

ORIGINAL

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 10th day of May in the year of 2006 by and between; The **STATE OF NEBRASKA, NEBRASKA DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the “**STATE**”, and **BOSTWICK IRRIGATION DISTRICT IN NEBRASKA** hereinafter referred to as the “**DISTRICT**.”

WITNESSETH:

WHEREAS, the District has the rights to natural flow and storage use rights for an identified Water Supply as hereinafter defined in Paragraph II(A) for the year 2006; and

WHEREAS, the State desires to “purchase” and/or “lease” the use of the District’s Water Supply for the calendar year 2006; and

WHEREAS, the District is willing to “sell” and/or “lease” the use of its identified Water Supply for the year 2006 to the State for the 2006 Irrigation Season.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (herinafter “Agreement”) to the end of the Irrigation Season as hereinafter defined in Paragraph II(B). There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

A. “Water Supply” shall mean the Water Supply determined by the U.S. Bureau of Reclamation (hereinafter “Bureau”) under its water storage permit for Harlan County Lake as calculated and published by the Bureau for January 2006 according to the Harlan County Lake Operation Consensus Plan (hereinafter “Consensus Plan”), and natural flow that may become available for diversion at the Superior-Courtland Diversion Dam during the Irrigation Season.

B. “Irrigation Season” shall mean the date beginning with the commencement of water deliveries for direct irrigation at the Superior-Courtland Diversion Dam and ending on the date of the last water delivery for direct irrigation, which date shall be no later than September 1, 2006.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to sell and/or lease the rights to the use of its Water Supply as herein defined in Paragraph II(A) for the period from the date of the execution of this Agreement to the end of the Irrigation Season as herein defined in Paragraph II(B).

B. The District agrees to consult and collaborate with the State, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated

Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated February 1, 2006.

C. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has received the requisite affirmative vote of its electors, at a duly authorized meeting of the District, authorizing it to enter into this Agreement.

D. The District agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2006 Water Supply to the State.

IV. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State of Nebraska will pay the sum of two million five hundred thousand dollars (\$2,500,000.00) to the District, as payment in full to purchase and/or lease the use of the District's Water Supply, within ninety (90) days of the execution of this Agreement. This payment compensates the District for the sale and/or lease of its Water Supply as defined above for the calendar year 2006 to the State for the term of this Agreement. The State will also make a one time payment of sixty-four thousand five hundred dollars (\$64,500.00) to the District to assist the District in its payments of the annual operation and maintenance charges assessed by the U.S. Army Corp of Engineers. The District agrees to accept its computed share of those annual charges for such costs arising from the release of the Districts' share in accordance with a separate agreement between the District and Kansas Bostwick Irrigation District (hereinafter "Kansas Bostwick").

B. The State agrees to consult and collaborate with the District, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated February 1, 2006.

C. The State agrees to do everything in its power, independently and in conjunction with, the District and its water users to assure the normal continuation of farm commodity assistance, federal crop insurance or other agricultural assistance programs which have been available to District water users in the past; and to take such actions including, but not limited to, amending the terms of this Agreement or providing interpretations hereof, as may be necessary because of this Agreement, to assure all such normal continuation of all such programs. This provision shall not be interpreted as a guaranty of any water user's ability to participate in any farm commodity assistance, federal crop insurance or other agricultural assistance programs which have been available to District water users in the past. Any denial of a water user's ability to participate in such programs shall not affect the validity of this Agreement.

D. The State will continue to work with the Natural Resources Districts and surface water irrigation districts to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

E. By execution of this Agreement, the State represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

F. The State agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's Water Supply to the State.

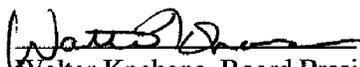
V. THE PARTIES MUTUALLY AGREE AS FOLLOWS:

A. The parties agree to work with the Natural Resources Districts in meeting the goals and objectives identified in their Integrated Management Plans and corresponding groundwater management rules and regulations to help protect, to the extent possible, the District's 2006 Water Supply which includes storage water releases from Harlan County Lake and natural flow.

B. The parties agree to rely upon the Bureau for all necessary accounting and administration of the Water Supply during the term of this Agreement as authorized and required under the Consensus Plan and agreements and contracts between the Bureau, District and Kansas Bostwick; and to accept the Water Supply management determinations of the Bureau as authorized and required under the Consensus Plan and agreements and contracts between the Bureau, District and Kansas Bostwick. In the event that Kansas Bostwick does not accept releases from Harlan County Lake, the parties agree to further define and identify, by addendum to this Agreement, the Water Supply sold and/or leased by the District to the State during the 2006 Irrigation Season in conformance with the Bureau's routine accounting and administration procedures.

C. The parties agree that the District has retained and reserves the rights to any additional water that it would be entitled to receive under the agreements and contracts between the Bureau, District and Kansas Bostwick, outside of the constraints of this Agreement.

BOSTWICK IRRIGATION DISTRICT IN NEBRASKA


Walter Knehans, Board President
Bostwick Irrigation District in Nebraska

5-10-06
Date

NEBRASKA DEPARTMENT OF NATURAL RESOURCES


Ann Bleed, Acting Director
Nebraska Department of Natural Resources

5/10/06
Date

APPROVED

AS TO FORM & CONTENT
BY NDNR LEGAL COUNSEL

 DATE 5/9/06

ORIGINAL

ORTON
LAW OFFICE, P.C., L.L.O.

RECEIVED

May 23, 2006

MAY 24 2006

DEPARTMENT OF
NATURAL RESOURCES

Ms. Ann Bleed
Acting Director
Department of Natural Resources
P.O. Box 94676
Lincoln, NE 68509-4676

RE: MOA with Bostwick Irrigation District

Dear Ann:

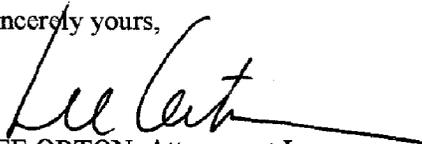
Enclosed herewith is the fully executed Memorandum of Agreement between the State and the Bostwick Irrigation District in Nebraska. While your letter requested return to Department Legal Counsel, Ann Diers, it is returned to you with this letter since the final details regarding the State's payment of the agreement compensation for the District relinquishment of the right to use the defined water supply is still not clearly understood by the District. We expect you will need to be involved in these final details.

The agreement provides for payment within 90 days of the execution. Nonetheless, it is sincerely hoped that the payment can be made on or about July 1, 2006 with the commencement of the new fiscal year. The District will have its details for deposit of the funds and the redistribution thereof to District water users in place and I believe will be interested in some type of electronic transfer of the payment to allow for timely redistribution.

I hereby request that you or your fiscal officer contact the District directly to make the transfer arrangements. Should you need additional legal involvement in this final procedure please feel free to contact me.

Thank you and your staff and advisors for your work in this matter.

Sincerely yours,


LEE ORTON, Attorney at Law

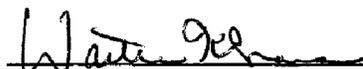
p.c.: Bostwick Irrigation District w/o enclosure

Enclosure: MOA dated May 10, 2006

Acknowledgment

The undersigned hereby acknowledges receipt of the State of Nebraska's check for \$2,564,500.00 as payment in full of the State's monetary obligations under the Memorandum of Agreement by and between the State and Bostwick Irrigation District in Nebraska.

