

VISTA RIDGE

VISTA RIDGE LLC 11010 Coachlight Street, Suite 202, San Antonio 78216 Phone: (512) 718-9298

TO: Post Oak Savannah Groundwater Conservation District

FROM: Blue Water Vista Ridge, LLC & Vista Ridge LLC

DATE: March 30, 2023

RE: Temporary Amendment of Operating Permit for Vista Ridge

This memorandum is in support of a Temporary Amendment of the Amended Operating Permit for Vista Ridge LLC (the "Permittee"), grantee of Amended and Restated Drilling and Operating Permit (the "Permit") Issued by Direction of the Board of Directors of the Post Oak Savannah Groundwater Conservation District (the "District") to produce 55,835 acre-feet per year (ac-ft/yr) of groundwater from identified well locations within the District. The Permittee is working with the leadership of the District to explore the potential for shifting pumpage from the Carrizo aquifer wells to the Simsboro aquifer wells. Shifting a portion of the current production to the Simsboro is expected to benefit local groundwater users by reducing artesian pressure declines in the Carrizo aquifer, which is used to a much greater extent by local landowners. The shift in production will also help the District meet future DFC targets with respect to production in the Carrizo while gathering necessary data to support those targets.

As part of this exploration, the Permittee is requesting a Temporary Amendment for five out of the existing nine Simsboro wells (PW11, PW13, PW15, PW16 & PW17) by increasing their instantaneous pumpage rates. This Temporary Amendment is necessary to confirm the existing pumping, transmission, and treatment infrastructure's ability to handle this shift and to document that performance. The permitted instantaneous production rates of the Vista Ridge Simsboro wells are currently limited to a 3,000 gpm maximum; consequently, the Permittee requests a Temporary Amendment of the production permit to allow increases in the maximum instantaneous production rates of these wells. Table 1 lists each well's requested, temporary instantaneous production rate. Please note that the requested rates are compliant with the District's well-to-property boundary spacing requirements (Rule 4.1), which limit production rates to one-half foot per gallon per minute from the property line of each adjoining landowner. Table 1 lists the distances between the wells and the nearest, uncontrolled properties, while the attached map shows the well locations and well-to-property boundary spacing with respect to current Burleson County appraisal district parcel boundaries. Annual aggregate Carrizo production will be reduced commensurately with the increased Simsboro pumpage such that the amount of water produced from within the District will not exceed the currently permitted amount of 55,835 ac-ft/yr.



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Table 1. Requested Maximum Instantaneous Production Rates

<i>Well</i>	<i>Distance from Property Line (ft)</i>	<i>Requested Max. Instantaneous Flow Rate (GPM)</i>
PW11	1,594	3,188
PW13	1,892	3,500*
PW15	1,580	3,160
PW16	1,606	3,212
PW17	1,538	3,076

* Restricted to 3,500 gpm by motor horsepower limitations

During the Temporary Amendment period, all drawdown and instantaneous pumping and performance data will be collected, recorded, and reviewed to monitor permit compliance, aquifer and well performance, and system operational compliance. All results of the test will be actively shared with the District and continue to be submitted on a monthly basis.

Well field modeling utilizing the Theis non-equilibrium solution was performed to estimate the additional Simsboro drawdown resulting from the requested increased production rates. The modeling incorporated hydraulic parameters derived from aquifer testing performed using the Vista Ridge production wells and simulated the aquifer's response over a 90-day period. The modeling results indicate that the additional artesian pressure drawdown resulting from this test will be limited to approximately 10 feet at the Vista Ridge well field property boundary and about 5 to 10 feet at the nearest neighboring Simsboro wells in POSGCD. The attached map depicts contours of the additional simulated drawdown with respect to neighboring wells, Vista Ridge leased properties, and the Vista Ridge wells with proposed production rate increases. These declines represent only a small fraction of the total artesian pressure in the Vista Ridge area and modeling results indicate that these effects will dissipate quickly.

The ultimate goal of the Temporary Amendment is to confirm the system's ability to reduce Carrizo production and to increase Simsboro production through the use of higher production rates. The Temporary Amendment period will also support the development of a 19th Vista Ridge well (PW18) to be completed in the Simsboro. This well is already permitted, and construction bids are currently being solicited.

