Cathy Lazarus

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May 9, 2017

Ms. Jan Roe, President BVGCD Board of Directors 112 West 3rd Street Hearne, TX 77859

Dear President Roe & Board Members:

Please consider the following in your deliberations regarding Rule 6.2. (e) amendment.

• It has always been my understanding that exempt wells should still be registered with the District so that proper protection from new well interference is ensured. This is what the current Rule 6.2. (e) implies:

"Well spacing Rules do not apply to wells that are exempt under Rule 8.1. However, non-exempt wells are required to observe spacing requirements from exempt wells that are registered with the District."

So why is the District replacing this rule with the new version below?

RULE 6.2.(e) Well spacing of new non-exempt wells completed in the District are exempted from complying with Rule 6.1(b)(2),(3), [the well spacing guidelines] to the extent that the spacing does not allow the new well owner to produce their Production Based Acreage under Rules 7.1(c).

• This new Rule ignores the spacing protections previously "guaranteed" by the District for existing registered wells whether they are exempt, non-exempt or historic use wells. Why bother with spacing rules at all? Is this new rule intended to say if you own enough land, then you can drill your new well next to your neighbor's and pump your land-based production limit regardless of the harm that follows. That is the "rule of capture" conundrum the rules promulgated by the District were supposed to solve.

- I am concerned the public notice of this rule change was not as
 forthcoming as it should have been in the newspaper publication. The
 references to Chapter 36 gave no indication as to the actual Rule to
 be change. This may not be required, but it certainly would have
 been more transparent to the public. It is not always easy to visit the
 office or view online publications.
- I am concerned this rule change comes from the "Correlative Rights Subcommittee" as a "fix" for a relatively rare problem. As previous suggested to Mr. Day, the District should enforce the current rules as approved. When legitimate applications are requested that may be in conflict with any established registered well, then all immediate parties should be informed and remedies sought before the District denies or adjusts a request as established in the rules. Then, the applicant can begin his/her contested hearing and/or mediation if needed, again as stated in the current rules.
- My last concern is the intra-document inconsistencies that are beginning to emerge in the District Rules as new amendments seem to disregard or contradict other sections of the rules. This happens to all documents over time, but it would be helpful to have thorough reviews before amending one rule without addressing similar statements in different sections.

I hope you will re-consider replacing RULE 6.2.(e) with the recommended language as posted. I do not believe it is in the best public interest of the domestic and livestock well operators in Robertson County.

Sincerely,

Cathy Faz orus
Cathy Lazarus, R.Ph.

Robertson County Resident