

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 18TH DAY OF SEPTEMBER 2007 AT 9:30 A.M.

The call of the roll disclosed the presence of the Directors as follows:

Present

Victor W. Henderson
Hal S. Sparks III - Arrived at 9:43 a.m.
Jack R. Stevens
Marty V. Leonard
Jim W. Lane

Also present were James M. Oliver, Alan Thomas, Ken Brummett, Lisa Cabrera, Rick Carroll, Steve Christian, J.D. Granger, Nancy King, David Marshall, Mark Olson, and Sandy Swinnea.

Also in attendance were George Christie, General Counsel for Tarrant Regional Water District (the Water District); Lee Christie representing Pope, Hardwicke, Christie, Schell, Kelly & Ray, LLP; Rusty Gibson of Freese and Nichols, Inc.; Mary Edwards of Representative Lon Burnam's office; Robert Paleshic of Jacobs; Jay Pritchard of Trinity Communications; Max Baker of the Fort Worth Star Telegram and Earl Alexander.

President Henderson convened the meeting with the assurance from management that all requirements of the "open meetings" laws had been met.

1.

All present were given the opportunity to join in reciting the Pledge of Allegiance.

2.

On a motion made by Director Stevens and seconded by Director Leonard, the Directors unanimously voted to approve the minutes from the meetings held August 21, 2007 and September 7, 2007. It was accordingly ordered that these minutes be placed in the permanent files of Tarrant Regional Water District.

3.

There were no persons of the general public requesting the opportunity to address the Board of Directors.

4.

With the recommendation of management, Director Stevens moved to approve the 2008 General Fund Budget in the amount of \$66,818,610 which reflects a \$2 million reduction in oil and gas revenues. Director Lane seconded the motion and the vote in favor was unanimous.

5.

With the recommendation of management, Director Leonard moved to adopt a 2007 tax rate of \$.02/\$100 valuation. Director Lane seconded the motion and the vote in favor was unanimous.

6.

With the recommendation of management, Director Lane moved to approve the 2008 Revenue Fund Budget in the amount of \$79,176,730. Director Leonard seconded the motion and the vote in favor was unanimous.

At this point in the meeting, Director Sparks arrived.

7.

With the recommendation of management, Director Lane moved to approve the 2007/2008 Trinity River Vision Authority Budget in the amount of \$18,242,110. Director Stevens seconded the motion and the vote in favor was unanimous.

8.

With the recommendation of management, Director Leonard moved to name J.D. Granger as the Trinity River Vision Authority's (TRVA) registered agent and change the registered office to 307 West Seventh Street, Suite 100, Fort Worth, Texas. The TRVA Board of Directors approved this change to their bylaws subject to approval by the Water District's Board of Directors. Director Sparks seconded the motion and the vote in favor was unanimous.

9.

With the recommendation of management, Director Stevens moved to approve capital expenditure as noted below:

Equipment	Vendor	Funding Source	Approved Cost
Fiberglass Ductwork	Garland Heating and Air Conditioning, Inc., Garland, TX	Bond Package	\$38,225

Director Sparks seconded the motion and the vote in favor was unanimous.

10.

With the recommendation of management, Director Sparks moved to approve a contract modification to the Trinity River Authority - Ennis water contract to waive the take-or-pay provision for Fiscal Year 2008. Director Lane seconded the motion and the vote in favor was unanimous.

11.

With the recommendation of management, Director Lane moved to approve a contract with Freese and Nichols to design and manage construction of the bypass line in Mansfield at a cost not to exceed \$800,000. Funding for this contract is included in the 2006 Bond Issue and the 2009 Bond Issue. Director Leonard seconded the motion and the vote in favor was unanimous.

12.

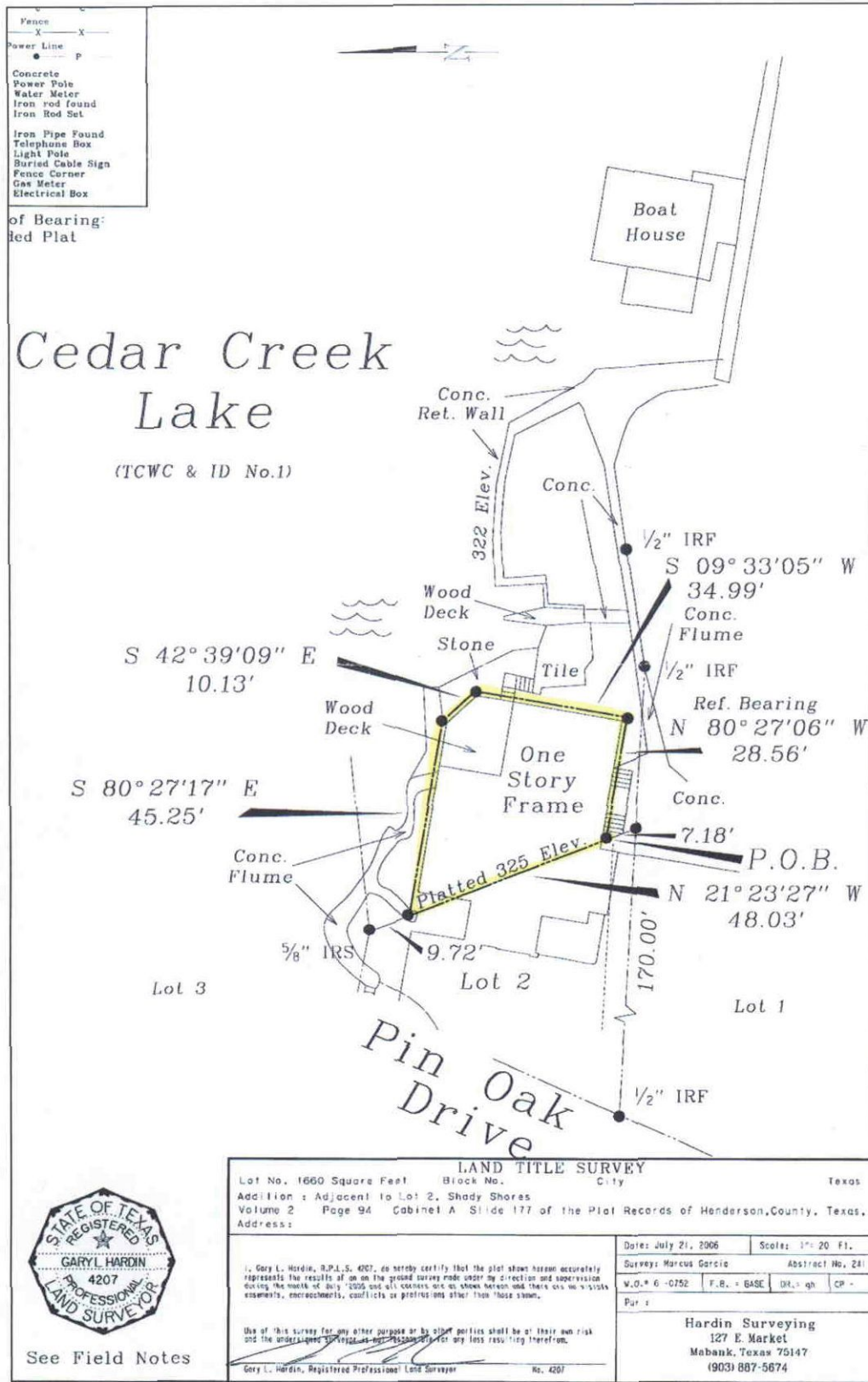
With the recommendation of management, Director Stevens moved to approve a service agreement with Siemens to rebuild the variable frequency drives (VFDs) at the Richland-Chambers Booster Pump Station in Waxahachie at an estimated cost of \$600,000. Funding for this agreement is included in the 2006 Bond Issue. Director Lane seconded the motion and the vote in favor was unanimous.

