RULES OF THE CALHOUN COUNTY GROUNDWATER CONSERVATION DISTRICT

PROLOGUE

INTRODUCTION

The rules of the Calhoun County Groundwater Conservation District were originally adopted on May 31, 2017.
The rules of the Calhoun County Groundwater Conservation District were originally in effect as of October 1, 2017.
The rules of the Calhoun County Groundwater Conservation District were modified and re-adopted on April 18, 2018.
The rules of the Calhoun County Groundwater Conservation District were modified and re-adopted on January 23, 2023.
The rules of the Calhoun County Groundwater Conservation District were modified and re-adopted on July 24, 2023.
The rules of the Calhoun County Groundwater Conservation District were modified and re-adopted on January 22, 2024.
The rules of the Calhoun County Groundwater Conservation District were modified and re-adopted on October 28, 2024.
The rules of the Calhoun County Groundwater Conservation District were modified and re-adopted on _____.

In accordance with Section 59 of Article XVI of the Texas Constitution, Chapter 8860, Special Districts and Local Laws Code and Chapter 36 of the Texas Water Code, the following rules are hereby ratified and adopted as the Rules of the Calhoun County Groundwater Conservation District by its board of directors. Each rule as worded herein has been in effect since the date of passage and as may be hereafter amended.

The rules, regulations, and modes of procedure herein contained are and have been adopted to simplify procedures, avoid delays, and facilitate the administration of the water laws of the state of Texas and the policies of the District. The Rules of the District shall be construed in such a manner as to attain these objectives.

The Rules of the District may be used as guides in the exercise of discretion, where discretion is vested. However, under no circumstances and in no particular case may the Rules of the District be construed as a limitation or restriction upon the exercise of powers, duties, and jurisdiction conferred by law. The Rules of the District will not limit or restrict the amount and accuracy of data or information that may be required for the proper administration of the law.

TABLE OF CONTENTS

Table of Contents

PROLOGUE **2**
INTRODUCTION 2
TABLE OF CONTENTS 3

SECTION 1: DEFINITIONS AND CONCEPTS **6**
RULE 1.1: DEFINITIONS OF TERMS 6
RULE 1.2: GENERAL POLICIES REGARDING THE RULES OF THE DISTRICT 23

SECTION 2: POLICIES RELATED TO DRILLING, REWORKING, REPLACING, AND PLUGGING WELLS **26**
RULE 2.1: DRILLING WELLS 26
RULE 2.2: WELL SPACING REQUIREMENTS OF WELLS 27
RULE 2.3: STANDARDS FOR CONSTRUCTING WELLS 28
RULE 2.4: COMMINGLING OF UNDESIRABLE WATER WITH DESIRABLE GROUNDWATER 29
RULE 2.5: REPLACING WELLS 30
RULE 2.6: PLUGGING WELLS 30

SECTION 3: POLICIES RELATED TO REGISTRATION OF WATER WELLS, WELL FIELDS, AND WELL SYSTEMS **32**
RULE 3.1: GENERAL POLICIES RELATED TO REGISTRATION OF WELLS, WELL FIELDS, AND WELL SYSTEMS 32
RULE 3.2: APPLICATION REQUIREMENTS RELATED TO THE REGISTRATION OF A WELL 32
RULE 3.3: APPLICATION REQUIREMENTS RELATED TO THE REGISTRATION OF A WELL FIELD 33
RULE 3.4: APPLICATION REQUIREMENTS RELATED TO THE REGISTRATION OF A WELL SYSTEM 34

SECTION 4: POLICIES RELATED TO PERMITTING **36**
RULE 4.1: GENERAL POLICIES RELATED TO PERMITS 36
RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPT-USE WELLS 38
RULE 4.3: GENERAL PROCEDURES RELATED TO PERMITTING 39
RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS 40
RULE 4.4.1: APPLICATION REQUIREMENTS RELATED TO PERMIT RENEWAL REQUESTS 42
RULE 4.4.2: APPLICATION REQUIREMENTS RELATED TO PERMIT AMENDMENT REQUESTS 42

SECTION 5: POLICIES RELATED TO HISTORIC USE OF GROUNDWATER **42**
RULE 5.1: GENERAL POLICIES RELATED TO PROTECTION OF HISTORIC USE PERMITTING 42
RULE 5.1.1: GROUNDWATER PRODUCTION LIMITATIONS OF GRANDFATHERED NON-EXEMPT-USE WELLS 44
RULE 5.1.2: GROUNDWATER PRODUCTION LIMITATIONS OF GRANDFATHERED WELL FIELDS 44
RULE 5.1.3: GROUNDWATER PRODUCTION LIMITATIONS OF GRANDFATHERED WELL SYSTEMS 44
RULE 5.2: GENERAL PROCEDURES RELATED TO PROTECTION OF HISTORIC USE PERMITTING 45
RULE 5.2.1: APPLICATION REQUIREMENTS RELATED TO PROTECTION OF HISTORIC USE OF A GRANDFATHERED WELL 46
RULE 5.2.2: APPLICATION REQUIREMENTS RELATED TO PROTECTION OF HISTORIC USE OF A GRANDFATHERED WELL FIELD 47
RULE 5.2.3: APPLICATION REQUIREMENTS RELATED TO PROTECTION OF HISTORIC USE OF A GRANDFATHERED WELL SYSTEM 47

SECTION 6: POLICIES RELATED TO NON-HISTORIC USE OF GROUNDWATER 49
RULE 6.1: GENERAL POLICIES RELATED TO NON-HISTORIC-USE PERMITTING 49
RULE 6.1.1: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELLS 51
RULE 6.1.2: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELLS FIELDS 51
RULE 6.1.3: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELL SYSTEMS 52
RULE 6.2: GENERAL PROCEDURES RELATED TO NON-HISTORIC USE PERMITTING 53
RULE 6.2.1: APPLICATION REQUIREMENTS RELATED TO PRODUCTION PERMIT REQUESTS FOR NON-HISTORIC USE FOR A NON-EXEMPT-USE WELL 55
RULE 6.2.2: APPLICATION REQUIREMENTS RELATED TO NON-HISTORIC USE PRODUCTION PERMITS FOR NON-EXEMPT-USE WELL FIELDS 56
RULE 6.2.3: APPLICATION REQUIREMENTS RELATED TO NON-HISTORIC USE PRODUCTION PERMITS FOR NON-EXEMPT-USE WELL SYSTEMS 58
RULE 6.3: SPECIAL POLICIES RELATED TO HIGH-CAPACITY NON-HISTORIC USE PERMITTING 59
RULE 6.3.1: APPLICATION REQUIREMENTS RELATED TO HIGH-CAPACITY NON-HISTORIC-USE PRODUCTION PERMIT REQUESTS 60
RULE 6.3.2: SPECIAL MONITORING AND REPORTING REQUIREMENTS RELATED TO PERMITTING HIGH-CAPACITY NON-HISTORIC USE 61
RULE 6.4: SPECIAL POLICIES RELATED TO DEEP-SALINE NON-HISTORIC USE PERMITTING 63
RULE 6.4.1: GROUNDWATER PRODUCTION LIMITATIONS RELATED TO DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONES 64
RULE 6.4.2: APPLICATION REQUIREMENTS RELATED TO DEEP-SALINE NON-HISTORIC-USE PRODUCTION PERMIT REQUESTS 65
RULE 6.4.3: SPECIAL MONITORING AND REPORTING REQUIREMENTS RELATED TO PERMITTING DEEP-SALINE NON-HISTORIC USE 66

SECTION 7: POLICIES RELATED TO GROUNDWATER TRANSFER 69
RULE 7.1: GENERAL POLICIES RELATED TO PERMITTING TRANSFER 69
RULE 7.2: GENERAL PROCEDURES RELATED TO TRANSFER PERMITTING 69
RULE 7.3: GENERAL MONITORING AND REPORTING REQUIREMENT RELATED TO TRANSFER PERMITS 70
RULE 7.4: APPLICATION REQUIREMENTS RELATED TO TRANSFER PERMIT REQUESTS 71

SECTION 8: POLICIES RELATED TO DISTRICT WAIVERS AND PETITIONS TO AMEND THE RULES OF THE DISTRICT 73
RULE 8.1: GENERAL POLICIES RELATED TO WAIVERS 73
RULE 8.2: GENERAL PROCEDURES RELATED TO DISTRICT WAIVERS 73
RULE 8.3: APPLICATION REQUIREMENTS RELATED TO DISTRICT WAIVERS 75
RULE 8.4: GENERAL POLICIES RELATED TO PETITIONS TO AMEND THE RULES OF THE DISTRICT 76
RULE 8.5: GENERAL PROCEDURES RELATED TO PETITIONS TO AMEND THE RULES OF THE DISTRICT 76
RULE 8.6: APPLICATION REQUIREMENTS RELATED TO PETITIONS TO AMEND THE RULES OF THE DISTRICT 77

SECTION 9: POLICIES RELATED TO CURTAILMENT OF GROUNDWATER PRODUCTION 79
RULE 9.1: CURTAILMENT OF GROUNDWATER PRODUCTION 79
RULE 9.2: REDUCTION OF AUTHORIZED GROUNDWATER PRODUCTION AMOUNT OF PRODUCTION PERMITS 81

SECTION 10: POLICIES RELATED TO DISTRICT FEES 82

RULE 10.1: ADMINISTRATIVE AND APPLICATION FEE 82
RULE 10.2: REGISTRATION APPLICATION FEE 82
RULE 10.3: TRANSFER FEE 82
RULE 10.4: PRODUCTION FEE 82
RULE 10.5: PENALTIES AND LATE FEES 83

SECTION 11: POLICIES RELATED TO WASTE, VIOLATIONS, INVESTIGATIONS, AND ENFORCEMENT 84

RULE 11.1: GENERAL POLICIES RELATED TO WASTE PREVENTION 84
RULE 11.2: GENERAL POLICIES RELATED VIOLATIONS 84
RULE 11.3: RIGHT TO INSPECT, TEST, AND LOCATE WELLS 85
RULE 11.4: CONDUCT ASSOCIATED WITH INVESTIGATIONS AND INSPECTIONS 86
RULE 11.5: RULE ENFORCEMENT 86
RULE 11.6: LOCKOUT OF WELLS 86
RULE 11.7: GENERAL PROCEDURES RELATED TO RULE ENFORCEMENT 87
RULE 11.8: NOTICES OF VIOLATIONS 87
RULE 11.9: NOTICE OF NEED TO FILE SUIT 88
RULE 11.10: PENALTIES 89

SECTION 12: PROCEDURES RELATE TO HEARINGS AND OTHER PROCEEDINGS 90

RULE 12.1: GENERAL POLICIES RELATED TO HEARINGS 90
RULE 12.2: NOTICE AND SCHEDULING RELATED TO HEARINGS AND PROPOSED PERMIT ISSUANCE 90
RULE 12.3: GENERAL PROCEDURES RELATED TO HEARINGS 92
RULE 12.4: PROCEDURES RELATED TO UNCONTESTED PERMIT HEARINGS 95
RULE 12.5: PROCEDURES RELATED TO CONTESTED PERMIT HEARINGS 96
RULE 12.6: PROCEDURES RELATE TO DECISIONS, REHEARINGS, AND APPEALS 101

SECTION 1: DEFINITIONS AND CONCEPTS

RULE 1.1: DEFINITIONS OF TERMS

In the administration of its duties, the Calhoun County Groundwater Conservation District follows the definitions of terms set forth in the District Act, Chapter 36 of the Texas Water Code, Chapter 76 of Title 16 of the Texas Administrative Code, and the definitions as follow:

ACRE-FEET means the amount of water necessary to cover one acre of land one foot deep and is equal to 325,851 U.S. gallons of water.

ACREAGE OF CONTIGUOUS OWNERSHIP OF GROUNDWATER RESOURCES ASSOCIATED WITH HISTORIC USE means the portion of the contiguous ownership of groundwater resources associated with a production permit request that has been validated, by the District, as being associated with historic use.

ACREAGE OF CONTIGUOUS OWNERSHIP OF GROUNDWATER RESOURCES UNASSOCIATED WITH HISTORIC USE means the portion of the contiguous ownership of groundwater resources associated with a production permit request that has not been validated, by the District, as being associated with historic use.

ADMINISTRATIVELY COMPLETE means the condition of an application when all information required and requested has been provided to the District, including the information specified in the Rules of the District or reasonably related to an issue that the District by law is authorized to consider.

APPLICANT means the person who, possessing sufficient legal authority to obligate the associated owners of groundwater resources, the associated owners of land, and the associated well owners to the regulations, requirements, and conditions of permits and district waivers resulting from the approval of an application, submits an application to the District.

APPLICATION means the completed forms and associated information supporting a request for authorization from the District related to the regulation of groundwater resources within the jurisdictional boundaries of the District, including the information specified in the Rules of the District or reasonably related to an issue that the District by law is authorized to consider.

AQUIFER MONITORING PARAMETERS means quantitative physical characteristics of the Gulf Coast Aquifer System required, by the District, to be monitored as a condition of a production permit.

AQUIFER MONITORING TIER 1 PARAMETERS means the following measurements:

1. water level of a well as feet below the ground surface,
2. specific conductivity (µS/cm),

3. conductivity-converted total dissolved solids (mg/L), and
4. temperature (°C).

AQUIFER MONITORING TIER 2 PARAMETERS means the following measurements:
1. water level of a well as feet below the ground surface;
2. temperature as °C;
3. total dissolved solids, M2540C;
4. elements / metals, ICPMS (0.45u filtered and acid preserved): SW6020A;
5. specific conductivity, M2510 B;
6. alkalinity, M2320 B;
7. pH, M45000-H+ B;
8. calcium, M6010 D;
9. sodium, M6010 D;
10. bicarbonate, M2320 B;
11. chloride, M9056 A;
12. sulfate, M9056 A;
13. magnesium, M6010 D.

AQUIFER MONITORING TIER 3 PARAMETERS means the following measurements:
alkalinity, ammonia, arsenic, barium, bicarbonate, bromide, cadmium, calcium, carbonate, chloride, chromium, dissolved oxygen, fluoride, iodide, iron, lead, magnesium, mercury, molybdenum, nitrate, nitrite, oxidation-reduction potential, potassium, selenium, silver, sodium, sulfate, sulfite, total dissolved solids, total hardness, total organic carbon, total phosphorus, total suspended solids, turbidity, and uranium.

ARTESIAN WELL means a well drilled through impermeable strata to reach water capable of rising to the surface by internal hydrostatic pressure.

AUTHORIZED AGENT means the person, possessing sufficient legal authority to obligate certain owners of groundwater resources, certain owners of land, certain well owners, or certain authorized operators to the regulations, requirements, and conditions of permits and district waivers issued by the District, represents and acts for those other persons regarding matters within the jurisdiction of the District.

AUTHORIZED ANNULAR SPACE SEALANT means a material that will:
1. create a seal against the borehole wall that prevents the leaking of fluids into the borehole,
2. create a seal against the well casing that prevents the development of liquid flow paths along the outside of the casing, and
3. fills and sets up to fill the voids between the outside of the casing and the borehole wall that has structural integrity and porosity to prevent the migration of fluids through the sealant. Authorized materials include neat cement grout, bentonite-cement grout, high-solids bentonite grout, bentonite slurry, and properly hydrated bentonite chips/pellets/granules.

AUTHORIZED GROUNDWATER PRODUCTION means the non-exempt use of a well, a well field, or well system resulting in the flowing of or extraction of groundwater from a well, a well field, or a well system as authorized by the District under a production permit.

AUTHORIZED GROUNDWATER PRODUCTION AMOUNT means the quantity of groundwater, in units of acre-feet per year, authorized to be produced from a well, a well field, or a well system by the District under a production permit.

AUTHORIZED GROUNDWATER PRODUCTION PURPOSE means the beneficial use for which groundwater produced from a well, a well field, or a well system may be put as authorized by the District under a production permit.

AUTHORIZED GROUNDWATER PRODUCTION RATE means the quantity of groundwater, in units of gallons permit or gallons per day, authorized to be produced from a well, a well field, or a well system by the District under a production permit.

AUTHORIZED GROUNDWATER TRANSFER AMOUNT means the quantity of groundwater in units of acre-feet per year, that the District has authorized to be transferred out of the District under a transfer permit.

AUTHORIZED GROUNDWATER TRANSFER LOCATION means a location that the District has authorized groundwater to be transferred by permit.

AUTHORIZED GROUNDWATER TRANSFER PERIOD means the period of time that the District has authorized groundwater to be transferred by permit.

AUTHORIZED GROUNDWATER TRANSFER PURPOSE means the beneficial use to which groundwater transferred outside of the District under a transfer permit issued by the District is authorized to be put.

AUTHORIZED OPERATOR means any person authorized by the District by permit to operate a well, well field, well system, or groundwater transfer facility.

AVERAGE AQUIFER CONDITION means the average of aquifer condition parameters calculated from measurements collected in association with an aquifer monitoring plan, approved by the District, collected during a particular period of time from dedicated aquifer monitoring wells.

BENEFICIAL USE means:

1. the use of groundwater for agricultural, gardening, domestic, stock raising, municipal, mining, manufacturing, industrial, commercial, recreational, or pleasure purposes;
2. the use of groundwater for exploring for, producing, handling, or treating oil, gas, sulfur, or other minerals; or
3. the use of groundwater for any other purpose that is useful and does not constitute waste of groundwater.

BOARD OF DIRECTORS means the governing body of the District.

CONTIGUOUS OWNERSHIP OF GROUNDWATER RESOURCES means a unit of ownership of groundwater resources held by an individual person, entity, or undivided interests in a unit of groundwater resources surrounding a single location without interrupting ownership.

DE MINIMIS CONTRIBUTION means a level of contribution to a measurable parameter of an aquifer or production zone caused by a well, as determined by the District, that produces no material, measurable, or operationally significant deleterious or detrimental effect in an aquifer or production zone.

DEAF PERSON means a person who has one or more hearing impairments that inhibit the person's comprehension of the audio proceedings or communication with others.

DEDICATED AQUIFER MONITORING WELL means a well that is designed, constructed, and used solely for the purpose of monitoring aquifer conditions.

DEEP-SALINE NON-HISTORIC USE means the production of groundwater for non-exempt use from a deep-saline special groundwater management zone that is produced from one or more deep-saline wells or one or more deep-saline well fields associated with a permit request for a production permit for non-historic use that results in:

1. a) the cumulative authorized groundwater production rate exceeding five gallons per minute (5 GPM) per acre on the subject tract of contiguous groundwater ownership, excluding the authorized groundwater production rates associated with existing production permits for historic use, production permits for standard-capacity non-historic use, production permits for high-capacity non-historic use, and b) the cumulative authorized groundwater production rate being greater than or equal to five hundred gallons per minute (500 GPM) on the subject tract of contiguous groundwater ownership, excluding the authorized groundwater production rates associated with production permits for historic use; or
2. a) the cumulative authorized groundwater production amount exceeding one fourth acre-foot (¼ AFY) per year per acre on the subject tract of contiguous groundwater ownership, excluding the authorized groundwater production rates associated with existing production permits for historic use, production permits for standard-capacity non-historic use, production permits for high-capacity non-historic use, and b) the cumulative authorized groundwater production amount being greater than or equal to two hundred and fifty acre-feet per year (250 acre-feet per year) on the subject tract of contiguous groundwater ownership, excluding the authorized groundwater production rates associated with production permits for historic use.

DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONE means a special groundwater management zone with:

1. water-bearing strata located one thousand three hundred feet (1,300 feet) below the land surface with at least one hundred feet (100 feet) of cumulative clay thickness composed of individual clay intervals with a thickness greater than or equal to ten feet (10 feet), as determined by interpretation of core samples or geophysical logs,

existing between a) the deepest fresh water-bearing stratum, and b) the top of the production interval for a deep-saline groundwater project, and
2. saline groundwater with total dissolved solids concentrations exceeding one thousand five hundred milligrams per liter (1,500 mg/L).

DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONES are limited to:
1. SLIGHTLY SALINE GROUNDWATER ZONE means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) equal to or greater than one thousand five hundred milligrams per liter (1,500 mg/L) and 2) equal to or less than three thousand milligrams per liter (3,000 mg/L).
2. MODERATELY SALINE GROUNDWATER ZONE means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) greater than three thousand milligrams per liter (3,000 mg/L) and 2) equal to or less than ten thousand milligrams per liter (10,000 mg/L).
3. EXTREMELY SALINE GROUNDWATER ZONE means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) greater than ten thousand milligrams per liter (10,000 mg/L).

DEEP-SALINE WELL means a well that is a non-exempt-use well with well screening isolated in a deep-saline special groundwater management zone.

DEEP-SALINE WELL FIELD means a set of deep-saline wells located on a tract of contiguous ownership of groundwater resources.

DESIRABLE GROUNDWATER means groundwater that is not injurious to vegetation, animals, land, or would not cause or contribute to contamination of land or water.

DETERIORATED WELL means a well that, because of its condition, will cause or is likely to cause pollution of any water in this state, including groundwater.

DISTRICT means the Calhoun County Groundwater Conservation District.

DISTRICT ACT means Chapter 8860, Special District Local Laws Code and the non-conflicting provisions of Chapter 36, Water Code.

DISTRICT OFFICE means the office of the District as established by action of the Board of Directors.

DISTRICT WAIVER means the modification, reduction, of elimination of a rule, requirement, or condition of the Rules of the District or of a permit issued by the District that is granted by the Board of Directors upon a finding of good cause.

DOMESTIC means those activities related to the maintenance of a household.

DORMANT WELL means a non-exempt-use well that is not a deteriorated well or abandoned well which the authorized operator has notified the District, by submitting an application requesting the well be classified as a dormant well, that the well will not be operated for the foreseeable future and the District will be notified, by submitting an application requesting the well be classified as an active well prior to any operation of the well.

DRAWDOWN-CONTRIBUTING WELL means a non-exempt-use well that the District has determined to have contributed, in excess of a de minimis contribution, to the drawdown of a dedicated aquifer monitoring well associated with a HCPP or a DSPP for which the protective limit of drawdown established for the dedicated aquifer monitoring well has been exceeded during a reporting period.

EVIDENCE OF HISTORIC USE means evidence that is material and relevant to a determination of the amount of groundwater produced for beneficial use from a grandfathered well, grandfathered well field, or grandfathered well system for a non-exempt use without waste of groundwater during the historic use validation period.

EXEMPT USE means the use or operation of a well or set of wells for exempt-use purposes.

EXEMPT-USE PURPOSES means:
1. producing groundwater for domestic use purposes;
2. producing groundwater for livestock or poultry watering purposes;
3. producing groundwater for firefighting purposes;
4. producing groundwater for groundwater monitoring purposes in a volume that does not exceed five thousand gallons (5,000 gallons) of water per year; or
5. otherwise exempt under Section 36.117, Water Code.

EXEMPT-USE WELL means a well that is used solely for exempt-use purposes.

FEE means a charge imposed by the District pursuant to Texas Water Code Chapter 36.

FEE TYPES include:
1. ADMINISTRATIVE FEE means a fee assessed by the District on an applicant for the submittal of an application.
2. PRODUCTION FEE means a fee assessed by the District on owners of groundwater resources based on the volume of groundwater produced from a non-exempt-use well.
3. TRANSFER FEE means a fee assessed by the District on owners of groundwater resources based on the volume of groundwater transferred out of the boundary of the District.

FRACTIONAL RESPONSIBILITY FOR DRAWDOWN means the proportion of the total drawdown measured at a dedicated aquifer monitoring well that is attributable to a non-exempt-use well.

GENERAL MANAGER means the person employed by the District assigned the responsibility of managing the District office and completing duties, actions, and tasks as directed by the Board of Directors.

GEOGRAPHIC COORDINATE means the latitude and longitude of a location described in measurements of the World Geodetic System, WGS 1984 EPSG 4326.

GOOD CAUSE means a reasonable and rational justification for the Board of Directors to take an action to accomplish and achieve its management goals and objectives related to preserving, conserving, recharging, and protecting groundwater resources, controlling subsidence, and preventing waste of groundwater within the jurisdictional boundaries of the District.

GRANDFATHERED EXEMPT-USE WELL means a well that existed at the date of the original adoption of the Rules of the District used during and after the historic use period solely for exempt-use purposes.

GRANDFATHERED NON-EXEMPT-USE WELL means a well that existed at the date of the original adoption of the Rules of the District used for non-exempt-use purposes during the historic use period.

GRANDFATHERED NON-EXEMPT-USE WELL FIELD means a well field that existed, in its entirety, at the date of the original adoption of the Rules of the District used for non-exempt-use purposes during the historic use period.

GRANDFATHERED NON-EXEMPT-USE WELL SYSTEM means a well system that existed, in its entirety, at the date of the original adoption of the Rules of the District used for non-exempt-use purposes during the historic use period.

GRANDFATHERED STATUS means the classification, assigned by the District, of the purpose of use for a well, a well field, or a well system as a grandfathered well, a grandfathered well field, a grandfathered well system, a non-grandfathered well, a non-grandfathered well field, or a non-grandfathered well system.

