

January 31, 2024

Kyle McDaniel
JPD Backyard Finance, LLC
1401 Lavaca Street PMB 10869
Austin, TX 78701
via email: kyle@backyardaustin.com

RE: Determination of Administratively Complete Application for Well Production Authorization – JPD Backyard Finance, LLC Irrigation Wells No. 1 and 2

Dear Kyle McDaniel:

The purpose of this letter is to notify you that the Applications for Well Production Authorization submitted to the Southwestern Travis County Groundwater Conservation District ("District") by JPD Backyard Finance LLC ("Applicant") have been deemed administratively complete. The Applications seek an operating permit to withdraw up to 1,850,246 gallons (5.68 acre-feet) of groundwater annually from the Lower Trinity Aquifer from Well No. 1 and 1,850,246 gallons (5.68 acre-feet) of groundwater annually from the Lower Trinity Aquifer from Well No. 2 for non-agricultural irrigation use.

For an application to be deemed administratively complete under the District's Rules, the application must include all the information required by District Rule 3.4(A) and the appropriate application fee on the current District Fee Schedule.

The District is in receipt of the following correspondence and materials supporting a determination of administrative completeness:

- 1. The Backyard Irrigation Wells No. 1 and 2: Production Authorization Application, submitted February 28, 2023 ("Application");
- 2. Digital copy of receipts for sending application notices via USPS Certified Mail to neighboring property owners and water suppliers, submitted March 9, 2023;
- 3. Check no. 1032 from Grit Capital Management, LLC, in amount equal to \$1,500.00, dated March 20, 2023;
- 4. Correspondence entitled "The Backyard Items 2 and 3 Supplemental Application Information," dated and submitted April 11, 2023 ("Supplement No. 1");
- 5. Correspondence entitled "Administrative Completeness Review of Production Authorization Applications submitted by JPD Backyard Finance LLC for authorization to produce groundwater from two Lower Trinity Aquifer wells," dated and submitted

- September 27, 2023, including Attachments A-D and accompanying aquifer-testing data in digital (Excel) format ("Supplement No. 2");
- 6. Correspondence entitled "Administrative Completeness Review of Production Authorization Applications submitted by JPD Backyard Finance LLC for authorization to produce groundwater from two Lower Trinity Aquifer wells," dated November 6, 2023, including Attachments A-D ("Supplement No. 3").

Please note this list is not a comprehensive list of all correspondence and documentation filed to support the Application, but together compose the record containing the requisite information for administrative completeness. The enumerated list below identifies each of the requirements contained in the District's Rules, which must be met before an application is deemed administratively complete, and includes references to the applicable rule and page numbers of the appropriate filings where information is located in the record documents filed with the District.

1. Rule 3.4(A)(1)-(2) requires an application to be filed using the District's form accompanied by the appropriate permit application fee.

You have filed an application using the District's form for Well No. 1 (Application at PDF page. 5), Well No. 2 (Application at PDF page 10), and provided the requisite application fees.

2. Rule 3.4(A)(3) requires an application to provide sufficient documentation to show the applicant will have a real, non-speculative need of the requested quantity of groundwater within one year following the date of issuance of the Operating Permit.

The Application states that groundwater produced from Wells No. 1 and 2 will only serve to maintain a constant level of 941 ft-MSL in a detention pond ("Pond B"), described as primarily serving as a "re-irrigation reservoir along with being a site water feature and water-quality pond," and that water will be distributed from Pond B to irrigate two irrigation fields described as "natural areas" with a combined area of approximately 76,494 square feet (Application at PDF page 30). The Application states that the "anticipated combined pumpage volume [of Wells No. 1 and 2] is 3,700,492 gallons per year. This volume represents the total annual water demand for the Backyard facility" (Application at PDF page 74). Additional documentation regarding projected irrigation demand, including vegetation types and quantities, previous actual water usage, and anticipated evaporation loss from Pond B are provided in Supplement No. 3.

3. Rule 3.4(A)(4) requires conducting and reporting to the District the results of an aquifer test that conforms to the District's "Guidelines for Aquifer Testing and Hydrogeological Reports."

You provided a Hydrogeologic Report (Application beginning at PDF page 66), including Appendices A-D, and additional analysis in Supplement No. 2, including

Attachments A-D and accompanying aquifer-testing data in digital (Excel) format, which generally meet the criteria for a Tier 2 Aquifer Test and Hydrogeologic Report contemplated by District Rule 3.4(A)(4).

- 4. Rule 3.4(A)(5)(a) requires the well owner's name, mailing address, physical address, phone number, email address, a contact person, and the same information for the well operator (provided in Application at PDF pages 5 and 10).
- 5. Rule 3.4(A)(5)(a) requires a copy of the real estate deed evidencing land ownership.

