Worksheet for a Drilling/Operating Permit Tri County Special Utility District Well #7R

Tri County Special Utility District seeks a Drilling/Operating Permit for the purpose of:

· Retail Public Water Supply Use

Proposed Well #7R

Located at: N 31.159725° W 96.635807° 0.38 miles ESE of the intersection of Redbank Creek

Road and FM 2293 in Robertson County.

Beneficial Use: Retail Public Water Supply Use

Aquifer of Origin: Hooper

Well Column: 13.25"

Rate of Production: 250 gpm

Max. Annual Production: 145.51 acre feet/year.

This application meets all of the specifications listed in BVGCD Rule 7.1 (c) regarding production based acreage. Below are the calculations verifying the applicant's compliance:

145.51 acre feet/year x .62 = 90.2 gpm on an average annual basis

90.2 x 2'/aagpm for Hooper wells =180.4' radius from the wellhead

180.4' x 180.4' x 3.14 = 102,188.66 square feet around the well

102,188.66/43,560 = 2.346 contiguous acres to be assigned to the well.

- Radius of the well was figured to allow the well footprint to remain on the owner's property.
- The District is required to with TCEQ rule 30 TAC Ch 290.45 regarding minimum capacity requirements and Ch 291.93(3) regarding the 85% rule, whereas 85% or less well production capacity is able to serve the system's water demands.
- See the attached spreadsheet for 2010-2015 pumping.
- See the attached letter from the Tri County SUD Board regarding efforts to secure alternative water from sources other than groundwater

Application is administratively complete.

Name	Permit Number	Permitted Amount	Year	Well_Production Gallons Sum	The state of the state of the state of	Aquifer
Tri-County Special Utility District	BVHU-0023	119.3	2010	32808000	100.684055	Hooper
Tri-County Special Utility District	BVHU-0023	119.3	2011	36661000	112.5084778	Hooper
Tri-County Special Utility District	BVHU-0023	119.3	2012	38666000	118.6615969	Hooper
Tri-County Special Utility District	BVHU-0023	119.3	2013	30491000	93.57344308	Hooper
Tri-County Special Utility District	BVHU-0023	119.3	2014	37359000	114.6505611	Hooper
Tri-County Special Utility District	BVHU-0024	84	2010	23739000	72.85231594	Hooper
Tri-County Special Utility District	BVHU-0024	84	2011	37984000	116.5686157	Hooper
Tri-County Special Utility District	BVHU-0024	84	2012	23249000	71.34856115	Hooper
Tri-County Special Utility District	BVHU-0024	84	2013	27412000	84.12433904	Hooper
Tri-County Special Utility District	BVHU-0024	84	2014	31795000	97.57527213	Hooper

	Agg. Per	mitted Amount	% Permit
2010 Production	173.54	203.30	85.36
2011 Production	229.08	203.30	112.68
2012 Production	190.01	203.30	93.46
2013 Production	177.70	203.30	87.41
2014 Production	212.23	203.30	104.39

Tri-County Special Utility District P. O. Box 976 5212 State Highway 7 East Marlin, Texas 76661 254-803-3553

February 20, 2015

Board of Directors

Brazos Valley Groundwater Conservation District

Re: Tri-County Special Utility District - Proposed Well No. 7 - Robertson County

Dear Directors:

Over the past ten years, or more, the Tri-County S.U.D. has investigated possible new sources of water for the southern portion of our system to our two existing Hooper Formation wells located southeast of Bremond. The following is a list and description of the possible sources investigated:

- 1. Lake Limestone Over ten years ago, we investigated the possibility of obtaining raw water from Lake Limestone, constructing a surface water treatment plant and piping the water over 38 miles to the southern portion of the system. For such a project to be financially feasible, other systems would need to be involved, such as the City of Kosse and City of Bremond. None of these system felt they could become financially involved in such endeavor. To assist in financing the project, discussions were held with the Rural Development Administration, but there were no grant funds for a project of that size. Tri-County SUD could not afford to finance the project; therefore it was dropped as a viable source.
- 2. City of Marlin The City of Marlin has previously approached Tri-County SUD about selling Tri-County SUD water. The Tri-County SUD Board of Directors is very familiar with the condition of the City's reservoirs, treatment system and the City's problems with supply during the summer months. The Tri-County SUD Board of Directors does not feel that the City of Marlin is a viable source of water under the City's current situation. In addition, it would require over 22 miles of water transmission pipeline to get the water to the portion of the system where it is needed. Tri-County SUD would have difficulty funding the project.

- 3. FHLM Water Supply Corporation Tri-County SUD was an active member of the FHLM WSC for many years, but when no real progress was being made in actually providing a source of water to the system, we did not renew our membership. FHLM WSC was never planned to provide water to the southeastern portion of our system, but was planned to provide blending water for Arsenic reduction in our four Trinity Hosston formation wells that supply the northern two thirds of our system. We have just finished an Arsenic reduction treatment system for two of our Hosston wells and are developing plans for treatment for the other two Hosston wells. The cost of construction and operating cost for the treatment systems is placing considerable financial burden on the Tri-County SUD system.
- 4. Walnut Creek Mining Company Our engineers have talked with representatives of the Walnut Creek Mining Company about possible purchase of water from their wells that are not being used. They state they would only allow Tri-County to take water from their onsite ponds and not directly from the wells. This would require us to construct a surface water treatment plant, and construct approximately 6.7 miles of transmission pipeline to get the water to the portion of the system where it is needed. Adding a surface water treatment plant will add an addition level of operation with all the related cost. The cost of this alternative is much higher than development of the proposed Hooper Formation well. At this time, we do not think we can afford the additional construction and operating cost.
- 5. Simsboro Sands Well Our engineers have discussed with us the possibility of purchasing land several miles south of our existing water storage facilities and developing a Simsboro Sand well that would provide more capacity than a Hooper formation well. Long term, this may be a future source of water for the southeastern portion of our system, but the cost will be much higher than the cost of the Hooper formation well and we do not think we can afford the additional construction and operating cost at this time.