GRANDFATHERED WELL means a well that existed at the date of the original adoption of the Rules of the District and the present pattern of operation of the well is the same as the historic use of the well.

GRANDFATHERED WELL FIELD means a well field that existed, in its entirety, at the date of the original adoption of the Rules of the District and the present pattern of operation of the well field is the same as the historic use of the well field.

GRANDFATHERED WELL SYSTEM means a well system that existed, in its entirety, at the date of the original adoption of the Rules of the District and the present pattern of operation of the well system is the same as the historic use of the well system.

GROUNDWATER PRODUCTION means the operation of a well, a well field, or a well system that results in the flowing of or extraction of groundwater from a well.

GROUNDWATER PRODUCTION CURTAILMENT REQUIREMENTS means the groundwater production reductions and monitoring requirements, ordered by the Board of Directors, and imposed on the owner of groundwater resources and operator of any drawdown-contributing wells, saline-change-contributing well, or subsidence-contributing well.

GROUNDWATER RESOURCES means the water percolating below the surface of the earth.

GROUNDWATER QUALITY CLASSIFICATIONS include:

1. FRESH GROUNDWATER means groundwater with a total dissolved solids concentration less than one thousand milligrams per liter (1,000 mg/L).
2. SLIGHTLY SALINE GROUNDWATER means groundwater with a total dissolved solids concentration 1) equal to or greater than one thousand milligrams per liter (1,000 mg/L) and 2) equal to or less than three thousand milligrams per liter (3,000 mg/L).
3. MODERATELY SALINE GROUNDWATER means groundwater with a total dissolved solids concentration 1) greater than three thousand milligrams per liter (3,000 mg/L) and 2) equal to or less than ten thousand milligrams per liter (10,000 mg/L).
4. EXTREMELY SALINE GROUNDWATER means groundwater with a total dissolved solids concentration greater than ten thousand milligrams per liter (10,000 mg/L).

GULF COAST AQUIFER SYSTEM means the water-bearing strata and geologic formations of the Chicot Aquifer, Evangeline Aquifer, Jasper Aquifer, or any other water-bearing geologic formation within the boundary of the District.

HEARING EXAMINER means a person appointed by the Board of Directors to conduct a hearing or other proceeding.

HIGH-CAPACITY NON-HISTORIC USE means the production of groundwater for non-exempt use that is produced from one or more wells, well fields, or well systems associated with a permit request for a production permit for non-historic use, other than a permit request for a production permit for deep-saline non-historic use, that results in:

1. a) the cumulative authorized groundwater production rate exceeding five gallons per minute (5 GPM) per acre of acreage of contiguous ownership of groundwater resources unassociated with historic use on the subject tract of contiguous groundwater ownership, excluding the authorized groundwater production amount associated with production permits for deep-saline non-historic use, and , and b) the cumulative authorized groundwater production rate being greater than or equal to five hundred gallons per minute (500 GPM) on the subject tract of contiguous ownership of groundwater resources unassociated with historic use; or
2. a) the cumulative authorized groundwater production amount exceeding one fourth acre-foot (¼ AFY) per year per acre of acreage of contiguous ownership of groundwater resources unassociated with historic use on the subject tract of contiguous groundwater ownership, excluding the authorized groundwater production amounts associated with production permits for deep-saline non-historic use, and b) the cumulative authorized groundwater production amount being greater than or equal to two hundred and fifty acre-feet per year (250 acre-feet per year) on the subject tract of contiguous ownership of groundwater resources unassociated with historic use.

HISTORIC USE means the specific pattern of groundwater production from a well that has not been plugged, a well field, or a well system that occurred during the historic use validation period including the annual quantity of groundwater produced from the well, the well field, or the well system and the specific purposes of use of the produced groundwater for which evidence of the specific pattern of operation of a well, a well field, or a well system during the historic use validation period exists.

HISTORIC USE VALIDATION PERIOD means the time period before the date of the original adoption of the Rules of the District.

HISTORIC USE VALIDATION YEAR means the calendar year during the historic use validation period for which validation of historic use is being sought for a grandfathered well, a grandfathered well field, or a grandfathered well system.

INITIAL AQUIFER CONDITIONS means the statistical metrics calculated, including the mean, minimum, maximum, range, and standard deviation, from measurements collected from dedicated aquifer monitoring wells, excluding statistical outliers that have been determined to be erroneous measurements by the District, associated with an aquifer monitoring plan, approved by the District, before groundwater is produced under a production permit.

LANDOWNER means the person who has legal title to the land surface of a tract of land within the jurisdictional boundaries of the District.

LICENSED WELL DRILLER means a person licensed or registered by the Texas Department of Licensing and Regulation under Title 16, Texas Administrative Code, Chapter 76, Water Well Drillers and Pump Installers Rules to perform drilling work.

MANAGEMENT PLAN OF THE DISTRICT means the foundational document developed, amended, approved, and adopted by the Board of Directors of the Calhoun County Groundwater Conservation District in accordance with Section 36.1071 of the Texas Water Code.

NON-EXEMPT USE means the use or operation of a well or set of wells for non-exempt-use purposes.

NON-EXEMPT-USE PURPOSES means producing or using groundwater resources for any purpose other than those defined as exempt-use purposes.

NON-EXEMPT-USE WELL means a well that is used for non-exempt-use purposes.

NON-EXEMPT-USE WELL FIELD means the collection of non-exempt-use wells located on a tract of contiguous ownership of groundwater resources.

NON-EXEMPT-USE WELL SYSTEM means the collection of non-exempt-use wells located on multiple tracts of contiguous ownership of groundwater resources, which are connected by a transmission or distribution system.

NON-GRANDFATHERED EXEMPT-USE WELL means an exempt-use well that is not a grandfathered well or a replacement well of a grandfathered well.

NON-GRANDFATHERED NON-EXEMPT-USE WELL means a non-exempt-use well that is not a grandfathered well or a replacement well of a grandfathered well.

NON-GRANDFATHERED NON-EXEMPT-USE WELL FIELD means a non-exempt-use well field that is not a grandfathered well field.

NON-GRANDFATHERED NON-EXEMPT-USE WELL SYSTEM means a non-exempt-use well system that is not a grandfathered well system.

NON-GRANDFATHERED WELL means a well that is not a grandfathered well or a replacement well of a grandfathered well.

NON-GRANDFATHERED WELL FIELD means a well field that is not a grandfathered well field.

NON-GRANDFATHERED WELL SYSTEM means a well system that is not a grandfathered well system.

NON-HISTORIC USE means the specific pattern of operation of a well, a well field, or a well system that did not occur during the historic use validation period including the annual quantity of groundwater produced from the well, the well field, or the well system and the specific purposes of use of the produced groundwater.

OPEN MEETINGS LAW means Chapter 551, Texas Government Code.

ORIGINAL EXEMPT-USE GRANDFATHERED WELL means a well that 1) existed on October 3, 2008, 2) was utilized to produce groundwater solely for a) producing groundwater to be used for domestic use purposes, b) providing groundwater for poultry or personal recreation that is incapable of producing more than 20 gallons per minute, c) providing groundwater for livestock watering purposes, d) providing groundwater for firefighting, e) providing a heat source or heat sink to a closed loop geothermal well, f) providing access to monitor groundwater resources that does not consume more than 5,000 gallons of water per year, or g) was otherwise exempt under the provisions of Section 36.117 of the Texas Water Code, and 3) an administratively complete application to register the well or well log had been submitted to or obtained by the District before January 20, 2023.

ORIGINAL EXEMPT-USE NON-GRANDFATHERED WELL means a well that 1) was drilled after October 3, 2008, 2) was utilized to produce groundwater solely for a) producing groundwater to be used for domestic use purposes, b) providing groundwater for poultry or

personal recreation that is incapable of producing more than 20 gallons per minute, c) providing groundwater for livestock watering purposes, d) providing groundwater for firefighting, e) providing a heat source or heat sink to a closed loop geothermal well, f) providing access to monitor groundwater resources that does not consume more than 5,000 gallons of water per year, or g) was otherwise exempt under the provisions of Section 36.117 of the Texas Water Code, and 3) an administratively complete application to register the well or well log had been submitted to or obtained by the District before January 20, 2023.

OWNER OF GROUNDWATER RESOURCES means the person or set of persons who owns and controls a defined unit of groundwater resources within the boundaries of the District.

OWNERSHIP OF GROUNDWATER RESOURCES means the possession and control of groundwater located within a defined three-dimensional boundary within the jurisdictional boundaries of the District.

PERMIT means a document issued by the District conditionally authorizing a person to perform certain actions within the jurisdiction of the District.

PERMIT AMENDMENT means a modification of a valid permit previously issued by the District.

PERSON means a natural person, partnerships of two or more persons having a joint or common interest, corporation, organization, government, or governmental subdivision or agency, business trust, estate, trust, partnership, association, any other legal entity, or the combination of multiple persons to form an entity to which the rules and regulations of the District may apply.

PERSONAL RECREATION means those activities related to the recreation of an individual or a household.

PETITION TO AMEND THE RULES OF THE DISTRICT means a request to add, revise, or eliminate specific requirements or limitations established by the Board of Directors within the Rules of the District.

PLUGGING means the activity of altering a well to prevent the production of groundwater from the production casing or the movement of water or other fluids, including injurious water, between water-bearing strata intersected by the well borehole, resulting in an absolute sealing of the well bore.

PLUGGED WELL means a well that has been altered to prevent the production of groundwater from the production casing or the movement of water or other fluids, including injurious water, between water-bearing strata intersected by the well borehole, and to result in an absolute sealing of the well bore.

PRESIDING OFFICER means the President, Vice-President, Secretary, or other director of the District presiding at any hearing or other proceeding or a hearing examiner conducting any hearing or other proceeding of the District.

PRODUCED GROUNDWATER means water that has been pumped, flowed, or extracted from a well.

PRODUCTION AREA means the spatial boundary and extent of the area within the boundary of ownership or control of groundwater resources associated with a production permit that:

1. encompasses the location of the subject well, subject well field, or subject well system; and encompasses sufficient area to satisfy the associated groundwater production limitations under which the permit was issued by the District if the production permit authorizes non-historic use; or
2. encompasses the location of the subject well, subject well field, or subject well system; and encompasses the portion of the ownership or control of groundwater resources associated with the validated historic use of the permit if the production permit authorizes historic use.

PRODUCTION CAPACITY means the rate at which a well, a well field, or a well system can produce groundwater.

PRODUCTION PERMIT means the authorization issued by the District to use a well, a well field, or a well system for non-exempt use that specifies the authorized groundwater production purpose, the authorized groundwater production rate, the authorized groundwater production amount, and any special conditions for a designated period of time.

PRODUCTION PERMIT FOR DEEP-SALINE NON-HISTORIC USE or DEEP-SALINE NON-HISTORIC-USE PRODUCTION PERMIT (DSPP) means a production permit issued by the District and associated with an application requesting authorization to produce groundwater that qualifies as deep-saline non-historic use.

PRODUCTION PERMIT FOR HIGH-CAPACITY NON-HISTORIC USE or HIGH-CAPACITY NON-HISTORIC-USE PRODUCTION PERMIT (HCPP) means a production permit issued by the District and associated with an application requesting authorization to produce groundwater that qualifies as high-capacity non-historic use.

PRODUCTION PERMIT FOR HISTORIC USE or HISTORIC-USE PRODUCTION PERMIT (HUPP) means a production permit issued by the District associated with an application requesting validation and protection of historic use.

PRODUCTION PERMIT FOR STANDARD-CAPACITY NON-HISTORIC USE or STANDARD-CAPACITY NON-HISTORIC-USE PRODUCTION PERMIT (SCPP) means a production permit issued by the District and associated with an application requesting authorization to produce groundwater that qualifies as standard-capacity non-historic use.

PRODUCTION ZONE means the water-bearing stratum or strata that a well is completed in and from which groundwater is released into the water well.

PROTECTION OF HISTORIC USE means authorizing the continued operation of a grandfathered well, a grandfathered well field, or a grandfathered well system in a manner consistent with the validated historic use of the grandfathered well, the grandfathered well field, or the grandfathered well system.

PROTECTIVE LIMIT OF FRESH GROUNDWATER DRAWDOWN means the drawdown measured at a dedicated aquifer monitoring well in a fresh groundwater zone that exceeds 1) the water level change equal to the maximum minus the mean of the water level measurements calculated as the initial aquifer conditions of a dedicated aquifer monitoring well, plus 2) five feet (5 feet) of drawdown.

PROTECTIVE LIMIT OF FRESH GROUNDWATER SALINITY CHANGE means salinity change measured at a dedicated aquifer monitoring well in a fresh groundwater zone that exceeds 1) the salinity change above the concentration of total dissolved solids equal to the maximum minus the mean of the concentrations of total dissolved solids calculated as the initial aquifer conditions of a dedicated aquifer monitoring well, excluding statistical outliers that have been determined to be erroneous measurements by the District, plus 2) one hundred milligrams per liter (100 mg/L) of total dissolved solids during any consecutive three months or two hundred milligrams per liter (200 mg/L) of total dissolved solids over the production period of a permit.

PROTECTIVE LIMIT OF SALINE GROUNDWATER DRAWDOWN means the drawdown measured at a dedicated aquifer monitoring well in a saline groundwater zone that exceeds 1) the water level change equal to the maximum minus the mean of the water level measurements calculated as the initial aquifer conditions of a dedicated aquifer monitoring well, plus the greater of 2) twenty feet (20 feet) of drawdown or 25% reduction of the potentiometric surface.

PROTECTIVE LIMIT OF SALINE GROUNDWATER SALINITY CHANGE means salinity change measured at a dedicated aquifer monitoring well in a saline groundwater zone that exceeds 1) the salinity change above the concentration of total dissolved solids equal to the maximum minus the mean of the concentrations of total dissolved solids calculated as the initial aquifer conditions of a dedicated aquifer monitoring well, excluding statistical outliers that have been determined to be erroneous measurements by the District, plus 2) two hundred milligrams per liter (200 mg/L) of total dissolved solids during any consecutive three months, or four hundred milligrams per liter (400 mg/L) of total dissolved solids over the production period of a permit.

PROTECTIVE LIMIT OF SUBSIDENCE means the downward deformation of the land surface measured within the production area of a high-capacity production permit or a deep-saline production permit that exceeds 1) two inches (2 inches) of subsidence during any consecutive three months, or 2) twelve inches (12 inches) over the production period of a permit.

PUBLIC WATER SUPPLY ENTITY means any natural person, partnerships of two or more persons having a joint or common interest, corporation, organization, government, or governmental subdivision or agency, business trust, estate, trust, partnership, association, any other legal entity, or the combination of multiple persons to form an entity that provides water service to another person.

PURPOSE OF USE means the reason for utilizing a well, a well field, or a well system to produce groundwater resources or to access groundwater resources for specific beneficial uses.

PURPOSE OF BENEFICIAL USE TYPES include:

1. AGRICULTURAL USE means production or use of groundwater for activities involving agriculture as defined in Texas Water Code Section 36.001, including but not limited to:
   1.1. aquaculture;
   1.2. irrigation to cultivate the soil to produce crops;
   1.3. the practice of floriculture, viticulture, silviculture, and horticulture, including nursery grower operations;
   1.4. raising, feeding, or keeping animals for breeding or production of food or fiber or other products with a tangible value;
   1.5. planting cover crops,
   1.6. wildlife management; or
   1.7. raising or keeping equine animals.
2. DOMESTIC USE means the production or use of groundwater for domestic purposes for an individual or a household including groundwater used:
   2.1. for drinking, washing, or culinary purposes;
   2.2. for irrigating lawns, a family garden, or a family orchard;
   2.3. for watering domestic animals; and
   2.4. for personal recreation including aquatic and wildlife enjoyment; but
   2.5. 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 or used by or for a public water system.
3. INDUSTRIAL USE means the production or use of groundwater integral to the production of primary goods or services provided by industrial or manufacturing facilities and used primarily in the building, production, manufacturing, or alteration of a product or goods, or the use of groundwater to wash, cleanse, cool, or heat such goods or products, and the use of water in the generation of electricity by means other than hydroelectric, including the use of water for cooling purposes, and the uses associated with plant personnel, fire protection at the facility, and in maintaining associated property and facilities including mitigation and habitat areas but does not include agricultural use.
4. INJECTION USE means the use of a well for the following purposes:
   4.1. to return water used for heating or cooling;
   4.2. to inject water previously used for cooling;
   4.3. to drain surface fluid into a subsurface formation;
   4.4. to recharge the water in an aquifer;

4.5. to inject water into a freshwater aquifer to prevent the intrusion of salt water into the freshwater;
4.6. to inject a mixture of water and sand, mill tailings, or other solids into subsurface mines;
4.7. to inject fluids into a non-oil or gas producing zone to reduce or eliminate subsidence associated with the overdraft of water; or
4.8. used to circulate water, other fluids, or gases through the earth as a heat source or heat sink.

5. MONITORING USE means to use a well for the purpose of measuring one or more properties of the groundwater resources or aquifer it penetrates, provided the well does not produce more than five thousand gallons (5,000 gallons) of groundwater per year.
6. MUNICIPAL USE means the production and use of groundwater for a public water system for residential, commercial, or public and institutional uses, including the application of potable water for irrigation of golf courses, parks and recreational uses but does include water for industrial uses when the industrial user is receiving potable water from the municipality.
7. REMEDIATION USE means the production or use of groundwater to either extract or inject materials for the purpose of remediating or removing a subsurface contaminant.
8. OIL, GAS, AND MINERALS USE means the use of groundwater for exploring for, producing, handling, or treating oil, gas, sulfur, or other minerals; or
9. OTHER USE means any other purpose that is useful and beneficial to the user.

RECHARGE means the process of replenishment of groundwater by infiltration of water from sources such as precipitation, streams, rivers, and reservoirs.

REGISTRATION means the process through which the District assigns an identification number, grandfathered status, and use exemption status to a well.

REGISTERED WELL means a well registered by the District in accordance with the Rules of the District.

REPLACEMENT WELL means a well drilled for the purposes of replacing a registered well that is deteriorated provided the new well is drilled within one hundred yards (100 yards) of and constructed in a manner consistent with the construction of the well being replaced including the production zones and the production capacity.

RULES OF THE DISTRICT means the rules compiled in this document and as may be supplemented or amended from time to time by the District.

SALINITY-CHANGE-CONTRIBUTING WELL means a non-exempt-use well that the District has determined to have contributed, in excess of a de minimis contribution, to the salinity change associated with a HCPP or a DSPP for which the protective limit of salinity change established for the associated production area has been exceeded during a reporting period.

SPECIAL GROUNDWATER MANAGEMENT ZONE means a geographic area, aquifer, subdivision of an aquifer, or geologic strata within the jurisdictional boundaries of the

District in which conditions in or use of an aquifer differ substantially from other geographic areas or for which different rules may be adopted for better management of the groundwater resources in accordance with Section 36.116(d) of the Texas Water Code.

SPECIAL WELL CONSTRUCTION AREA means a special groundwater management zone for which well construction requirements are established to prevent negative impacts such as groundwater contamination and commingling of undesirable water with desirable water through well boreholes and well casing.

STANDARD-CAPACITY NON-HISTORIC USE means the production of groundwater for non-exempt use that is produced from one or more wells located on one or more tracts of contiguous ownership of groundwater resources associated with a permit request for a production permit for non-historic use with:

1. a) the cumulative authorized groundwater production rate not exceeding 5 gallons per minute per acre, excluding the authorized groundwater production amount associated with historic use and deep-saline non-exempt use, and b) the cumulative authorized groundwater production rate being less than five hundred gallons per minute (500 GPM), excluding the authorized groundwater production rates associated with historic use and deep-saline non-exempt use; or
2. a) the cumulative authorized groundwater production amount not exceeding ¼ acre-foot per year per acre, excluding the authorized groundwater production amounts associated with historic use and deep-saline non-exempt use, and b) the cumulative authorized groundwater production amount being less than two hundred and fifty acre-feet per year (250 acre-feet per year), excluding the authorized groundwater production amounts associated with historic use and deep-saline non-exempt use.

SUBJECT WELL means a specific well, proposed or existing, associated with an application related to a permit or district waiver or the subject of a permit or district waiver issued by the District.

SUBJECT WELL FIELD means a specific well field and related wells, proposed or existing, associated with an application related to a permit or district waiver or the subject of a permit or district waiver issued by the District.

SUBJECT WELL SYSTEM means the specific well system and related wells, proposed or existing, associated with an application related to a permit or district waiver or the subject of a permit or district waiver issued by the District.

SUBSIDENCE-CONTRIBUTING WELL means a non-exempt-use well that the District has determined to have contributed, in excess of a de minimis contribution, to the subsidence observed within the production area of a HCPP or a DSPP for which the protective limit of subsidence established for the associated production area has been exceeded during a reporting period.

TEXAS RULES OF CIVIL PROCEDURE AND TEXAS RULES OF EVIDENCE means the civil procedure and evidence rules as amended and in effect at the time of the action or proceeding.

TRACT OF CONTIGUOUS OWNERSHIP OF GROUNDWATER RESOURCES means the tract or tracts of groundwater ownership that 1) are spatially connected and 2) owned by any of the owners of groundwater resources associated with a particular application, a particular permit issued by the District, or a particular district waiver issued by the District.

TRANSFER OF GROUNDWATER means the transporting of groundwater out of the District.

TRANSFER PERMIT means an authorization issued by the District allowing the transfer of groundwater produced under a production permit out of the District to a location for a designated period of time.

UNDESIRABLE GROUNDWATER means groundwater that is injurious to vegetation, animals, land, or would cause or contribute to contamination of land or water.

UNWANTED LOSS OF GROUNDWATER means the loss of groundwater from a water-bearing stratum to another water-bearing strata determined to be unwanted or wasteful by the District.

USE EXEMPTION STATUS means the classification assigned, by the District, of the purpose of use for which a well, well field, or well system as either exempt use or non-exempt use.

VALID PRODUCTION PERMIT means a production permit that has not been terminated by the District, suspended by the District, surrendered by the one or all of the associated owners of groundwater resources, or voided by the actions of the authorized operator.

WASTE OF GROUNDWATER means:

1. The withdrawal of groundwater from a groundwater reservoir at a rate and in an amount that causes or threatens to cause intrusion into the reservoir of water unsuitable for agricultural, gardening, domestic, or stock raising purposes.
2. The use of that amount of groundwater in excess of that which is economically reasonable for an authorized purpose when reasonable intelligence and reasonable diligence are used in applying the water to that purpose constitutes waste.
3. The flowing or producing of wells from a groundwater reservoir if the water produced is not used for a beneficial purpose.
4. The escape of groundwater from one groundwater reservoir to any other reservoir or geologic strata that does not contain groundwater.
5. The pollution or harmful alteration of groundwater in a groundwater reservoir by saltwater or by other deleterious matter admitted from another stratum or from the surface of the ground.
6. Willfully or negligently causing, suffering, or allowing groundwater to escape into any river, creek, natural watercourse, depression, lake, reservoir, drain, sewer, street, highway, road, or road ditch, or onto any land other than that of the owner of the well

unless such discharge is authorized by permit, rule, or order issued by the Commission under Chapter 26 “Water Quality Control”.

7. 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.
8. For water produced from an artesian well, "waste" also has the meaning assigned by Section 11.205 of the Texas Water Code.

WATER-BEARING STRATA means a geologic formation from which groundwater is or could be produced from a water well.

WELL means any facility, device, or method used to produce or access groundwater from any groundwater reservoir or water-bearing strata that has not been plugged.

WELL FIELD means the collection of wells located on a tract of contiguous ownership of groundwater resources.

WELL LOCKOUT SEAL means an official seal, tag, or label placed on a well or its equipment, or the act of placing the tag or label, to indicate that further production of groundwater, or operation of the well, or continuing with other activities regulated by the District is not authorized by the District, shall be in violation of Rules of the District, and may subject the owner of groundwater resources, authorized agent, or authorized operator to civil suit or penalties.

WELL OWNER means the person or persons who owns the subject well of an application, certificate, or permit.

WELL FIELD OWNER means the person or persons who owns the subject well field of an application, certificate, or permit.

WELL SYSTEM OWNER means the person or persons who owns the subject well system of an application, certificate, or permit.

WELL SYSTEM means the collection of wells located on multiple tracts of contiguous ownership of groundwater resources that is connected by a transmission or distribution system.

RULE 1.2: GENERAL POLICIES REGARDING THE RULES OF THE DISTRICT

1. The Board of Directors shall adopt rules pursuant to the authority of Section 36.101, Texas Water Code, for the purpose of conserving, preserving, protecting, and recharging groundwater in the District in order to control subsidence, prevent degradation of water quality, or prevent waste of groundwater, and protect the rights of owners of groundwater resources.