Bostwick Irrigation District in Nebraska



By: Walter Knehans, Board President
Bostwick Irrigation District in Nebraska


_____ Date

ORIGINAL

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 10th day of May in the year of 2006 by and between; The **STATE OF NEBRASKA, NEBRASKA DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the “**STATE**”, and **FRENCHMAN VALLEY IRRIGATION DISTRICT** hereinafter referred to as the “**DISTRICT.**”

WITNESSETH:

WHEREAS, the District has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the calendar year 2006; and

WHEREAS, the State desires to “purchase” and/or “lease” the use of the District’s Water Supply for the calendar year 2006; and

WHEREAS, the District is willing to “sell” and/or “lease” the use of its Water Supply for the calendar year 2006 to the State.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter “Agreement”) to the end of the 2006 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

“Water Supply” or “2006 Water Supply” shall mean the total amount of natural flow that would be available to the District for beneficial use at the Headgate of Culbertson Canal during the 2006 calendar year. Based on the average of natural flow diversions, as reflected in the State’s records for the years 2001 to 2005, the expected water supply from natural flow is approximately 8000 Acre-Feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to relinquish the rights to the use of its Water Supply for the period from the date of the execution of this Agreement to the end of the 2006 calendar year.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the District, authorizing it to enter into this Agreement.

C. The District agrees to consult and collaborate with the State, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated

Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated February 1, 2006.

D. The District agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2006 Water Supply to the State.

IV. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State of Nebraska will pay the sum of four hundred thousand dollars (\$400,000.00) to the District, as payment in full to purchase and/or lease the use of the District's 2006 Water Supply, within ninety (90) days of the execution of this Agreement. This payment compensates the District for relinquishing the use of its Water Supply for the calendar year 2006 to the State for the term of this Agreement.

B. The State agrees to consult and collaborate with the District, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated February 1, 2006.

C. The State will continue to work with the Natural Resources Districts and surface water irrigation districts to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

D. By execution of this Agreement, the State represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

E. The State agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2006 Water Supply to the State.

FRENCHMAN VALLEY IRRIGATION DISTRICT

Clarence Jankovits Jr
Clarence Jankovits, Board President
Frenchman Valley Irrigation District

5-15-06
Date

NEBRASKA DEPARTMENT OF NATURAL RESOURCES

Ann Bleed
Ann Bleed, Acting Director
Nebraska Department of Natural Resources

5/10/06
Date

APPROVED

AS TO FORM & CONTENT
BY NDNR LEGAL COUNSEL

ASD DATE 5/9/06

Law Offices of
STANLEY C. GOODWIN

Stanley C. Goodwin
Nathan A. Schneider

Telephone
308 345-2580
308 345-2581 (FAX)

116 West C. Street
P.O. Box 607
McCook, NE 69001

May 17, 2006

RECEIVED

MAY 18 2006

DEPARTMENT OF
NATURAL RESOURCES

State of Nebraska
Department of Natural Resources
301 Centennial Mall South
4th Floor
P.O. Box 94676
Lincoln, NE 68509-4676

Attention: Ann Diers

Re: Enclosure

Dear Ms. Diers:

Enclosed please find the executed agreement of Frenchman Valley Irrigation District. This document is returned to you pursuant to the letter of instruction of Ann Bleed dated May 10, 2006. Pursuant to that letter we have retained one executed original and have calendared the expectation of receipt of the payment required by the agreement.

Thank you for your assistance in this matter.

Yours truly,



Stanley C. Goodwin

SCG:cjl

Acknowledgment

The undersigned hereby acknowledges receipt of the State of Nebraska's check for \$400,000.00 as payment in full of the State's monetary obligations under the Memorandum of Agreement by and between the State and Frenchman Valley Irrigation District.

Frenchman Valley Irrigation District



By: Stanley C. Goodwin, Attorney in Fact for
Frenchman Valley Irrigation District

7/10/06
Date

ORIGINAL

MEMORANDUM OF AGREEMENT

Contract No.: 112

THIS AGREEMENT entered into on this 10th day of May in the year of 2006 by and between; The **STATE OF NEBRASKA, NEBRASKA DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the “**STATE**”, and **FRENCHMAN VALLEY IRRIGATION DISTRICT** hereinafter referred to as the “**DISTRICT.**”

WITNESSETH:

WHEREAS, the District has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the calendar year 2006; and

WHEREAS, the State desires to “purchase” and/or “lease” the use of the District’s Water Supply for the calendar year 2006; and

WHEREAS, the District is willing to “sell” and/or “lease” the use of its Water Supply for the calendar year 2006 to the State.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter “Agreement”) to the end of the 2006 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

“Water Supply” or “2006 Water Supply” shall mean the total amount of natural flow that would be available to the District for beneficial use at the Headgate of Culbertson Canal during the 2006 calendar year. Based on the average of natural flow diversions, as reflected in the State’s records for the years 2001 to 2005, the expected water supply from natural flow is approximately 8000 Acre-Feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to relinquish the rights to the use of its Water Supply for the period from the date of the execution of this Agreement to the end of the 2006 calendar year.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the District, authorizing it to enter into this Agreement.

C. The District agrees to consult and collaborate with the State, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated

Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated February 1, 2006.

D. The District agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2006 Water Supply to the State.

IV. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State of Nebraska will pay the sum of four hundred thousand dollars (\$400,000.00) to the District, as payment in full to purchase and/or lease the use of the District's 2006 Water Supply, within ninety (90) days of the execution of this Agreement. This payment compensates the District for relinquishing the use of its Water Supply for the calendar year 2006 to the State for the term of this Agreement.

B. The State agrees to consult and collaborate with the District, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated February 1, 2006.

C. The State will continue to work with the Natural Resources Districts and surface water irrigation districts to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

D. By execution of this Agreement, the State represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

E. The State agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2006 Water Supply to the State.

FRENCHMAN VALLEY IRRIGATION DISTRICT

Clarence Jankovits Jr
Clarence Jankovits, Board President
Frenchman Valley Irrigation District

5-15-06
Date

NEBRASKA DEPARTMENT OF NATURAL RESOURCES

Ann Bleed
Ann Bleed, Acting Director
Nebraska Department of Natural Resources

5/10/06
Date

APPROVED

AS TO FORM & CONTENT
BY NDNR LEGAL COUNSEL

ASD DATE 5/9/06

Law Offices of
STANLEY C. GOODWIN

Stanley C. Goodwin
Nathan A. Schneider

Telephone
308 345-2580
308 345-2581 (FAX)

116 West C. Street
P.O. Box 607
McCook, NE 69001

May 17, 2006

RECEIVED

MAY 18 2006

DEPARTMENT OF
NATURAL RESOURCES

State of Nebraska
Department of Natural Resources
301 Centennial Mall South
4th Floor
P.O. Box 94676
Lincoln, NE 68509-4676

Attention: Ann Diers

Re: Enclosure

Dear Ms. Diers:

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Thank you for your assistance in this matter.