You provided a Foreclosure Sale Deed dated November 6, 2018, demonstrating landownership by JPD Backyard Finance, LLC, recorded as Document No. 2018174111 in Travis County (Application at PDF page 16).

- 6. Rule 3.4(A)(5)(b) requires documentation stating the following:
 - a. annual groundwater withdrawal amount requested along with documentation asserting the Applicant's justification that the requested amount is reasonable for the requested purpose of use;

You have requested an authorization to produce up to 1,850,246 gallons (5.68 acre-feet) per year from Well No. 1 (Application at PDF page 6) and 1,850,246 gallons (5.68acre-feet) per year from Well No. 2 (Application at PDF page 11), for a combined annual withdraw amount of up to 3,700,492 gallons (11.36 acre-feet). Additional documentation is provided in Supplement No. 3 to support the Applicant's justification for the requested volume.

b. the maximum rate of withdrawal;

You state the anticipated rate of withdrawal is up to 32 gallons per minute for Well No. 1 and up to 39 gallons per minute for Well No. 2 (Application at PDF page 30).

- c. the approximate average monthly distribution of the requested annual withdrawal amount (provided in Application at PDF page 31);
- d. the place of use, described by physical address, metes and bounds, or legal description;

You state the physical well address is 13801 Bee Cave Parkway, Austin, Texas, 78738 (Application at PDF pages 5 and 10), also described as the 35.139 acres known as the "The Backyard Subdivision," a replat of the Planet Earth Music

Subdivision as recorded in Document No. 201000097 in Travis County (survey beginning on PDF page 24 of the Application).

e. The purpose of use;

You state the purpose of use is non-agricultural irrigation and to maintain a constant level in Pond B (Application at PDF page 30).

f. the location or proposed location of the well or wells;

You state that Well No. 1 is located at Latitude 30° 18' 41.33" N, Longitude 97° 57' 12.82" W (decimal degrees: 30.311472, - 97.953561), and Well No. 2 is located at Latitude 30° 18' 43.75" N, Longitude 97° 57' 10.73" W (decimal degrees: 30.312153, -97. 952981) (Application at PDF page 27).

g. whether the proposed purpose of the use of water from the well is wholly or partly to provide water to a pond, lake, or reservoir to enhance the appearance of the landscape;

You state that groundwater produced from Wells No. 1 and 2 will be discharged into Pond B, which is described as primarily serving as a "re-irrigation reservoir along with being a site water feature and water-quality pond," to maintain a constant water level (Application at PDF page 30, *see also* Application at PDF page 74).

h. whether and what portion of the requested withdrawal amount will be exported, and how that exported amount will be measured;

You state that groundwater produced from Wells No. 1 and 2 will be used solely within the boundaries of the Backyard property (Supplement No. 1).

7. Rule 3.4(A)(5)(c) requires documentation identifying the total number and location of all wells and an interconnection diagram showing estimated well production contributions and meter location(s).

You provide a "Site Map" showing the locations of Wells No. 1 and 2, the location of Pond B where groundwater produced from Wells No. 1 and 2 will be discharged, and the locations of irrigation fields B1 and B2, where groundwater will be distributed for irrigation purposes from Pond B (Application at PDF page 27), but do not specify any meter locations. Estimated well production contributions are addressed elsewhere in the Application (Application at PDF page 30).

- 8. Rule 3.4(A)(5)(d) requires a water conservation plan (provided in Application beginning at PDF page 33).
- 9. Rule 3.4(A)(5)(d) requires a drought contingency plan (provided in Application beginning at PDF page 44).
- 10. Rule 3.4(A)(5)(e) requires a property plat, survey, or map of the parcel, to scale and with north arrow, showing the location of the proposed well and that includes the following features within 1000 feet of the proposed well location on any tract:
 - a. Existing or proposed domestic buildings;
 - b. All water wells, including those abandoned, deteriorated, or not currently in service;
 - c. Septic tanks and septic disposal areas;
 - d. Driveways;
 - e. Barns and feedlots;
 - f. Ponds, creeks, rivers, and intermittent streams;
 - g. Property lines;
 - h. Power lines; and
 - i. Any other known or suspected potential sources of pollution.

You provided a property plat (Application beginning at PDF page 24), "Site Map" (Application at PDF page 27), and "Overall Wastewater Plan" (Application at PDF page 28).