2. The District shall endeavor to maintain the groundwater resources in the boundary of the District on a sustainable basis (i.e., the regulation of the development and use of groundwater in a manner that can be maintained in perpetuity) in fulfilling the stated purpose of the Rules of the District.
3. The District shall use the Rules of the District as guides in the exercise of the powers conferred by law and in the accomplishment of the purposes of the District Act.
4. No person shall construe the Rules of the District as a limitation or restriction on the exercise of any discretion or to deprive the District or Board of Directors of the exercise of any powers, duties or jurisdiction conferred by law, nor be construed to limit or restrict the amount and character of data or information that may be required to be collected for the proper administration of the District Act.
5. The Board of Directors may delegate authority, responsibility, or requirement of the Rules of the District to other persons by separate policy.
6. The Board of Directors, following notice and hearing, may amend the Rules of the District or adopt new rules from time to time.
7. All persons shall use section and other headings and captions contained in the Rules of the District for reference purposes only.
8. No person shall consider section and other headings and captions within the Rules of the District as affecting the meaning or interpretation of the Rules of the District in any way.
9. All persons shall consider a reference to a title, chapter, or section within the Rules of the District without further identification as a reference to a title, chapter or section of the Texas Water Code or the Rules of the District.
10. All persons shall consider the construction of words and phrases within the Rules of the District as governed by the Code Construction Act, Subchapter B, Chapter 311, Government Code.
11. All persons may serve or deliver any notice or documents in connection with the Rules of the District to the recipient, or the recipient's authorized representative, in person, by agent, by courier receipted delivery, by certified mail sent to the recipient's last known address, by telephonic document transfer to the recipient's current telecopier number, or by electronic mail to the recipient’s current electronic email address except as otherwise expressly provided in the Rules of the District.
12. All persons shall consider service in connection with the Rules of the District by mail complete upon deposit in a post office or other official depository of the United States Postal Service.
13. All persons shall consider service in connection with the Rules of the District by telephonic document transfer complete upon transfer, except that any transfer occurring after 5:00 p.m. will be deemed complete on the following business day.
14. The recipient of a notice or document served or delivered by mail associated with a right or requirement to do some act in connection with the Rules of the District shall have three days (3-days) added to the prescribed period of time.
15. All persons shall consider service in connection with the Rules of the District complete upon notice published in a newspaper with general circulation within the boundary of the District when one or more other methods has been attempted and failed.
16. All persons shall construe the Rules of the District as if any provisions contained in the Rules of the District held to be invalid, illegal, or unenforceable are not contained within

the Rules of the District and do not affect any other provisions within the Rules of the District.

SECTION 2: POLICIES RELATED TO DRILLING, REWORKING, REPLACING, AND PLUGGING WELLS

RULE 2.1: DRILLING WELLS

1. A person may drill a well without authorization from the District.
2. A person drilling a well shall provide written notice of intent to drill a well to the District at least two hours (2 hours) before and not more than seven days (7 days) before commencing well drilling activities.
3. A person drilling a well shall provide written notice of intent to drill a well to the District using a form prescribed by the District that includes:
   3.1. the name and address of the person drilling the well;
      3.1.1. well driller license number if the person drilling the well is a licensed well driller;
   3.2. the name and address of the person that will own the subject well;
   3.3. the geographic coordinate of the subject well;
   3.4. the date the well drilling activities will commence;
   3.5. a statement certifying that the person drilling the well notified the person that will own the subject well was notified of the of the existence of regulations established by the District related to:
      3.5.1. well spacing;
      3.5.2. limitations for producing groundwater for non-exempt-use purposes;
      3.5.3. registration of non-grandfathered and replacement wells; and
      3.5.4. permitting of groundwater production for non-exempt-use purposes;
   3.6. the dated signature of the person drilling the well.
4. A person drilling a well shall adhere to the well spacing requirements of the Rules of the District when locating the well.
5. A person drilling, deepening, or otherwise altering a well shall adhere with the well completion requirements of the Rules of the District when locating the well to be drilled.
6. A person drilling a well shall satisfy all applicable requirements of the Texas Commission on Environmental Quality and the Texas Department of Licensing and Regulation related to the construction and completion of a well.
7. A person drilling a well shall construct and complete the well in accordance with the well completion standards set forth under the requirements promulgated by the Texas Department of Licensing and Regulation under Title 16, Texas Administrative Code, Chapter 76, Water Well Drillers and Pump Installers Rules.
8. No person drilling a well shall locate a well closer than fifty feet (50 feet) to any potential source of contamination.
9. No person shall locate a potential source of contamination closer than fifty feet (50 feet) to any well.
10. A person drilling a well shall submit a complete and accurate well drilling report to the District within ninety days (90 days) of concluding well drilling activities associated with the well.
11. A person drilling a deep-saline well shall submit, within two months (2 months) of well completion, a geophysical log for the well that includes temperature, spontaneous

potential, and shallow and deep resistivity surveys from the land surface to the bottom of the well.

12. A person drilling or having drilled a well may apply for a district waiver of the well spacing and well completion requirements of the Rules of the District, in accordance with the waiver procedures of the Rules of the District.

RULE 2.2: WELL SPACING REQUIREMENTS OF WELLS

1. The District shall regulate the spacing of non-grandfathered wells and replacement wells in order to:
   1.1. prevent or limit the drawdown of the water table or the reduction in artesian pressure,
   1.2. prevent or limit interference between wells,
   1.3. prevent or limit the degradation of water quality, or
   1.4. prevent waste of groundwater.
2. A person drilling or having drilled a non-grandfathered well or a replacement well for a non-grandfathered well that is not a deep-saline well shall locate the well in a position that is offset from the boundary of the subject tract of contiguous ownership of groundwater resources by at least one foot (1 foot) of separation per one gallon per minute of production capacity of the non-grandfathered well.
3. A person drilling or having drilled a deep-saline well shall locate the non-grandfathered well in a position that is offset from the boundary of the subject tract of contiguous ownership of groundwater resources by at least one-half foot (1/2 foot) of separation per one gallon per minute of production capacity of the deep-saline well.
4. A person shall not produce groundwater from a well for non-historic uses, except wells operated solely to produce groundwater under a production permit for deep-saline non-historic use, at a rate exceeding a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well and the nearest point along the boundary of the subject tract of contiguous ownership of groundwater resources containing with the well.
5. A person drilling or having drilled a non-grandfathered well or replacement well for a non-grandfathered well may locate the well in a position that encroaches upon spacing requirements from the property of any landowner or any owner of groundwater resources from whom a written waiver of the spacing requirements is obtained provided the waiver contains:
   5.1. the printed name and signature of the landowner and the owner of groundwater resources or the authorized agent of the landowner and the owner of groundwater resources, and
   5.2. states that the landowner and the owner of groundwater resources have no objection to the proposed position of the non-grandfathered well or the replacement well for a non-grandfathered well.
6. A person drilling or having drilled a non-grandfathered well or a replacement well for a non-grandfathered well on a lot of a platted subdivision shall locate the non-grandfathered well in a position that is offset from the perimeter of the subdivision by, at least, one foot (1 foot) of separation per one gallon per minute of production capacity of the non-grandfathered well.

7. A person drilling or having drilled a non-grandfathered well or a replacement well for a non-grandfathered well on a lot of a platted subdivision with an area defined as the "Authorized Drilling Area" shall locate the well in the authorized drilling area.
8. A person drilling or having drilled a replacement well for a grandfathered well may locate the replacement well in a position that does not encroach upon the spacing requirements from the property of any landowner or any owner of groundwater resources to a greater degree than the well being replaced.
9. The Board of Directors may waive, vary, or establish special conditions related to spacing requirements for a well provided good cause is found by the Board of Directors for doing so.
10. The Board of Directors may establish special conditions or limit the rate of groundwater production of a well if a district waiver related to spacing requirements of the well is granted to minimize any potential injury to other landowners, owner of groundwater resources, or groundwater.

RULE 2.3: STANDARDS FOR CONSTRUCTING WELLS

1. A person drilling a well shall construct the well using methods and materials to minimize the potential for contamination, degradation, or commingling of waters of different chemical quality.
2. A person drilling a well shall construct the well in accordance with the well construction specifications established by the State of Texas, County of Calhoun, and relevant city ordinance.
3. A person drilling a well shall construct the well so that undesirable groundwater is not allowed to commingle with desirable groundwater through the well casing or annular space of the well.
4. A person drilling a well shall construct the well so that any groundwater resources allowed to commingle through the annular space between the casing and borehole wall does not degrade or diminish the quality of any groundwater resources in any other water-bearing strata.
5. A person drilling a well shall construct the well so that the casing is centered in annular space for the portion of the borehole that will be sealed prior to emplacing the authorized annular space sealant.
6. A person drilling a well shall construct the well so that the authorized annular space sealant is emplaced to produce an annular seal that is absent of significant voids.
7. A person drilling a well shall not use the bentonite slurry or any other material used in the actual drilling of the well to seal the annular space between the borehole wall and the casing.
8. A person drilling or repairing a well shall place a seal on the casing that will prevent pollutants from entering the well.
9. A person drilling a well shall seal the annular space between the wall of the borehole and casing from a depth of one hundred feet (100 feet) below the surface to the ground surface.

10. A person drilling a deep-saline well shall not install the well screens of the well above the bottom of the deepest fresh water-bearing stratum as determined by interpretation of core samples or geophysical logs.
11. A person drilling a deep-saline well shall install well casing and well screens that are made of corrosion-resistant materials designed for use in saline groundwater.
12. A person drilling a deep-saline well shall seal the annular space by emplacing the authorized annular space sealant such that the annular seal intersects at least one hundred feet (100 feet) of clay thickness composed of individual clay intervals with a thickness greater than or equal to ten feet (10 feet), as determined by interpretation of core samples or geophysical logs, that exist between a) the bottom of the deepest fresh water-bearing stratum and b) the top of the well screens of the well.
13. A person drilling or having drilled a well may apply for a district waiver of the well completion requirements of the Rules of the District, in accordance with the waiver procedures of the Rules of the District.
14. The Board of Directors may designate special well construction areas, by order of the Board of Directors, for the purposes of establishing construction standards designed to prevent groundwater contamination or commingling of undesirable groundwater and desirable groundwater by non-grandfathered wells and replacement wells in locations and zones where undesirable groundwater overlays or is adjacent to desirable groundwater.

RULE 2.4: COMMINGLING OF UNDESIRABLE WATER WITH DESIRABLE GROUNDWATER

1. The owner of a well shall have the continuing responsibility of ensuring a well does not allow commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater through the wellbore to other porous strata.
2. The Board of Directors may require and direct an owner of a well to take steps to prevent the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater.
3. The owner of a well allowing the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater, within sixty days (60 days) of receiving notice from the District that the Board of Directors found the well is allowing the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater, shall either:
    3.1. cement the casing of the well in a manner that will permanently seal the annular space and casing and prevent the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater, or
    3.2. repair the well in a manner that will prevent the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater through the annular space or casing of the well.

RULE 2.5: REPLACING WELLS

1. The owner of a deteriorated well shall repair or plug the deteriorated well in accordance with rules and regulations of the state of Texas.
2. The owner of a non-exempt-use well may replace the non-exempt-use well with a replacement well, in accordance with the Rules of the District and without authorization from the District, if such replacement will not violate or cause a violation of any conditions of the associated production permits under which the non-exempt-use well is operated.

RULE 2.6: PLUGGING WELLS

1. The owner of a well may plug the well without authorization from district if such plugging will not violate or cause a violation of any conditions of any associated production permits.
2. The District may plug the casing and seal the annular space of a non-grandfathered well or replacement well that was not constructed and completed in accordance with the well completion standards set forth under the requirements promulgated by the Texas Department of Licensing and Regulation under Title 16, Texas Administrative Code, Chapter 76, Water Well Drillers and Pump Installers Rules.
3. The District may require the person that drilled a non-grandfathered well or replacement well that was not constructed and completed in accordance with the well completion standards set forth under the requirements promulgated by the Texas Department of Licensing and Regulation under Title 16, Texas Administrative Code, Chapter 76, Water Well Drillers and Pump Installers Rules to reimburse the District for all costs incurred by the District to plug the well.
4. The owner of a deteriorated well shall plug the deteriorated well within sixty days (60 days) of receiving notice from the District that the well is deteriorated.
5. The owner of a deteriorated well may repair the condition of a deteriorated well to eliminate the probability the well will cause or is likely to cause pollution of any water in the state, including groundwater in lieu of plugging the well.
6. A person plugging a deteriorated well, a well allowing the commingling of undesirable groundwater and desirable groundwater, or a well allowing the unwanted loss of groundwater shall provide written notice of intent to plug a well to the District, at least two (2) hours before and not more than seven days (7 days) before commencing the plugging activities associated with the well, using a form prescribed by the District that includes the name and address of the person plugging the well, the well driller license number if the person plugging the well is a licensed well driller, the name and address of the person that owns the subject well, the geographic coordinate of the subject well, the date the well plugging activities will commence, a statement certifying that the person plugging the subject well notified the person that owns the subject well of the of the existence of regulations established by the District, the dated signature of the person plugging the subject well, and the dated signature of the person that owns the subject well.
7. A person plugging a well shall submit a complete and accurate well plugging report to the District within ninety days (90 days) of concluding the well plugging activities

associated with the well or within one hundred and twenty days (120 days) of commencing plugging activities, whichever condition occurs first.

8. The well owner of a properly located and constructed replacement well of a plugged well used for non-exempt use associated with valid production permits, within ninety days (90 days) of concluding the well construction activities, shall submit an application to amend the valid production permits to associate the authorized groundwater production of the plugged well to the replacement well.
9. The well owner of a plugged well associated with valid production permits or district waivers surrenders the valid production permits and district waivers if the well owner fails to complete the construction of the replacement well within ten years (10 years) of the initiation of the plugging process.
10. The District shall not issue production permits associated with plugged wells.

SECTION 3: POLICIES RELATED TO REGISTRATION OF WATER WELLS, WELL FIELDS, AND WELL SYSTEMS

RULE 3.1: GENERAL POLICIES RELATED TO REGISTRATION OF WELLS, WELL FIELDS, AND WELL SYSTEMS

1. The District shall maintain a registry of wells within the boundary of the District.
2. The owner or authorized agent of a grandfathered exempt-use well within the boundary of the District may apply for the registration of the grandfathered exempt-use well.
3. The owner or authorized agent of a grandfathered non-exempt-use well within the boundary of the District shall apply for the registration of the grandfathered non-exempt-use well prior to operating the subject well for non-exempt use.
4. The owner or authorized agent of a grandfathered non-exempt-use well field within the boundary of the District shall submit an application for the registration of the grandfathered non-exempt-use well field prior to operating the subject well field for non-exempt use.
5. The owner or authorized agent of a grandfathered non-exempt-use well system within the boundary of the District shall submit an application for the registration of the grandfathered non-exempt-use well system prior to operating the subject well system for non-exempt use.
6. The owner or authorized agent of a non-grandfathered well within the boundary of the District shall submit an application for the registration of the non-grandfathered well accompanied by the well drilling log within ninety days (90 days) of concluding the well construction activities.
7. The owner or authorized agent of a non-grandfathered well within the boundary of the District shall submit an administratively complete application for the registration of the non-grandfathered well within ninety days (90 days) of obtaining ownership of the well.
8. The District shall assign a use exemption status classification and a grandfathered status classification to all wells registered with the District.
9. The District may register, on its own initiative, any well, well field, or well system within the jurisdictional boundaries of the District that is subject to an investigation of potential violations of the Rules of the District or an enforcement proceeding established under the Rules of the District.

RULE 3.2: APPLICATION REQUIREMENTS RELATED TO THE REGISTRATION OF A WELL

1. The applicant for an application for the registration of a well shall submit the registration request on the form prescribed by the District.
2. The applicant for an application for the registration of a well shall specify that the subject well existed at the date of the original adoption of the Rules of the District in order to be classified as a grandfathered well by the District.

3. The applicant for an application for the registration of a well shall specify that the subject well qualifies as an exempt-use well as defined in the Rules of the District in order to be classified as an exempt-use well by the District.
4. The applicant for an application for the registration of a well shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   4.1. the name and address of the applicant;
   4.2. the name and address of the person that owns the subject well;
   4.3. the geographic coordinate of the subject well;
   4.4. the date the subject well was constructed;
   4.5. the purpose of use of the produced groundwater from the subject well;
   4.6. the maximum production rate of the subject well expressed in gallons-per-minute;
   4.7. the name and address of the individual or entity, if any, authorized to serve as the legal agent of the well owner regarding all matters related to physical access of the subject water well;
   4.8. the name and address of the individual or entity, if any, authorized to serve as the legal agent of the well owner regarding all matters related to submittal of reports associated with the subject water well;
   4.9. the name and address of the individual or entity, if any, authorized to serve as the legal agent of the well owner regarding all matters related to permitting matters associated with the subject water well;
   4.10. a statement certifying, under penalty of law, that the well owner possesses the legal authority to produce groundwater resources from the subject well.
   4.11. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
   4.12. a statement certifying, under penalty of law, that the subject well shall be operated in accordance with the Rules of the District and regulations of the State of Texas; and
   4.13. the dated signature of the applicant.
5. The applicant for the registration of a non-grandfathered well associated with an application or a production permit for high-capacity non-exempt use or deep-saline non-exempt-use shall provide the location, construction details, screened intervals, and total depth of dedicated aquifer monitoring wells to be used to monitor the impacts of the non-grandfathered well that is being registered.

RULE 3.3: APPLICATION REQUIREMENTS RELATED TO THE REGISTRATION OF A WELL FIELD

1. The applicant for an application for the registration of a well field shall submit the registration request on the form prescribed by the District.
2. The applicant for an application for the registration of a well field shall submit registration requests for the associated non-exempt-use wells with the application for the registration of the subject well field.

3. The applicant for an application for the registration of a well field shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   3.1. the name and address of the applicant;
   3.2. the name and address of the person that owns the subject well field;
   3.3. the geographic coordinate of each of the subject wells;
   3.4. the date the subject well field was established;
   3.5. the purpose of use of the produced groundwater from the subject well field;
   3.6. the maximum production rate of the subject well field expressed in gallons-per-minute;
   3.7. a statement certifying, under penalty of law, that the well field owner possesses the legal authority to produce groundwater resources from the subject well field.
   3.8. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
   3.9. a statement certifying, under penalty of law, that the subject well field shall be operated in accordance with the Rules of the District and regulations of the State of Texas; and
   3.10. the dated signature of the applicant.
4. The applicant for the registration of a non-grandfathered well field associated with an application or a production permit for high-capacity non-exempt use or deep-saline non-exempt use shall provide the location, construction details, screened intervals, and total depth of dedicated aquifer monitoring wells to be used to monitor the impacts of the non-grandfathered well field that is being registered.

RULE 3.4: APPLICATION REQUIREMENTS RELATED TO THE REGISTRATION OF A WELL SYSTEM

1. The applicant for an application for the registration of a well system shall submit the registration request on the form prescribed by the District.
2. The applicant for an application for the registration of a well system shall submit registration requests for the associated non-exempt-use wells with the application for the registration of the subject well system.
3. The applicant for an application for the registration of a well system shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   3.1. the name and address of the applicant;
   3.2. the name and address of the person that owns the subject well system;
   3.3. the geographic coordinate of each of the subject wells;
   3.4. the date the subject well system was established;
   3.5. the purpose of use of the produced groundwater from the subject well system;
   3.6. the maximum production rate of the subject well system expressed in gallons-per-minute;
   3.7. a statement certifying, under penalty of law, that the well system owner possesses the legal authority to produce groundwater resources from the subject well system;

3.8. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;

3.9. a statement certifying, under penalty of law, that the subject well system shall be operated in accordance with the Rules of the District and regulations of the State of Texas; and

3.10. the dated signature of the applicant.

4. The applicant for an application for the registration of a non-grandfathered well system associated with an application or a production permit for high-capacity non-exempt use or deep-saline non-exempt use shall provide the location, construction details, screened intervals, and total depth of dedicated aquifer monitoring wells to be used to monitor the impacts of the non-grandfathered well system that is being registered.

SECTION 4: POLICIES RELATED TO PERMITTING

RULE 4.1: GENERAL POLICIES RELATED TO PERMITS

1. The District shall only grant permits that are consistent with the mission of the District to conserve, preserve and protect the groundwater resources within the boundary of the District.
2. The District shall only grant permits that are consistent with the desired future conditions of the District as established under Chapter 36 of the Texas Water Code and documented in the Management Plan of the District.
3. The District shall only grant permits that are consistent with the Management Plan of the District, orders of the Board of Directors, and the laws of the State of Texas.
4. The District shall grant permits with conditions, restrictions, limitations, and requirements determined to be necessary by the District to conserve, preserve and protect the groundwater resources within the boundary of the District.
5. The District shall grant permits in accordance with and subject to the Rules of the District, the Management Plan of the District, orders of the Board of Directors, and the laws of the State of Texas.
6. The District shall grant permits with conditions, restrictions, limitations, and requirements determined to be necessary by the District to achieve the desired future conditions of the District as established under Chapter 36 of the Texas Water Code and documented in the Management Plan of the District.
7. The District may modify or amend the restrictions, conditions, and requirements of a permit pursuant to the provisions of the Rules of the District.
8. The Board of Directors may order the immediate suspension of activities authorized by a permit or district waiver issued by the District if the Board of Directors finds that false information has been supplied regarding the permit or related district waiver by the applicant, the authorized agent, the authorized operator, or owner of groundwater resources.
9. The Board of Directors may revoke a permit or district waiver if it finds that false information has been supplied regarding the permit or district waiver by the applicant, the authorized agent, the authorized operator, or owner of groundwater resources.
10. The District expressly prohibits the activities authorized by a permit or district waiver upon termination, expiration, violation, or revocation of the permit or district waiver by the Board of Directors.
11. No person shall be required to obtain a permit to drill a well from the District.
12. No person shall consider a permit issued by the District as granting authority to a person to drill wells within the incorporated limits of an incorporated municipality in violation of the ordinances of that municipality.
13. The District shall grant production permits for the sole purpose of conferring the authority to operate a well, a well field, or a well system for beneficial use under the provisions of the Rules of the District.
14. The District shall require groundwater produced under a production permit to originate from non-exempt-use wells located within the production area of the production permit.

15. The District shall grant production permits and limit the authorized groundwater production amounts of wells, well fields, and well systems operated for non-exempt use in order to conserve, preserve and protect the groundwater resources within the boundary of the District.
16. The District may issue production permits that include conditions related to aggregating the authorized groundwater production amounts of the non-exempt-use wells of a well field or well system.
17. No person shall operate a well, a well field, or a well system in a manner that constitutes waste of groundwater.
18. No person shall operate a well to produce groundwater to be used for any purpose other than those uses defined as exempt use prior to obtaining a production permit from the District unless the subject well satisfies the definition of an original exempt-use grandfathered well or an original exempt-use non-grandfathered well.
19. No person shall operate a non-exempt-use well unless the groundwater production is monitored in a manner to satisfy the reporting requirements of the Rules of the District.
20. The applicant for an application related to a production permit shall make the subject well, subject well field, or subject well system accessible to the representatives of the District for inspection and agrees to cooperate fully in any reasonable inspection of the subject well, subject well field, or subject well system by the representatives of the District.
21. Any special terms and conditions of a production permit or related district waiver shall prevail whenever those special permit terms and conditions are found to be inconsistent with other permit provisions of the Rules of the District.
22. Violations of the terms, conditions, requirements, or special provisions of a permit or related district waiver, including producing amounts of groundwater in excess of authorized groundwater production amount, are punishable by civil penalties as provided by the Rules of the District and state statutes and the revocation of the associated production permit.
23. The Board of Directors may amend a permit or related district waiver to reflect any necessary changes to the restrictions, conditions, and requirements of the permit resulting from the failure of the well owner to construct a replacement well for any of the associated non-exempt-use wells that were plugged or abandoned.
24. All associated permits and related district waivers are void and terminated upon operation or use of the non-exempt-use well, the non-exempt-use well field, or the non-exempt-use well system for any purpose of use other than the authorized groundwater production purpose.
25. The District shall grant transfer permits for the sole purpose of conferring the authority to transfer produced groundwater under production permits issued by the District under the provisions of the Rules of the District.
26. The District shall grant transfer permits and limit the authorized groundwater transfer amount in order to conserve, preserve, and protect the groundwater resources within the boundary of the District.
27. No person shall transfer produced groundwater out of the District prior to obtaining a transfer permit from the District if a permit is required according to the Rules of the District.

28. The applicant for an application related to a transfer permit shall make the transfer facilities accessible to the representatives of the District for inspection and agrees to cooperate fully in any reasonable inspection of the transfer facilities by the representatives of the District.
29. The District shall continue to require satisfaction of and enforce any special terms and conditions of a production permit, a transfer permit, or any related district waivers whenever those special permit terms and conditions are found to be inconsistent with other permit provisions of the Rules of the District.
30. The District may suspend, revoke, or terminate a permit for violations of the terms, conditions, requirements, or special provisions of a permit or related district waiver.
31. The District may impose on a person that is found, by the Board of Directors, to have violated the terms, conditions, requirements, or special provisions of a permit or related district waiver civil penalties as provided by the Rules of the District and state statutes and the revocation of the associated transfer permit.
32. A person applying for or possessing a production permit may apply for a district waiver of the rules and requirements related to permitting of the District, in accordance with the waiver procedures of the Rules of the District.

RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPT-USE WELLS

1. The owner of the groundwater resources and authorized operator of a permit shall report to the District any monitoring data required under the permit within thirty days (30 days) of the close of the relevant reporting period unless specified otherwise within the Rules of the District or the permit.
2. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well for the preceding calendar year to the District.
3. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall measure the volume of produced groundwater from each of the subject wells using a device or method that is accurate within ten percent (10%) of the actual volume produced.
4. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well that is accurate within ten percent (10%) of the actual volume of groundwater produced by the non-exempt use during the calendar year.
5. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well for the previous calendar year (January 1 to December 31) during January of the current calendar year.
6. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well using a form provided by the District.

7. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall include the following information when reporting the volume of groundwater produced from a non-exempt-use well:
   7.1. the well registration number assigned by the District;
   7.2. the production permit identification number;
   7.3. the reporting period;
   7.4. the volume of groundwater produced from the subject well during the reporting period in acre-feet;
   7.5. the volume of groundwater produced from the subject well that was transferred out of the District during the reporting period in acre-feet;
   7.6. the description of the method and associated calculations used to determine the volumes of groundwater produced during the reporting period;
   7.7. a statement certifying, under penalty of law, that the information reported on and attached to the report was prepared under the direction or supervision of the well owner and is, to the best of the knowledge and belief of the well owner, true, accurate and complete;
   7.8. the printed name of the person submitting the report; and
   7.9. the dated signature of the person submitting the report.
8. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes may request that the District designate the non-exempt-use well as a dormant well.
9. The owner of the groundwater resources produced from a well operated to produce groundwater for non-exempt-use purposes shall be exempt from reporting the volume of groundwater produced from a non-exempt-use well if the non-exempt-use well is designated as a dormant well by the District for more than twelve months (12 months) until such time as the well no longer satisfies the definition of a dormant well.
10. A person producing groundwater resources from a well under a permit issued by the Railroad Commission of Texas under Chapter 134, Natural Resources Code, that authorized the production of groundwater resources from a well shall report monthly to the District the following:
    10.1. the total amount of water withdrawn during the month;
    10.2. the quantity of water necessary for mining activities; and
    10.3. the quantity of water withdrawn for other purposes.

RULE 4.3: GENERAL PROCEDURES RELATED TO PERMITTING

1. The applicant for a permit shall submit the permitting request on the form prescribed by the District.
2. The General Manager shall designate an application related to a permit as administratively complete when all necessary information to fully consider the application has been submitted to the District by the applicant.
3. The General Manager shall contest an application related to a permit that does not satisfy the regulations and requirements established by the Rules of the District.
4. The General Manager may schedule a hearing and action on as many applications related to permits at one meeting as deemed practical and appropriate.

5. The Board of Directors may refer any application related to a permit to a hearing examiner for a hearing.
6. The District incorporates the application and all supplemental information submitted with an application for a permit into any resulting permit approved by the District.
7. The District issues, approves, and grants a permit on the basis of and contingent upon the accuracy of the information supplied in the associated application.
8. The owner of groundwater resources, by accepting a permit, acknowledges and accepts the conditions, limitations, and restrictions of the permit and the Rules of the District.
9. The applicant, the authorized agent, the authorized operator, or the owner of groundwater resources, and any other interested or affected party, by failing to file a request for rehearing within twenty days (20 days) of a decision regarding a permit or waiver, accepts the decision is final.
10. The applicant, by failing to provide the information requested by the General Manager needed to fully evaluate the application relative to the Rules of the District within 60 days, causes the application to be automatically terminated and returned to the applicant.

RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS

1. The District shall not renew a permit that has expired before an administratively complete application requesting the renewal of the permit has been submitted to the District.
2. The District shall not renew a permit associated with a proposed well.
3. The well owner, authorized agent, or the authorized operator of a permit shall submit an administratively complete application requesting the renewal of the permit prior to the permit expiration date.
4. The General Manager may authorize an authorized operator of a permit for which an administratively complete application requesting the renewal of the permit has been submitted to the District to continue authorized activities of the permit under the conditions of the permit, subject to any changes necessary under the Rules of the District, or the Management Plan of the District, for the period of time during which the application requesting the renewal of the permit is the subject of a contested case hearing.
5. The District, without a hearing, shall consider an application to renew a permit submitted to the District provided that:
    5.1. the application, if required by the District, was submitted in a timely manner and accompanied by any required fees in accordance with Rules of the District; and
    5.2. the applicant is not requesting an amendment to the permit in conjunction with the request to renew the permit.
6. The District shall not renew a permit if the owner of groundwater resources or authorized operator:
    6.1. is delinquent in paying a fee required by the District;
    6.2. is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the District that has not been settled by agreement with the District or a final adjudication; or

6.3. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a permit, order, or rule of the District.

7. The District shall consider a permit that the District did not renew because the owner of groundwater resources or authorized operator is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the District, which has not been settled by agreement with the District or a final adjudication, to be in effect until the final settlement or adjudication on the matter of the substantive violation.
8. The District shall consider a request to renew a permit, as it existed prior to the initiation of an amendment process, without penalty if the amendment process results in a denial of the amendment unless the applicant or authorized operator of the permit:
   8.1. is delinquent in paying a fee required by the District;
   8.2. is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the District that has not been settled by agreement with the District or a final adjudication; or
   8.3. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a permit, order, or rule of the District.
9. The well owner, well field owner, or well system owner of a non-exempt-use well, a non-exempt-use well field, or a non-exempt-use well system shall submit to the District an application to amend any registrations or permits within ninety days (90 days) of acquiring the non-exempt-use well, the non-exempt-use well field, or the non-exempt-use well system.
10. The Board of Directors shall consider administratively complete applications to amend a permit or waiver requested by the well owner, authorized agent, or the authorized operator of a permit or waiver that involve the substantive provisions of the related permit or waiver such as production rates, production amounts, purposes of use, or conditions of the permit.
11. The General Manager may process and issue amendments to permits and waivers associated with administratively complete applications to amend a permit requested by the well owner, authorized agent, or the authorized operator of a permit that are solely administrative in nature that do not involve the substantive provisions of the related permits or waivers such as production rates, production amounts, purposes of use, or conditions of the permit.
12. The District shall consider the permit associated with an application requesting an amendment to the permit as being in effect as the permit existed before the submittal of the administratively complete application requesting an amendment to the permit until the later of:
    12.1. the conclusion of the permit amendment or renewal process, as applicable; or
    12.2. final settlement or adjudication on the matter of whether the change to the permit requires a permit amendment.
13. The District may initiate the process of amending a permit in connection with the renewal of a permit.
14. The District shall consider the permit associated with an amendment process initiated by the District as being in effect as the permit existed before the District initiated the amendment process until the conclusion of the permit amendment process.

RULE 4.4.1: APPLICATION REQUIREMENTS RELATED TO PERMIT RENEWAL REQUESTS

1. The applicant for an application for the renewal of a production permit or transfer permit shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and mailing address of the applicant;
   1.2. the permit identification number of the subject permit;
   1.3. the well identification numbers of the associated water wells;
   1.4. a negative or affirmative response to questions regarding the present facts and circumstances relevant to the original application for and subsequent approval of the subject permit;
   1.5. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete; and
   1.6. the dated signature of the applicant.

RULE 4.4.2: APPLICATION REQUIREMENTS RELATED TO PERMIT AMENDMENT REQUESTS

1. The applicant for an application for the amendment of a production permit or transfer permit shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and mailing address of the applicant;
   1.2. the permit identification number of the subject permit;
   1.3. the well identification numbers of the associated water wells;
   1.4. a description of the request amendment;
   1.5. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete; and
   1.6. the dated signature of the applicant.

SECTION 5: POLICIES RELATED TO HISTORIC USE OF GROUNDWATER

RULE 5.1: GENERAL POLICIES RELATED TO PROTECTION OF HISTORIC USE PERMITTING

1. No person shall produce groundwater from a grandfathered well, grandfathered well field, or grandfathered well system without obtaining and maintaining ownership or

control of the groundwater resources associated with the subject well, well field, or well system.

2. The District shall allow well owners to apply for production permits protecting the continued operation of grandfathered wells, grandfathered well fields, and grandfathered well systems used for non-exempt use prior to the adoption of the Rules of the District.
3. The District shall provide for the protection of historic use of grandfathered non-exempt-use wells, grandfathered non-exempt-use well fields, and grandfathered non-exempt-use well systems through the validation the evidence of historic use and issuing production permits for the protection of historic use authorizing the continued operation of grandfathered non-exempt-use wells, grandfathered non-exempt-use well fields, and grandfathered non-exempt-use well systems based on validated evidence of historic use.
4. The District shall limit the amount of groundwater validated as historic use to the volume of produced groundwater by a grandfathered non-exempt-use well, a grandfathered non-exempt-use well field, or a grandfathered non-exempt-use well system produced for a particular purpose of use in a particular calendar year in the historic use validation period.
5. The District shall grant production permits for the protection of historic use with conditions related to aggregating the authorized groundwater production amounts of the non-exempt-use wells of a grandfathered well field or a grandfathered well system that are consistent with the validated pattern of operation of the grandfathered well field or the grandfathered well system during the historic use validation period.
6. The District shall not grant production permits for the protection of historic use with an aggregate authorized groundwater production amount of a grandfathered well field or a grandfathered well system exceeding the validated sum of all groundwater produced from the subject wells operated during the validation year.
7. The well owner, well field owner, or well system owner of a grandfathered non-exempt-use well, a grandfathered non-exempt-use well field, or a grandfathered non-exempt-use well system shall maintain the ownership or control of groundwater rights associated with the groundwater resources from which the subject grandfathered non-exempt-use well, subject grandfathered non-exempt-use well field, or subject grandfathered non-exempt-use well system historically produced groundwater.
8. The District shall not accept applications for production permits for the protection of historic use after December 31, 2029.
9. The District shall not approve or issue new production permits for the protection of historic use associated with permit applications submitted to the District after December 31, 2029.
10. A person applying for or possessing a production permit may apply for a district waiver of the rules and requirements related to permitting of the District, in accordance with the waiver procedures of the Rules of the District.

RULE 5.1.1: GROUNDWATER PRODUCTION LIMITATIONS OF GRANDFATHERED NON-EXEMPT-USE WELLS

1. The Board of Directors shall not issue a HUPP for a grandfathered non-exempt-use well that is inconsistent with the validated historic use of the grandfathered non-exempt-use well.
2. The Board of Directors shall limit the authorized groundwater production amount and authorized groundwater production purpose of a HUPP for a grandfathered non-exempt-use well to that amount and purpose of use validated, by the District, as historic use of the grandfathered non-exempt-use well.

RULE 5.1.2: GROUNDWATER PRODUCTION LIMITATIONS OF GRANDFATHERED WELL FIELDS

1. The Board of Directors shall issue a HUPP for a grandfathered non-exempt-use well field that is consistent with the validated historic use of the grandfathered non-exempt-use well field.
2. The Board of Directors shall limit the authorized groundwater production amount and authorized groundwater production purpose of a HUPP for a grandfathered non-exempt-use well field to that amount and purpose of use validated, by the District, as historic use of the grandfathered non-exempt-use well field.
3. The Board of Directors shall limit the authorized groundwater production amount and authorized groundwater production purpose of a HUPP for a grandfathered non-exempt-use well field to that amount and purpose of use validated, by the District, as historic use of the associated grandfathered non-exempt-use wells that exist on the date the associated application for the protection of historic use of a grandfathered well field was designated as administratively complete by the District.

RULE 5.1.3: GROUNDWATER PRODUCTION LIMITATIONS OF GRANDFATHERED WELL SYSTEMS

1. The Board of Directors shall issue a HUPP for a grandfathered non-exempt-use well system that is consistent with the validated historic use of the grandfathered non-exempt-use well system.
2. The Board of Directors shall limit the authorized groundwater production amount and authorized groundwater production purpose of HUPP for a grandfathered non-exempt-use well system to that amount and purpose of use validated, by the District, as historic use of the grandfathered non-exempt-use well system.
3. The Board of Directors shall limit the authorized groundwater production amount and authorized groundwater production purpose of a HUPP for a grandfathered non-exempt-use well system to that amount and purpose of use validated, by the District, as historic use of the associated grandfathered non-exempt-use wells that exist on the date the associated application for a HUPP of a grandfathered well system was designated as administratively complete by the District.

RULE 5.2: GENERAL PROCEDURES RELATED TO PROTECTION OF HISTORIC USE PERMITTING

1. The Board of Directors, representatives of the District, and other interested parties may scrutinize the evidence of historic use associated with an application for a production permit for historic use (HUPP) during the associated public hearing to assess the validity and reliability related to the permitting request.
2. The Board of Directors, on its own initiative, may issue HUPPs for grandfathered non-exempt-use well, grandfathered non-exempt-use well fields, and grandfathered non-exempt-use well systems within the jurisdictional boundaries of the District for which the well owners or authorized agents have not submitted administratively complete applications for production permits for the protection of historic use provided that such wells were not drilled, equipped and operated in such a manner as to violate any other rules and regulations of the District.
3. The well owners or authorized agents of grandfathered non-exempt-use wells, grandfathered non-exempt-use well fields, and grandfathered non-exempt-use well systems shall provide all available information requested by the District regarding the historic use of subject wells, subject well fields, or subject well systems associated with HUPP.
4. The General Manager shall review and determine the administrative completeness of an application for a HUPP within sixty days (60 days) of the date of receipt of the application.
5. The General Manager shall review the supplemental information requested by the General Manager and received by the District associated with an application for a HUPP within sixty days (60 days) of the date of receipt of the supplemental information.
6. The General Manager, before submitting an application for a production permit for technical review and within five business days (5 business days) of receiving the request, shall schedule a meeting, to be held within ten business days (10 business days) at the offices of the District or virtually, to review the preliminary review of the application by the District with the applicant.
7. The General Manager shall not submit an application for a production permit for technical review or post the notice of hearing for an application before concluding the meeting to review the preliminary review of the application by the District with the applicant.
8. The General Manager shall issue and post written notice indicating a date and time for a hearing regarding an application for a HUPP within thirty days (30 days) of determining the application for a HUPP is administratively complete.
9. The applicant for an application for a HUPP shall attend the meetings at which the Board of Directors conducts hearings or considers action related to the application for a HUPP.
10. The Board of Directors shall consider applications for a HUPP that are designated as administratively complete, after providing public notice of the permit hearing for not less than ten days (10 days).
11. The District shall specify the operational requirements and special conditions of production permits for the protection of historic use including:

11.1. the identification number assigned by the District for the production permit;
11.2. the identification number assigned by the District for the associated application for a production permit for the protection of historic use;
11.3. the subject non-grandfathered wells, non-grandfathered well fields, and non-grandfathered well systems;
11.4. the authorized groundwater production amount;
11.5. the authorized groundwater production purpose;
11.6. the owners of groundwater resources;
11.7. the authorized operator; and
11.8. the reporting requirements.

RULE 5.2.1: APPLICATION REQUIREMENTS RELATED TO PROTECTION OF HISTORIC USE OF A GRANDFATHERED WELL

1. The applicant for an application for the protection of historic use of a grandfathered well shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and address of the applicant;
   1.2. the name and address of the person that owns the subject well;
   1.3. the geographic coordinate of the subject well;
   1.4. a statement confirming the subject well was used in a manner that qualifies as non-exempt use during the historic use validation period;
   1.5. the specification of the historic use validation year;
   1.6. the specification of the volume of groundwater produced in acre-feet by the subject well during the historic use validation year;
   1.7. the specification of the purpose of use of the groundwater produced by the subject well during the historic use validation year;
   1.8. a description of the evidence of historic use supplied with the application to be used by the District to validate the historic use of the subject well;
   1.9. a statement certifying, under penalty of law, that the well owner possesses the legal authority to produce groundwater resources from the subject well.
   1.10. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
   1.11. a statement certifying, under penalty of law, that the subject well shall be operated in accordance with the Rules of the District and regulations of the State of Texas;
   1.12. the dated signature of the applicant; and
   1.13. an affidavit confirming that the evidence of historic use submitted to support the validation of the historic use of the subject well is to the best of the knowledge and belief of the person providing the evidence of historic use true and correct and that all available information concerning groundwater production of the subject well during the historic use validation year has been provided to the District.

RULE 5.2.2: APPLICATION REQUIREMENTS RELATED TO PROTECTION OF HISTORIC USE OF A GRANDFATHERED WELL FIELD

1. The applicant for an application for the protection of historic use of a grandfathered well field shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and address of the applicant;
   1.2. the name and address of the person that owns the subject well field;
   1.3. the geographic coordinate of each of the subject wells;
   1.4. a statement confirming the subject well field was used in a manner that qualifies as non-exempt use during the historic use validation period;
   1.5. the specification of the historic use validation year;
   1.6. the specification of the volume of groundwater produced in acre-feet by the subject well field during the historic use validation year;
   1.7. the specification of the purpose of use of the groundwater produced by the subject well field during the historic use validation year;
   1.8. a description of the evidence of historic use supplied with the application to be used by the District to validate the historic use of the subject well field;
   1.9. a statement certifying, under penalty of law, that the well owner possesses the legal authority to produce groundwater resources from the subject well field.
   1.10. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
   1.11. a statement certifying, under penalty of law, that the subject well field shall be operated in accordance with the Rules of the District and regulations of the State of Texas;
   1.12. the dated signature of the applicant; and
   1.13. an affidavit confirming that the evidence of historic use submitted to support the validation of the historic use of the subject well field is to the best of the knowledge and belief of the person providing the evidence of historic use true and correct and that all available information concerning groundwater production of the subject well field during the historic use validation year has been provided to the District.

RULE 5.2.3: APPLICATION REQUIREMENTS RELATED TO PROTECTION OF HISTORIC USE OF A GRANDFATHERED WELL SYSTEM

1. The applicant for an application for the protection of historic use of a grandfathered well system shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:

1.1. the name and address of the applicant;
1.2. the name and address of the person that owns the subject well system;
1.3. the geographic coordinate of each of the subject wells;
1.4. a statement confirming the subject well system was used in a manner that qualifies as non-exempt use during the historic use validation period;
1.5. the specification of the historic use validation year;
1.6. the specification of the volume of groundwater produced in acre-feet by the subject well system during the historic use validation year;
1.7. the specification of the purpose of use of the groundwater produced by the subject well system during the historic use validation year;
1.8. a description of the evidence of historic use supplied with the application to be used by the District to validate the historic use of the subject well system;
1.9. a statement certifying, under penalty of law, that the well owner possesses the legal authority to produce groundwater resources from the subject well system.
1.10. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
1.11. a statement certifying, under penalty of law, that the subject well system shall be operated in accordance with the Rules of the District and regulations of the State of Texas;
1.12. the dated signature of the applicant; and
1.13. an affidavit confirming that the evidence of historic use submitted to support the validation of the historic use of the subject well system is to the best of the knowledge and belief of the person providing the evidence of historic use true and correct and that all available information concerning groundwater production of the subject well system during the historic use validation year has been provided to the District.

SECTION 6: POLICIES RELATED TO NON-HISTORIC USE OF GROUNDWATER

RULE 6.1: GENERAL POLICIES RELATED TO NON-HISTORIC-USE PERMITTING

1. No person shall produce groundwater from a non-grandfathered well, non-grandfathered well field, or non-grandfathered well system without obtaining and maintaining ownership or control of the groundwater resources associated with the subject well, well field, or well system.
2. The District shall limit the cumulative authorized groundwater production amount of all production permits for non-historic non-exempt use, excluding production permits for deep-saline non-historic use, associated with a tract of contiguous ownership of groundwater resources to an amount that does not exceed a ratio of one-half acre-feet (1/2 acre-feet or 0.5 acre-feet) per year of groundwater production per acre of contiguous ownership of groundwater resources.
3. The District shall consider a request to aggregate the authorized groundwater production amounts validated for any grandfathered non-exempt-use well with authorized groundwater production for any non-grandfathered non-exempt-use well as a permitting request for non-historic use associated with a non-grandfathered non-exempt-use well field or a non-grandfathered non-exempt-use well system.
4. An applicant permanently changes the grandfathered status of a grandfathered well, a grandfathered well field, or a grandfathered well system to a non-grandfathered well, a non-grandfathered well field, or a non-grandfathered well system if the applicant requests, and the District grants, a production permit for non-historic use or a permit amendment to a production permit for non-historic use in which the authorized groundwater production purpose is changed from the purpose of use validated by the District for the grandfathered well, the grandfathered well field, or the grandfathered well system.
5. The well owner, well field owner, or well system owner of a non-grandfathered non-exempt-use well, a non-grandfathered non-exempt-use well field, or a non-grandfathered non-exempt-use well system shall maintain the ownership or control of groundwater rights associated with the subject tracts of contiguous ownership of groundwater resources sufficient to produce the authorized groundwater production amount specified in the production permit for non-historic use.
6. An incorporated municipality, as an applicant for a production permit for non-historic use, may request that the District consider all contiguous land within its corporate limits that is located within the jurisdictional boundaries of the District and not associated with other production permits to be under its control for the purposes of evaluating the spacing requirements, production limitations, and performance conditions of the District.
7. A public water supply entity, as an applicant for a production permit for non-historic use, may request that the District consider all contiguous land within the boundary of its certificate of convenience and necessity (CCN) that is located within the jurisdictional boundaries of the District and not associated with other production permits to be under

its control for the purposes of evaluating the spacing requirements, production limitations, and performance conditions of the District.

8. The District shall amend a production permits for non-historic use issued by the District if a well owner, well field owner, or well system owner of a non-grandfathered non-exempt-use well, a non-grandfathered non-exempt-use well field, or a non-grandfathered non-exempt-use well system fails to maintain the ownership or control of groundwater rights associated with the subject tracts of contiguous ownership of groundwater resources sufficient to produce the authorized groundwater production amount specified in the production permit for non-historic use associated with the non-grandfathered non-exempt-use well, the non-grandfathered non-exempt-use well field, or the non-grandfathered non-exempt-use well system.
9. The District may amend a production permit for non-historic use issued by the District associated with production areas based on contiguous land within the corporate limit of an incorporated municipality or contiguous land within the boundary of a certificate of convenience and necessity (CCN) of a public water supply entity in conjunction with issuing production permits with production areas that intersect or overlap the corporate limit of an incorporated municipality or the certificate of convenience and necessity (CCN) of a public water supply entity.
10. The applicant for an application related to a production permit for non-historic use shall submit applications to register any wells not registered with the District within the subject tracts of contiguous ownership of groundwater resources.
11. The applicant for an application related to a production permit for non-historic use may be required to provide groundwater management information including a water conservation plan and drought management plan.
12. The owner of groundwater resources associated with and the authorized operator of non-exempt-use wells, upon notice from the District, shall adjust groundwater production in accordance with the curtailment requirements established to achieve compliance with the protective limits of fresh groundwater drawdown and saline groundwater drawdown by order of the Board of Directors.
13. The owner of groundwater resources associated with and the authorized operator of non-exempt-use wells, upon notice from the District, shall adjust groundwater production in accordance with the curtailment requirements established to prevent further deterioration of groundwater quality by order of the Board of Directors.
14. The owner of groundwater resources associated with and the authorized operator of non-exempt-use wells, upon notice from the District, shall adjust groundwater production in accordance with the curtailment requirements established to prevent or control subsidence by order of the Board of Directors.
15. A person applying for or possessing a production permit may apply for a district waiver of the rules and requirements related to permitting of the District, in accordance with the waiver procedures of the District.

RULE 6.1.1: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELLS

1. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well to an amount that does not exceed one hundred gallons per minute (100 GPM) per contiguous acre controlled by the owners of groundwater resources of the subject tracts of contiguous ownership of groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well.
2. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well, excluding production permits for deep-saline non-historic use, to an amount that does not exceed a ratio of one-half acre-feet (1/2 acre-feet or 0.5 acre-feet) per year per contiguous acre owned or controlled by the owners of groundwater resources of the subject tracts of contiguous ownership of groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well.
3. The District shall limit the authorized groundwater production rate of a production permit for non-historic use of a non-exempt-use well, excluding production permits for deep-saline non-historic use, to a rate that does not exceed a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well and the nearest point along the boundary of the subject tract of contiguous ownership of groundwater resources containing the well.
4. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well to the degree the Board of Directors determines to be necessary to ensure the groundwater production from the subject well will not likely cause excessive water level declines within the jurisdictional boundaries of the District, excessive water quality changes of groundwater resources within the jurisdictional boundaries of the District, or significantly contribute to subsidence within the jurisdictional boundaries of the District.
5. The District shall establish special conditions related to authorized groundwater production of a production permit for non-historic use of a non-exempt-use well as determined to be necessary by the Board of Directors to ensure the groundwater production from the subject well will not likely cause excessive water level declines within the jurisdictional boundaries of the District, excessive water quality changes of groundwater resources within the jurisdictional boundaries of the District, or significantly contribute to subsidence within the jurisdictional boundaries of the District.

RULE 6.1.2: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELLS FIELDS

1. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well field to an amount that does not exceed one hundred gallons per minute (100 GPM) per contiguous acre controlled by the owners of groundwater resources of the subject tracts of contiguous ownership of

groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well field.

2. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well field, excluding production permits for deep-saline non-historic use, to an amount that does not exceed a ratio of one-half acre-feet (1/2 acre-feet or 0.5 acre-feet) per year per contiguous acre owned or controlled by the owners of groundwater resources of the subject tracts of contiguous ownership of groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well field.
3. The District shall limit the authorized groundwater production rate of a production permit for non-historic use for each well of a non-exempt-use well field, excluding production permits for deep-saline non-historic use, to a rate that does not exceed a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well and the nearest point along the boundary of the subject tract of contiguous ownership of groundwater resources containing the well.
4. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well field to the degree the Board of Directors determines to be necessary to ensure the groundwater production from the subject wells of the non-exempt-use well field will not likely cause excessive water level declines within the jurisdictional boundaries of the District, excessive water quality changes of groundwater resources within the jurisdictional boundaries of the District, or significantly contribute to subsidence within the jurisdictional boundaries of the District.
5. The District shall establish special conditions related to authorized groundwater production of a production permit for non-historic use of a non-exempt-use well field as determined to be necessary by the Board of Directors to ensure the groundwater production from the subject wells of the non-exempt-use well field will not likely cause excessive water level declines within the jurisdictional boundaries of the District, excessive water quality changes of groundwater resources within the jurisdictional boundaries of the District, or significantly contribute to subsidence within the jurisdictional boundaries of the District.

RULE 6.1.3: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELL SYSTEMS

1. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well system to an amount that does not exceed one hundred gallons per minute (100 GPM) per contiguous acre controlled by the owners of groundwater resources of the subject tracts of contiguous ownership of groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well system.
2. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well system to an amount that does not exceed one-half acre-feet (1/2 acre-feet or 0.5 acre-feet) per year per contiguous acre owned or controlled by the owners of groundwater resources of the subject tracts of

contiguous ownership of groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well system.

3. The District shall limit the authorized groundwater production rate of a production permit for non-historic use for each well of a non-exempt-use well system, excluding production permits for deep-saline non-historic use, to a rate not exceeding a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well of the well system and the nearest point along the boundary of the subject tract of contiguous ownership of groundwater resources containing the well.
4. The District shall limit the authorized groundwater production amount of each well within a non-exempt-use well system production permit for non-historic use to an amount that does not exceed three-quarters acre-feet (3/4 acre-feet) per year per contiguous acre owned or controlled by the owners of groundwater resources of the subject tracts of contiguous ownership of groundwater resources associated with the application for a production permit for non-historic use of a non-exempt-use well system surrounding the well.
5. The District shall limit the authorized groundwater production amount of a production permit for non-historic use of a non-exempt-use well system to the degree the Board of Directors determines to be necessary to ensure the groundwater production from the subject wells of the non-exempt-use well system will not likely cause excessive water level declines within the jurisdictional boundaries of the District, excessive water quality changes of groundwater resources within the jurisdictional boundaries of the District, or significantly contribute to subsidence within the jurisdictional boundaries of the District.

RULE 6.2: GENERAL PROCEDURES RELATED TO NON-HISTORIC USE PERMITTING

1. The General Manager shall review and determine the administrative completeness of an application for a SCPP within thirty days (30 days) of the date of receipt of the application for a production permit for non-historic use.
2. The General Manager shall review the supplemental information requested by the General Manager and received by the District associated with an application for a SCPP within thirty days (30 days) of the date of receipt of the supplemental information.
3. The General Manager, before submitting an application for a production permit for technical review and within five business days (5 business days) of receiving the request, shall schedule a meeting, to be held within ten business days (10 business days) at the offices of the District or virtually, to review the preliminary review of the application by the District with the applicant.
4. The General Manager shall not submit an application for a production permit for technical review or post the notice of hearing for an application before concluding the meeting to review the preliminary review of the application by the District with the applicant.
5. The General Manager shall issue and post written notice indicating a date and time for a hearing regarding an application for a SCPP within thirty days (30 days) of determining that an application for a production permit for non-historic use is administratively complete, if required by the Rules of the District.

6. The General Manager may issue and post written notice indicating the proposed date of permit issuance for a SCPP, if such issuance is authorized by the Rules of the District, after the application is determined by the General Manager to be administratively complete.
7. The Board of Directors shall consider applications requesting a HCPP that are designated as administratively complete, after providing public notice of the permit hearing for not less than ten days (10 days).
8. The Board of Directors shall consider applications requesting a DSPP that are designated as administratively complete, after providing public notice of the permit hearing for not less than ten days (10 days).
9. The General Manager may consider and may issue SCPP and production permit amendments to SCPPs associated with administratively complete applications, after providing public notice of the proposed permit issuance for not less than ten days (10 days), that:
   9.1. are designated administratively complete;
   9.2. satisfy the regulations and requirements established by the Rules of the District; and
   9.3. are not contested by any party.
10. The General Manager shall not issue production permits or production permit amendments that are contested by any party.
11. The General Manager may authorize a well owner to perform an aquifer test, as described in an aquifer test plan with a pumping period not to exceed twenty days (20 days), for the purposes of investigating:
    11.1. the production zone including type of aquifer, position and extent of aquicludes, aquitards, and hydrogeologic boundaries;
    11.2. the radius of influence and the radius of separation of the subject well and observation wells, the cone of depression, the static water level, and the drawdown curve;
    11.3. the drawdown-time relationship of the subject well;
    11.4. drawdown-distance relationship of the subject well; and
    11.5. the hydraulic properties and derived parameters of the production zone of the subject well.
12. The Board of Directors shall consider applications requesting a SCPP, after providing public notice of the proposed permit issuance for not less than ten days (10 days), that:
    12.1. are designated administratively complete and are contested by any party; or
    12.2. have not been considered by the General Manager, resulting in the issuance of a SCPP as requested by the applicant.
13. The District shall specify the operational requirements and special conditions of production permits for non-historic use including:
    13.1. the identification number assigned by the District for the production permit for non-historic use;
    13.2. the identification number assigned by the District for the associated application for a production permit for non-historic use;
    13.3. the identification number assigned by the District for the subject non-grandfathered wells, non-grandfathered well fields, and non-grandfathered well systems;
    13.4. the authorized groundwater production amount;
    13.5. the authorized groundwater production purpose;

13.6. the owners of groundwater resources;
13.7. the authorized operator;
13.8. the monitoring requirements;
13.9. the reporting requirements;
13.10. the special conditions established by the Board of Directors;
13.11. the permit issuance date; and
13.12. the permit expiration date.

14. The District shall automatically terminate any permit approved for a proposed well if the construction of the proposed well is not commenced within the two-year anniversary date of approval of the production permit by the District.
15. The owner of groundwater resources of a permit associated with a proposed well shall subject the permit to cancellation if well construction is not commenced within the two-year anniversary date of approval of the production permit by the District.
16. The District may extend commencement of well construction on a case-by-case basis.
17. A person applying for or possessing a production permit may apply for a district waiver of the rules and requirements related to permitting of the District, in accordance with the waiver procedures of the Rules of the District.

RULE 6.2.1: APPLICATION REQUIREMENTS RELATED TO PRODUCTION PERMIT REQUESTS FOR NON-HISTORIC USE FOR A NON-EXEMPT-USE WELL

1. The applicant for a production permit for non-historic use of a well shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and address of the applicant;
   1.2. the name and address of the person who owns the subject well;
   1.3. the geographic coordinate of the subject well;
   1.4. the name and address of the landowner of the subject tracts of contiguous ownership of land;
   1.5. documentation demonstrating ownership of the subject tracts of contiguous ownership of land;
   1.6. the name and address of the owner of groundwater resources of subject tracts of contiguous ownership of groundwater resources;
   1.7. documentation demonstrating ownership of the subject tracts of contiguous ownership of groundwater resources;
   1.8. the specification of the requested authorized groundwater production amount for the subject well in gallons per minute and acre-feet per year;
   1.9. the specification of the requested authorized groundwater production purpose for the subject well;
   1.10. the specification of the spatial extent including the total acreage of the boundary of the subject tracts of contiguous ownership of land;
   1.11. the specification of the spatial extent including the total acreage of the boundary of the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;

1.12. the specification of any existing, unexpired production permits or waivers issued by the District that are associated with the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;
1.13. the documentation of any district waiver being requested in association with the application;
1.14. a statement certifying, under penalty of law, that the well owner possesses the legal authority to produce groundwater from the subject tracts of contiguous ownership of groundwater resources;
1.15. a scaled map of:
1.15.1. the subject well;
1.15.2. the boundary of the subject tracts of contiguous ownership of land;
1.15.3. the boundary of the subject tracts of contiguous ownership of groundwater resources;
1.15.4. the boundaries of any production areas associated with other valid production permits overlapping the boundary of the subject tracts of contiguous ownership of groundwater resources;
1.15.5. the nearest public roads; and
1.15.6. the locations of any existing water wells within the boundary of the subject tracts of contiguous ownership of groundwater resources;
1.16. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
1.17. a statement certifying, under penalty of law, that the subject well shall be operated in accordance with the Rules of the District and regulations of the State of Texas;
1.18. a statement certifying, under penalty of law, that the applicant shall avoid waste and achieve water conservation and that reasonable diligence will be used to protect groundwater quality and that the applicant will follow well plugging guidelines at the time of well closure; and
1.19. the dated signature of the applicant.

RULE 6.2.2: APPLICATION REQUIREMENTS RELATED TO NON-HISTORIC USE PRODUCTION PERMITS FOR NON-EXEMPT-USE WELL FIELDS

1. The applicant for a production permit for non-historic use of a non-exempt-use well field shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
1.1. the name and address of the applicant;
1.2. the name and address of the person who owns the subject well field;
1.3. the geographic coordinates of the subject wells;
1.4. The name and address of the landowner of the subject tracts of contiguous ownership of land;

1.5. The name and address of the owner of groundwater resources of subject tracts of contiguous ownership of groundwater resources;
1.6. the specification of the requested aggregate authorized groundwater production amount for the subject well field in gallons per minute and acre-feet per year;
1.7. the specification of the requested authorized groundwater production purpose for the subject well field;
1.8. the specification of the spatial extent including the total acreage of the boundary of the subject tracts of contiguous ownership of land;
1.9. the specification of the spatial extent including the total acreage of the boundary of the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;
1.10. the specification of any existing, unexpired production permits or waivers issued by the District that are associated with the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;
1.11. the documentation of any district waiver being requested in association with the application;
1.12. a statement certifying, under penalty of law, that the well field owner possesses the legal authority to produce groundwater from the subject tracts of contiguous ownership of groundwater resources;
1.13. a scaled map of:
    1.13.1. the subject wells of the subject well field;
    1.13.2. the boundary of the subject tracts of contiguous ownership of land;
    1.13.3. the boundary of the subject tracts of contiguous ownership of groundwater resources;
    1.13.4. the boundaries of any production areas overlapping the boundary of the subject tracts of contiguous ownership of groundwater resources;
    1.13.5. the nearest public roads; and
    1.13.6. the locations of any existing water wells within the boundary of the subject tracts of contiguous ownership of groundwater resources;
1.14. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
1.15. a statement certifying, under penalty of law, that the subject well field shall be operated in accordance with the Rules of the District and regulations of the State of Texas;
1.16. a statement certifying, under penalty of law, that the applicant shall avoid waste and achieve water conservation and that reasonable diligence will be used to protect groundwater quality and that the applicant will follow well plugging guidelines at the time of well closure; and
1.17. the dated signature of the applicant.

RULE 6.2.3: APPLICATION REQUIREMENTS RELATED TO NON-HISTORIC USE PRODUCTION PERMITS FOR NON-EXEMPT-USE WELL SYSTEMS

1. The applicant for a production permit for non-historic use of a non-exempt-use well system shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and address of the applicant;
   1.2. the name and address of the person who owns the subject well system;
   1.3. the geographic coordinates of the subject wells;
   1.4. The name and address of the landowners of the subject tracts of contiguous ownership of land;
   1.5. The name and address of the owner of groundwater resources of subject tracts of contiguous ownership of groundwater resources;
   1.6. the specification of the requested aggregate authorized groundwater production amount for the subject well system in gallons per minute and acre-feet per year;
   1.7. the specification of the requested authorized groundwater production purpose for the subject well system;
   1.8. the specification of the spatial extent including the total acreage of the boundaries of the subject tracts of contiguous ownership of land;
   1.9. the specification of the spatial extent including the total acreage of the boundaries of the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;
   1.10. the specification of any existing, unexpired production permits or waivers issued by the District that are associated with the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;
   1.11. the documentation of any district waiver being requested in association with the application;
   1.12. a statement certifying, under penalty of law, that the well system owner possesses the legal authority to produce groundwater from the subject tracts of contiguous ownership of groundwater resources;
   1.13. a scaled map of:
      1.13.1. the subject wells of the subject well system;
      1.13.2. the boundaries of the subject tracts of contiguous ownership of land;
      1.13.3. the boundaries of the subject tracts of contiguous ownership of groundwater resources;
      1.13.4. the boundaries of any production areas overlapping the boundary of the subject tracts of contiguous ownership of groundwater resources;
      1.13.5. the nearest public roads; and
      1.13.6. the locations of any existing water wells within the boundaries of the subject tracts of contiguous ownership of groundwater resources;
   1.14. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;

1.15. a statement certifying, under penalty of law, that the subject well system shall be operated in accordance with the Rules of the District and regulations of the State of Texas

1.16. a statement certifying, under penalty of law, that the applicant shall avoid waste and achieve water conservation and that reasonable diligence will be used to protect groundwater quality and that the applicant will follow well plugging guidelines at the time of well closure; and

1.17. the dated signature of the applicant.

RULE 6.3: SPECIAL POLICIES RELATED TO HIGH-CAPACITY NON-HISTORIC USE PERMITTING

1. The District, as a condition of a production permit for high-capacity non-historic use (HCPP), shall establish the protective limits of:
   1.1. fresh groundwater drawdown of each dedicated aquifer monitoring well of fresh groundwater associated with the production permit based on the protective limit of fresh groundwater drawdown;
   1.2. saline groundwater drawdown of each dedicated aquifer monitoring well of saline groundwater associated with the production permit based on the protective limit of saline groundwater drawdown;
   1.3. subsidence of the production area associated with the production permit based on the protective limit of subsidence;
   1.4. fresh groundwater salinity change of each dedicated aquifer monitoring well of fresh groundwater associated with the production permit based on the protective limit of fresh groundwater salinity change; and
   1.5. saline groundwater salinity change of each dedicated aquifer monitoring well of saline groundwater associated with the production permit based on the protective limit of saline groundwater salinity change.
2. The District shall require the owner of groundwater resources and operator of any wells associated with a HCPP to monitor aquifer conditions for impacts associated with groundwater production authorized under the HCPP.
3. The District shall specify monitoring requirements for a HCPP including requirements related to installation, maintenance, and use of dedicated aquifer monitoring wells.
4. The District shall specify performance criteria and performance standards for a HCPP including requirements related to water level impacts, water quality impacts, and subsidence.
5. The District shall consider the failure to collect less than sixty percent (60%) of any required aquifer measurements by the owner of groundwater resources and operator of any wells associated with a HCPP as a violation of the conditions of the associated HCPP.
6. The General Manager shall review and determine the administrative completeness of an application for a HCPP within ninety days (90 days) of the date of receipt of the application for a production permit for non-historic use.
7. The applicant for an application for a HCPP shall attend the meetings at which the Board of Directors conducts hearings or considers action related to the application for a HCPP.

8. A person applying for or possessing a production permit may apply for a district waiver of the rules and requirements related to permitting of the District, in accordance with the waiver procedures of the Rules of the District.

RULE 6.3.1: APPLICATION REQUIREMENTS RELATED TO HIGH-CAPACITY NON-HISTORIC-USE PRODUCTION PERMIT REQUESTS

1. The applicant for a high-capacity production permit shall submit the following information in addition to the applicable information specified under Rule 6.2.1, Rule 6.2.2, and Rule 6.2.3:
   1.1. the name and address of the applicant;
   1.2. name and address of the person who owns the subject wells;
   1.3. the description of the proposed production zones of the subject wells including:
      1.3.1. the depths to the top and bottom of the production zones;
      1.3.2. the thickness of the production zones;
   1.4. the maximum proposed production rate of each of the subject wells in gallons per minute and acre-feet per year;
   1.5. an aquifer test analysis report developed from a pumping test documenting:
      1.5.1. a conceptual description and diagram of the production wells and observation wells including the well screening details;
      1.5.2. a conceptual description and diagram of the production zones including type of aquifer, position and extent of aquicludes, aquitards, and hydrogeologic boundaries;
      1.5.3. a description and diagram of the 5-foot drawdown radius of influence in the proposed production zone, the radius of separation of the production wells and observation wells, the cones of depression, the static water levels, and the drawdown curves;
      1.5.4. a description and diagram of the drawdown-time relationships;
      1.5.5. a description and diagram of the drawdown-distance relationships;
      1.5.6. a description of the hydraulic properties and derived parameters of the production zones;
      1.5.7. a description of the methods, assumptions, equations, and data used to calculate the hydraulic properties and derived parameters of production zones; and
      1.5.8. a description of the method used to develop, and diagrams of, the 5-foot contours of predicted water levels in the production zone of the production wells for the time intervals of five years, ten years, and thirty years of proposed production.
   1.6. a report of the hydrologic and geochemical characteristics of the proposed production zone measured on the subject tract of contiguous ownership of groundwater resources associated with the requested HCPP, sealed by a Professional Geoscientist(s) registered with the State of Texas, that documents, at a minimum, the analysis of geophysical logs, aquifer pumping tests, and measured water quality parameters, and calculated transmissivity values;

1.7. a description and map of the subject wells and the dedicated aquifer monitoring wells including well construction, annular sealing, and well screening details, and boundary of the tract of contiguous groundwater ownership.
1.8. a description and map of the 5-foot drawdown radius of influence in the proposed production zone predicted to result from the production of groundwater under the requested permit; and
1.9. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;
1.10. a statement certifying, under penalty of law, that the subject well, well field, or well system shall be operated in accordance with the Rules of the District and regulations of the State of Texas; and
1.11. the dated signature of the applicant.

RULE 6.3.2: SPECIAL MONITORING AND REPORTING REQUIREMENTS RELATED TO PERMITTING HIGH-CAPACITY NON-HISTORIC USE

1. The owner of groundwater resources and operator of any wells associated with a HCPP shall construct and maintain a monitoring well network comprised of at least three dedicated aquifer monitoring wells designed to accurately monitor impacts associated with production of groundwater under the subject production permit, screened across the production zone of the associated non-exempt-use wells, and positioned within the perimeter of the subject tracts of contiguous ownership of groundwater resources and bounding associated non-exempt-use wells.
2. The owner of groundwater resources and operator of any wells associated with a HCPP shall construct and maintain a permanent survey monument for vertical control within three hundred feet (300 feet) of the center of groundwater production of the HCPP if the authorized groundwater production amount is equal to or greater than a ratio of two thousand acre-feet (2,000 acre-feet) of groundwater per year.
3. The owner of groundwater resources and operator of any wells associated with a HCPP shall make provisions for and grant access to the District to install and operate a mobile subsidence monitoring station on the well site at the survey monument if the authorized groundwater production amount is equal to or greater than a ratio of two thousand acre-feet (2,000 acre-feet) of groundwater per year.
4. The owner of groundwater resources and operator of any wells associated with a HCPP shall design and implement an aquifer monitoring plan, approved by the District, which includes the following:
   4.1. a description of the production area with a map depicting all non-exempt-use wells and dedicated aquifer monitoring wells within the production area;
   4.2. provisions to monitor and report production volumes, as monthly totals, from the subject wells associated with the HCPP;
   4.3. provisions to monitor, evaluate, and report aquifer conditions and performance criteria established within the Rules of the District and associated permits or waivers;

4.4. provisions to establish initial aquifer conditions for aquifer monitoring tier 1 parameters, the aquifer monitoring tier 2 parameters, and aquifer monitoring tier 3 parameters for the subject wells and the dedicated aquifer monitoring wells associated with the HCPP during a period of time not less than three consecutive months (3 consecutive months) in duration that is sufficient to capture seasonal variability;
4.5. provisions to measure and report aquifer monitoring tier 1 parameters, the aquifer monitoring tier 2 parameters, and aquifer monitoring tier 3 parameters for the subject wells and the dedicated aquifer monitoring wells associated with the HCPP in accordance with the Rules of the District and the special conditions of the HCPP;
4.6. a list of equipment and specifications to be used to collect aquifer monitoring data including field protocols for sample collection and preservation; and
4.7. methodologies and protocols for the following:
4.7.1. calibrating and installing aquifer monitoring equipment;
4.7.2. collecting and storing aquifer monitoring data;
4.7.3. controlling and assuring data quality; and
4.7.4. process aquifer monitoring data; and
4.8. provisions to summarize and report the groundwater production and the comparison of average aquifer condition and the rolling average of the measurements of aquifer condition parameters to the initial aquifer conditions.

5. The owner of groundwater resources and operator of any wells associated with a HCPP, during a period of time not less than three consecutive months (3 consecutive months) that is sufficient to capture seasonal variability, prior to operating the subject wells, shall measure and record, as the initial aquifer conditions for each dedicated aquifer monitoring well:
5.1. the average of the aquifer monitoring tier 1 parameters measured daily,
5.2. the average of the aquifer monitoring tier 2 parameters measured weekly, and
5.3. the average of the aquifer monitoring tier 3 parameters measured monthly.
6. The owner of groundwater resources and operator of any wells associated with a HCPP shall develop and submit a report to the District, prior to operating the subject wells, that includes sections addressing:
6.1. initial aquifer monitoring data collected during the reporting period;
6.2. technical issues, if any, regarding aquifer monitoring or groundwater production monitoring experienced during the reporting period;
6.3. statistical calculations of initial aquifer conditions calculated from aquifer monitoring data collected during the reporting period.
7. The owner of groundwater resources and operator of any wells associated with a HCPP shall measure and record the volume of groundwater produced from each subject well, during the term of the production permit.
8. The owner of groundwater resources and operator of any wells associated with a HCPP shall report to the District the volume of groundwater produced from each subject well, during the term of the production permit, quarterly and within sixty days (60 days) of the close of each quarter.
9. The owner of groundwater resources and operator of any wells associated with a HCPP shall measure and record from the dedicated aquifer monitoring wells associated with the HCPP the aquifer monitoring tier 1 parameters, every 4 hours, the aquifer monitoring

tier 2 parameters, monthly, and the aquifer monitoring tier 3 parameters, annually, during the term of the production permit.

10. The owner of groundwater resources and operator of any wells associated with a HCPP shall report to the District the aquifer conditions of the dedicated aquifer monitoring wells associated with the HCPP quarterly and within sixty days (60 days) of the close of each quarter.
11. The owner of groundwater resources and operator of any wells associated with a HCPP shall develop and submit quarterly reports to the District, within sixty days (60 days) of the end of the reporting period, which includes sections addressing:
    11.1. aquifer monitoring data and groundwater production data collected during the reporting period;
    11.2. technical issues, if any, regarding aquifer monitoring or groundwater production monitoring experienced during the reporting period;
    11.3. statistical calculations of aquifer conditions calculated from aquifer monitoring data collected during the reporting period including the rolling averages of the aquifer condition parameters;
    11.4. comparison of reporting period aquifer conditions to initial aquifer conditions; and
    11.5. compliance with any groundwater production curtailment requirements established for the subject wells of the HCPP.

RULE 6.4: SPECIAL POLICIES RELATED TO DEEP-SALINE NON-HISTORIC USE PERMITTING

1. The District, as a condition of a production permit for deep-saline non-historic use (DSPP), shall establish the protective limits of:
    1.1. fresh groundwater drawdown of each dedicated aquifer monitoring well of fresh groundwater associated with the production permit based on the protective limit of fresh groundwater drawdown;
    1.2. saline groundwater drawdown of each dedicated aquifer monitoring well of saline groundwater associated with the production permit based on the protective limit of saline groundwater drawdown;
    1.3. subsidence of the production area associated with the production permit based on the protective limit of subsidence;
    1.4. fresh groundwater salinity change of each dedicated aquifer monitoring well of fresh groundwater associated with the production permit based on the protective limit of fresh groundwater salinity change; and
    1.5. saline groundwater salinity change of each dedicated aquifer monitoring well of saline groundwater associated with the production permit based on the protective limit of saline groundwater salinity change.
2. The District shall require the owner of groundwater resources and operator of any wells associated with a DSPP to monitor aquifer conditions for impacts associated with groundwater production authorized under the DSPP.

