The District Rules are amended by adding Rule 15 to read as follows:

RULE 15. Management Zone

Section 15.1 Jacob's Well Groundwater Management Zone (JWGMZ)

- (15.1.1) The Jacob's Well Groundwater Management Zone (JWGMZ) is hereby created to encompass a specific geographic area overlying the Trinity Aquifer surrounding Jacob's Well and located wholly within the boundaries of the District. A map of JWGMZ is attached hereto as exhibit one (1).
- **(15.1.2)** Any existing non-exempt use well within the JWGMZ drilled prior to September 30, 2019 must comply with all standard operating permit requirements plus the following additional requirements:
 - 1) Each existing non-exempt use well owner must record and report the amount of groundwater produced each calendar month. Groundwater production reports must be submitted to the District within 5 business days of after the end of the month being reported.
 - 2) Each operating permit must include a Monthly Baseline Production Amount for groundwater production within the JWGMZ.
 - 3) A well located within the JWGMZ may not be aggregated under a single permit with any other well or well field located outside the JWGMZ. The Board may allocate a Monthly Baseline Production Amount based on aggregate pumping amounts reported for any well located inside JWGMZ that was operated in aggregate with one or more wells outside JWGMZ during 2017.
 - 4) An operating permit to produce groundwater from the Upper Trinity aquifer or the Middle Trinity aquifer may not be amended to increase the annual production total.
- (15.1.3) Any new non-exempt use well within the JWGMZ drilled on or after September 30, 2019 must comply with all standard operating permit requirements plus the following additional requirements:
 - 1) A new well may not be drilled or completed to produce groundwater from the Middle Trinity Aquifer (Lower Glen Rose, Hensel, and Cow Creek formations). New non-exempt wells may be drilled and completed into the Lower Trinity Aquifer (Sligo and Hosston formations). The Board may grant a waiver to this provision if enforcement of this rule on a specific property will result in an arbitrary taking of property or in the practical closing and elimination of a lawful business, occupation, or activity without sufficient corresponding benefit or advantage to the public.

- 2) Any non-exempt use well shall be constructed with casing and grouting installed from the surface to the top of the production zone and its water bearing strata.
- (15.1.4) Any exempt use well within the JWGMZ must remain an exempt use well and may not be converted to a non-exempt use.
- (15.1.5) Replacement Wells. A current operating permit holder or a well owner required to plug an abandoned or deteriorated well within JWGMZ may drill a replacement well within 50 feet of the plugged well. The replacement well must be completed into the same production zone and may only use the groundwater withdrawn for the same purpose of use and the same maximum annual production limit. This replacement well must be completed with casing and grouting the annular space from the surface to the top of the production zone and its water bearing strata.

Section 15.2 Drought Curtailments

- (15.2.1) Drought curtailments are mandatory for all permit holders within the JWGMZ. The District will post the then current drought curtailment percentage applicable to that month on the first business day each month that a drought curtailment applies. The amount of groundwater authorized to be withdrawn during that month may not exceed the baseline amount as adjusted by the applicable drought curtailment amount.
- (15.2.2) Monthly Baseline Production Amount. Each permit shall include a Monthly Baseline Production Amount based on the actual amount of groundwater produced and put to a beneficial use each month of 2017. A permittee may amend the Monthly Baseline Production Amount by filing an amendment application with the District. The Monthly Baseline Production Amount may be amended if the Board determines any of the following:
 - The total groundwater demand has increased through the addition of New Water Utility Service Connections;
 - 2) The total groundwater demand has increased through expansion or growth; or
 - 3) The permittee implemented water conservation measures during calendar year 2017 that resulted in 10% or greater demand reduction.

(15.2.3) Drought curtailment shall be based on a 10-Day running average of the USGS flow meter at Jacob's Well. Groundwater production may not exceed the Monthly Baseline Production Amount adjusted by the following reduction percentages:

•	6 CFS or less	10 Percent
•	5 CFS or less	20 Percent
•	3 CFS or less	30 Percent
•	2 CFS or less	40 Percent

(15.2.4) Exceeding the adjusted Monthly Baseline Production Amount will result in a penalty fee of \$5.00 per 1,000 gallons produced over the production limit. The total amount of groundwater produced each day is presumed to equal the total monthly production amount divided by the number of calendar days in that month. Failure to pay the penalty fee will result in a civil penalty for each day the well continued to produce groundwater once the production limit was reached.

END OF RULE 15