13.

With the recommendation of management, Director Lane moved to approve the sale of the following described tract of land to Mark Poole, the adjacent owner, for the appraised value of \$6.75 per square foot for a total amount of \$11,205.

1,660 square feet of land, situated in the Marcus Garcia Survey, Abstract 241, below elevation 325 feet mean sea level in Henderson County, Texas at Cedar Creek Lake. The

subject property is adjacent to Lot 2 of the Shady Shores Subdivision, as recorded in Cabinet A, Slide 177 of the Plat Records of said Henderson County.



See Field Notes

LAND TITLE SURVEY			
Lot No. 1660 Square Feet	Block No.	City	Texas
Addition : Adjacent to Lot 2, Shady Shores			
Volume 2 Page 94 Cabinet A Slide 177 of the Plat Records of Henderson County, Texas.			
Address :			
Date: July 21, 2006	Scale: 1" = 20 Ft.		
Surveyor: Marcus Garcia	Abstract No. 241		
W.O.# 6 -0752	F.B. = 64SE	DR. = gh	CP =
Pur :			
Hardin Surveying 127 E. Market Mabank, Texas 75147 (903) 887-5674			
Use of this survey for any other purpose or by other parties shall be at their own risk and the undersigned shall not be responsible for any loss resulting therefrom.			
Gary L. Hardin, Registered Professional Land Surveyor No. 4207			



In addition, R. Steve Christian was granted authority to execute the deed and all other documents necessary to complete this transaction. Director Leonard seconded the motion and the vote in favor was unanimous.

14.

With the recommendation of management, Director Leonard moved to ratify the pooling agreement executed by Ken Brummett on behalf of the Water District with XTO Energy, Inc. for the TRWD McNeill A Unit #2H, TRWD McNeill B Unit #3H, TRWD Unit E #1H, and the TRWD II A Unit D #1H located at Eagle Mountain Lake as shown on Exhibits below. Director Lane seconded the motion and the vote in favor was unanimous.

This plat does not represent a boundary survey. Acreages shown hereon are deed called or calculated from deeds furnished by others. Monumentation shown hereon was found. Surface Location ties are shown from the location surveyed (will be dated when staked). The Bearing Base is "GRD", N.A.D. 27 Datum, Tx. North Central Zone, Convergence: +00'06"03".4 at the Surface Location.

SURFACE LOCATION TRWD McNEIL A UNIT 2H WELL, IN THE J. WILCOX, A-1710 BEING 4662' FROM THE WEST LINE OF SAME AND ALSO BEING THE EAST LINE OF THE WILSON & SCRUGGS SURVEY, A-1948, AND BEING 1179' FROM THE SOUTH LINE OF THE J. WILCOX, A-1710 BEING THE NORTH LINE OF THE J. WILCOX SURVEY, A-1730, ALSO BEING 474' FROM THE WEST UNIT LINE AND BEING 144' FROM THE SOUTH UNIT LINE.

PENETRATION POINT TRWD McNEIL A UNIT 2H WELL, IN THE J. WILCOX, A-1710 BEING 5210' FROM THE WEST LINE OF SAME AND ALSO BEING THE EAST LINE OF THE WILSON & SCRUGGS SURVEY, A-1948, AND BEING 1554' FROM THE NORTH LINE OF THE J. WILCOX, A-1710 BEING THE SOUTH LINE OF THE J. WILCOX SURVEY, A-1711, ALSO BEING 1168' FROM THE WEST UNIT LINE AND BEING 330' FROM A NORTHWEST UNIT LINE CORNER.

BOTTOM HOLE LOC. TRWD McNEIL A UNIT 2H WELL, IN THE J. WILCOX, A-1711 BEING 3787' FROM THE EAST LINE OF SAME AND ALSO BEING THE WEST LINE OF THE M. GARCIA SURVEY, A-564, AND BEING 837' FROM THE SOUTH LINE OF THE J. WILCOX, A-1711 BEING THE NORTH LINE OF THE J. WILCOX SURVEY, A-1710, ALSO BEING 330' FROM THE EAST UNIT LINE AND BEING 330' FROM THE NORTH UNIT LINE.

WELL LOCATION PLAT XTO ENERGY INC. TRWD McNEIL A UNIT 2H WELL 180.0000 ACRE UNIT TARRANT COUNTY, TEXAS

+00'06"03".4

INFLECTION POINT TRWD McNEIL A UNIT 2H WELL, IN THE J. WILCOX, A-1711 BEING 6742' FROM THE EAST LINE OF SAME AND ALSO BEING THE WEST LINE OF THE M. GARCIA SURVEY, A-564, AND BEING 92' FROM THE SOUTH LINE OF THE J. WILCOX, A-1711 BEING THE NORTH LINE OF THE J. WILCOX SURVEY, A-1710, ALSO BEING 330' FROM THE WEST UNIT LINE AND BEING 330' FROM A NORTHWEST UNIT LINE.

TRWD McNEIL A UNIT 2H WELL
INFLECTION POINT

TRWD McNEIL A UNIT 2H WELL
PENETRATION POINT

TRWD LEASE # LEASE LINE

McNEIL FAMILY PARTNERSHIP
CALLED 0.54 ACRE LEASE

McNEIL 1H BH

TRWD McNEIL A UNIT 2H WELL
APPROX. ELV = XXX'

