

Prairielands Groundwater Conservation District

**Temporary Rules for Water Wells in
Ellis, Hill, Johnson, and Somervell Counties, Texas**

As Amended on May 15, 2017

Procedural History of Rules Adoption

These temporary rules of the Prairielands Groundwater Conservation District were initially adopted by the Board of Directors on November 15, 2010, at a duly posted public meeting in compliance with the Texas Open Meetings Act and following notice and hearing in accordance with Chapter 36 of the Texas Water Code. The temporary rules were subsequently amended in accordance with all legal requirements on May 23, 2011, November 26, 2012, January 27, 2014, and May 15, 2017. In accordance with Section 59 of Article XVI of the Texas Constitution, the District Act, and Chapter 36 of the Texas Water Code, the following rules are hereby adopted as the rules of this District by its Board.

Prairielands

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Prairielands Groundwater Conservation District

District Rules

PREAMBLE

The Prairielands Groundwater Conservation District ("District") was created by the 81st Texas Legislature under the authority of Section 59, Article XVI, of the Texas Constitution, and in accordance with Chapter 36 of the Texas Water Code ("Water Code"), by the Act of May 31, 2009, 81st Leg., R.S., ch. 1208, 2009 Tex. Gen. Laws 3859, codified at TEX. SPEC. DIST. LOC. LAWS CODE ANN. ch. 8855 ("the District Act"). The District is a governmental agency and a body politic and corporate. The District was created to serve a public use and benefit, and is essential to accomplish the objectives set forth in Section 59, Article XVI, of the Texas Constitution. The District's boundaries are coextensive with the boundaries of Ellis, Hill, Johnson, and Somervell Counties, Texas, and all lands and other property within these boundaries will benefit from the works and projects that will be accomplished by the District.

The Mission of the Prairielands Groundwater Conservation District is to develop rules to provide protection to existing wells, prevent waste, promote conservation, provide a framework that will allow availability and accessibility of groundwater for future generations, protect the quality of the groundwater in the recharge zone of the aquifer, insure that the residents of Ellis, Hill, Johnson, and Somervell Counties maintain local control over their groundwater, and operate the district in a fair and equitable manner for all residents of the district.

The District is committed to manage and protect the groundwater resources within its jurisdiction and to work with others to ensure a sustainable, adequate, high quality and cost effective supply of water, now and in the future. The 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. The preservation of this most valuable resource can be managed in a prudent and cost effective manner through conservation, education, and management. Any action taken by the District shall only be after full consideration and respect has been afforded to the individual property rights of all citizens of the District.

SECTION 1.
DEFINITION, CONCEPTS, AND GENERAL PROVISIONS

Rule 1.1 Definition of Terms

In the administration of its duties, the District follows the definitions of terms set forth in Chapter 36, Texas Water Code, and other definitions as follows:

- (1) "Agriculture" means any of the following activities:
 1. cultivating the soil to produce crops for human food, animal feed, or planting seed or for the production of fibers;
 2. the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or nonsoil media, by a nursery grower;
 3. raising, feeding, or keeping animals for breeding purposes or for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;
 4. planting cover crops, including cover crops cultivated for transplantation, or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure;
 5. wildlife management; and
 6. raising or keeping equine animals.
- (2) "Agricultural use" means any use or activity involving agriculture, including irrigation.
- (3) "Aquifer" means a water bearing geologic formation in the District.
- (4) "As equipped" for purposes of determining the capacity of a well means visible pipes, plumbing, and equipment attached to the wellhead or adjacent plumbing that controls the maximum rate of flow of groundwater and that is permanently affixed to the well or adjacent plumbing by welding, glue or cement, bolts or related hardware, or other reasonably permanent means.
- (5) "Beneficial use" or "beneficial purpose" means use of groundwater for:
 1. agricultural, gardening, domestic, stock raising, municipal, mining, manufacturing, industrial, commercial, or recreational purposes;

2. exploring for, producing, handling, or treating oil, gas, sulfur, lignite, or other minerals; or
 3. any other purpose that is useful and beneficial to the user that does not constitute waste.
- (6) “Board” means the Board of Directors of the District.
 - (7) “District” means the Prairielands Groundwater Conservation District created in accordance with Section 59, Article XVI, Texas Constitution, Chapter 36, Texas Water Code, and the District Act.
 - (8) “District Act” means the Act of May 31, 2009, 81st Leg., R.S., ch. 1208, 2009 Tex. Gen. Laws 3859, codified at TEX. SPEC. DIST. LOC. LAWS CODE ANN. ch. 8855, as may be amended from time to time.
 - (9) “Domestic use” means the use of groundwater by an individual or a household to support domestic activity. Such use may include water for drinking, washing, or culinary purposes; for irrigation of lawns, or of a family garden and/or family orchard; for watering of domestic animals. Domestic use does not include water used to support activities for which consideration is given or received or for which the product of the activity is sold. Domestic use does not include use by or for a public water system. Domestic use does not include irrigation of crops in fields or pastures. Domestic use does not include water used for open-loop residential geothermal heating and cooling systems, but does include water used for closed-loop residential geothermal systems. Domestic use does not include pumping groundwater into a pond or other surface water impoundment unless the impoundment has a surface area equal to or smaller than one-third of a surface acre (14,520 square feet).
 - (10) “Effective date” means November 15, 2010, which was the original date of adoption of these Temporary Rules.
 - (11) “Emergency purposes” means the use of groundwater:
 - (a) to fight fires, manage chemical spills, and otherwise address emergency public safety or welfare concerns; or
 - (b) for training exercises conducted in preparation for responding to fires, chemical spills, and other emergency public safety or welfare concerns.
 - (12) “Exempt well” means a new or an existing well that is exempt under Rule 2.1 from certain regulatory requirements in these rules.
 - (13) “Existing well” means a well that was in existence or for which drilling commenced prior to April 1, 2011.

- (14) “General Manager” as used herein is the chief administrative officer of the District, as set forth in the District's bylaws, or the District staff or other Board designee acting at the direction of the General Manager or Board to perform the duties of the General Manager.
- (15) “Groundwater” means water percolating below the surface of the earth.
- (16) “Groundwater reservoir” means a specific subsurface water-bearing stratum.
- (17) “Inactive well” means a well or well system that has been approved for Inactive Well Status by the District.
- (18) “Inactive Well Status” means the classification given by the District under Rule 3.11 to wells or well systems that are not exempt under Rule 2.1(a) and that will produce 10,000 gallons of water per calendar year or less. Such Inactive wells or wells systems do not have to follow the water use reporting, monthly log and meter reading, and fee payment requirements of Section 3, Rule 8.6, and Section 7 of these Temporary Rules, but are required to pay an annual \$150.00 Inactive Well Status participation fee and submit a renewal form by March 1 of each calendar year that the well is to remain under Inactive Well Status.
- (19) “Landowner” means the person who holds possessory rights to the land surface or to the withdrawal of groundwater from wells located on the land surface.
- (20) “Leachate well” means a well used to remove contamination from soil or groundwater.
- (21) “Livestock” means, in the singular or plural, grass- or plant-eating, single- or cloven-hooved mammals raised in an agricultural setting for subsistence, profit or for its labor, or to make produce such as food or fiber, including cattle, horses, mules, asses, sheep, goats, llamas, alpacas, and hogs, as well as species known as ungulates that are not indigenous to this state from the swine, horse, tapir, rhinoceros, elephant, deer, and antelope families, but does not mean a mammal defined as a game animal in section 63.001, Parks and Wildlife Code, or as a fur-bearing animal in section 71.001, Parks and Wildlife Code, or any other indigenous mammal regulated by the Texas Department of Parks and Wildlife as an endangered or threatened species. The term does not include any animal that is stabled, confined, or fed at a facility that is defined by TCEQ rules as an Animal Feeding Operation or a Concentrated Animal Feeding Operation.
- (22) “Meter” or “measurement device” means a water flow measuring device that meets the requirements of Section 8 of these Rules.
- (23) “Monitoring well” means a well installed to measure some property of the groundwater or the aquifer that it penetrates, and does not produce more than 5,000 gallons per year.
- (24) “New well” means a well for which drilling commenced on or after April 1, 2011.

- (25) “Nursery grower” means a person who grows more than 50 percent of the products that the person either sells or leases, regardless of the variety sold, leased, or grown. For the purpose of this definition, “grow” means the actual cultivation or propagation of the product beyond the mere holding or maintaining of the item prior to sale or lease and typically includes activities associated with the production or multiplying of stock such as the development of new plants from cuttings, grafts, plugs, or seedlings.
- (26) “Penalty” means a reasonable civil penalty set by rule under the express authority delegated to the District through Section 36.102(b) of the Texas Water Code or any other penalty authorized by the District Act or other applicable law.
- (27) “Person” means an individual, corporation, limited liability company, organization, government, governmental subdivision, agency, business trust, estate, trust, partnership, association, or other legal entity.
- (28) “Poultry” means chickens, turkeys, nonmigratory game birds, and other domestic nonmigratory fowl, but does not include any other bird regulated by the Parks and Wildlife as an endangered or threatened species. The term does not include any animal that is stabled, confined, or fed at a facility that is defined by TCEQ rules as an Animal Feeding Operation or a Concentrated Animal Feeding Operation.
- (29) “Production” or “producing” means the act of extracting groundwater from an aquifer by a pump or other method.
- (30) “Public Water System” means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, which includes all uses described under the definition for "drinking water" in 30 Texas Administrative Code, Section 290.38. Such a system must have at least 15 service connections or serve at least 25 individuals at least 60 days out of the year. This term includes any collection, treatment, storage, and distribution facilities under the control of the operator of such system and used primarily in connection with such system, and any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system. Two or more systems with each having a potential to serve less than 15 connections or less than 25 individuals but owned by the same person, firm, or corporation and located on adjacent land will be considered a public water system when the total potential service connections in the combined systems are 15 or greater or if the total number of individuals served by the combined systems total 25 or greater at least 60 days out of the year. Without excluding other meanings of the terms "individual" or "served," an individual shall be deemed to be served by a water system if he lives in, uses as his place of employment, or works in a place to which drinking water is supplied from the system.
- (31) “Pump” means any facility, device, equipment, materials, or method used to obtain water from a well.
- (32) “Registrant” means a person required to submit a registration.