Yours truly,



Stanley C. Goodwin

SCG:cjl

Acknowledgment

The undersigned hereby acknowledges receipt of the State of Nebraska's check for \$400,000.00 as payment in full of the State's monetary obligations under the Memorandum of Agreement by and between the State and Frenchman Valley Irrigation District.

Frenchman Valley Irrigation District



By: Stanley C. Goodwin, Attorney in Fact for
Frenchman Valley Irrigation District

7/10/06
Date

ORIGINAL

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 10th day of May in the year of 2006 by and between; The **STATE OF NEBRASKA, NEBRASKA DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the “**STATE**”, The **MIDDLE REPUBLICAN NATURAL RESOURCES DISTRICT** hereinafter referred to as the “**DISTRICT**”, and **RIVERSIDE IRRIGATION COMPANY, INC.** hereinafter referred to as the “**COMPANY**.”

WITNESSETH:

WHEREAS, the Company has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the year 2006; and

WHEREAS, the State and the District desire to “purchase” and/or “lease” the use of the Company’s Water Supply for the calendar year 2006; and

WHEREAS, the Company is willing to “sell” and/or “lease” the use of its Water Supply for the calendar year 2006 to the State and the District.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter “Agreement”) to the end of the 2006 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

“Water Supply” or “2006 Water Supply” shall mean the total amount of natural flow that would be available to the Company for beneficial use at the Headgate of Riverside Canal during the 2006 calendar year. Based on the average of natural flow diversions, as reflected in the State’s records for the years 2001 to 2005, the expected water supply from natural flow is approximately 2000 Acre-Feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE COMPANY AGREES TO PERFORM AS FOLLOWS:

A. The Company agrees to relinquish the rights to the use of its Water Supply for the period from the date of the execution of this Agreement to the end of the 2006 calendar year.

B. By execution of this Agreement, the Company represents and affirms that, in accordance with all relevant state statutes and Company procedures, the Company has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the Company, authorizing it to enter into this Agreement.

C. The Company agrees to consult and collaborate with the State, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006.

D. The Company agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the Company's 2006 Water Supply to the State.

IV. THE STATE AND THE DISTRICT AGREE TO PERFORM AS FOLLOWS:

A. The State and the District will each pay the sum of fifty thousand dollars (\$50,000.00) to the Company, for a total payment of one hundred thousand dollars (\$100,000.00), as payment in full to purchase and/or lease the use of the Company's 2006 Water Supply, within ninety (90) days of the execution of this Agreement. These payments compensate the Company for relinquishing the use of its Water Supply for the calendar year 2006 to the State and the District for the term of this Agreement.

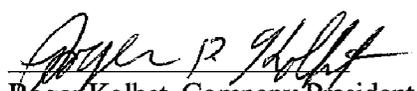
B. The State agrees to consult and collaborate with the Company, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al. dated January 9, 2006.

C. The State will continue to work with the Natural Resources Districts and surface water irrigation districts to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

D. By execution of this Agreement, both the State and the District represent and affirm that they have appropriated and secured the funds necessary to meet their obligations under this Agreement.

E. Both the State and the District agree to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the Company's 2006 Water Supply to the State and the District.

RIVERSIDE IRRIGATION COMPANY, INC.


Roger Kolbet, Company President
Riverside Irrigation Company, Inc.

5-15-06
Date


Permit B. Bism Secretary

ORIGINAL

NEBRASKA DEPARTMENT OF NATURAL RESOURCES

Ann Bleed
Ann Bleed, Acting Director
Nebraska Department of Natural Resources

5/10/06
Date

APPROVED

AS TO FORM & CONTENT
BY NDNR LEGAL COUNSEL

ADD DATE 5/9/06

MIDDLE REPUBLICAN NATURAL RESOURCES DISTRICT

Gayle Haag
Gayle Haag, Board President
Middle Republican Natural Resources District

5/18/06
Date

Law Offices of
STANLEY C. GOODWIN

Stanley C. Goodwin
Nathan A. Schneider

Telephone
308 345-2580
308 345-2581 (FAX)

116 West C. Street
P.O. Box 607
McCook, NE 69001

May 17, 2006

State of Nebraska
Department of Natural Resources
301 Centennial Mall South
4th Floor
P.O. Box 94676
Lincoln, NE 68509-4676

RECEIVED
MAY 22 2006
DEPARTMENT OF
NATURAL RESOURCES

Attention: Ann Diers

Re: Enclosure

Dear Ms. Diers:

Enclosed please find the agreement among the Department, Middle Republican Natural Resources District and Riverside Irrigation Company, Inc. This document is returned to you pursuant to the letter of instruction of Ann Bleed dated May 10, 2006. Pursuant to that letter we have retained one executed original and have calendared the expectation of receipt of the payment required by the agreement.

Thank you for your assistance in this matter.

Yours truly,


Stanley C. Goodwin

SCG:cjl

Acknowledgment

The undersigned hereby acknowledges receipt of the State of Nebraska's check for \$50,000.00 as payment in full of the State's monetary obligations under the Memorandum of Agreement by and between the State, the Middle Republican Natural Resources District, and Riverside Irrigation Company, Inc.

Riverside Irrigation Company, Inc.



By: Stanley C. Goodwin, Attorney ~~in Fact~~ for
Riverside Irrigation Company, Inc.

7/31/06
Date

RECEIVED

AUG 02 2006

DEPARTMENT OF
NATURAL RESOURCES

Contract No.: 181



Bostwick Irrigation District in Nebraska

P.O. Box 446, Red Cloud, Nebraska 68970
Phone/Fax (402) 746-3424

RESOLUTION

May 29, 2007

WHEREAS, the Bostwick Irrigation District in Nebraska is a legally organized irrigation district in the State of Nebraska, and

WHEREAS, the State of Nebraska desires to utilize apportion of the District's water supply to help with its compliance of the Republican River Compact, and

WHEREAS, the State of Nebraska is offering to compensate the District for the use of a portion of the District's water supply, and

WHEREAS, an agreement for the utilization of a portion of the District's water supply and compensation from the State of Nebraska has been drafted, and

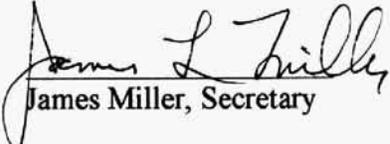
WHEREAS, the Bostwick Irrigation District in Nebraska has complied with all relevant state statutes and District procedures that are necessary to allow it to enter into this agreement and perform all actions herein required.

THEREFORE, BE IT RESOLVED that the Board of Directors of the Bostwick Irrigation District in Nebraska will sign and enter into an agreement with the State of Nebraska to utilize a portion of the District's water supply for the 2007 irrigation season only and to receive compensation from the State of Nebraska.

DATED: 5/29/07


Walter Knehans, President

ATTEST:


James Miller, Secretary

“Water is Life”

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this ____ day of _____ in the year 2007 by and between; the **STATE OF NEBRASKA, NEBRASKA DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the "**STATE**", and **BOSTWICK IRRIGATION DISTRICT IN NEBRASKA** hereinafter referred to as the "**DISTRICT**."