3. The District shall specify monitoring requirements for a DSPP including requirements related to installation, maintenance, and use of dedicated aquifer monitoring wells.
4. The District shall specify performance criteria and performance standards for a DSPP including requirements related to water level impacts, water quality impacts, and subsidence.
5. The District shall consider the failure to collect less than sixty percent (60%) of any required aquifer measurements by the owner of groundwater resources and operator of any wells associated with a DSPP as a violation of the conditions of the associated DSPP.
6. The General Manager shall review and determine the administrative completeness of an application for a DSPP within ninety days (90 days) of date of receipt of the application for a production permit for non-historic use.
7. The applicant for an application for a DSPP shall attend the meetings at which the Board of Directors conducts hearings or considers action related to the application for a DSPP.
8. A person applying for or possessing a production permit may apply for a district waiver of the rules and requirements related to permitting of the District, in accordance with the waiver procedures of the Rules of the District.

RULE 6.4.1: GROUNDWATER PRODUCTION LIMITATIONS RELATED TO DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONES

1. The District shall limit the cumulative authorized groundwater production amount of all production permits for non-historic use authorizing production of fresh groundwater, excluding DSPPs, with production areas that overlap the production areas of production permits for deep-saline non-historic use by five percent (5%).
2. The District shall limit the combined authorized groundwater production amounts of production permits authorizing production of saline groundwater from all deep-saline special groundwater management zones to twenty-two thousand acre-feet (22,000 acre-feet) per year.
3. The District shall limit the combined authorized groundwater production amounts of production permits authorizing production of saline groundwater from all slightly saline groundwater zones to ten thousand acre-feet (10,000 acre-feet) per year.
4. The District shall limit the combined authorized groundwater production amounts of production permits authorizing production of saline groundwater from all moderately saline groundwater zones to seven thousand acre-feet (7,000 acre-feet) per year.
5. The District shall limit the combined authorized groundwater production amounts of production permits authorizing production of saline groundwater from all extremely saline groundwater zones to five thousand acre-feet (5,000 acre-feet) per year.
6. The District shall limit the cumulative authorized groundwater production amount of all production permits for deep-saline non-historic use associated with a tract of contiguous ownership of groundwater resources to a volume of groundwater that does not exceed ten acre-feet (10 acre-feet) per acre per year for the subject tract of contiguous ownership of groundwater resources.
7. The District shall limit the cumulative authorized groundwater production amount of all production permits for deep-saline non-historic use with deep-saline wells producing groundwater from a slightly saline groundwater zone associated with a tract of

contiguous ownership of groundwater resources to a volume of groundwater that does not exceed six acre-feet (6 acre-feet) per acre per year for the subject tract of contiguous ownership of groundwater resources.

8. The District shall limit the cumulative authorized groundwater production amount of all production permits for deep-saline non-historic use with deep-saline wells producing groundwater from a moderately saline groundwater zone associated with a tract of contiguous ownership of groundwater resources to a volume of groundwater that does not exceed eight acre-feet (8 acre-feet) per acre per year for the subject tract of contiguous ownership of groundwater resources.
9. The District shall limit the cumulative authorized groundwater production amount of all production permits for deep-saline non-historic use with deep-saline wells producing groundwater from an extremely saline groundwater zone associated with a tract of contiguous ownership of groundwater resources to a volume of groundwater that does not exceed eight acre-feet (10 acre-feet) per acre per year for the subject tract of contiguous ownership of groundwater resources.

RULE 6.4.2: APPLICATION REQUIREMENTS RELATED TO DEEP-SALINE NON-HISTORIC-USE PRODUCTION PERMIT REQUESTS

1. The applicant for an application for a DSPP shall submit the following information with the application for a DSPP in addition to the applicable information specified under Rule 6.2.1, Rule 6.2.2, and Rule 6.2.3:
   1.1. the name and address of the applicant;
   1.2. name and address of the person that owns the subject wells;
   1.3. the description of the proposed production zones of the subject wells including:
      1.3.1. the depths to the top and bottom of the production zones;
      1.3.2. the thickness of the production zones;
   1.4. the identification of the specific deep-saline special groundwater management zone from which the subject wells would produce groundwater resources;
   1.5. the maximum proposed production rate of each of the subject wells expressed in gallons per minute and acre-feet per year;
   1.6. an aquifer test analysis report documenting:
      1.6.1. a conceptual description and diagram of the pumping wells and observation wells including the well screening details;
      1.6.2. a conceptual description and diagram of the production zones including type of aquifer, position and extent of aquicludes, aquitards, and hydrogeologic boundaries;
      1.6.3. a description and diagram of the 5-foot drawdown radius of influence in the deepest fresh groundwater zone and the proposed production zone, the cones of depression, the static water levels, and the drawdown curves;
      1.6.4. a description and diagram of the drawdown-time relationships;
      1.6.5. a description and diagram of the drawdown-distance relationships;
      1.6.6. a description of the hydraulic properties and derived parameters of the production zones;

1.6.7. a description of the methods, assumptions, equations, and data used to calculate the hydraulic properties and derived parameters of production zones; and

1.6.8. the description of the method used to develop, and diagrams of, the 5-foot contours of predicted water levels in the production zone of the production wells and the deepest freshwater water-bearing stratum that exists between the top of the production zone of the subject wells and the ground surface, for the time intervals of five years, ten years, and thirty years of proposed production.

1.7. a report of the hydrologic and geochemical characteristics of the proposed production zone measured on the subject tract of contiguous ownership of groundwater resources associated with the requested DSPP, sealed by a Professional Geoscientist(s) registered with the State of Texas, that documents, at a minimum, the analysis of geophysical logs, aquifer pumping tests, and measured water quality parameters, and calculated transmissivity values;

1.8. a description and map of the subject wells and the dedicated aquifer monitoring wells including well construction, annular sealing, and well screening details, and boundary of the tract of contiguous groundwater ownership.

1.9. a description and map of the 5-foot drawdown radius of influence in the deepest fresh groundwater zone and the proposed production zone predicted to result from the production of groundwater under the requested permit; and

1.10. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;

1.11. a statement certifying, under penalty of law, that the subject well, well field, or well system shall be operated in accordance with the Rules of the District and regulations of the State of Texas; and

1.12. the dated signature of the applicant.

RULE 6.4.3: SPECIAL MONITORING AND REPORTING REQUIREMENTS RELATED TO PERMITTING DEEP-SALINE NON-HISTORIC USE

1. The owner of groundwater resources and operator of any wells associated with a DSPP shall construct and maintain a monitoring well network comprised of at least three dedicated aquifer monitoring wells designed to accurately monitor impacts associated with production of groundwater under the subject production permit, screened in the deepest fresh water-bearing stratum, and positioned within the perimeter of the subject tracts of contiguous ownership of groundwater resources and bounding associated non-exempt-use wells.
2. The owner of groundwater resources and operator of any wells associated with a DSPP shall construct and maintain a monitoring well network comprised of at least three dedicated aquifer monitoring wells designed to accurately monitor impacts associated with production of groundwater under the subject production permit, screened across the production zone of the associated non-exempt-use wells, and positioned within the

perimeter of the subject tracts of contiguous ownership of groundwater resources and bounding the associated non-exempt-use wells.

3. The owner of groundwater resources and operator of any wells associated with a DSPP shall construct and maintain a permanent survey monument for vertical control within three hundred feet (300 feet) of the center of groundwater production of the DSPP if the authorized groundwater production amount is equal to or greater than a ratio of two thousand acre-feet (2,000 acre-feet) of groundwater per year.
4. The owner of groundwater resources and operator of any wells associated with a DSPP shall make provisions for and grant access to the District to install and operate a mobile subsidence monitoring station on the well site at the survey monument if the authorized groundwater production amount is equal to or greater than a ratio of two thousand acre-feet (2,000 acre-feet) of groundwater per year.
5. The owner of groundwater resources and operator of any wells associated with a DSPP shall design and implement an aquifer monitoring plan, approved by the District, which includes the following:
    5.1. a description of the production area with a map depicting all non-exempt-use wells and dedicated aquifer monitoring wells within the production area;
    5.2. provisions to monitor and report production volumes, as monthly totals, from the subject wells associated with the DSPP;
    5.3. provisions to monitor, evaluate, and report aquifer conditions and performance criteria established within the Rules of the District and associated permits or waivers;
    5.4. provisions to establish initial aquifer conditions for aquifer monitoring tier 1 parameters, the aquifer monitoring tier 2 parameters, and aquifer monitoring tier 3 parameters for the subject wells and the dedicated aquifer monitoring wells associated with the DSPP during a period of time not less than three consecutive months (3 consecutive months) in duration that is sufficient to capture seasonal variability;
    5.5. provisions to measure and report aquifer monitoring tier 1 parameters, the aquifer monitoring tier 2 parameters, and aquifer monitoring tier 3 parameters for the subject wells and the dedicated aquifer monitoring wells associated with the DSPP in accordance with the Rules of the District and the special conditions of the DSPP;
    5.6. a list of equipment and specifications to be used to collect aquifer monitoring data including field protocols for sample collection and preservation; and
    5.7. methodologies and protocols for the following:
        5.7.1. calibrating and installing aquifer monitoring equipment;
        5.7.2. collecting and storing aquifer monitoring data;
        5.7.3. controlling and assuring data quality; and
        5.7.4. process aquifer monitoring data; and
    5.8. provisions to summarize and report groundwater production and aquifer conditions measured from the dedicated aquifer monitoring wells associated with a DSPP.
6. The owner of groundwater resources and operator of any wells associated with a DSPP, during a period of time not less than three consecutive months (3 consecutive months) that is sufficient to capture seasonal variability, prior to operating the subject wells, shall measure and record, as the initial aquifer conditions for each dedicated aquifer monitoring well:

6.1. the average of the aquifer monitoring tier 1 parameters measured daily,
6.2. the average of the aquifer monitoring tier 2 parameters measured weekly, and
6.3. the average aquifer monitoring tier 3 parameters measured monthly.

7. The owner of groundwater resources and operator of any wells associated with a DSPP shall develop and submit a report to the District, prior to operating the subject wells, that includes sections addressing:
   7.1. aquifer monitoring data collected during the reporting period;
   7.2. technical issues, if any, regarding aquifer monitoring or groundwater production monitoring experienced during the reporting period;
   7.3. statistical calculations of aquifer conditions calculated from aquifer monitoring data collected during the reporting period.
8. The owner of groundwater resources and operator of any wells associated with a DSPP shall measure and record the volume of groundwater produced on a weekly basis from each subject well, during the term of the production permit.
9. The owner of groundwater resources and operator of any wells associated with a DSPP shall report to the District the volume of groundwater produced from each subject well, during the term of the production permit, quarterly and within sixty days (60 days) of the close of each quarter.
10. The owner of groundwater resources and operator of any wells associated with a DSPP shall measure and record from the dedicated aquifer monitoring wells associated with the DSPP the aquifer monitoring tier 1 parameters, every 4 hours, the aquifer monitoring tier 2 parameters, monthly, and the aquifer monitoring tier 3 parameters, annually, during the term of the production permit.
11. The owner of groundwater resources and operator of any wells associated with a DSPP shall report to the District the aquifer conditions of the dedicated aquifer monitoring wells associated with the DSPP quarterly and within sixty days (60 days) of the close of each quarter.
12. The owner of groundwater resources and operator of any wells associated with a DSPP shall develop and submit quarterly reports to the District, within sixty days (60 days) of the end of the reporting period, which includes sections addressing:
    12.1. aquifer monitoring data and groundwater production data collected during the reporting period;
    12.2. technical issues, if any, regarding aquifer monitoring or groundwater production monitoring experienced during the reporting period;
    12.3. statistical calculations of aquifer conditions calculated from aquifer monitoring data collected during the reporting period including the rolling averages of the aquifer condition parameters;
    12.4. comparison of reporting period aquifer conditions to initial aquifer conditions; and
    12.5. compliance with any groundwater production curtailment requirements established for the subject wells of the DSPP.

SECTION 7: POLICIES RELATED TO GROUNDWATER TRANSFER

RULE 7.1: GENERAL POLICIES RELATED TO PERMITTING TRANSFER

1. A person shall not be required to obtain a transfer permit for:
   1.1. the transfer of less than ten acre-feet (10 acre-feet) of produced groundwater per year,
   1.2. the transfer of produced groundwater that is part of a manufactured product manufactured within the jurisdictional boundaries of the District,
   1.3. the transfer of groundwater produced from and put to use solely on real property that presently and historically straddles the boundary of the District as of the date of the original adoption of the Rules of the District,
   1.4. the transfer of groundwater produced from real property within the boundary of the District and put to use solely within a certificate of convenience and necessity (CCN) that presently and historically straddled the boundary of the District as of the date of the original adoption of the Rules of the District, or
   1.5. the transfer of groundwater produced from and put to use to hydrotest pipeline provided at least fifty percent (50%) of the pipeline to be tested exists within the boundary of the District and the pipeline presently and historically straddled the boundary of the District as of the date of the original adoption of the Rules of the District.
2. The Board of Directors shall consider the following information when deciding to grant or deny a transfer permit:
   2.1. the availability of water in the District and in the proposed receiving area during the period for which the water supply is requested;
   2.2. the projected effect of the proposed transfer on aquifer conditions, depletion, subsidence, or effects on existing permit holders or other groundwater users within the jurisdictional boundaries of the District; and
   2.3. the approved regional water plan and approved district management plan.

RULE 7.2: GENERAL PROCEDURES RELATED TO TRANSFER PERMITTING

1. The General Manager shall review and determine the administrative completeness of an application for a transfer permit within thirty days (30 days) of the date of receipt of the application for a transfer permit.
2. The General Manager shall review the supplemental information requested by the General Manager and received by the District associated with an application for a transfer permit within thirty days (30 days) of date of receipt of the supplemental information.
3. The General Manager shall designate an application for a transfer permit as administratively complete when all necessary information to fully consider the application has been submitted to the District by the applicant.
4. The General Manager shall issue and post written notice, within thirty days (30 days) of determining an application for a transfer permit is administratively complete, indicating a date and time for a hearing regarding the application for a transfer permit.

5. The applicant for an application for a transfer permit shall attend the meetings at which the Board of Directors conducts hearings or considers action related to the application for a transfer permit.
6. The Board of Directors shall consider applications requesting a transfer permit that are designated as administratively complete, after providing public notice of the permit hearing for not less than ten days (10 days).
7. The District shall specify the operational requirements and special conditions of transfer permits including:
   7.1. the identification number assigned by the District for the transfer permit;
   7.2. the identification number assigned by the District for the subject production permit;
   7.3. the authorized groundwater transfer amount;
   7.4. the authorized groundwater transfer purpose;
   7.5. the authorized operator of the transfer permit;
   7.6. the authorized groundwater transfer location;
   7.7. the monitoring requirements;
   7.8. the reporting requirements;
   7.9. the special conditions established by the Board of Directors;
   7.10. the permit issuance date; and
   7.11. the permit expiration date.
8. The District shall specify monitoring requirements for a transfer permit including the requirements related to installation and use of meters to record the volumes of groundwater transferred.

RULE 7.3: GENERAL MONITORING AND REPORTING REQUIREMENT RELATED TO TRANSFER PERMITS

1. The authorized operator of a transfer permit shall measure the volume of produced groundwater transferred out of the District under the transfer permit using a device or method that is accurate within ten percent (10%) of the actual volume produced.
2. The authorized operator of a transfer permit shall report the volume of groundwater transferred out of the District under the transfer permit to the District on an annual basis.
3. The authorized operator of a transfer permit shall report the volume of groundwater transferred out of the District that is accurate within ten percent (10%) of the actual volume of groundwater transferred during the calendar year.
4. The authorized operator of a transfer permit shall report the volume of groundwater transferred out of the District for the previous calendar year during January of the subsequent calendar year.
5. The authorized operator of a transfer permit shall report the volume of groundwater transferred out of the District using a form developed by the District.
6. The authorized operator of a transfer permit shall include the following information when reporting the volume of groundwater transferred out of the District:
   6.1. the transfer permit identification number;
   6.2. the reporting period;
   6.3. the volume of groundwater transferred out of the District during the reporting period in acre-feet;

6.4. the method used to determine the volumes of groundwater transferred out of the District during the reporting period; and
6.5. a statement certifying, under penalty of law, that the information reported on and attached to the report was prepared under the direction or supervision of the authorized operator and is, to the best of the knowledge and belief of the authorized operator, true, accurate and complete;
6.6. the printed name of the person submitting the report; and
6.7. the dated signature of the person submitting the report.

RULE 7.4: APPLICATION REQUIREMENTS RELATED TO TRANSFER PERMIT REQUESTS

1. The applicant for an application for a transfer permit shall submit the permitting request on the form prescribed by the District.
2. The applicant for an application for a transfer permit shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   2.1. the name and address of the applicant;
   2.2. the identification number assigned by the District of the associated production permit;
   2.3. the name and address of the authorized operator of the associated production permit;
   2.4. the requested authorized groundwater transfer amount in acre-feet per year;
   2.5. the requested authorized groundwater transfer purpose;
   2.6. the requested authorized groundwater transfer period;
   2.7. the name and address of the requested authorized operator of the transfer permit;
   2.8. the requested authorized groundwater transfer location;
   2.9. a description of the existing and proposed transfer facilities and method to be used to transfer groundwater from the District to the authorized groundwater transfer location;
   2.10. a description of any anticipated loss of water resulting from the transfer of groundwater from the District to the authorized groundwater transfer location;
   2.11. a description of the availability of water in the District and in the proposed receiving area during the period for which the water supply is requested;
   2.12. a description of the projected effect of the proposed transfer on aquifer conditions, depletion, subsidence, or effects on existing permit holders or other groundwater users within the jurisdictional boundaries of the District;
   2.13. a plan specifying:
      2.13.1. the quantified objectives to be achieved by reducing groundwater transfer from the District during periods of water shortages and drought in the District;
      2.13.2. actions to be completed by the authorized operator at the authorized groundwater transfer location and receiving area to reduce groundwater transfer from the District during periods of water shortages and drought to achieve the quantified objectives for reducing groundwater transfer from the District during periods of water shortages and drought in the District;

2.13.3. actions to be completed by the authorized operator to monitor and assess achievement of the quantified objectives for reducing groundwater transfer from the District during periods of water shortages and drought in the District;

2.13.4. actions to be completed by the authorized operator to report to the District the assessment of the achievement of the quantified objectives for reducing groundwater transfer from the District during periods of water shortages and drought in the District; and

2.14. Proof of notification of the proposed groundwater transfer that includes the name and address of the applicant, the identification number assigned by the District of the associated production permit, the name and address of the authorized operator of the associated production permit, the requested authorized groundwater transfer amount in acre-feet per year, the requested authorized groundwater transfer purpose, the requested authorized groundwater transfer period, the name and address of the requested authorized operator of the transfer permit, and the requested authorized groundwater transfer location, by certified mail, of all landowners and all owners of groundwater resources within two miles (2 miles) of the production area of the associated production permit.

2.15. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;

2.16. a statement certifying, under penalty of law, that the transfer of groundwater shall be conducted in accordance with the Rules of the District and regulations of the State of Texas; and

2.17. the dated signature of the applicant.

SECTION 8: POLICIES RELATED TO DISTRICT WAIVERS AND PETITIONS TO AMEND THE RULES OF THE DISTRICT

RULE 8.1: GENERAL POLICIES RELATED TO WAIVERS

1. The District shall only grant district waivers to rules or requirements of the District that are consistent with:
   1.1. the mission of the District to conserve, preserve, and protect the groundwater resources within the boundary of the District;
   1.2. the desired future conditions of the District as established under Chapter 36 of the Texas Water Code and documented in the Management Plan of the District; and
   1.3. the Management Plan of the District, orders of the Board of Directors, and the laws of the State of Texas.
2. The District shall grant district waivers with conditions, restrictions, limitations, and requirements determined to be necessary by the District to achieve the desired future conditions of the District as established under Chapter 36 of the Texas Water Code and documented in the Management Plan of the District.
3. The District shall grant district waivers in accordance with and subject to the Rules of the District, the Management Plan of the District, orders of the Board of Directors, and the laws of the State of Texas.
4. The District shall not grant district waivers for which the Board of Directors has not found good cause.
5. The Board of Directors may modify, reduce, or eliminate any rule or requirement of the District associated with a permitting request for which the Board of Directors has found good cause.
6. The Board of Directors may establish and incorporate special conditions and requirements in district waivers and associated permits.

RULE 8.2: GENERAL PROCEDURES RELATED TO DISTRICT WAIVERS

1. The General Manager shall contest all permitting requests associated with requests for a district waiver that have not been granted by the Board of Directors.
2. A person drilling or having drilled a well may apply for a district waiver of the well completion requirements of the Rules of the District.
3. An applicant for an application for a permit may request a district waiver of the permitting requirements established by the Rules of the District.
4. The applicant requesting a district waiver of the permitting requirements established by the Rules of the District shall provide evidence of good cause with the application.
5. The General Manager shall review and determine the administrative completeness of an application for a district waiver within sixty days (60 days) of date of receipt of the application for a district waiver.
6. The General Manager shall review the supplemental information requested by the General Manager and received by the District associated with an application for a district waiver within thirty days (30 days) of date of receipt of the supplemental information.

7. The General Manager shall designate an application for a district waiver as administratively complete when all necessary information to fully consider the application has been submitted to the District by the applicant.
8. The General Manager shall schedule applications for a district waiver determined to be administratively complete for consideration by the Board of Directors at the next regularly scheduled meeting of the Board of Directors.
9. The General Manager shall issue and post written notice, within thirty days (30 days) of determining an application for a district waiver is administratively complete, indicating a date and time for a hearing regarding the application for a district waiver.
10. The applicant for an application for a district waiver shall attend the meetings at which the Board of Directors conducts hearings or considers action related to the application for a district waiver.
11. The applicant for an application for a district waiver shall provide, to the District, any waivers related to spacing requirements obtained from other persons in relation to the District waiver being requested or associated permitting request.
12. The applicant for an application for a district waiver shall identify any waivers related to spacing requirements sought but not obtained from other persons in relation to the District waiver being requested or associated permitting request.
13. The applicant for an application for a district waiver shall provide the information and evidence the Board of Directors determines to be necessary to evaluate the District waiver request.
14. The Board of Directors shall consider applications for a district waiver that are designated as administratively complete, after providing public notice of the permit hearing for not less than ten days (10 days).
15. The Board of Directors shall consider an application for a district waiver designated administratively complete in advance of associated permit requests.
16. The Board of Directors may consider a district waiver request at the same meeting that a permitting request is considered.
17. The Board of Directors may refer any application for a district waiver to a hearing examiner for a hearing.
18. The District incorporates the application for a district waiver into any associated district waiver approved by the District.
19. The District issues, approves, and grants a district waiver on the basis of and is contingent upon the accuracy of the information supplied in the associated application for a district waiver.
20. The District shall specify the operational requirements and special conditions of district waivers including:
    20.1. the identification number assigned by the District for the District waiver;
    20.2. the identification number assigned by the District for the associated application for a district waiver;
    20.3. the identification number assigned by the District for the associated production permit or transfer permit;
    20.4. the identification of the rules and requirements associated with the District waiver;
    20.5. the authorized operator;

20.6. the finding of the Board of Directors regarding good cause associated with the District waiver;
20.7. the special conditions established by the Board of Directors; and
20.8. the expiration date.

RULE 8.3: APPLICATION REQUIREMENTS RELATED TO DISTRICT WAIVERS

1. The applicant for an application for a district waiver shall include the following information and any other information the General Manager may determine to be of need to evaluate the request relative to the Rules of the District:
   1.1. the name and address of the applicant;
   1.2. a description of the associated applications for a permit;
   1.3. the identification of the specific rules and specific requirements of the Rules of the District from which an applicant seeks relief;
   1.4. a detailed description of the basis for Board of Directors to find good cause exists for granting the District waiver request;
   1.5. a detailed description of the impact if the District waiver request is not granted by the Board of Directors;
   1.6. a detailed description of any conditions, restrictions, limitations, and requirements the applicant would find acceptable if the request were to be approved;
   1.7. the duration of time the District waiver would be necessary;
   1.8. a list of documentation, if any, included with the District waiver request supporting district waiver request;
   1.9. the name and address of the person that owns the subject well, the subject well field or the subject well system;
   1.10. the geographic coordinate of the subject wells;
   1.11. the name and address of the landowners of the subject tracts of contiguous ownership of land;
   1.12. the name and address of the owner of groundwater resources of subject tracts of contiguous ownership of groundwater resources;
   1.13. the specification of the spatial extent including the total acreage of the boundaries of the subject tracts of contiguous ownership of land;
   1.14. the specification of the spatial extent including the total acreage of the boundaries of the subject tracts of contiguous ownership of groundwater resources intersecting the subject tracts of contiguous ownership of land;
   1.15. a statement certifying, under penalty of law, that the well owners possess the legal authority to produce groundwater from the subject tracts of contiguous ownership of groundwater resources;
   1.16. a scaled map of:
      1.16.1. the subject wells;
      1.16.2. the boundaries of the subject tracts of contiguous ownership of land;
      1.16.3. the boundaries of the subject tracts of contiguous ownership of groundwater resources;

1.16.4. the boundaries of any production areas overlapping the boundary of the subject tracts of contiguous ownership of groundwater resources;
1.16.5. the nearest public roads; and
1.16.6. the locations of any existing water wells within the boundary of the subject tracts of contiguous ownership of groundwater resources; and

1.17. a statement certifying, under penalty of law, that the information reported on and attached to the application was prepared under the direction or supervision of the applicant and is, to the best of the knowledge and belief of the applicant, true, accurate and complete;

1.18. a statement certifying, under penalty of law, that the subject wells shall be operated in accordance with the Rules of the District and regulations of the State of Texas; and

1.19. the dated signature of the applicant.

