Exhibit "B"

A RESOLUTION AMENDING ADOPTED RULES FOR THE LONE STAR GROUNDWATER CONSERVATION DISTRICT

THE STATE OF TEXAS	§
	§
COUNTY OF MONTGOMERY	§
	§
LONE STAR GROUNDWATER CONSERVATION DISTRICT	§

WHEREAS, the Lone Star Groundwater Conservation District ("District") was created by the Legislature of the State of Texas in Acts 2001, 77th Leg., R.S., ch. 1321, p. 3246, § 1(a);

WHEREAS, pursuant to said Act, § 5(a), the initial directors of the District have the permitting and general management powers granted under Chapter 36 of the Texas Water Code;

WHEREAS, § 36.101 of the Texas Water Code authorizes a groundwater conservation district to make and enforce rules to provide for conserving, preserving, protecting, and recharging of the groundwater or of a groundwater reservoir or its subdivisions in order to control subsidence or prevent waste of groundwater and to carry out the powers and duties provided by the Texas Water Code;

WHEREAS, on August 26, 2002, the Board of Directors of the District adopted rules for the District, and the Board of Directors of the District has determined that such Rules are in need of amendment;

WHEREAS, the District has published notice as prescribed by law;

WHEREAS, the District has noticed and conducted public hearings on the rules as prescribed by law and has conducted additional hearings on the rules to solicit greater public participation and comment;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT AS FOLLOWS:

The rules attached hereto are hereby adopted as the rules of the District; and

The rules so adopted shall be effective from the date of adoption and continue in effect until modified by the Board of Directors.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 15th day of October, 2002.

LONE STAR GROUNDWATER CONSERVATION DISTRICT

By: _____
Richard Tramm, President

ATTEST:

_____
Paula Jean Hargis, Secretary/Treasurer