XTO ENERGY
TRWD LEASE III
CALLED 2814.18 ACRES
RECORDING # 0204356019

J. WILCOX
A-1710

J. WILCOX
A-1730

1 - CALLED 17.253 ACRES	THE McNEIL FAMILY PARTNERSHIP
2 - CALLED 0.48 ACRES	TOMMY J. KIRBY et ux
3 - CALLED 0.373 ACRES	DANA DEHL
4 - CALLED 0.685 ACRES	DONLEY JAMES BLAIR
5 - CALLED 143.75487 ACRES	TRWD III
6 - CALLED 0.49 ACRES	JERRY M. FLIPPEN et ux
7 - CALLED 0.26 ACRES	GARY T. WITTMAN et ux
8 - CALLED 0.3914 ACRES	RANDAL L. LEWIS
9 - CALLED 0.63 ACRES	JOE EVERETT STARK
10 - CALLED 0.53 ACRES	BILL TALIAFERRO et ux
11 - CALLED 0.4 ACRES	CLAYTON SCOTT McCURE et ux
12 - CALLED 0.382 ACRES	MARLETTA KLEIN
13 - CALLED 0.547 ACRES	TIARA A. ROBERTS
14 - CALLED 0.61 ACRES	ROBERT C. ZULHOFF et ux
15 - CALLED 0.70 ACRES	BOBBY YORK
16 - CALLED 0.539 ACRES	CHARLES WEATHERBY JR.
17 - CALLED 0.527 ACRES	CHRISTOPHER ADAMS et ux
18 - CALLED 0.1721 ACRES	WESTLAKE POINT HOA
19 - CALLED 0.5 ACRES	THOMAS A. BRACE
20 - CALLED 0.34 ACRES	MARSHALL C. MORRISON
21 - CALLED 0.34 ACRES	MARSHALL C. MORRISON
22 - CALLED 0.68 ACRES	MARSHALL C. MORRISON
23 - CALLED 0.791 ACRES	GERALD R. MARTIN
24 - CALLED 0.634 ACRES	RICHARD C. ABLESON et ux
25 - CALLED 1.445 ACRES	SOMMAI SEHAFAYAK et ux
26 - CALLED 0.18 ACRES	GEORGE WEITSTEIN et ux
27 - CALLED 0.795 ACRES	JERRY L. JENKINS
28 - CALLED 1.6 ACRES	JAMES O'DONLEY
29 - CALLED 0.40810 ACRES	RONALD A. MATLAND et ux
30 - CALLED 0.48 ACRES	RICHARD BRYAN SUMMERS et ux
31 - CALLED 0.5 ACRES	JAMES H. WHITE et ux
32 - CALLED 0.48293 ACRES	MARK MUNSSELL et ux
33 - CALLED 0.52225 ACRES	RICARDO VILLALPANDA et ux
34 - CALLED 0.4 ACRES	HERBERT C. TILLEY et ux
35 - CALLED 0.4 ACRES	R.C. CAMPBELL et ux
36 - CALLED 0.42 ACRES	JAMES O'DONLEY
37 - CALLED 0.41 ACRES	HELGA WEITSTEIN FIEDEL
180.00000 TOTAL CALLED ACRES IN UNIT & DRUG. UNIT	

- TEXAS NORTH CENTRAL ZONE
- ** SURFACE LOCATION TRWD McNEIL A UNIT 2H WELL **
N.A.D. 27 DATUM
N: 446431.51
E: 1894345.09
LAT: 32°53'27.86
LONG: 97°31'06".33
- ** PENETRATION POINT TRWD McNEIL A UNIT 2H WELL **
N: 446740.70
E: 1899040.69
LAT: 32°53'40".75
LONG: 97°30'58".17
- ** INFLECTION POINT TRWD McNEIL A UNIT 2H WELL **
N: 446320.71
E: 1905701.48
LAT: 32°53'29".38
LONG: 97°30'49".48
- ** BOTTOM HOLE TRWD McNEIL A UNIT 2H WELL **
N: 449250.74
E: 1906736.78
LAT: 32°54'03".62
LONG: 97°30'14".62

*** DRIVING DIRECTIONS ***
FROM THE INTERSECTION OF N. STEWART STREET AND JACKBORO HWY. (199) GO NORTHEAST ON JACKBORO HWY 120' TO PARK STREET, GO APPROX 2000' TO "Y" IN ROAD, STAY TO THE LEFT ON LAKE VIEW DRIVE, GO 3000' FROM "Y" TO NORTH ASH AVE. GO NORTH ON ASH AVE 1700' TO LEASE ROAD ON EAST SIDE OF ROAD TAKE LEASE ROAD TO PAD.

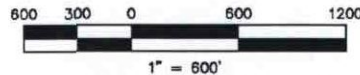
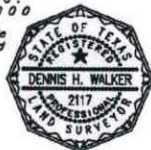
Surface Location is located
1.4 Miles East of Azle
"AZLE" Quadrangle

WALKER & ASSOCIATES SURVEYING, INC.
TYLER, TEXAS PH: 903-534-9000

I, Dennis H. Walker, Registered Professional Land Surveyor do hereby state that this plat was prepared from a partial survey and from public record information and is true and correct to the best of my knowledge.

GIVEN UNDER MY HAND AND SEAL, this the 25th day of July, 2007.

By: Dennis H. Walker
Registered Professional Land Surveyor
State of Texas No. 2117



This plat does not represent a boundary survey. Acreages shown hereon are deed called or calculated from deeds furnished by others. Monumentation shown hereon was found. Surface location ties are shown from the location surveyed (will be dated when staked). The Bearing Base is "GRID", N.A.D. 27 Datum, Tx. North Central Zone, Convergence: +00°06'03".4 at the Surface Location.

SURFACE LOCATION TRWD McNEIL B UNIT 3H WELL, IN THE J. WILCOX, A-1710 BEING 8329' FROM THE EAST LINE OF SAME AND ALSO BEING THE WEST LINE OF THE M. GARCIA SURVEY, A-564, AND BEING 1457' FROM THE NORTH LINE OF THE J. WILCOX, A-1710 BEING THE SOUTH LINE OF THE J. WILCOX SURVEY, A-1711, ALSO BEING 483' FROM THE NORTHWEST UNIT LINE CORNER AND BEING 136' FROM THE NORTH UNIT LINE.

PENETRATION POINT TRWD McNEIL B UNIT 3H WELL, IN THE J. WILCOX, A-1710 BEING 5542' FROM THE EAST LINE OF SAME AND ALSO BEING THE WEST LINE OF THE M. GARCIA SURVEY, A-564, AND BEING 783' FROM THE SOUTH LINE OF THE J. WILCOX, A-1710 BEING THE NORTH LINE OF THE J. WILCOX SURVEY, A-1730, ALSO BEING 1094' FROM THE WEST UNIT LINE AND BEING 330' FROM THE NORTH UNIT LINE.

