

OKLAHOMA WATER RESOURCES BOARD MEETING INFORMATION

The Oklahoma Water Resources Board meets monthly in accordance with the date, time, and location shown on the final posted agenda. A draft Board meeting agenda and packet materials are scheduled to be prepared approximately 10 calendar days prior to the Board's meeting. A final agenda is scheduled to be posted at least 24 hours prior to the meeting. The standard sections of the agenda are numbered in a series; additional or special items will appear on the agenda subsequently. Standard sections include the following:

- 01000 = Call to Order
- 02000 = Financial Assistance Division
- 03000 = Summary Disposition Agenda
- 04000 = Items of Interest
- 05000 = Special Consideration Items

This meeting packet contains expanded information (summary documents, proposed orders, etc.) associated with individual agenda items. Each section of the packet contains a cover sheet noting the appropriate corresponding agenda item/number. (For example, to locate agenda item 2.D., concerning a grant or loan, review the packet for the section labeled, "2. Financial Assistance Division," which will begin on page 02000. Item D. is placed in alphabetical order in the section and is labeled accordingly.) The documents and information provided within the meeting packet are draft until approved by the Board. Please contact OWRB staff for the final, official documents as approved by the Board.

If you require assistance in locating an item or accompanying documents, please contact OWRB staff at (405) 530-8800.

1.B.

**February 25, 2025, Special Meeting Draft Official Minutes
For consideration at the March 18, 2025 Board Meeting**

CALL TO ORDER

The Special Meeting of the Oklahoma Water Resources Board was called to order by Madam Chair Jennifer Castillo, on February 25, 2025, at 9:33 a.m. at the Oklahoma Water Resources Board located at 3800 N. Classen Blvd. Oklahoma City, Oklahoma 73118. The meeting was conducted pursuant to the Oklahoma Open Meeting Law with due and proper notice provided pursuant to Sections 303 and 311 thereof. The agenda was posted on February 21, 2025, at 1:30 p.m., at the Oklahoma Water Resources Board's offices at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma.

A. Roll Call. Madam Chair Castillo welcomed everyone to the meeting and asked for the roll call of members.

Board Members Present

Robert Stallings, Jr.
Ron Justice
Suzanne Landess
Darren Cook
Jennifer Castillo

Board Members Absent

Bob Latham
Tom Gorman
Matt Muller
Jarred Campbell

Staff Members Present

Julie Cunningham, Executive Director
Sara Gibson, General Counsel
Tamara Lilly, Executive Administrator
Lori Johnson, Chief, Financial Assistance Division
Bill Cauthron, Chief, Water Quality Programs Division
Chris Neel, Chief, Planning and Management Division
Cleve Pierce, Chief, Administrative Services Division

Others Attending

Mary Stallings
David Widdoes, City of Sapulpa
Stuart England, Floyd & Driver
Rusty Whisenhunt, Lawton Water Authority
Joan Riley, City of Sapulpa
JR Welch, OKAC
Randy McDaniel, BancFirst
Chris Gander, BOKFS
Bodies Bachelor, Centennial Law
Emily Criswell, Centennial Law
Marla Peek, Ok Farm Bureau

B. Discussion, Amendments and Vote to Approve Official Minutes of January 21, 2025, Regular Meeting. Madam Chair Castillo inquired if all members reviewed the minutes of the January 21, 2025, meeting and if no questions, or changes, requested a motion to approve. No comments or amendments; Mr. Justice motioned to approve, and Ms. Landess seconded the motion. Madam Chair Castillo called for the vote.

AYE: Stallings, Justice, Landess, Cook, Castillo
NAY: None
ABSTAIN: None
ABSENT: Gorman, Latham, Muller, Campbell

C. Executive Director's Report:

Director Cunningham reported that Mr. Owen Mills will be departing OWRB for a position at our sister agency, DEQ. Owen has overseen the Oklahoma Comprehensive Water Plan and has done amazing outreach work across the state of Oklahoma. This outreach efforts include policy changes, infrastructure changes and water resiliency which is reported back to the legislature.

Drought in Oklahoma is stable but lower rainfall in SW Oklahoma. The outlook shows Western half of the state to be in full drought by the end of May.

OWRB has had several meetings with Oklahoma Farm Bureau, who had created a water working group. Many good questions and strategies have come out of these meetings.

We have several budget hearings this month and participated in the Guymon Mesa Water Project groundbreaking and was a great turnout.

Met with the new Cabinet Secretary, Jeff Starling, and he spent a few hours with us and asked multiple questions and is eager to learn more about what OWRB does. He was very complimentary of staff and our team.

Robby Short gave the legislative report and mentioned several infrastructure, water metering and measuring bills as well. OWRB has one request bill, and it is moving through the process. The statute caps our REAP and Emergency funding at \$250,000 and we have asked the legislature to increase that cap to continue funding large projects.

Our funding sources on the Federal side have had several layoffs but currently, our programs are not frozen, and our funding is continuing for our infrastructure and programs.

D. Financial Update

Mr. Cleve pierce, Chief Administrative Services Division, presents the budget report for the period ending January 2025. Mr. Pierce reports the agency has spent 43 % of its appropriated budget leaving 57 %; spent 35% of its revolving budget, leaving 65%; has spent 21% of its federal budget, leaving 79%. Overall, the total budget remains is 33% with 42% of the year remaining.

2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for the Sapulpa Municipal Authority, Creek County, Oklahoma. Recommended for Approval.

This is a \$9,000,000 loan request from the Sapulpa Municipal Authority. (approx. int. rate 4.75%)

They have requested the funds to install backup generators for their water and wastewater treatment facilities, conduct sanitary sewer analyses, expand their wastewater collection system to meet the growth demands, and upgrades at their wastewater treatment plant and various lift stations. The loan will be funded through FAP state revenue bond loan program with a fixed interest rate plus an admin fee and a maturity not to exceed 30 years.

The loan will be secured with a subordinate lien on Sapulpa's water, sewer, sanitation, and stormwater system revenues and a 1.3 cents sales tax.

Sapulpa has 1 outstanding loan with the board with a principal balance of approximately \$5 million and their debt coverage ratio stands at 2.1 times.

Madam Chair Castillo inquired if there were any questions, need for discussion or a motion to approve. Mr. Cook motioned to approve, and Mr. Stallings seconded the motion. Madam Chair Castillo called for the vote.

AYE: Stallings, Justice, Landess, Cook, Castillo

NAY: None

ABSTAIN: None

ABSENT: Gorman, Latham, Muller, Campbell

B. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for The Lawton Water Authority, Comanche County, Oklahoma. Recommended for Approval.

This is a \$21,000,000 loan request from The Lawton Water Authority. (\$1,000,000 expected to be LF; 3.78% approx. int. rate) They have requested the funds to replace approximately 33,000 linear feet of aging water mains in the distribution system. The loan will be funded through the Drinking Water SRF loan program with a fixed interest rate plus an admin fee and a maturity not to exceed 30 years. The loan will be secured with a lien on Lawton's water, sewer, and sanitation systems revenues. Lawton is a long-time borrower of the board's and is in good standing with a principal balance of approximately \$190 million and their debt coverage ratio stands at 1.48 times.

Madam Chair Castillo inquired if there were any questions, need for discussion or a motion to approve. Mr. Justice motioned to approve, and Mr. Stallings seconded the motion. Madam Chair Castillo called for the vote.

AYE: Stallings, Justice, Landess, Cook, Castillo

NAY: None

ABSTAIN: None

ABSENT: Gorman, Latham, Muller, Campbell

C. Overview of the Jan. 21, 2025, Board Audit Committee Meeting on Financial Assistance Division Programs.

Ms. Johnson presented on the audit findings of OWRB audit. All documents are available publicly on our website for review. These programs include our Clean Water SRF loan funds and accounts and our Drinking water SRF loan funds and accounts. We are proud to report there were no audit findings and had clean audits.

3. SUMMARY DISPOSITION AGENDA ITEMS

Any item listed under this Summary Disposition Agenda may, at the request of any member of the Board, the Board's staff, or any other person attending this meeting, be transferred to the Special Consideration Agenda. Under the Special Consideration Agenda, separate discussion and vote or other action may be taken on any items already listed under that agenda or items transferred to that agenda from this Summary Disposition Agenda.

A. Requests to Transfer Items from Summary Disposition Agenda to the Special Consideration Agenda and Action on Whether to Transfer Such Items.

B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Possible Action on Items Listed Below.

C. Consideration of and Possible Action on Financial Assistance Division Items:

1. Emergency Grant Applications:
None.

2. Rural Economic Action Plan (REAP) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
ASCOG a.	FAP-25-0052-R	Town of Hydro	Caddo	\$ 150,000.00
COEDD b.	FAP-25-0028-R	Wellston Public Works Authority	Lincoln	\$ 79,426.59
EODD c.	FAP-25-0014-R	Porum Public Works Authority	Muskogee	\$ 99,999.00
INCOG d.	FAP-25-0081-R	Mounds Public Works Authority	Creek	\$ 99,900.00
GGEDA e.	FAP-25-0060-R	The Big Cabin Public Works Authority	Craig	\$ 99,999.00
KEDDO f.	FAP-25-0012-R	Quinton Public Works Authority	Pittsburg	\$ 99,999.00

3. CWSRF Principal Forgiveness Loan Applications:
None.

4. DWSRF Principal Forgiveness Loan Applications:
None.

5. Sewer Overflow and Stormwater Reuse Municipal Grants (“OSG”)
None.

6. American Rescue Plan Act (ARPA) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
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a. ARP-23-0259-G Sapulpa Creek \$ 1,786,500.00
Municipal Authority

D. Consideration of and Possible Action on the Contracts and Agreements:

1. Statement of Work between Gold Systems and OWRB to provide improved data storage and data access tools for water quality monitoring.
2. Joint Funding Agreement between the United States Geological Survey and OWRB providing for the construction and calibration of a Soil-Water-Balance model and a regional numerical groundwater-flow model of the Ogallala aquifer.
3. State of Oklahoma Contract between the Oklahoma Alliance Consultants, LLC and the OWRB for training, technical assistance, and planning services for water and wastewater systems.
4. For Agency Infrastructure Modernization – Revision 2 to OWRB Azure Cloud Computing Infrastructure as a Service (IAAS) and Platform as a Service (PAAS) Instance Creation. This revision is for installing and setting up a Microsoft tool that automates tasks currently done manually. This includes things like sending scheduled emails automatically and syncing data between old and new databases without manual intervention. This will enhance efficiency in various applications, including the Online Intent to Drill and future online water use reporting system now being developed.
5. Amendment to Professional Services Agreement between OWRB and Carollo Engineers, Inc to extend the date of service and increase budget in connection with the Board’s Oklahoma Comprehensive Water Plan Project.
6. No-Cost Amendment to Professional Engineering Services Agreement between OWRB and Lynker Technologies extending the term of the Upper Washita River CRAM model and run scenarios agreement.

E. Consideration of and Possible Action on Applications for Temporary Permits to Use Groundwater:
None

F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:
None

- G. Consideration of and Possible Action on Applications for Regular Permits to Use Groundwater:
1. Russell Isaacs and Alice Isaacs, Beaver County, 2023-535
 2. Shelly Ervin, Cleveland County, 2023-669
 3. Roy Henry and Angela Kay Heinrich Family Trust, Canadian County, 2024-516
 4. Ronnie Martin and Deena Martin, Beckham County, 2024-645

H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:
None

I. Consideration of and Possible Action on Applications to Amend Prior Right to Use

Groundwater:

None

J. Consideration of and Possible Action on Applications to for Term/Seasonal Permits to Use Stream Water:
None

K. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:
None

L. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Stream Water:
None

M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:

1. New Licenses, Accompanying Operator Certificates and Activities:

- | | |
|--------------------------------------|----------|
| A. Licensee: Aqua Flow LLC | DPC-1121 |
| 1. Operator: Ryan Mcmillan | OP-2570 |
| Activities: Pump Installation | |
| B. Licensee: Tim Riddlespurger | DPC-1123 |
| 2. Operator: Tim Riddlespurger | OP-2571 |
| Activities: Cathodic Protection only | |
| C. Licensee: Candor Pump OK Inc | DPC-1125 |
| 3. Operator: Clayton Whaley | OP-2575 |
| Activities: Pump installation | |

2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:

- | | |
|--|----------|
| A. Licensee: Associated Environmental Industries | DPC-0363 |
| 1. Operator: Corey Walden | OP- 2572 |
| Activities: Monitoring wells | |
| B. Licensee: Authentic Drilling LLC | DPC-0967 |
| 2. Operator: Nicholas Klotz | OP- 2573 |
| Activities: Monitoring wells | |
| C. Licensee: Handy Randys Pump Service | DPC-0760 |
| 3. Operator: Elijah Adams | OP- 2574 |
| Activities: Pump installation | |

N. Consideration of and Possible Action on Dam and Reservoir Construction:

1. Hunter Lake Dam, Kiowa County, OK11027
2. Hominy Municipal Lake, Osage County, OK01344

O. Consideration of and Possible Action on Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
None.

P. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:

1. Gary Bolling, City of Harrah, #FPA-10
2. Becky Brown, Town of Dewar, #FPA-635
3. Cailyn Prather, City of Yukon, #FPA-158

Q. Consideration of and Possible Action on a Proposed Default Order:

- 1. Ber Thao, Delaware County, 2023-658

R. Consideration of and Possible Action on a Proposed Order for Summary Judgement:

- 1. Miroslav Kadiyski, Delaware County, 2023-603

S. Consideration of and Possible Action on a Proposed Default Order:

- 1. Parthenia Lake Dam, Creek County, OK00563

Madam Chair Castillo inquired if there were any questions, need for discussion or a motion to approve. Mr. Stallings motioned to approve, and Mr. Justice seconded the motion. Madam Chair Castillo called for the vote.

AYE: Stallings, Justice, Landess, Cook, Castillo

NAY: None

ABSTAIN: None

ABSENT: Gorman, Latham, Muller, Campbell

04000 4. QUESTIONS AND DISCUSSION ABOUT AGENCY MATTERS AND OTHER ITEMS OF INTEREST

- A. No items

Chairman Jennifer Castillo

05000 5. SPECIAL CONSIDERATION

Chairman Jennifer Castillo

- A. No Special Consideration items.

- B. Consideration of and Possible Action on Items Transferred from Summary Disposition, if any.

06000 6. ADJOURNMENT

Chairman Jennifer Castillo

The next regular meeting of the Oklahoma Water Resources Board will be held on Tuesday, March 18, 2025, at 9:30 am. In the offices of the OWRB, 3800 N. Classen Boulevard, Oklahoma City, OK 73118.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

Thomas Gorman, Vice Chairman

Matt Muller

Darren Cook

Ron Justice

Bob. Latham

Robert L. Stallings, Jr.

Jarred Campbell

ATTEST:

Suzanne Landess, Secretary (SEAL)

1. D. FINANCIAL UPDATE

1. D.1. Monthly Budget Report



FEBRUARY 2025 FOR FY2025 FY 2025 Revenues and Expenses

Revenues	Fund	General Revenue	Budgeted	Expended	Balance	Percentage Remaining
	19411	1	FY 24 Carryover	188,806	26,820	161,986
19501	1	FY 25 Appropriation	6,003,372	3,098,156	2,905,216	48%
Total General Revenue			6,192,178	3,124,976	3,067,202	50%
Revolving Funds						
21000	2	Drillers Indemnity Fund	50,000	0	50,000	100%
21500	3	OWRB Revolving Fund	5,509,081	2,596,658	2,912,423	53%
23500	4	Phase II A-S Hydro St Rev Fund	211,412	857	210,555	100%
24000	5	Revolving Fund	914,000	737,428.89	176,571	19%
24500	6	Drillers Regulation Fund	0	0	0	
25000	7	Water Infrastructure Dev. Fund (OCWP)	3,674,861	1,158,446	2,516,415	68%
42000	8	USGS Cooperative Agreement	351,600	12,775	338,825	96%
44400	9	DW Loan Administration Fund	1,507,037	380,223	1,126,814	75%
44500	10	CW Loan Administration Fund	2,520,581	1,047,434	1,473,147	58%
Total Revolving Funds			14,738,572	5,933,821	8,804,751	60%
Federal Funds						
40000	11	Federal Fund - General	1,177,679	492,980	684,699	58%
40700	12	Federal Fund - Engineering and Planning	4,578,738	697,835	3,880,903	85%
49700	13	Federal Fund - *ARPA	1,441,330	534,035	907,295	63%
Total Federal Funds			7,197,747	1,724,850	5,472,897	76%
Total Funding			28,128,497	10,783,647	17,344,850	62%
Expenses			Budgeted	Expended	Balance	Percentage Remaining
	510000	14	Salary Expense	8,278,646	5,200,424	3,078,222
512000	15	Insurance	1,488,665	864,824	623,841	42%
513000	16	FICA and Retirement	1,994,985	1,233,493	761,492	38%
515000	17	Professional Services	10,064,106	2,162,166	7,901,940	79%
519000	18	Flexible Benefits	16,000	9,223	6,777	42%
Total Personal Services			21,842,402	9,470,130	12,372,272	57%
520000	19	Travel Expense	672,093	208,155	463,938	69%
530000	20	Administrative Expense	1,367,004	672,854	694,150	51%
540000	21	Furniture and Equipment Expense	695,975	75,788	620,187	89%
550000	22	Intra Inter Agency Payments	3,551,023	356,720.62	3,194,302	90%
Total Operating Expenses			6,286,095	1,313,517	4,972,578	79%
Total Expenditures			28,128,497	10,783,647	17,344,850	62%

*American Recovery and Reinvestment Act (ARPA)

Percentage of Year Remaining

33%

2. FINANCIAL ASSISTANCE DIVISION

March 18, 2025

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Marietta Public Works Authority, Love County

Loan Application No.: ORF-22-0019-DW
 Drinking Water SRF Loan (“DWSRF Loan”)

Funding Requested: \$2,541,828.00

Loan Interest Rate: The DWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

Loan Payment Term: Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

Loan Security Position: The DWSRF loan shall be secured with a lien on the revenues of the applicant's water and sewer systems and may include a mortgage on the applicant's water and sewer systems and other real property.

Purpose: This loan was originally approved by the Board on March 19, 2024 in the amount of \$5,750,000.00 and subsequently closed a portion of the loan on June 3, 2024, in the amount of \$3,208,172.00. They have requested an extension of that approval for the remaining \$2,541,828.00 that will be closed in a separate loan.

The applicant will utilize the loan proceeds to: (i) construct an elevated storage tank, refurbish an existing storage tank, construct a groundwater well with a chlorination feed system, install waterline from the new groundwater well to the new elevated storage tank, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
Loan Proceeds	\$5,750,000.00	Project	\$5,690,350.00
		Bond Counsel	57,650.00
		Local Counsel	15,000.00
		Trustee Bank	500.00
Total	\$5,750,000.00	Total	\$5,750,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-22-0019-DW IN THE NAME OF)
MARIETTA PUBLIC WORKS AUTHORITY)
LOVE COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING EXTENSION
OF TIME FOR OBLIGATION OF FUNDS**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 18th day of March, 2025. After consideration of a presentation by staff, the Board finds as follows:

1. On March 19, 2024, the Board approved a \$5,750,000.00 loan to Marietta Public Works Authority to provide funds to construct an elevated storage tank, refurbish an existing storage tank, construct a groundwater well with a chlorination feed system, install waterline from the new groundwater well to the new elevated storage tank. The Board's March 19, 2024 Order (the "Order") specified various purposes and conditions of the loan.

2. In the Order, the Board stipulated that funds would be obligated for the loan for a period of one (1) year from the date of March 19, 2024 unless an extension of time is requested by the Authority and approved by the Board.

3. The Authority closed a portion of the loan on June 3, 2024, in the amount of \$3,208,172.00.

4. The Authority is unable to meet the expiration date of March 19, 2025, due to environmental requirements.

5. The Authority has requested approval of an additional extension of time for obligation of funds for the second closing in the amount of \$2,541,828.00.

6. Good cause for this request has been shown, and the Board is agreeable to approving an extension of time for obligation of funds.

IT IS THEREFORE ORDERED that the requested extension of time for obligation of funds shall be approved, with said extension to expire on March 18, 2026, or the date of loan closing, whichever occurs earlier.

IT IS FURTHER ORDERED that except for the extension of time specified herein, all other terms, purposes and conditions specified in the Board's Order shall remain in full force and effect.

**ORDER APPROVING EXTENSION
MARIETTA PUBLIC WORKS AUTHORITY
ORF-22-0019-DW**

IT IS SO ORDERED this 18th day of March, 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

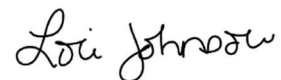
Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Francis Public Works Authority, Pontotoc County

Loan Application No.: ORF-23-0074-DW
 Drinking Water SRF Loan (“DWSRF Loan”)

Funding Requested: \$1,730,000.00

Loan Interest Rate: The DWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

Loan Payment Term: Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

Loan Security Position: The DWSRF loan shall be secured with a lien on the revenues of the applicant's water, sewer and sanitation systems and may include a mortgage on the applicant's water and sewer systems and other real property.

Purpose: The applicant will utilize the loan proceeds to: (i) replace an elevated storage tank and install new water lines, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
Loan Proceeds	\$1,730,000.00	Project	\$2,789,500.00
OWRB ARPA Grant	1,000,000.00	Bond Counsel	37,500.00
ORWA RIG Grant	100,000.00	Local Counsel	2,500.00
		Trustee Bank	500.00
Total	\$2,830,000.00	Total	\$2,830,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-23-0074-DW IN THE NAME OF)
FRANCIS PUBLIC WORKS AUTHORITY)
PONTOTOC COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 18th day of March, 2025.