WITNESSETH:

WHEREAS, the District has the rights to natural flow and storage use rights for an identified Water Supply as hereinafter defined in Paragraph II(A) for the year 2007; and

WHEREAS, the State desires to "purchase" and/or "lease" the use of the District's Water Supply for the calendar year of 2007; and

WHEREAS, the District is willing to "sell" and/or "lease" the use of its identified Water Supply for the year 2007 to the State for the 2007 Irrigation Season.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of the Memorandum of Agreement (hereinafter "Agreement") to the end of the Irrigation Season as hereinafter defined in Paragraph II(B). There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

A. "Water Supply" shall mean 12,500 acre feet of the Water Supply determined by the U.S. Bureau of Reclamation (hereinafter "Bureau") under its water storage permit for Harlan County Lake as calculated and published by the Bureau for March 2007 according to the Harlan County Lake Operation Consensus Plan (hereinafter "Consensus Plan"), and natural flow that may become available for diversion at the Superior-Courtland Diversion Dam during the Irrigation Season.

B. "Irrigation Season" shall mean the date beginning with the commencement of water deliveries for direct irrigation at the Superior-Courtland Diversion Dam and ending on the date of the last water delivery for direct irrigation, which date shall be no later than September 1, 2007.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to sell and/or lease the rights to the use of its Water Supply as herein defined in Paragraph II(A) for the period from the date of the execution of this Agreement to the end of the Irrigation Season as herein defined in Paragraph II(B).

B. The District agrees to consult and collaborate with the State, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman from the Nebraska Association of Resources Districts et al, dated January 9, 2006, and the letter from the Lower Republican Natural Resources District to Governor Dave Heineman dated January 30, 2006.

C. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has complied with all requirements necessary to allow it to enter into this agreement and perform all actions herein required.

D. The District agrees to defend and uphold the provisions of this Agreement to ensure that purchase and/or lease of the use of the District's 2007 Water Supply to the State.

IV. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State of Nebraska will pay the sum of five million five hundred eighty-three thousand five hundred dollars (\$5,583,500.00) to the District, as payment in full to purchase and/or lease the use of the District's Water Supply, within ninety (90) days of the execution of this Agreement. This payment compensates the District for the sale and/or lease of its Water Supply as defined above for the calendar year 2007 to the State for the term of this Agreement. The State will also make a one time payment of sixty-four thousand five hundred dollars (\$64,500.00) to the District to assist the District in its payments of the annual operation and maintenance charges assessed by the U.S. Army Corp of Engineers. The District agrees to accept its computed share of those annual charges for such costs arising from the release of the Districts' share in accordance with a separate agreement between the District and Kansas Bostwick Irrigation District (hereinafter "Kansas Bostwick").

B. The State agrees to consult and collaborate with the District, the Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin. The basis of these efforts shall be consistent with the letter to Governor Dave Heineman dated January 30, 2006.

C. The State agrees to do everything in its power, independently and in conjunction with, the District and its water users to assure the normal continuation of farm commodity assistance, federal crop insurance or other agricultural assistance programs that have been available to District water users in the past; and to take such actions including, but not limited to, amending the terms of this Agreement or providing interpretations hereof, as may be necessary because of this Agreement, to assure all such normal continuation of all such programs. This provision shall not be interpreted as a guaranty of any water user's ability to participate in any farm commodity assistance, federal crop insurance or other agricultural assistance programs that have been available to District water users in the past. Any denial of a water user's ability to participate in such programs shall not affect the validity of this Agreement.

D. The State will continue to work with the Natural Resources Districts and surface water irrigation districts to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

E. By execution of this Agreement, the State represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

F. The State agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's Water Supply to the State.

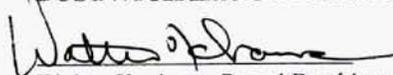
V. THE PARTIES MUTUALLY AGREE AS FOLLOWS:

A. The parties agree to work with the Natural Resources Districts in meeting the goals and objectives identified in their Integrated Management Plans and corresponding groundwater management rules and regulation to help protect, to the extent possible, the District's 2007 Water Supply which includes storage water releases from Harlan County Lake and natural flow.

B. The parties agree to rely upon the Bureau for all necessary accounting and administration of the Water Supply during the term of this Agreement as authorized and required under the Consensus Plan and agreements and contracts between the Bureau, District and Kansas Bostwick; and to accept the Water Supply management determinations of the Bureau as authorized and required under the Consensus Plan and agreements and contracts between the Bureau, District and Kansas Bostwick. In the event that Kansas Bostwick does not accept releases from Harlan County Lake, the parties agree to further define and identify, by addendum to this Agreement, the Water Supply sold and/or leased by the District to the State during the 2007 Irrigation Season in Conformance with the Bureau's routine accounting and administration procedures.

C. The parties agree that that District has retained and reserves the rights to any additional water that it would be entitled to receive under the agreements and contracts between the Bureau, District and Kansas Bostwick, outside of the constraints of this Agreement.

BOSTWICK IRRIGATION DISTRICT IN NEBRASKA

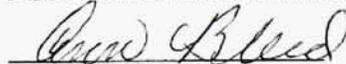


Walter Knehans, Board President
Bostwick Irrigation Districts in Nebraska

5/29/07

Date

NEBRASKA DEPARTMENT OF NATURAL RESOURCES



Ann Bleed, Director
Nebraska Department of Natural Resources

5/29/07

Date

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 5th day of JUNE in the year of 2007 by and between the **REPUBLICAN RIVER BASIN COALITION**, hereinafter referred to as the "COALITION", and **FRENCHMAN CAMBRIDGE IRRIGATION DISTRICT** hereinafter referred to as the "DISTRICT".

WHEREAS, the District has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the year 2007; and

WHEREAS, the Coalition desires to "lease" the use of the District's Water Supply for the calendar year 2007; and

WHEREAS, the District is willing to "lease" the use of its Water Supply for the calendar year 2007 to the Coalition.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter "Agreement") to the end of the 2007 Irrigation Season as hereinafter defined in Paragraph II(B). There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

A. "Water Supply" or "2007 Water Supply" shall mean up to 26,000 acre-feet of storage and natural flow water available to the District for beneficial use from Harry Strunk Lake for the 2007 Irrigation Season as defined below.

B. "Irrigation Season" shall mean the date beginning on June 10, 2007 and ending on the date of the last water delivery for direct irrigation, which date shall be no later than September 1, 2007.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to lease the rights to the use of its Water Supply for the 2007 Irrigation Season as defined above.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has complied with all requirements necessary to allow it to enter into this agreement and perform all actions herein required.

C. The District agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The District agrees to defend, enforce and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2007 Water Supply to the Coalition.