The Permittee requests that the District grant a Temporary Amendment allowing for a preliminary testing period that includes hot summer production and delivery months to fully test the feasibility of the change on the equipment and aquifer. Therefore, the Permittee requests the Temporary Amendment be granted through August 31, 2023. If all pumping indicators are favorable, application for a permanent amendment will be initiated at that time. Permittee requests that the instantaneous pumpage rates specified in this Temporary Amendment are allowed to continue during the application process to POSGCD for a permanent amendment to the permits.

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The Vista Ridge project wells will continue to be registered with the District and the State of Texas. These wells are already approved for production by the District in the aggregate as a Well System.

In support of the Temporary Amendment request, well spacing distances for each of the Carrizo and Simsboro Well Field configurations are included and no requested spacing changes are anticipated.

Please do not hesitate to contact me with any questions or concerns. Thank you for your consideration and cooperation.

Sincerely,

Hamlet Newsom
Blue Water Vista Ridge, LLC, as agent for Vista Ridge, LLC

Enclosures

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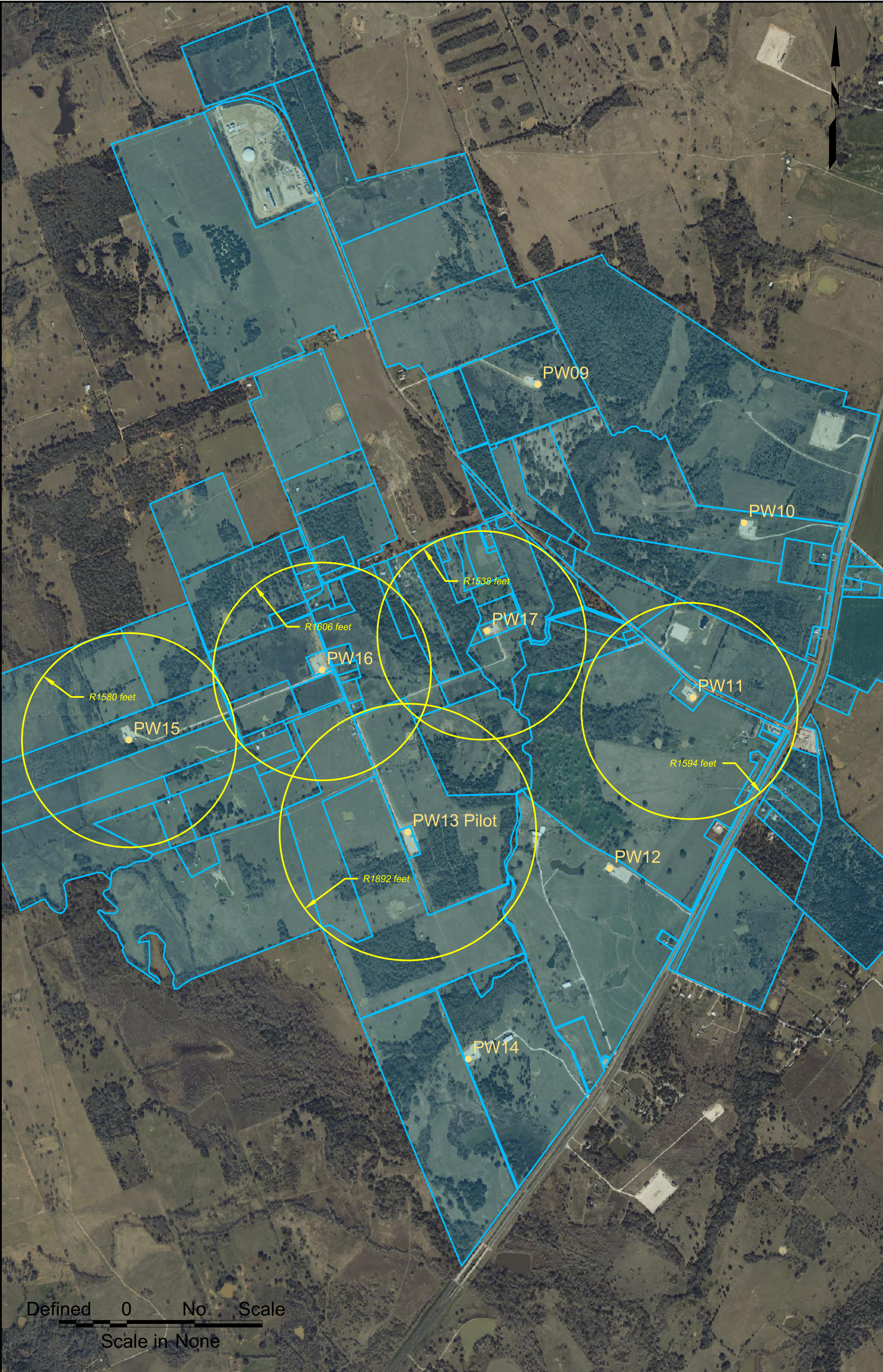
EXHIBIT A

