



Panhandle Water News

JANUARY 2007

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Board

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John McKissack Retires from Board of Directors



The Board of Directors and staff honored John McKissack with a luncheon, on October 25, 2006. Mr. McKissack told the Board although he believes strongly in the Panhandle Groundwater Conservation District and would continue to be a dedicated supporter, his many other duties did not allow him the time that he felt should be dedicated to the District's programs and activities. He is director of marketing for the BSA Health System in Amarillo.

McKissack was appointed to the Board of Directors in August 2000, shortly after Potter County residents voted to annex into the District. He was elected to the position in February 2004. He provided an urban point of view for the Board, which was a tremendous asset in the decision making process.

The District will truly miss his insight, and wit, and we wish him the best of luck in the future.

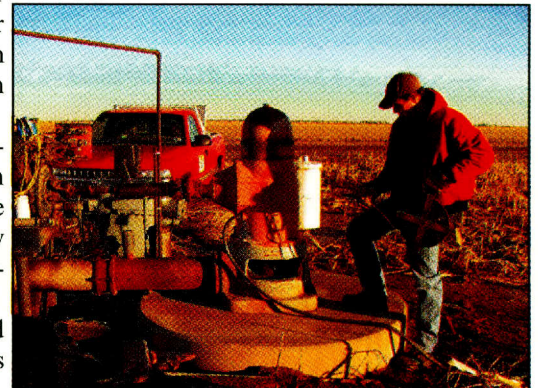
*Best Wishes for a Happy and Prosperous 2007!!
From the Board of Directors and Staff*

2006 DECLINE MAPS AND COST IN WATER APPROVED BY I.R.S.

On December 6, 2006, Ms. Lorinda Busby, with the Internal Revenue Service Engineering Group, met with C. E. Williams, Amy Crowell, Ray Brady and Gary Sutherland to inspect the District's 2006 Decline Maps, for tax depletion purposes. Maps for each county in the District were provided, and after careful study, the maps were approved. The cost in water, for irrigated farm purchases, is figured from these maps.

During December 2005 and January 2006, the District's field technicians measured the depth to water in approximately 800 wells throughout the District. The same wells are measured each year, to determine how much water is available in that area. The 2006 Decline Maps were constructed from this information.

The 2006 annual decline letters have been mailed to landowners who qualify and have requested this information.



Patrick Warminski takes depth to water measurement.

BOARD OF DIRECTORS TAKE ACTION ON MULTIPLE WELL PERMIT REQUEST



David Bowser, Bob Harden, Kent Satterwhite, Johnny Freeman, Steve Stevens, Doug Caroom, Steven Miller, Dan Coffee, Chad Pernel and Lee Wilson listen attentively to the proceedings.

On September 20, 2006, the District received a multiple well drilling permit request from the Canadian River Municipal Water Authority (CRMWA). The application was for six additional wells, to combine HIPP No. R-95-105-A with 8,800 acres of the Duncan Ranch property in Hutchinson County, and 16,000 leased acres of the Morrison Ranch property, which had been taken out of the City of Amarillo's permit earlier in the year. The request was that all of these acres be combined into a multiple well permit. An amended request, received on September 29th, proposed permitting only four wells, if all additions are approved.

Over the past several years, CRMWA has purchased more water rights in Roberts and adjoining counties, to increase the amount of water it can pump. Kent Satterwhite, general manager of CRMWA, told the Board that he thought four wells would provide the water they need immediately, and it is possible that two wells could provide the needed water, if they were good wells. He said the low lake levels at Lake Meredith and disappointing production from some of the wells in Roberts County meant a need for more water from the existing well field.

According to C. E. Williams, the District's general manager, the new wells would probably not affect surrounding landowners, because they would be located in the middle of CRMWA's current water rights.

Ultimately, the Board approved the permit, which authorizes maximum water production from the wells on contiguous acreage under this permit for 67,608 acre-feet per year, including production from any existing wells on the contiguous acreage. The term of this permit is the same as the lease agreement between the City of Amarillo and CRMWA, or 30 years from the date of approval, whichever is shorter. The wells must be drilled within 120 days from the date of approval, or the permit expires.