IV. THE COALITION AGREES TO PERFORM AS FOLLOWS:

A. The Coalition represents and affirms that, in accordance with all relevant state statutes, that it has authority to enter into this Agreement. The Coalition further represents and affirms that it has complied with all requirements necessary to enter into this Agreement

B. The Coalition will pay the sum of seven million seven hundred seven-hundred eighty-five thousand dollars (\$7,785,000.00) to the District, as payment in full to lease the use of the District's 2007 Water Supply. Payment shall be made to the District within (1) 60 days of the sale of any bonds issued by the Coalition to achieve the purposes of this Agreement; or (2) 180 days from the date this Agreement is entered, whichever is earlier. These payments compensate the District for leasing the rights to the use of its Water Supply for the 2007 Irrigation Season to the Coalition for the term of this Agreement.

C. The Natural Resources Districts and surface water irrigation districts will continue to work together to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

D. The Coalition agrees to defend and uphold the provisions of this Agreement to ensure the lease of the use of the District's 2007 Water Supply to the Coalition.

FRENCHMAN CAMBRIDGE IRRIGATION DISTRICT

5 June 2007
Date

Dale G. Cramer
President

REPUBLICAN RIVER BASIN COALITION

1 June 2007
Date

Dominic L. Sumner
Authorized Agent

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JUN 12 2007

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 5 day of June in the year of 2007 by and between the **REPUBLICAN RIVER BASIN COALITION**, hereinafter referred to as the "COALITION", and **FRENCHMAN VALLEY IRRIGATION DISTRICT** hereinafter referred to as the "DISTRICT".

WHEREAS, the District has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the year 2007; and

WHEREAS, the Coalition desires to "lease" the use of the District's Water Supply for the calendar year 2007; and

WHEREAS, the District is willing to "lease" the use of its Water Supply for the calendar year 2007 to the Coalition.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter "Agreement") to the end of the 2007 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

"Water Supply" or "2007 Water Supply" shall mean the total amount of natural flow that would be available to the District for beneficial use at the Headgate of the Culbertson Canal during the 2007 calendar year. Based on the average of natural flow diversions, as reflected in the State's records for the years 2001 to 2005, the expected water supply from natural flow is approximately 8,000 acre-feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to lease the rights to the use of its Water Supply for the period from the date of the execution of this Agreement to the end of the 2007 calendar year.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the District, authorizing it to enter into this Agreement.

C. The District agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests

during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The District agrees to defend, enforce and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2007 Water Supply to the Coalition.

IV. THE COALITION AGREES TO PERFORM AS FOLLOWS:

A. The Coalition will pay the sum of six hundred forty thousand dollars (\$640,000.00) to the District, as payment in full to lease the use of the District's 2007 Water Supply. Payment shall be made to the District within one hundred eighty (180) days of the execution of this Agreement or within 60 days of the sale of any bonds issued by the Coalition to achieve the purposes of this Agreement, whichever is ^{earlier} ~~later~~. These payments compensate the District for leasing the rights to the use of its Water Supply for the calendar year 2007 to the Coalition for the term of this Agreement.

B. The Natural Resources Districts and surface water irrigation districts will continue to work together to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

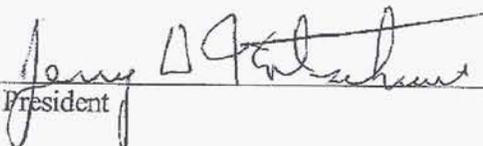
C. By execution of this Agreement, the Coalition represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

D. The Coalition agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2007 Water Supply to the Coalition.

FRENCHMAN VALLEY IRRIGATION DISTRICT

JUN 05 2007

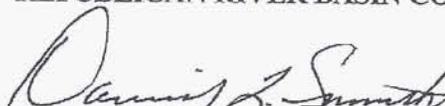
Date


President

REPUBLICAN RIVER BASIN COALITION

1 June 2007

Date


Authorized Agent

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 6th day of June in the year of 2007 by and between the **REPUBLICAN RIVER BASIN COALITION**, hereinafter referred to as the "COALITION", and **RIVERSIDE IRRIGATION COMPANY, INC.**, hereinafter referred to as the "COMPANY."

WHEREAS, the Company has the rights to natural flow of the Republican River for an identified Water Supply as hereinafter defined in Paragraph II for the year 2007; and

WHEREAS, the Coalition desires to "lease" the use of the Company's Water Supply for the calendar year 2007; and

WHEREAS, the Company is willing to "lease" the use of its Water Supply for the calendar year 2007 to the Coalition.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter "Agreement") to the end of the 2007 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

"Water Supply" or "2007 Water Supply" shall mean the total amount of natural flow that would be available to the Company for beneficial use at the Headgate of Riverside Canal during the 2007 calendar year. Based on the average of natural flow diversions, as reflected in the State's records for the years 2001 to 2005, the expected water supply from natural flow is approximately 2,000 acre-feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE COMPANY AGREES TO PERFORM AS FOLLOWS:

A. The Company agrees to lease the rights to the use of its Water Supply to the Coalition for the period from the date of the execution of this Agreement to the end of the 2007 calendar year.

B. By execution of this Agreement, the Company represents and affirms that, in accordance with all relevant state statutes and Company procedures, the Company has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the Company, authorizing it to enter into this Agreement.

C. The Company agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The Company agrees to defend, enforce and uphold the provisions of this Agreement to ensure the lease of the use of the Company's 2007 Water Supply to the Coalition.

IV. THE COALITION AGREES TO PERFORM AS FOLLOWS:

A. The Coalition will pay the sum of one hundred twenty-six thousand dollars (\$126,000.00) to the Company, as payment in full to lease the use of the Company's 2007 Water Supply. Payment shall be made to the Company within one hundred eighty (180) days of the execution of this Agreement or within 60 days of the sale of any bonds issued by the Coalition to achieve the purposes of this Agreement, whichever is ~~later~~^{earlier}. These payments compensate the Company for leasing the rights to the use of its Water Supply for the calendar year 2007 to the Coalition for the term of this Agreement.

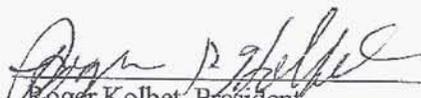
B. The Natural Resources Districts and surface water irrigation districts will continue to work together to meet the State of Nebraska's obligations under the Republican River Compact and Settlement Agreements.

C. By execution of this Agreement, the Coalition represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

D. The Coalition agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the Company's 2007 Water Supply to the Districts.

RIVERSIDE IRRIGATION COMPANY, INC.

6-6-07
Date


Roger Kolbet, President

REPUBLICAN RIVER BASIN COALITION

1 June 2007
Date


Authorized Agent

INTERLOCAL COOPERATION AGREEMENT

This Agreement is entered into by and between the following natural resources districts ("NRDs" or "Parties"):

Upper Republican Natural Resources District
Middle Republican Natural Resources District
Lower Republican Natural Resources District

Each of these NRDs is a political subdivision of, and is situated in, the State of Nebraska.

IT IS AGREED by and between the Parties hereto, each acknowledging the receipt of good, adequate, and valuable consideration, as follows:

1. AUTHORITY: This Agreement is made and entered into by the Parties pursuant to the authority conferred upon each under the Interlocal Cooperation Act, NEB. REV. STAT. §§ 13-801 through 13-827 (the "Interlocal Act").

