

The District Rule 10.1.3 is amended to read as follows:

**(10.1.3) Penalty Schedule:**

Incomplete or late submission of the State of Texas Well Report (Well Log) or other reports required by District Rules:	up to \$500.00
Failure to submit a Well Construction Notification for a new well prior to drilling or failure to submit a Well Construction Notification for an existing nonexempt well:	up to \$500.00
Operating a non-exempt well without an operating permit; or failure to submit an operating permit application; or failure to comply with permitting rules:	up to \$500.00
Failure to comply with the terms and conditions of an operating permit:	up to \$500.00 plus \$100.00 per day of noncompliance after 30 days of receipt of N.O.A.V.
Exceeding production limit of an operating permit:	up to \$500.00 plus \$5.00 per 1,000 gallons <b>produced</b> in excess of the total approved annual amount permitted based on either meter readings or other reliable evidence of the amount pumped. Applicable penalties will be calculated annually upon submission and review of yearly meter reading reporting totals.
Failure to submit or to comply with Water Service Connection requirements:	up to \$500.00 per violation
Failure to comply with a Board Order or District Rule:	up to \$500.00 plus \$100.00 per day of noncompliance after 30 days of receipt of N.O.A.V.
Failure to comply with the terms and conditions of the User	up to \$500.00 plus

<p>Drought Contingency Plan, the Water Conservation Plan, or the Drought Production Cutback Chart, <u>or exceeding the Monthly Baseline Production Amount as adjusted by a required curtailment amount during any drought curtailment period:</u></p>	<p>\$5.00 per 1,000 gallons <u>produced</u> in excess of the annual drought cutback reduction total <u>or curtailment amount</u>. Applicable penalties will be calculated annually upon submission and review of yearly reporting totals.</p>
<p>Incomplete or late submission of quarterly reporting as agreed to in the operating permit:</p>	<p>up to \$500.00 plus \$100.00 per day of noncompliance beginning the 31<sup>st</sup> day after receipt of N.O.A.V.</p>
<p>Groundwater produced from within the District boundaries shall not be used in such a manner or under such conditions as to constitute waste as defined within District Rule 2. If a conflict between determining whether a use is beneficial use or waste, beneficial use is subordinate to waste. If the District Board of Directors identifies a person or entity responsible for waste:</p>	<p>up to \$500.00</p>

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 any penalty fee will result in a civil penalty for each day the well continued to produce groundwater once the production limit was reached. The Board may consider, with adequate documentation, the impact of unforeseen circumstances in setting a penalty amount or determining if a violation has occurred.