- (33) “Registration” means a well owner providing certain information about a well to the District, as more particularly described under Section 3.
- (34) “Rule” or “Rules” or “Temporary Rules” means these Temporary Rules of the District regulating water wells, which shall continue to be effective until amended or repealed.
- (35) “Spacing requirement” means a well spacing, tract size, or minimum distance requirement established under Rules 4.2 and 4.3.
- (36) “Substantially alter” with respect to the size or capacity of a well means to increase the inside diameter of the pump discharge column pipe size of the well in any way or to increase the size of the pump on the well.
- (37) “TCEQ” means the Texas Commission on Environmental Quality.
- (38) “Tract” means a contiguous parcel of land for which the surface estate or groundwater estate, if severed from the surface estate, is under the ownership or lease of a single entity, such as a corporation, partnership or trust, or an individual or individuals holding as joint owners, joint lessees, or tenants in common.
- (39) “Transfer” means a change in a registration as follows, except that the term “transfer” shall have its ordinary meaning as read in context when used in other contexts:
- (a) ownership; or
 - (b) the person authorized to exercise the right to make withdrawals and place the groundwater to beneficial use.
- (40) “Waste” means one or more of the following:
- (a) withdrawal of groundwater from the aquifer at a rate and in an amount that causes or threatens to cause an intrusion into the aquifer unsuitable for agriculture, gardening, domestic, stock raising, or other beneficial purposes;
 - (b) the flowing or producing of water from the aquifer by artificial means if the water produced is not used for a beneficial purpose;
 - (c) the escape of groundwater from the aquifer to any other underground reservoir or geologic stratum that does not contain groundwater;
 - (d) pollution or harmful alteration of groundwater in the aquifer by saltwater or by other deleterious matter admitted from another stratum or from the surface of the ground;
 - (e) 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 other order issued by the TCEQ under Chapters 11 or 26 of the Texas Water Code;

- (f) 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;
 - (g) for water produced from an artesian well, “waste” has the meaning assigned by Section 11.205, Texas Water Code;
 - (h) operating a deteriorated well; or
 - (i) producing groundwater in violation of any District rule governing the withdrawal of groundwater through production limits on wells, managed depletion, or both.
- (41) “Well” means any artificial excavation located within the boundaries of the District dug or drilled for the purpose of exploring for or withdrawing groundwater from the aquifer.
- (42) “Well owner” means the person who owns a possessory interest in: (1) the land upon which a well or well system is located or to be located; (2) the well or well system; or (3) the groundwater withdrawn from a well or well system.
- (43) “Well system” means a well or group of wells tied to the same distribution system.
- (44) “Withdraw” means the act of extracting or producing groundwater by pumping or other method.
- (45) “Year” means a calendar year (January 1 through December 31), except where the usage of the term clearly suggests otherwise.

Rule 1.2 Authority of District

The Prairielands Groundwater Conservation District is a political subdivision of the State of Texas organized and existing under Section 59, Article XVI, Texas Constitution, Chapter 36, Texas Water Code, and the District Act. The District is a governmental agency and a body politic and corporate. The District was created to serve a public use and benefit.

Rule 1.3 Purpose of Rules

These Temporary Rules are adopted under the authority of Section 36.101, Texas Water Code, and the District Act for the purpose of conserving, preserving, protecting, and recharging groundwater in the District in order to prevent subsidence, prevent degradation of water quality, prevent waste of groundwater, and to carry out the powers and duties of Chapter 36, Texas Water Code, and the District Act.

Rule 1.4 Use and Effect of Rules

These rules are used by the District in the exercise of the powers conferred on the District by law and in the accomplishment of the purposes of the law creating the District. These rules may be used as guides in the exercise of discretion, where discretion is vested. However, under no circumstances and in no particular case will they, or any part therein, be construed as a limitation or restriction upon the District to exercise powers, duties and jurisdiction conferred by law. These rules create no rights or privileges in any person or water well, and shall not be construed to bind the Board in any manner in its promulgation of the District Management Plan, amendments to these Temporary Rules, or promulgation of permanent rules.

Rule 1.5 Purpose of District

The purpose of the District is to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution.

Rule 1.6 Construction

A reference to a title or chapter without further identification is a reference to a title or chapter of the Texas Water Code. A reference to a section or rule without further identification is a reference to a section or rule in these Rules. Construction of words and phrases is governed by the Code Construction Act, Subchapter B, Chapter 311, Texas Government Code. The singular includes the plural, and the plural includes the singular. The masculine includes the feminine, and the feminine includes the masculine.

Rule 1.7 Methods of Service Under the Rules

Except as provided in these rules, any notice or document required by these rules to be served or delivered may be delivered to the recipient or the recipient's authorized representative in person, by agent, by courier receipted delivery, by certified or registered mail sent to the recipient's last known address, or by fax to the recipient's current fax number and shall be accomplished by 5:00 o'clock p.m. on the date which it is due. Service by mail is complete upon deposit in a post office depository box or other official depository of the United States Postal Service. Service by fax is complete upon transfer, except that any transfer commencing after 5:00 o'clock p.m. shall be deemed complete the following business day. If service or delivery is by mail and the recipient has the right or is required to do some act within a prescribed period of time after service, three days will be added to the prescribed period. If service by other methods has proved unsuccessful, service will be deemed complete upon publication of the notice or document in a newspaper of general circulation in the District.

Rule 1.8 Severability

If a provision contained in these Temporary Rules is for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability does not affect any other

rules or provisions of these Temporary Rules, and these Temporary Rules shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in these rules.

Rule 1.9 Regulatory Compliance; Other Governmental Entities

All registrants of the District shall comply with all applicable rules and regulations of the District and of all other governmental entities. If the District Rules and regulations are more stringent than those of other governmental entities, the District Rules and regulations control.

Rule 1.10 Computing Time

In computing any period of time prescribed or allowed by these Rules, order of the Board, or any applicable statute, the day of the act, event, or default from which the designated period of time begins to run is not included, but the last day of the period so computed is included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday, or legal holiday.

Rule 1.11 Time Limits

Applications, requests, or other papers or documents required or allowed to be filed under these Rules or by law must be received for filing by the District within the time limit for filing, if any. The date of receipt, not the date of posting, is determinative of the time of filing. Time periods set forth in these rules shall be measured by calendar days, unless otherwise specified.

Rule 1.12 Notification to Well Owners

As soon as practicable after November 15, 2010, the District shall publish notice to inform the well owners of the District's existence, the management authority of the District, and the well owners' duties and responsibilities under these Rules. This provision does not apply to the adoption of amendments to these Rules, which shall be published and adopted in accordance with state law.

Rule 1.13 Amending of Rules

The Board may, following notice and hearing, amend or repeal these rules or adopt new rules from time to time.

SECTION 2.
APPLICABILITY OF REGULATORY REQUIREMENTS; EXEMPTIONS

Rule 2.1 Wells Exempt from Water Use Fee Payment, Metering, and Reporting Requirements of These Temporary Rules

- (a) The requirements of these Temporary Rules relating to the payment of Water Use Fees under Section 7, the requirement to install and maintain a meter under Section 8, and the

requirement to report to the District the amount of water produced from a well under Section 3 do not apply to the following types of wells:

1. All wells, existing or new, of any size or capacity used solely for domestic use, livestock use, poultry use, or agricultural use;
 2. An existing well or new well that does not have the capacity, as equipped, to produce more than 25 gallons per minute and is used in whole or in part for commercial, industrial, municipal, manufacturing, or public water supply use, use for oil or gas or other hydrocarbon exploration or production, or any other purpose of use other than solely for domestic, livestock, poultry, or agricultural use, except as provided by Subsection (b) of this rule; or
 3. Leachate wells, monitoring wells, and piezometers.
- (b) For purposes of determining whether the exemption set forth under Subsection (a)(2) applies, the capacity of a well that is part of a well system shall be determined by taking the sum of the capacities of each of the individual wells, as equipped, in the system. If the total sum of the capacities is greater than 25 gallons per minute, the well system and the individual wells that are part of it are not exempt from the Water Use Fee payment, metering, and reporting requirements of these rules.
- (c) A well exempted under Subsection (a) will lose its exempt status if the well is subsequently used for a purpose or in a manner that is not exempt under Subsection (a).
- (d) A well exempted under Subsection (a)(2) will lose its exempt status if, while the well was registered as an exempt well, the District determines that the well had the capacity, as equipped, to produce more than 25 gallons per minute. Such wells are subject to the fee payment, metering, reporting, and other requirements of these Temporary Rules, and may be subject to enforcement under Section 9.
- (e) The owner of a new well that is exempt under this rule shall nonetheless register the well with the District, as required under Section 3.