IN THE YEAR 2010, THE 21 PANHANDLE COUNTIES IN REGION I ARE PROJECTED TO USE ENOUGH WATER TO:

- Fill the Louisiana Superdome 671 times
- Fill Lake Meredith to its average content over 5 times
- Cover a football field with a stack of water 364 miles high

2006 ANNUAL REPORT PRESENTED TO BOARD OF DIRECTORS

Each year the District's staff prepares a report of the past year's activities for the Board of Directors. This report details each program the District is involved in, giving the year's results, along with the time and money expended. This report not only keeps the Board of Directors aware of the programs and efforts, but it also helps keep the staff on track and on target. The Annual Report is a required element of the District's Management Plan.

The 2006 Annual Report is being sent to the Texas Water Development Board, Governor Rick Perry and all Texas State Senators and Representatives. It is also available to anyone wishing a copy. If you are interested, please contact the District office, at 806-883-2501.

The District has applied to the Texas Water Development Board for additional Water Conservation Equipment Loan funds.

If approved, funds should be available in late February. The interest rate is undetermined, but indications are that it will be around 5.5%. Watch your local newspaper for details.

OIL & GAS OFFICIALS MEET WITH PANHANDLE WATER DISTRICTS

Panhandle Groundwater Conservation District was host for a meeting of the oil and gas industry and the groundwater conservation districts in the Panhandle, on January 11, 2007.

The group reviewed legislative requirements, exemptions, exceptions and limitations that apply to the oil and gas industry; UIC regulatory requirements to protect fresh water; and groundwater district policies that apply to oil and gas water wells. Other topics were the use of water in drilling and



completion operations and secondary recovery operations.

Gene Montgomery, director of external affairs for OXY Permian, in Houston, was instrumental in putting the meeting together. In addition to oil and gas industry leaders, participants included Lindsay Patterson and Leslie Savage, of the Texas Railroad Commission, and general managers and board members representing Panhandle Groundwater District, Hemphill County District, North Plains District, and Mesa U.W.C.D. Approximately twenty-six persons were in attendance.

80TH TEXAS LEGISLATIVE SESSION CONVENES ON JANUARY 9TH

Lawmakers are expected to address several water issues.



Water conservation, wastewater reuse, environmental flows, financing for projects in the state water plan, and the Edwards Aquifer pumping cap are among the issues that seem to be topping most water watchers' list for the

new legislative session. But there are plenty of others, too. Among them are:

- The question of whether groundwater districts should have jurisdiction over water wells drilled in conjunction with oil and gas production.
- The inter-basin transfer law, which restricts the transfer of surface water supplies from one area of the state to another.
- Consider water conservation recommendations from the Task Force Committee.
- The designation of certain areas as future reservoir sites on one hand, balanced by the naming of certain parts of selected waterways as protected "unique stream segments" on the other.

Senator Kip Averitt, chairman of the Senate Natural Resources Committee, the Senate panel from which water law arises, said water issues will certainly be at the top of the legislative agenda and that financing for the state water plan is the next critical step to be taken on water.

PGCD general manager, C. E. Williams, along with a number of other groundwater district managers, will spend a great deal of time in Austin, during the legislative session, monitoring and testifying on water legislation.

GMDA MEETS IN ALBUQUERQUE

C. E. Williams attended the Groundwater Management Districts Association (GMDA) meeting, in Albuquerque, NM on January 7-10, 2007. The keynote speaker was John D'Antonio, New Mexico State Water Engineer. Other speakers included: Wade Kress, USGS, Texas; Lucia Barbatto, Texas Tech Director of Geospatial Technology; Mike Hightower, Sandia National Lab; Deborah Hughes, Director of the New Mexico Association of Conservation Districts; and other GMD personnel. Convention attendees also enjoyed several tours and other events.

Ken Carver and the Permian Basin Water Conservation District hosted the conference. Carver was elected president of GMDA, at the meeting.

Did you know

- There is the same amount of water on earth today as there was 3 billion years ago.
- 97% of the world's water is salty or otherwise undrinkable, 2% is locked in ice caps and glaciers, 1% is available for human use.