WHEREAS, Francis Public Works Authority (the "Applicant") has made its Application for Funding No. ORF-23-0074-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2021, Sections 1085.71 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0074-DW in the name of Francis Public Works Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) replace an elevated storage tank and install new water lines, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$1,730,000.00. The Applicant shall pay interest on the loan at a fixed rate to be determined prior to closing plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan proceeds. Interest, administrative fee, and any principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year

**ORDER APPROVING LOAN APPLICATION
FRANCIS PUBLIC WORKS AUTHORITY
ORF-23-0074-DW**

following Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer and sanitation system and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 18th day of March, 2025 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
FRANCIS PUBLIC WORKS AUTHORITY
ORF-23-0074-DW**

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: The Lawton Water Authority, Comanche County

Loan Application No.: ORF-26-0006-CW
 Clean Water SRF Loan (“CWSRF Loan”)

Amount Requested: \$39,000,000.00

Interest Rate: The CWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

Payment Term: Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

Security Position: The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and sanitation systems and may include a mortgage on the applicant's water and sewer systems and other real property.

Purpose: The applicant will utilize the loan proceeds to: (i) rehabilitate Lake Ellsworth Dam, Lake Gondola Dam, and Lake Lawtonka Dam, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
Loan Proceeds	\$39,000,000.00	Project	\$52,590,251.00
OWRB ARPA Grant	13,000,000.00	Bond Counsel	182,500.00
HHPD Grant*	925,251.00	Financial Advisor	152,000.00
		Trustee Bank	500.00
Total	\$52,925,251.00	Total	\$52,925,251.00

*High Hazard Potential Dam (HHPD) Grant which is funded through FEMA.

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-26-0006-CW IN THE NAME OF)
THE LAWTON WATER AUTHORITY)
COMANCHE COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 18th day of March, 2025.

WHEREAS, The Lawton Water Authority (the "Applicant") has made its Application for Funding No. ORF-26-0006-CW (the "Application") to the Board for a loan from the Clean Water State Revolving Fund (the "CWSRF") program, pursuant to Title 82 Oklahoma Statutes 2011, Sections 1085.51 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan for wastewater system improvements and/or water quality protection efforts to further compliance with State and Federal standards, and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Application and related information, and finds that the Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-26-0006-CW in the name of The Lawton Water Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) rehabilitate Lake Ellsworth Dam, Lake Gondola Dam, and Lake Lawtonka Dam, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$39,000,000.00. The Applicant shall pay interest on the loan at a fixed rate to be determined prior to closing plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan proceeds. Interest, administrative fee, and any principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

**ORDER APPROVING LOAN APPLICATION
THE LAWTON WATER AUTHORITY
ORF-26-0006-CW**

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and sanitation systems and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. Upon the Applicant's acceptance of the Board's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other CWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the CWSRF in accordance with the CWSRF program regulations as approved by the United States Environmental Protection Agency.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, CWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the CWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 18th day of March, 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
THE LAWTON WATER AUTHORITY
ORF-26-0006-CW**

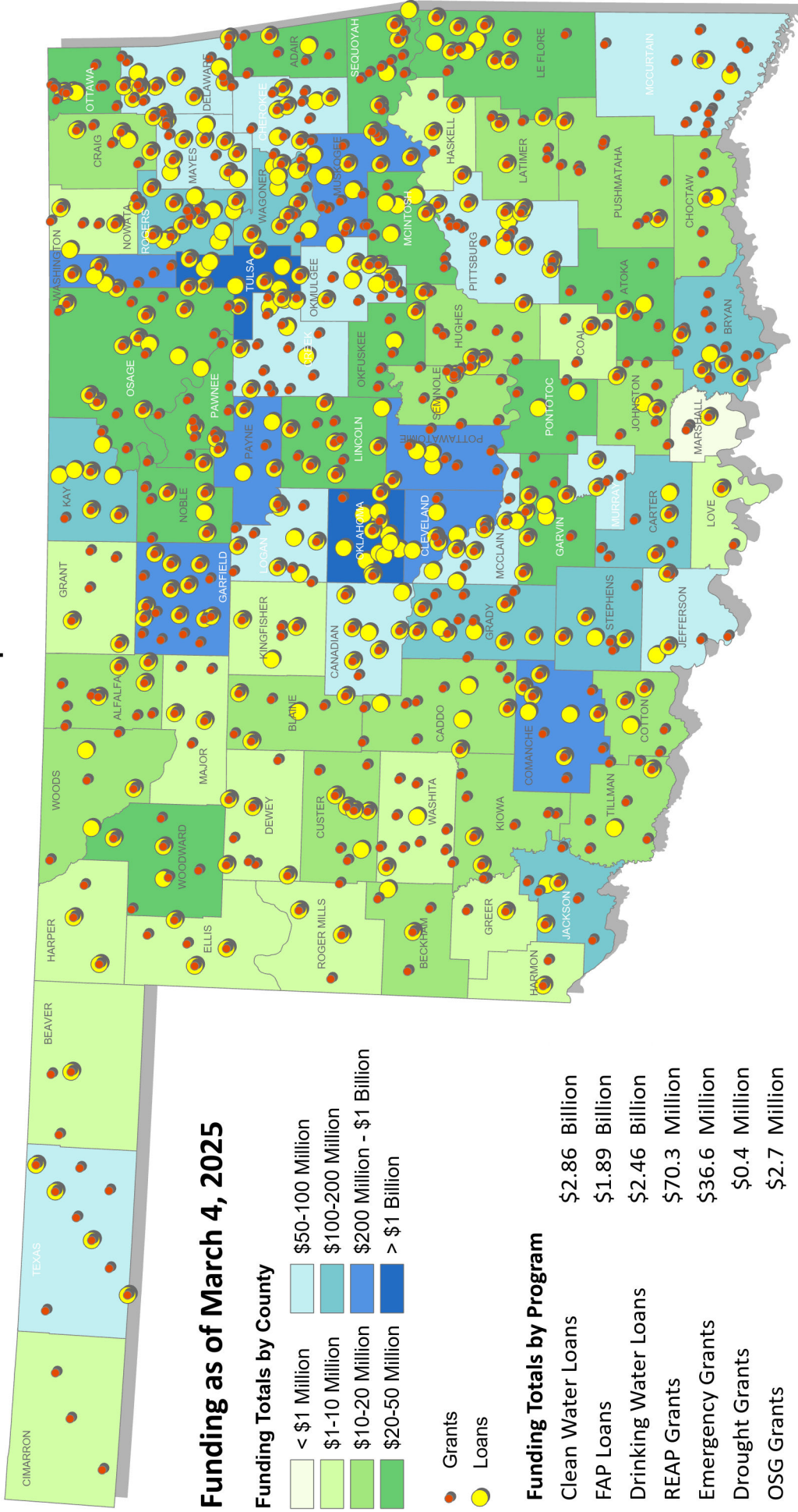
Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

Financial Assistance Division

Loan and Grant Recipient Status



Funding as of March 4, 2025

Funding Totals by County

- < \$1 Million
- \$1-10 Million
- \$10-20 Million
- \$20-50 Million

- Grants
- Loans

Funding Totals by Program

Clean Water Loans	\$2.86 Billion
FAP Loans	\$1.89 Billion
Drinking Water Loans	\$2.46 Billion
REAP Grants	\$70.3 Million
Emergency Grants	\$36.6 Million
Drought Grants	\$0.4 Million
OSG Grants	\$2.7 Million
Special Purpose Grants	\$41.2 Million
ARPA Grants	\$460.8 Million
TOTAL	\$7.82 Billion
TOTAL SAVINGS	\$2.5 Billion

3.C. SUMMARY DISPOSITION AGENDA ITEMS

FINANCIAL ASSISTANCE DIVISION

March 18, 2025

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: The Crescent Public Works Authority
COUNTY: Logan

DATE RECEIVED: 08/23/2024
APPLICATION NUMBER: FAP-25-0027-R

Amount Requested: \$99,999.00

Amount Recommended: \$99,999.00

PROJECT DESCRIPTION: The Crescent Public Works Authority operates a public water supply system. Well House #2 is deteriorating and in need of upgrades. The proposed project is to upgrade the well housing, install two pumps, install fence around the well, and all appurtenances required to complete the project. The estimated cost of the project is \$99,999.00 which will be funded by the OWRB REAP Grant of \$99,999.00.

Priority Ranking			Priority Points
Population <u>1,299</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month: \$ 49.81	<input type="checkbox"/> Flat rate	<u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month: \$ <u>53.63</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>	
Total \$ 103.44	<input type="checkbox"/> Uniform	<u>0</u>	
	<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>	
10 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>	
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness: \$ 3,032,023.00			<u>7</u>
Monthly Debt Payment: \$ 10,692.00			
Number of Customers: 724			
Monthly Payment Per Customer: \$ 14.77			
MEDIAN HOUSEHOLD INCOME \$ 42,500.00	(Maximum: 10 points)		<u>3</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP = <u>(\$99,999.00)</u> / <u>(724)</u> = \$ 0.81	(0.0710) / <u>(12)</u>		<u>1</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR = \$99,999.00			<u>1</u>
REQUEST NUMBER <u>1</u>			<u>(5)</u>
ENFORCMENT ORDER <u>No</u>	(Maximum: 5 points)		<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>84</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0027-R IN THE NAME OF THE)
CRESCENT PUBLIC WORKS AUTHORITY,)
LOGAN COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 84 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,999.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,999.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to upgrade the well housing, install two pumps and install fence around the well as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.

7. Furthermore, prior to and during the construction period, The Crescent Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Rural Water District No. 5, Okmulgee County, Oklahoma **DATE RECEIVED:** 08/30/2024
COUNTY: Okmulgee **APPLICATION NUMBER:** FAP-25-0066-R

Amount Requested: \$99,999.00 **Amount Recommended:** \$99,999.00

PROJECT DESCRIPTION: Rural Water District No. 5, Okmulgee County, Oklahoma owns and operates a public water supply system that is supplied from ground water and purchased water from City of Henryetta. The District’s standpipe is experiencing deterioration of the coating and needs rehabilitated. The proposed project is to paint and rehabilitate the standpipe and all appurtenances required to complete the project. The estimated cost of the project is \$99,999.00 which will be funded by the OWRB REAP grant in the amount of \$99,999.00.

Priority Ranking			Priority Points
Taps 330 (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month: \$	76.38	() Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month: \$	<u>0.00</u>	() Decreasing Block	<u>-2</u>
Total	\$ 76.38	() Uniform	<u>0</u>
		(X) Increasing Block	<u>+2</u>
	10 points	() Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 229,492.00		
Monthly Debt Payment:	\$ 1,800		<u>0</u>
Number of Customers:	330		
Monthly Payment Per Customer:	\$ 5.45		
MEDIAN HOUSEHOLD INCOME \$	45,319.00	(Maximum: 10 points)	<u>2</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP	=	$\frac{(\$99,999.00)}{(330)} \frac{(0.0710)}{(12)} = \$ 1.79$	<u>5</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR	=	\$99,999.00	<u>1</u>
REQUEST NUMBER	<u>0</u>		<u>0</u>
ENFORCMENT ORDER	<u>No</u>	(Maximum: 5 points)	<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>85</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0066-R IN THE NAME OF THE)
RURAL WATER DISTRICT NO. 5)
OKMULGEE COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 85 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,999.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,999.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to paint and rehabilitate the standpipe as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Rural Water District No. 5, Okmulgee County, Oklahoma is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Adair Municipal Authority
COUNTY: Mayes

DATE RECEIVED: 09/03/2024
APPLICATION NUMBER: FAP-25-0077-R

Amount Requested: \$99,500.00

Amount Recommended: \$99,500.00

PROJECT DESCRIPTION: Adair Municipal Authority operates a wastewater system. The Authority is experiencing a collapsing 10-inch clay pipe sewer line that was installed in the 1960's serving the high school and, subsequently, two new high school buildings. The proposed project is to replace approximately 600 linear feet of 10-inch sewer line, 1,200 linear feet of 4-inch service line, plus all appurtenances required to complete the project. The estimated cost of the project is \$99,500.00 which will be funded by the OWRB REAP grant in the amount of \$99,500.00.

Priority Ranking			Priority Points
Population <u>732</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 49.00	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>19.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 68.00	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	10 points	<input checked="" type="checkbox"/> Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 625,000.00		
Monthly Debt Payment:	\$ 6,083.00		<u>9</u>
Number of Customers:	320		
Monthly Payment Per Customer:	\$ 19.01		
MEDIAN HOUSEHOLD INCOME \$ 70,114.00		(Maximum: 10 points)	<u>0</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP =	$\frac{(\$99,500.00)}{(320)}$	$\frac{(0.0710)}{(12)}$	= \$ 1.84
			<u>5</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR =	\$99,500.00		<u>1</u>
REQUEST NUMBER	<u>0</u>		<u>0</u>
ENFORCMENT ORDER	<u>No</u>	(Maximum: 5 points)	<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>3</u>
TOTAL PRIORITY POINTS			<u>86</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0077-R IN THE NAME OF THE)
ADAIR MUNICIPAL AUTHORITY,)
MAYES COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 86 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,500.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,500.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to replace approximately 600 linear feet of 10-inch sewer line and 1,200 linear feet of 4-inch service line as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Adair Municipal Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Shidler, Oklahoma, Public Works Authority
COUNTY: Osage

DATE RECEIVED: 08/29/2024
APPLICATION NUMBER: FAP-25-0048-R

Amount Requested: \$49,995.00

Amount Recommended: \$49,995.00

PROJECT DESCRIPTION: Shidler, Oklahoma, Public Works Authority operates a water treatment plant. The plant needs upgrades to enhance monitoring and control capabilities to ensure efficient operations. The proposed project is to install needed hardware to three turbidity analyzers, SCADA software, cellular gateways, plus all appurtenances required to complete the project. The estimated cost of the project is \$54,995.00 which will be funded by the OWRB REAP grant in the amount of \$49,995.00 and \$5,000.00 from local funds.

Priority Ranking			Priority Points
Population <u>328</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 43.00	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>25.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 68.00	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	10 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 0.00		
Monthly Debt Payment:	\$ 0.00		<u>0</u>
Number of Customers:	188		
Monthly Payment Per Customer:	\$ 0.00		
MEDIAN HOUSEHOLD INCOME \$ 58,688.00		(Maximum: 10 points)	<u>0</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP =	$\frac{(\$49,995.00)}{(188)}$	$\frac{(0.0710)}{(12)}$	= \$ 1.57
			<u>4</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR =	\$49,995.00		<u>3</u>
REQUEST NUMBER	<u>1</u>		<u>(5)</u>
ENFORCMENT ORDER	<u>No</u>	(Maximum: 5 points)	<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>6</u>
TOTAL PRIORITY POINTS			<u>75</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0048-R IN THE NAME OF THE)
SHIDLER, OKLAHOMA, PUBLIC WORKS AUTHORITY,)
OSAGE COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 75 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$49,995.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$49,995.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to install needed hardware to three turbidity analyzers, SCADA software and cellular gateways as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Shidler, Oklahoma, Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: The Wright City Public Works Authority
COUNTY: McCurtain

DATE RECEIVED: 08/14/2024
APPLICATION NUMBER: FAP-25-0010-R

Amount Requested: \$99,999.00

Amount Recommended: \$99,999.00

PROJECT DESCRIPTION: The Wright City Public Works Authority (Authority) operates a wastewater system. The Authority is experiencing inflow and infiltration issues due to deteriorating sewer lines. The proposed project is to replace approximately 1,300 linear feet of 8-inch sewer line plus all appurtenances required to complete the project. The estimated cost of the project is \$99,999.00 which will be funded by the OWRB REAP grant in the amount of \$99,999.00.

Priority Ranking			Priority Points
Population <u>751</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 45.50	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>50.10</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 95.60	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	10 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 952,692.00		
Monthly Debt Payment:	\$ 2,923.00		<u>3</u>
Number of Customers:	307		
Monthly Payment Per Customer:	\$ 9.52		
MEDIAN HOUSEHOLD INCOME \$ 30,804.00		(Maximum: 10 points)	<u>6</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP =	$\frac{(\$99,999.00)}{(307)}$	$\frac{(0.0710)}{(12)}$	= \$ 1.93
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR =	\$99,999.00		<u>1</u>
REQUEST NUMBER	<u>1</u>		<u>(5)</u>
ENFORCMENT ORDER	Yes	(Maximum: 5 points)	<u>5</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>92</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0010-R IN THE NAME OF THE)
WRIGHT CITY PUBLIC WORKS AUTHORITY,)
MCCURTAIN COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 92 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,999.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,999.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to replace approximately 1,300 linear feet of 8-inch sewer line as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, The Wright City Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Fairmont Public Works Authority
COUNTY: Garfield

DATE RECEIVED: 09/02/2024
APPLICATION NUMBER: FAP-25-0073-R

Amount Requested: \$99,999.00

Amount Recommended: \$99,999.00

PROJECT DESCRIPTION: Fairmont Public Works Authority operates a public sanitary sewer system. The Authority is experiencing an inflow and infiltration issue due to the deteriorating lines. The proposed project is to replace approximately 380 linear feet of 8-inch sanitary sewer line, 100 linear feet of 4-inch service pipe and approximately 50 vertical feet of 4-inch riser pipe plus all appurtenances required to complete the project. The estimated cost of the project is \$99,999.00 which will be funded by the OWRB REAP grant in the amount of \$99,999.00.

Priority Ranking			Priority Points
Population <u>134</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 40.00	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>5.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 45.00	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	7 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 0.00		
Monthly Debt Payment:	\$ 0.00		<u>0</u>
Number of Customers:	70		
Monthly Payment Per Customer:	\$ 0.00		
MEDIAN HOUSEHOLD INCOME \$ 52,188.00		(Maximum: 10 points)	<u>0</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP =	$\frac{(\$99,999.00)}{(70)}$	$\frac{(0.0710)}{(12)}$	= \$ 8.45
			<u>11</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR =	\$99,999.00		<u>1</u>
REQUEST NUMBER	<u>1</u>		<u>(5)</u>
ENFORCMENT ORDER	<u>Yes</u>	(Maximum: 5 points)	<u>5</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>6</u>
TOTAL PRIORITY POINTS			<u>82</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0073-R IN THE NAME OF THE)
FAIRMONT PUBLIC WORKS AUTHORITY,)
GARFIELD COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 82 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,999.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,999.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to replace approximately 380 linear feet of 8-inch sanitary sewer line, 100 linear feet of 4-inch service pipe and approximately 50 vertical feet of 4-inch riser pipe as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Fairmont Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Taloga Public Works Authority
COUNTY: Dewey

DATE RECEIVED: 08/20/2024
APPLICATION NUMBER: FAP-25-0019-R

Amount Requested: \$99,999.00

Amount Recommended: \$99,999.00

PROJECT DESCRIPTION: Taloga Public Works Authority owns and operates a water treatment plant. The plant does not have a backup power system making it vulnerable to power outages. The proposed project is to install a backup generator at the water treatment plant and all appurtenances required to complete the project. The estimated cost of the project is \$99,999.00 which will be funded by the OWRB REAP Grant of \$99,999.00.

Priority Ranking			Priority Points
Population <u>288</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 52.74	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>16.51</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 69.25	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	10 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 200,000.00		
Monthly Debt Payment:	\$ 2,000.00		<u>4</u>
Number of Customers:	192		
Monthly Payment Per Customer:	\$ 10.42		
MEDIAN HOUSEHOLD INCOME \$ 54,063.00		(Maximum: 10 points)	<u>0</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP =	$\frac{(\$99,999.00)}{(192)}$	$\frac{(0.0710)}{(12)}$	= \$ 3.08
			<u>7</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR =	\$99,999.00		<u>1</u>
REQUEST NUMBER	<u>2</u>		<u>(8)</u>
ENFORCMENT ORDER	<u>No</u>	(Maximum: 5 points)	<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>81</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0019-R IN THE NAME OF THE)
TALOGA PUBLIC WORKS AUTHORITY,)
DEWEY COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 81 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,999.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,999.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to install a backup generator at the water treatment plant as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Taloga Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Stonewall Public Works Authority
COUNTY: Pontotoc

DATE RECEIVED: 08/29/2024
APPLICATION NUMBER: FAP-25-0047-R

Amount Requested: \$84,115.00

Amount Recommended: \$84,115.00

PROJECT DESCRIPTION: Stonewall Public Works Authority (Authority) operates a water system. The Authority is experiencing electrical failures due to lightning strikes both at the well sites and at City Hall where the water system is monitored via SCADA. The proposed project includes the installation of surge protection and lightening poles at the wells as well as installing a backup generator and automatic transfer switch at City Hall plus all appurtenances required to complete the project. The estimated cost of the project is \$84,115.00 which will be funded by the OWRB REAP grant in the amount of \$84,115.00.

Priority Ranking			Priority Points
Population <u>414</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 75.00	() Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>25.99</u>	() Decreasing Block	<u>-2</u>
Total	\$ 100.99	() Uniform	<u>0</u>
		(X) Increasing Block	<u>+2</u>
	10 points	(X) Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 1,800,000.00		
Monthly Debt Payment:	\$ 4,975.00		<u>10</u>
Number of Customers:	210		
Monthly Payment Per Customer:	\$ 23.69		
MEDIAN HOUSEHOLD INCOME	\$ 43,750.00	(Maximum: 10 points)	<u>3</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP	=	$\frac{(\$84,115.00)}{(210)} \frac{(0.0710)}{(12)} =$	\$ 2.37
			<u>6</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR	=	\$84,115.00	<u>1</u>
REQUEST NUMBER	<u>4</u>		<u>(12)</u>
ENFORCMENT ORDER	<u>No</u>	(Maximum: 5 points)	<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>86</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0047-R IN THE NAME OF THE)
STONEWALL PUBLIC WORKS AUTHORITY,)
PONTOTOC COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 86 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$84,115.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$84,115.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to include the installation of surge protection and lightening poles at the wells as well as installing a backup generator and automatic transfer switch at City Hall as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Stonewall Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Mountain View Public Works Authority
COUNTY: Kiowa

DATE RECEIVED: 08/28/2024
APPLICATION NUMBER: FAP-25-0035-R

Amount Requested: \$99,969.00

Amount Recommended: \$99,969.00

PROJECT DESCRIPTION: Mountain View Public Works Authority (Authority) operates a wastewater system. The Authority is experiencing inflow and infiltration issues due to the cracking, antiquated clay sewer line. The proposed project is to replace approximately 450 linear feet of 8-inch sanitary sewer line, approximately 140 linear feet of 4-inch service pipe, approximately 70 linear feet of 4-inch riser pipe, plus all appurtenances required to complete the project. The estimated cost of the project is \$99,969.00 which will be funded by the OWRB REAP grant in the amount of \$99,969.00.