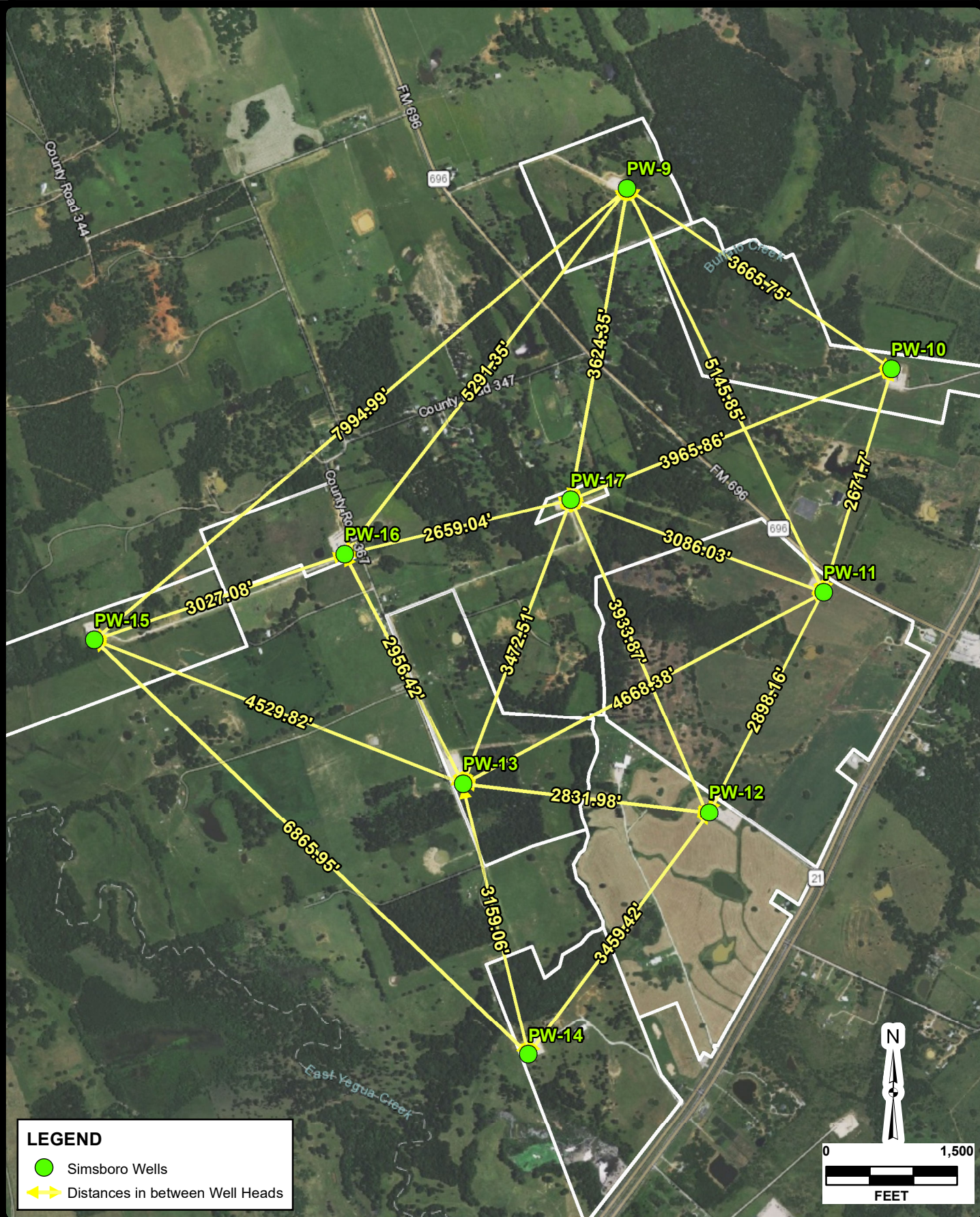
Site	Latitude	Longitude	Formation	MaxGPM	Permit Status
CW-1	30.44211	-96.813827	Carrizo	1200*	Reduced Aggregate Production
CW-2	30.43565	-96.803663	Carrizo	1200*	Reduced Aggregate Production
CW-3	30.42931	-96.806839	Carrizo	1200*	Reduced Aggregate Production
CW-4	30.43212	-96.815608	Carrizo	1200*	Reduced Aggregate Production
CW-5	30.43104	-96.824058	Carrizo	1200*	Reduced Aggregate Production
CW-6	30.42845	-96.833138	Carrizo	1200*	Reduced Aggregate Production
CW-7	30.41498	-96.817178	Carrizo	1200*	Reduced Aggregate Production
CW-8	30.42325	-96.819694	Carrizo	1200*	Reduced Aggregate Production
CW-9	30.42188	-96.810085	Carrizo	975*	Reduced Aggregate Production
CW-10	30.41916	-96.80507	Carrizo	750*	Reduced Aggregate Production
CW-11	30.41392	-96.7928	Carrizo	750*	Reduced Aggregate Production
CW-12	30.41116	-96.79682	Carrizo	750*	Reduced Aggregate Production