As can be seen from the above list, Tri-County SUD has made a long and exhaustive investigation of possible sources of water for the southeastern portion of the system and we feel that the most affordable source, at this time is the development of a proposed Hooper Sand well that we are asking you to approve a permit for.

We hope that this information will allow you to approve a permit for the proposed well.

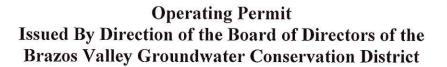
Sincerely,

Basil Margiotta, President

Bank Margiotte



Permit No. BV-DO-0188





This Operating Permit is granted to Tri County Special Utility District (Permittee) authorizing the Permittee to operate a water well known as Well #7R ("Well") at the location specified below within the Brazos Valley Groundwater Conservation District (District) for the beneficial purpose of producing water for Retail Public Water Supply use. Permittee is authorized to operate the Well located at N 31.159725° and W 96.635807° to produce water from the Hooper Aquifer at an annual maximum capacity not to exceed 250 GPM and a maximum annual production of 145.51 acre feet/year.

Operating Permit Term:

- (a) An operating and drilling permit for a well or well site will automatically expire within three years from its issuance if the permitted well(s) has not been completed or is not significantly under development.
- (b) Unless specified otherwise by the Board or these Rules, operating permits are effective for five-year terms. At the end of each five-year term, the permit shall be renewed by the Board for an additional five-year term, upon submittal of a permit renewal application by the permit holder that provides adequate evidence of continued beneficial use for the permitted amount of water withdrawal. The District shall send notices to permit holders that contain the permit renewal applications, prior to permit expirations.
- (c) The District may amend or revoke an operating permit at any time if there is evidence of:
 - (1) the owner or operator of the well or well system has operated in violation of their permit, District Rules, or Chapter 36 of the Texas Water Code; or
 - (2) a change in the permit is required to prevent waste and achieve water conservation, minimize as far as practicable the drawdown of the water table or reduction of artesian pressure, lessen interference between wells, or control and prevent subsidence; or
 - (3) The permitted well(s) has not been completed, is not significantly under construction; or no significant progress is being made toward construction.

This permit is issued and effective as of April 9, 2015.

Special Provisions/Notes: None

This Permit is granted subject to these Rules, orders of the Board, and the laws of the State of Texas. In addition to any special provisions or other requirements incorporated into the permit issued by the District.

- (1) This Permit is granted in accordance with provisions of the Rules of the District, including amendments, and acceptance of this Permit constitutes an acknowledgment and agreement that Permittee will comply with the Rules of the District.
- (2) This Permit confers only the right to operate the permitted well under the provisions of the District Rules and its terms may be modified or amended pursuant to the provisions of those Rules. To protect the permit holder from the illegal use of a new landowner, within ten (10) days after the date of sale of property containing a well having been issued an operating permit, the operating permit holder must notify the District in writing of the name of the new owner. Any person who becomes the owner of a currently permitted well must, within forty-five (45) calendar days from the date of the change in ownership, file an application for a permit amendment to affect a transfer of the permit.
- (3) The operation of the well for the authorized purposes must be conducted in a non-wasteful manner.
- (4) All groundwater production from non-exempt wells in the District is required to be metered, except for the groundwater produced from wells in the Brazos River Alluvium aquifer. The District maintains the discretion to require meters on wells in the Brazos River Alluvium aquifer. Permittee shall maintain records of withdrawal on the property where the well is located or at its business office, and shall make those records available to the District for inspection. The Permittee shall submit complete, accurate, and timely metered pumpage and transport reports to the District annually, as requested by the District, no later than February first (1st) of each year.
- (5) The well site must be accessible to District representatives for inspection, and Permittee agrees to cooperate fully in any reasonable inspection of the well and well site by the District representatives.
- (6) The application pursuant to which this Permit has been issued is incorporated in this Permit, and this Permit is granted on the basis of and contingent upon the accuracy of the information supplied in that application. A finding that false information has been supplied is grounds for immediate revocation of the permit.
- (7) Violation of this Permit's terms, conditions, requirements, or special provisions, including pumping amounts in excess of authorized withdrawal, is punishable by civil penalties as provided by the District Rule 15.3, as well as revocation of the permit.
- (8) Permittee will use reasonable diligence to protect groundwater quality and will follow well-plugging guidelines at the time of well closure.

The issuance of this Permit does not grant to Permittee the right to use any private property, or any public property, for the production or conveyance of water. Neither does this permit authorize the invasion of any personal rights nor the violation of any federal, state, or local laws, rules or regulations. Further, the District makes no representations and shall have no responsibility with respect to the availability or quality of water authorized to be produced under this permit.

District makes no representations and shall have of water authorized to be produced under this pe	no responsibility with resp	-
Brazos Valley Groundwater Conservation Dis	strict	
By:		
Alan M. Day, General Manager	Date	
Brazos Valley Groundwater Conservation District		Page 2 of 2