Priority Ranking			Priority Points
Population <u>740</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 49.00	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>19.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 68.00	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	10 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness:	\$ 0.00		
Monthly Debt Payment:	\$ 0.00		<u>0</u>
Number of Customers:	450		
Monthly Payment Per Customer:	\$ 0.00		
MEDIAN HOUSEHOLD INCOME \$ 36,429.00		(Maximum: 10 points)	<u>5</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP =	$\frac{(\$99,969.00)}{(450)}$	$\frac{(0.0710)}{(12)}$	= \$ 1.31
			<u>3</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR =	\$99,969.00		<u>1</u>
REQUEST NUMBER	<u>0</u>		<u>0</u>
ENFORCMENT ORDER	<u>No</u>	(Maximum: 5 points)	<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS	<u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>86</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-25-0035-R IN THE NAME OF THE)
MOUNTAIN VIEW PUBLIC WORKS AUTHORITY,)
KIOWA COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 86 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,969.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,969.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Commerce Development Authority, Ottawa County

Loan Application No.: ORF-23-0061-DW
Drinking Water SRF Loan (“DWSRF Loan”)

Amount Requested: \$931,230.00

Payment Term: The applicant shall be required to comply with all DWSRF loan provisions. If all DWSRF loan provisions are met to the satisfaction of the OWRB, then the funding shall be forgiven in total without fees for administration or interest.

Purpose: The applicant will utilize the loan proceeds to: (i) install and replace water lines along River, Quincy, and Vine streets, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

Sources of Funds (Est.)

Loan Proceeds \$931,230.00

Local Funds 640,282.00

Total \$1,571,512.00

Uses of Funds (Est.)

Project \$1,571,512.00

Total \$1,571,512.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-23-0061-DW IN THE NAME OF)
COMMERCE DEVELOPMENT AUTHORITY)
OTTAWA COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 18th day of March, 2025.

WHEREAS, Commerce Development Authority (the "Applicant") has made its Application for Funding No. ORF-23-0061-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2021, Sections 1085.71 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0061-DW in the name of Commerce Development Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) install and replace water lines along River, Quincy, and Vine streets, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. Funding shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$931,230.00.

2. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all

**ORDER APPROVING LOAN APPLICATION
COMMERCE DEVELOPMENT AUTHORITY
ORF-23-0061-DW**

or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

3. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

4. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other funding documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

5. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 18th day of March, 2025 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
COMMERCE DEVELOPMENT AUTHORITY
ORF-23-0061-DW**

Reviewed By:

A handwritten signature in cursive script that reads "Lori Johnson".

Lori Johnson, Chief
Financial Assistance Division

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Rural Water District No. 17 LeFlore County, Oklahoma

Loan Application No.: ORF-23-0060-DW
 Drinking Water SRF Loan (“DWSRF Loan”)

Amount Requested: \$800,000.00

Payment Term: The applicant shall be required to comply with all DWSRF loan provisions. If all DWSRF loan provisions are met to the satisfaction of the OWRB, then the funding shall be forgiven in total without fees for administration or interest.

Purpose: The applicant will utilize the loan proceeds to: (i) replace approximately 22,000 linear feet of water line, install a chlorine booster pump station, rehabilitate a 100,000-gallon standpipe and install mixing within the 100,000-gallon standpipe, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
Choctaw Nation	\$2,300,000.00	Project	\$3,067,500.00
Loan Proceeds	800,000.00	Bond Counsel	30,000.00
		Local Counsel	2,500.00
Total	<u>\$3,100,000.00</u>	Total	<u>\$3,100,000.00</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-23-0060-DW IN THE NAME OF)
RURAL WATER DISTRICT NO. 17 LEFLORE COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 18th day of March, 2025.

WHEREAS, Rural Water District No. 17 LeFlore County, Oklahoma (the "Applicant") has made its Application for Funding No. ORF-23-0060-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2021, Sections 1085.71 *et seq.*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0060-DW in the name of Rural Water District No. 17 LeFlore County, Oklahoma be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) replace approximately 22,000 linear feet of water line, install a chlorine booster pump station, rehabilitate a 100,000-gallon standpipe and install mixing within the 100,000-gallon standpipe, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. Funding shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$800,000.00.
2. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i)

**ORDER APPROVING LOAN APPLICATION
RURAL WATER DISTRICT NO. 17 LEFLORE COUNTY, OKLAHOMA
ORF-23-0060-DW**

approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

3. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

4. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other funding documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

5. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 18th day of March, 2025 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman


ATTEST:

Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
RURAL WATER DISTRICT NO. 17 LEFLORE COUNTY, OKLAHOMA
ORF-23-0060-DW**

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

ARPA GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Francis Public Works Authority
COUNTY: Pontotoc

DATE RECEIVED: 11/30/2022
APPLICATION NUMBER: ARP-23-0282-G
ARPA NUMBER: ARPA-YY002306
Amount Recommended: \$1,000,000.00

Amount Requested: \$1,000,000.00

PROJECT DESCRIPTION: Francis Public Works Authority operates a water distribution system that has an aging water tower for water storage. The tower is under consent order by the DEQ due to cracking, spalling, and volume issues. Originally installed in 1911, it is at risk of failing due to crumbling footing. The proposed project is to replace the deteriorating water tower, loop dead end lines and all appurtenances required to complete the project. The estimated cost of the project is \$2,830,000.00, which will be funded by the ARPA grant of \$1,000,000.00, RIG grant of \$100,000, and a DWSRF Loan of \$1,730,000.00.

Priority Ranking			Priority Points
Population <u>330</u>			
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month: \$ 60.00	() Flat rate	<u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month: <u>52.50</u>	() Decreasing Block	<u>-2</u>	
Total \$ 112.50	() Uniform	<u>0</u>	
	(X) Increasing Block	<u>+2</u>	
10 points	() Sales tax (W/S)	<u>+1</u>	
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness: \$ 146,133.79			<u>5</u>
Monthly Debt Payment: \$ 2448.71			
Number of Customers: 193			
Monthly Payment Per Customer: \$ 12.69			
APCI Tier Tier 1.00	(Maximum: 24 points)		<u>24</u>
LEGISLATIVE PORTAL REQUEST (Maximum: 5 points)			<u>5</u>
PREVIOUS GRANTS <u>0</u>			<u>0</u>
ENFORCMENT ORDER <u>Yes</u>	(Maximum: 5 points)		<u>5</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS <u>No</u>			<u>0</u>
FISCAL SUSTAINABILITY			<u>3</u>
TOTAL PRIORITY POINTS			<u>54</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN)
ACT (ARPA) GRANT APPLICATION)
NO. ARP-23-0282-G IN THE NAME OF THE)
FRANCIS PUBLIC WORKS AUTHORITY,)
PONTOTOC COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has received a priority ranking of 54 points under Chapter 50 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$1,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,000,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to replace the deteriorating water tower, loop dead end lines. Applicant is authorized to request the ARPA grant funds only for costs incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Francis Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:

Lori Johnson

Lori Johnson, Chief
Financial Assistance Division

AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Town of Rentiesville, McIntosh County, Oklahoma

Grant Application No.: ARP-23-0030-DPG
American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$1,153,847.50

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Statewide Targeted Water Fund

Purpose: Town of Rentiesville is experiencing stormwater drainage issues due to erosion from wind and storms. The current drainage system lacks the necessary infrastructure to manage the water flow properly, leading to ongoing erosion that is carrying sediment to Elk Creek impacting the water quality of the creek. The proposed project is to replace culverts, restore ditches, and erosion prevention and all appurtenances required to complete the project.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
OWRB ARPA Grant:	\$1,153,847.50	Project:	\$1,153,847.50
Total	<u>\$1,153,847.50</u>	Total	<u>\$1,153,847.50</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0030-DPG)
IN THE NAME OF THE TOWN OF RENTIESVILLE,)
MCINTOSH COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has been identified by the legislature, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$1,153,847.50 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,153,847.50.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to replace culverts, restore ditches, and erosion prevention. Applicant is authorized to request the ARPA grant funds only for costs incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Town of Rentiesville is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman


Town of Rentiesville
OWRB ARPA Grant No. ARP-23-0030-DPG

ATTEST:

Suzanne Landess, Secretary

(SEAL)

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

GRANT APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: City of Tishomingo, Johnston County

Grant Application No.: ARP-23-0009-DTG
 ARPA Interest Earnings

Amount Requested: A \$1,800,000.00 increase to the approved \$3,606,447.50 they have already received for a total of \$5,406,447.50.

Purpose: On December 19, 2023 the City of Tishomingo received a Tribal Matching ARPA Grant to drill a new well, construct a one-million-gallon storage tank, plus all appurtenances required to complete the project. The project went to bid and there was a significant cost overrun. The Chickasaw Tribe agreed to put another \$1,800,000 into the project. As a match, the OWRB will be making an ARPA interest earnings investment of \$1,800,000 into the project to allow completion of the project.

Sources of Funds (Est.)

ARPA Interest Earnings	\$1,800,000.00
Chickasaw Tribal Funds	\$1,800,000.00

Uses of Funds (Est.)

Project Increase	\$3,600,000.00
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Total	\$3,600,000.00
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Total	\$3,600,000.00
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**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0009-DTG)
IN THE NAME OF THE CITY OF TISHOMINGO,)
JOHNSTON COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING ARPA INTEREST EARNINGS INCREASE APPLICATION

This matter came before the Oklahoma Water Resources Board on the 18th day of March, 2025. The Board finds that the application for this increase using ARPA Interest Earnings has met the eligibility requirements for the grant, and that sufficient funds are available. Therefore, the grant application for an amount not to exceed the increased amount of \$1,800,000.00 is approved for the following purpose and subject to the following conditions:

Conditions:

1. On December 19th, 2023, the Board approved a ARPA Grant to the City of Tishomingo in the amount of \$3,606,447.50. The Board’s Order (“Order”) approving application as of that date specified various purposes and conditions of the grant.
2. In the Order, the Board Specified that grant funds were to be used to provide funds to drill a new well and construct a one-million-gallon storage tank.
3. The City has requested approval of an increase in the amount of \$1,800,000.00 using ARPA Interest Earnings, made necessary by bids on the project being higher than initially estimated.
4. Good cause for this request has been shown, and the Board is agreeable to approving the District’s request accordingly, subject to the terms and conditions stated below.

IT IS THEREFORE ORDERED by the Oklahoma Water Resources Board that the requested increase using ARPA Interest Funds shall be approved and the terms of the Order shall be amended to provide that the grant amount shall not exceed \$5,406,447.50.

IT IS FURTHER ORDERED that except for the amendment specified herein, all terms, purposes, and conditions specified in the Board’s Order shall remain in full force and effect.

IT IS SO ORDERED this 18th day of March, 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

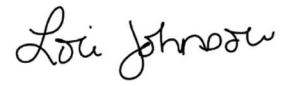
ATTEST:

Suzanne Landess, Secretary

(SEAL)

City of Tishomingo
OWRB ARPA Grant No. ARP-23-0009-DTG

Reviewed By:



Lori Johnson, Chief
Financial Assistance Division

**AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL**

Applicant: Chandler Municipal Authority, Lincoln County

Grant Application No.: ARP-23-0020-DTG
American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$2,650,000.00

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Tribal Matching Grant - ARPA YY000881

Purpose: Chandler Municipal Authority owns and operates a wastewater treatment plant (WWTP). Improvements must be made to the plant to handle an increase in wastewater flows due to future hotel and casino development by the Iowa Tribe. The proposed project is to replace the aging equipment including a new flow measurement structure, digesters, blowers, pumps, improvements to the electrical system, and all appurtenances required to complete the project.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
OWRB ARPA Grant:	\$2,650,000.00	Project:	\$5,300,000.00
Iowa Tribal Matching Funds:	2,650,000.00		
Total	<u>\$5,300,000.00</u>	Total	<u>\$5,300,000.00</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0020-DTG)
IN THE NAME OF THE CHANDLER MUNICIPAL)
AUTHORITY, LINCOLN COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 18th day of March 2025. The Board finds that since the application for this grant has been identified by the legislature, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$2,650,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$2,650,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to replace the aging equipment including a new flow measurement structure, digesters, blowers, pumps, and improvements to the electrical system. Applicant is authorized to request the ARPA grant funds only for costs incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Chandler Municipal Authority is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 18th day of March 2025, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary
(SEAL)

Chandler Municipal Authority
OWRB ARPA Grant No. ARP-23-0020-DTG

Reviewed By:

A handwritten signature in black ink that reads "Lori Johnson". The signature is written in a cursive style with a horizontal line underneath it.

Lori Johnson, Chief
Financial Assistance Division

3. SUMMARY DISPOSITION AGENDA ITEMS

D. Contracts and Agreements Recommended for Approval

March 18, 2025

AGENDA ITEM 3D(1)
JOINT FUNDING AGREEMENT

WITH: United States Geological Survey

PURPOSE: For collection of continuous monitoring of six stream-flow sites within the Little Washita River and Fort Cobb Basins

AMOUNT: Not to exceed \$51,700.00

TERM: Through September 30, 2025

**Form 9-1366
(May 2018)**

**U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations**

**Customer #: 600000284
Agreement #: 25SJJFAOK002000
Project #: SJ009ME
TIN #: 73-6017987**

Fixed Cost Agreement YES[X] NO[]

THIS AGREEMENT is entered into as of the October 1, 2024, by the U.S. GEOLOGICAL SURVEY, Oklahoma-Texas Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the Oklahoma Water Resources Board party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for negotiated deliverables (see attached), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of \$0.00

- (a) \$44,300 by the party of the first part during the period October 1, 2024 to September 30, 2025
- (b) \$51,700 by the party of the second part during the period October 1, 2024 to September 30, 2025
- (c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0

Description of the USGS regional/national program:

- (d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.
- (e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (<https://www.usgs.gov/office-of-science-quality-and-integrity/fundamental-science-practices>).

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 600000284
Agreement #: 2SSJJFAOK002000
Project #: SJ009ME
TIN #: 73-6017987

9. Billing for this agreement will be rendered quarterly. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name: Jason Lewis
Branch Chief
Address: 202 NW 66th Street
Oklahoma City, OK 73116
Telephone: (405) 651-2029
Fax: (n/a)
Email: jmlewis@usgs.gov

Customer Technical Point of Contact

Name: Lance Phillips
Address: 3800 N. Classen Boulevard
Oklahoma City, Oklahoma 73118
Telephone: (405) 530-8800
Fax: (n/a)
Email: lance.phillips@owrb.ok.gov

USGS Billing Point of Contact

Name: Mitchell King
Budget Analyst
Address: 202 NW 66th Street
Oklahoma City, OK 73116
Telephone: (405) 249-3296
Fax: (n/a)
Email: mking@usgs.gov

Customer Billing Point of Contact

Name: Jessica Billingsley
Address: 3800 N. Classen Blvd.
Oklahoma City, OK 73118
Telephone: (405) 530-8800
Fax: (n/a)
Email: jessica.billingsley@owrb.ok.gov

U.S. Geological Survey
United States
Department of Interior

Oklahoma Water Resources Board

Signature
Digitally signed by
TIMOTHY RAINES
Date: 2024.08.19 09:16:47
-05'00'

By TIMOTHY RAINES
Name: Timothy H. Raines
Title: Director

Signatures

By _____ Date: _____
Name:
Title:

By _____ Date: _____
Name:
Title:

By _____ Date: _____
Name:
Title:

Cooperative Program
between the **Oklahoma Water Resources Board**
and the **U.S. GEOLOGICAL SURVEY**
for the **Little Washita River**
for the Fiscal Year ending September 30, 2025

Program Description:

The program, initiated February 1992, provided for the collection of continuous monitoring of seven stream-flow sites and three lakes within the Little Washita River Basin; and the Washita River near Carnegie Station beginning October 2003.

Beginning October 2004, the program discontinued two lake gages, 07327484 Pond 11 and 073274460 Pond 31, and discontinued three surface-water gages; 073274408 Little Washita Tributary near Cyril, 073274458 Creek Inflow to Pond 31 near Cement, and 073274830 Boggy Creek North of Ninnekah. This reduced the original program to four stream-flow sites and one lake gage in the Little Washita River Basin.

Beginning October 2004, the program transferred funding from the Little Washita Basin to the Fort Cobb Basin for the purpose of reinstating two surface-water gages, 073258500 Lake Creek near Eakly and 073258600 Willow Creek near Albert Willow and construction of a new station on Upper Lake Creek, 07325840 Lake Creek near Sickles, chosen to study surface runoff and constituent loading on small drainages. Cobb Creek near Eakly, Lake Creek near Eakly, and Willow Creek near Albert will include base-flow and event-flow sampling. The purpose of these gages is to monitor the inflow into Fort Cobb and nutrient and sediment constituents of major tributaries.

Beginning October 2009, the Ft Cobb Basin sampling program changed in that the base-flow samples for Cobb Creek near Eakly, Lake Creek near Eakly, and Willow Creek near Albert have been discontinued and only the six event-flows will continue to be sampled. Beginning October 2012 the six event-flows will be discontinued at these three stations.

Beginning October 2012 all sampling has been discontinued. The Little Washita River above Pond 26 and Pond 26 streamgaging station have been discontinued in FY 2014 due to reductions in federal funding.

The continuous data provided by satellite telemetry is used in research by: Agriculture Research Service, Grazing Lands Research Laboratory; Oklahoma and Oklahoma State Universities; National Weather Service NEXRAD calibration; and various other agencies concerned with rainfall, soil moisture, crop land runoff, land use changes, and constituent loading of the Ft Cobb watershed.

The program cost for October 1, 2024 to September 30, 2025 for operation, maintenance, and publication is summarized in the following table:

<u>Station No.</u>	<u>Station Name</u>	<u>Line Item Cost</u>	<u>Total</u>
Fort Cobb Lake Basin			
07325800*	Cobb Creek near Eakly, Six Base-Flow Samples	\$ 0	
07325800*	Cobb Creek near Eakly, Six Event-Flow Samples	\$ 0	\$ 0
07325840	Lake Creek near Sickles, Annual O&M	\$16,000	\$16,000
07325850	Lake Creek near Eakly, Annual O&M	\$16,000	
07325850	Lake Creek near Eakly, Six Base-Flow Samples	\$ 0	
07325850	Lake Creek near Eakly, Six Event-Flow Samples	\$ 0	\$16,000
07325860	Willow Creek near Albert, Annual O&M	\$16,000	
07325860	Willow Creek near Albert, Six Base-Flow Samples	\$ 0	
07325860	Willow Creek near Albert, Six Event-Flow Samples	\$ 0	\$16,000
Little Washita River Basin			
07327440.6	Little Washita River above Pond 26	\$ 0	\$ 0
07327441	SCS Pond No. 26	\$ 0	\$ 0
07327442	Little Washita River near Cyril	\$16,000	\$16,000
07327447	Little Washita River near Cement	\$16,000	\$16,000
07327550	Little Washita River East of Ninnekah	\$16,000	\$16,000
	Total		\$96,000

*Annual Surface-Water O&M funded by Ft. Cobb Master Conservancy District and the USGS

USDA ARS to Oklahoma Water Resources Board share.....	\$51,700
U.S. Geological Survey matching share.....	\$44,300



United States Department of the Interior

U.S. GEOLOGICAL SURVEY
Oklahoma-Texas Water Science Center
202 NW 66th St. Bldg. 7
Oklahoma City, OK 73116

August 12, 2024

Mr. Lance Phillips
Oklahoma Water Resources Board
3800 N. Classen Boulevard
Oklahoma City, Oklahoma 73118

Dear Mr. Phillips:

Enclosed is our standard joint-funding agreement for the collection of continuous monitoring of six stream-flow sites within the Little Washita River and Fort Cobb Basins with Oklahoma-Texas Water Science Center, during the period October 1, 2024 through September 30, 2025 in the amount of \$51,700 from your agency. U.S. Geological Survey contributions for this agreement are \$44,300 for a combined total of \$96,000. Please sign and return one fully-executed original to Mitchell King at GS-W-OT_OTFM@usgs.gov.

Federal law requires that we have a signed agreement before we start or continue work. Please return the signed agreement by **October 1, 2024**. If, for any reason, the agreement cannot be signed and returned by the date shown above, please contact Jason Lewis at (405) 651-2029 or email jmlewis@usgs.gov to make alternative arrangements.

This is a fixed cost agreement to be billed quarterly via Down Payment Request (automated Form DI-1040). Please allow 30-days from the end of the billing period for issuance of the bill. If you experience any problems with your invoice(s), please contact Mitchell King at phone number (405) 249-3296 or GS-W-OT_OTFM@usgs.gov.

The results of all work performed under this agreement will be available for publication by the U.S. Geological Survey. We look forward to continuing this and future cooperative efforts in these mutually beneficial water resources studies.

Sincerely,

Timothy H. Raines
Director

Enclosure
25SJFAOK002000

3. SUMMARY DISPOSITION AGENDA ITEMS

WATER RIGHTS ADMINISTRATION DIVISION

March 18, 2025

WATER RIGHTS ADMINISTRATION DIVISION
Applications for Temporary Permits to Use Groundwater

March 18, 2025

APP. NO. & DATE FILED	NAME OF APPLICANT	NUMBER OF WELLS	COUNTY & BASIN	LAND DEDICATED	PURPOSE & AMOUNT RECOMMENDED
2024-538 2/26/2024	Linghui Zhang	2	Pawnee County, North Central Oklahoma	40 acres Section 24, T21N, R4EIM	Irrigation & Agriculture 80 a.f.
2024-647 10/1/2024	Russell D. Calvert and Darla S. Calvert	1	Roger Mills County, Cloud Chief Formation	320 acres Section 25, T13N, R23WIM	Irrigation & Oil and Gas 640 a.f.
2024-652 10/14/2024	Grass Roots Properties 2005, LLC	2	Osage County, Tallant Formation	640 acres Section 11, T25N, R10EIM	Recreation Fish and Wildlife 320 a.f.