Rule 2.2 Wells Subject to Water Use Fee Payment, Metering, and Reporting Requirements of These Temporary Rules

All wells not described as exempt under Rule 2.1(a) are subject to the Water Use Fee payment, metering, reporting, registration, and other requirements of these Temporary Rules, except as otherwise provided under Rules 2.3 or 2.4. Such wells include wells with a capacity, as equipped, to produce more than 25 gallons per minute and that are used in whole or in part for any purpose of use other than solely for domestic use, livestock use, poultry use, or agricultural use.

Rule 2.3 Exemption from Production Fees for Groundwater Used for Certain TCEQ-Required Maintenance or Emergency Purposes

- (a) Subject to the limitation set forth under by Subsection (c), groundwater used for the purposes of flushing lines, tanks, or fire hydrants during the reporting period by a public water system that is required to do so under TCEQ rules is eligible to be exempt from the assessment of applicable Water Use Fees otherwise required by Section 7 for water used for such purposes. To qualify for the exemption, a public water system shall submit to the District a Water Production Report that complies with Rule 3.10.
- (b) Subject to the limitation set forth under by Subsection (c), groundwater produced within the boundaries of the District during the reporting period and provided to a fire department or an emergency services district solely for emergency purposes is eligible to be exempt from the assessment of applicable Water Use Fees otherwise required by Section 7. To qualify for the exemption, a fire department or emergency services district that uses groundwater produced within the District, or a person that supplies groundwater produced from within the District to a fire department or emergency services district shall submit to the District a Water Production Report that complies with Rule 3.10.
- (c) The exemption from fees set forth under Subsections (a) and (b) are limited to a combined maximum of three (3) percent of the total Water Use Fees applicable to the amount of groundwater produced during a reporting and fee payment period. To receive a refund for an exemption from payment of fees greater than three (3) percent for a reporting period, an applicant must submit to the District a written request for a hearing before the Board that is received by the District between January 1 and March 1 of the year following the year for which the exemption in excess of three (3) percent is requested. The request should list each reporting period from the previous calendar year for which an exemption of greater than three (3) percent is sought, and should be submitted on a form prescribed by the District. At the hearing, the applicant must present evidence in support of an exemption greater than three (3) percent, which the Board may grant or deny in its sole discretion based on the evidence presented.

Rule 2.4 Exemption from Production Fees, Metering, and Reporting Requirements for Groundwater Used for Well Development

Groundwater produced from a well during its development or rehabilitation, including groundwater used in pump tests, is exempt from the requirements relating to the payment of fees under Section 7, the requirement to install and maintain a meter under Section 8, and the requirement to report to the District the amount of water produced from a well under Section 3. However, use of the well must comply with those requirements before being placed into operation unless otherwise exempt under these rules.

SECTION 3.
REGISTRATIONS, RECORDS, REPORTS, AND LOGS; PERMIT NOT REQUIRED

Rule 3.1 Purpose and Policy

The accurate and timely reporting to the District of activities governed by these Rules is a critical component to the District's ability to effectively and prudently manage the groundwater resources that it has been charged by law with regulating. The purpose of Section 3 is to require the submission, by the appropriate person or persons, of complete, accurate, and timely registrations, records, reports, and logs as required throughout the District Rules. Because of the important role that accurate and timely reporting plays in the District's understanding of past, current and anticipated groundwater conditions within the District, the failure to comply with these rules may result in the assessment of additional fees, civil penalties, or any combination of the same, as specifically set forth under Section 9.

Rule 3.2 Permit Not Required Under Temporary Rules

No permit of any kind is required under these Temporary Rules. Notwithstanding Chapter 36, Water Code, a permit is not required under these Temporary Rules to drill, equip, operate, or complete a well, produce water from a well, or to substantially alter the size or capacity of a well. Permitting requirements will be developed and adopted by the District in the future after it has had a sufficient opportunity to develop a management plan and carefully consider various regulatory approaches and how such approaches may impact landowners and other water users in the District while achieving proper management of the groundwater resources. Permitting rules will be adopted only after ample opportunity has been afforded the public to participate in the development of such rules.

Rule 3.3 Well Registration

- (a) The following wells must be registered with the District:
1. all new wells drilled on or after April 1, 2011, including new wells exempt under Rule 2.1(a);
 2. all existing wells that are not exempt under Rule 2.1(a).
- (b) A person seeking to register a well shall provide the District with the following information in the registration application either on a form provided by the District or through the District's Online Registration System:
1. the name and mailing address of the registrant and the owner of the property, if different from the registrant, on which the well is or will be located;
 2. if the registrant is other than the owner of the property, documentation establishing the applicable authority to file the application for well registration, serve as the

registrant in lieu of the property owner, and construct and operate a well for the proposed use;

3. a statement of the nature and purpose of the existing or proposed use of water from the well;
 4. the location or proposed location of the well, identified as a specific point measured by latitudinal and longitudinal coordinates;
 5. the location or proposed location of the use of water from the well, if used or proposed to be used at a location other than the location of the well;
 6. the production capacity or proposed production capacity of the well, as equipped, in gallons per minute, as well as the pump manufacturer's horsepower rating of the pump;
 7. a water well closure plan or a declaration that the applicant will comply with well plugging guidelines and report closure to the District;
 8. a statement that the water withdrawn from the well will be put to beneficial use at all times; and
 9. any other information deemed necessary by the Board.
- (c) The timely filing of an application for registration shall provide the owner of a well described under Subsection (a)(2) with evidence that a well existed before April 1, 2011, for purposes of establishing the well as an existing well, grandfathering the well from the requirement to comply with any well location or spacing requirements of the District, and any other entitlements that existing wells may receive under these Temporary Rules or under permanent rules adopted by the District. A well must have been drilled prior to May 15, 2017, to be grandfathered from the requirement to comply with the minimum tract size requirement of the District, unless an exception is approved under Rule 4.5. A well that is required to be registered under this rule and that is not exempt under Rule 2.1(a) shall not be operated after July 1, 2011, without first complying with the metering provisions set forth under Section 8.
- (d) Once a registration is complete, which for new wells also includes receipt by the District of the well report required by Rule 3.7 and the well registration fee required by Rule 7.8, the registration shall be perpetual in nature, subject to being amended or transferred and to enforcement for violations of these Rules.
- (e) The registrant of a new well may seek District authorization of up to three proposed well sites by providing the information required by Rule 3.3(b)(4) for each proposed well site location and shall pay the multiple well site registration fee required by Rule 7.8; provided, however, that only one well may be completed pursuant to the well registration application, and that well must be at any one of the authorized well site locations in accordance with

Rule 4.2(b). Each proposed well site location must meet all of the requirements of these Rules, including but not limited to, the spacing requirements of Rules 4.2 and 4.3 and the minimum tract size requirements of Rule 4.3. Any well drilled to explore for groundwater at one or more of the authorized well sites that is ultimately not used as the final well site for completion of the well shall be plugged in accordance with the Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code. Upon completion of the well at one of the authorized well site locations, the registrant shall confirm the location where the well was completed on the well report required under Rule 3.7.

Rule 3.4 Registration of Existing Non-Exempt Wells Required Before July 1, 2011

- (a) The owner of an existing well described under Rule 3.3(a)(2) must register the well with the District between April 1 and June 30, 2011, and must install a meter on the well as set forth under Section 8 of these rules by July 1, 2011. Failure of the owner of such a well to timely register the well under this rule shall subject the well owner to enforcement under these Rules.
- (b) Although not required under these Temporary Rules, the owner of an existing well exempt under Rule 2.1(a) may elect to register the well with the District to provide the owner with evidence that the well existed before April 1, 2011, for purposes of establishing the well as an existing well, grandfathering the well from the requirement to comply with any well location or spacing requirements of the District, and any other entitlements that existing wells may receive under these Temporary Rules or under permanent rules adopted by the District.

Rule 3.5 Registration of New Wells or Alterations to Existing Wells Required Prior to Drilling or Alteration

- (a) An owner or well driller, or any other person legally authorized to act on their behalf, must submit and obtain approval of a registration application, submit the well registration fee under Rule 7.8, and submit the well report deposit under Rule 7.7 with the District before any new well, except leachate wells or monitoring wells, may be drilled, equipped, or completed, or before an existing well may be substantially altered with respect to size or capacity, beginning on and after April 1, 2011.
- (b) A registrant for a new well has 120 days from the date of approval of its application for well registration to drill and complete the new well, and must file the well report within 60 days of completion. However, a registrant may apply for up to two extensions of an additional 120 days each, which shall be granted by the General Manager without the need for consideration or action by the Board. Any additional extensions of time may only be authorized by the Board.
- (c) If the well report is timely submitted to the District, the District shall return the well report deposit to the owner or well driller. In the event that the well report required under this rule and Rule 3.7 are not filed within the deadlines set forth under Subsection (b) of this rule, the

driller or owner shall forfeit the well report deposit and shall be subject to enforcement by the District for violation of this rule.

- (d) Notwithstanding any other rule to the contrary, the owner and driller of a new well are jointly responsible for ensuring that a well registration required by this section is timely filed with the District and contains only information that is true and accurate. Each will be subject to enforcement action if a registration required by this section is not timely filed by either, or by any other person legally authorized to act on the behalf of either.