2. REPUBLICAN RIVER BASIN COALITION: The Parties hereby create the Republican River Basin Coalition (the "RRBC"). The RRBC shall be governed by the terms of this Agreement and shall be the instrument through which and by which the Parties pursue the purposes described herein. The RRBC shall be an entity separate and distinct from the respective Parties hereto, and no Party hereto is the agent, employee or representative of the RRBC or any other Party. The Parties hereto agree that contracts entered into, obligations undertaken, and liabilities incurred by the RRBC shall be the separate contracts, obligations and liabilities of the RRBC, and not the contracts, obligations or liabilities of the respective Parties. The RRBC shall constitute a separate body corporate and politic of the State of Nebraska exercising public powers and acting on behalf of the Parties hereto.

3. PURPOSE: The RRBC shall provide the authority, resources, services, studies, and facilities needed for the representation of the interests of the Parties in proceedings before all agencies, tribunals, courts, and any administrative, legislative, executive, or judicial bodies concerning or affecting the NRDs' actions, decisions, and policies to regulate/manage water to ensure the State of Nebraska remains in compliance with the Republican River Compact, 2A NEB. REV. STAT. APP. § 1-106 (1995). The RRBC shall specifically act within the authorities granted by LB 701, One Hundredth Legislature, First Session ("LB 701"), and other authority so granted by the Nebraska Unicameral and laws of Nebraska. This Agreement shall provide the organizational and administrative structure, and enumeration of the powers, privileges and authority of the financial cooperative effort and the RRBC. The powers, privileges and authorities of the RRBC shall not exceed those powers, privileges or authorities exercised, or capable of being exercised, by each of the Parties, nor shall they be used in a manner that is in violation of any of the Parties' public purposes.

4. BOARD OF DIRECTORS: The affairs, actions and conduct of the business of the RRBC shall be by a Board of Directors ("Board"). Each member of the Board shall be entitled to one vote, and the majority of the votes cast on any issue shall determine the issue, except where a unanimous vote shall be specifically required by this Agreement or by-laws adopted by the Board. A unanimous vote shall be required before the issuance of any bonds for

the acquisition of water rights. The Board shall be composed of a voting member from each Party (designated herein as a "Director") and one other person if so desired by each Party. Only a Director shall be allowed to cast a vote and each Party shall have but one vote. Each Director and any designated alternate shall be duly and properly appointed by the respective governing bodies of each of the separate and individual Parties, but it shall not be required that any Director of the RRBC so appointed, be a publicly elected member of the governing body of any Party. Each Director shall serve at the pleasure of his or her respective organization. Any vacancy which occurs in the Board shall be filled within 60 days through the appointment of a replacement by the represented Party. The Board shall select from their membership a Chairman, Vice Chairman, and Secretary/Treasurer. The Board shall exercise authority over the RRBC in accordance with applicable laws and shall set the policy, delegating executive, supervisory and organizational authority to its officers and committees. Meetings of the Board shall be conducted at least annually and at such other frequent times as may be required by the business of the RRBC. A majority, *i.e.*, two (2) Directors shall constitute a quorum for the transaction of business.

5. CHAIRMAN, VICE CHAIRMAN, AND SECRETARY/TREASURER: The Chairman shall preside at all the meetings of the Board, shall decide all questions of order, with advice of the Board appoint the members to all committees except the executive committee, be an ex-officio member of all committees, and have such general powers and duties of supervision and management as shall be necessary and germane or required for the execution and prosecution of the affairs of the RRBC. The Vice Chairman shall serve in the absence of the Chairman and in the Chairman's absence, shall have all of the powers and duties of the Chairman, and shall have such other powers and duties as the Chairman or Directors shall from time to time delegate to the Vice Chairman. The Secretary/Treasurer to the Board shall keep minutes of all meetings conducted by the RRBC, and shall be the keeper of the records of the RRBC. The Secretary/Treasurer shall prepare and submit in writing a monthly report of the state of the finances of the RRBC and pay RRBC money only upon authorization signed by the Chairman or, in the absence of the Chairman, by the Vice Chairman. Payment of all accounts after authorization shall be made on check signed by the Secretary/Treasurer. The Secretary/Treasurer shall serve without bond. In addition to the foregoing, the officers shall have such other and additional duties, powers, privileges and authority as the Board may, in by-laws or otherwise, determine appropriate or necessary, and by Board action delegate or direct.

6. COMMITTEES: The Board or the Chairman shall have the power to establish such committees as may be necessary, appropriate or beneficial to the conduct of the affairs of the RRBC. Such committees shall have such powers, duties and authorities as shall be delegated to it by the Board, which powers, duties, and authorities shall not be inconsistent with or exceed those powers and duties granted to the RRBC under this Agreement. The Board and the Chairman are authorized to designate from its members an executive committee which shall consist of the RRBC'S Chairman, Vice Chairman, Secretary/Treasurer and the Chairmen of the various committees established by the Board, which executive committee shall have and may exercise only such powers and authorities as are delegated to it by the Board. The designation of any committees and the delegation thereto of authority shall not operate to relieve the Board, or any member thereof, of any responsibility imposed by this Agreement, nor shall the Board delegate to any committee the authority to set policy or to make expenditures on behalf of the

RRBC. Any committee established by the Chairman shall be approved by the Board at its next meeting.

7. POWERS: The RRBC shall have all the powers, privileges and authority exercised or capable of being exercised by each of the individual and separate Parties to achieve the purposes of the RRBC as set forth in this Agreement. Such powers, privileges and authority shall include, but not be limited to, the power, privilege and authority to:

- (a) Sue and be sued.
- (b) Have a seal and alter the same at pleasure or to dispense with the necessity thereof.
- (c) Receive and accept donations, gifts, grants, bequests, appropriations or other contributions or assistance in monies, services, materials or otherwise from the United States or any of its agencies, from the state or any of its agencies or political subdivisions, or from any persons, and to use or expend all such contributions in carrying out its operations.
- (d) Establish advisory groups by appointing individuals from among the Parties and pay necessary and proper expenses of such groups as the Board shall determine, and dissolve such groups.
- (e) Employ such persons as are necessary to carry out the purposes of the RRBC and this Agreement and to pay the necessary and proper expenses of said persons.
- (f) Adopt and promulgate rules and regulations to carry out the purposes of the RRBC and this Agreement.
- (g) Establish such committees as are necessary to carry out the purposes of the RRBC and this Agreement and to pay the necessary and proper expenses of such committees.
- (h) Make and execute contracts, leases, easements and other instruments necessary or convenient to the exercise of its powers.
- (i) Make, amend and repeal by-laws, rules and regulations to carry out and effectuate its powers and purposes, which by-laws, rules and regulations shall not be inconsistent with the Interlocal Cooperation Act or this Agreement.
- (j) Borrow money, make and issue negotiable bonds, bond anticipation notes, refunding bonds and notes (collectively, the "Indebtedness"), all in accordance with the Interlocal Act and LB 701 and any amendments to either of said acts, and to secure the payment of such Indebtedness or any part thereof by a pledge of and grant of a security interest in any or all of the RRBC's assets (including bonds and payments of principal and interest on such bonds issued to the RRBC by any of the Parties) or net revenues and any other funds or property which the RRBC has a right to, or may hereafter have the right to pledge for such purposes.