WATER RIGHTS ADMINISTRATION DIVISION
Applications for Regular Permits to Use Groundwater

March 18, 2025

APP. NO. & DATE FILED	NAME OF APPLICANT	NUMBER OF WELLS	COUNTY & BASIN	LAND DEDICATED	PURPOSE & AMOUNT RECOMMENDED
2023-530 3/6/2023	Rodney and Carol Cowan	6	Blaine County, North Canadian River Phase 2	200 acres Section 18, 16, T15N, R11WIM	Irrigation 200 a.f.
2024-573 4/17/2024	Yangbo Ou and Fengbing Chen	1	Cleveland County, Garber-Wellington	20 acres Section 34, T7N, R1EIM	Agriculture 20 a.f.
2024-622 8/15/2024	E-F, LLC	11	Beaver County, Ogallala Panhandle	3,676 acres Section 32, 3, 4, 5, 6, 9, 13, 14, 23, 24, T5N, T4N, T3N, R24ECM, R26ECM	Agriculture 7,352 a.f.
2024-648 10/9/2024	Logan Cade and Devin Dean Brakhage	1	Cimarron County, Ogallala Panhandle	320 acres Section 23, T2N, R2ECM	Irrigation 640 a.f.
2024-649 10/9/2024	Logan Cade and Devin Dean Brakhage	1	Cimarron County, Ogallala Panhandle	150.8 acres Section 19, T2N, R3ECM	Irrigation 301.6 a.f.
2024-659 11/17/2024	Russell D. Calvert and Darla S. Calvert	1	Roger Mills County, Washita River Alluvium and Terrace – Reach 1	100 acres Section 12, T13N, R24WIM	Irrigation and Oil & Gas 200 a.f.

WATER RIGHTS ADMINISTRATION DIVISION
Applications to Amend Regular Permits to Use Groundwater

March 18, 2025

APP. NO. & DATE FILED	NAME OF APPLICANT	NUMBER OF WELLS	COUNTY & BASIN	LAND DEDICATED	PURPOSE & AMOUNT RECOMMENDED
1981-912 10/1/2024	Russell D. Calvert and Darla S. Calvert	2	Roger Mills County, Washita River Alluvium and Terrace-Reach 1	320 acres Sections 36, T14N, R23WIM	Irrigation and Oil & Gas 160 a.f.

WATER RIGHTS ADMINISTRATION DIVISION
Applications to Amend Prior Right to Use Groundwater

March 18, 2025

APP. NO. & DATE FILED	NAME OF APPLICANT	NUMBER OF WELLS	COUNTY & BASIN	LAND DEDICATED	PURPOSE & AMOUNT RECOMMENDED
1956-695 10/1/2024	Russell D. and Calvert and Darla S. Calvert	1	Roger Mills County, Washita River Alluvium and Terrace-Reach 1	80 acres Section 28, T14N, R23WIM	Irrigation and Oil & Gas 160 a.f.

WATER RIGHTS ADMINISTRATION DIVISION
Applications for Regular Permits to Use Stream Water

March 18, 2025

APP. NO. & DATE FILED	NAME OF APPLICANT	POINTS OF DIVERSION	COUNTY & STREAM SYSTEM	PURPOSE & AMOUNT RECOMMENDED
2022-023 9/13/2022	Town of Temple	One point of diversion on Temple Lake (Tributary to Cache Creek) in Section 29, T3S, R10W1M	Cotton County SS 1-13-1	Municipal Water Supply 32 a.f.

**WATER RIGHTS ADMINISTRATION DIVISION
Well Driller and Pump Installer Licensing**

March 18, 2025

DPC NUMBER	NAME OF FIRM	CERTIFIED ACTIVITIES	OPERATORS
New Licenses, Accompanying Operator Certificates and Activities:			
DPC-1129	Circle S Sprinkler, LLC	Pump Installation	Matthew Steiner OP-2576
DPC-1131	Letts & Demery Pump and Drilling	Pump Installation and plugging of certain water wells	Hunter Demery OP-2583
DPC-1133	Curtis Construction, LLC	Pump installation and plugging of certain water wells	Curtis Habecker OP-2585
DPC-1135	Miller Drilling	Groundwater wells and pump installation	Dennis Miller OP-2587
New Operators, License Name Change, and/or Activities for Existing Licenses:			
DPC-0669	Martins Well Service	Pump Installation	Matthew Schonl OP-2577
DPC-0363	Oklahoma Environmental, Inc.	Monitoring wells and geotechnical borings	Will Van Hooze OP-2578
DPC-0134	Meyer Pump Service	Pump Installation	Lucio DeLeon OP-2579
DPC-0134	Meyer Pump Service	Pump Installation	Russell Schat OP-2580
DPC-0134	Meyer Pump Service	Pump Installation	Eric Simmons OP-2581
DPC-1020	Blue Sage Services	Groundwater wells	Renato Basurto OP-2582

CONT. 3.M.

DPC-1131	Letts & Demery Pump and Drilling	Pump installation and the plugging of certain water wells	Klay Reed OP-2584
DPC-1020	Blue Sage Services	Pump installation and the plugging of certain water wells	Jose Urrutia OP-2586
DPC-1059	Okie Drilling and Water Well Services	Pump installation	Hayden Wilcox OP-2588
DPC-1059	Okie Drilling and Water Well Services	Groundwater wells	Donald Stewart OP-2589

**WATER RIGHTS ADMINISTRATION DIVISION
Proposed Stipulated Order**

March 18, 2025

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

In the Matter of the Application of)	
BubbaSugarLittle, LLC for a)	Application No. 2022-0575
Groundwater Permit)	

PROPOSED ORDER WITH STIPULATED AGREEMENTS

This matter arises out of the Application No. 2022-0575 (“Application”) filed by BubbaSugarLittle, LLC (“Applicant”). The Application seeks a Regular Groundwater permit in Oklahoma County authorizing the use of 55.78 acre-feet of groundwater per year for the irrigation of a golf course used for underprivileged youths and then amended and reduced by Stipulated Agreement dated as Received by the OWRB on February 7th, 2025, to 27 acre-feet of groundwater per year, attached as Exhibit “A”. The Groundwater Basin shown by OWRB records for this location is known as the Garber-Wellington.

The remaining letters of objections on file submitted by Velma J. Davis Washington, Rita Cooksey, and the two submitted by Carol Boyles, are determined to lack a sufficient basis to qualify them for party status in this case, but all letters noting their objections will remain a part of the permanent application record. The scheduled hearing therefore is moot and the hearing that was scheduled for March 19, 2025 has been stricken.

All applicable legal issues, including those set forth in the Notice of Hearing dated February 6th, 2025, are deemed to have been met by the Applicant for Application No. 2022-0575. These include 1) that the land overlying a fresh groundwater basin is owned or leased by Applicant, 2) that the use is beneficial as defined by applicable law, 3) that waste by depletion or waste will likely not occur, and that the location of the Applicant’s well and as further described below is approved. The Board recognizes the Stipulated Agreement between the parties and agrees that it resolves all issues related to this permit application. The terms in the Stipulated Agreement are adopted and incorporated by the Board by reference herein from Exhibit “A”. These specifically include the following:

1. **Take Rate:** The maximum amount of groundwater permitted for Applicant shall be 27 Acre-feet of groundwater per year.
2. **Water Testing:** Applicant’s water well located closest to the City of Nichols Hills’ NH

Well 15 shall be tested at least once per year at Applicant's expense by a state licensed testing lab. The testing is to include Gross Alpha (Uranium), Gyphosate (Herbicide), 2-4D (Weed Killer) an Ethylene Dibromide (Herbicide), with a copy of the report, which shall include also a report on the water level in Applicant's water wells, sent to the attention of the Director of Public Works at 1009 NW 75th Street, Nichols Hills, Oklahoma 73116. If the levels of Gross Alpha (Uranium), Gyphosate (Herbicide), 2-4D (Weed Killer) and Ethylene Dibromide (Herbicide) exceed EPA/ODEQ limits, the water take rate shall be curtailed by a further 30% from the twenty-seven (27) acre-feet of water per year rate until a similar test of the same well shows the contaminants back below the threshold.

3. **Security Measures:** Applicant BubbaSugarLittle LLC shall padlock an enclosure around each water well site. The enclosure shall be metal or of another material strong enough to be secure from casual to moderate tampering. The Applicant shall also deliver written notice to Director of Public Works for the City of Nichols Hills, at the same address as listed above, if the security measures are defeated or materially impacted from tampering.

The outside border of Applicant's parcel of property is currently and entirely fenced with eight foot (8') tall chain-linked fence with one gate of the same material located on the south side of the property. which is secured with a heavy-duty padlock. Applicant does not believe that transient or other persons could shelter within the existing or proposed enclosures for the water wells. Applicant has plans for the construction of a facility on the south/southeast side of the parcel of property, which is anticipated to have security cameras. Applicant shall provide Director of Public Works for the City of Nichols Hills the notice, at the same address listed above, if any of the current or anticipated security measures are changed.

4. **Number of Water Wells:** The Application submitted includes two (2) existing water wells, and three (3) water wells to be drilled and/or constructed. Applicant withdraws the proposed water well located in the northeast portion of its parcel of property, leaving two (2) existing water wells and two (2) water wells to be drilled or constructed.
5. **Maximum Depth:** The maximum depth for Applicant's water wells shall be two hundred fifty feet (250'), and Applicant shall send copies of the new well completion reports to the attention of the Director of Public Works for the City of Nichols Hills, at the same address as listed above.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the Application No. 2022-0575, including the location of the wells, is approved with the above-stated terms.

IT IS SO ORDERED by the Oklahoma Water Resource Board in regular and open meeting this _____ day of _____, 2025.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary
(SEAL)

March 2025 Dam Safety Board Items

N. Consideration of and Possible Action on Dam and Reservoir Construction:

1. Krebs Lake Dam (OK10432)

NID. NO. & COUNTY	NAME OF APPLICANT & NAME OF PROJECT	PLANS & SPECS PREPARED BY	HAZARD CLASSIFICATION	LEGAL DESCRIPTION
OK10432	City of Krebs	J. Steven Fox, PE	Significant	Sec. 26, T06N R15EIM
Pittsburg County	Krebs Dam	Fox Engineering, Inc.		

The applicant requests approval of the improvements to the spillway of Krebs dam. The primary purpose of the dam is municipal water supply. The proposed project involves replacing the masonry retaining walls on both sides of the concrete spillway. The dam is 40 feet tall, with 261 acre-feet of normal storage, and a maximum impoundment capacity of 325 acre-feet.

5. SPECIAL CONSIDERATION

WATER RIGHTS ADMINISTRATION DIVISION

March 18, 2025

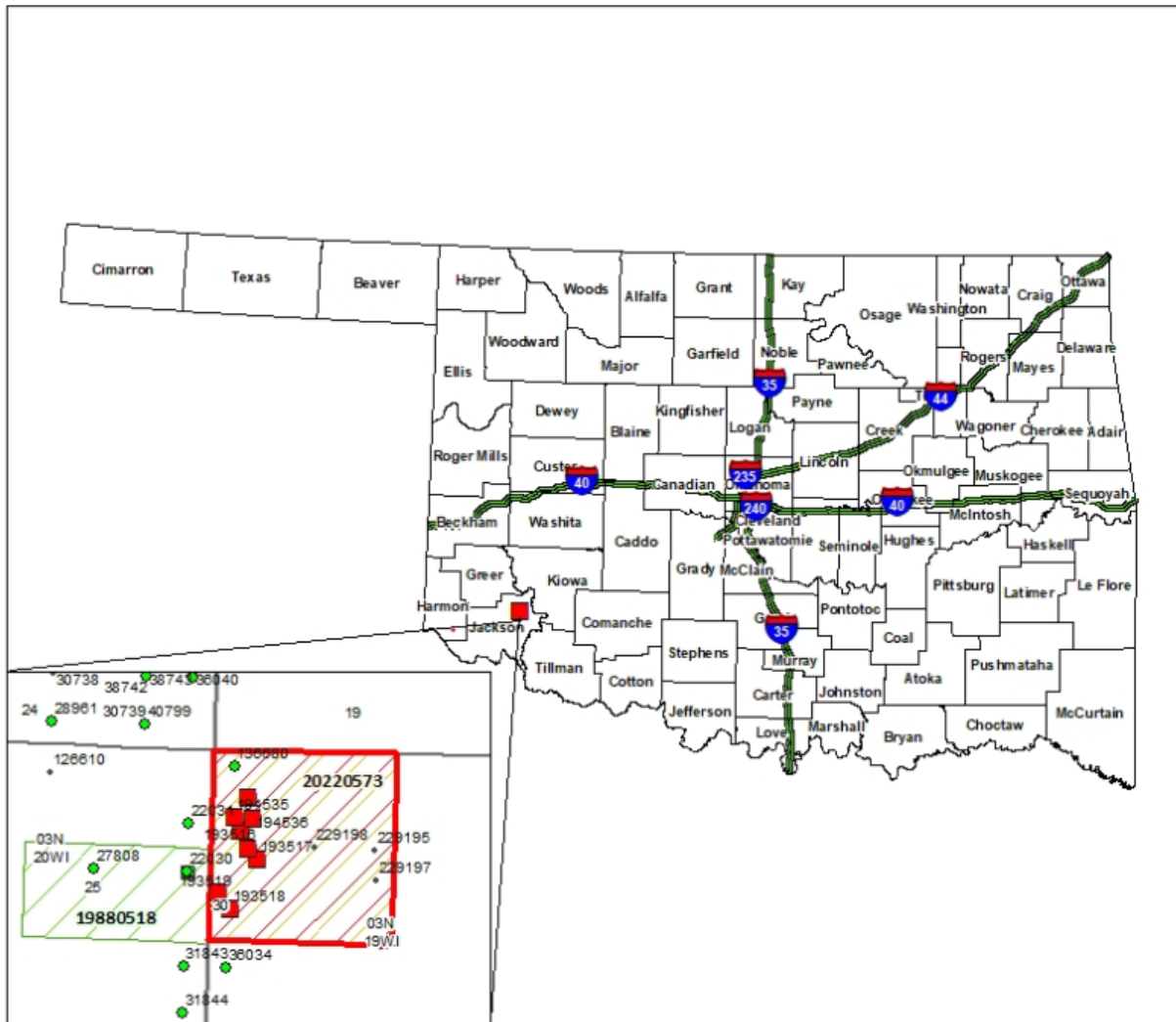
WATER RIGHTS ADMINISTRATION DIVISION
Application for a Temporary Groundwater Permit

March 18, 2025

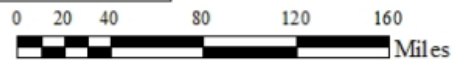
NUMBER & DATE	COUNTY	NAME OF APPLICANT	RECOMMENDATION
2022-573 10/31/2022	Jackson County	Winters Farms, LLC	Approval for proposed order

Notice is given by Winters Farms, LLC c/o Glen Winters of 15910 S. CR 209, Altus, OK 73521 has filed an application, #2022-573, with the Oklahoma Water Resources Board (Board) for a permit to use 299.3 acre-feet of groundwater per year. The groundwater is proposed to be used for irrigation (cotton, wheat, alfalfa, and grass) and taken from 149.64 acres located as follows: NW of Section 30, T3N, R19WIM, Jackson County. The water is to be withdrawn from eight (8) wells located as follows: one (1) well each in the NE SW NW, NW NW NW, NW SW NW, two (2) wells in the SW SW NW, and three (3) wells in the SW NW NW; all in Section 30, T3N, R19WIM, Jackson County, and used in Jackson County, Oklahoma. The applicant gave proper Public Notice, the application was protested, and an administrative hearing on remand by the Board was held on January 8, 2025. The Board concludes that the well exception request should be granted. The hearing examiner recommends approval.

Groundwater Application: Permit #20220573, Winters Farms LLC, Jackson County



Created by: CW
Date: 3/10/2025



Main Legend

- Wells to be Permitted
- Counties
- Interstates

Inset Legend

- Wells to be Permitted
- Dedicated Land
- ◆ Proposed Wells
- ◆ Groundwater Wells
- Reported Well Logs
- Townships
- Sections

OWRB Permits

- Groundwater, Active
- Groundwater, Pending
- ◆ Surface Water, Active
- ◆ Surface Water, Pending

OWRB Dedicated Lands

- Groundwater, Active
- Groundwater, Pending
- Surface Water, Active
- Surface Water, Pending



**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

In the Matter of the Application by Winters)
Farms, LLC. for Permit to Use Groundwater in) Application No. 2022-0573
Jackson County, Oklahoma)

PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW AND BOARD ORDER ON REMAND

INTRODUCTION

This matter arises out of the application for a temporary groundwater use permit filed by Winters Farms, LLC. (the “Applicant”). Applicant has requested to use eight (8) existing wells on the property owned by the Applicant for agricultural use to grow cotton, wheat, alfalfa, or grass. David and Amy Parson and Carl Wayne Whitaker (the “Protestants”) all submitted protests to the application and the matter was set for hearing on remand by the Board on January 8, 2025.

A hearing on remand was held at the Board offices in Oklahoma City, Oklahoma, on January 8, 2025. The Applicant was present as were the Protestants for the Hearing on this matter. The Applicant was represented by Dale Cottingham of the firm Crowe Dunlevy, Oklahoma City, Oklahoma, and Dean A. Couch, of Arcadia, Oklahoma, and the Protestants were represented by counsel Eric King, of the firm of Fellers Snider, Oklahoma City, Oklahoma. Pursuant to OAC 785:4-7-1 and 4-7-7, records were admitted that were offered by the Oklahoma Water Resources Board (“OWRB”) pertinent to this Application, including in part the application, ownership documents, notice documents, maps, protests of David and Amy Parson and Carl Wayne Whitaker, the well drilling logs, and the notice scheduling hearing on remand. *See* OWRB Exhibits 1-36. After the hearing on remand was adjourned, the matter was taken under advisement. A proposed order on remand was prepared, served on the parties, and presented to the Board for consideration and action.

Based upon the separately stated Findings of Fact and Conclusions of Law that follow, the Board determines that the application should be approved.

BACKGROUND

1. On October 31, 2022, the Applicant filed Application No. 2022-0573 with the Board for a permit to use groundwater in Jackson County, Oklahoma. Applicant requested authorization to use 299.3 acre-feet of groundwater each year from the eight (8) existing, previously drilled, groundwater wells for agricultural use to grow cotton, wheat, alfalfa, or grass. Protestants do not dispute the reported locations of the Applicant’s eight (8) wells. Applicant dedicated to the application 149.64 acres of land; namely 149.64 acres in the NW ¼ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County; *See* OWRB Exhibit 1.

2. The existing groundwater wells are located in Jackson County as follows:

1 Well: NE ¼ of SW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW ¼ of NW ¼ of NW¼ Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

3 Wells: SW ¼ of NW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW ¼ of SW ¼ of NW ¼ of Section 30, Township 31 North, Range 19 West, Indian Meridian, Jackson County; and,

2 Wells: SW ¼ of SW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 WIM, in Jackson County.

See OWRB Exhibit 1. The application indicated that groundwater would be taken from the Southwestern Oklahoma groundwater basin. *See* OWRB Exhibit 1.

3. To support this application, Applicant submitted the following instruments recorded in the Office of the County Clerk of Jackson County:

Warranty Deed (Book 867, Page 572)
Trustee's Deed (Book 813, Pages 925-926)

See OWRB Exhibit 2. The ownership of land was not disputed during the Hearing on this matter.

4. Applicant revised the application as necessary by Board rules and statutes. *See* OWRB Exhibit 1. Applicant also submitted a surface estate owner's map for notification purposes. *See* OWRB Exhibit 1.

NOTICE

5. On March 2, 2023, Board staff notified Applicant that the application had been reviewed and directed Applicant to give notice of the application by certified mail to each surface owner of land within 1,320 feet of the outside boundary of the ten-acre tract of land with a groundwater well location covered by the application, and publish notice of the application in a newspaper of general circulation in the county in which the wells are located during the weeks beginning March 19, 2023, and March 26, 2023. *See* OWRB Exhibit 3. The notice was published on March 10, 2023, and March 17, 2023, in *The Altus Times*, a newspaper of general circulation in Jackson County. *See* OWRB Exhibit 4. The notice listed a protest deadline of April 24, 2023. *See* OWRB Exhibit No. 5. Applicant also sent, by certified mail, direct notice to those individuals listed on the surface estates owner's map. *See* OWRB Exhibit 5.

It is noted that the direct notice sent by certified mail to surface estate owner Wesley Churchwell (Father-in-Law to Carl Wayne Whitaker) at an address in Midwest City, Oklahoma, came back to the Applicant as "undeliverable". *See* Applicant's Exhibit 19; Protestants' Exhibit 26; and uncontested testimony from Applicant's Manager Glen Winters that Wesley Churchwell, Father-in-Law of Protestant Carl Wayne Whitaker, due to health issues, was residing in Altus, Oklahoma, at the home of Protestant Carl Wayne Whitaker, at the same time the direct notice sent by certified mail to Wesley Churchwell at an address in Midwest City, Oklahoma, came back as

“undeliverable”. (See Applicant’s Exhibit 19). It is also noted that Protestants’ Exhibit 26, a U.S. Department of Agriculture Annual Lease Agreement Certification Statement, signed as Lessee by Protestant Wayne Whitaker on May 17, 2023, discloses that Landowner/Lessor Wesley Churchwell has leased a Jackson County, Oklahoma, tract of land of 147.00 acres, more or less, to Protestant Carl Wayne Whitaker, and that Protestants’ Exhibit 22, documents that Protestant Carl Wayne Whitaker, through a Warranty Deed, actually owns a tract of land of 1.18 acres, more or less.

It is further noted that the direct notice sent by certified mail to surface owner Sherrie Reaser came back as “unclaimed”, as did the direct notice sent by certified mail to surface owners Charles and Tresa Garrett. See Applicant’s Exhibit 19. The Applicant’s Manager Glen Winters testified that upon learning the aforesaid direct notices for Sherrie Reaser and Charles and Tresa Garrett came back as “unclaimed”, he telephoned both Ms. Reaser and Mr. Garrett to inform them of the notice and apparently neither chose to file a protest.