Rule 3.6 General Provisions Applicable to Registrations

- (a) Registration applications may be submitted to the District in person, by mail, or by fax, or by email or internet once such services become available from the District, using the registration form provided by the District.
- (b) A determination of administrative completeness of a registration application shall be made by the General Manager within five business days after the date of receipt of an application for registration and any applicable deposit and fee. If an application is not administratively complete, the District shall request the applicant to complete the application. The application will expire if the applicant does not complete the application within 120 days of the date of the District's request. An application will be considered administratively complete and may be approved by the General Manager without notice or hearing if:
 - (1) it substantially complies with the requirements set forth under Rule 3.3(b), including providing all information required to be included in the application that may be obtained through reasonable diligence; and
 - (2) if it is a registration for a new well:
 - (A) includes the well report deposit and well registration fee; and
 - (B) proposes a well that complies with the spacing, location, minimum tract size, and well completion requirements of Section 4.

A person may appeal the General Manager's ruling by filing a written request for a hearing before the Board. The Board will hear the applicant's appeal at the next regular Board meeting. The General Manager may set the application for consideration by the Board at the next available Board meeting or hearing in lieu of approving or denying an application.

- (c) Upon approval or denial of an application, the General Manager shall inform the registrant in writing by regular mail of the approval or denial, as well as whether the well meets the exemptions provided in Rule 2.1 or whether it is subject to the metering, Water Use Fee payment, and reporting requirements of these Rules. The General Manager shall also attempt to contact the registrant by phone, fax, or email if the applicant provided a phone number, fax number, or email address.

- (d) An application pursuant to which a registration has been issued is incorporated in the registration, and the registration is valid contingent upon the accuracy of the information supplied in the registration application. A finding that false information has been supplied in the application may be grounds to refuse to approve the registration or to revoke or suspend the registration.
- (e) Submission of a registration application constitutes an acknowledgment by the registrant of receipt of the rules and regulations of the District and agreement that the registrant will comply with all rules and regulations of the District.
- (f) The District may amend any registration, in accordance with these Rules, to accomplish the purposes of the District Rules, management plan, the District Act, or Chapter 36, Texas Water Code.
- (g) If multiple wells have been aggregated under one registration and one or more wells under the registration will be transferred, the District will require separate registration applications from each new owner for the wells retained or obtained by that person.
- (h) No person shall operate or otherwise produce groundwater from a well required under this Section to be registered with the District before:
 - (1) timely submitting an accurate application for registration, or accurate application to amend an existing registration as applicable, of the well to the District; and
 - (2) obtaining approval from the District of the application for registration or amendment application, if such approval is required under these Rules.

Rule 3.7 Records of Drilling, Pump Installation and Alteration Activity, and Plugging

- (a) Each person who drills, deepens, completes or otherwise alters a well shall make, at the time of drilling, deepening, completing or otherwise altering the well, a legible, complete, and accurate well report recorded on the Texas Department of Licensing and Regulation “Well Report” form.
- (b) The person who drilled, deepened, completed or otherwise altered a well pursuant to this rule shall, within 60 days after the date the well is completed, file the well report described in Subsection (a) with the District.
- (c) Not later than the 30th day after the date a well is plugged, a driller, licensed pump installer, or well owner who plugs the well shall submit a plugging report to the District, which shall be substantially similar in form to the Texas Department of Licensing and Regulation Form a004WWD (Plugging Report) and shall include all information required therein.

Rule 3.8 Transfer of Well Ownership

- (a) Within 90 days after the date of a change in ownership of a well exempt under Rule 2.1, the new well owner (transferee) shall notify the District in writing of the effective date of the change in ownership, the name, daytime telephone number, and mailing address of the new well owner, along with any other contact or well-related information reasonably requested by the General Manager. The new well owner may, in addition, be required to submit an application for registration of an existing well if a registration does not yet exist for the well.
- (b) Within 90 days after the date of a change in ownership of a well that is not exempt under District Rule 2.1 from the Water Use Fee payment, metering, and reporting requirements of these rules, the new well owner (transferee) shall submit to the District, on a form provided by the District staff, a signed and sworn-to application for transfer of ownership.
- (c) If a registrant conveys by any lawful and legally enforceable means to another person the real property interests in one or more wells or a well system that is recognized in the registration so that the transferring party (the transferor) is no longer the “well owner” as defined herein, and if an application for change of ownership under Subsection (b) has been approved by the District, the District shall recognize the person to whom such interests were conveyed (the transferee) as the legal holder of the registration, subject to the conditions and limitations of these District Rules.
- (d) The burden of proof in any proceeding related to a question of well ownership or status as the legal holder of a registration issued by the District and the rights thereunder shall be on the person claiming such ownership or status.
- (e) Notwithstanding any provision of this rule to the contrary, no application made pursuant to Subsection (b) of this rule shall be granted by the District unless all outstanding fees, penalties, and compliance matters have first been fully and finally paid or otherwise resolved by the transferring party (transferor) for all wells included in the application or existing registration, and each well and registration made the subject of the application is otherwise in good standing with the District.
- (f) The new owner of a well that is the subject of a transfer described in this rule (transferee) may not operate or otherwise produce groundwater from the well after 90 days from the date of the change in ownership until the new owner has:
 - (1) submitted written notice to the District of the change in ownership, for wells described in Subsection (a); or
 - (2) submitted to the District a completed application for transfer of ownership, for wells described in Subsection (b).

A new well owner that intends to alter or use the well in a manner that would constitute a substantial change from the information in the existing registration or that would trigger the requirement to register the well under these Rules must also submit and obtain District approval of a registration application or registration amendment application, as applicable, prior to altering or operating the well in the new manner.

Rule 3.9 Amendment of Registration

A registrant shall file an application to amend an existing registration and obtain approval by the District of the application prior to engaging in any activity that would constitute a substantial change from the information in the existing registration. For purposes of this rule, a substantial change includes a change that would substantially alter the size or capacity of a pump or well, a change in the type of use of the water produced, the addition of a new well to be included in an already registered aggregate system, a change in location of a well or proposed well, a change of the location of use of the groundwater, or a change in ownership of a well. A registration amendment is not required for maintenance or repair of a well if the maintenance or repair does not substantially alter the size or production capacity of the pump or well.

Rule 3.10 Water Production Reports

- (a) Not later than September 1 and March 1 of each year, or monthly under the provisions of Rule 7.4, the owner or operator of any non-exempt well within the District must submit on a form provided by the District or through the District's Online Reporting System a report containing the following:
 - (1) the name of the registrant;
 - (2) the well numbers of each registered well within the District owned or operated by the registrant;
 - (3) the total amount of groundwater produced by each well or well system during the immediately preceding reporting period;
 - (4) the total amount of groundwater produced by each well or well system during each month of the immediately preceding reporting period;
 - (5) the purposes for which the water was used;
 - (6) for water used at a location other than the property on which the well is located, and that is not used by a fire department or emergency services district for emergency purposes or by a public water system:
 - (A) the location of the use of the water, and
 - (B) if the water was sold on a retail or wholesale basis, the name of the person to whom it was sold and the quantity sold to each person;

- (7) for water used at a location other than the property on which the well is located and that is used by a public water system, a description of identified system losses, including:
 - (A) an estimate of the total quantity, reported in gallons or in percentages of total annual production, of actual water lost to system loss,
 - (B) the sources of system losses reported under Subpart (A), and
 - (C) the methods, if any, employed to address the system losses reported under this subsection;
 - (8) for an owner or operator of a well seeking to receive a three (3) percent exemption for maintenance or emergency purposes from Water Use Fees within a reporting period under Rule 2.3, the Water Production Report must reflect one of the following:
 - (A) the owner or operator is a public water system, or
 - (B) the owner or operator provided groundwater to a fire department or emergency services district for emergency purposes during the reporting period; and
 - (9) if either (A) or (B) apply under Subsection (a)(8) of this rule, then the total Water Use Fee due shall be multiplied by ninety-seven (97) percent to reflect a three (3) percent deduction for groundwater used for maintenance or emergency purposes under Rule 2.3.
- (b) The report required by Subsection (a) must also include meter readings. Registrants electing to report monthly must submit to the District a monthly meter reading required by Rule 7.4, whereas registrants electing to report semiannually must submit a true and correct copy of the meter log required by District Rule 8.6. Both monthly and semiannually reporting registrants may submit all necessary meter reading information by using the District's Online Reporting System.
 - (c) Registrants may participate in the Monthly Reporting and Payment Incentive program described under Rule 7.4 and receive a discount on their fees. If registrants do not elect to participate in the Monthly Reporting and Payment Incentive Program under Rule 7.4, registrants shall report semiannually in compliance with the terms of this rule. There shall be two semiannual reporting periods each year. The report due on or before March 1 shall report groundwater produced during the period of the immediately preceding July 1 to December 31. The report due on or before September 1 shall report groundwater produced during the reporting period of the immediately preceding January 1 to June 30. To comply with this rule, the registrant of a well shall read each water meter associated with a well within 15 days before or after June 30 and within 15 days before or after December 31 each year and report the readings to the District on the form described in Subsection (a).

Additionally, to comply with this rule, all applicable information required under Subsection (a) must be contained in the Water Production Report filed with the District.

