepare groundwater impact statements and assessments, as needed.

Performance Standard:

1. Provide requested input to Regional Drought Management Response Plan, by January 1, 2000.
2. An impact assessment, quantifying the forecasted quantity of groundwater and the effect on available groundwater supplies, will be prepared within sixty days of the annual planning meeting.
3. Assist in development of drought condition trigger mechanisms, by January 1, 2000.
4. The initial planning and assessments will be completed, by November 1, 2000.

Management Objective 4.2

Evaluate the impact of surface-water use on groundwater resources, within the District.

Actions and Procedures

1. Provide any requested comments on surface-water rights requests affecting the groundwater resources of the District.
2. Establish initial coordination with surface-water entities on conjunctive use issues, in regards to regional planning efforts, and then every five years thereafter.

Performance Standard:

1. Provide any requested comments to the surface water entities, within 60 days of receipt of their request.
2. The initial coordination will be completed, by January 1, 2000.

3. The subsequent coordination will be completed, by January 1, 2004, and every 5 years afterward.

Goal 5.0 Implement strategies that will address natural resource issues which impact the use and availability of groundwater, and which are impacted by the use of groundwater.

Management objective 5.1

Annually monitor and report on the impacts of U.S. Fish and Wildlife listing of the Arkansas River Shiner on local groundwater resources.

Actions and Procedures

1. Monitor literature, Texas Register, Federal Register, legislative notices, other districts, the TAGD, TWCA, GMDA, and other interested parties, via Internet and publications, for proposals and measures regarding the Arkansas River Shiner.
2. Prepare an annual assessment statement.

Performance Standard

Annually, an assessment report statement will be included in the District's Annual Report.

Management Objective 5.2

Monitor the possible impacts of groundwater pumping on White Deer Creek.

Actions and Procedures

1. Check annual decline maps, for decline in water levels near White Deer Creek headwaters.

2. Record reports of flow, in White Deer Creek.
3. Compare flow reports to decline maps.
4. Prepare an annual assessment statement.

Performance Standard

Annually, an assessment report statement will be included in the District's Annual Report.

Goal 6.0 Improve operating efficiency and customer service.

Management Objective 6.1

Each year reduce selected water measurement and sampling costs, per well.

Actions and Procedures

1. Determine average costs, per well, of the water level measurement program.
2. Determine total cost of the water level measurement program.
3. Document individual well water quality testing results.
4. Determine total cost of the water quality testing program.
5. Establish a project management and scheduling system.

Performance Standard

1. Establish the well measurement program baseline cost, by May 1, 1999.
2. Reduce the average measurement cost by 1% per well, by December 31, 2001.
3. Establish the water quality measurement program baseline cost, by December 31, 1999.

4. Annually, maintain water quality sample costs under \$50 per sample.
5. Establish and implement the project management and scheduling program, by December 1, 1999.

Management Objective 6.2

Continue to provide timely response to customer assistance requests.

Actions and Procedures

1. Provide pump flow tests.
2. Provide efficiency evaluations of pumping plants and sprinkler systems.
3. Process well drilling permit requests.
4. Review and revise District Rules, as necessary, to incorporate revisions required by new legislation.

Performance Standard

1. Pump flow tests provided within 24 hours of the request, or the landowners requested date.
2. Manager action on well drilling permits taken, and permit returned to customer, within five working days of receipt.
3. Efficiency evaluations returned to customer, within three working days of request.
4. Review and revise the District Rules, annually, if needed.

SB-1 MANAGEMENT GOALS DETERMINED NOT-APPLICABLE

Goal 7.0 Control and prevention of subsidence.

The rigid geologic framework of the region precludes significant subsidence, due to groundwater pumping, from occurring.

***SUMMARY DEFINITIONS**

“Optimal” - Shall be derived from the minimum number of observations determined by spatial, temporal, and District resource constraints, to adequately describe the aquifer system and responses to external influences.

“Annually” - Shall mean the fiscal year, October 1 through September 30.