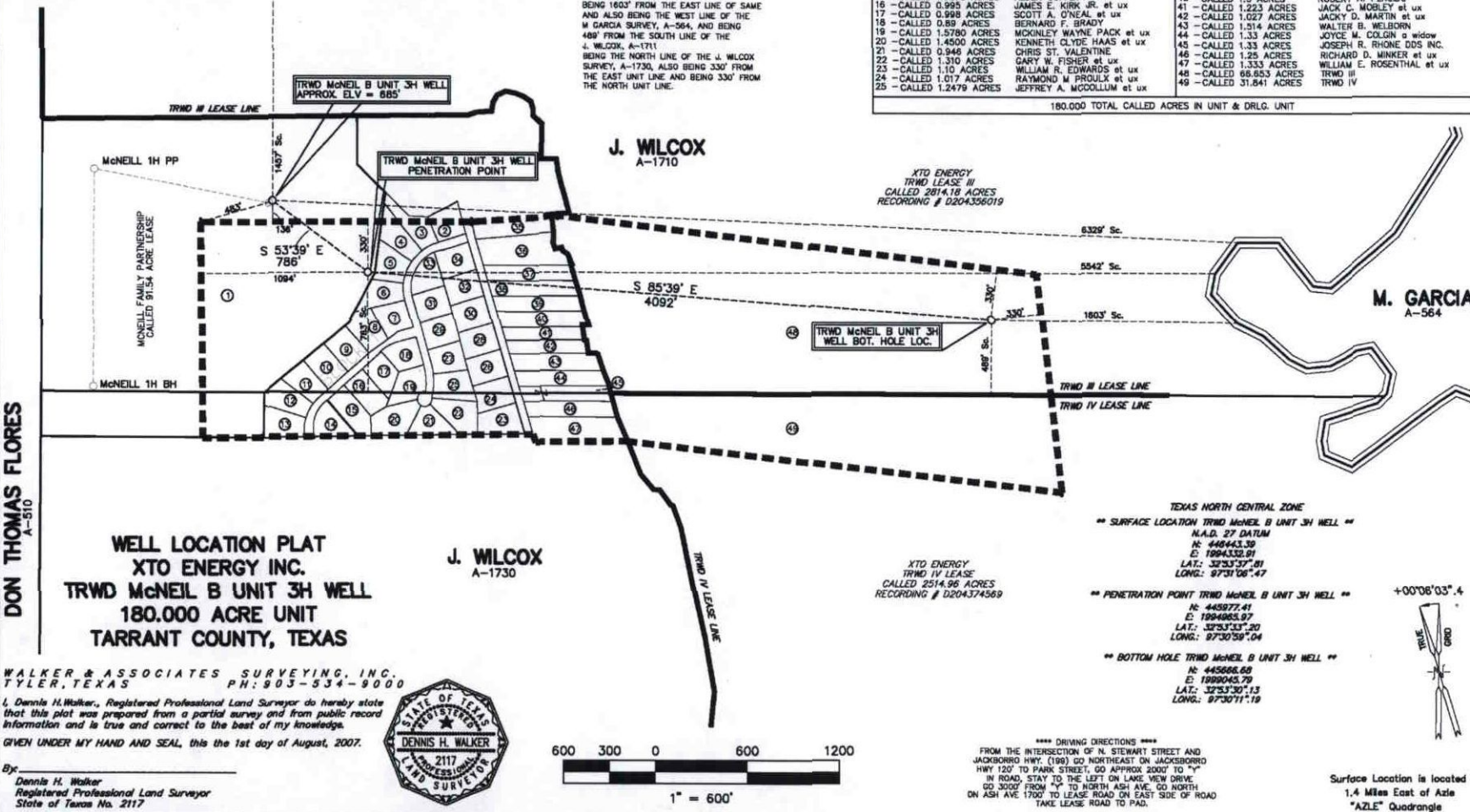
**J. WILCOX
A-1711**

BOTTOM HOLE LOC. TRWD McNEIL B UNIT 3H WELL, IN THE J. WILCOX, A-1710 BEING 1603' FROM THE EAST LINE OF SAME AND ALSO BEING THE WEST LINE OF THE M. GARCIA SURVEY, A-564, AND BEING 489' FROM THE SOUTH LINE OF THE J. WILCOX, A-1711 BEING THE NORTH LINE OF THE J. WILCOX SURVEY, A-1730, ALSO BEING 330' FROM THE EAST UNIT LINE AND BEING 330' FROM THE NORTH UNIT LINE.

- | | | |
|----|-----------------------|--------------------------------|
| 1 | - CALLED 28.489 ACRES | THE MCNEILL FAMILY PARTNERSHIP |
| 2 | - CALLED 1.18 ACRES | JAMES O'DONLEY |
| 3 | - CALLED 1.368 ACRES | HELENA WETSTEIN MURRY |
| 4 | - CALLED 1.1748 ACRES | GEORGE WETSTEIN et ux |
| 5 | - CALLED 1.06 ACRES | LAWRENCE E. BROWN et ux |
| 6 | - CALLED 1.236 ACRES | JOHN EARL HILL et ux |
| 7 | - CALLED 1.22 ACRES | ARTHUR A. ROSSI et ux |
| 8 | - CALLED 1.14 ACRES | JOHN M. WANDER et ux |
| 9 | - CALLED 1.1122 ACRES | BRIAN J. KELLY et ux |
| 10 | - CALLED 1.0791 ACRES | LISA COLLIER FARMER |
| 11 | - CALLED 0.965 ACRES | REGAN POLONE et ux |
| 12 | - CALLED 1.038 ACRES | GAYLON S. ALLRED et ux |
| 13 | - CALLED 0.928 ACRES | RICHARD L. LUTTRELL et ux |
| 14 | - CALLED 1.37 ACRES | ANDREW C. RECTOR et ux |
| 15 | - CALLED 1.3270 ACRES | ALDEN COFFEY et ux |
| 16 | - CALLED 0.995 ACRES | JAMES E. KIRK JR. et ux |
| 17 | - CALLED 0.998 ACRES | SCOTT A. O'NEAL et ux |
| 18 | - CALLED 0.89 ACRES | BERNARD F. BRADY |
| 19 | - CALLED 1.5780 ACRES | MCINLEY WAYNE PACK et ux |
| 20 | - CALLED 1.4500 ACRES | KENNETH CLYDE HAAS et ux |
| 21 | - CALLED 0.948 ACRES | CHRIS ST. VALENTINE |
| 22 | - CALLED 1.310 ACRES | GARY W. FISHER et ux |
| 23 | - CALLED 1.10 ACRES | WILLIAM R. EDWARDS et ux |
| 24 | - CALLED 1.017 ACRES | RAYMOND M. PROUKA et ux |
| 25 | - CALLED 1.2479 ACRES | JEFFREY A. MCCOLLUM et ux |

- | | | |
|----|-----------------------|------------------------------|
| 26 | - CALLED 0.998 ACRES | LESLIE P. NIELSEN et ux |
| 27 | - CALLED 0.95 ACRES | JOAN S. GATHRIGHT |
| 28 | - CALLED 0.888 ACRES | HENRY E. RUANE et ux |
| 29 | - CALLED 0.96 ACRES | MAYNARD W. PETERS JR. et ux |
| 30 | - CALLED 1.098 ACRES | G. DEAN POSEY et ux |
| 31 | - CALLED 0.98 ACRES | GERALD P. WILSON et ux |
| 32 | - CALLED 1.088 ACRES | DAN H. KIRKHAM et ux |
| 33 | - CALLED 1.1 ACRES | JONATHAN E. SEARFOSS et ux |
| 34 | - CALLED 1.017 ACRES | JOHN L. SCHRECK et ux |
| 35 | - CALLED 1.30 ACRES | PATRICIA A. RHONE |
| 36 | - CALLED 2.342 ACRES | JIMMY L. PHILPOT et ux |
| 37 | - CALLED 1.288 ACRES | NELL CARTER-DANN et ux |
| 38 | - CALLED 1.287 ACRES | JAMES DALE HUBBARD JR. et ux |
| 39 | - CALLED 1.369 ACRES | WILLIAM J. LEUTKEMEYER et ux |
| 40 | - CALLED 1.3 ACRES | ROBERT A. PLACIDO |
| 41 | - CALLED 1.223 ACRES | JACK C. WOBLEY et ux |
| 42 | - CALLED 1.027 ACRES | JACKY D. MARTIN et ux |
| 43 | - CALLED 1.514 ACRES | WALTER B. WELBORN |
| 44 | - CALLED 1.33 ACRES | JOYCE M. COLON s widow |
| 45 | - CALLED 1.33 ACRES | JOSEPH R. RHONE DDS INC. |
| 46 | - CALLED 1.25 ACRES | RICHARD D. WINKER et ux |
| 47 | - CALLED 1.333 ACRES | WILLIAM E. ROSENTHAL et ux |
| 48 | - CALLED 88.653 ACRES | TRWD III |
| 49 | - CALLED 31.841 ACRES | TRWD IV |