(k) Provide in the proceedings authorizing such Indebtedness for remedies upon default in the payment of principal and interest on any Indebtedness, including, but not limited to, the appointment of a trustee to represent the holders of such Indebtedness and the appointment of a receiver to the RRBC's property, such trustee and receiver to have the powers and duties provided for in the proceedings authorizing such obligations.

(l) Allocate funds raised by the RRBC from the proceeds of any Indebtedness to the Parties or to the RRBC for the purposes of effecting river-flow enhancement projects authorized by LB 701.

8. FINANCES AND BUDGET: Annually or at such other frequent intervals as the Board may determine, each of the Parties hereto shall contribute such funds as are necessary to conduct the day-to-day operations of the RRBC. Each NRD shall make an initial contribution of \$3,000.00. This initial contribution shall be deposited in an account in the name of the RRBC, at a bank insured by the FDIC, and selected by the Board.

If Indebtedness is issued by the RRBC, each of the NRDs shall levy and collect such taxes or other charges as are necessary to ensure timely repayment of such RRBC Indebtedness, including but not limited to taxes and charges needed to make payments of principal and interest on any bonds issued by such NRD to the RRBC to support such RRBC Indebtedness. Each NRD shall be responsible on a proportional basis relative to the total amount required for Indebtedness repayment according to the following percentages: The Upper Republican Natural Resources District shall be responsible for 44% of the total revenue needs; Middle Republican Natural Resources District shall be responsible for 30% of the total revenue needs; and the Lower Republican Natural Resources District shall be responsible for 26% of the total revenue needs. Funds collected by the RRBC for repayment of any Indebtedness may be deposited in a trust account or such other account, different from that identified in the first paragraph of this section, as may be required by agreement or permitted by law.

Annually, beginning no more than 30 days after the formation of the RRBC and commencement of business, and continuing each year thereafter during the existence of the RRBC, the Board shall establish and adopt a budget for the prosecution and completion of the work undertaken by the RRBC.

Concurrently with the establishment of the budget each year, the Board of the RRBC shall consult with each Party regarding their ability to contribute such funds as are necessary to conduct the operations and to pursue the purposes of the RRBC. Upon completion of the budget, the Board shall determine the assessment to be submitted by each Party and shall thereafter assess each of such Parties for said amount. Each Party shall have 60 days after receipt of notice from the RRBC that an assessment is due to contribute its share of the funds required under the terms of the assessment.

9. WITHDRAWAL: No Party may withdraw while the RRBC has any outstanding Indebtedness. Any Party may withdraw from this Agreement and from representation on the RRBC, at any time while no Indebtedness of the RRBC is outstanding, upon written notification to the Chairman of the RRBC. Such withdrawal shall be effective upon receipt of the written notification. Any Party withdrawing from the Agreement and from representation shall be

entitled to immediately secure its own representation. Following withdrawal, the withdrawn NRD shall no longer be a Party, and the withdrawn NRD shall not be bound by this Agreement, except that (a) the withdrawn NRD shall not be entitled to any refund of any contribution or assessment previously paid to the efforts of the RRBC, and (b) the withdrawn NRD shall remain liable for its share of any costs properly approved and incurred by the RRBC through the effective date and time of withdrawal. Such share shall be determined in accordance with the allocation for the assessment of Parties outlined in Section 8 above as of the date of the withdrawal notice. The Parties agree that a withdrawn NRD shall not be liable or responsible for any costs, obligations or liabilities incurred by the RRBC after such NRD's withdrawal. In the event of such withdrawal, the RRBC shall make such adjustments as are necessary to the composition of its Board, and its future budgets and finances as are necessary to accommodate and continue the operation of the RRBC in the absence of such withdrawing NRD.

10. PARTIAL AND COMPLETE TERMINATION: This Agreement may not be terminated while any Indebtedness is outstanding. If and when there is no Indebtedness of the RRBC outstanding, this Agreement and the RRBC created hereby, shall be terminated upon the earlier of the completion of its purposes and objects described herein or upon the vote of two-thirds of the then constituted Board for the complete or partial termination of the RRBC and this Agreement. At such time as two-thirds of the Board shall vote to terminate the RRBC and the Agreement in accordance with the terms of this Section 10, all outstanding obligations of the RRBC shall be paid, all property acquired by the RRBC shall be disposed of by distribution of the same to the remaining Parties as represented on the Board and all unused funds and appropriations shall be returned to the then-remaining Parties as represented on the Board in such proportion as represented by the proportionate share payable by each NRD under the second paragraph of Section 8 of this Agreement (including as such proportionate shares may have been modified in the event of the withdrawal of a Party under the terms of Section 9 of this Agreement or a change in membership under Section 12 of this Agreement).

11. AMENDMENT AND MODIFICATION: As and to the extent that any Indebtedness is outstanding, the prohibitions of Sections 9 and 10 of this Agreement on withdrawal of any Party and on partial or complete termination of this Agreement may not be amended or modified. For all other matters this Agreement may be amended or modified upon the approval of modifications by all Parties.

12. CHANGE IN MEMBERSHIP: This Agreement may be amended or modified to increase its membership upon approval by two-thirds vote of the members of the Board. Any new members shall be required to have the written approval of its governing body, and shall have admission to membership in the RRBC as a Party hereto, approved by a duly adopted resolution of its governing body. In the event of any increase in the membership, the proportionate shares set forth in the second paragraph of Section 8 of this Agreement shall be modified, provided, that no such modification shall alter the obligations of any Party on any bonds issued by such party to the RRBC to support Indebtedness incurred by the RRBC and outstanding as of the time of the increase in membership.

13. APPROVAL: This Agreement shall be effective and the RRBC established hereby shall come into existence as soon as the governing bodies of the respective Parties hereto shall have adopted resolutions approving and authorizing the execution of this Agreement and

the establishment of the RRBC described herein at a duly called public meeting. Counterparts of this Agreement shall be executed and delivered by each of the Parties to all of the other Parties. Executed originals shall be placed on file at an office designated by the Board.

14. ADDITIONAL AND FURTHER CONTRACTS FOR SUPPORT AND MUTUAL ASSISTANCE: The RRBC is authorized and empowered to seek and obtain contracts, agreements and other arrangements whereby the RRBC shall receive support and assistance for the purpose of pursuing its objects and purposes from such other entities as RRBC from time to time shall determine necessary or appropriate, including, but not limited to, for-profit and non-profit organizations, and all other persons as defined by NEB. REV. STAT. § 49-801(16), provided, however, such contract shall not exceed any authority or powers delegated to the RRBC by the Parties and such contract shall not give rise to, nor create any ability of any such third parties to participate in the management or operation of the RRBC, and provided further that upon a majority vote of the Board, any person or entity providing support and mutual assistance may be allowed to appoint, for such period of time as the Board shall determine, a representative to the Board, which representative shall be a non-voting, ex-officio member of the Board, but which representative shall be entitled to attend all meetings of the Board and to be appointed to such committees and attend such committee meetings as the Board shall determine.

