

Parkwood Hill Estates HOA Meetings

Notes of Closed Door Executive Meeting and Community Meeting of July 10, 2008

The scheduled meeting of Parkwood Hill Estates Homeowners Association (HOA) was held on Thursday, July 10, 2008 at the HOA Clubhouse.

Closed Door Executive Meeting:

Call to Order:

The Closed-Door Executive meeting was called to order at 6:47 pm by Bryon Chesser. Board members and property management members present were:

Board Members:

HOA President: Bryon Chesser
HOA Vice President: Susan McGowan
HOA Secretary/Treas: Paul Merrill

RealManage:

Christy Gutierrez

Other Attendees:

- None

Items that needed to be addressed were:

- Discussion of Delinquent accounts
- Discussion of Pool Disturbances
 - Tatyana Swales – The Board has decided to reinstate her card, but consider her on probation for 30 more days. Her card will be activated on 07/12/08.
- Pricing on Movies in the Equipment
 - We received a couple of bids to purchase our own equipment, one for \$8,246 and another for \$10,246.
 - Richard Miller stated he would do our movies for \$250 a movie.
- Update on Five Star Pools
 - John was very apologetic for the issues we have had and volunteered to give us a month's service for free, not including the cost of chemicals.
- Trash pickup from soccer fields
 - Trash was picked up today and will be done more frequently.
- Status of Security changes
 - Everything has been working out with First Security. We have not had any complaints and the supervisors have been by from time-to-time to check on things.

Community Meeting:

Call to Order:

The Open-door Community Meeting was called to order at 7:16 pm by Bryon Chesser. Board members, property management members and committee chairs present were:

Board Members:

HOA President: Bryon Chesser
HOA Vice President: Susan McGowan
HOA Secretary/Treas: Paul Merrill

RealManage:

Christy Gutierrez

Committee Chairs:

Architectural Control:	OPEN	<input type="checkbox"/>
Budget Advisory:	David Kinkema	<input type="checkbox"/>
Social:	Open	<input type="checkbox"/>
Web Site:	Reta Reed	<input checked="" type="checkbox"/>
Amenities:	Lisa Burdick	<input checked="" type="checkbox"/>

Other Attendees:

- Scott Souder – Spartan Geophysical L.L.C.
- A large group of homeowners

Approval of Minutes from Prior Meeting:

All previous minutes can be found on our website.

Financial Report:

Operating Fund:	\$74,831
Replacement Fund:	\$42,294
Common Property Fund:	\$2,104
Petty Cash Account:	\$2,234

New Business:

- Scott Souder from Spartan Geophysical L.L.C. to provide a Q&A session on the letters we have received. No other business will be conducted.

Q&A Session Notes:

Q. Does Spartan have a drill site picked out?

A. Yes, but this information has not been release to the public yet.

Q. Have you determined if we as residents own our mineral rights?

A. Spartan has completed a surface ownership through public records at the Tarrant appraisal District to determine who the rightful owner of the land is, but we have not completed a mineral rights ownership investigation.

Q. How do you determine who owns the mineral rights?

A. Once we have a signed letter of intent to lease your mineral rights, we will conduct a mineral rights investigation. If we determine that you do not own the mineral rights, we will share that information with you and won't just tell you that you don't own them.

Q. How close to an existing structure can you drill?

A. In Tarrant County that distance is 300-600 feet.

Q. Has Spartan leased the mineral rights in other areas?

A. Yes.

Q. How does the lease work?

A. Like the offer states, we will lease your mineral rights for a period of three years with an option to lease for two more. You will receive a bonus of \$13,000 per mineral acre and a royalty bonus of 25%. What that means is if your letter states you own .18 mineral acres, your bonus would be \$13,000 * .18. The 25% royalty would be shared among all the residents in the affected area and you would receive an amount equal to your lot size.

Q. Will we get a check at the signing?

A. We will give you a draft that you can take to the bank with an amount on it equal to your share according to your lot size. The bank will contact our bank that you wish to deposit it and once we have that contact, we will begin the mineral rights search. If we determine that you do own your mineral rights, we state you will have your funds within 45 “banking” days which equates to about 60 “calendar” days.

Q. Is this a lease of or a purchase of mineral rights?

A. We are only interested in leasing your mineral rights.

Q. What happens if we get another offer from another company?

A. You have every right to entertain any offer from any company. Just make sure that they have a drill site picked out and have applied for their permit with the City of Ft. Worth.

Q. What happens if not everyone signs the lease agreement?

A. If we get a majority, we can still drill, we just can't drill under a house that didn't lease us their mineral rights.

Q. Can their mineral rights be pulled out even through they didn't sign the lease?

A. Think of it this way, if you have a helium filled balloon and you poke a hole in it, the gas is going to come out. It works the same way with a gas lease.

Q. How will the drilling be done?

A. We use a technique called hydraulic fracturing, commonly referred to as “fracing”, which uses water and sand that is forced into a hole at a height rate of speed to break up the ground and cause fissures in the ground to allow the gas to escape.

Q. Can someone else own the minerals underneath my property? How can I tell if I own my minerals?

A. Yes – It is possible that the mineral ownership may be different than surface ownership. A deed/title search may be necessary for one to determine who actually owns the minerals under a piece of property.

Q. Will drilling affect the foundation of my house?

A. There is no documented evidence of drilling affecting foundations. Most foundation problems occurring in the North Texas area are a result of ground swell and contraction during alternating periods of wet and dry weather.

Q. Can a gas well be placed on my property without my permission?

A. As a general rule, an operator would rather have the surface owner's permission before putting a well site on a particular property and will pay appropriate damage fees to the surface owners. Any other actions would be preceded by legal action involving the operator and the property owner.

Q. Will someone be on the drilling site at all times?

A. During drilling operations there are personnel on-site 24 hours. Completion operations are usually conducted during the day, but personnel may be on-site 24 hours during a short flow-back period. If there are not personnel on-site (Operations or Private Security), then the site/equipment must be secured.

Q. Will the ground sink if stone and gas is removed?

A. No. We don't actually remove any stone, just gas.

Q. How far below the surface is the well typically?

A. Between 6,000 and 8,000 feet.

Q. How far out can a well go?

A. Typically, a horizontal well won't go farther than 4,000 feet.

Old Business:

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Committee Reports:

Social Committee – Open

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Budget Advisory Committee – David Kinkema

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ACC – Open

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Web Site – Reta Reed

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Amenities – Lisa Burdick

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Director Report:

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Manager Reports:

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Open Discussion:

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Adjournment:

The meeting was adjourned at 8:45 pm by Bryon Chesser.

Next Board meeting will be August 14, 2008.