180,000 TOTAL CALLED ACRES IN UNIT & DRLG. UNIT



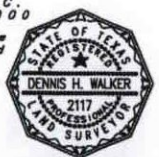
DON THOMAS FLORES
A-510

**WELL LOCATION PLAT
XTO ENERGY INC.
TRWD McNEIL B UNIT 3H WELL
180,000 ACRE UNIT
TARRANT COUNTY, TEXAS**

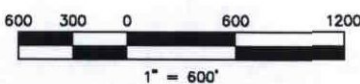
**J. WILCOX
A-1730**

WALKER & ASSOCIATES SURVEYING, INC.
TYLER, TEXAS PH: 903-534-9000

I, Dennis H. Walker, Registered Professional Land Surveyor do hereby state that this plat was prepared from a partial survey and from public record information and is true and correct to the best of my knowledge.
GIVEN UNDER MY HAND AND SEAL, this the 1st day of August, 2007.



By: Dennis H. Walker
Registered Professional Land Surveyor
State of Texas No. 2117



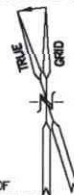
*** DRIVING DIRECTIONS ***
FROM THE INTERSECTION OF N. STEWART STREET AND JACKBORRO HWY. (190) GO NORTHEAST ON JACKBORRO HWY 120' TO PARK STREET, GO APPROX 2000' TO "Y" IN ROAD, STAY TO THE LEFT ON LAKE VIEW DRIVE, GO 3000' FROM "Y" TO NORTH ASH AVE, GO NORTH ON ASH AVE 1700' TO LEASE ROAD ON EAST SIDE OF ROAD TAKE LEASE ROAD TO PAD.

Surface Location is located
1.4 Miles East of Azle
"AZLE" Quadrangle

This plat does not represent a boundary survey.
 Acreages shown hereon are deed called or
 calculated from deeds furnished by others.
 Monumentation shown hereon was found.
 Surface Location ties are shown from the
 location surveyed 8/15/06.
 The Bearing Base is "GRID", N.A.D. 27' Datum,
 Tx. North Central Zone, Convergence: +00'09"22".65
 at the Surface Location.

1 - CALLED 28,568 ACRES	T.R.W.D. II - DUNAWAY
2 - CALLED 123,440 ACRES	T.R.W.D. II
3 - CALLED 3,873 ACRES	STATE OF TEXAS
155,881 TOTAL CALLED ACRES IN UNIT & DRUG UNIT	

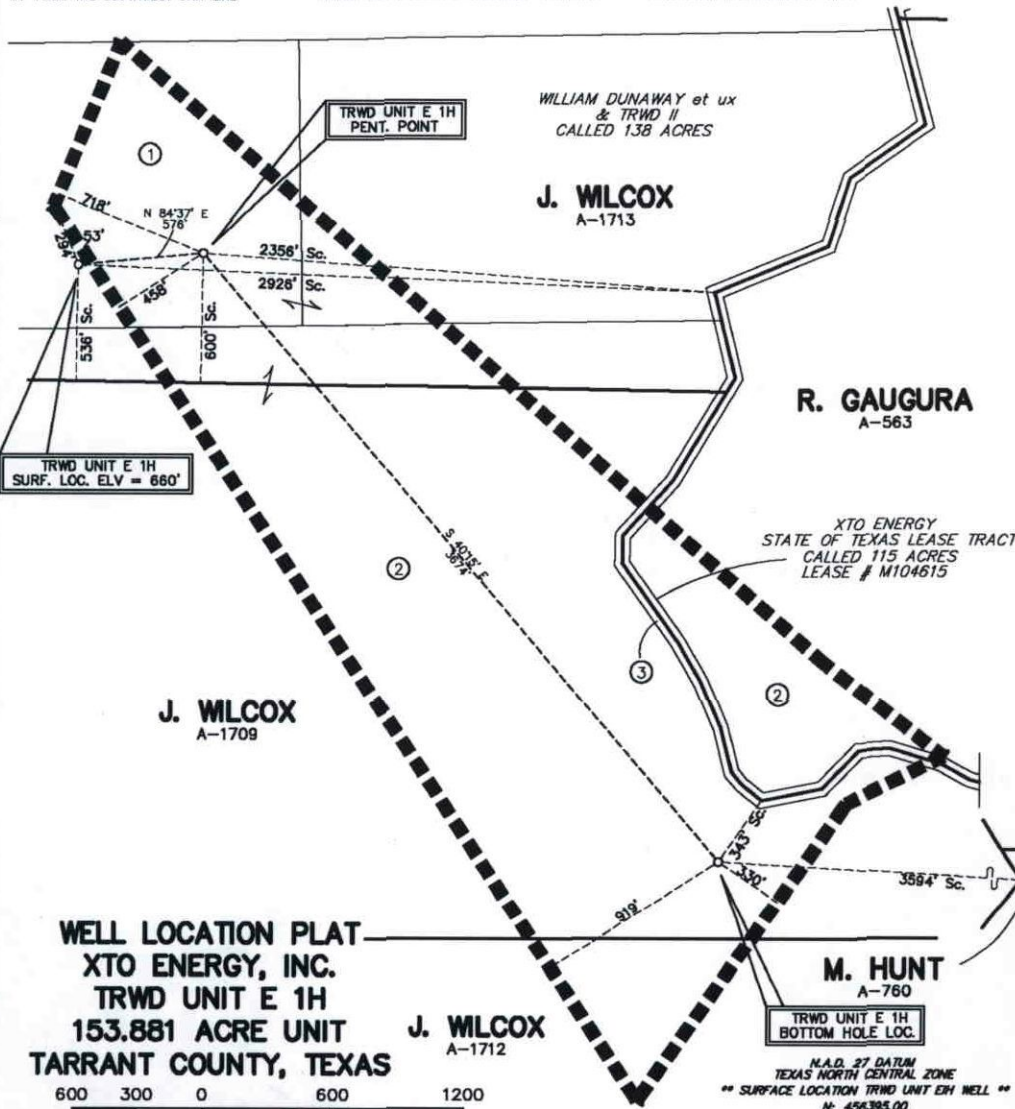
+00'09"22".65



SURFACE LOCATION TRWD UNIT E1H WELL,
 IN THE J. WILCOX SURVEY, A-1713
 BEING 536' FROM THE SOUTH LINE OF SAME
 ALSO BEING THE NORTH LINE OF THE J. WILCOX
 SURVEY, A-1709, AND BEING
 2928' FROM THE EAST LINE OF THE
 J. WILCOX SURVEY, A-1713, SAME.
 BEING THE WEST LINE OF THE R. GAUGURA
 A-563, SAID POINT BEING 294' FROM
 THE WEST UNIT LINE CORNER, AND BEING
 53' FROM THE SOUTHWEST UNIT LINE.