“Waste” - as defined by Chapter 36 of Texas Water Code, means any one or more of the following:

1. Withdrawal of groundwater, from a groundwater reservoir, at a rate and in an amount that causes or threatens to cause intrusion into the reservoir of water unsuitable for agricultural, gardening, domestic, or stock raising purposes;
2. The flowing or producing of wells from a groundwater reservoir, if the water produced is not used for a beneficial purpose;
3. Escape of groundwater from a groundwater reservoir to any other reservoir or geologic strata that does not contain groundwater;
4. Pollution or harmful alteration of groundwater, in a groundwater reservoir, by salt water or by other deleterious matter admitted from another stratum, or from the surface of the ground;

5. Willfully or negligently causing, suffering, or allowing, groundwater to escape into any river, creek, natural watercourse, depression, lake, reservoir, drain, sewer, street, highway, road, or road ditch, or onto any land other than that of the owner of the well, unless such discharge is authorized by permit, rule, or order issued by the Commission, under Chapter 26 of the Texas Water Code;
6. Groundwater pumped for irrigation that escapes as irrigation tailwater 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.

“Abandoned Well” - shall mean a well or borehole the condition of which is causing, or is likely to cause, pollution of groundwater in the District and includes a well which is not in use or which contains no pumping equipment (open or uncovered well). A well or borehole which is not in compliance with applicable law, including the Rules and Regulations of the District, the Texas Water Well Driller’s Act, Texas Natural Resource Conservation Commission, or any other state or federal agency or political subdivision having jurisdiction, if presumed to be an abandoned or deteriorated well.

“District” - the Panhandle Ground Water Conservation District.

“Board” - the Board of Directors of the Panhandle Ground Water Conservation District.

“TWDB” - Texas Water Development Board.

“TNRCC” - Texas Natural Resource Conservation Commission.

“TWCA” - Texas Water Conservation Association

“GMDA” - Groundwater Management Districts Association

“Owner” - shall mean and include any person that has the right to produce water from the land either by ownership, contract, lease, easement, or any other estate in the land.

**Panhandle Ground Water
Conservation District #3**

P.O. Box 637
White Deer, Texas 79097

**Management Plan
1998 - 2008**

WHEREAS, the Panhandle Ground Water Conservation District #3 (District) was created by Acts of the 51st Legislature (Texas Civil Statutes, Chapter 3A, Title 128, Article 7880-3c), as amended; and

WHEREAS, the District is required by SB1 through Chapter 36.1071 of the Texas Water Code, to develop and adopt a new Management Plan; and

WHEREAS, the District is required by SB1 to submit the adopted Management Plan to the Executive Administrator of the Texas Water Development Board for review and certification by September 1, 1998; and

WHEREAS, the District's new Management Plan shall be certified by the Executive Administrator, if the plan is administratively complete; and

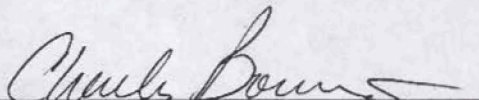
WHEREAS, the District Board of Directors, after reviewing the existing Management Plan, has determined that this plan should be replaced with a new 10 year Management Plan; and

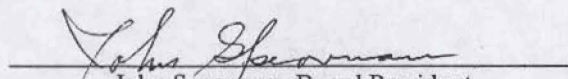
WHEREAS, the District Board of Directors has determined that the new 10 year Management Plan addresses the requirements of Texas Water Code, Chapter 36.1071,

NOW, THEREFORE, be it resolved, that the Board of Directors of the Panhandle Ground Water Conservation District #3, following notice and hearing, hereby adopts this new 10 year Management Plan to replace the existing Management Plan; and

FURTHER, be it resolved, that this new Management Plan shall become effective immediately upon adoption.

Adopted this 8th day of July, 1998, by the Board of Directors of the Panhandle Ground Water Conservation District # 3.


