ORDER NO. 118

HAYS TRINITY GROUNDWATER §
CONSERVATION DISTRICT §

AGREED ORDER:Dripping Springs Independent School District
Closed-loop Geothermal Well Installation At Belterra

At its March 10, 2006 Board meeting, the Hays Trinity Groundwater Conservation District (the District) Board of Directors, considered this agreement of the parties, resolving the concerns of the Dripping Springs Independent School District (DSISD, the Applicant), for the installation of 180 closed loop geothermal wells at the future DSISD school to be located in the Belterra development in Dripping Springs. DSISD and the District stipulate that:

1. DSISD will drill two stratigraphic borings to a minimum depth of 30-feet below the closed loop well total depth (TD), or 320-feet prior to construction of the remaining wells. These borings, which shall be used for closed loop wells following stratigraphic logging, shall be located at the NW and SE corners of the wellfield.

2. DSISD will geologically and geophysically (caliper and natural gamma) log both borings. DSISD shall provide washed drill cutting samples to HTGCD for each 10-foot interval of each of the initial two stratigraphic bore-holes.

3. Each well shall be constructed with a 30-foot thick surface annular seal as measured from the top of the closed loop well borehole. The top of the closed loop well will be below ground surface. Sealing materials and installation procedures shall meet the requirements of the Texas Department Licensing and Regulation (TDLR) for annular sealing materials for wells.

4. If each well's annular space is not grout sealed to TD, then an additional minimum 5-foot thick annular seal shall be required below the 30-foot thick annular surface seal in the unsaturated zone. DSISD shall select the minimum 5-foot thick annular seal depth interval based on the log results from paragraph-2 activities. The minimum 5-foot annular seal depth shall correlate to confining layers in the unsaturated zone below the bottom of the annular surface-seal. All sealing materials shall meet TDLR requirements for annular seals in wells.

5. Upon HTGCD approval, DSISD may proceed with well construction of the remaining 178 closed loop wells based on the approved construction design derived from the two stratigraphic borings. If the drill cuttings indicate the stratigraphic interval where the 5-foot annular seal is to be tied into has changed substantially, then HTGCD personnel shall be consulted prior to continuing well installations. Alternatively, the annular space shall be grouted/sealed from the top of the well to TD.

6. Upon completion of the wells, the installer (i.e., a licensed well driller) shall submit one log per well to the District, detailing well construction for each of the 180 wells.

7. DSISD shall pay the District sixty dollars ($60) for each well installed.

8. The wells shall be considered non-exempt wells. DSISD shall be exempt from submitting an operating permit to the District. The wells shall be exempt from aquifer test requirement and well spacing rules.

SIGNED AND ENTERED THIS 18th DAY OF April, 2006.

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Andrew H. Backus
President
Hays Trinity Groundwater
Conservation District

Attested by:

_____

I, the undersigned, have read and understand the foregoing Agreed Order. I am authorized to agree to the foregoing Agreed Order on behalf of DSISD, and I do agree to the terms and conditions specified herein.

_____ Date: _____

Authorized Representative of DSISD