- (d) The first deadline to submit a report to the District under this rule is:
 - (1) March 1, 2012, for existing wells and for new wells completed before July 1, 2011; and
 - (2) no later than the first September 1 or March 1 following the semiannual reporting period during which the well was completed for new wells completed on or after July 1, 2011.
- (e) Notwithstanding any other rule to the contrary, the owner and any operator of a well are jointly responsible for ensuring that Water Production Reports and meter logs required by this rule are timely filed with the District and contain only information that is true and accurate. Each will be subject to enforcement action if a report or log required by this rule is not timely filed by either, or by any other person legally authorized to act on the behalf of either.
- (f) Persons participating in the Monthly Reporting and Payment Incentive Program under Rule 7.4 shall submit reports according to the timelines set forth under Rule 7.4 to the extent that the timelines under Rule 7.4 are in conflict with this rule.

Rule 3.11 Inactive Well Status

- (a) A well not exempt under Rule 2.1(a) may be classified as an Inactive Well by the District upon request of the well owner during the period that production from the well will be 10,000 gallons or less per calendar year. The requirements of these Temporary Rules relating to the payment of Water Use Fees under Section 7, the requirement to record and keep a monthly log of water meter readings under Rule 8.6, and the requirement to report to the District the amount of water produced from a well under Section 3 do not apply to wells classified as Inactive under this rule. Inactive Well Status participants shall instead pay an annual \$150.00 Inactive Well Status participation fee and shall report water usage to the District as set forth under Subsection (c) of this rule.
- (b) The well owner shall complete and submit an Inactive Well Status application on a form provided by the District. The General Manager shall approve or deny an application for Inactive Well Status. The General Manager's denial of an Inactive Well Status application may be appealed to the Board.
- (c) District staff shall take an initial meter reading on the well for which Inactive Well Status is sought and the applicant shall pay the \$150.00 Inactive Well Status participation fee prior to approval of an application submitted under this rule. Inactive Well Status classification for a well shall be renewed annually through the submission of a renewal form provided by the District. Renewal forms and the annual \$150.00 Inactive Well Status participation fee shall be submitted no later than March 1 of each calendar year following

the first calendar year that the well was classified as Inactive. The water meter associated with an Inactive well shall be read at the end of the calendar year within 15 days before or after December 31, and this meter reading shall be included on the renewal form submitted to the District by March 1 of each calendar year.

- (d) A well granted Inactive Well Status for which annual renewal forms and Inactive Well Status annual participation fees are timely submitted shall be classified as Inactive until the well owner files a notice that the well should no longer be classified as Inactive. The owner of a well granted Inactive Well Status that intends to produce more than 10,000 gallons of water per calendar year shall submit notice on a form provided by the District that the well should no longer be classified as Inactive. Such notice shall include a final meter reading for the well under its Inactive status. All wells for which notice has been submitted to the District or that have been disqualified from Inactive Well Status due to a violation of this rule shall be required to resume the water use reporting requirements under Section 3, the monthly log and meter reading requirements under Rule 8.6, and fee payment requirements under Section 7 of these Temporary Rules.
- (e) The District or its designee shall conduct inspections of wells classified as Inactive pursuant to Section 9 of these Temporary Rules to determine and enforce compliance with the provisions of this rule. Production from a well in excess of 10,000 gallons per calendar year while the well is classified as Inactive shall be a major violation of these Temporary Rules and the well owner shall be subject to the applicable penalties and enforcement mechanisms provided in Rule 9.2 and the District's Enforcement Policy and Civil Penalty Schedule. The failure to comply with the provisions of this rule shall result in the automatic removal of Inactive Well Status for a well.

SECTION 4.
SPACING AND LOCATION OF WELLS; WELL COMPLETION

Rule 4.1 Spacing and Location of Existing Wells

Wells drilled prior to November 15, 2010, shall be drilled in accordance with state law in effect, if any, on the date such drilling commenced and are exempt from the spacing, location, and minimum tract size requirements of these rules to the extent that they were drilled lawfully.

Rule 4.2 Spacing and Location of New Wells

- (a) All new wells must comply with the spacing and location requirements set forth under the Texas Water Well Drillers and Pump Installers Administrative 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. All wells for which drilling commenced after May 15, 2017, must also be drilled or completed at locations that comply with the minimum

tract sizes requirements, as provided in Rule 4.3 below, unless an exception is available under Rule 4.5 and is granted by the General Manager or the Board.

- (b) After authorization to drill a new or replacement well has been granted by the District, the well may only be drilled at a location that is within ten (10) yards (30 feet) of the location specified in the registration. New wells must nonetheless be actually drilled in compliance with the spacing requirements of this rule and the minimum tract size requirements under Rule 4.3.
- (c) Compliance with the spacing, location, and minimum tract size requirements of these rules or the grant of an exception to such requirements does not necessarily authorize a person to drill a well at a specified location in the District. Agencies or other political subdivisions of the State of Texas that are located in whole or in part within the boundaries of the District may impose additional requirements related to the drilling or completion of water wells.
- (d) The owner and driller of a well are jointly responsible for ensuring that the well is drilled at a location that strictly complies with the location requirements of Subsection (b). If the board determines that a well is drilled at a location that does not strictly comply with the location requirements of Subsection (b), the Board may, in addition to taking all other appropriate enforcement action, require the well to be permanently closed or authorize the institution of legal action to enjoin any continued drilling activity or the operation of the well.

Rule 4.3 Minimum Tract Size Requirements

- (a) All (1) wells drilled or completed in any aquifer in the District after May 15, 2017, and (2) all existing wells that are substantially altered after May 15, 2017, shall be located on a minimum tract size of two (2) acres.
- (b) Subsection (a) of this rule shall not apply to:
 - (1) an existing well that is substantially altered if the maximum amount of water the altered existing well can actually produce as equipped is 17.36 gpm or less and the well is used solely for domestic use, livestock use, or poultry use;
 - (2) a well for which an exception is granted under Rule 4.5.

Rule 4.4 Standards of Completion for All Wells

- (a) All wells must be completed in accordance with the well completion standards set forth under the Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code, and under these Rules.
- (b) Water well drillers shall indicate the method of completion performed on the well report.
- (c) To prevent the commingling of water between the aquifers which can result in a loss of artesian (or static) head pressure or the degradation of water quality, each well penetrating

more than one aquifer or subdivision thereof must be completed in a manner so as to prevent the commingling of groundwater between aquifers or between subdivisions of an aquifer if required by the Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code. The driller shall indicate the method of completion used to prevent the commingling of water on the well report. The well driller may use any lawful method of completion calculated to prevent the commingling of groundwater.

- (d) In order to protect water quality, the integrity of the well, or loss of groundwater from the well, the District may impose additional well completion requirements on any well as determined necessary or appropriate by the Board.
- (e) In addition to the requirements under Subsection (a), all new wells, re-worked wells, and re-completed wells shall be equipped in such a manner as to allow the measurement of the water level in the aquifer supplying water to the well. The driller or well owner are jointly responsible for ensuring that the completed well complies with this subsection.

Rule 4.5 Exceptions to Spacing or Minimum Tract Size Requirements

- (a) The Board or General Manager may grant exceptions to the spacing or minimum tract size requirements of the District only after consideration of an application filed pursuant to this rule.
- (b) An application for an exception filed pursuant to this rule must be sworn to or affirmed by a person with personal knowledge of relevant facts who shall swear or affirm that the facts contained in the application are true and correct to the best of the person's knowledge. A plat filed pursuant to this rule must be certified by the county clerk's office where the land is located or sworn to or affirmed by a person with personal knowledge of relevant facts set forth in the plat, unless the District already has a certified plat by the appropriate county clerk's office on file at the District office that covers the property in question.
- (c) An applicant may seek an exception to the spacing or minimum tract size requirements of the District if the applicant is able to present evidence that:
 - (1) A well is proposed to be located on a tract of land that was platted, meets an exception to platting, or was otherwise lawfully configured prior to May 15, 2017, as a tract that is too small to comply with the minimum tract size or spacing requirements set forth under Rules 4.2 and 4.3, but only if:
 - (A) Such tract is not further subdivided into smaller tracts of land after May 15, 2017; and
 - (B) The applicant provides a plat or other evidence of the date the tract of land was platted or was otherwise lawfully configured; or

- (2) An applicant was in the process of platting or otherwise lawfully configuring a tract that is too small to comply with the minimum tract size or spacing requirements set forth under Rules 4.2 and 4.3 as of May 15, 2017, but only if:
- (A) To require compliance with Rules 4.2 or 4.3 would cause unreasonable economic hardship on the applicant;
 - (B) No other economically feasible water source is available to the applicant; and
 - (C) The applicant provides evidence demonstrating that the applicant was in the process of platting or otherwise lawfully configuring the tract, that compliance with Rules 4.2 or 4.3 would cause unreasonable hardship to the applicant, and that no other economically feasible water source is available to the applicant.
- (d) Applications for an exception under Subsection (c) (1) of this rule may be approved or denied by the General Manager. An applicant may appeal the General Manager's ruling by filing a written request for a hearing before the Board. The Board shall hear the applicant's appeal at the next regular Board meeting, unless the General Manager sets the application for consideration by the Board at an earlier Board meeting or hearing called for that purpose, as determined by the General Manager in his discretion, in lieu of approving or denying an application. Upon approval or denial of an application, the General Manager shall inform the registrant in writing by utilizing a method described in Rule 1.7.
- (e) Applications for an exception under Subsection (c) (2) of this rule shall be presented to the Board for consideration at a regularly scheduled Board meeting.
- (f) If the Board or General Manager grants an exception to the spacing or minimum tract size requirements, the General Manager or his designee shall have such exception recorded in the property deed records of the county in which the well is located.
- (g) The burden of proof in any proceeding related to an application for an exception to a spacing or minimum tract size requirement shall be on the applicant. The Board may impose additional restrictions on the exact location or the production of a well to be drilled pursuant to an exception that it grants.
- (h) The Board or General Manager may grant an application for an exception under this rule to a person who owns multiple tracts of land or lots in a platted subdivision for each tract or lot that meets the requirements of Subsection (c) of this rule without the need to include a well registration application with the application for an exception. However, no well shall be drilled on any such tract until a well registration application for such well has been approved by the District.