Charles Bowers, Board Secretary

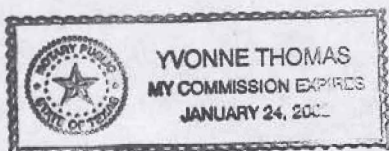

John Spearman, Board President


March 16, 1998

\\Edwards\data\WPDOCS\RULES\Mpln-res.wpd

STATE OF TEXAS
COUNTY OF CARSON

I hereby certify that the above is a true copy of the Management Plan Resolution, adopted by the Board of Directors on July 8, 1998.




Yvonne Thomas, Notary Public
My commission expires 1/24/02

Panhandle Ground Water Conservation District No. 3

John Spearman, President
Frank Simms, Vice-President
Charles Bowers, Secretary
Phillip Smith, Director
Jerry Green, Director
Jim Thompson, Director
Robert A. Clark, Director
Danny Hardcastle, Director
C. E. Williams, Manager

P.O. Box 637 • White Deer, Texas 79097 • Ph. 806/883-2501 • Fax 883-2162

LEGAL NOTICE

The Panhandle Ground Water Conservation District No. 3, in compliance with Chapter 36 of the Texas Water Code, will receive public comment on the proposed District Management Plan and revision of the Rules of the Panhandle Ground Water Conservation District, at a special meeting of the Board of Directors on **Wednesday, March 18, 1998, at 1:30 p.m., in the Panhandle Ground Water District Office, 201 West 3rd St., White Deer, Texas.** The following is a brief outline of the most notable changes.

MANAGEMENT PLAN, as required by §36.1071, Texas Water Code:

The overall management goal is to have at least 50% of current water supplies still available after fifty (50) years.

DISTRICT RULES, re-systematization of current rules:

1. District-wide well registration, which will require the registration of all non-permitted wells;
2. The implementation of an aquifer depletion rule, which will require the study, and possible regulation, of all wells depleting the aquifer faster than the acceptable decline rate set by the Board;
3. The addition of a larger well classification, to the current minimum spacing rule;
4. A comprehensive revision of the hearing process.

AGENDA

1. Manager will relate overview of District Management Plan and changes to current Rules of the District
2. Board will receive public testimony
3. Comments from the Board
4. Board will consider adoption of District Management Plan
5. Board will consider adoption of changes to current Rules of the District
6. Adjourn

A complete copy of the proposed Management Plan, current Rules of the District, and proposed rule changes are available at the District office, 201 W. 3rd St., P.O. Box 637, White Deer, Texas 79097, or call 806/883-2501.

HART

NOTICE OF MEETING OF THE GOVERNING BODY OF THE

PANHANDLE GROUND WATER CONSERVATION DISTRICT #3

Notice is hereby given that a regular meeting of the governing body of the Panhandle Ground Water Conservation District will be held on the 14th day of January 19 98, at 7:30 P. M., in the District Office 201 W. 3rd St.

White Deer, Texas, at which time the following subjects will be discussed, to-wit:

- 1. Call to Order
2. Public Comment
3. Minutes of last Meeting
4. Expenditures
5. Budget Review
6. Review Ag Loan Account
7. Certify Election of Unopposed Candidates
8. Administer Oath of Office to Newly Elected Directors
9. Consider Well Permit(s)
10. Recess into Executive Session, Under Texas Open Meetings Act
11. Reconvene / to discuss Ag Loan Requests
12. Consider Ag Loan Requests
13. Consider Initial Draft Management Plan & Rules for District
14. Other Business within the District
15. Manager's Report
16. Adjourn

Dated this the 9th day of January, 19 98.

Panhandle Ground Water Cons. District #3

By John P Spearman, Board President

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the above named political subdivision, is a true and correct copy of said Notice; and that I posted a true and correct copy of said Notice on the bulletin board, located at a place convenient and readily accessible to the general public at all times in its administrative office, at 201 W. 3rd St., White Deer, Texas, and said Notice was posted on Friday, January 9, 19 98, at 1:00 o'clock P. M., and remained so posted continuously for at least 72 hours immediately preceding the scheduled time of said Meeting; a true and correct copy of said Notice was furnished to each county clerk of the county or counties in which the above named political subdivision is located.