RULE 8.4: GENERAL POLICIES RELATED TO PETITIONS TO AMEND THE RULES OF THE DISTRICT

1. The District shall only adopt amendments to Rules of the District that are consistent with the mission of the District to conserve, preserve and protect the groundwater resources within the boundary of the District.
2. The District shall only adopt amendments to Rules of the District that are consistent with the desired future conditions of the District as established under Chapter 36 of the Texas Water Code and documented in the Management Plan of the District.
3. The District shall only adopt amendments to Rules of the District that are consistent with the Management Plan of the District, orders of the Board of Directors, and the laws of the State of Texas.

RULE 8.5: GENERAL PROCEDURES RELATED TO PETITIONS TO AMEND THE RULES OF THE DISTRICT

1. A person with a real property interest in groundwater within the jurisdictional boundaries of the District may petition the Board of Directors to adopt, modify, or amend the Rules of the District.
2. The petitioner shall articulate the good cause to add, revise, or eliminate specific requirements or limitations within the Rules of the District, utilizing a form provided by the District.
3. The General Manager shall review and determine the administrative completeness of a petition to amend the Rules of the District within ninety days (90 days) of date of receipt of the petition to amend the Rules of the District.
4. The General Manager shall review the supplemental information requested by the General Manager and received by the District associated with a petition to amend the Rules of the District within ninety days (90 days) of date of receipt of the supplemental information.

5. The General Manager shall designate a petition to amend the Rules of the District as administratively complete when all necessary information to fully consider the petition to amend the Rules of the District has been submitted to the District by the petitioner.
6. The General Manager shall schedule a petition to amend the Rules of the District determined to be administratively complete for consideration by the Board of Directors at a regularly scheduled meeting of the Board of Directors.
7. The General Manager shall issue and post written notice, within thirty days (30 days) of determining a petition to amend the Rules of the District is administratively complete, indicating a date and time for a hearing regarding the petition to amend the Rules of the District.
8. The petitioner of a petition to amend the Rules of the District shall attend the meetings at which the Board of Directors conducts hearings or considers action related to the petition to amend the Rules of the District.
9. The petitioner of a petition to amend the Rules of the District shall provide the information and evidence the Board of Directors determines to be necessary to evaluate the petition.
10. The Board of Directors shall consider petitions to amend the Rules of the District within ninety days (90 days) of receipt of an administratively complete petition form and shall:
    10.1. deny the petition and provide an explanation for the denial, or
    10.2. engage in rulemaking consistent with the petition.
11. The Board of Directors shall consider petitions that are designated as administratively complete, after providing public notice of the rulemaking hearing for not less than twenty days (20 days) as required by Section 36.101(d), Water Code.
12. The Board of Directors may refer any petition to amend the Rules of the District to a hearing examiner for a hearing.

RULE 8.6: APPLICATION REQUIREMENTS RELATED TO PETITIONS TO AMEND THE RULES OF THE DISTRICT

1. The petitioner of a petition to amend the Rules of the District shall include the following information:
    1.1. the name and address of the petitioner;
    1.2. the identification of the specific rules and specific requirements of the Rules of the District the petitioner request to be eliminated from the Rules of the District;
    1.3. the identification of the specific rules and specific requirements of the Rules of the District the petitioner requests to be added in the Rules of the District;
    1.4. the identification of the specific rules and specific requirements of the Rules of the District the petitioner requests to be revised within the Rules of the District;
    1.5. a detailed description of the basis for Board of Directors to find good cause to amend the Rules of the District;
    1.6. a detailed description of the impact if the petition is not granted by the Board of Directors;
    1.7. a list of documentation, if any, included with the petition supporting the request;
    1.8. the names and addresses of the persons petitioning the District;

1.9. a statement certifying, under penalty of law, that the information reported on and attached to the petition to amend the Rules of the District was prepared under the direction or supervision of the petitioner and is, to the best of the knowledge and belief of the petitioner, true, accurate and complete; and

1.10. the dated signature of the petitioner.

SECTION 9: POLICIES RELATED TO CURTAILMENT OF GROUNDWATER PRODUCTION

RULE 9.1: CURTAILMENT OF GROUNDWATER PRODUCTION

1. The District may curtail groundwater production of wells, well fields, and well systems in order to conserve, preserve and protect the groundwater resources within the boundary of the District.
2. The District may curtail groundwater production of wells, well fields, and well systems in order to control or prevent subsidence within the boundary of the District.
3. The District may curtail groundwater production of non-exempt-use wells, non-exempt-use wells fields, or non-exempt-use well systems based upon credible, scientific information that demonstrates curtailment of groundwater production within the boundaries of the District will reduce the degree to which the District is failing to achieve the desired future conditions of the District or prevent unreasonable impacts.
4. The District may impose new and additional monitoring requirements for non-exempt-use wells, non-exempt-use well fields, or non-exempt-use well systems based upon credible, scientific information that demonstrates curtailment of groundwater production within the boundaries of the District will reduce the degree to which the District is failing to achieve the desired future conditions of the District or prevent unreasonable impacts.
5. The District shall complete a credible, scientific analysis and produce a report, sealed by a Professional Geoscientist(s) registered with the State of Texas, of available aquifer monitoring, pumping test, and groundwater production information that determines which, if any, non-exempt-use wells contributed to the observed water level decline, when either a protective limit of fresh groundwater drawdown or a protective limit of saline groundwater drawdown was exceeded during the preceding calendar year.
6. The District shall develop a list of drawdown-contributing wells based on the District-assigned production zone, the annual production amount, and the spatial proximity of each non-exempt-use well to each dedicated aquifer monitoring well when either a protective limit of fresh groundwater drawdown or a protective limit of saline groundwater drawdown was exceeded during the preceding calendar year.
7. The District may complete a credible, scientific analysis and produce a report, sealed by a Professional Geoscientist(s) registered with the State of Texas, of available aquifer monitoring, pumping test, and groundwater production information that identifies which, if any, non-exempt-use wells qualify as salinity-change-contributing wells, if either a protective limit of fresh groundwater salinity change or a protective limit of saline groundwater salinity change is exceeded.
8. The District may complete a credible, scientific analysis and produce a report, sealed by a Professional Geoscientist(s) registered with the State of Texas, of available aquifer monitoring, pumping test, subsidence monitoring, and groundwater production information that identifies which, if any, non-exempt-use wells qualify as subsidence-contributing wells, if a protective limit of subsidence is exceeded.
9. The District shall employ a credible, scientific method that is fair and impartial for 1) apportioning fractional responsibility for drawdown to drawdown-contributing wells based on results from a groundwater model that was developed by a Professional

Geoscientist(s) registered with the State of Texas, and 2) establishing curtailment requirements of groundwater production from non-exempt-use wells, if any, required to achieve compliance with the protective limits of fresh groundwater drawdown and saline groundwater drawdown, using the best-available science as determined by the District, when the protective drawdown limit of a dedicated aquifer monitoring well associated with a production permit is exceeded and credible, scientific information supports a finding by the District that curtailment of groundwater production within the boundaries of the District will result in progress toward the achievement of protective limits of fresh groundwater drawdown or a protective limits of saline groundwater drawdown.

10. The District shall employ a credible, scientific method that is fair and impartial for establishing curtailment requirements of groundwater production from non-exempt-use wells, if any, required to prevent further deterioration of groundwater quality, using the best-available science as determined by the District, when a protective limit of fresh groundwater salinity change or a protective limit of saline groundwater salinity change of a dedicated aquifer monitoring well associated with a production permit is exceeded and credible, scientific information supports a finding by the District that curtailment of groundwater production within the boundaries of the District will result in progress toward the achievement of protective limits of fresh groundwater salinity change or a protective limits of saline groundwater salinity change.
11. The District shall employ a credible, scientific method that is fair and impartial for establishing curtailment requirements of groundwater production from non-exempt-use wells, if any, required to prevent or control subsidence, when a protective subsidence limit of a production permit is exceeded and credible, scientific information supports a finding by the District that curtailment of groundwater production within the boundaries of the District will result in progress toward the achievement of protective limits of subsidence or stop further subsidence.
12. The District shall assess and assign the fractional responsibility for drawdown to drawdown-contributing wells by utilizing the production volume of each non-exempt-use drawdown-contributing well for the preceding 12-month period when the protective drawdown limit of a dedicated aquifer monitoring well associated with a district-issued production permit is exceeded, on an annual basis.
13. The District shall reassess curtailment requirements, annually, when groundwater production curtailment requirements have been established by the District for the preceding year and until all curtailment requirements have been terminated by the District.
14. The District shall establish groundwater production curtailment requirements for each drawdown-contributing well with a fractional responsibility for drawdown that exceeds 5%, on an annual basis and by order of the Board of Directors.
15. The District shall reestablish, adjust, or eliminate the groundwater production curtailment requirements for each drawdown-contributing well with a fractional responsibility for drawdown that exceeds 5%, on an annual basis and by order of the Board of Directors.

RULE 9.2: REDUCTION OF AUTHORIZED GROUNDWATER PRODUCTION AMOUNT OF PRODUCTION PERMITS

1. The District may reduce the authorized groundwater production amount of production permits based upon credible, scientific information that demonstrates curtailment of groundwater production within the boundaries of the District will reduce the degree to which the District is failing to achieve the desired future conditions of the District.
2. The District may reduce the authorized groundwater production amount of production permits of non-exempt-use wells, well fields, or well systems based upon credible, scientific information that demonstrates curtailment of groundwater production within the boundaries of the District will control or prevent subsidence in the District
3. Any reduction of groundwater production shall consider all groundwater uses and needs and be fair and impartial.

SECTION 10: POLICIES RELATED TO DISTRICT FEES

RULE 10.1: ADMINISTRATIVE AND APPLICATION FEE

1. The Board of Directors, by resolution, shall establish a schedule of fees for administrative acts of the District, including the cost of reviewing and processing applications related to permitting and the cost of hearings for applications related to permitting.
2. The Board of Directors shall not establish administrative fees that unreasonably exceed the cost to the District for performing administrative acts.
3. The District may assess a fee to reimburse the District for the costs of publishing notices of hearings related to a permit matter for each notice published for an application.
4. The applicant for an application related to permitting shall pay any required administrative fees when the application is submitted to the District.

RULE 10.2: REGISTRATION APPLICATION FEE

1. The District shall not assess fees for filing and processing of an application to register a well, well field, or well system associated with grandfathered wells, grandfathered well fields, or grandfathered well systems.

RULE 10.3: TRANSFER FEE

1. The Board of Directors, by resolution, shall establish a schedule of fees for the transfer of groundwater.
2. The authorized operator of a transfer permit shall pay the fees associated with the transfer of groundwater under the transfer permit during the previous calendar year by January 31 of each year.

RULE 10.4: PRODUCTION FEE

1. The District shall not establish a schedule of fees for the production of groundwater from grandfathered non-exempt-use wells, grandfathered non-exempt-use well fields, or grandfathered non-exempt-use well systems.
2. The Board of Directors, by resolution, shall establish a schedule of fees for the production of groundwater from non-grandfathered non-exempt-use wells.
3. The Board of Directors, by resolution, shall establish fees for the production of groundwater on the amount of groundwater produced from the non-exempt-use well, the non-exempt-use well field, or the non-exempt-use well system.
4. The well owner of a well that produced groundwater resources for non-exempt uses shall pay the production fees, if any, associated with the non-exempt use during the previous calendar year by January 31 of each year.

RULE 10.5: PENALTIES AND LATE FEES

1. The Board of Directors, by resolution, may establish penalties for the production of groundwater in excess of the authorized groundwater production amount specified on a production permit.
2. The Board of Directors, by resolution, shall establish a fee schedule related to payments that remain unpaid by the related due date equal to one percent of the amount due per month following the due date in addition to any penalty assessed by the Board of Directors.

SECTION 11: POLICIES RELATED TO WASTE, VIOLATIONS, INVESTIGATIONS, AND ENFORCEMENT

RULE 11.1: GENERAL POLICIES RELATED TO WASTE PREVENTION

1. No person shall produce groundwater resources within the jurisdictional boundaries of the District that is used in such a manner as to constitute waste of groundwater as defined in the Rules of the District.
2. No person shall pollute or harmfully alter the character of the groundwater resources of the District by causing or allowing undesirable water or other deleterious matter to enter strata beneath the surface of the ground.
3. No person shall produce groundwater in excess of that amount which is economically reasonable for a beneficial purpose when reasonable intelligence and reasonable diligence are used in applying the groundwater to that purpose.
4. No person shall commit waste of groundwater as that term is defined in the Rules of the District.

RULE 11.2: GENERAL POLICIES RELATED VIOLATIONS

1. No person shall violate the provisions of Chapter 36 of the Texas Water Code or any other state law related to wells or groundwater resources within the jurisdictional boundaries of the District.
2. No person shall violate the rules and regulations adopted by the Texas Department of Licensing and Regulation related to wells or groundwater resources within the jurisdictional boundaries of the District.
3. Any person that violates the permit conditions of a permit issued by the District is subject to the enforcement provisions of the Rules of the District.
4. Any person that fails to satisfy any requirements and provisions of a permit issued by the District violates the Rules of the District.
5. Any person that produces groundwater from a well for non-exempt uses in any amount without a valid production permit authorizing the groundwater production violates the Rules of the District.
6. Any person that produces groundwater from a well for non-exempt uses for any purpose of use not authorized by production permits associated with well violates the Rules of the District.
7. Any person that produces groundwater from a well for non-exempt uses in an amount that exceeds one-hundred and ten percent (110%) of the authorized groundwater production amount of the valid production permits associated with well violates the Rules of the District.
8. Any person that tampers, alters, damages, or removes the well lockout seal affixed on a well or the associated equipment by the District or that diminishes the integrity of the well lockout seal violates the Rules of the District.
9. Any person that produces groundwater from a well with well lockout seal affixed on a well or the associated equipment by the District violates the Rules of the District.

10. Any person that engages in an activity that requires a permit from the District under the Rules of the District prior to receiving such permit violates the Rules of the District.
11. Any person that is responsible for and fails to report groundwater production as required by the Rules of the District violates of the Rules of the District.
12. Any person that is responsible for and fails to register with the District, a well that the person drilled or had drilled after the original date on which this policy is adopted and within 60 days of completing the water well violates the Rules of the District.
13. Any person that is responsible for and fails to properly plug or cap an abandoned well in accordance with state standards within the required period of time violates the Rules of the District.
14. Any person that is responsible for and fails to properly plug or remediate a deteriorated well within the required period of time violates the Rules of the District.
15. Any person that fails to prevent waste of groundwater produced from a well within control of the person violates the Rules of the District.
16. A landowner, an owner of groundwater resources, or an authorized operator inhibiting or prohibiting access to any representatives of the District attempting to conduct an investigation under the Rules of the District:
    16.1. violates the Rules of the District; and
    16.2. subjects the person performing that action, as well as any owner of groundwater resources, well owner, or authorized operator who authorizes or allows that action to the enforcement provisions of the Rules of the District including penalties set forth in Chapter 36.102 of the Texas Water Code.

RULE 11.3: RIGHT TO INSPECT, TEST, AND LOCATE WELLS

1. The District shall give notice, in writing or in person or by telephone, to the owner of a property or the owner of a well of the intention of the District and the representatives of the District to access property to investigate or evaluate conditions and circumstances related to groundwater resources at the property or well.
2. The District may forego giving notice, in writing or in person or by telephone, to the owner of a property or the owner of a well of the intention of the District and the representatives of the District to access to property to investigate or evaluate conditions and circumstances related to groundwater resources at the property or well if prior permission was granted by the owner of a property or the owner of a well to enter without notice.
3. The District shall have the right at all reasonable times to enter upon the lands on which a well or wells may be located within the boundaries of the District upon notice as provided for in the Rules of the District, and in accordance with provisions of the Rules of the District, to:
    1.1. inspect any existing well, well fields, or well systems;
    1.2. read or interpret any meter or other instrument for the purpose of measuring the production of groundwater from any existing wells, well fields, or well systems;
    1.3. determine the production capacity of groundwater from any existing wells, well fields, or well systems;

1.4. measure the water level or obtain water samples for determining the water quality of groundwater from any existing wells, well fields, or well systems;
1.5. test the pump and the power unit of any existing wells, well fields, or well systems;
1.6. determine the accurate geographic coordinates of any existing or proposed wells, well fields, or well systems using global positions systems (GPS) or other available methods; or
1.7. make any other reasonable and necessary inspection or test that may be required or necessary for the enforcement of the rules and regulations of the District.

2. The Board of Directors may enjoin the operation of wells, well fields, or well systems located on a property upon which access for investigating or evaluating conditions and circumstances related to groundwater resources was refused to the District, after notice as required by the Rules of the District, was provided to the associated landowner or well owner.

RULE 11.4: CONDUCT ASSOCIATED WITH INVESTIGATIONS AND INSPECTIONS

1. The District shall conduct investigations and inspections that require entrance upon a property at reasonable times and in a manner consistent with the regulations and requirements concerning safety, internal security, and fire protection of the landowner, the owner of groundwater resources, or the authorized operator of the well, well field, or well system.
2. The representatives of the District conducting investigations and inspections shall present identification and credentials upon request of the landowner, the owner of groundwater resources, or the authorized operator of the well, well field, or well system of a property on which the representatives of the District are located.

RULE 11.5: RULE ENFORCEMENT

1. The Board of Directors may institute and conduct a suit in the name of the District for enforcement of rules through the provisions of Chapter 36.102 of the Texas Water Code if Board of Directors conclude that a person has violated, is violating, or is threatening to violate any provision of the Rules of the District.
2. The Board of Directors may assess penalties in accordance with chapter 36 of the Texas Water Code against any person violating any provision of the Rules of the District.

RULE 11.6: LOCKOUT OF WELLS

1. The District, following due-process and upon orders from a court, may affix a well lockout seal on wells and associated equipment that are prohibited from producing groundwater within the jurisdictional boundaries of the District to ensure that a well is not operated in violation of the Rules of the District.
2. The District may affix a well lockout seal on wells and associated equipment when:

2.1. no application has been made for a production permit to produce groundwater from an existing well that is not excluded or exempted from the requirement that a production permit be obtained in order to lawfully produce groundwater; or
2.2. the Board of Directors has denied, canceled, or revoked a production permit.

3. The District may affix a well lockout seal on wells and associated equipment of a well by physical means and other appropriate action as necessary to prevent the operation of the well authorized to be sealed under the provisions of the Rules of the District.
4. The District shall tag any well authorized to be sealed under the provisions of the Rules of the District to indicate that the well has been sealed by the District and operation of the well is prohibited.

RULE 11.7: GENERAL PROCEDURES RELATED TO RULE ENFORCEMENT

1. The General Manager shall investigate potential violations of the Rules of the District.
2. The General Manager shall present any alleged violations of the Rules of the District to the Board of Directors supported by findings of an associated investigation.
3. The General Manager may recommend an appropriate settlement offer for consideration by the Board of Directors to settle any alleged violation in lieu of litigation.
4. The Board of Directors may instruct the General Manager to tender an offer on behalf of the District to settle the violation or to institute a civil suit on behalf of the District in the appropriate court to seek civil penalties.
5. The General Manager may proceed with enforcement actions without authorization from the Board of Directors when necessary to prevent an immediate and imminent danger to public health or the environment.

RULE 11.8: NOTICES OF VIOLATIONS

1. The General Manager shall send an initial notice of violation by certified mail to the person who is alleged to have violated the Rules of the District explaining or identifying the following:
   1.1. the rule, regulation, or requirement that has been violated,
   1.2. the necessary actions to be completed by the person who is alleged to have violated the Rules of the District to achieve compliance.
   1.3. any applications, forms, or documents to be completed by the person who is alleged to have violated the Rules of the District to achieve compliance.
   1.4. the statutory authority of the District to set reasonable civil penalties not to exceed ten thousand dollars ($10,000.00) per day per violation, and that each day of a continuing violation constitutes a separate violation in accordance with Chapter 36.102 of the Texas Water Code.
   1.5. the preference of the Board of Directors to settle the violation, initiating lawsuits as a last resort.
   1.6. the settlement agreement, if any, whose terms have been agreed upon by the Board of Directors.

1.7. the requirement that the person who is alleged to have violated the Rules of the District must submit a signed settlement agreement and submit any required payment by cashier check or money order in the amount stated in the settlement agreement no later than thirty days (30 days) from the date of the notice of violation.

2. The General Manager shall send a second notice of violation by certified mail to the person who is alleged to have violated the Rules of the District explaining the consequences of failing to respond, comply, or settle the matter in the notice of violation by certified mail to the person who is alleged to have violated the Rules of the District if the District has not received a response within 30 days of the date of the initial notice of violation.

RULE 11.9: NOTICE OF NEED TO FILE SUIT

1. The General Manager, in coordination with the general counsel of the District, shall send a notice of need to file suit by certified mail to the person who is alleged to have violated the Rules of the District within thirty days (30 days) of the date of the second notice of violation if a satisfactory response to the notices of violation is not received within thirty days (30 days) of the date of the second notice of violation.
2. The General Manager shall inform the Board of Directors of any person who has been sent a notice of need to file suit and not responded within thirty days (30 days) of the date of the notice of need to file.
3. The Board of Directors shall consider an authorization to pursue enforcement by filing a civil suit at the next regularly scheduled meeting of the Board of Directors if an immediate and imminent danger to public health or the environment does not exist.
4. The Board of Directors may call an emergency meeting if an emergency exists, an urgent public necessity exists, or a reasonably unforeseeable situation develops such that the situation cannot afford seventy-two hours (72 hours) of notice required to call a special meeting of the Board of Directors under the open meetings law.
5. The Board of Directors may consider an authorization to pursue enforcement by filing a civil suit at an emergency meeting of the Board of Directors if an immediate and imminent danger to public health or the environment exists.
6. The Board of Directors may authorize the General Manager with the assistance of the general counsel of the District, to pursue enforcement by filing a civil suit.
7. The General Manager, with the assistance of the general counsel of the District and authorization of the highest-ranking officer of the Board of Directors, may pursue enforcement by filing a civil suit if an immediate and imminent danger exists to public health or the environment and the Board of Directors has not considered the matter at a properly noticed meeting of the Board of Directors in accordance with the open meetings law.
8. The general counsel of the District shall institute a civil suit on behalf of the District in the appropriate court to seek injunctive relief and civil penalties when authorized under the provisions of the Rules of the District.
9. The person who is alleged to have violated the Rules of the District may appear before the Board of Directors to present evidence of any extenuating circumstances or to make a counteroffer to settle the alleged violation.

10. The Board of Directors may accept a counteroffer or otherwise modify any settlement offer associated with an alleged violation.
11. The General Manager shall send notices related to enforcement matters by Certified Mail, Return Receipt Requested through the United States Postal Service.

RULE 11.10: PENALTIES

1. The General Manager shall recommend to the Board of Directors the following penalties to settle alleged violations:
   1.1. one hundred dollars ($100.00) for a single alleged violation per incident;
   1.2. two hundred dollars ($200.00) for each violation per incident when multiple violations are alleged;
   1.3. two hundred and fifty dollars ($250.00) for each re-occurrence of a violation with a 5-year period; and
   1.4. one thousand dollars ($1,000.00) for providing or performing the services of a water well driller without a current license issued by the Texas Department of Licensing and Regulation.
2. The Board of Directors may assess penalties in excess of the penalties recommended by the General Manager as established within the Rules of the District in accordance with Chapter 36.102 of the Texas Water Code.

SECTION 12: PROCEDURES RELATE TO HEARINGS AND OTHER PROCEEDINGS

RULE 12.1: GENERAL POLICIES RELATED TO HEARINGS

1. The Board of Directors shall conduct hearings on permitting matters, in which the rights, duties, or privileges of a party are determined after an opportunity for an adjudicative hearing, and production permits, transfer permits, permit renewals, permit amendments, permit revocations, and permit suspensions except for those specific permit requests that may be otherwise approved without hearing under the provisions of the Rules of the District.
2. The Board of Directors shall conduct hearings for motions for rehearing pursuant to the Rules of the District.
3. The Board of Directors shall provide notice and conduct a hearing to consider rulemaking matters of general applicability that implement, interpret, or prescribe the law or policy of the District, or that describe the procedure or requirements of the District, or adoption of the Rules of the District pursuant to Section 36.101 of the Texas Water Code.
4. The Board of Directors shall provide notice and conduct a hearing to consider adoption of the Management Plan of the District pursuant to Section 36.1071 of the Texas Water Code.
5. The Board of Directors shall provide notice and conduct a hearing to consider any matter within the jurisdiction of the District if the Board of Directors deems a hearing to be in the public interest, or necessary to effectively perform the duties and responsibilities of the District.
6. The Board of Directors may refer any matter designated for hearing before the District to a hearing examiner.