SECTION 5.
REGULATION OF PRODUCTION; WASTE PROHIBITED

Rule 5.1 Temporary Production Limitations

The maximum quantity of water that a person may withdraw from a well that is not exempt under Rule 2.1(a) is the amount of water the person produces and timely:

- (1) submits payment to the District for in accordance with the fee rate adopted by the District under Section 7; and
- (2) reports pumpage volumes to the District under Rule 3.10.

Rule 5.2 Regular Production Limitations

In order to accomplish the purposes of Chapter 36, Texas Water Code, and the District Act, and to achieve the goals of the District Management Plan, the District may, after notice and hearing, establish groundwater production limitations for all wells, or certain classes of wells, when it adopts permanent rules for the District.

Rule 5.3 Waste Prohibited

No person shall engage in any conduct subject to the District's regulatory jurisdiction that constitutes waste, as that term is defined herein.

SECTION 6.
TRANSPORTATION OF GROUNDWATER OUT OF THE DISTRICT

Rule 6.1 General Provisions

- (a) A person who produces or wishes to produce water from a well not exempt under Rule 2.1(a) that is located or is to be located within the District and transport such water for use outside of the District must register the well and submit timely payment of the Groundwater Transport Fee to the District under Rule 7.2 for any water transported out of the District. The District may require the person to install any meters necessary to report the total amount of groundwater transported outside of the District for reporting purposes and for purposes of calculating the Groundwater Transport Fee.
- (b) The District may not, in a manner inconsistent with rules and fees applied to production and use occurring wholly within the boundaries of the District, regulate production of groundwater or assess fees against the transport of water produced in an area of a retail public utility that is located inside the district boundaries and transported for use to an area that is within the same retail public utility but that is located outside the district boundaries

if the majority of the groundwater produced inside the District is used within the boundaries of the District. If conditions change over time such that the majority of such use is not within the boundaries of the District, the groundwater transported for use outside of the District shall be assessed the Groundwater Transport Fee.

Rule 6.2 Reporting

A person transporting groundwater for use outside of the District and subject to the requirement to pay the Groundwater Transport Fee shall file periodic reports with the District describing the amount of water transported and used outside the District. The report shall be filed with the District in the same manner, for the same reporting periods, and by the same deadlines set forth for Water Production Reports under Rule 3.10. The report for groundwater transported shall be on the appropriate Groundwater Transport Report form provided by the District and shall state the following: (1) the name of the person; (2) the well registration numbers of each well from which the person has produced groundwater transported for use outside the District; (3) the total amount of groundwater produced from each well or well system during the immediately preceding reporting period; (4) the total amount of groundwater transported outside of the district from each well or well system during each month of the immediately preceding reporting period; (5) the purposes for which the water was transported; (6) the amount and source of surface water transported, if any; and (7) any other information requested by the District.

SECTION 7. **FEES AND PAYMENT OF FEES**

Rule 7.1 Water Use Fees

- (a) A Water Use Fee rate schedule shall be established by Board resolution annually at least 60 days before the end of the calendar year. The rate shall be applied to the groundwater pumpage in the ensuing calendar year for each well not exempt under Rule 2.1. The District will review the account of any person changing the use of a well from non-exempt to exempt or vice versa to determine if additional Water Use Fees are due or if a refund of Water Use Fees is warranted. For fees applied to groundwater produced in the second half of 2011 only, the Board may adopt the rate schedule at any time between November 15, 2010 and March 31, 2011.
- (b) Wells exempt under Rule 2.1 shall be exempt from payment of Water Use Fees. However, if exempt well status is withdrawn, the District may assess fees and penalties in accordance with the District Rules.
- (c) No later than 60 days prior to the end of the calendar year, beginning with calendar year 2011, the District shall send by regular mail, internet account, or electronic mail to the owner or operator of each registered well that is required to pay the Water Use Fee a reminder statement setting forth the Water Use Fee rate applicable to the water produced

in the ensuing year, setting forth deadlines for submission of fee payments and production reports of meter readings, and other information deemed appropriate by the District.

- (d) Notwithstanding any other rule to the contrary, the owner and any operator of a well are jointly responsible for ensuring that Water Use Fees and Groundwater Transport Fees required by this rule or Rule 7.2 are timely submitted to the District. Each will be subject to enforcement action if a report or log required by this rule is not timely filed by either, or by any other person legally authorized to act on the behalf of either.
- (e) The District will not accept any fee payments in cash, including but not limited to monthly fee payments.

Rule 7.2 Groundwater Transport Fee

The District shall impose a 50 percent export surcharge in addition to the District's Water Use Fee for in-District use for groundwater produced in the District that is transported for use outside of the District, except as provide by Rule 6.1(b). The procedures, requirements, exemptions, and penalties related to payment of the Water Use Fee set forth under these rules shall also apply to payment of the Groundwater Transport Fee.

Rule 7.3 Payment of Water Use and Groundwater Transport Fees

- (a) Except for persons participating in the Monthly Reporting and Payment Incentive Program under Rule 7.4, all fees for groundwater production or transport in a calendar year must be paid to the District semiannually, consistent with the semiannual reporting periods for submission of Water Production Reports under Rule 3.10(b). Fees for water produced or transported between January 1 and June 30 each year are due to the District by September 1 of the same calendar year; fees for water produced or transported between July 1 and December 31 each year are due to the District by March 1 of the following calendar year. Fee payments shall be submitted in conjunction with the Water Production Reports, monthly logs, and Groundwater Transport Reports if applicable.
- (b) Any well that is subject to fee payment under this rule and that provides water for both agricultural and non-agricultural purposes of use shall pay the Water Use Fee rate applicable to non-agricultural purposes for all water produced from the well, unless the applicant can demonstrate through convincing evidence to the satisfaction of the District that a system is or will be in place so as to assure an accurate accounting of water for each purpose of use.
- (c) Except for persons participating in the Monthly Reporting and Payment Incentive Program under Rule 7.4, the first deadline to submit fees under this rule is:
 - (1) March 1, 2012, for existing wells and for new wells completed before July 1, 2011; and

- (2) no later than the first September 1 or March 1 following the semiannual reporting period during which the well was completed for new wells completed on or after July 1, 2011.

Rule 7.4 Monthly Reporting and Payment Incentive

- (a) A person required to pay the Water Use Fee may elect to submit meter readings, production records, and fee payments to the District on a monthly basis, and shall receive a discount of ten (10) percent off the total fees due for groundwater produced during each month as specifically set forth in this rule. To receive the ten (10) percent discount, all meter readings and production records must be timely submitted online using the District's Online Reporting System found on the District's website, along with any applicable groundwater transport records. Payment may be made either online or to the District directly. Not later than the tenth (10th) day of the month, a well owner or operator must read each water meter associated with a well and record the meter reading and the actual amount of pumpage since the previous month's meter reading. After completing the online report, the District's Online Reporting System will calculate the total amount of fees owed to the District for groundwater produced since the previous month's meter reading, which includes the ten (10) percent discount as well as the three (3) percent exemption under Rule 2.3, if applicable, for that month. The well owner or operator must then submit the calculated fee payment to the District. The monthly online report and fee payment must be received by the District no later than the last day of the month following the month for which groundwater production is being reported.
- (b) Unless otherwise approved by the General Manager, a well owner who fails to make a monthly payment so that it is received by the District by the required date, or who fails to submit a monthly report online by the required date, shall immediately become ineligible to participate in the monthly reporting and payment option program for the remainder of the current reporting year, and shall be required to immediately comply with the reporting and fee payment provisions of Rules 3.10, 6.2, and 7.1-7.3 for all groundwater produced during the semiannual period for which a monthly production record and fee payment was not already timely received by the District. Such a well owner may continue to pay monthly at the full Water Use Fee rate for the remainder of the current reporting year, so long as all fees and reports are submitted by the deadlines applicable to the regular reporting for the semiannual reporting period. The well owner will not become eligible to participate in the Monthly Reporting and Payment Incentive Program again until the beginning of the next reporting year. The General Manager may waive the provisions of this subsection under extenuating circumstances or may present the matter to the Board for the Board's decision. A well owner that is not granted a waiver may request a hearing before the Board on the matter, unless the Board has already taken action on the matter. The General Manager may develop an alternate monthly reporting form or system for use by persons reporting and paying monthly in compliance with this rule.

Rule 7.5 Failure to Make Fee Payments

- (a) Payments not received within 30 days following the date that Water Use Fees or Groundwater Transport Fees are due and owing to the District pursuant to Rule 7.3(a) will be subject to a late payment fee of the greater of the following:
 - (1) \$25.00; or
 - (2) ten (10) percent of the total amount of Water Use Fees due and owing to the District.
- (b) Persons failing to remit all Water Use Fees or Groundwater Transport Fees due and owing to the District within 60 days of the date such fees are due pursuant to Rule 7.3(a) shall be subject to a civil penalty not to exceed three times the amount of the outstanding Water Use Fees or Groundwater Transport Fees due and owing, in addition to the late fee penalty prescribed in Subsection (a) of this rule, and may be subject to additional enforcement measures provided for by these Rules or by order of the Board.

