

## By Russ Pankonin The Imperial Republican

With oil exploration heating up in Dundy County, the Upper Republican Natural Resources District accepted an offer to lease the mineral rights on 2,200 acres of the Rock Creek Project. During their regular meeting Tuesday, Aug. 5, the board negotiated and approved a lease of \$25 per acre for the mineral rights, \$5 per acre to allow seismic testing on the ground and \$5 per acre to provide a staging area for the seismic crew.

The leasing agent told the board he was representing Forestar Petroleum, based in Austin, Texas.

He said the company takes an aggressive attitude toward oil exploration, which would benefit the NRD.

The company drilled 30 oil wells in 2013 in Southwest Nebraska and expects to drill as many as 40 in 2014.

The agent said they had leases on 12 sections of ground around the Rock Creek project and the 2,200 acres owned by the NRD would finish off the tract.

Having a complete tract aids in the seismic testing, the agent said.

When completed, a total of eight different leases will be exercised over the NRD's 2,200 acres.

### **Republican Compact meeting**

Manager Jasper Fanning said the Republican River Compact Association will hold meetings in Lincoln at the end of August.

Fanning anticipated more meetings will occur between states prior to the compact meeting in an effort to resolve outstanding issues.

One of those issues deals with Kansas water stored in Harlan County Dam.

Last year, Nebraska and Kansas could not agree on a plan to allow Kansas water to be stored in Harlan without affecting Nebraska's compliance efforts.

After failing to reach an agreement, Nebraska began discharging the water from Harlan near the end of 2013.

The Kansas Bostwick Irrigation district was able to forge an agreement with Nebraska that would allow for more timely release of the water.

Fanning said there's been no action by Kansas after Nebraska received favorable arbitration rulings on the compliance credit for pumping on the Rock Creek and Lincoln County augmentation projects.

The arbitrator said Nebraska should receive full credit for the pumping versus the partial credit they are now receiving.

Nebraska receives 69 percent credit for Rock Creek pumping and only 54 percent for Lincoln County pumping.

### **City of Imperial request**

Board members approved a request by the City of Imperial to change the type of allocation on the irrigation well located on the Cornerstone Development property.

City Superintendent Pat Davis told the board they eventually plan to decommission the well that now has an agriculture allocation.

He said they wanted to convert the allocation into an industrial allocation, should the city ever need to provide water to an industrial user.

The city agreed to give up 23 inches of allocation, based on historical use of the property. The change will add 14 million gallons of industrial allocation to the city's existing industrial allocation of 9 million gallons.

The city's allocation totals 423 million gallons. The most pumped in one year occurred during the drought in 2002 when 336.5 million gallons were pumped.

That compares to the most recent drought in 2012 when 307 million gallons were pumped.