CW-13	30.44583	-96.76865	Carrizo	1200*	Reduced Aggregate Production
CW-14	30.40421	-96.7786	Carrizo	750*	Reduced Aggregate Production
CW-15	30.41001	-96.78026	Carrizo	750*	Reduced Aggregate Production
CW-16	30.40794	-96.77606	Carrizo	750*	Reduced Aggregate Production
CW-17	30.41709	-96.77139	Carrizo	750*	Reduced Aggregate Production
CW-18	30.42121	-96.77545	Carrizo	975*	Reduced Aggregate Production
CW-19	30.41838	-96.7668	Carrizo	750*	Reduced Aggregate Production
CW-20	30.43605	-96.76393	Carrizo	1200*	Reduced Aggregate Production
CW-21	30.43899	-96.77173	Carrizo	1200*	Reduced Aggregate Production
PW-9	30.4419	-96.813345	Simsboro	3000	Increase Aggregate Production
PW-10	30.43606	-96.803873	Simsboro	3000	Increase Aggregate Production
PW-11	30.42906	-96.806497	Simsboro	3188**	Increase Aggregate Production
PW-12	30.42223	-96.81063	Simsboro	3000	Increase Aggregate Production
PW-13	30.42394	-96.820052	Simsboro	3500**	Increase Aggregate Production