Rule 7.6 Returned Check Fee

A \$25.00 fee shall be assessed for checks returned to the District for insufficient funds, account closed, signature missing, or any other reason causing a check to be returned by the District's depository.

Rule 7.7 Well Report Deposit

A well report deposit of \$200.00 is hereby established to be held by the District as part of the well registration procedures. The District shall return the deposit to the depositor if the well report is timely submitted to the District in accordance with these Rules. In the event the District does not timely receive the well report, or if rights granted within the registration are not timely used, the deposit shall become the property of the District.

Rule 7.8 New Well Registration Fee

The owner of any new well for which drilling commences on or after April 1, 2011, including a new well exempt under Rule 2.1, shall submit payment to the District of a \$250.00 non-refundable well registration fee per well, which is due by the same deadline established under these Rules for registration of the well. A well owner seeking District authorization of more than one well site pursuant to Rule 3.3(e) shall submit a \$300.00 non-refundable multiple well site registration fee by the same deadline established under these Rules for registration of the well. The well registration fee must be received by the District in order for the District to find a registration application administratively complete. The purpose of the well registration fee is to cover the administrative costs to the District associated with registering the well and administering the rules and operations of the District related to the registration of the well. The amount of the well registration fee has been determined by the District to be less than the actual administrative costs

to the District of registering the well and administering the rules and operations of the District with respect to the registration of the well.

Rule 7.9 Enforcement

After a well is determined to be in violation of these rules for failure to make payment of Water Use Fees or Groundwater Transport Fees on or before the 60th day following the date such fees are due pursuant to Rule 7.3, all enforcement mechanisms provided by law and these Rules shall be available to prevent unauthorized use of the well and may be initiated by the General Manager without further authorization from the Board.

SECTION 8. **METERING**

Rule 8.1 Water Meter Required

- (a) Except as provided in Rule 8.2, the owner of a well located in the District and not exempt under Rule 2.1 shall equip the well with a flow measurement device meeting the specifications of these Rules and shall operate the meter on the well to measure the flow rate and cumulative amount of groundwater withdrawn from the well. Except as provided in Rule 8.2, the owner of an existing well not exempt under Rule 2.1 that is located in the District shall install a meter on the well prior to producing groundwater from the well after July 1, 2011.
- (b) A mechanically driven, totalizing water meter is the only type of meter that may be installed on a well registered with the District unless an approval for another type of meter is applied for and granted by the District. The totalizer must not be resettable by the registrant and must be capable of a maximum reading greater than the maximum expected annual pumpage. Battery operated registers must have a minimum five-year life expectancy and must be permanently hermetically sealed. Battery operated registers must visibly display the expiration date of the battery. All meters must meet the requirements for registration accuracy set forth in the American Water Works Association standards for cold-water meters as those standards existed on the date of adoption of these Rules. Meters must be able to measure instantaneous flow rate of the groundwater produced from the well, except as follows: a meter that was installed on an existing well as of November 15, 2010, that is not capable of measuring the instantaneous flow rate will not have to be replaced, provided that the meter has the ability to measure the cumulative amount of groundwater withdrawn from the well and meets all other requirements herein.
- (c) The water meter must be installed according to the manufacturer's published specifications in effect at the time of the meter installation, or the meter's accuracy must be verified by the registrant in accordance with Rule 8.4. If no specifications are published, there must be a minimum length of five pipe diameters of straight pipe upstream of the water meter and one pipe diameter of straight pipe downstream of the water meter. These lengths of

straight pipe must contain no check valves, tees, gate valves, back flow preventers, blow-off valves, or any other fixture other than those flanges or welds necessary to connect the straight pipe to the meter. In addition, the pipe must be completely full of water throughout the region. All installed meters must measure only groundwater.

- (d) Each meter shall be installed, operated, maintained, and repaired in accordance with the manufacturer's standards, instructions, or recommendations, and shall be calibrated to ensure an accuracy reading range of 95% to 105% of actual flow.
- (e) The owner of a well is responsible for the purchase, installation, operation, maintenance, and repair of the meter associated with the well.
- (f) Bypasses are prohibited unless they are also metered.

Rule 8.2 Water Meter Exemption

Wells exempt under Rule 2.1(a) shall be exempt from the requirement to obtain a water meter under Rule 8.1.

Rule 8.3 Metering Aggregate Withdrawal

Where wells are part of an aggregate system, one or more water meters may be used for the aggregate well system if the water meter or meters are installed so as to measure the groundwater production from all wells included in the system. The provisions of Rule 8.1 apply to meters measuring aggregate pumpage.

Rule 8.4 Accuracy Verification

- (a) **Meter Accuracy to be Tested:** The General Manager may require the registrant, at the registrant's expense, to test the accuracy of a water meter and submit a certificate of the test results. The certificate shall be on a form provided by the District. The General Manager may further require that such test be performed by a third party qualified to perform such tests. The third party must be approved by the General Manager prior to the test. Except as otherwise provided herein, certification tests will be required no more than once every three years for the same meter. If the test results indicate that the water meter is registering an accuracy reading outside the range of 95% to 105% of the actual flow, then appropriate steps shall be taken by the registrant to repair or replace the water meter within 90 calendar days from the date of the test. The District, at its own expense, may undertake random tests and other investigations at any time for the purpose of verifying water meter readings. If the District's tests or investigations reveal that a water meter is not registering within the accuracy range of 95% to 105% of the actual flow, or is not properly recording the total flow of groundwater withdrawn from the well or wells, the registrant shall reimburse the District for the cost of those tests and investigations within 90 calendar days from the date of the tests or investigations, and the registrant shall take appropriate steps to bring the meter or meters into compliance with these Rules within 90 calendar days from the date of the tests or investigations. If a water meter or related piping

or equipment is tampered with or damaged so that the measurement of accuracy is impaired, the District may require the registrant, at the registrant's expense, to take appropriate steps to remedy the problem and to retest the water meter within 90 calendar days from the date the problem is discovered and reported to the registrant.

- (b) **Meter Testing and Calibration Equipment:** Only equipment capable of accuracy results of plus or minus two percent of actual flow may be used to calibrate or test meters.
- (c) **Calibration of Testing Equipment:** All approved testing equipment must be calibrated every two years by an independent testing laboratory or company capable of accuracy verification. A copy of the accuracy verification must be presented to the District before any further tests may be performed using that equipment.

Rule 8.5 Removal of Meter for Repairs

A water meter may be removed for repairs and the well remain operational provided that the District is notified prior to removal and the repairs are completed in a timely manner. The readings on the meter must be recorded immediately prior to removal and at the time of reinstallation. The record of pumpage must include an estimate of the amount of groundwater withdrawn during the period the meter was not installed and operating.

Rule 8.6 Water Meter Readings

The registrant of a well not exempt under Rule 2.1 must read each water meter associated with the well and record the meter readings and the actual amount of pumpage in a log at least monthly. The logs containing the recordings shall be available for inspection by the District at reasonable business hours. Copies of the logs must be included with the Water Production Report required by District Rule 3.10, along with fee payments as set forth under Section 7. Except as otherwise provided under Rule 7.4 for monthly reporting and payment incentive participants, the registrant of a well shall read each water meter associated with a well within 15 days before or after June 30th and within 15 days before or after December 31st each year and report the readings to the District on a form provided by the District along with copies of the monthly logs and payment of all Water Use Fees and Groundwater Transport Fees by the deadlines set forth for fee payment under Rule 7.3.

Rule 8.7 Installation of Meters

Except as otherwise provided by these Rules, a meter required to be installed under these Rules shall be installed before producing water from the well on or after July 1, 2011.

Rule 8.8 Enforcement

It is a major violation of these Rules to fail to meter a well and report meter readings in accordance with this Section. After a well is determined to be in violation of these rules for failure to meter or maintain and report meter readings, all enforcement mechanisms provided by law and these

Rules shall be available to prevent unauthorized use of the well and may be initiated by the General Manager without further authorization from the Board.

SECTION 9.
INSPECTION AND ENFORCEMENT OF RULES

Rule 9.1 Purpose and Policy

The District's ability to effectively and efficiently manage the limited groundwater resources within its boundaries depends entirely upon the adherence to the rules promulgated by the Board to carry out the District's purposes. Those purposes include providing for the conservation, preservation, protection and recharge of the groundwater resources within the District, to protect against subsidence, degradation of water quality, and to prevent waste of those resources. Without the ability to enforce these rules in a fair, effective manner, it would not be possible to accomplish the District's express groundwater management purposes. The enforcement rules and procedures that follow are consistent with the responsibilities delegated to it by the Texas Legislature through the District Act, and through Chapter 36 of the Texas Water Code.

Rule 9.2 Rules Enforcement

- (a) If it appears that a person or entity has violated, is violating, or is threatening to violate any provision of the District Rules, the Board may institute and conduct a suit in a court of competent jurisdiction in the name of the District for injunctive relief, recovery of a civil penalty in an amount set by District Rule per violation, both injunctive relief and a civil penalty, or any other appropriate remedy. Each day of a continuing violation constitutes a separate violation.
- (b) Unless otherwise provided in these rules, the penalty for a violation of any District rule shall be either:
 - (1) \$10,000.00 per violation; or
 - (2) a lesser amount, based on the severity of the violation, as set forth in the Enforcement Policy and Civil Penalty Schedule, which is attached to these Rules as Appendix A and adopted as a Rule of the District for all purposes.
- (c) A penalty under this section is in addition to any other penalty provided by law and may be enforced by filing a complaint in a court of competent jurisdiction in the county in which the District's principal office or meeting place is located.
- (d) If the District prevails in a suit to enforce its Rules, the District may seek, in the same action, recovery of attorney's fees, costs for expert witnesses, and other costs incurred by the District before the court. The amount of attorney's fees awarded by a court under this rule shall be fixed by the court.