PENETRATION POINT TRWD UNIT E1H WELL,
 IN THE J. WILCOX SURVEY, A-1713
 BEING 600' FROM THE SOUTH LINE OF SAME
 ALSO BEING THE NORTH LINE OF THE
 J. WILCOX SURVEY, A-1709, AND BEING
 2356' FROM THE EAST LINE OF THE
 J. WILCOX SURVEY, A-1713, SAME.
 BEING THE WEST LINE OF THE R. GAUGURA
 SURVEY, A-563, SAID POINT BEING 718' FROM
 THE NORTHWEST UNIT LINE, SAID POINT ALSO
 BEING 458' FROM THE SOUTHWEST UNIT LINE.

BOTTOM HOLE TRWD UNIT E1H WELL,
 IN THE J. WILCOX SURVEY, A-1709
 BEING 343' FROM THE NORTHEAST LINE OF
 SAME ALSO BEING THE SOUTHWEST LINE OF THE
 R. GAUGURA SURVEY, A-563, AND BEING
 3594' FROM THE EAST LINE OF THE
 J. WILCOX SURVEY, A-1709, SAME
 BEING THE WEST LINE OF THE M. HUNT SURVEY
 A-760, SAID POINT BEING 330' FROM
 THE SOUTHEAST UNIT LINE, SAID POINT ALSO BEING
 919' FROM THE SOUTHWEST UNIT LINE.



WELL LOCATION PLAT
XTO ENERGY, INC.
TRWD UNIT E 1H
153.881 ACRE UNIT
TARRANT COUNTY, TEXAS

J. WILCOX
 A-1712

M. HUNT
 A-760



1" = 600'

WALKER & ASSOCIATES SURVEYING, INC.
 TYLER, TEXAS PH: 903-534-9000

I, Dennis H. Walker, Registered Professional Land Surveyor do hereby state that this plat was prepared from a partial survey and from public record information and is true and correct to the best of my knowledge.

GIVEN UNDER MY HAND AND SEAL, this the 19th day of June, 2007.

By: _____
 Dennis H. Walker
 Registered Professional Land Surveyor
 State of Texas No. 2117



N.A.D. 27 DATUM
 TEXAS NORTH CENTRAL ZONE
 ** SURFACE LOCATION TRWD UNIT E1H WELL **
 N: 456395.00
 E: 1996661.00
 LAT: 32°55'16".29
 LONG: 97°30'39".17

** PENETRATION POINT TRWD UNIT E1H WELL **
 N: 458440.14
 E: 1997234.87
 LAT: 32°55'16".29
 LONG: 97°30'32".44

** BOTTOM HOLE TRWD UNIT E1H WELL **
 N: 453644.95
 E: 1998608.71
 LAT: 32°54'49".08
 LONG: 97°30'04".59

Surface Location is located
 2.3 Miles Southwest of NEWARK
 "AZLE" Quadrangle

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The Bearing Base is "GRID", N.A.D. 27' Datum, Tx. North Central Zone, Convergence: +00°09'22".65 at the Surface Location.

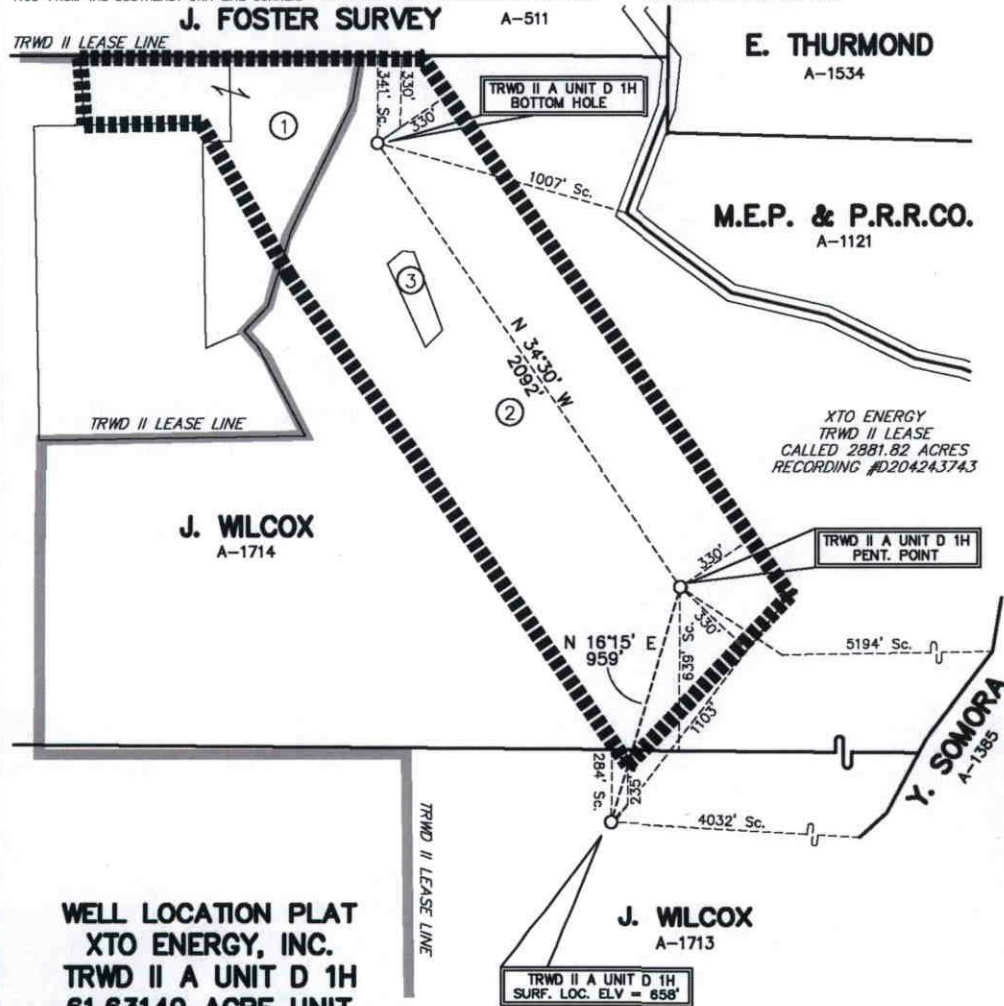
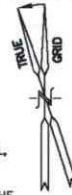
SURFACE LOCATION TRWD II W D UNIT 2H WELL, IN THE J. WILCOX SURVEY, A-1713 BEING 284' FROM THE NORTH LINE OF SAME ALSO BEING THE SOUTH LINE OF THE J. WILCOX SURVEY, A-1714, AND BEING 4032' FROM THE EAST LINE OF THE J. WILCOX SURVEY, A-1713, SAME BEING A WEST LINE OF THE Y SOMORA, A-1385, SAID POINT BEING 235' FROM THE SOUTH UNIT LINE CORNER, AND BEING 1103' FROM THE SOUTHEAST UNIT LINE CORNER.