Dated this the 9th day of January, 1998.

Panhandle Ground Water Cons. District #3

By C. E. Williams, General Manager

I, the undersigned County Clerk, do hereby certify that the Notice of Meeting of the governing body of the above named political subdivision, is a true and correct copy of said Notice received by me on the day of 19, at o'clock M., and that I posted a true and correct copy of said Notice on the bulletin board at the Courthouse door of County, Texas, on the day of 19, and said Notice remained so posted continuously for at least 72 hours immediately preceding the scheduled time of said Meeting.

Dated this the day of 19.

County Clerk County, Texas

By

Article 6252-17, paragraphs (f), (g) and (h) as amended by the 64th Legislature read as follows:

(f) A governmental body of a water district or other district or political subdivision covering all or part of four or more counties shall have a notice posted at a place convenient to the public in its administrative office and shall also furnish the notice to the Secretary of State, who shall then post the notice on a bulletin board located in the main office of the Secretary of State at a place convenient to the public; and it shall also furnish the notice to the county clerk of the county in which the administrative office of the district or political subdivision is located, who shall then post the notice on a bulletin board located at a place convenient to the public in the county courthouse.

(g) The governing body of a water district, other district, or other political subdivision, except a district or political subdivision described in Subsection (f) of this section, shall have a notice posted at a place convenient to the public in its administrative office, and shall also furnish the notice to the county clerk or clerks of the county or counties in which the district or political subdivision is located. The county clerk shall then post the notice on a bulletin board located at a place convenient to the public in the county courthouse.

(h) Notice of a meeting must be posted in a place readily accessible to the general public at all times for at least 72 hours preceding the scheduled time of the meeting.

HART 16-2431	NOTICE OF SPECIAL OR REGULAR MEETING OF WATER DISTRICT AND OTHER DISTRICTS & RETURNS	PANHANDLE GROUND WATER CONSERVATION DISTRICT NO. 3	201 W. 3rd St. P.O. Box 637 White Deer, TX 79097 (806) 883-2501	HART GRAPHICS-AUSTIN
-----------------	---	---	--	----------------------

I, the undersigned, do hereby certify that the notice of meeting of the governing body of the above named political subdivision is a true and correct copy of said notice received in the office of the Secretary of State of the State of Texas on the _____ day of _____, 19____, at _____ o'clock _____ M., and that said notice was posted on a bulletin board located in the main office of the Secretary of State at a place convenient to the public in Austin, Texas, on the _____ day of _____, 19_____.

DATED this the _____ day of _____, 19_____.

SECRETARY OF STATE OF THE STATE OF TEXAS

By _____

HART

NOTICE OF MEETING OF THE GOVERNING BODY OF THE

PANHANDLE GROUND WATER CONSERVATION DISTRICT #3

Notice is hereby given that a regular meeting of the governing body of the Panhandle Ground Water Conservation District will be held on the 11th day of February 1998, at 10:00 A.M., in the Water District office 201 W. 3rd St.

White Deer, Texas, at which time the following subjects will be discussed, to-wit:

- 1. Call to Order
2. Public Comment
3. Administer Oath of Office to Mr. Hardcastle
4. Elect Officers of Board
5. Consider Minutes of 1/14/98 Meeting
6. Consider Expenditures - January
7. Review Budget
8. Review Ag Loan Account
9. Consider Investment Policy
10. Designate Investment Officer
11. Adopt Resolution for Public Funds Investment Act Training
12. Consider Attorney Fees for Management Plan & District Rules
13. Review 4th Qtr. Transportation Report
14. Consider Well Permits
15. Recess into Executive Session, Under Texas Open Meetings Act, to Discuss Employee Benefits & Ag Loan Requests
16. Reconvene
17. Consider Ag Loan Request(s)
18. Consider Employee Health Insurance Options
19. Other Business within the District
20. Manager's Report
21. Adjourn Business Meeting
22. Workshop on Rules & Management Plan

Dated this the 6th day of February, 1998.