PROTESTS

6. Surface estate owners David and Amy Parson and Carl Wayne Whitaker each protested the application by separate letters dated April 24, 2023, and each was made a party herein. See OWRB Exhibit 6. At the Hearing, Protestant David Parson testified that he purchased water for his domestic use from a rural water district, and that he had no OWRB groundwater permit for his single water well that he used in his two-year old cattle and livestock operation that includes ten (10) cows, eight (8) calves, and seven (7) or eight (8) goats. Even though Protestant David Parson uses his single water well solely for his cattle and livestock (goats) operation, under the provisions of 82 O.S. §1020.1(2), in part, “...the use of water by a natural individual or by a family or household for household purposes, **for farm and domestic animals up to the normal grazing capacity of the land...**” (emphasis added), is defined as “domestic use”. The Applicant alleges that well #31843 depicted on OWRB Exhibit 7 is the one and only well of the Protestant David Parson, and as such well #31843 is located on land that overlies a different groundwater basin, namely the North Fork of the Red River groundwater basin. The Protestant David Parson alleges his one and only well is not printed or depicted on OWRB Exhibit 7 and is not well #31843, but rather is depicted on Protestants’ Exhibit 24 as a hand-drawn circle that lies above the Southwestern Oklahoma groundwater basin and nearer to the Applicant’s property than well #31843, which Protestant David Parson does not claim to be his well.

HEARING

7. The original Hearing was held on February 28, 2024. The hearing on remand was initially scheduled to be held on August 28, 2024, but was continued due to a serious automobile accident in which, Eric King, the counsel for the Protestant, was injured. The Hearing on remand was rescheduled and commenced on January 8, 2025, at the Board’s office in Oklahoma City, Oklahoma.

The Board's direction on remand was found in the Minutes of its May 21, 2024, Board Meeting as a Motion by Board Member Tom Gorman which oral motion stated as follows:

I'd make the motion to remand this application back to the hearing officer to obtain more evidence regarding the availability of water on other parts of the dedicated land and also to obtain more evidence regarding the waste -- sorry -- waste by depletion and beneficial use.

The aforesaid Motion was seconded and the Board voted to approve the Motion.

Appearing on behalf of Applicant at the hearing on remand were Attorneys Dale

E.

Cottingham of the Crowe Dunlevy law firm in Oklahoma City, Oklahoma, together with Dean A. Couch, of the firm of Couch H2O Law, PLLC. from Arcadia, Oklahoma. The Protestants were represented by Eric R. King, of the Fellers Snider law firm, of Oklahoma City, Oklahoma. The hearing was opened, appearances were entered, witnesses were sworn and testified, evidence was admitted, the protestants' protest was heard, and the hearing was adjourned. Thereafter, a proposed order on remand was prepared, served on the parties, and presented to the Board for consideration and action at an upcoming meeting. It is noted that Applicant's Exhibit 41, which was represented to be a water management plan, was not admitted into evidence and that Applicants' counsel made or attempted to make an offer of proof as to the exhibit to which the Protestants objected as the exhibit was not authenticated by its author and the offer was improper, which objection was sustained.

Colby George of the George Water Well Drilling Company, was sworn in as a witness in the Hearing on remand on January 8, 2025, for the Applicant. According to Mr. George, Exhibit # 37 was a Well Report for Test Hole #1 drilled on July 22, 2024, a report that Mr. George said was accurate and a sixty-foot well. Mr. George also noted that Test Hole #1 was on the east side of the property and produced a yield of 15 gallons per minute. Exhibit #37 was admitted without objection.

Continuing, Mr. George said that Exhibit #38 was a Well Report for Test Hole #2 that was drilled on July 23, 2024, that was an accurate report and a sixty-foot well. Mr. George noted that Test Hole #2 was on the east side of the property and produced a yield of 15 gallons per minute. Exhibit #38 was admitted without objection.

Continuing, Mr. George said that Exhibit #39 was a Well Report for Test Hole #3, that was drilled on July 23, 2024, that was an accurate report and a sixty-foot well. Mr. George noted that Test Hole #3 was as close as they could get of being in the middle of the property and it produced a yield of zero (0) gallons per minute. Exhibit # 39 was admitted without objection.

According to the Applicant's counsel, Dale Cottingham, Exhibit #41 was a Water

Management Plan prepared by the NRCS, the successor to the Soil Conservation Service. The Protestants objected to the admission of Exhibit # 41 as it was not authenticated by its author. The Board's Hearing Examiner sustained the objection and Exhibit # 41 was not admitted into evidence.

Counsel for the Applicants asserted that the quantity of groundwater was sufficient for the Protestants and the Applicant. As to waste by depletion, no evidence was produced that waste by depletion would occur.

FINDINGS OF FACT

OWNERSHIP OF LAND

8. The title to the land is held by Winters Farms, LLC. See OWRB Exhibit 2. Ownership of the land was not disputed at the January 8, 2025, hearing on remand.

LAND LOCATED OVER GROUNDWATER BASIN

9. The land dedicated to this application overlies the Southwestern Oklahoma groundwater basin. Pursuant to the application, the maximum annual yield determination established by the Board is 2 acre-foot per year per acre of land. This was not disputed at the January 8, 2025, hearing on remand.

BENEFICIAL USE

10. The proposed use of the groundwater is for agricultural use to grow cotton, wheat, alfalfa, or grass. See OWRB Exhibit 1. The beneficial use (agricultural use to grow cotton, wheat, alfalfa, or grass) of the groundwater by the Applicant, while questioned through the Protestants' attempt to wrongfully convert the statutory definition of "beneficial use" from its being an unambiguous objective standard into a subjective standard because of the Protestants' perception that granting the Applicant's groundwater application for agricultural use would not be beneficial to them in their respective cattle and livestock operations, was not legitimately disputed at the hearing. The Applicant's Manager Glen Winters testified that he intended to use a manifold system of irrigation to avoid cavitation of the pumps in his wells in putting the requested groundwater to the beneficial use of agriculture to grow cotton, wheat, alfalfa or grass.

WASTE BY DEPLETION

11. No testimony was presented at the January 8, 2025, hearing on remand that Waste by Depletion will occur by the granting of the application for a permit and no evidence was admitted that waste by depletion will occur should the application be granted. Protestant David Parson expressed his fear through his testimony that waste by depletion would occur should the requested permit be issued.

The Protestants failed to introduce any evidence to substantiate that any waste by depletion will occur should the requested permit be granted by the OWRB. The Applicant's Manager, Glen Winters, testified that the Applicant will not use more water than is allocated by the permit, that following the water management plan Applicant will use a pivot irrigation system, and the Applicant will ensure efficiency by use of manifolding the wells together to avoid cavitation. Through Glen Winters testimony, the Applicant has expressly shown the method the Applicant intends to use for irrigating a particular area, that being the approximate area of crops to be irrigated consisting of 118 acres as provided in the Application (*See* OWRB Exhibit 1), which method information has been furnished to the OWRB, and which OWRB now has the authority to determine that waste will not occur. Glen Winters also testified that he wanted no more or less water than he was entitled to, based on the 2-acre feet of water each year requested for the 149.64- acre property dedicated to this Application.

WASTE BY POLLUTION

12. No testimony was presented at the hearing that there would be any waste by pollution and no evidence was admitted that that waste by pollution will occur should the application be granted.

WELL SPACING EXCEPTION REQUESTED

13. Based on distances estimated from locations shown on OWRB Exhibit 7, seven (7) of the eight (8) Applicant's wells may be located within 1,320 feet of authorized existing wells on lands owned by another. The Applicant's lone well that does not appear to be located within 1,320 feet of an authorized existing well that is in the NW NW NW of Section 30 and is identified by well log #136680 that was drilled for Glen Winters in 2010 with a then-estimated yield of six (6) gallons a minute to provide water for 800 peach trees.

Applicant's wells #193518 and #193519 are located in the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of T3N, R19WIM and based on distances estimated from well locations depicted in OWRB Exhibit 7, and Applicant's wells #193518 and #193519 appear to be within 1,320 feet of two wells located on Exhibit 7, one designated as #31843 and the other designated as #36034. *See* OWRB Exhibit 7.

Well #36034 appears to be on lands owned by Michael and Kimberly Maahs as indicated on the Surface Estate Owners Map (OWRB Exhibit 1) who were given notice of the Application by certified mail and who did not file a protest (OWRB Exhibit 7). Accordingly, a location exception based on non-objection should be granted.

Well #31843 on OWRB Exhibit 7, sometimes referred to as the Carrie Thornton Well, is located on the 1.18-acre property owned by Protestant David Parson who uses his one and only well for his small cattle and livestock operation, and the Applicant well #193518 is within 1,320 feet of well #31843. Protestant David Parson hand-marked OWRB Exhibit 7 from his memory with a circle where he believes his well is located (Protestants' Exhibit 24). Glen Winters testified that, according to the OWRB Map (OWRB Exhibit 7), well #31843 is located on lands above the underlying North Fork of the Red River groundwater basin and not under lands above the Southwestern Oklahoma groundwater basin, which is the groundwater basin at issue herein. It is noted that the drilling logs provided by Wade Drilling and Pump Service, LLC.

on Parson Well (Protestants' Exhibit 23) evidences an estimated yield of 25 gallons per minute for only 6 minutes. OWRB Exhibit 7 is a OWRB Map that depicts well #31843 of the Protestant David Parson to be located outside of the Southwestern Oklahoma groundwater basin. Accordingly, under OAC 785:30-3-6(a)(3), in pertinent part, provides "...no new well or proposed well(s) shall be authorized by temporary permit to be drilled and completed within one thousand three hundred and twenty (1,320) feet of an authorized existing well or proposed well on lands of another, provided the well is capable of taking water from the same basin". (See OWRB Exhibit 7).

Applicant's well #194535 is located in the SW ¼ of the NW ¼ of the NW ¼ of Section 30, T3N, R19 WIM, is within 1,320 feet of the well designated on OWRB Exhibit 7 as well #22031, and appears to be on lands owned by Debra Mardis. Ms. Mardis received the notice of the Application by certified mail and did not file a protest. Applicant's well #194535 together with Applicant's wells #194533, #19516 and #19517 also appear to be located within 1,320 feet of the well designated on OWRB Exhibit 7 as well #22030, which appears to be located on lands owned by Charles Dobbs who likewise filed no protest (OWRB Exhibit 7). Accordingly, a location exception based on non-objection should be granted.

Protestant Carl Wayne Whitaker, who uses one of his two wells solely for his small cattle operation, previously testified at the 2024 Hearing that that he has two wells on the 147.00-acre tract of land he leases from his Father-in-Law, Wesley Churchwell, yet neither of such wells appear on any OWRB maps as they are used for domestic use. Applicant's wells #136680, #194535, and #194536, are located within 1,320 feet of the one and only well used by Protestant Carl Wayne Whitaker for his small cattle operation which includes eleven (11) cows and eleven (11) calves.

It is noted that the drilling logs by Wade Drilling and Pump Service, LLC. on Whitaker Well #1 and #2 provided by Protestant Carl Wayne Whitaker (Protestant Exhibits 27 and 28) evidences an estimated yield of 8 gallons per minute.

CONCLUSIONS OF LAW

Based upon applicable law, and as applied to the above Findings of Fact and evidence in the record, the Board draws the following Conclusions of Law:

USE OF GROUNDWATER

14. Under 60 O.S. § 60, the owner of the surface of a given tract of land owns the fresh groundwater beneath the surface of that land. That surface owner may use such groundwater in accordance with the use regulations imposed by the Oklahoma Groundwater Law, 82 O.S. § 1020.1 et seq.

SUBJECT MATTER JURISDICTION

15. The Board has subject matter jurisdiction to adjudicate applications for permits according to the Oklahoma Groundwater Law and the Board's rules promulgated pursuant

thereto. 82 O.S. § 1020.7. See OWRB Exhibits 6 and 7.

PERSONAL JURISDICTION; DUE PROCESS

16. Due and proper notice of the application and subsequent proceedings was given to all potentially interested persons as required by law, except surface estate owners Sherrie Reaser and Charles and Tresa Garrett, whose notifications sent by certified mail were returned “unclaimed” (under OAC 785:4-7-7, Judicial Notice is taken of these records on file with the OWRB); Applicant’s Exhibit 19. It is uncontested that the Applicant’s Manager Glen Winters telephoned Sherrie Reaser and Charles and Tresa Garrett to inform each one of the notification of the deadline date in which to file a protest to the Applicant’s groundwater permit application sent to them by certified mail, and that neither Sherrie Reaser nor Charles and Tresa Garrett, subsequently picked up their Applicant-sent certified mail notifications. Applicant and Protestants are interested parties to this proceeding. All other potentially interested persons have defaulted or abandoned their interests. Oklahoma Administrative Code (“OAC”) 785:4-7-3.

DOMESTIC USE

17. Under the provisions of 82 O.S. §1020.1(2), in pertinent part, “...the use of water by a natural individual or by a family or household for household purposes, **for farm and domestic animals up to the normal grazing capacity of the land...**” (emphasis added), is defined by statute to be “domestic use”.

ISSUES TO BE DETERMINED

18. When a person makes an application for a groundwater permit, 82 O.S. § 1020.9 and OAC 785:30-3-5 requires the Board to determine several specific issues. These are:

- (a) whether the applicant owns the surface of the dedicated land or holds a valid lease for the taking of groundwater from the land;
- (b) whether the dedicated land overlies a fresh groundwater basin or subbasin;
- (c) whether the use to which the applicant intends to put the water is a beneficial use; and
- (d) that waste by depletion and waste by pollution as specified in 82 O.S. § 1020.15 will not occur.

Generally, if the Board finds for the applicant on all these issues, the rule provides that the Board shall approve the application and issue the appropriate permit. Section 1020.9(D) of

Title 82 provides further that the Board may specify conditions in the permit, including but not limited to the rate of withdrawal and the level of perforation and sealing wells.

OWNERSHIP OF LAND

19. Ownership of land was not challenged at the hearing. Regardless, based on the information submitted in the application and the evidence admitted at the hearing on remand, the Board concludes that Applicant provided evidence of the Applicant's right to take groundwater from the land identified on the application, in the form of ownership documentation listed above in paragraph three. See OWRB Exhibits 1 and 2.

GROUNDWATER BASIN

20. The dedicated land in this Application overlies the Southwestern Oklahoma groundwater basin. The maximum annual yield for this basin is 2 acre-foot per acre per year. This issue was not challenged at the hearing on remand. Therefore, based on that maximum annual yield, Applicant is entitled to a groundwater allocation of two acre-foot per acre per year, as provided in 82 O.S. § 1020.11(8). It is noted that the one well of Protestant David Parson, well #31843, overlies the North Fork of the Red River groundwater basin, and as such, well #31843 is not capable of taking water from the same basin (i. e., Southwestern Oklahoma groundwater basin) (See OAC 785:30-3-6(a)).

BENEFICIAL USE

21. This Board defines beneficial use in OAC 785:30-1-2 as follows:

“Beneficial use” means the use of such quantity of stream or groundwater when reasonable intelligence and reasonable diligence are exercised in its application for a lawful purpose and as is economically necessary for that purpose. Beneficial uses include but are not limited to municipal, industrial, agricultural, irrigation, recreation, fish and wildlife, etc.”

22. Although beneficial use was not legitimately disputed or challenged at the hearing on remand, the evidence established that Applicant's proposed agricultural use to grow cotton, wheat, alfalfa, or grass, meets the definition of beneficial use. The Protestants assert as a conclusion of law that the Applicant has the burden of proof that the use to which it intends to put the water is a beneficial use without any citation of legal authority in support, be it statute, administrative rule, or case law.

WASTE BY DEPLETION

23. The Board must determine whether Applicant will allow waste as specified by 82 O.S. § 1020.15 to occur. Section 1020.15 is quoted as follows:

A. The Oklahoma Water Resources Board shall not permit any groundwater user to commit waste by:

1. Drilling a well, taking or using groundwater without a permit, except for domestic use;
2. Taking more groundwater than is authorized by the permit;
3. Taking or using groundwater in any manner so that the water is lost for beneficial use;
4. Transporting groundwater from a well to the place of use in such a manner that there is an excessive loss in transit;
5. Using groundwater in such an inefficient manner that excessive losses occur;
6. Allowing any groundwater to reach a pervious stratum and be lost into cavernous or otherwise pervious materials encountered in a well;
7. Permitting or causing the pollution of fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin. The Board shall be precluded from determining whether waste by pollution will occur pursuant to the provisions of this paragraph if the activity for which the applicant or water user intends to or has used the water as specified under Section 1020.9 of [Title 82] is required to comply with rules and requirements of or is within the jurisdictional areas of environmental responsibility of the Department of Environmental Quality or the Oklahoma Department of Agriculture, Food and Forestry;
8. Drilling wells and producing groundwater therefrom except in accordance with the well spacing previously determined by the Board;
9. Using groundwater for air conditioning or cooling purposes without providing facilities to aerate and reuse such water; or
10. Failure to properly plug abandoned water wells in accordance with rules of the Board and file reports thereof.

According to OAC 785:30-1-1, paragraphs (1) through (6) and paragraphs (8) and (9) are forms of “waste by depletion” (as that term is used in the case of *Oklahoma Water Resources Board v. Texas County Irrigation and Water Resources Ass’n*, 1984 OK 96). Paragraphs (7) and (10) are forms of “waste by pollution”).

24. According to the case of *Lowery v. Hodges*, 1976 OK 132, ¶¶18-19, 555 P. 2d 1016, to satisfy the requirements of 82 O.S. §1020.9 that the evidence in a case must show that waste will not occur,

...an applicant must show what method he intends to use for irrigating a particular area; but once that information has been furnished the Board [OWRB], it [OWRB] then has the authority to determine that waste will not occur. If the Protestants think that waste will occur, they would need to present that evidence to the Board [OWRB] for its consideration.

If the plans submitted to the Board do not on their face demonstrate such waste, and the Protestants fail to introduce evidence that waste will occur, the statute [82 O.S.

§1020.9] has been satisfied and further questions concerning waste must await completion of the project.

In this case, the Applicant changed its irrigation plan to that of central pivot irrigation which ties in to its planned manifold system for irrigation of its property.

25. The Board acknowledges Protestants' joint written concerns about the groundwater supply in the area and that existing water wells could be adversely affected by Applicant's withdrawal of groundwater from the same basin. However, there is no basis in this case to determine that Applicant's proposed use will be impermissible or unlawful. The legislative policy expressed in the Oklahoma Groundwater Law is "to utilize the groundwater resources of the state." 82 O.S. § 1020.2(A). To implement that policy, the Oklahoma Groundwater Law authorizes the controlled reduction of a groundwater basin as long as that reduction is done in an orderly fashion according to the statutory scheme for reasonable restrictions on such use. The surface owner or lessee of land overlying a fresh groundwater basin is entitled to use the groundwater beneath the surface once certain elements of the Oklahoma Groundwater Law have been met. Here the application is in accordance with and not contrary to the law and rules.

WELL SPACING EXCEPTION REQUESTED

26. Applicant is seeking a well spacing exception. To qualify for a spacing exception, Applicant must show that completing a new well that would satisfy the spacing requirements of OAC 785:30-3-6(a), would be inequitable or unreasonable. The well spacing for bedrock groundwater basins or subbasins is 1,320 feet. OAC 785:30-3-6(a). According to OWRB's Exhibit 1, the well spacing exception is for all of the eight wells in this application. Under OAC 785:30-3-6(a)(3), the well on lands of another (well #31843 of Protestant David Parson, according to the uncontested testimony of Glen Winters, is located above the underlying North Fork of the Red River groundwater basin) and as such, well #31843 of Protestant David Parson, being located outside of the overlying Southwestern Oklahoma groundwater basin, is incapable of taking water from the same groundwater basin. (See OWRB Exhibit 7). It is noted that the low-flow readings from the Protestants actual drilling logs (Protestants' Exhibits 23, 27, and 28) supports the well spacing exception request to be unreasonable to deny.

27. OAC 785:30-3-6(b)(1) gives the following examples of situations where enforcing the well spacing requirements would be inequitable or unreasonable. First, the Board considers whether the exception is met with protest. Here, the exception is met with protests. Second, the Board takes into consideration the amount and/or dimensions of the land dedicated to the permit and whether same allows for compliance with the spacing requirements. However, evidence did establish that the location of the wells was based on available area. Third, in situations where the well has already been drilled, the Board considers when the well was drilled in relation to the determination of the maximum annual yield. Here, the wells in question

have been drilled. Finally, the Board looks to the remainder of the dedicated land and to the amount of groundwater available to the Applicant if wells were drilled in locations that would meet the spacing requirements. No evidence was offered to show that if the wells were drilled elsewhere there would be sufficient water to meet the Applicant's needs.

27. Because there were protests filed with respect to the well spacing exception, requiring Applicant to satisfy the spacing requirements of 785:30-3-6(a), in light of the remainder of the evidence presented, would be inequitable and unreasonable.

28. The Board concludes that **the Well Exception Request should be granted.**

29. The **Board concludes that waste by depletion will not occur** if the application is approved.

WASTE BY POLLUTION

30. The provisions of 82 O.S. § 1020.15(A)(7) provide the Board shall not permit any groundwater user to commit waste by "permitting or causing the pollution of a fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin." Therefore, the Board concludes that waste by pollution will not occur.

CONCLUSION

31. The Board hereby orders that application no. 2022-0573 in the name of Winters Farms, LLC. shall be and is hereby **APPROVED**. The Well Exception Request is **GRANTED**.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that Application No. 2022-0573 in the name of Winters Farms, LLC. shall be and the same is hereby approved. A permit shall be issued which authorizes the eight (8) groundwater wells located as follows:

1 Well: NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of NW $\frac{1}{4}$ Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

3 Wells: SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 30, Township 31 North, Range 19 West, Indian Meridian, Jackson County; and,

2 Wells: SW ¼ of SW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 WIM,
in Jackson County.

IT IS FURTHER ORDERED that all other terms and provisions set forth in the application
and not inconsistent with provisions of this Order shall be incorporated into and made a part of
the permit.

IT IS SO ORDERED by the Oklahoma Water Resources Board in regular and open
meeting this ___ day of _____, 2025.