TEXAS WATER LAW SEMINAR

January 18-19, 2007

Leading lawmakers, attorneys, state agency leaders and other luminaries in the world of water are scheduled to speak at the Texas Water Law Seminar, at the Austin Marriott in Austin. The theme of the seminar will be, "Are Our Management Tools Up to the Task?"

Enforcement of water conservation policies, the value of water rights, water legislation expected in the coming session of the Legislature and the use of eminent domain in water resources management will be just some of the topics on the agenda.

Hon. Kip Averitt, Chairman of the Senate Natural Resources Committee, Hon. Rubert Puente, Chairman of the House Natural Resources Committee, Hon. Kathleen Hartnett White, Chairman of the Texas Commission on Environmental Quality and Hon. E. G. "Rod" Pittman, Chairman of the Texas Water Development Board will be featured speakers.

GMA-1 MEETING TO BE HELD IN AMARILLO

House Bill 1763, in the 79th Legislative Session, required that all groundwater conservation districts, in each of the State's sixteen Groundwater Management Areas, jointly develop desired future conditions (DFC) of the relevant aquifers.

GMA-1 is comprised of the following counties: Dallam, Sherman, Hansford, Ochiltree, Lipscomb, Hartley, Moore, Hutchinson, Roberts, Hemphill, Oldham, Potter, Carson, Gray, Wheeler, Randall and Armstrong.

Each of the four groundwater districts in GMA-1 has hosted a joint meeting, for the purpose of getting an understanding of each districts rules and regulations as well as the challenges that are unique to their area. Now that the preliminary coordination has been done, the group will move into serious discussions on what the appropriate desired future condition should be, for GMA-1.

At the November meeting, the Texas Water Development Board presented the DFCs at the allowable of 1%, 1¼%, and 1½% depletion of the average saturated thickness for each county in the

G M A . Some counties met all of the criteria, some met a few of the conditions and some met none.



The group will meet at the Panhandle Regional Planning Commission office in Amarillo, at 10:00 a.m. on January 23, 2007, to continue the discussions of the DFCs.

PGCD general manager, C. E. Williams, said, "It is my hope that the group can come to some equitable DFC for all of GMA-1. If this can be accomplished, it will show the good coordination of the different entities in GMA-1, and will communicate to the Legislature that local control can and does function for the benefit of all the citizens of the area."

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Panhandle Water News is published quarterly. Subscriptions are free, upon request.

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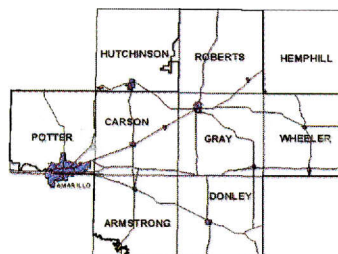
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GROUNDWATER DISTRICTS RECEIVE THE EXTENSION PARTNERSHIP AWARD

The Panhandle Groundwater Conservation District, the North Plains Groundwater Conservation District and the High Plains Underground Water Conservation District were awarded the *Extension Partnership Award*, at a luncheon at Texas A & M University in College Station on January 9, 2007.

According to Director Edward G. Smith, "The Extension Partnership Award was established to recognize and thank organizations, agencies and other institutions, in either the private or public sector, that have generously supported a commitment to work with Texas Cooperative Extension to better serve the people of Texas. Such commitment has been demonstrated by your support of programs to conserve water and increase water use efficiency. We are deeply grateful to work with such dedicated partners."

In accepting the award for the districts, C. E. Williams said the groundwater districts in the panhandle have had fifty-plus years experience, working with the Extension Service, and the first thing that came to his mind, when asked to accept the award, was that the groundwater districts and the Extension Service have always worked together "like a rowboat skimming across glass-smooth waters, with everyone pulling together through the years, for the common good of the people of Texas."

PGCD is honored to receive this award and we extend our thanks to the Texas A & M Extension Service.



Danny Krienke, vice-president of the North Plains GCD Board of Directors, C. E. Williams, general manager of the Panhandle GCD, and Carmon McCain, information director for the High Plains UWCD received the Extension Partnership Award at Texas A & M University.

"Anything else you're interested in is not going to happen if you can't breathe the air and drink the water. Don't sit this one out. Do something."

Carl Sagan, Astronomer