Panhandle Ground Water Conserv. District #3

By John Spearman, Board President

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the above named political subdivision, is a true and correct copy of said Notice; and that I posted a true and correct copy of said Notice on the bulletin board, located at a place convenient and readily accessible to the general public at all times in its administrative office, at 201 W. 3rd St., White Deer, Texas, and said Notice was posted on Friday, February 6, 1998, at 1:00 o'clock P.M., and remained so posted continuously for at least 72 hours immediately preceding the scheduled time of said Meeting; a true and correct copy of said Notice was furnished to each county clerk of the county or counties in which the above named political subdivision is located.

Dated this the 6th day of February, 1998.

Panhandle Ground Water Conserv. District #3

By C. E. Williams, Gen. Mgr.

I, the undersigned County Clerk, do hereby certify that the Notice of Meeting of the governing body of the above named political subdivision, is a true and correct copy of said Notice received by me on the day of 19 at o'clock M., and that I posted a true and correct copy of said Notice on the bulletin board at the Courthouse door of County, Texas, on the day of 19, and said Notice remained so posted continuously for at least 72 hours immediately preceding the scheduled time of said Meeting.


Dated this the day of 19.

County Clerk County, Texas

By

Article 6252-17, paragraphs (f), (g) and (h) as amended by the 64th Legislature read as follows:

- (f) A governmental body of a water district or other district or political subdivision covering all or part of four or more counties shall have a notice posted at a place convenient to the public in its administrative office and shall also furnish the notice to the Secretary of State, who shall then post the notice on a bulletin board located in the main office of the Secretary of State at a place convenient to the public; and it shall also furnish the notice to the county clerk of the county in which the administrative office of the district or political subdivision is located, who shall then post the notice on a bulletin board located at a place convenient to the public in the county courthouse.
- (g) The governing body of a water district, other district, or other political subdivision, except a district or political subdivision described in Subsection (f) of this section, shall have a notice posted at a place convenient to the public in its administrative office, and shall also furnish the notice to the county clerk or clerks of the county or counties in which the district or political subdivision is located. The county clerk shall then post the notice on a bulletin board located at a place convenient to the public in the county courthouse.
- (h) Notice of a meeting must be posted in a place readily accessible to the general public at all times for at least 72 hours preceding the scheduled time of the meeting.



16-2431

**NOTICE OF SPECIAL
OR REGULAR MEETING
OF WATER DISTRICT
AND OTHER DISTRICTS
& RETURNS**

**PANHANDLE GROUND WATER
CONSERVATION DISTRICT NO. 3**

201 W. 3rd St.
 P.O. Box 637
 White Deer, TX 79097
 (806) 883-2501

HART GRAPHICS-AUSTIN

I, the undersigned, do hereby certify that the notice of meeting of the governing body of the above named political subdivision is a true and correct copy, of said notice received in the office of the Secretary of State of the State of Texas on the _____ day of _____, 19____, at _____ o'clock _____M., and that said notice was posted on a bulletin board located in the main office of the Secretary of State at a place convenient to the public in Austin, Texas, on the _____ day of _____, 19____.

DATED this the _____ day of _____, 19____.

SECRETARY OF STATE OF THE STATE OF TEXAS

By _____

[Handwritten signature]

P.G.W.C.D.#3
MINUTES OF BOARD MEETING

Wednesday, January 14, 1998
7:30 P.M.

The Board of Directors of Panhandle Ground Water Conservation District No. 3 met in regular session on Wednesday, January 14, 1998, at the District office in White Deer.

President Spearman called the meeting to order at 7:35 p.m.