OKLAHOMA WATER RESOURCES BOARD

Chairman

ATTEST:

Secret

ary

(SEAL

)

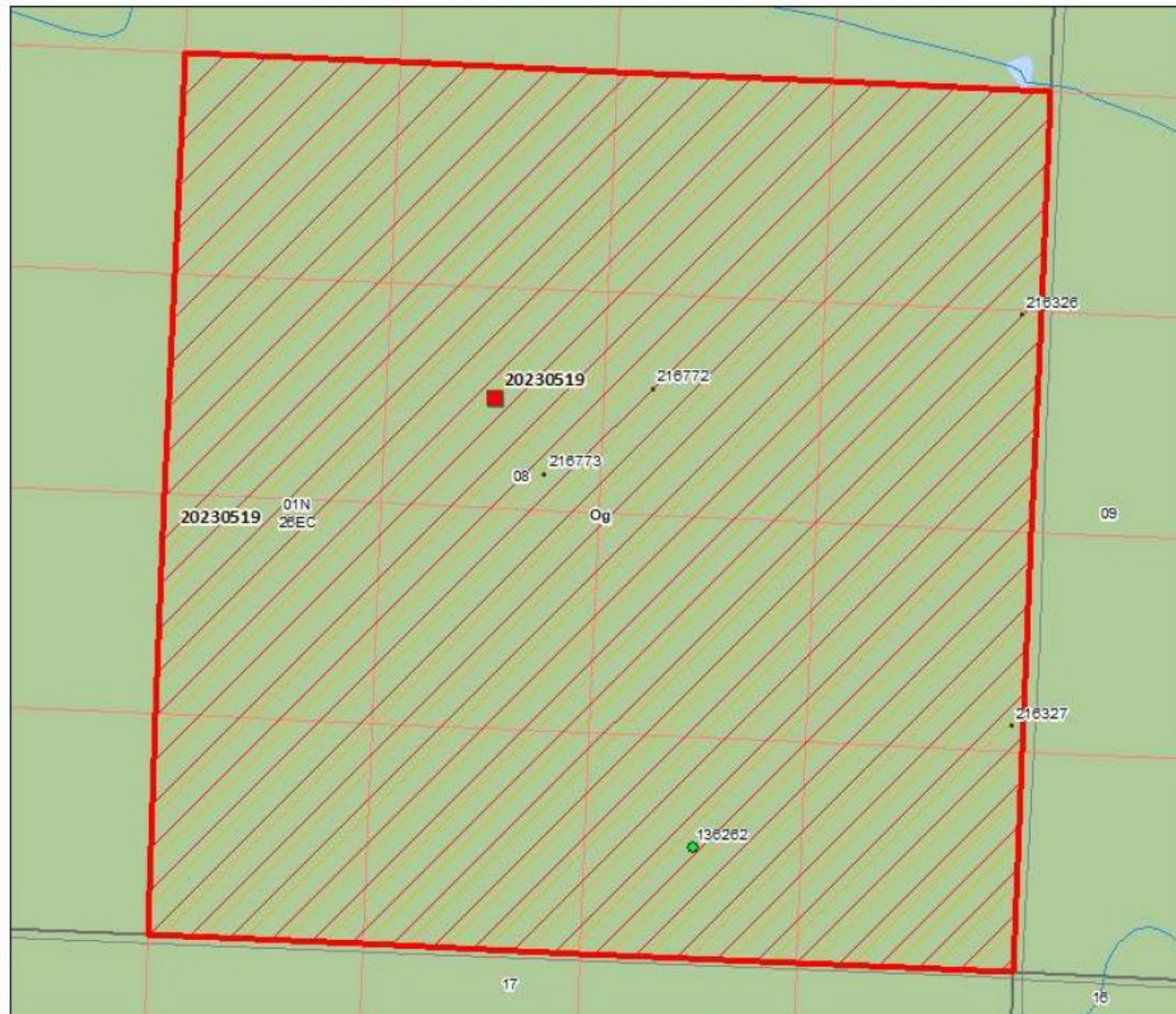
**WATER RIGHTS ADMINISTRATION DIVISION
Application for a Regular Groundwater Permit**

March 18, 2025

NUMBER & DATE	COUNTY	NAME OF APPLICANT	RECOMMENDATION
2023-519 2/13/2023	Beaver County	Southwest AG Farms, LLC	Disapproval for proposed order

Notice is given by Southwest Ag Farms, LLC c/o Curtis Neeley of PO Box 540, Sunray, TX 79086 has filed an application, #2023-519, with the Oklahoma Water Resources Board (Board) for a permit to use 320 acre-feet of groundwater per year. The groundwater is proposed to be used for irrigation (corn, cotton, and wheat) and taken from 160 acres located as follows: in the SE of Section 8, T1N, R26ECM, Beaver County. The water is to be withdrawn from one (1) well located as follows: in the SE NW SE of Section 8, T1N, R26ECM, Beaver County, and used in Beaver County, Oklahoma. Wells and dedicated lands are located over the Ogallala-Panhandle groundwater basin. The applicant gave proper Public Notice, the application was protested, and an administrative hearing was held on October 9, 2024. The Board hereby orders that application no. 2023-519 in the name of Southwest AG Farms, LLC. Shall be and is hereby not approved due to violation of OAC 785: 30-3-6 as to well spacing. The hearing examiner recommends not approval.

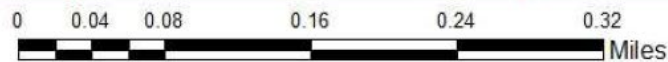
Groundwater Application: Permit #20230519 - Southwest Ag Farms, LLC - Beaver County



Legend

- Proposed Wells
 - Dedicated Lands
 - Townships
 - Sections
 - Q3 Grid
 - Reported Well Logs
- OWRB Permits**
- Groundwater, Pending
- OWRB Dedicated Lands**
- Groundwater, Pending
 - County Roads
 - Streams and Rivers
 - Lake/Pond
- OWRB Major Aquifers**
- Og - O gallala

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Date: 06/22/23



**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

In the Matter of the Application by)
Southwest AG Farms, LLC., for Permit to Use)
Groundwater in Beaver County, Oklahoma) Application No. 2023-0519

PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW AND BOARD ORDER

INTRODUCTION

1. This matter arises out of the application for a Regular Groundwater Use Permit Groundwater Application, filed by Southwest AG Farms, LLC. (the “Applicant”) on February 13, 2023. OWRB Exhibit 1. The Application noted that the 160 acres of land dedicated in the Application overlies the Ogallala - Panhandle groundwater basin. Applicant has requested to use one (1) proposed groundwater irrigation well on the property owned by the Applicant, which is an Oklahoma limited liability company formed under the Oklahoma Limited Liability Company Act, 18 O.S. §2001 *et seq.*, for agricultural use of growing wheat, corn, cotton and grass. The Applicant supplied a General Warranty Deed dated December 9, 2022, with Southwest AG Farms, LLC. being the Grantee, recorded in the Records of the County Clerk of Beaver County, Oklahoma, in Book 1437, at Page 0683, for the following described real estate, situated in the County of Beaver, Oklahoma, to wit:

The Southeast Quarter (SE/4) of Section Eight (8), Township One (1) North, Range Twenty-Six (26) East of the Cimarron Meridian, Beaver County, Oklahoma.

OWRB Exhibit 2. Based upon the separately stated Proposed Findings of Fact and Conclusions of Law that follow, the Board determines that **the application should not be approved.**

PROPOSED FINDINGS OF FACT

After initially taking this matter under advisement as required under the Board’s Rules OAC 785:4-7-11, it is now proposed by the undersigned Hearing Examiner, that the Board adopt the following findings of fact as having been proven in the Hearing as follows:

2. On February 13, 2023, the Applicant filed Application No. 2023-0519 with the Board for a permit to use groundwater for agricultural irrigation in Beaver County, Oklahoma. Through its application, the Applicant requested authorization to use two (2) acre-feet per acre of groundwater each year from the proposed one water well for a total requested use of 320-acre feet of water per annum, with the land to be irrigated for agricultural use to grow corn, cotton, wheat and grass so as to irrigate one hundred sixty (160) acres of crops. OWRB Exhibit 1. The Application indicated that groundwater requested would be taken from the Ogallala – Panhandle groundwater basin for agricultural irrigation usage. The **Application did not include a request for a well location exception.** See OWRB Exhibit 1. The maximum annual yield as heretofore

determined by the Board for the Ogallala - Panhandle groundwater basin is two (2) acre-feet per year per acre.

3. To support this application, after the hearing record was closed by the Board's Hearing Examiner on October 15, 2024, a date five days from the second day of the continued Hearing from October 9, 2024, the following instrument(s) was shown to have been previously recorded in the Office of the County Clerk of Beaver County on December 15, 2022

General Warranty Deed (Office of the Beaver County Clerk, Book 1437, Page 0683
See OWRB Exhibit 2 for recorded copy of General Warranty Deed presented at Hearing before the record closed on October 15, 2024.

4. The ownership of land by the Applicant was not disputed during the Hearing on this matter by any of the Protestants.

5. Applicant revised the application as necessary by Board rules and statutes. *See* OWRB Exhibit 1. Applicant through its legal counsel and also submitted a surface estate owner's map for notification purposes. *See* OWRB Exhibit 1.

6. On May 9, 2023, Board staff notified Applicant that the application had been reviewed and directed Applicant to give notice of the application by certified mail to each surface owner of land within 1,320 feet of the outside boundary of the ten-acre tract of land with a groundwater well location covered by the application. *See* OWRB Exhibit 3. Applicant through its legal counsel, also sent, by certified mail, direct notice to those individuals listed on the surface estates owner's map. *See* OWRB Exhibits 1 and 4.

7. The Protestant, Theodore Sutton, filed his letter of protest on his own behalf and on behalf of the Theodore Sutton Inheritance Trust, with the OWRB on August 24, 2023, a copy of which is the Applicant's Exhibit 16. OWRB Exhibit 6. In his letter of protest, Protestant Theodore Sutton, stated he was protesting the drilling of an irrigation well on the Southwest AG Farms, LLC property due to the depletion and static water level dropping of his water wells.

The Protestants, Ericka Marie Hesseltine, Dean James Lyle, Susan Lyle, all as Trustees of the Patricia A. Lyle Irrevocable Trust dated May 12, 2017 and Patricia Ann Lyle, filed their letter of protest dated September 14, 2023, through Travis A. Pickens, P.C., with the OWRB, a copy of which is the Applicant's Exhibit 17. OWRB Exhibit 6.

The Protestant, Judy McGuire, filed her letter of protest dated September 12, 2023, with the OWRB on September 15, 2023, a copy of which is the Applicant's Exhibit 18. OWRB Exhibit 6. The Protestant Judy McGuire failed to appear in person or through legal counsel on either day of the two-day Hearing.

HEARING

8. A hearing was held at the Board offices in Oklahoma City, Oklahoma, beginning on October 2, 2024, and continuing on October 9, 2024. The Applicant was present as were the

Protestants: Theodore Sutton, Theodore Sutton Inheritance Trust, Erika Marie Hesseltine, Dean James Lyle, Susan Lyle, all as Trustees of the Patricia A. Lyle Irrevocable Trust dated May 12, 2017, and Patricia Lyle, for the Hearing on this matter, together with their Attorneys Travis A. Pickens, P.C., and Weston Watts of Watts & Watts, Oklahoma City, Oklahoma. Protestants Judy McGuire and Randy M. Phillips, failed to appear for the Hearing. The Applicant was represented at the Hearing by its legal counsel, Peter A. Scimeca and Joe Krodel, Fellers Snider Oklahoma City, Oklahoma. The Protestants, at their expense, provided a Court Reporter to record the Hearing testimony and provided the Board with a copy of the transcript on January 28, 2025, at no cost. Thereafter, a proposed order was prepared, served on the parties, and presented to the Board for consideration and action at an upcoming meeting.

9. In accordance with the provisions of 75 O.S. §309 and 82 O.S. §1020.10, together with Oklahoma Administrative Code (“OAC”) 785:30-3-4 and 785:30-5-4.1, the Hearing Examiner, having reviewed the “Notice of Application to Use Groundwater”, which form of notice was to be mailed by the Applicant by certified mail, return receipt requested, to the surface estate owners of lands within 1,320 feet of the outside boundary of each ten (10) acre-tract of wells subject of the Application.

10. The Applicant through its Operations Manager, Curtis Neeley, certified in writing with signed returned receipts attached, that he notified the surface estate owners of lands located within 1,320 feet of the outside boundary of each ten (10) acre tract of the wells subject of application no. 2023-0519, of the Applicant’s intention to use groundwater by forwarding the notice of application by U. S. Mail, certified mail return receipt requested, on August 18, 2023, to the attached list of names that correspond to those listed on the Ownership Plat attached to the application, as follows: (1) Ray Elfins; (2) Sutton Inheritance Trust ; and, (3) The Last Buffalo LLC.; which notice certified that all certified mail green cards with signed return receipt and/or returns of service (or other proof of service that provides the sender with a signature and/or return of service), which was attached to the submitted affidavit, which affidavit was notarized. OWRB Exhibit 5. The undersigned Hearing Examiner determined that notice of the application was properly given as required by law, which determination was announced in the hearing.

11. Pursuant to Board Rule OAC 785:4-7-1 and 4-7-7, records were admitted that were offered by the Oklahoma Water Resources Board (“OWRB”) pertinent to this Application, including in part, the application, ownership documents, notice documents, maps, comments and protests of: (1) Theodore Sutton, and the Theodore Sutton Inheritance Trust through its Attorney Peter A. Scimeca and Joe Krodel of Fellers Snider, Oklahoma City, Oklahoma, (2) Judy McGuire, (3) Randy M. Phillips, and (4) Travis A. Pickens, P. C., and Weston O. Watts, Watts & Watts, Oklahoma City, Oklahoma, representing Erika Hesseltine, Dean James Lyle, Susan Lyle, and Patricia Ann Lyle and the Patricia A. Lyle Irrevocable Trust dated May 12, 2017, the incomplete water well map in Sections 8, 9 and 17, T1N, R26E C.M., Beaver County, Oklahoma (containing legal descriptions of the locations of water wells of the Protestants) supplied by Protestant Judy McGuire, a G.I.S. Map prepared by the OWRB for this application showing the Applicant’s proposed water well as well as those water wells of the Protestants, in Beaver County, Oklahoma, and the notice scheduling prehearing conference(s) and the hearing. *See* OWRB Exhibits 1-12. After the hearing was adjourned, the matter was taken under advisement. A proposed order was prepared, served on the parties, and presented to the Board for consideration and action.

12. It is noted that the OWRB Exhibits 1-12 were all admitted into evidence at the beginning of the Hearing. Subsequently, the Applicant presented several exhibits in the Hearing as did Protestants Theodore Sutton, the Theodore Sutton Inheritance Trust, Ericka Marie Hesseltine, Dean James Lyle, Susan Lyle, all as Trustees of the Patricia A. Lyle Irrevocable Trust dated May 12, 2017, and Patricia Ann Lyle, filed their letter of protest dated September 14, 2023, through Travis A. Pickens, P.C.

13. The Applicant produced its Exhibit Book entitled “Southwest Ag Farms Exhibits” containing 28 exhibits, the admission of which 28 exhibits was uncontested by any objections resulting in the admission of all 28 exhibits. The Applicant’s Exhibit 3 was the Publisher’s Proof of Publication for the Herald-Democrat newspaper dated August 24, 2023, that the required “Notice of Application to Use Groundwater” was published twice, once on August 17, 2023, and again a second time, on August 24, 2023. The Applicant’s Exhibit 4 was a document entitled “Multi-Purpose Well Completion & Plugging Report” dated October 20, 2022, for a single Groundwater Test Hole (1) prepared by its driller, Randy Taylor, of Hydro Resources [who testified that he actually drilled all four test wells for the Applicant], in the NE-SE-SE, Section 8, T 1 N, Range 26 E CM, Beaver County. As the Applicant’s second witness, Mr. Taylor testified that the [water] witcher [un-named] that was retained to find the best location of groundwater selected the proposed well location for the Applicant. The Applicant’s Exhibit 5 was a document entitled “Multi-Purpose Well Completion & Plugging Report” dated November 17, 2023, for a single Groundwater Test Hole (2) in the SW-NE-SW, Section 8, T1N, Range26E CM, Beaver County. The Applicant’s Exhibit 6 was a document entitled “Multi-Purpose Well Completion & Plugging Report” dated October 20, 2022, for a single Groundwater Test Hole (3) in the SE-NE-SE, Section 8, T1N, Range26E CM, Beaver County. The Applicant’s Exhibit 7 was a document entitled Multi-Purpose Well Completion & Plugging Report” dated November 17, 2023, for a single Groundwater Test Hole (4) in Beaver County.

14. The Applicant’s Exhibit 16 is a copy of the protest letter of neighbor Theodore Sutton dated August 25, 2023. The Applicant’s Exhibit 17 is a copy of the protest letter of Erika Hesseltine, Dean James Lyle, Susan Lyle, all as Trustees of the Patricia A. Lyle Irrevocable Trust dated May 12, 2017, and Patricia Ann Lyle dated September 14, 2023, through their Attorney Travis A. Pickens, P.C., Applicant’s Exhibit 18 is a copy of the protest letter of Judy McGuire, pro se, and OWRB Exhibit 6 includes a copy of the protest letter of Randy M. Phillips, pro se.

15. The Applicant’s Exhibit 25 includes a copy of the professional resume of its third witness as the Applicant’s expert witness and rebuttal witness, Steven D. Walthour, of Mico, Texas [SW Ag 093-096], a Technical Report of the OWRB 99-4, entitled “Groundwater Level Changes in Oklahoma 1978-1998” [SW Ag 99-177], map entitled “Oklahoma Groundwater Resources” [SW Ag 178], map entitled “Statewide Groundwater Vulnerability Map of Oklahoma” from the OWRB Technical Report 99-1 [SW Ag 179], a Hydrologic Investigation Map 2024-01 entitled “Water-Level Changes in the Ogallala-Panhandle Aquifer (1982-2022)” [SW Ag 180-182], a report from the Oklahoma Comprehensive Water Plan entitled “Panhandle Watershed Planning Region Report” Version 1.1 [SW Ag 183-287], Color Photos of existing well(s) apparently on Applicant’s property [SW Ag 288-294], and a Multi-Purpose Well Completion and Plugging Report for Well ID # 197176 located in the SE-NE-NE, Section 08, T 1N, R 26 E CM, owned by

Ted Sutton [SW Ag 295-297]. It is noted that Applicant's Exhibit 25 contains no letter or report prepared by the Applicant's expert witness Stephen D. Walthour in support of the Application. Mr. Walthour testified that he is no expert as to endangered species.

16. The Applicant supplemented its Exhibit Book with additional exhibits which were separately moved for admission and all admitted without objection, including Applicant's Exhibit 29-A, which is a copy of OAC 785:30-3-6 entitled "Well spacing", and Exhibit 32-A, which is a photographic view from space that depicts the neighboring groundwater wells by number as well as the Applicant's proposed groundwater well number 2023-0519.

17. The Applicant's Exhibits 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14, were admitted into evidence without objection.

18. Neither the Applicant nor any of the Protestants timely submitted any proposed findings of fact or conclusions of law for review or consideration.

19. On September 10, 2024, the Applicant filed a document herein entitled "Applicant's Response to Theodore Sutton Inheritance Trust's Motion for Denial of Southwest AG Farms, LLC's Application to Use Groundwater in Beaver County, Oklahoma", in which document the Applicant, in pertinent part, states: "Southwest Ag denies--and Sutton Trust has failed to provide any evidence indicating—that the 222423 Well is 'authorized by the Oklahoma Water Resources Board.' The 222423 Well is not permitted by the Board." On September 13, 2024, the Theodore Sutton Inheritance Trust filed a responsive document herein entitled "Theodore Sutton Inheritance Trust's Response to Southwest AG Farms, LLC's Motion for Partial Summary Adjudication", in which document, in pertinent part, the Sutton Trust notes that: "a groundwater permit for Well 222423 is not necessary because it is a domestic use well exempt from permitting pursuant to 82 O.S. § 1020.3." and that "Well 222423 is utilized for domestic use as defined by Oklahoma Statute and the Oklahoma Water Resources Board ('OWRB')."

20. The Applicant presented three (3) witnesses to testify at the hearing. The first Applicant witness to testify was the Applicant Partner Justin Crownover, third generation farmer. Mr. Crownover testified that he has three other OWRB permits in Beaver County, that as the Applicant they drilled four test holes on the dedicated property, that on his other three properties he grows wheat, rye, barley, canola, and cotton, that 65 to 70% of his crops are irrigated, that he plans to rotate growing corn and cotton on the dedicated property, and that he has 40 to 50 water wells in Texas. The Applicant, who plans to grow corn, intends to drill a single irrigation well to irrigate 160 acres with two (2) acre-feet per acre of water for a total of 320 acre-feet of water annually. According to the Hearing testimony of Mr. Crownover, the existing Sutton well is only 1,200 feet away from the Applicant's proposed well, but he was not aware of the Theodore Sutton's well being too close to his proposed well at the time of drilling the test holes. A review of the hearing transcript discloses that the Applicant, Justin Crownover, eventually acknowledges that his proposed well is too close being only 1,200 feet from the water well of Theodore Sutton but that he made no effort to request a well spacing exception on any basis, such as the enforcement of the well spacing requirement in this instance would be inequitable or unreasonable. It is noted that the Applicant has not filed a well location exception request as part of its Application. OWRB Exhibit 1. While in the company of Mr. Sutton, Mr. Crownover did inspect the Theodore Sutton well that

, in his opinion, was not an active well as a five-foot piece of rebar was thrust into the well and it hit bottom. His examination of the so-called well revealed that the so-called well was not even five-feet deep before it hit dirt which was visible down in the well bore or hole with no indication of the presence of any water.

21. The Applicant's second witness was the water driller Randy Taylor, from Sunray, Texas, who is employed by Hydro Resources. Mr. Taylor stated that when drilling wells, they have to stay at least a quarter of a mile from any existing water wells, that there was an existing water well on the southern end of the dedicated property, and that he ultimately drilled a total of four water test holes on the dedicated property of the Applicant. According to Mr. Taylor, the two existing water wells on the dedicated property were both too small to be used by the Applicant, that they were more like domestic wells and not appropriate for commercial use as irrigation wells and could not support use with pumps big enough. When asked about who chooses where well test holes are to be drilled and the quantity to be drilled, Mr. Taylor said that normally it's the customer [in this case the Applicant] who so chooses both as to location and quantity, and that the Applicant chose the well test hole sites to be drilled in this instance. Mr. Taylor noted that as to the well test hole sites to be drilled, that they found no information around this piece of property that they needed to stay away from.

