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December 8, 2010

Ms. LaDonna Castañuela
Chief Clerk
Texas Commission on Environmental Quality
Bldg. F, Room 4301
Austin, Texas 78753

VIA HAND DELIVERY

RE: SOAH Docket No. 582-07-2673, TCEQ Docket No. 2007-0204-WDW
In Re: Application of Texcom Gulf Disposal, LLC, for Texas Commission on
Environmental Quality Underground Injection Control Permit Nos. WDW410,
WDW411, WDW412, WDW413.

Dear Ms. Castañuela:

Enclosed with this correspondence, please find the Lone Star Groundwater Conservation District's reply to exceptions made to the Proposal for Decision and to findings of fact and conclusions of law, issued in the above-referenced contested case. As indicated below, a copy of this transmittal and the enclosed filing is being provided to Judge Eagan and Judge Walston, as well as to the persons identified on the official SOAH service list for this particular application.

Please do not hesitate to let me know if you have any questions that I can address for you regarding this matter.

Respectfully submitted,



Jason T. Hill

JTH

ENCLOSURE

cc: The Honorable Catherine C. Egan
The Honorable Thomas H. Walston
Brian Sledge, *of the firm*
Michael A. Gershon, *of the firm*
Service List

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY
2010 DEC - 8 PM 1: 03
CHIEF CLERKS OFFICE

SOAH DOCKET NO. 582-07-2673
TCEQ DOCKET NO. 2007-0204-WDW

APPLICATIONS OF TEXCOM GULF § BEFORE THE STATE OFFICE
DISPOSAL, L.L.C. FOR TEXAS §
COMMISSION ON ENVIRONMENTAL §
QUALITY COMMISSION § OF
UNDERGROUND INJECTION §
CONTROL PERMIT NOS. WDW410, §
WDW411, WDW412, AND WDW413 § ADMINISTRATIVE HEARINGS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
2010 DEC - 8 PM 1:03
CHIEF CLERKS OFFICE

LONE STAR GROUNDWATER CONSERVATION DISTRICT'S
REPLY TO EXCEPTIONS MADE TO PROPOSAL FOR DECISION AND TO
FINDINGS OF FACT AND CONCLUSIONS OF LAW

TO THE HONORABLE COMMISSIONERS:

The Lone Star Groundwater Conservation District, protestant in the above-styled and numbered contested case (the "District"), submits this reply to exceptions made by the Executive Director of the Texas Commission on Environmental Quality (the "ED") and by TexCom Gulf Disposal, L.L.C. (the "Applicant") to certain portions of the Proposal for Decision, and accompanying findings of fact and conclusions of law, issued by the Administrative Law Judges (the "ALJs") in this matter, and would respectfully show the Commissioners the following:

I.

The evidentiary record compiled during the contested case on the above-referenced applications demonstrates that the Applicant has failed to adequately research potential pathways for migration within the cone of influence attributable to the Applicant's proposed injection operation. As discussed in the District's exceptions to the Administrative Law Judges' (the "ALJs") proposal for decision in this matter (the "PFD"), the Applicant as a consequence has failed to demonstrate that its proposed injection operation would not cause endangerment of USDWs, and fresh or surface water. Notwithstanding the exceptions submitted by the Applicant and the ED, there are therefore bases in addition to those identified in the PFD that support the

ALJs' ultimate recommendation to deny the above-referenced applications.

II.

Accordingly, based on the foregoing, on the District's Exceptions to Proposal for Decision and Findings of Fact and Conclusions of Law, and on the preponderance of evidence in the record in this matter, the District respectfully requests that the Commissioners of the Texas Commission on Environmental Quality adopt the recommendation of the ALJs in the PFD, as modified pursuant to the District's exceptions, and ultimately deny the above-referenced applications.

Respectfully submitted,

**LLOYD GOSSELINK ROCHELLE &
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**ATTORNEYS FOR THE LONE STAR
GROUNDWATER CONSERVATION
DISTRICT**

CERTIFICATE OF SERVICE

SOAH Docket No. 582-07-2673;
TCEQ Docket Nos. 2007-0204-WDW

I hereby certify that on this the 8th day of December, 2010, a true and correct copy of the foregoing document was provided by hand delivery, first class mail, facsimile, or email to the persons listed below.

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