RULE 12.2: NOTICE AND SCHEDULING RELATED TO HEARINGS AND PROPOSED PERMIT ISSUANCE

1. The applicant for a permit request related to protection of historic use, after the application is determined to be administratively complete by the District, shall publish written notice in a paper of general circulation in District describing the details of the permit request including the name of the applicant, the location of the subject well, the evidence supporting the historic use validation request, the date, time, and location of the scheduled hearing. The date of first publication shall not less than ten days (10 days) before the date of the next scheduled meeting of the Board of Directors.
2. The Board of Directors may instruct the General Manager to provide special notice of any matter under its jurisdiction to any persons.
3. The General Manager shall give notice of permit hearings or proposed permit issuances in the following manner:
   3.1. a notice of permit hearings shall specify the date, the time, and the location of the hearing, and a description of the permitting request;

3.2. a notice of proposed permit issuances shall specify the date of the proposed issuance, and a description of the permitting request;
3.3. a notice of permit hearings or proposed permit issuances shall be given to any person who requests copies of hearing notices or proposed permit issuance notices pursuant to the procedures set forth in the Rules of the District not less than ten days (10 days) before the date of the hearing or permit issuance;
3.4. a notice of permit hearings or proposed permit issuances shall be given to any other person the Board of Directors deem appropriate not less than ten days (10 days) before the date of the hearing or permit issuance;
3.5. a notice of permit hearings or proposed permit issuances related to non-historic use shall be published at least once in a newspaper of general circulation in the District not less than ten days (10 days) before the date of the hearing or permit issuance;
3.6. a notice of permit hearings or proposed permit issuances shall be posted at the District office and county courthouse in the place where notices are usually posted not less than ten days (10 days) before the date of the hearing or permit issuance;
3.7. a notice of permit hearings or proposed permit issuances shall be posted on the District's website not less than ten days (10 days) before the date of the hearing or permit issuance; and
3.8. a notice of permit hearings or proposed permit issuances shall be given to the applicant not less than ten days (10 days) before the date of the hearing or permit issuance.

4. The General Manager shall give notice of permit hearings or proposed permit issuances to any person having an interest in the subject matter of a hearing or proposed permit issuance for which the District has received written notice of the interest from the person identifying, with as much detail, the subject matter of a hearing or proposed permit issuance for which written notice is requested. The request remains valid for a period of one year from the date of the request is received by the District. Failure to provide written notice under this section does not invalidate any action taken by the District.
5. The District shall not schedule of permit hearings or proposed permit issuances on Saturdays, Sundays, or holidays.
6. The General Manager shall schedule permit hearings or proposed permit issuances at such dates, times, and places that satisfy the public notice requirements established within the Rules of the District and facilitates the orderly consideration of the permitting requests in a timely fashion.
7. The General Manager shall give notice of hearings related to the designation of a special groundwater management zone that entails limiting groundwater production to less than that provided by Section 6 of the Rules of the District, as provided for in Section 36.116(d) of the Texas Water Code, to each landowner, each owner of groundwater resources, each owner of a registered well, and each authorized operator of a production permit within and adjacent to the proposed management area.
8. The General Manager shall give notice of hearings related to the designation of a special well construction area, as provided for in Section 36.116(d) of the Texas Water Code, to each landowner, each owner of groundwater resources, each owner of a registered well, and each authorized operator of a production permit within and adjacent to the proposed management area.

RULE 12.3: GENERAL PROCEDURES RELATED TO HEARINGS

1. The presiding officer of a hearing or other proceeding shall conduct the proceeding in the manner the presiding officer deems most appropriate to obtain all relevant information pertaining to the subject of the hearing as conveniently, inexpensively, and expeditiously as possible.
2. The presiding officer of a hearing or other proceeding may follow the guidelines of "Parliamentary Procedure at a Glance," New Edition, O. Garfield Jones, 1971 revised edition, or as amended.
3. The presiding officer of a hearing or other proceeding may:
   3.1. set hearing dates, other than the initial hearing date set by the District in accordance with the Rules of the District;
   3.2. convene a hearing at the time and place specified in the notice for public hearing;
   3.3. establish the jurisdiction of the District concerning the subject matter under consideration;
   3.4. rule on motions and on the admissibility of evidence and amendments to pleadings;
   3.5. designate and align parties;
   3.6. establish the order for presentation of evidence;
   3.7. administer oaths to all persons presenting testimony;
   3.8. examine witnesses;
   3.9. issue subpoenas when required to compel the attendance of witnesses or the production of papers and documents;
   3.10. require the taking of depositions and compel other forms of discovery under the Rules of the District;
   3.11. ensure that information and testimony are introduced as conveniently and expeditiously as possible, without prejudicing the rights of any party to the proceeding;
   3.12. conduct public hearings in an orderly manner in accordance with the Rules of the District;
   3.13. recess any hearing from time to time and place to place;
   3.14. reopen the record of a hearing for additional evidence when necessary to make the record more complete; and
   3.15. exercise any other appropriate powers necessary or convenient to effectively perform the responsibilities of the presiding officer.
4. A person who desires to testify on the subject of a hearing during the hearing or other proceeding shall submit a form providing the following information: name, address, the intention to testify, and any other information relevant to the hearing or other proceeding.
5. The presiding officer of a hearing or other proceeding shall establish the order of testimony.
6. The presiding officer of a hearing or other proceeding may limit the number of times a person may speak, the time period for oral presentations, and the time period for raising questions.
7. The presiding officer of a hearing or other proceeding may limit or exclude cumulative, irrelevant, or unduly repetitious presentations.

8. A person may appear in-person or may be represented by counsel, an engineer, or another representative provided the representative is fully authorized to speak and act for the principal including:
    8.1. any partner may appear on behalf of the partnership;
    8.2. a duly authorized officer or agent of a public or private corporation, political subdivision, governmental agency, municipality, association, firm, or other entity may appear for the entity; and
    8.3. a fiduciary may appear for a ward, trust, or estate.
9. A person representing a principal of a hearing or other proceeding may present evidence, exhibits, or testimony, or make an oral presentation in accordance with the procedures applicable to the proceeding.
10. The presiding officer of a hearing or other proceeding may require a person appearing in a representative capacity to prove proper authority to represent a principal.
11. The presiding officer of a hearing or other proceeding may align participants in a proceeding according to the nature of the proceeding and their relationship to the proceeding.
12. The presiding officer of a hearing or other proceeding may require the participants of an aligned class to select one or more persons to represent them in the proceeding or on any matter or ruling and may limit the number of representatives heard but must allow at least one representative of an aligned class to be heard in the proceeding or on any matter or ruling.
13. The presiding officer of a hearing or other proceeding may require a person requesting the hearing or other proceeding to be present or represented at the proceeding.
14. The District may withhold consideration of a matter and dismiss the matter without prejudice if a principal of a hearing or other proceeding fails to appear or be represented at the hearing or other proceeding.
15. The District may require the rescheduling or continuance of a hearing or other proceeding if the presiding officer deems it necessary in order to fully develop the record.
16. The District may record hearings and other proceedings using audio recording devices.
17. The District shall provide to the public access to the audio recordings of hearings or other proceedings recorded by the District.
18. The presiding officer of a hearing or other proceeding may require the proceedings to be recorded by a certified shorthand reporter.
19. A person who is a party to a hearing or other proceeding, subject to availability of space, at their own expense, may arrange for a reporter to record the hearing or other proceeding or for the recording of the hearing or other proceeding.
20. The presiding officer of a hearing or other proceeding may assess the cost of recording or transcribing a recording of the proceeding to any person requesting the recording or transcription.
21. The presiding officer of a hearing or other proceeding shall file the transcription of a recording with the records of the proceeding.
22. The presiding officer of a hearing or other proceeding may continue hearings or other proceedings from time to time and from place to place without the necessity of publishing, serving, mailing, or otherwise issuing additional notice.
23. The District shall provide a notice of any further setting of the hearing or other proceeding at a reasonable time to all parties, persons who have requested notice of the

hearing pursuant to the Rules of the District, except for publishing the notice in a newspaper or posting the notice at the courthouse, and any other person the presiding officer deems appropriate if a hearing or other proceeding is continued and the time and place for the hearing or other proceeding to reconvene are not publicly announced at the hearing or other proceeding by the presiding officer before it is recessed.

24. Any person who intends to contest a permit request shall provide written notice of the intent to the District at least three days (3 days) before the date of the hearing or three days (3 days) before the proposed date of permit issuance as published in the public notice.
25. The General Manager shall provide written notice to the applicant for a permitting request of any intent to contest at least one calendar day (1 calendar day) before the date of the hearing or the proposed date of permit issuance as published in the public notice.
26. A person filing applications, motions, exceptions, communications, requests, briefs or other papers and documents required to be filed under the Rules of the District or by law shall be delivered to and received at the office of the District within the time limit, if any, set by the Rules of the District or by the presiding officer for filing.
27. A person, when computing any period of time specified by the Rules of the District, by a presiding officer, by orders of the Board of Directors, or by law, shall not include the day of the act, event, or default after which the designated period of time begins to run.
28. A person, when computing any period of time specified by the Rules of the District, by a presiding officer, by orders of the Board of Directors, or by law, shall include the last day of the period, unless the last day is a Saturday, Sunday or legal holiday as determined by the Board of Directors, in which case the period runs until the end of the next day which is neither a Saturday, Sunday nor a legal holiday.
29. The representative of a person or the counsel of a person may make an affidavit to a hearing or other proceeding unless statute expressly requires the person to make the affidavit.
30. No person shall be allowed to appear in any hearing or other proceeding that, in the opinion of the presiding officer, is for the sole purpose of unduly broadening the issues to be considered in the hearing or other proceeding.
31. Every person, party, representative, witness, and other participant in a proceeding shall conform to ethical standards of conduct and must exhibit courtesy and respect for all other participants.
32. No person may engage in any activity during a proceeding that interferes with the orderly conduct of business of the District.
33. The presiding officer of a hearing or other proceeding shall warn any person, who in the judgement of the presiding officer, is engaging in misconduct during a hearing or other proceeding to refrain from such conduct.
34. The presiding officer of a hearing or other proceeding may exclude any person from a hearing or proceeding for such time and under such conditions as the presiding officer deems necessary if the person has been warned to not engage in misconduct during the hearing or proceeding and has continued to do so following the warning.
35. A person may submit written statements, protests, comments, briefs, affidavits, exhibits, technical reports, or other documents relating to the subject of the hearing or other proceeding no later than the time of the hearing, as stated in the notice of hearing given in accordance with the Rules of the District.

36. The presiding officer of a hearing or other proceeding may grant additional time for the submission of documents beyond the time of the hearing, as stated in the notice of hearing given in accordance with the Rules of the District.
37. The presiding officer of a hearing or other proceeding associated with any matter referred by Board of Directors for hearing or other proceedings, at the conclusion of the testimony and after the receipt of all documents of proceedings, shall prepare a report to the Board of Directors that includes a summary of the subject of the hearing, the testimony received, and the public comments received, and recommendations for action.
38. The presiding officer of a hearing or other proceeding associated with any matter referred by Board of Directors for hearing or other proceedings, upon completion and issuance of the report to the Board of Directors, shall submit a copy of the report to the District.
39. The presiding officer of a hearing or other proceeding associated with any matter referred by Board of Directors for hearing or other proceedings, upon completion and issuance of the report to the Board of Directors, shall notify any person who requests, in writing, notice of the submittal of the report to the Board of Directors.
40. The Board of Directors, at any time and in any case, may remand a matter to the presiding officer of a hearing or other proceeding for further proceedings.
41. A party of a hearing or other proceeding associated with any matter referred by Board of Directors for hearing or other proceedings may file written exceptions to the report to the Board of Directors and may request an opportunity to make an oral presentation of exceptions to the Board of Directors prior to action by the Board of Directors.
42. The presiding officer of a hearing or other proceeding associated with any matter referred by Board of Directors, upon review of the report and exceptions filed, may reopen the record for the purpose of developing additional evidence, or may deny the exceptions and submit a final report to the Board of Directors.
43. The Board of Directors shall act on the matter hearing or other proceedings within sixty days (60 days) of the receipt of the report to the Board of Directors.

RULE 12.4: PROCEDURES RELATED TO UNCONTESTED PERMIT HEARINGS

1. The District may conduct permit hearings and other proceedings informally when, in the judgment of the presiding officer, the conduct of a proceeding under informal procedures will save time or cost to the parties, lead to a negotiated or agreed on settlement of facts or issues in controversy, and not prejudice the rights of any party.
2. The District shall declare a permitting case an uncontested matter, cancel the associated permit hearing, and proceed with the consideration of the permitting request as an uncontested matter if notice of intent to contest the permitting case is not received at least three days (3 days) before the hearing or proposed date of permit issuance.
3. The presiding officer may summarize the evidence, make findings of fact, make conclusions of law, and make appropriate recommendations to the Board of Directors in uncontested permitting cases.
4. The presiding officer shall declare a permitting hearing or other proceeding a contested matter and convene a prehearing conference as set forth in the Rules of the District when:

4.1. the parties to a permitting hearing or other proceeding who have notified the District of the intent to contest a permitting case do not reach a negotiated or agreed settlement of the facts and issues in controversy;
4.2. a party to a permitting hearing or other proceeding contests a staff recommendation; or
4.3. the facts and issues in controversy will require extensive discovery proceedings.

RULE 12.5: PROCEDURES RELATED TO CONTESTED PERMIT HEARINGS

1. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall have the same rights, duties, and responsibilities of a presiding officer acting under the Texas Rules of Civil Procedure or the Texas Rules of Evidence, except as modified by the Rules of the District, as a court acting under those rules.
2. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may recommend issuance of a temporary permit for a period not to exceed 4 months, with any special provisions the presiding officer deems necessary, for the purpose of completing the contested case process.
3. The presiding officer shall declare a permitting hearing or other proceeding an uncontested matter, cancel the associated permit hearing, and proceed with the consideration of the permitting request as an uncontested matter if:
   3.1. the parties contesting a permitting case reach a negotiated or agreed settlement of the facts and issues in controversy;
   3.2. the parties contesting a permitting case reach a negotiated or agreed settlement regarding staff recommendations; and
   3.3. the facts and issues in controversy will not require extensive discovery proceedings.
4. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall convene and conduct a prehearing conference to consider any matter which may expedite the hearing or otherwise facilitate the contested case process including but not limited to:
   4.1. the designation of parties;
   4.2. the formulation and simplification of issues;
   4.3. the necessity or desirability of amending applications or other pleadings;
   4.4. the possibility of making admissions or stipulations;
   4.5. the scheduling of discovery;
   4.6. the identification of and specification of the number of witnesses;
   4.7. the filing and exchange of prepared testimony and exhibits; and
   4.8. the procedure at the hearing.
5. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall convene and conduct a prehearing conference at a date, time, and place stated in a notice given in accordance with the Rules of the District, or at the date, time, and place for hearing stated in the notice of public hearing.
6. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may continue the prehearing conference from time to time and place to place as determined to be necessary or practical by the presiding officer.
7. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall incorporate any action taken at a prehearing conference in the

records of the contested case either in writing or by audio recording at the close of the conference.

8. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may assess reporting and transcription costs of the proceedings to one or more of the parties of the proceedings.
9. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall consider the following factors in assessing reporting and transcription costs:
   9.1. the party, if any, that requested the transcript;
   9.2. the financial ability of the party to pay the costs;
   9.3. the extent to which the party participated in the hearing;
   9.4. the relative benefits to the various parties of having a transcript;
   9.5. the budgetary constraints of a governmental entity participating in the proceeding; and
   9.6. any other factor that is relevant to a just and reasonable assessment of costs.
10. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall provide the parties of a proceeding an opportunity to present evidence and argument on the issue of assessment of reporting or transcription costs.
11. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall provide a recommendation regarding the assessment of costs in the final report to the Board of Directors.
12. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall designate the parties of the contested case on the first day of hearing or at such other time as determined by the presiding officer.
13. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall designate the General Manager a party to any contested case.
14. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall designate any person specifically named in a contested case matter as a party to the contested case.
15. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may admit a person as party to a contested case if the person appears at the proceeding in-person or by representative and seeks to be designated as a party.
16. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may admit a person as party to a contested case after the parties are designated if, in the judgment of the presiding officer, there exists good cause and the hearing will not be unreasonably delayed.
17. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall provide direction to the parties of a contested case regarding the rights to:
   17.1. conduct discovery,
   17.2. present a direct case,
   17.3. cross-examine witnesses,
   17.4. make oral and written arguments,
   17.5. obtain copies of all documents filed in the proceeding,
   17.6. receive copies of all notices issued by the District concerning the proceeding, and

17.7. otherwise fully participate in the proceeding.

18. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may accept comments and statements from a person not designated as a party to a contested case.
19. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may include comments and statements accepted from a person not designated as a party to a contested case in the final report to the Board of Directors.
20. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall not consider comments and statements from a person not designated as a party to a contested case as evidence in the contested case.
21. A party to a contested case shall provide a copy of each pleading, request, motion, or reply filed in the proceeding to every other party or the party's representative.
22. A party to a contested case shall certify that, prior to filing the instrument with the District, a copy of the instrument was provided to every other party.
23. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may withhold consideration of a filed instrument if the party filing the instrument failed to provide copies every other party before filing the instrument with the District.
24. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall provide an interpreter whose qualifications are approved by the State Commission for the Deaf and Hearing Impaired to interpret the proceedings for a deaf person who is a party or subpoenaed witness to a contested case.
25. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall not consider an agreement between parties or their representatives affecting any pending matter unless the agreement is provided in writing, signed, and filed as part of the record or the agreement is announced at the hearing and entered as record.
26. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall order and specify the conditions, terms, and at such times and places under which discovery may be conducted.
27. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall require discovery to be governed by and subject to the limitations set forth in the Texas Rules of Civil Procedure unless modified by the Rules of the District or order of the presiding officer.
28. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may authorize, by agreement or order of the presiding officer, the parties of a contested case to exchange informal requests for information in addition to the forms of discovery authorized under the Texas Rules of Civil Procedure.
29. The presiding officer of a permitting hearing or other proceeding associated with a contested matter, in response to finding a party to a contested case is abusing the discovery process in seeking, responding to, or resisting discovery, may:
    29.1. suspend the processing of the application for a Permit if the applicant is the offending party;
    29.2. prohibit any further discovery of any kind or a particular kind by the offending party;

29.3. rule that particular facts be regarded as established against the offending party for the purposes of the proceeding in accordance with the claim of the party obtaining the discovery ruling;

29.4. limit the offending party's participation in the proceeding;

29.5. prohibit presentation of evidence of the offending party on issues that were the subject of the discovery request; or

29.6. recommend to the Board of Directors that the hearing be dismissed with or without prejudice.

30. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall not communicate, directly or indirectly, in connection with any issue of fact or law with any agency, person, party, or their representatives, except on notice and opportunity for all parties to participate.
31. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may communicate with the staff of an agency other than the District not directly involved in the hearing to utilize the special skills and knowledge of the agency in evaluating the evidence.
32. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may compel the testimony of any person which is necessary, helpful, or appropriate to the hearing.
33. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall administer the oath in a manner calculated to impress the witness with the importance and solemnity of the promise to adhere to the truth.
34. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may issue subpoenas to compel the testimony of any person and the production of books, papers, documents, or tangible things, in the manner provided in the Texas Rules of Civil Procedure.
35. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall rely upon and utilized the Texas Rules of Evidence to govern the admissibility and introduction of evidence except as modified by the Rules of the District.
36. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may admit evidence not admissible under the Texas Rules of Evidence if the evidence is of the type commonly relied upon by reasonably prudent persons in the conduct of their affairs
37. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may admit evidence stipulated by agreement of all parties.
38. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may receive testimony and be admitted into evidence in written form when a proceeding will be expedited and the interest of the parties will not be prejudiced substantially, testimony may be received in written form.
39. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may admit the written testimony of a witness into evidence, either in narrative or question and answer form, upon the witness being sworn and identifying the testimony as a true and accurate record of what the testimony would be if given orally.

40. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall require the witness to be subject to clarifying questions and to cross-examination.
41. A party to contested case may object to the prepared testimony of a witness.
42. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall require exhibits of a documentary character to be sized to not unduly encumber the files and records of the District.
43. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall require all exhibits to be numbered and, except for maps and drawings, not exceed 8-1/2 by 11 inches in size.
44. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall only receive in evidence documents that are representative of relevant data to the contested case.
45. The presiding officer may require a party submitting documents as evidence to abstract relevant data and present the abstract an exhibit.
46. A party of a contested case shall be entitled to examine any documents abstracted and presented as evidence.
47. A party of a contested case shall tender for identification each exhibit offered to be placed in the record.
48. A party of a contested case that tender exhibits shall furnish copies to the presiding officer of a permitting hearing or other proceeding associated with a contested matter and to each of the parties unless the presiding officer rules otherwise.
49. A party of a contested case that offer exhibits which have been identified, objected to, and excluded, may withdraw the exhibit if the party waives all objections to the exclusion of the exhibit.
50. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall return a withdrawn exhibit if the offering party waives all objections to the exclusion of the exhibit.
51. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall not return a withdrawn exhibit but include the exhibit in the record of the proceeding for the purpose of preserving the objection to excluding the exhibit if the offering party does not waive all objections to the exclusion of the exhibit.
52. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may take official notice of all facts judicially cognizable.
53. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may take official notice of generally recognized facts within the area of specialized knowledge of the District.
54. The presiding officer of a permitting hearing or other proceeding associated with a contested matter shall not require extrinsic evidence of authenticity as a condition precedent to admissibility of documents maintained in the files and records of the District.
55. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may allow oral arguments to be heard at the conclusion of the presentation of evidence with reasonable time limits being prescribed by the presiding officer.

56. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may require or accept written briefs in lieu of, or in addition to, oral arguments.
57. The Board of Directors may hear additional oral arguments when the permitting hearing or other proceeding associated with a contested matter is presented to the Board of Directors for final decision.
58. The presiding officer of a permitting hearing or other proceeding associated with a contested matter may either close the record or keep it open and allow the submission of additional evidence, exhibits, briefs, or proposed findings and conclusions from one or more of the parties at the conclusion of the presentation of evidence and any oral argument.
59. A party of a contested case shall not file additional evidence, exhibits, briefs, or proposed findings and conclusions after the record is closed unless permitted or requested by the presiding officer.
60. The presiding officer of a permitting hearing or other proceeding associated with a contested matter, after the record is closed, shall prepare a report to the Board of Directors that includes a summary of the evidence and the findings, conclusions, and recommendations for action of the presiding officer.
61. The presiding officer of a permitting hearing or other proceeding associated with a contested matter, upon completion and issuance of the final report of the presiding officer, shall submit a copy of the final report to the District and each party to the proceeding by certified mail.
62. A party of a contested case may file written exceptions to the final report of the presiding officer and may request an opportunity to make an oral presentation of exceptions to the Board of Directors prior to action by the Board of Directors.
63. The presiding officer of a permitting hearing or other proceeding associated with a contested matter, upon review of the report and exceptions filed, may reopen the record for the purpose of developing additional evidence, or may deny the exceptions and submit the final report and exceptions to the Board of Directors.
64. The Board of Directors, at any time and in any case, may remand a matter to the presiding officer of a permitting hearing or other proceeding associated with a contested matter for further proceedings.
65. The Board of Directors shall act on the contested matter within sixty days (60 days) of the receipt of the final report of the presiding officer of a permitting hearing or other proceeding associated with the contested matter.

RULE 12.6: PROCEDURES RELATE TO DECISIONS, REHEARINGS, AND APPEALS

1. The Board of Directors, after the record regarding a matter for which a hearing or other proceeding has closed and any resulting report is submitted to the Board of Directors, may take the matter under advisement, continue the matter from day to day, reopen or rest the matter, refuse the action sought or grant the same in whole or part, or take any other appropriate action.

2. The District, the representatives of District, and the parties to any matter considered as part of a hearing or other proceeding of the District shall consider any associated actions to be in effect at the conclusion of the meeting at which the action was taken and not affected by a motion for rehearing.
3. A party to any matter considered as part of a hearing or other proceeding of the District may appeal a decision of the Board of Directors by requesting a rehearing before the Board of Directors within twenty days (20 days) of the decision by the Board of Directors.
4. A party to any matter considered as part of a hearing or other proceeding of the District requesting a rehearing shall file the request for rehearing with the District in writing stating clearly and concisely grounds for the request.
5. A party to any matter considered as part of a hearing or other proceeding of the District shall not seek an appeal of an associated decision if a request for rehearing was not submitted to the District in accordance with the Rules of the District.
6. The Board of Directors shall either grant or deny the request for rehearing within ninety days (90 days) of submission.
7. The Board of Directors shall schedule a rehearing within forty-five days (45 days) if a rehearing request is granted by the Board of Directors unless otherwise agreed to by the parties to the proceeding.
8. The District, the representatives of District, and the parties to any matter considered as part of a hearing or other proceeding of the District shall consider any associated decision of the Board of Directors as final if a request for rehearing is not made within the specified time, or upon the denial of the request for rehearing by the Board of Directors, or upon rendering a decision after rehearing.