22. The Applicant produced its third witness who was a former OWRB Chief of the Water Quality Division of the Water Board and was an actual member of the OWRB for a period of time, Dr. Ron Jarman, who was certified in this proceeding as an Expert Witness. Dr. Jarman stated that the well spacing requirement for the distance between two wells is a quarter of a mile, which is 1,320 feet. Continuing, Dr. Jarman, stated that the nearest well [on the dedicated property] is on the Lyle Trust property that is over 400 feet beyond the well spacing requirement of 1,320 feet. Dr. Jarman did not recommend approval of the requested groundwater permit.

23. The Applicant produced another witness it identified as a rebuttal witness, Steven Walthour, of Mico, Texas. It was the determination of the Hearing Examiner, that Mr. Walthour is an expert witness. According to Mr. Walthour, Mr. Jarman's expert testimony was largely dealing with endangered species and Mr. Walthour stated that he was not an expert on endangered species. As to the Sutton well that's near the Applicant's property, Mr. Walthour stated that the Sutton's well is incapable of withdrawing water from the Ogallala aquifer today as there is no outlet, discharge outlet, or discharge pipe, and it appears that there's no power source to it because it was a windmill that's been removed. Mr. Walthour stated that it was his opinion that the Sutton well near the Applicant's property was incapable of pulling groundwater from this aquifer today. As to the Lyle Trust well, from the information available to Mr. Walthour, it appears that the Lyle Trust well would need repair before it could be pumped.

24. The protestants produced a witness out of order [due his availability for hearing on the first day of the hearing] named Bob Gaddis, who is a consulting engineer of Future Resources Engineering, LLC, Bartlesville, Oklahoma. The Applicant and the Protestants agreed to Mr. Gaddis testifying out of order. Mr. Scimeca moved that Mr. Gaddis be certified in this matter as an expert witness in hydrology, to which no objection was made. The Hearing Examiner certified that Mr. Gaddis is an expert witness in this proceeding. Mr. Gaddis, due to a need for more information in this situation, recommended that the Application be denied, that the Applicant

receive a temporary permit only so as to allow time to perform a 24-Hour pump test. Mr. Gaddis stated that the well spacing requirement to be complied with is 1,320 feet, but that there is an exception available that has to be applied for under [OAC] title 785:30-3-6.

25. The Protestants Theodore Sutton and the Theodore Sutton Inheritance Trust produced their 14 Exhibits through their Exhibit Book of which all 14 exhibits were admitted without objection. Protestant Sutton's Exhibit 3 thereof, is a copy of a document entitled "A Survey of Water Wells in Sections 8, 9 and 17, T1N, R26E. C.M., Beaver County, Oklahoma" provided under seal by OnPoint Land Survey, Woodward, Oklahoma, by the Licensed Professional Land Surveyor Mike Gossett #1748, dated August 27, 2024, depicting, among other things, an existing Sutton well a distance of 1209.2' from the Applicant's proposed well located in Section 8, T1N, Range26E. CM., Beaver County.

26. The Protestants' [Sutton] Exhibit Book, Exhibit 6, is an unsigned and undated document entitled "Agricultural Candidate Conservation Agreement with Assurances for Lessor Prairie Chickens between Oklahoma Department of Wildlife Conservation and U.S. Fish and Wildlife Service", which document, while not executed, was represented as providing an accurate explanation of the Agricultural Candidate Conservation Agreement.

27. The Protestants' [Sutton] Exhibit Book, Exhibit 7, is a copy of a document entitled "Sutton et al OWRB Case in Support of Concerns Regarding the OWRB Groundwater Use Permit for Southwest AG Farms, LLC c/o Curtis Neeley #2023-519", prepared by the Protestants [Sutton] expert witness Bob Gaddis, P. E. #16308, of Future Resources Engineering, LLC., who in writing recommended, among other things, denial of the Application due to its proposed well location being too close [1,209.2'] to the existing Sutton well in violation of OAC 785:30-3-6 as to required well spacing of 1,320' between wells. (See Protestants' [Sutton] Exhibit 7, pages SUTTON 151-152). Mr. Gaddis also recommends "...repositioning the proposed well location to the required spacing per OWRB regulation so as to not breach the water right of the landowner which is considered 'waste by depletion' (per 82 OSA §1020.15)."

28. The Protestants' [Sutton] Exhibit Book, Exhibit 10, contains a series of documents related to a program of the State of Oklahoma Department of Wildlife Conservation [29 O.S. § 3-312 and OAC 800:25-35-1 et seq.] intended to conserve the habitat of the Lesser Prairie Chicken on private lands through providing Lesser Prairie Chicken access to water, the first of which is a document entitled "Oklahoma Department of Wildlife Conservation Lesser Prairie Chicken Habitat Conservation Program Request for Reimbursement Form" signed and dated July 22, 2015 [page 129], the second document of which is entitled "Oklahoma Department of Wildlife Conservation Compliance Inspection Form" signed and dated July 8, 2015, [page 130], the third document of which is entitled "Landowner Incentive Program - Tier 1 Evaluation Form" dated August 14, 2016, consisting of four pages [pages 131- 134], including a document entitled "Landowner Incentive Program – Tier 1 Agreement" signed and dated July 8, 2015 [page 133-134], for a term of ten (10) years from the date signed by the Oklahoma Department of Wildlife Conservation (ODWC) of July 8, 2015. Based upon the execution of the aforesaid "Landowner Incentive Program – Tier 1 Agreement" by Ted Sutton and the Oklahoma Department of Wildlife, Ted Sutton was a participant in a Oklahoma Department of Wildlife Conservation program within the meaning of 29 O.S. § 3-312. Mr. Sutton testified that he was concerned that the Applicant's

proposed irrigation well could adversely impact the quantity of water available to service the State's Lesser Prairie Chicken program provided on his property through his well located 1,209.2 feet from the Applicant's proposed irrigation well.

29. The Protestants' [Lyle] also presented an Exhibit Book containing its 10 Exhibits, all of which were admitted without objection. The Protestants' [Lyle] Exhibit 5 is a Tenant Lease for Roy Fleming for the Lyle property on which he actively runs a herd of cattle. The Protestants' [Lyle] Exhibit 6 is a statement from Lease Tenant Roy Fleming explaining that he runs a herd of cattle on the Lyle property consisting of 15-16 cow/calf pairs and that he too protests the Application.

30. The Lyle protestants produced an expert witness to testify at the Hearing, who was formerly employed by the OWRB as its Water Quality Division Chair from 1979 to 1987, named Ronnie "Ron" Leon Jarman whose professional resume is marked as P Lyle Exhibit 7, Lyle 32-40.

It is noted that while Mr. Jarman provided no letter or written report as an exhibit in support of the position of the Lyle Protestants, he did assist in the preparation of a "Response to Interrogatory No. 6 as hereinafter described below. Mr. Jarman did testify as to whether waste by depletion or waste by pollution will occur consistent with a interrogatory response [Lyle Exhibit 8, page 0017] he assisted in preparing at "Response to Interrogatory No. 6" (the "Interrogatory Response"). After citing 82 O.S. §1020.15A (5) as authority, the Interrogatory Response notes that as of September 25, 2024, the Applicant has not provided sufficient information to allow the Board or its staff to consider the "manner or method of use" nor to decide the efficiency of the system proposed to be used. According to the Interrogatory Response, "until this information is provided and analyzed, the OWRB should not approve the application for the permit". Continuing, the Interrogatory Response noted that 82 O.S. § 1020.15A (5) authorizes the OWRB to impose conditions on the use of groundwater to ensure that waste by pollution or waste by depletion will not occur and that the activities of the applicant will not violate Oklahoma Water Quality Standards, and that the Lyle protestants will request the Board to impose certain conditions including but not limited to, (1) science-based irrigation planning in concert with the County Extension Agent, local Irrigation District, and the National Resource Conservation Service, (2) soil moisture testing, e.g. install lysimeters adequate to measure soil moisture representative of the entire cropped area, (3) install meters to track groundwater usage for reporting to the OWRB, and (4) evapotranspiration monitoring, on the proposed permittee to assure waste by depletion or waste by pollution does not occur.

31. While disputing the location of the proposed well as to its proposed farm irrigation usage and its anticipated adverse impact on the wells of the neighboring Protestants due to its being too close to existing neighboring wells, the Protestants did dispute the reported location of the Applicant's one (1) proposed water well. Applicant dedicated to the application, one hundred sixty (160) acres of land; namely in one (1) parcel of land consisting of a one hundred sixty (160) acre parcel of land in the:

The Southeast Quarter (SE/4) of Section Eight (8), Township One (1) North, Range Twenty-Six (26) East of the Cimarron Meridian, Beaver County, Oklahoma.

WELL SPACING EXCEPTION NOT REQUESTED

32. **The Application contains no well location exception request despite the proximity of the existing Sutton well 1209.2' from the Applicant's proposed irrigation well on the Applicant's neighboring real property with no explanation provided.** OWRB Exhibit 1.

33. The Applicant's proposed water well, is located within 1,320 feet of authorized existing "domestic use" wells on lands owned by another [eight Protestants] as admitted through the testimony of the Appellant's Justin Crownover.

34. The Protestants provided comments and objections to the Application including the Applicant's proposed water well location to be utilized for "commercial use". **Accordingly, a water well location in violation of required 1320' well spacing, based on the neighboring Protestants' objections [eight Protestants in number], should not be granted.**

PROPOSED CONCLUSIONS OF LAW

35. Based upon applicable law, and as applied to the above Proposed Findings of Fact and evidence in the record, the Board draws the following Proposed Conclusions of Law:

WILDLIFE HABITAT DEVELOPMENT PROGRAM OF DEPARTMENT OF WILDLIFE CONSERVATION ON PRIVATE LANDS

36. The Oklahoma Department of Wildlife Conservation is authorized to establish a program for wildlife habitat maintenance, enhancement, development, preservation, restoration, and management on private lands pursuant to 29 O.S. § 3-312 and to implement such program through entry into multiyear contracts for approved projects on privately owned lands detailing the landowners' responsibilities. Under 29 O.S. § 3-312, the Oklahoma Department of Wildlife Conservation is also authorized to promulgate rules pursuant to the Administrative Procedures Act to implement the program and is permitted to provide for incentives to participate in the program.

[Findings of Fact No. 19 and 21, support Conclusion of Law No. 43]

DEPARTMENT OF WILDLIFE CONSERVATION PRIVATE LANDS FISH AND WILDLIFE HABITAT CONSERVATION AND IMPROVEMENT PROGRAMS

37. The provisions of Chapter 25, Subchapter 35, of OAC 800:25-35-1 to 800:25-35-6, establishes private lands fish and wildlife habitat conservation and improvement programs to further the maintenance, protection, enhancement, and restoration of fish and wildlife habitats and associated species on private lands by providing funds to be made available to qualifying participants.

[Findings of Fact No. 19 and 21, support Conclusion of Law No. 44]

USE OF GROUNDWATER

38. Under 60 O.S. § 60 entitled “Ownership of water - Use of running water”, among other things, the owner of the surface of a given tract of land owns the fresh groundwater standing thereon or flowing over or under its surface but not forming a definite stream. That surface owner may use such groundwater in accordance with the use regulations imposed by the Oklahoma Groundwater Law, 82 O.S. § 1020.1 *et seq.*

[Findings of Fact No. 1, 5, 7, 10, 26, 34, and 35, support Conclusion of Law No. 45]

SUBJECT MATTER JURISDICTION

39. The Board has subject matter jurisdiction to adjudicate applications for permits according to the Oklahoma Groundwater Law and the Board’s rules promulgated pursuant thereto. 82 O.S. § 1020.7. *See* OWRB Exhibits 6 and 7.

[Findings of Fact No. 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, and 12, support Conclusion of Law No. 46]

PERSONAL JURISDICTION; DUE PROCESS

40. Due and proper notice of the application and subsequent proceedings was given to all potentially interested persons as required by law, the Applicant and Protestants are interested parties to this proceeding. All other potentially interested persons have defaulted or abandoned their interests. Oklahoma Administrative Code (“OAC”) 785:4-7-3.

[Findings of Fact No. 2, 6, 7, 8, 9, 10, and 21, support Conclusion of Law No. 47]

WELL SPACING

41. Pursuant to 82 O.S. § 1020.17, the Board is authorized to promulgate rules under the Administrative Procedures Act, 75 O.S. § 250 *et seq.*, which establish a proper spacing of wells which, in its [the Board’s] judgment is necessary to an orderly withdrawal of water in relation to the allocation, by regular permits and temporary permits, of water to the land overlying the basin or subbasin.

[Findings of Fact No. 2, 7, 8, 9, 17, 18, 39, and 40, support Conclusion of Law No. 48]

WELL SPACING RULES

42. As authorized in 82 O.S. § 1020.17, the Board has adopted spacing requirements for various basins and subbasins through OAC 785:30-3-6. As to the Ogallala-Panhandle groundwater basin at issue in this case, a basin where the maximum annual yield has been determined, OAC 785:30-3-6(a)(1) provides that no new or proposed well(s) shall be authorized by regular permit to be drilled and completed within one thousand three hundred twenty feet (1,320’) of an authorized existing or proposed well location on lands of another, provided that the well on lands of another is capable of taking water from the same basin.

[Findings of Fact No. 2, 7, 8, 9, 17, 18, 39, and 40, support Conclusion of Law No. 49]

ISSUES TO BE DETERMINED BY BOARD

43. When a person makes an application for a groundwater permit, 82 O.S. § 1020.9 and OAC 785:30-3-5, requires the Board to determine several specific issues. These are:

- (a) whether the applicant owns the surface of the dedicated land or holds a valid lease for the taking of groundwater from the land;
- (b) whether the dedicated land overlies a fresh groundwater basin or subbasin;
- (c) whether the use to which the applicant intends to put the water is a beneficial use; and
- (d) that waste by depletion and waste by pollution as specified in 82 O.S. § 1020.15 will not occur.

It is noted that it is uncontested that the Applicant owns the surface of the dedicated land through a General Warranty Deed.

Generally, if the Board finds for the applicant on all these issues, the rule provides that the Board shall approve the application and issue the appropriate permit. Section 1020.9(D) of Title 82 provides further that the Board may specify conditions in the permit, including but not limited to the rate of withdrawal and the level of perforation and sealing wells.

[Findings of Fact No. 1, 7, 8, 9, 25, 26, 27, 34, 35, 36, 37, 38, and 41, support Conclusion of Law No. 50]

OWNERSHIP OF LAND

44. Ownership of land in the Applicant through its General Warranty Deed was not challenged at the hearing by the Protestants. Regardless, based on the information submitted in the application and the evidence admitted at the hearing, the Board concludes that Applicant provided evidence of the Applicant's right to take groundwater from the land identified on the application, in the form of ownership documentation listed above in Proposed Finding of Fact paragraph 34 to the Applicant. *See* OWRB Exhibits 1 and 2.

[Findings of Fact No. 1, 24, 26, and 34, support Conclusion of Law No. 51]

GROUNDWATER BASIN

45. It was uncontested that the dedicated land in this Application overlies the Ogallala – Panhandle groundwater basin. The maximum annual yield for this basin is 2 acre-foot per acre per year. This issue was presented and addressed by the Applicant at the hearing.

Therefore, based on that maximum annual yield, the Applicant, assuming all other legal requirements are factually found to exist and to be in compliance with Oklahoma law, would be entitled to a groundwater allocation of 2 acre-foot per acre per year, as provided in 82 O.S. § 1020.11(8).

[Findings of Fact No. 5, 6, and 18, support Conclusion of Law No. 52]

BENEFICIAL USE

46. This Board defines beneficial use in OAC 785:30-1-2 as follows:

“Beneficial use” means the use of such quantity of stream or groundwater when reasonable intelligence and reasonable diligence are exercised in its application for a lawful purpose and as is economically necessary for that purpose. Beneficial uses include but are not limited to municipal, industrial, agricultural, irrigation, recreation, fish and wildlife, etc.”

[Findings of Fact No. 13, 14, 15, and 16, supports Conclusion of Law No. 53]

47. Although beneficial use was not legitimately disputed or challenged at the hearing, the evidence established that Applicant’s proposed agricultural irrigation use to grow corn, cotton, wheat and grass, meets the definition of beneficial use in OAC 785:30-1-2. The Protestants assert that the Applicant has the burden of proof that the use to which it intends to put the water is a beneficial use without any citation of statute, administrative rule, case law, or any other legal authority.

[Findings of Fact No. 13, 14, 15, and 16, supports Conclusion of Law No. 53]

WASTE BY DEPLETION

48. The Board must determine whether Applicant will allow waste as specified by 82 O.S. § 1020.15 to occur. Section 1020.15 is quoted as follows:

A. The Oklahoma Water Resources Board shall not permit any groundwater user to commit waste by:

1. Drilling a well, taking or using groundwater without a permit, except for domestic use;
2. Taking more groundwater than is authorized by the permit;
3. Taking or using groundwater in any manner so that the water is lost for beneficial use;
4. Transporting groundwater from a well to the place of use in such a manner that there is an excessive loss in transit;
5. Using groundwater in such an inefficient manner that excessive losses occur;

6. Allowing any groundwater to reach a pervious stratum and be lost into cavernous or otherwise pervious materials encountered in a well;
7. Permitting or causing the pollution of fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin. The Board shall be precluded from determining whether waste by pollution will occur pursuant to the provisions of this paragraph if the activity for which the applicant or water user intends to or has used the water as specified under Section 1020.9 of [Title 82] is required to comply with rules and requirements of or is within the jurisdictional areas of environmental responsibility of the Department of Environmental Quality or the Oklahoma Department of Agriculture, Food and Forestry;
8. Drilling wells and producing groundwater therefrom except in accordance with the well spacing previously determined by the Board;
9. Using groundwater for air conditioning or cooling purposes without providing facilities to aerate and reuse such water; or
10. Failure to properly plug abandoned water wells in accordance with rules of the Board and file reports thereof.

According to OAC 785:30-1-1, paragraphs (1) through (6) and paragraphs (8) and (9) are forms of “waste by depletion” (as that term is used in the case of *Oklahoma Water Resources Board v. Texas County Irrigation and Water Resources Ass’n*, 1984 OK 96). Paragraphs (7) and (10) immediately above are forms of “waste by pollution”).

[Findings of Fact No. 37, supports Conclusion of Law No. 54]

49. According to the case of *Lowery v. Hodges*, 1976 OK 132, ¶18-19, 555 P. 2d 1016, to satisfy the requirements of 82 O.S. §1020.9 that the evidence in a case must show that waste will not occur,

...an applicant must show what method he intends to use for irrigating a particular area; but once that information has been furnished the Board [OWRB], it [OWRB] then has the authority to determine that waste will not occur. If the Protestants think that waste will occur, they would need to present that evidence to the Board [OWRB] for its consideration.

If the plans submitted to the Board do not on their face demonstrate such waste, and the Protestants fail to introduce evidence that waste will occur, the statute [82 O.S. §1020.9] has been satisfied and further questions concerning waste must await completion of the project.

[Findings of Fact No. 37, supports Conclusion of Law No. 55]

50. The Board acknowledges Protestants’ joint written concerns about the groundwater supply in the area and that existing adjacent water wells could be adversely affected by Applicant’s withdrawal of groundwater from the same basin. **There is a basis in this case to determine that Applicant’s proposed agricultural irrigation use of groundwater will be and is impermissible or unlawful in the manner proposed.** The legislative policy expressed in the Oklahoma Groundwater Law is “to utilize the groundwater resources of the state.” 82 O.S. § 1020.2(A). To

implement that policy, the Oklahoma Groundwater Law authorizes the controlled reduction of a groundwater basin as long as that reduction is done in an orderly fashion according to the statutory scheme for reasonable restrictions on such use. **The surface owner or lessee under a valid lease of land overlying a fresh groundwater basin is entitled to use the groundwater beneath the surface** once certain elements of the Oklahoma Groundwater Law have been met. **Here the application is not in accordance with and is contrary to the law and rules, the well location violates the required well spacing distance of 1,320 feet between other existing wells on neighboring lands owned by others who are individuals and not commercial properties, the owners of which are protestants herein who oppose the requested well spacing.**

[Findings of Fact No. 47, and 48, support Conclusion of Law No. 56]

WELL SPACING EXCEPTION NOT REQUESTED

51. Applicant is not seeking a well spacing exception. To qualify for a spacing exception [if requested], Applicant must file a request and show that use of a proposed well for the well spacing for bedrock groundwater basins or subbasins is 1,320 feet. OAC 785:30-3-6(a).

[Findings of Fact No. 7, 25, and 39, support Conclusion of Law No. 57]

52. The Board concludes that waste by depletion may occur if the application is approved due to this introduction of agricultural usage of a proposed well located too close to other existing wells on neighboring properties in violation of well spacing requirements where no well location spacing exception is requested or granted.

[Finding of Fact No. 37, supports Conclusion of Law No. 58]

WASTE BY POLLUTION

53. The provisions of 82 O.S. § 1020.15(A)(7) provide the Board shall not permit any groundwater user to commit waste by “permitting or causing the pollution of a fresh-water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin.” Therefore, the Board concludes that waste by pollution will not occur.

[Findings of Fact No. 38, supports Conclusion of Law No. 59]

CLOSING THE RECORD AND SUBMISSION OF CAUSE FOR RULING

54. According to the provisions of Board Rule OAC 785:4-7-11:

After all interested parties have had an opportunity to be heard and present evidence, and after expiration of any additional time allowed, the hearing shall be deemed completed and submitted for Final Order and ruling and the hearing record shall be deemed closed unless otherwise ordered by the Hearing Examiner. The Subject matter of the hearing shall thereupon be taken under advisement for final decision and Order by the Board.