Those present were:

	John Spearman	President
	Frank Simms	Vice-President
	Charles Bowers	Secretary
	Phillip Smith	Director
	Jerry Green	Director
	Jim Thompson	Director
	Robert A. Clark	Director
	C. E. Williams	Manager
	Yvonne Thomas	Administrative Assistant
and guests:	John C. Williams	C.R.M.W.A.
	Kent Satterwhite	C.R.M.W.A.
	Ron Freeman	Dir. Of Utilities, City of Amarillo
	Emmett Autrey	City of Amarillo
	Mrs. Doris Smith	Carson/Potter County

Mr. Spearman called for public comment. There being none, Mr. Spearman invited Kent Satterwhite to show the film he had brought. This was a 15-minute film of the prototype production well, P-24, and the nested piezometer (NP-2). It also showed some of White Deer Creek. Kent and John Williams explained the drilling and answered questions from the Board.

The Board then moved to the minutes of the December 17, 1997 meeting. The minutes were approved on a motion by Robert Clark, seconded by Jerry Green.

The expenditures for December were approved on a motion by Jim Thompson, seconded by Robert Clark. A copy of the financial statement is attached to these minutes.

The annual budget was reviewed with no action taken.

The Ag Loan account was reviewed. The manager told the Board that the Texas Water Development Board's meeting will be tomorrow, January 15, and our Agricultural Water Conservation Equipment Loan request for \$750,000 is on the agenda. We should know whether our loan was approved by the end of the week.

The next item was the election of unopposed candidates. Mr. Williams presented President Spearman certification that "only one person signed a petition to run for the position of Director in each of the following precincts: Precinct 2, Precinct 4, Precinct 6, and Precinct 8, of the Panhandle Ground Water Conservation District. Therefore, the candidate in each of these precincts is unopposed."

In accordance with recent revisions to the Texas Election Code, Subchapter C: Section 2.052, the District is

not required to have an election when a candidate is unopposed. Following certification by the manager, Robert Clark moved that the Board declare each unopposed candidate elected to the office of Director. Motion was seconded by Jerry Green and approved by the Board. Directors elected are Frank Simms, Precinct 2; Charles Bowers, Precinct 4; Jim Thompson, Precinct 6; and Danny Hardcastle, Precinct 8.

Yvonne Thomas, a notary public, then issued the Oath of Office to Simms, Bowers, and Thompson. Mr. Hardcastle was not present at the meeting and will be sworn in at the next Board of Directors meeting.

The Board then considered the following well permits.

1. Permit, No. DO-125, was for James D. Shadle, Box 118, Clarendon, Texas. The well to be located in Sec. 48, Blk. C-6, GC & SF, Donley County, will be a 40 g.p.m. well. It meets all spacing requirements and was approved on a motion by Jerry Green, seconded by Charles Bowers.

2. Permit No. DO-126, was for T. L. Roach Ranch, P.O. Box 9198, Amarillo, Texas. The well to be located in Sec. 3, Blk. C-3, GC&SF, Donley County. It will be a 50 g.p.m. well. It meets all spacing requirements and was approved on a motion by Robert Clark, seconded by Jerry Green.

3. Permit No. DO-127, is for Fuller & Sons Construction, 9401 Amarillo Blvd. East, Amarillo, Texas. The 40 g.p.m. well is located on Sec. 63, Blk. 21, H&GN Survey, Donley County. It meets spacing requirements and was approved on a motion by Jim Thompson, seconded by Jerry Green.

4. Permit No. WR-102, was for Heritage Beef Cattle Co., P.O. Box 370, Wheeler, Texas. This will be an 800 g.p.m. well located in Sec. 75, Blk. A-5, H&GN Survey, Wheeler County. It meets all spacing requirements and was approved on a motion by Jim Thompson, seconded by Robert Clark.

5. The final permit submitted was No. WR-103. This permit is also for Heritage Beef Cattle Co. and is for a 400 g.p.m. well located in Sec. 28, Blk. A-4, H&GN Survey, Wheeler County. It meets spacing requirements and was approved on a motion by Mr. Clark, seconded by Mr. Thompson.

At 8:00 p.m., the Board recessed into executive session, under the Texas Open Meetings Act, to discuss two Agriculture Water Conservation Equipment Loan requests.

The meeting reconvened at 8:10 p.m.