PENETRATION POINT TRWD II W D UNIT 2H WELL, IN THE J. WILCOX SURVEY, A-1714 BEING 639' FROM THE SOUTH LINE OF SAME ALSO BEING THE NORTH LINE OF THE J. WILCOX SURVEY, A-1713, AND BEING 5194' FROM THE EAST LINE OF THE J. WILCOX SURVEY, A-1714, SAME BEING THE WEST LINE OF THE Y SOMORA SURVEY, A-1385, SAID POINT BEING 330' FROM THE SOUTHEAST UNIT LINE, SAID POINT ALSO BEING 330' FROM THE NORTHEAST UNIT LINE.

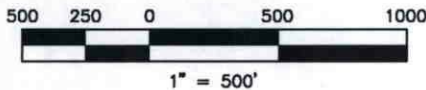
BOTTOM HOLE TRWD II W D UNIT 2H WELL, IN THE J. WILCOX SURVEY, A-1714 BEING 341' FROM THE NORTH LINE OF SAME ALSO BEING THE SOUTH LINE OF THE J. FOSTER SURVEY, A-511, AND BEING 1007' FROM THE EAST LINE OF THE J. WILCOX SURVEY, A-1714, SAME BEING THE WEST LINE OF THE M.E.P. & P.R.R. CO. A-1121, SAID POINT BEING 330' FROM THE NORTH UNIT LINE, SAID POINT ALSO BEING 330' FROM THE EAST UNIT LINE.

1	- CALLED 9.00249 ACRES	KRISTI M. PRUETT et al
2	- CALLED 51.979 ACRES	T.R.W.D. II
3	- CALLED 0.65 ACRES	RICHARD DON WOODALL et al
61.63149 TOTAL CALLED ACRES IN UNIT		

+00°09'22".65



**WELL LOCATION PLAT
XTO ENERGY, INC.
TRWD II A UNIT D 1H
61.63149 ACRE UNIT
TARRANT COUNTY, TEXAS**



WALKER & ASSOCIATES SURVEYING, INC.
TYLER, TEXAS PH: 903-534-9000

I, Dennis H. Walker, Registered Professional Land Surveyor do hereby state that this plat was prepared from a partial survey and from public record information and is true and correct to the best of my knowledge.

GIVEN UNDER MY HAND AND SEAL, this the 27th day of July, 2007.

By: Dennis H. Walker
Registered Professional Land Surveyor
State of Texas No. 2117



N.A.D. 27 DATUM
TEXAS NORTH CENTRAL ZONE
** SURFACE LOCATION TRWD II A UNIT D 1H WELL **
N: 459419.31
E: 1997256.35
LAT: 32°55'48".22
LONG: 97°30'32".19

** PENETRATION POINT TRWD II A UNIT D 1H WELL **
N: 459150.45
E: 1997441.12
LAT: 32°55'43".56
LONG: 97°30'30".02

** BOTTOM HOLE TRWD II A UNIT D 1H WELL **
N: 461143.20
E: 1998071.58
LAT: 32°55'03".28
LONG: 97°30'46".10

Surface Location is located
2.9 Miles Northeast of AZLE
"AZLE" Quadrangle

COLLECTOR

SAA CHECKED BY CHJ

J8785

15.

The President and presiding officer next called an executive session at 10:17 a.m. under V.T.C.A., Government Code, Chapter 551.071 to consider pending or contemplated litigation - Oklahoma water resources; and under Chapter 551.072 to consider oil and gas issues.

16.

Upon completion of the executive session at 10:34 a.m., the President reopened the meeting.

17.

With the recommendation of management, Director Stevens moved to approve an oil and gas lease to Chesapeake Exploration L.L.C. for terms of \$586,165, 27.6% royalty, three (3) year primary term for the Water District's mineral interest in 39.74 net acres, more or less, as shown on the plat below.



In addition, Ken Brummett is granted authority to execute the lease and all other documents necessary to complete this transaction. Director Lane seconded the motion and the vote in favor was unanimous.

18.

With the recommendation of management, Director Sparks moved to approve an oil and gas lease to XTO Energy Inc. for terms of \$2,288,236.90, 25% royalty, three (3) year primary term for the Water District's mineral interest in 133.729 net acres, more or less, as shown on the plat below.