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PW-14	30.41469	-96.817523	Simsboro	2500	Increase Aggregate Production
PW-15	30.42799	-96.832996	Simsboro	3160**	Increase Aggregate Production
PW-16	30.4306	-96.823848	Simsboro	3212**	Increase Aggregate Production
PW-17	30.43199	-96.816059	Simsboro	3076**	Increase Aggregate Production
PW-18	30.44905	-96.826114	Simsboro	3000	Increase Aggregate Production
PW-19	30.41001	-96.77979	Simsboro	3000	Increase Aggregate Production
PW-20	30.41145	-96.79644	Simsboro	2000	Increase Aggregate Production
Production will rotate among wells to maintain annual total. **Temporary Amendment for increases in instantaneous production.					





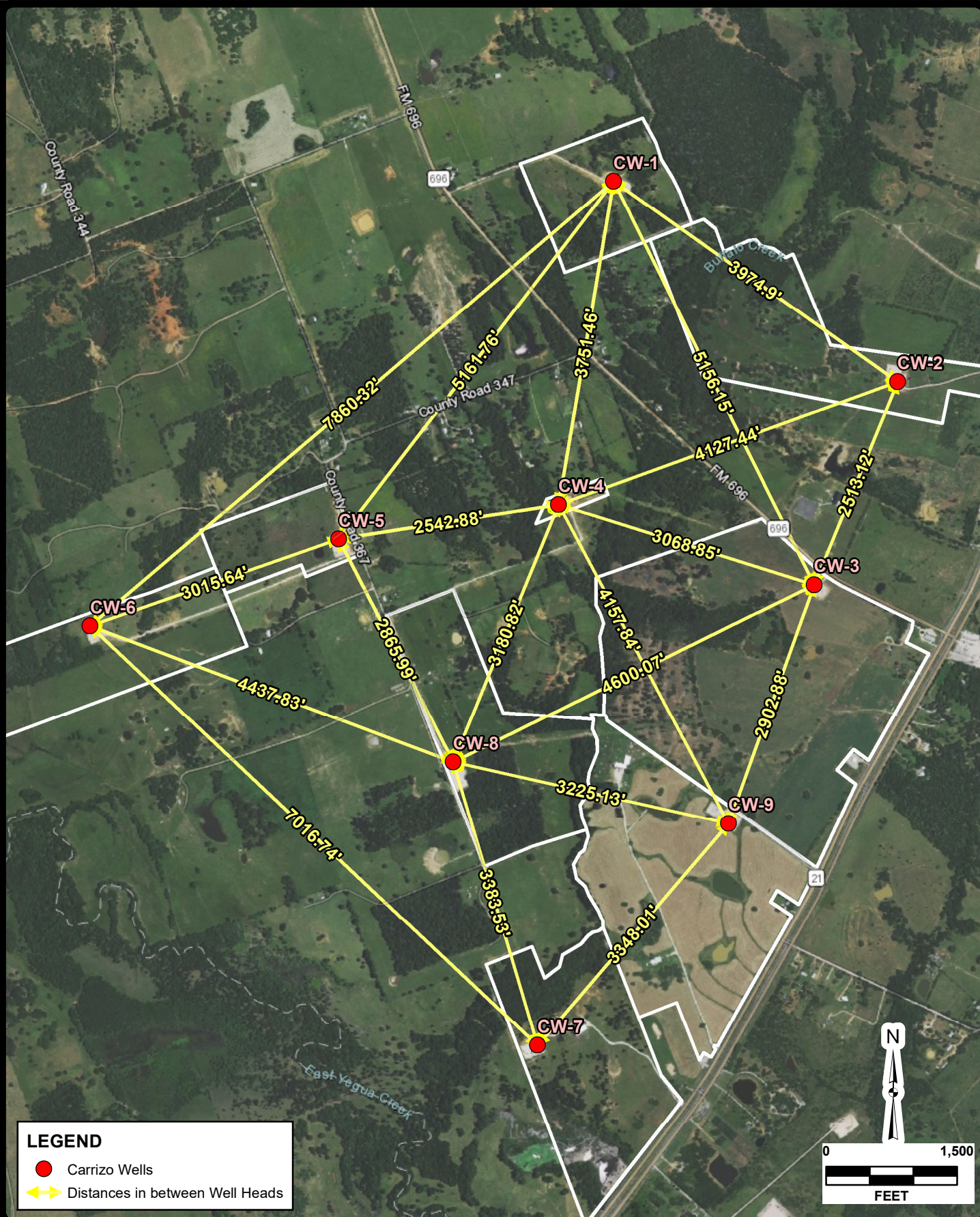
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DATE	Oct 2022
DESIGNER	CN
CHECKED	CN
DRAWN	SD
SHEET	2.0

SIMSBORO WELL SPACING

BURLESON COUNTY, TEXAS

PAPE-DAWSON ENGINEERS

SAN ANTONIO | AUSTIN | HOUSTON | FORT WORTH | DALLAS
2000 NW LOOP 410 | SAN ANTONIO, TX 78213 | 210.375.9000
TEXAS ENGINEERING FIRM #470 | TEXAS SURVEYING FIRM #10028800