[Findings of Fact No. 30, 31, and 34, support Conclusion of Law No. 60]

CONCLUSION

55. The Board hereby orders that application no. 2023-0519 in the name of Southwest AG Farms, LLC. shall be and is **hereby not approved due to violation of OAC 785:30-3-6 as to well spacing.**

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that **Application No. 2023-0519 in the name of Southwest AG Farms, LLC., shall be and the same is hereby disapproved. A permit shall not be issued.**

IT IS SO ORDERED by the Oklahoma Water Resources Board in regular and open meeting this __ day of _____, 20__.

OKLAHOMA WATER RESOURCES BOARD

Chairman

ATTEST:

Secretary

(SEAL)

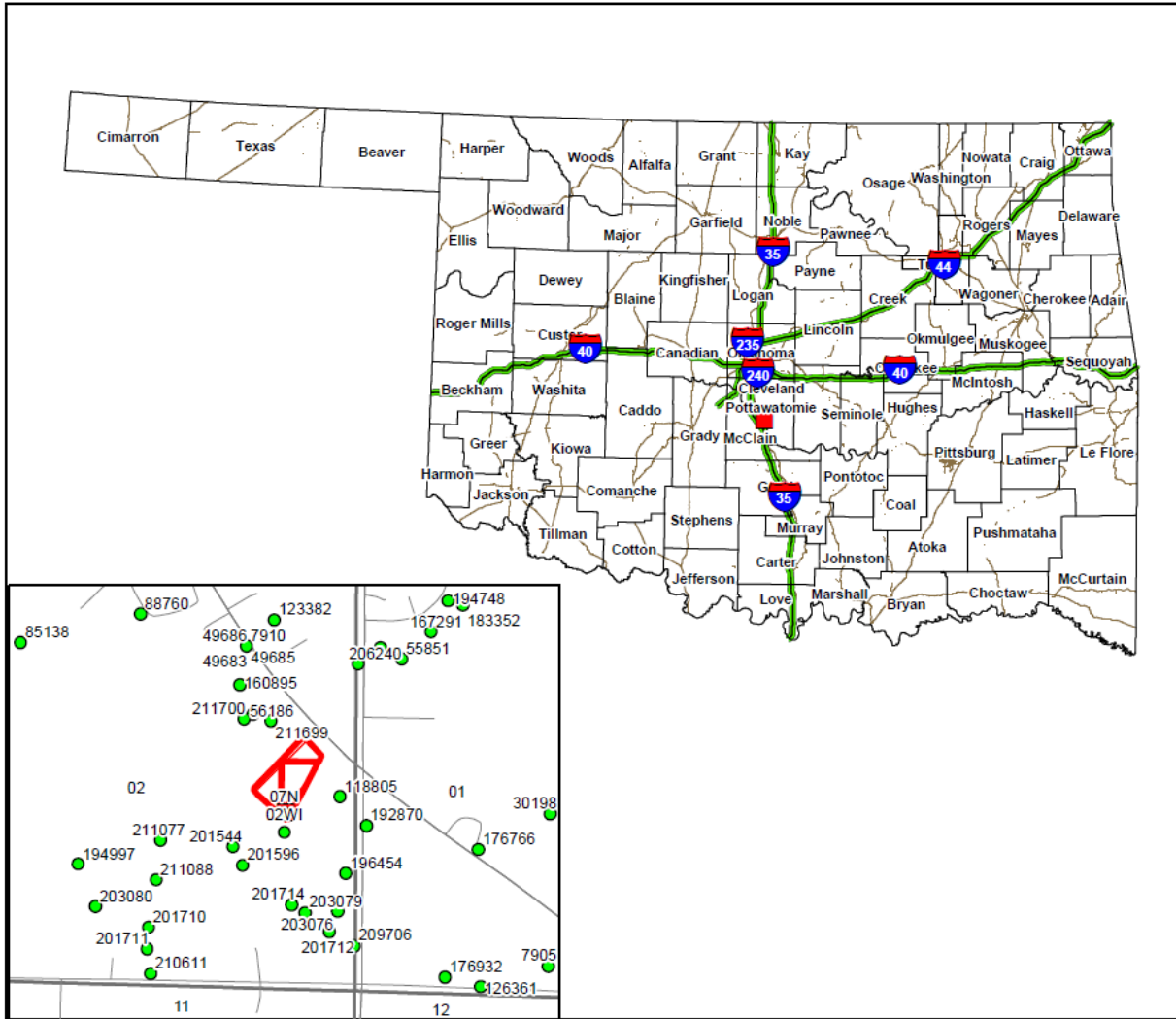
WATER RIGHTS ADMINISTRATION DIVISION
Application for a Regular Limited Quantity Groundwater Permit

March 18, 2025

NUMBER & DATE	COUNTY	NAME OF APPLICANT	RECOMMENDATION
2023-531 3/8/2023	Cleveland County	Matt DeSantiago and Brett Williams	Approval for proposed order

Notice is given by Matt DeSantiago and Brett Williams, of 1000 Villaverde Circle, Norman, OK 73071 has filed an application, #2023-531, with the Oklahoma Water Resources Board (Board) for a permit to use 9.00 acre-feet of groundwater per year. The groundwater is proposed to be used for agriculture (cannabis) purposes and to be withdrawn from 4.5 acres located: 1.67 acres in the SE NE SE, 1.5 acres in the SW NE SE, and 1.42 acres in the NE NE SE; all in Section 2, T7N, R2WIM, Cleveland County. The applicant intends to withdraw the groundwater from one (1) well located in the in the SE NE SE of Section 2, T7N, R2WIM, Cleveland County, and used in Cleveland County, Oklahoma. Wells and dedicated lands are located over the Garber-Wellington groundwater basin. The applicant gave proper Public Notice, the application was protested, and an administrative hearing was held on October 22, 2024. A Proposed Order was prepared, served on the parties, and presented to the Board for consideration and action, whereupon the Board remanded the matter back to the Hearing Examiner at request by Counsel for Applicants to resubmit any leases or deeds that satisfy the legal chain of title for use of water on the land, which is elaborated in more detail in the below paragraphs 8 through 10. The hearing examiner recommends approval.

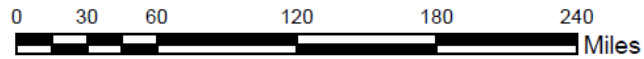
Groundwater Application: Permit #20230531 - Matt DeSantiago and Brett Williams- Cleveland County



Legend

- Well Locations
- Dedicated Lands
- Interstates
- Groundwater Wells

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Date: 12/11/2024



**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF THE APPLICATION
OF MATT DESANTIAGO AND BRETT
WILLIAMS TO USE GROUNDWATER IN
CLEVELAND COUNTY, OKLAHOMA

PERMIT APPLICATION
NO. 2023-0531

SECOND AND REVISED PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND BOARD

This proceeding arose from the Matt DeSantiago and Brett Williams, (or “Applicants”) application for a Limited Quantity Groundwater Use Permit, No. 2023-0531, for an existing well in the amount of 9 acre-feet per year. Protestants (“Protestants”) who appeared for the hearing, pro-se, were: Cheryl Sterling, Evelyn Slate, Bobby Joe Rollins, Bobby Tarp, Jacob Sterling, Gregory Scott Fulks, Cynthia K. Jones Gonser, Mark Allen Mackey, Brenda Lynn Mackey, Bobby Joe Rollins, Kyle Sterling. Additionally, Representative Danny Sterling of House District 27 appeared for the hearing. Attorney Kristina Bell appeared on behalf of Cleveland County. Applicants appeared and were represented by their legal counsel, Kaimbri White and Cameron R. Pinkerton.

A hearing was held at the Board offices in Oklahoma City, Oklahoma on October 22nd, 2024. After the hearing was adjourned, the matter was taken under advisement by the hearing examiner. A Proposed Order was prepared, served on the parties, and presented to the Board for consideration and action, whereupon the Board remanded the matter back to the Hearing Examiner at request by Counsel for Applicants to resubmit any leases or deeds that satisfy the legal chain of title for use of water on the land, which is elaborated in more detail in the below paragraphs 8 through 10.

Based upon the separately stated Findings of Fact and Conclusions of Law that follow, the Board determines that Application No. 2023-0531 should be granted, as set forth below:

FINDINGS OF FACT

Upon its evaluation of the evidence and additional records and facts officially noticed in the record, the Board hereby makes the following Findings of Fact:

BACKGROUND OF APPLICATION

1. On or about March 8, 2023, the Applicants applied for a Regular Limited Quantity Permit that authorizes the withdrawal of groundwater at the rate of 9.0 acre-feet per year from one (1) well of the Applicants. The land encompasses 1.67 acres in the SE NE SE, 1.5 acres in the SW NE SE, and 1.42 acres in the NE NE SE; all in Section 2, T7N, R2WIM, Cleveland County. The purpose of the requested use is for the agricultural indoor grow of Medical Cannabis. The land dedicated to the permit overlies the groundwater basin known as the Garber Sandstone and Wellington Formation. The Board has approved a maximum annual yield for this basin and the amount of groundwater available to the Applicants is two (2.0) acre-feet of groundwater per acre, per year.

NOTICE OF APPLICATION AND PROTESTS

2. Board staff notified Applicants by letter dated October 24, 2023, that the application had been reviewed and directed them to give notice of the application by certified mail to each surface owner within 1,320 feet of the outside boundary of the 4.5-acre tract of land with a groundwater well location covered by the application. The notice set a protest deadline of ten (10) days after receipt of notice.

3. On December 22, 2023, Applicants filed with the Board an Affidavit of Notification stating that the identified surface estate owners had been notified of the application by certified mail, supported by the documentation included in OWRB Exhibit No. 4.

HEARING

4. The hearing was held on October 22nd, 2024, as scheduled. Applicants were represented by their attorney, Cleveland County was represented by its attorney, Kristina Bell, and all other Protestants appeared pro-se.

5. The hearing was opened, evidence and argument were received, and the hearing was adjourned. The hearing examiner conducted a voir dire examination of each appearing Protestant for review of their standing as a party to the case. It is determined that Protestants Bobby Joe Rollins, Mark and Lynn Mackey, Gregory Fulks, Sheryl Sterling, Cynthia K. Jones Gonser, Cleveland County, and Bobby Tarp, did not have standing as parties to the case in that their positions (1) failed to prove that their wells were within 1,320 feet from the Applicants' well, and (2) their noted reasons for objections failed to articulate a direct, immediate, substantial, and legally applicable interest. It is determined that the protest of Evelyn Slate did not have standing as a party to the case in that her position did not articulate a direct, immediate, substantial and legally applicable interest. As written, the law contemplates the eventual depletion of the groundwater resources, and "the use or nonuse by one landowner neither decreases nor increases the proportionate share of another." OWRB v. Texas County Irr. And Water Resources Ass'n, Inc., 1984 OK 96, ¶ 7, 711 P.2d 38. Standing, as a jurisdictional question, may be correctly raised at any level of the judicial process or by the Court on its own motion. The Court has consistently held that standing to raise issues in a proceeding must be predicated on interest that is 'direct, immediate and substantial.'" Deutsche Bank National Trust Company v. Byrams, 2012 OK 4, 275 P.3d 129, ¶4. An initial inquiry must reveal that 1) an actual or threatened injury has occurred; 2) some relief for the harm can be given; and 3) the interest to be guarded is within a statutorily or constitutionally protected zone. The State of Oklahoma ex rel Board of Regents v. McCloskey Brothers, 2009 OK 90, 227 P.3d 133. Also, see OAC 785:4-5-4, and OAC 785:30-3-6. While it was determined that the appearing Protestants did not qualify as parties showing legal standing to the case, their written protests are a part of the record, as OWRB Exhibit No. 5. Testimony and closing arguments were provided by the Applicants and the hearing was concluded and taken under advisement.

6. The Protestants who filed letters and who failed to appear have in effect abandoned their protests and are in default. They are: Carl and Robin Mize, Catherine Mercer-Lopez, Patrick Bruehl and Barbara Bruehl, Janet K. NcNees, and Karn Robbins Cox.

7. The admitted exhibits by Applicants from the hearing are Exhibit 1, Lease to Own Purchase Agreement, Exhibit 2: Groundwater Lease, Exhibit 3: Oklahoma Medical Marijuana Authority Documentation, Exhibit 4: Oklahoma Bureau of Narcotics & Dangerous Drugs Control Registration Documentation; Exhibit 5: Indoor Facility Photographs; Exhibit 6: Safety Data Sheet; Exhibits 7-1 through 7-11, Facility Indoor and Outdoor Photographs. The admitted exhibits of the OWRB from the hearing are: Exhibit 1, Application; Exhibit 2, Ownership Documents; Exhibit 3, Notice of Application; Exhibit 3, Proof

of Service; Exhibits 5-A through 5-P, Protest Letters and OWRB Letters in reply; Exhibit 6, Map, and Exhibit 7, Notice of Hearing.

OWNERSHIP DOCUMENTS

8. The initial documents provided to prove ownership were determined in the first Proposed Order to be invalid for a number of listed reasons, and then placed on the Oklahoma Water Resources Board regularly scheduled meeting for presentation on December 17, 2024. The Board granted the Applicants a request to provide ownership and lease documents that remediated those legal issues and remanded the case back to the Hearing Examiner to further adjudicate. Subsequently, the Hearing Examiner issued an Order on Remand providing Applicants to submit their documents by January 24, 2025, which was sent timely to the undersigned offices. Protestants were provided until February 10, 2025 to file responses, if any to the legal sufficiency of the documents, with no responses being filed as of that date.

9. The updated provided land ownership and lease rights documents are: (1) Warranty Deed wherein NML Properties, LLC ("NML") is granted ownership of the property. (2) Addendum to Lease with Option to Purchase between Anglin Enterprises, Inc., NMI and DNW Management, LLC. (3) Sublease Agreement between Applicants and Reign Garden, LLC.

10. Taken together, these documents establish a legally sufficient chain of title and demonstrate that the Applicants meet the requirements set forth in OAC 785:30-3-5(a).

THE LAND OVERLIES A GROUNDWATER BASIN

11. The property dedicated to the permit overlies a groundwater basin known as the Garber Sandstone and Wellington Formation. The Board has approved a maximum annual yield for this basin and the amount of groundwater available to the Applicants is two (2.0) acre-feet of groundwater per acre, per year.

BENEFICIAL USE: "LAWFUL PURPOSE" ISSUES

12. Applicants propose to permit the beneficial use of the agricultural indoor grow of Medical Cannabis. Brett Williams testified he is the COO and cofounder of Reign Gardens, LLC. Matthew DeSantiago testified that he is co-founder and CEO of Reign Gardens, LLC, and that Reign Gardens, LLC has a valid license issued by the Oklahoma Medical Marijuana Authority (OMMA) and valid registration by Oklahoma Bureau of Narcotics. See also, Applicant's Exhibits 3 and 4. Additionally, the information in the application itself showing the email address and phone number for Reign Gardens, LLC connects the applicants to the OMMA licensing information shown on Applicants' Exhibit 3. Applicants adequately showed at the hearing by a preponderance of the evidence that Reign Gardens, LLC is their company and that it met the lawful purpose element for a beneficial agricultural use.

WASTE BY POLLUTION

13. There was no evidence that waste by pollution would likely occur or will likely occur. As a result, the findings of fact based upon the evidence indicate that it is more probable than not that no waste by pollution will occur.

WASTE BY DEPLETION

14. There was no evidence to indicate that Applicants' groundwater well use is, or will be, inefficient. There was no evidence of an indication that in the future the applicant would be likely take or use fresh groundwater without a permit, take more fresh groundwater than is authorized by the permit, or take or use fresh groundwater in any manner so that the water is lost by depletion for beneficial use. As a result, the findings of fact based upon the evidence indicate that it is more probable than not that no waste by depletion will occur.

WELL-SPACING

15. Applicant Brett Williams testified that there are no other acceptable locations for the requested permitted well, due to other wells within the surrounding area and the location of a nearby road, and chose to be furthest from the road. He testified that no matter where they would drill the well, they would be within 1,320 feet away from another well. The evidence of the record therefore indicates that it is more probable than not that the amount or dimensions of the land dedicated to the permit precludes the drilling of a well in compliance with the spacing requirement as set forth OAC 785:30-3-6. Therefore, a disallowance of a location exception would result in an inequitable or unreasonable result.

CONCLUSIONS OF LAW

Based upon applicable law, and as applied to the above Findings of Fact and the evidence in the record, the Board draws the following Conclusions of Law:

LAW APPLICABLE TO USE OF GROUNDWATER GENERALLY

16. Under Title 60 O.S. § 60, the owner of the surface of a given tract of land owns the fresh groundwater beneath the surface of that land. That surface owner, or a lessee of the surface owner, may use such groundwater in accordance with the use regulations imposed by the Oklahoma Groundwater Law, Title 82, Oklahoma Statutes. As written, the law contemplates the eventual depletion of the groundwater resources, and "the use or nonuse by one landowner neither decreases nor increases the proportionate share of another." OWRB v. Texas County Irr. And Water Resources Ass'n, Inc., 1984 OK 96, ¶ 7, 711 P.2d 38.

SUBJECT MATTER JURISDICTION

17. The Board has subject matter jurisdiction to adjudicate applications for use of groundwater according to the Oklahoma Groundwater Law and the Board's rules promulgated pursuant thereto.

PERSONAL JURISDICTION; DUE PROCESS

18. Due and proper notice of this proceeding was given to all potentially interested persons as required by law. The Applicant and the Protestants of record have been afforded due process of law and an adequate opportunity to be heard. All other potentially interested persons who failed to appear for the hearing have defaulted or abandoned their interests for failure to appear at the hearing or otherwise failing to follow required protest procedures according OAC 785:4-7-3.

GROUNDWATER LAW: ELEMENTS TO BE DETERMINED

19. When a person makes an application for new groundwater permit, OAC 785:30-3-5 in this context, the rules require the Board to determine several specific issues. These are:

- a. The applicant owns the surface of the dedicated land or has a valid lease or other legal authority for the taking of groundwater from the land;
- b. The dedicated land overlies a fresh groundwater basin or sub-basin.
- c. The use to which the Applicant intends to put the water is a beneficial use. Defined by OAC 785:30-1-2, a beneficial use is “the use of such quantity of stream or groundwater when reasonable intelligence and reasonable diligence are exercised in its application for a lawful purpose and as is economically necessary for that purpose. Beneficial uses include but are not limited to municipal, industrial, agricultural, irrigation, recreation, fish and wildlife, etc.”
- d. Waste by depletion and waste by pollution as defined by 82 O.S. § 1020.15 will not occur.
- e. If the new or proposed well site location is inside of the well-spacing requirements, whether drilling or completing the well at a location within the well-spacing requirements would be inequitable or unreasonable. OAC 785:30-3-6.

If the Board finds for the applicant on all these issues according to OAC 785:30-3-5, the rule provides that the Board shall approve the application.

EVIDENCE OF A VALID LEASE FOR THE WELL LAND DEDICATED TO THE PERMIT WAS PROPERLY ESTABLISHED

23. Board finds that Applicants have provided proper documentation showing a valid Lease on the land dedicated to the Permit.

LAND OVERLIES A GROUNDWATER BASIN

24. Based upon the submitted evidence, the Board concludes that the property dedicated to the permit overlies a groundwater basin known as the Garber Sandstone and Wellington Formation. The Board has approved a maximum annual yield for this basin and the amount of groundwater available to Applicants is two (2.0) acre-feet of groundwater per acre per year.

BENEFICIAL USE FOR LEGAL PURPOSES WAS ESTABLISHED

25. The Board adopts and incorporates the reasons provided in paragraph 12 and concludes that the Applicants met the requirements for the beneficial use of groundwater.

NO WASTE BY POLLUTION

26. The Groundwater Law and Board rules provide that the Board must determine whether Applicant will allow waste by pollution as specified by OAC 785:30-3-5 to occur.

27. For the reasons set forth in Paragraph 16, the Board concludes that Applicants will not commit waste by pollution as described in 82 O.S. § 1020.15 and OAC 785:30-3-5 by using the requested permit.

NO WASTE BY DEPLETION

28. The Groundwater Law and Board rules provide that the Board must determine whether Applicant will allow waste by depletion as specified by OAC 785:30-3-5 and 82 O.S. § 1020.15 to occur.

29. The Board acknowledges Protestants' important public concerns about the groundwater supply in the area and that the use of groundwater could potentially be adversely affected by neighboring uses of groundwater from the same basin. However, there is no basis in this case to determine that Applicant's proposed use will be impermissible or unlawful. The stated purpose of Oklahoma Groundwater Law is to promote the reasonable development and use of the groundwater resources by overlying landowners. 82 O.S. § 1020.2(A). As written, the law contemplates the eventual depletion of the groundwater resources, and "the use or nonuse by one landowner neither decreases nor increases the proportionate share of another." OWRB v. Texas County Irr. And Water Resources Ass'n, Inc. 1984 OK 96, ¶ 7, 711 P.2d 38. Here, as regards the issue of depletion, the application is in accordance with and is not contrary to the law and rules.

30. Based upon the Findings of Fact in paragraph 17, the Board concludes that Applicants will not commit waste by depletion as described in 82 O.S. § 1020.15 and OAC Title 785:30-3-5 by using the requested permit.

A WELL-SPACING EXCEPTION IS PROPER

31. OAC 785:30-3-6(a)(1) requires the Board to examine whether not granting a well-spacing exception would be unreasonable or inequitable.

32. For the reasons set forth in Paragraph 18, the Board concludes that the applicable well-spacing exception should be granted.

ULTIMATE CONCLUSION

33. Based on the Findings of Fact and Conclusions of Law above, the Board concludes Regular Limited Quantity Groundwater permit with a well-spacing exception should be granted.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the application for a new Regular Limited Quantity Groundwater Permit No. 2023-0531, with a well-spacing exception, in the names of Matt DeSantiago and Brett Williams, is hereby granted.

IT IS FURTHER ORDERED that all other terms and provisions set forth in the application and not inconsistent with provisions of this Order shall be incorporated into and made a part of the permit.

IT IS SO ORDERED by the Oklahoma Water Resources Board in regular and open meeting this
_____ day of _____, 2025.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

ATTEST:

Suzanne Landess, Secretary

(SEAL)