- 11. Rule 3.4(A)(5)(f) requires a surface geology map and topographic map of the property where the proposed well is located and extending 1,000 feet into adjacent properties (provided in Application at PDF page 76).
- 12. Rule 3.4(A)(5)(g) requires drawings and physical descriptions depicting and describing well construction design, facility layout, existing or proposed pipelines, chlorination system, water softeners, storage tanks, boost pumps, and any other well related equipment.

You provided well schematics (Application at PDF page 84) and State of Texas Well Reports (Application beginning at PDF page 106), which describe well construction design for Wells No. 1 and 2. You do not specify how groundwater produced from Wells No. 1 and 2 will be discharged to Pond B and subsequently diverted across the property to irrigation fields B1 and B2.

13. Rule 3.4(A)(5)(h) requires documentation on installed or proposed pump horsepower, pumping capabilities at installed depth, or other production-related pump information.

You state Well No. 1 will be equipped with a 10-horsepower pump set at a depth of 819 feet below ground level, and Well No. 2 will be equipped with a 10-horsepower pump set at a depth of 798 feet below ground level (Application at PDF page 31). The State of Texas Well Report submitted for Well No. 1 lists actual pump depth as 800 feet (Application at PDF page 108). The State of Texas Well Report submitted for Well No. 2 lists actual pump depth as 779 feet (Application at PDF page 112). Pumping capabilities at installed depths are described in the Hydrogeological Report (Application at PDF page 102).

- 14. Rule 3.4(A)(5)(i) requires State of Texas Well Report and a Geophysical Well Log for each well and test borehole drilled (provided in Application beginning at PDF page 106).
- 15. Rule 3.4(A)(5)(j) requires a list of all principal owners and their contact information for any corporations, partnerships, and other business forms (provided in Supplement No. 2 at PDF page 1).
- 16. Rule 3.4(A)(5)(k) requires applications contemplating public water supply wells to provide copies of the Texas Commission on Environmental Quality approval letter for each well and the certificate of convenience and necessity for the water supply system from the Public Utility Commission of Texas, and any other relevant documentation related to public water supply wells.

The application does not contemplate public water supply wells, and you state that no applications have been filed with the TCEQ or PUC (Supplement No. 1).

17. Rule 3.4(A)(5)(m) requires a hydrogeological testing report that conforms to the appropriate tier of testing under the District's "Guidelines for Aquifer Testing and Hydrogeological Reports" (see Rule 3.4(A)(4)).

You provided a Hydrogeologic Report (Application beginning at PDF page 66), including Appendices A-D, and additional analysis in Supplement No. 2, including Attachments A-D and accompanying aquifer-testing data in digital (Excel) format, which generally meet the criteria for a Tier 2 Aquifer Test and Hydrogeologic Report contemplated by District Rule 3.4(A)(4).

- 18. Rule 3.4(A)(5)(n) requires water chemistry data for the conductivity, or total dissolved solids, for the wells' groundwater (provided in Application beginning at PDF page 151).
- 19. Rule 3.4(B) requires proof of notice mailed to all persons who own property located within ¹/₄-mile radius of the proposed well site.

You provided a digital copy of receipts for sending application notices via USPS Certified Mail to neighboring property owners and water suppliers, dated March 9, 2023, and digital copies of mailed notices (Supplement No. 2 beginning at PDF page 52).

A determination of administrative completeness is a determination by the District's general manager that the applicant has either provided the information required by rule in order to set the permit application for public hearing before the District's Board of Directors, or has been granted a waiver for any such requisite information. A determination of administrative completeness is not an approval of the Application, nor a guarantee that the District's Board of Directors will approve the Application. This determination is not an indication that the Application's substance justifies a permit or has met the minimum requirements set forth by the District's rules and the laws of the State of Texas to justify the Application's request, and shall not be construed as a determination that the Application's proposed permit and withdrawal amount is reasonable.

In the coming weeks, the District will set a date for a hearing on your permit application, and issue notice not later than 10 days in advance of the date of the hearing. The District will coordinate with you to ensure you are available on the date of the hearing.

Please feel free to contact me if you have any questions in the meantime.

Sincerely,

Lane Cockrell

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General Manager/Hydrogeologist

Southwestern Travis County GCD

Cc: Ben Carter, Hoar Construction, bcarter@hoar.com

Kaveh Khorzad, Wet Rock Groundwater Services LLC, k.khorzad@wetrockgs.com

Lance Oriti, Kimley-Horn and Associates, lance.oriti@kimley-horn.com

Grant Pallan, Hoar Construction, gpallan@hoar.com

Nick Castillo, Wet Rock Groundwater Services LLC, n.castillo@wetrockgs.com

Virginia Smith, Southwestern Travis County GCD, staff@swtcgcd.org