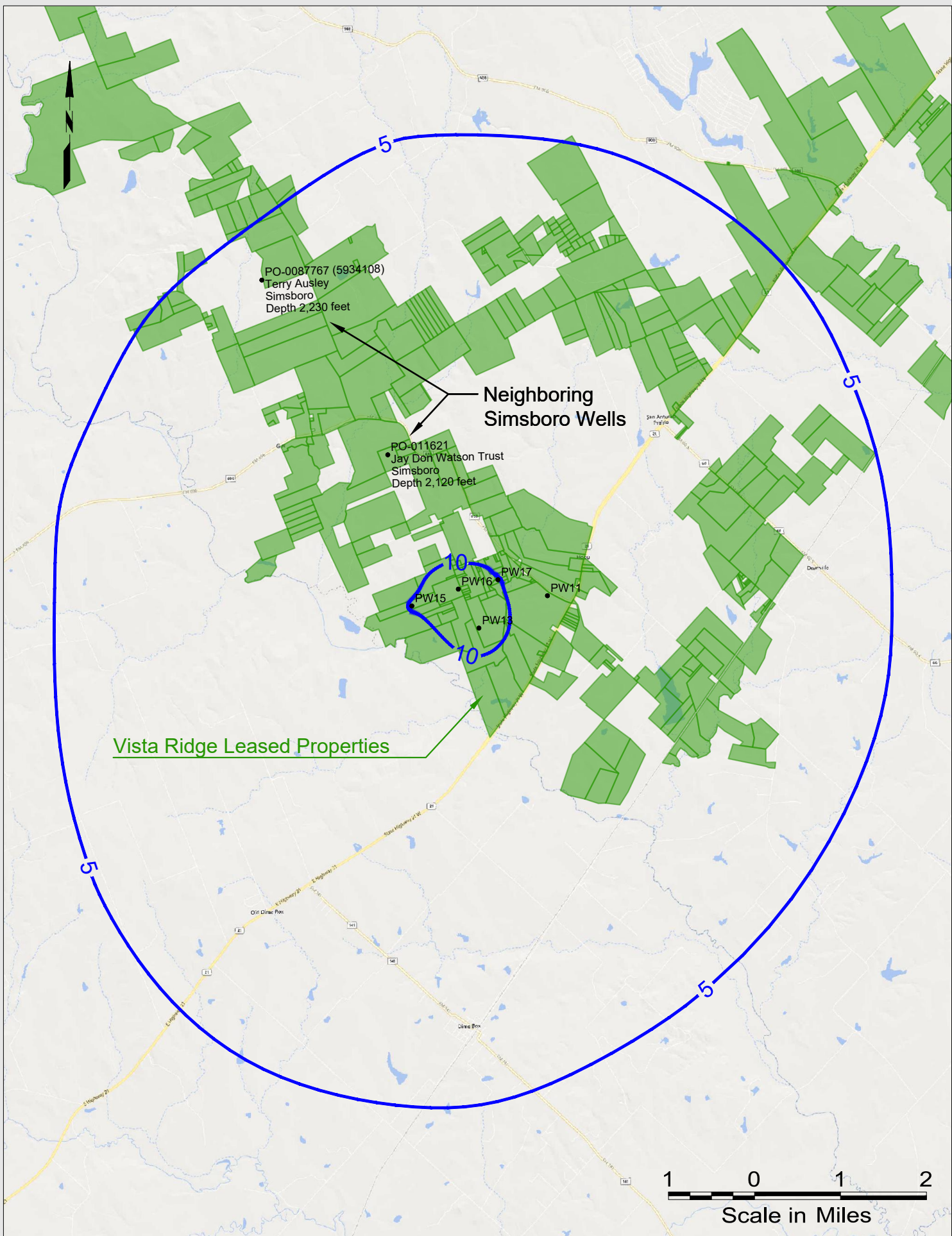
JOB NO.	07774-12
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CHECKED	CN
DRAWN	SD
SHEET	1.0

CARRIZO WELL SPACING

BURLESON COUNTY, TEXAS

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Vista Ridge RSP

Simulated Additional Simsboro Drawdown (Feet) Resulting from
90 Days of Increased Production Rates