The first Ag Loan request was from Mr. Curtis Schaefer, Box 901, Clarendon, Texas. Frank Simms made a motion that the Board grant Mr. Schaefer's request for a loan to purchase a Lindsay Zimmatic center pivot system. The loan will be for \$32,000, for 8 years at 6.22% with payments to be \$5,198 annually. Mr. Simms' motion was seconded by Jerry Green and approved by the Board.

The second request was from Mr. Tony Britten, Route 1, Box 68, Groom, Texas. Charles Bowers made the motion that the Board grant Mr. Britten's Ag Loan request for \$68,790 to purchase two Valley 8000 center pivot sprinkler units and two booster pumps. This loan would also be for 8 years, at 6.22%, with payments to be \$11,174 annually. Motion was seconded by Robert Clark and approved by the Board.

The Board and guests then discussed the Draft copies of the Management Plan and Rules. John Williams presented comments on the 12-13-97 Draft of Proposed Rules of the District. He questioned Rule 5.2(f) and the District's authority to assess a fee of \$1.00 per acre-foot of water produced, as per Chapter 36 of the Water Code. This was discussed briefly.

Although some comments have been incorporated into the Draft Management Plan since the last meeting, more work is needed. A work session was tentatively set for February 11, at 10:00 a.m.

In other business, Mr. Williams informed the Board that he had met on Monday, January 12, with the Commissioners' Court in Donley County. At this meeting, the Court adopted a resolution requesting that the Texas Water Development Board include Donley County in SB 1 Region A, instead of Region B, and that the Greenbelt Municipal and Industrial Water Authority be designated as a special water resource.

Manager's Report:

1/2/98 C. E. attended the Ogallala Planning Group meeting in Borger to finalize nominations for SB1 Region A initial coordinating group.

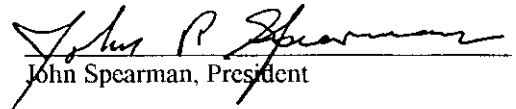
1/7/98 C. E. and District hydro-geologist Mike Harren attended High Plains Irrigation Conference

at the Civic Center in Amarillo. C. E. presented a program on Senate Bill 1.
1/9/98 Attended a T. E. Committee meeting on SB 1 in Austin.
1/12/98 Presented a program on SB 1 and Regions delineation at Donley County Commissioners' Court in Clarendon.
1/13/98 Gave presentation to Texas Parks & Wildlife Private Lands Advisory Committee in Austin.
1/14/98 C. E. and Jerry Green attended both the final hearing on T.W.D.B. SB 1 Regional Planning and C.R.M.W.A. Board meeting, in Plainview.

There being no further business, Mr. Spearman adjourned the meeting at 9:15 p.m.



Charles Bowers, Secretary



John Spearman, President

P.G.W.C.D.#3
MINUTES OF BOARD MEETING

Wednesday, February 11, 1998
10:00 A.M.

The Board of Directors of Panhandle Ground Water Conservation District No. 3 met in regular session on Wednesday, February 11, 1998, at the District office in White Deer.

Vice-president Frank Simms called the meeting to order at 10:40 a.m.

Those present were:

Frank Simms	Vice-President
Charles Bowers	Secretary
Phillip Smith	Director
Robert A. Clark	Director
Danny Hardcastle	Director
C. E. Williams	Manager
Yvonne Thomas	Administrative Assistant

The first item of business was the Oath of Office administered to Mr. Danny Hardcastle, newly elected director for Precinct 8, by notary public Yvonne Thomas.

The next item was the election of officers to the Board. Phillip Smith made a motion that the current officers be re-elected by acclamation. Motion was seconded by Robert Clark. The motion was unanimously approved.

The Board then moved to the minutes of the January 14, 1998 meeting. The minutes were approved on a motion by Robert Clark, seconded by Phillip Smith.

The expenditures for January were reviewed and approved on a motion by Robert Clark, seconded by Charles Bowers. A copy of the financial statement is attached to these minutes.

The annual budget was reviewed with no action taken.

