

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
HORIZON REGIONAL M.U.D.**

A special meeting of the Board of Directors of the Horizon Regional M.U.D. was held on Wednesday May 12, 2021 at 10:00 a.m. via Zoom at 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

The roll was called off the members of the board, to-wit:

Gordon Jarvis	-	President
John Whitaker	-	Vice President
Dean Hulsey	-	Treasurer
<i>vacant</i>	-	Secretary
Mike Barton	-	Assistant Secretary

Director Gordon Jarvis called the meeting to order at 10:10 a.m. A quorum was established. Also attending the meeting was Account Manager Carlos McGinnis, Customer Service Rep II Veronica Saucedo. TRE & Associates – Linda Troncoso, John Jansing, Adrian Rosas. Johnson Petrov LLP – Zachary Petrov. The Pledge of Allegiance was said with audience participation.

4. CITIZEN COMMUNICATIONS.

No citizen communications.

5. ELECTION AGENDA:

A. Adopt Order Canvassing Returns and Declaring Results of Bond Election;

Orden del Dia Referente a la Eleccion:

B. *Adoptar la Orden de Escrutinio de Resultados y de Resultados de la Eleccion;*

Mr. Zachary Petrov received and presented the final election results from El Paso County. For Proposition A, \$225 million bond 334 voted for, 139 voted against. Proposition past

with 70% to 30%. For Proposition B, refunding bond, 307 voted for, 170 voted against. Proposition passed with 64% to 36%.

Director Hulsey made motion to approve the results of the election and was seconded by Director Barton.

After no opposition motion passed and was accepted.

6. **CONSIDER AND TAKE ACTION ON AMENDMENT TO EASEMENT OF WELL GATHERING LINE.**

Ms. Troncoso reported they had been negotiating the easement amendment for the well gathering line that feeds Wells 10 and 11 from the new property owners. They are in the final drafts of the document but have not had a chance to get it approved by Mr. Alan Petrov or Mr. Zachary Petrov. Ms. Troncoso requested to authorize Engineering Committee, Director Jarvis and Director Whitaker, to review and with Mr. Alan Petrov or Mr. Zachary Petrov's consent execute it & not have to wait for next meeting.

Director Hulsey made motion to delegate approval to Engineering Committee and was seconded by Director Whitaker.

After no opposition motion passed.

7. **CONSIDER AND TAKE ACTION ON ADDITIONAL SERVICES FOR PILOT INJECTION WELL DEVELOPMENT.**

Mr. John Jansing discussed and presented progress for pilot injection well. The current status, work to clear borehole to 4,000 feet and install last 1,600 feet of liner was stalled by consistent sloughing of the bore that was caused by the saturation of intermittent shale layers causing it to swell and become unstable. It was determined that the presence of fresh water pumped into bore during drilling initiated the action. Mr. Jansing reported it could be resolved by mud-rotary drilling or air drilling and gave description of what each would consist of. Mr. Jansing received proposals from Santa Rosa to do the mud-rotary drilling at a proposed cost of \$485,372.00. He also received a proposal from Integrity Services to

use air drilling at a proposed cost of \$640,300.00.

Motion was made by Director Hulsey to approve proposal by Integrity Services and was seconded by Director Whitaker.

After no opposition motion passed.

8. REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD

There being no further business before the Board meeting, Director Hulsey made motion to adjourn was seconded by Director Barton. Meeting was adjourned at 10:39 a.m.

READ, APPROVED, AND ADOPTED THIS 24th DAY OF JUNE 2021.



GORDON JARVIS, PRESIDENT
Board of Directors
Horizon Regional M.U.D.



MIKE BARTON, ASSISTANT SECRETARY
Board of Directors
Horizon Regional M.U.D.

CM/VS