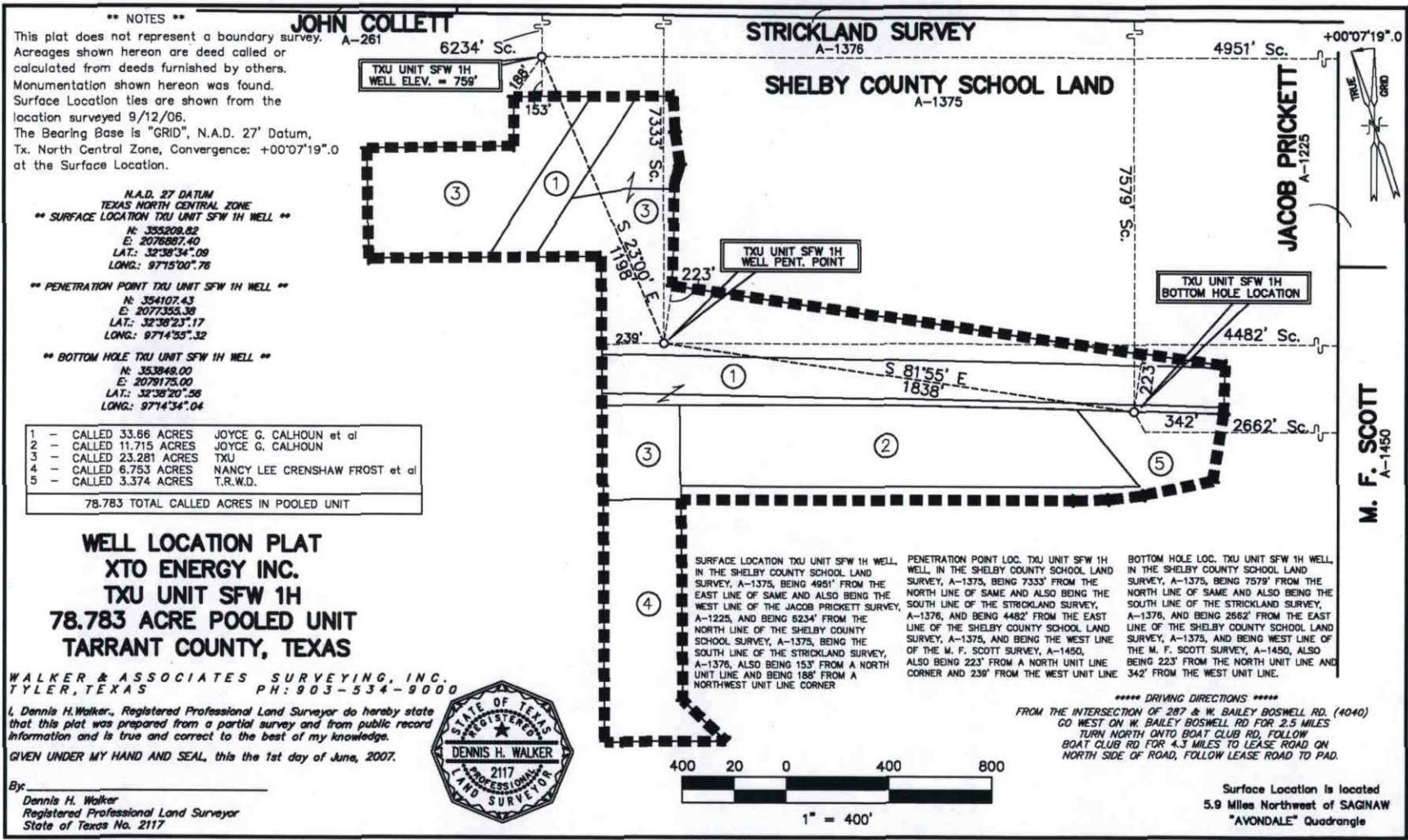


In addition, Ken Brummett is granted authority to execute the lease and all other documents necessary to complete this transaction. Director Leonard seconded the motion and the vote in favor was unanimous.

19.

With the recommendation of management, Director Lane moved to approve an oil and gas lease with XTO Energy Inc. in and to those lands shown on the plat below for terms of \$11,809, 25% royalty, three (3) year primary term for the Water District's mineral interest in 3.374 net acres, more or less.

Director Leonard seconded the motion and the vote in favor was unanimous.



**** NOTES ****
 This plat does not represent a boundary survey.
 Acreages shown hereon are deed called or calculated from deeds furnished by others. Monumentation shown hereon was found. Surface Location ties are shown from the location surveyed 9/12/06. The Bearing Base is "GRID", N.A.D. 27' Datum, Tx. North Central Zone, Convergence: +00°07'19".0 at the Surface Location.

**N.A.D. 27 DATUM
 TEXAS NORTH CENTRAL ZONE**
**** SURFACE LOCATION TXU UNIT SFW 1H WELL ****
 N: 355208.82
 E: 2076887.40
 LAT: 32°38'34".09
 LONG: 97°15'00".78

**** PENETRATION POINT TXU UNIT SFW 1H WELL ****
 N: 354107.43
 E: 2077355.38
 LAT: 32°38'23".17
 LONG: 97°14'55".32

**** BOTTOM HOLE TXU UNIT SFW 1H WELL ****
 N: 353848.00
 E: 2078175.00
 LAT: 32°38'20".56
 LONG: 97°14'34".04

1	- CALLED 33.66 ACRES	JOYCE G. CALHOUN et al
2	- CALLED 11.715 ACRES	JOYCE G. CALHOUN
3	- CALLED 23.281 ACRES	TXU
4	- CALLED 6.753 ACRES	NANCY LEE CRENSHAW FROST et al
5	- CALLED 3.374 ACRES	T.R.W.D.
78.783 TOTAL CALLED ACRES IN POOLED UNIT		

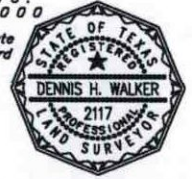
**WELL LOCATION PLAT
 XTO ENERGY INC.
 TXU UNIT SFW 1H
 78.783 ACRE POOLED UNIT
 TARRANT COUNTY, TEXAS**

WALKER & ASSOCIATES SURVEYING, INC.
 TYLER, TEXAS PH: 903-534-9000

I, Dennis H. Walker, Registered Professional Land Surveyor do hereby state that this plat was prepared from a partial survey and from public record information and is true and correct to the best of my knowledge.

GIVEN UNDER MY HAND AND SEAL, this the 1st day of June, 2007.

By _____
 Dennis H. Walker
 Registered Professional Land Surveyor
 State of Texas No. 2117



SURFACE LOCATION TXU UNIT SFW 1H WELL, IN THE SHELBY COUNTY SCHOOL LAND SURVEY, A-1376, BEING 4951' FROM THE EAST LINE OF SAME AND ALSO BEING THE WEST LINE OF THE JACOB PRICKETT SURVEY, A-1225, AND BEING 6234' FROM THE NORTH LINE OF THE SHELBY COUNTY SCHOOL SURVEY, A-1375, BEING THE SOUTH LINE OF THE STRICKLAND SURVEY, A-1376, ALSO BEING 153' FROM A NORTH UNIT LINE AND BEING 188' FROM A NORTHWEST UNIT LINE CORNER

PENETRATION POINT LOC. TXU UNIT SFW 1H WELL, IN THE SHELBY COUNTY SCHOOL LAND SURVEY, A-1375, BEING 7333' FROM THE NORTH LINE OF SAME AND ALSO BEING THE SOUTH LINE OF THE STRICKLAND SURVEY, A-1376, AND BEING 4482' FROM THE EAST LINE OF THE SHELBY COUNTY SCHOOL LAND SURVEY, A-1375, AND BEING WEST LINE OF THE M. F. SCOTT SURVEY, A-1450, ALSO BEING 223' FROM A NORTH UNIT LINE CORNER AND 239' FROM THE WEST UNIT LINE

BOTTOM HOLE LOC. TXU UNIT SFW 1H WELL, IN THE SHELBY COUNTY SCHOOL LAND SURVEY, A-1375, BEING 7579' FROM THE NORTH LINE OF SAME AND ALSO BEING THE SOUTH LINE OF THE STRICKLAND SURVEY, A-1376, AND BEING 2662' FROM THE EAST LINE OF THE SHELBY COUNTY SCHOOL LAND SURVEY, A-1375, AND BEING WEST LINE OF THE M. F. SCOTT SURVEY, A-1450, ALSO BEING 223' FROM THE NORTH UNIT LINE AND 342' FROM THE WEST UNIT LINE.

******* DRIVING DIRECTIONS *******
 FROM THE INTERSECTION OF 287 & W. BAILEY BOSWELL RD. (4040)
 GO WEST ON W. BAILEY BOSWELL RD FOR 2.5 MILES
 TURN NORTH ONTO BOAT CLUB RD. FOLLOW
 BOAT CLUB RD. FOR 4.3 MILES TO LEASE ROAD ON
 NORTH SIDE OF ROAD, FOLLOW LEASE ROAD TO PAD.

Surface Location is located
 5.9 Miles Northwest of SAGNAW
 "AVONDALE" Quadrangle

WA437/11

C.H.J. CHECKED BY W.J.C.

Revised 08/09/07 J9526

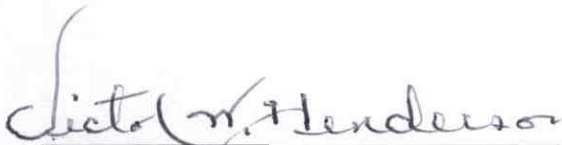
In addition, Ken Brummett is granted authority to execute the lease and all other documents necessary to complete this transaction. Director Leonard seconded the motion and the vote in favor was unanimous.

20.

The Board of Directors viewed the quarterly video update.

21.

There being no further business before the Board of Directors, the meeting was adjourned.



President



Secretary