The Ag Loan account was reviewed. The manager informed the Board that our Agricultural Water Conservation Equipment Loan request was approved. The contract has been signed and the money should arrive within the next week or so.

The next item was the consideration of an Investment Policy. The Public Funds Investment Act of Texas, as enacted by the State Legislature, requires the governing body of an investing entity to adopt an investment policy, Section 2256.005, (a). Attorney Michael Booth, and the staff, composed a policy for the Board's review. Following discussion, the Investment Policy was approved on a motion by Phillip Smith, seconded by Danny Hardcastle. A copy is attached to these minutes.

Along with the Investment Policy, the entity is to designate an Investment Officer, Section 2256.005 (f). Mr. Clark moved that manager C. E. Williams be designated Investment Officer for Panhandle Ground Water District. Motion was seconded by Mr. Smith and approved. Copy attached.

The Public Funds Investment Act also requires the investment officer to receive at least ten hours of instruction relating to investment responsibilities, every two years, from an approved independent source. Charles Bowers moved that the Board adopt the resolution approving independent sources for instruction. Motion was

seconded by Mr. Clark and approved by the Board. Mr. Williams will receive his training from the Texas Water Conservation Association. A copy of this resolution is attached to these minutes.

The next item of business was a discussion of attorney fees for the District Rules and Management Plan. Robert Clark made a motion that the attorney fees for work on the District Rules be limited to \$5,000. Motion was seconded by Phillip Smith. Following extensive discussion, vote on the motion failed.

The 4th Quarter 1997 Transportation Report was reviewed and discussed. No action taken.

The Board then considered one well permit. This permit, No. DO-128, was for Mary Jane Smith, P.O. Box 1156, Clarendon, Texas. The well to be located in the NE/4 of Sec. 107, Blk. C-6, GC & SF, Donley County, will be a 450 g.p.m. well. It meets all spacing requirements and was approved on a motion by Mr. Hardcastle, seconded by Mr. Clark.

Since there were no guests present, there was no need for an executive session.

There were no Ag Loan requests to consider at this meeting.

Health insurance for employees was discussed briefly. Robert Clark made a motion that the District pay Yvonne's portion of the insurance police she is currently on, instead of taking out a policy through the District, since this would be considerably less expensive. Motion was seconded by Phillip Smith and approved.

In other business, Mr. Williams showed the Board copies of the City Assessments that hydrogeologist Michael Harren has prepared for the small towns in the District. These assessments estimate each city's future water consumption and evaluate the adequacy of that city's current water supplies to meet future demands. It is intended to be used as a planning tool and a general guide by the city in anticipating future water needs.

The Board discussed the monitoring wells that Salem Abraham will be drilling in Roberts County. L. C. Burkett will be the driller on these wells and the cost would run around \$2,500 to \$3,000 per well. The Board had approved participation in this project at the October 22, 1997 meeting. Following a lengthy discussion, Mr. Hardcastle made a motion that the District participate in the drilling of two monitoring wells, plus the shallow one near the river, and attempt to acquire additional assistance for the project from the Texas Water Development Board. The motion was seconded by Mr. Clark and approved by the Board.

Manager's Report:

1/15/98	C. E. attended the 10-Member Interim Committee Meeting in Houston.
1/16/98	Attended the Rural/Agricultural Coalition in Austin.
1/26/98	Attended the TAGD Quarterly Meeting in Austin.

There being no further business, Mr. Simms adjourned the meeting at 12:20 p.m.

After lunch, the group participated in a workshop on the District Rules and Management Plan. Guests at the workshop were John C. Williams and Kent Satterwhite of the Canadian River Municipal Water Authority.

At the conclusion of the workshop, the Board instructed the staff to make the agreed changes to the Management Plan and District Rules and prepare for a public hearing at 1:30 p.m. on March 18, 1998. The hearing to be held in the District office. A Board of Directors meeting, at 10:00 a.m., will precede the hearing.



Charles Bowers, Secretary



Frank Simms, Vice President