Rule 9.3 Failure to Report Pumpage and/or Transported Volumes

The accurate reporting and timely submission of pumpage and/or transported volumes is necessary for the proper management of water resources in the District. Failure of a well owner required by these Temporary Rules to submit complete, accurate, and timely pumpage and transportation reports may result in:

- (a) the assessment of any fees or penalties adopted under Rule 9.2 for meter reading and inspection as a result of District inspections to obtain current and accurate pumpage and/or transported volumes; and
- (b) additional enforcement measures provided by these Rules or by order of the Board.

Rule 9.4 District Inspections

No person shall unreasonably interfere with the District's efforts to conduct inspections or otherwise comply with the requirements, obligations, and authority provided in Section 36.123 of the Texas Water Code.

Rule 9.5 Notices of Violation

Whenever the District determines that any person has violated or is violating any provision of the District's Rules, including the terms of any rule or order issued by the District, it may use any of the following means of notifying the person or persons of the violation:

- (a) **Informal Notice:** The officers, staff or agents of the District acting on behalf of the District or the Board may inform the person of the violation by telephone by speaking or attempting to speak to the appropriate person to explain the violation and the steps necessary to satisfactorily remedy the violation. The information received by the District through this informal notice concerning the violation will be documented, along with the date and time of the call, and will be kept on file with the District. Nothing in this subsection shall limit the authority of the District to take action, including emergency actions or any other enforcement action, without first providing notice under this subsection.
- (b) **Notice of Violation:** The District may inform the person of the violation through a written notice of violation issued pursuant to this rule. Each notice of violation issued hereunder shall explain the basis of the violation, identify the rule or order that has been violated or is being violated, and list specific required actions that must be satisfactorily completed—which may include the payment of applicable civil penalties—to address each violation raised in the notice. Notices of violation issued hereunder shall be tendered by a delivery method that complies with District Rule 1.7. Nothing in this rule subsection shall limit the authority of the District to take action, including emergency actions or any other enforcement action, without first issuing a notice of violation.
- (c) **Compliance Meeting:** The District may hold a meeting with any person whom the District believes to have violated, or to be violating, a District Rule or District order to discuss each

such violation and the steps necessary to satisfactorily remedy each such violation. The information received in any meeting conducted pursuant to this rule subsection concerning the violation will be documented, along with the date and time of the meeting, and will be kept on file with the District. Nothing in this rule subsection shall limit the authority of the District to take action, including emergency actions or any other enforcement action, without first conducting a meeting under this subsection.

Rule 9.6 Show Cause Hearing

- (a) Upon recommendation of the General Manager to the Board or upon the Board's own motion, the Board may order any person that it believes has violated or is violating any provision of the District's Rules a District order to appear before the Board at a public meeting called for such purpose and show cause why an enforcement action, including the initiation of a suit in a court of competent jurisdiction, should not be pursued by the District against the person or persons made the subject of the show cause hearing.
- (b) No show cause hearing under Subsection (a) of this rule may be held unless the District first serves, on each person to be made the subject of the hearing, written notice not less than 20 days prior to the date of the hearing. Such notice shall include the following:
 - 1. the time and place for the hearing;
 - 2. the basis of each asserted violation; and
 - 3. the rule or order that the District believes has been violated or is being violated; and
 - 4. a request that the person cited duly appear and show cause why enforcement action should not be pursued.
- (c) The District may pursue immediate enforcement action against the person cited to appear in any show cause order issued by the District where the person so cited fails to appear and show cause why an enforcement action should not be pursued.
- (d) Nothing in this rule shall limit the authority of the District to take action, including emergency actions or any other enforcement action, against a person at any time regardless of whether the District holds a hearing under this rule.

SECTION 10.
OTHER DISTRICT MANAGEMENT ACTIONS AND DUTIES

Rule 10.1 District Management Plan

Following notice and hearing, the District shall adopt a comprehensive Management Plan. The District Management Plan shall specify the acts and procedures and performance and avoidance

measures necessary to prevent waste, the reduction of artesian pressure, or the draw-down of the water table. The District shall use the Rules to implement the Management Plan. The Board will review the Management Plan at least every five years. If the Board considers a new Management Plan necessary or desirable based on evidence presented at a hearing, a new Management Plan will be developed and adopted. A Management Plan, once adopted, remains in effect until the subsequent adoption of another Management Plan.

SECTION 11.
EFFECTIVE DATE

Rule 11.1. Effective Date

These Rules take effect on November 15, 2010, which was the date of their original adoption. An amendment to these Rules takes effect on the date of its original adoption. It is the District's intention that the rules and amendments thereto be applied retroactively to activities involving the production and use of groundwater resources located in the District, as specifically set forth in these Rules.

APPENDIX 1
Prairielands Groundwater Conservation District
ENFORCEMENT POLICY AND CIVIL PENALTY SCHEDULE

General Guidelines

When the General Manager discovers a violation of the District Rules that either (1) constitutes a Major Violation, or (2) constitutes a Minor Violation that the General Manager is unable to resolve within 60 days of discovering the Minor Violation, the General Manager shall bring the Major Violation or the unresolved Minor Violation and the pertinent facts surrounding it to the attention of the Board. Violations related to water well construction and completion requirements shall also be brought to the attention of the Board.

The General Manager shall recommend to the Board of Directors an appropriate settlement offer to settle the violation in lieu of litigation based upon the Civil Penalty Schedule set forth below. The Board may instruct the General Manager to tender an offer to settle the violation or to institute a civil suit in the appropriate court to seek civil penalties, injunctive relief, and costs of court and expert witnesses, damages, and attorneys' fees.

I. Minor Violations

The following acts each constitute a minor violation:

1. Failure to timely file a registration on a new well that qualifies for an exemption under Rule 2.1.
2. Failure to conduct a meter reading within the required period.
3. Failure to timely notify District regarding change of ownership.
4. Failure to timely file Well Report.
5. Failure to timely submit required documentation reflecting alterations or increased production.
6. Operating a meter that is not accurately calibrated.

CIVIL PENALTY SCHEDULE FOR MINOR VIOLATIONS

First Violation:	\$50.00
Second Violation:	\$100.00
Third Violation:	Major Violation

A second violation shall be any minor violation within 3 years of the first minor violation. A third violation shall be any minor violation following the second minor violation within 5 years of the first minor violation. Each day of a continuing violation constitutes a separate violation.

II. Major Violations

The following acts each constitute a major violation:

1. Failure to register a well where mandated by rules, including drilling, equipping, completing, altering, or operating a well without a compliant and approved registration.
2. Failure to timely meter a well when required.
3. Failure to submit accurate Water Production Report within the required period.
4. Failure to submit accurate Groundwater Transport Report within the required period.
5. Drilling a well at a different location than authorized or in violation of spacing or minimum tract size requirements.*
6. Failure to close or cap an open or uncovered well.
7. Failure to submit Water Use Fees within 60 days of the date the fees are due.**
8. Failure to timely submit Groundwater Transport Fees within 60 days of the date the fees are due.**
9. Committing waste.
10. Falsification of documents.***
11. Groundwater production in excess of the 10,000 gallons per calendar year maximum for wells that have Inactive Well Status classification under Rule 3.11.

CIVIL PENALTY SCHEDULE FOR MAJOR VIOLATIONS

First Violation:	\$250.00
Second Violation:	\$500.00
Third Violation:	Civil Suit for injunction, civil penalties, and damages

A second violation shall be any major violation within 3 years of the first major violation. A third violation shall be any major violation following the second major violation within 5 years of the first major violation. Each day of a continuing violation constitutes a separate violation.

- * In addition to the applicable penalty provided for in the Civil Penalty Schedule for Major Violations, persons who drill a well in violation of applicable spacing or minimum tract size requirements may be required to plug the well.
- ** In addition to the applicable penalty provided for in the Civil Penalty Schedule for Major Violations, persons who do not submit all Water Use Fees and Groundwater Transport Fees due and owing within 60 days of the date the fees are due pursuant to Rule 7.3(a) will be assessed a civil penalty equal to three times the total amount of outstanding Water Use Fees, Groundwater Transport Fees, or both, that are due and owing.
- *** In addition to the applicable penalty provided for in the Civil Penalty Schedule, the Board may refer any person it suspects of falsifying documents or records submitted to the District to the district attorney or other local prosecuting authority for criminal prosecution.

III. Water Well Construction and Completion Requirements

Failure to use approved construction materials: **\$250 + total costs of remediation**

Failure to properly cement annular space: **\$500 + total costs of remediation**

In addition to the civil penalties provided for in this schedule, persons who drill a well in violation of applicable spacing, minimum tract size, or completion requirements may be required to recomplete or reconstruct the well in accordance with the District's rules, or may be ordered to plug the well.

IV. Other Violations of District Rules Not Specifically Listed Herein

Any violation of a District Rule not specifically set forth herein shall be presented to the Board of Directors for a determination of whether the violation is Minor or Major, based upon the severity of the violation and the particular facts and issues involved, whereupon the procedures and the appropriate civil penalty amount set forth herein for Minor and Major Violations shall apply to the violation.