## <u>Item 9 – Proposed Draft Rules Amendments</u>

## **Rules Committee**

Mark Carrabba – Chair Jan Roe Pete Brien

As prescribed in the District Management Plan, the Rules Committee annually reviews the District's rules "to determine whether any amendments are necessary to decrease the amount of waste within the District." The committee met on June 24, 2019 to review and discuss possible amendments to the rules.

RULE 6.1 (b)(2) – Adding "Spacing of all other new non-exempt wells completed in the District, shall be one foot per gallon per minute (1ft/gpm) of average annual production rate or capacity from the perimeter of the property that is legally assigned to that well".

RULE 6.2 - Correcting numbering due to inclusion of Rule 6.1 (b)(2).

RULE 7.1 (c) -

- Clarifying the contiguous acreage legally assigned to a new non-exempt well bear a
  reasonable reflection of the cone of depression impact near the pumped well, and
  contiguous acreage assignment will be a circle determined by the adopted District
  formula.
- Adding "If an existing permit seeks to amend to increase the annual production from the well, then the entire permit must meet the production acreage rule".
- Striking "The additional amount of acres required to be legally assigned to the well only applies to the incremental amount of production asked for in the amendment".

RULE 8.4 – Adding "Each well on an application for multiple wells will be assigned an individual operating permit detailing production rate and total maximum annual production from each of the individual wells".

RULE 8.5 (b) – Adding "A permit shall not be renewed if a State of Texas Well Report has not been submitted, as required by Rule 12.3"

RULE 12.3 – Adding wording from 16 Texas Administrative Code Chapter 76 requiring well drillers to submit a "State of Texas Well Report....to the District not later than the 60<sup>th</sup> day after the date of the completion or cessation of drilling, deepening, or otherwise altering the well".