15. INTEGRATION: This Agreement contains the entire agreement of the Parties. No representations were made or relied upon by any party other than those expressly set forth herein. All prior and contemporaneous negotiations, discussions, memos and other writing are merged and incorporated herein, it being the intention of the Parties that this be a final and full expression of their agreement. No agent, employee or other representative of any Party hereto is empowered to alter any of the terms herein unless such alteration is done in writing and signed by all Parties hereto.

16. ASSIGNMENT: No Party hereto may assign its rights under this Agreement.

17. NOT FOR PROFIT: It is expressly acknowledged and agreed that the RRBC is a public body and is to be operated not for profit, and no profit or dividend will inure to the benefit of any individual.

IN WITNESS WHEREOF, the Parties have signed and executed this agreement on the dates shown next to their respective signatures as follows.

Upper Republican Natural Resources District

By Jasper Fanning

Date 5-23-07

Middle Republican Natural Resources District

By Christina Smith

Date 22 May 07

Lower Republican Natural Resources District

By Michael Clements

Date 6-1-07

DOCS/795622.2

MEMORANDUM OF AGREEMENT

COPY

THIS AGREEMENT entered into on this 6th day of June in the year of 2007 by and between the **REPUBLICAN RIVER BASIN COALITION**, hereinafter referred to as the "**COALITION**", and **RIVERSIDE IRRIGATION COMPANY, INC.**, hereinafter referred to as the "**COMPANY**."

WHEREAS, the Company has the rights to natural flow of the Republican River for an identified Water Supply as hereinafter defined in Paragraph II for the year 2007; and

WHEREAS, the Coalition desires to "lease" the use of the Company's Water Supply for the calendar year 2007; and

WHEREAS, the Company is willing to "lease" the use of its Water Supply for the calendar year 2007 to the Coalition.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter "Agreement") to the end of the 2007 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

"Water Supply" or "2007 Water Supply" shall mean the total amount of natural flow that would be available to the Company for beneficial use at the Headgate of Riverside Canal during the 2007 calendar year. Based on the average of natural flow diversions, as reflected in the State's records for the years 2001 to 2005, the expected water supply from natural flow is approximately 2,000 acre-feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE COMPANY AGREES TO PERFORM AS FOLLOWS:

A. The Company agrees to lease the rights to the use of its Water Supply to the Coalition for the period from the date of the execution of this Agreement to the end of the 2007 calendar year.

B. By execution of this Agreement, the Company represents and affirms that, in accordance with all relevant state statutes and Company procedures, the Company has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the Company, authorizing it to enter into this Agreement.

C. The Company agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The Company agrees to defend, enforce and uphold the provisions of this Agreement to ensure the lease of the use of the Company's 2007 Water Supply to the Coalition.

IV. THE COALITION AGREES TO PERFORM AS FOLLOWS:

A. The Coalition will pay the sum of one hundred twenty-six thousand dollars (\$126,000.00) to the Company, as payment in full to lease the use of the Company's 2007 Water Supply. Payment shall be made to the Company within one hundred eighty (180) days of the execution of this Agreement or within 60 days of the sale of any bonds issued by the Coalition to achieve the purposes of this Agreement, whichever is ~~later~~^{earlier}. These payments compensate the Company for leasing the rights to the use of its Water Supply for the calendar year 2007 to the Coalition for the term of this Agreement.

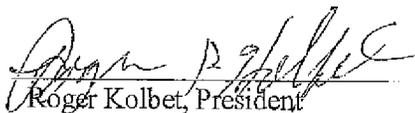
B. The Natural Resources Districts and surface water irrigation districts will continue to work together to meet the State of Nebraska's obligations under the Republican River Compact and Settlement Agreements.

C. By execution of this Agreement, the Coalition represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

D. The Coalition agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the Company's 2007 Water Supply to the Districts.

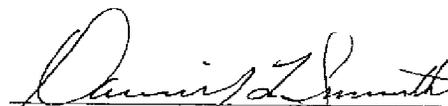
RIVERSIDE IRRIGATION COMPANY, INC.

6-6-07
Date


Roger Kolbet, President

REPUBLICAN RIVER BASIN COALITION

1 June 2007
Date


Authorized Agent

MEMORANDUM OF AGREEMENT

COPY

THIS AGREEMENT entered into on this 5th day of June in the year of 2007 by and between the **REPUBLICAN RIVER BASIN COALITION**, hereinafter referred to as the "COALITION", and **FRENCHMAN CAMBRIDGE IRRIGATION DISTRICT** hereinafter referred to as the "DISTRICT".

WHEREAS, the District has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the year 2007; and

WHEREAS, the Coalition desires to "lease" the use of the District's Water Supply for the calendar year 2007; and

WHEREAS, the District is willing to "lease" the use of its Water Supply for the calendar year 2007 to the Coalition.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter "Agreement") to the end of the 2007 Irrigation Season as hereinafter defined in Paragraph II(B). There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

A. "Water Supply" or "2007 Water Supply" shall mean up to 26,000 acre-feet of storage and natural flow water available to the District for beneficial use from Harry Strunk Lake for the 2007 Irrigation Season as defined below.

B. "Irrigation Season" shall mean the date beginning on June 10, 2007 and ending on the date of the last water delivery for direct irrigation, which date shall be no later than September 1, 2007.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to lease the rights to the use of its Water Supply for the 2007 Irrigation Season as defined above.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has complied with all requirements necessary to allow it to enter into this agreement and perform all actions herein required.

C. The District agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The District agrees to defend, enforce and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2007 Water Supply to the Coalition.

IV. THE COALITION AGREES TO PERFORM AS FOLLOWS:

A. The Coalition represents and affirms that, in accordance with all relevant state statutes, that it has authority to enter into this Agreement. The Coalition further represents and affirms that it has complied with all requirements necessary to enter into this Agreement

B. The Coalition will pay the sum of seven million seven hundred seven-hundred eighty-five thousand dollars (\$7,785,000.00) to the District, as payment in full to lease the use of the District's 2007 Water Supply. Payment shall be made to the District within (1) 60 days of the sale of any bonds issued by the Coalition to achieve the purposes of this Agreement; or (2) 180 days from the date this Agreement is entered, whichever is earlier. These payments compensate the District for leasing the rights to the use of its Water Supply for the 2007 Irrigation Season to the Coalition for the term of this Agreement.

C. The Natural Resources Districts and surface water irrigation districts will continue to work together to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

D. The Coalition agrees to defend and uphold the provisions of this Agreement to ensure the lease of the use of the District's 2007 Water Supply to the Coalition.

FRENCHMAN CAMBRIDGE IRRIGATION DISTRICT

5 June 2007
Date

Dale G. Cramer
President

REPUBLICAN RIVER BASIN COALITION

1 June 2007
Date

Dan Smith
Authorized Agent

RECEIVED
JUN 12 2007
RECEIVED
JUN 12 2007
COPY

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 5 day of June in the year of 2007 by and between the **REPUBLICAN RIVER BASIN COALITION**, hereinafter referred to as the "COALITION", and **FRENCHMAN VALLEY IRRIGATION DISTRICT** hereinafter referred to as the "DISTRICT".

WHEREAS, the District has the rights to natural flow for an identified Water Supply as hereinafter defined in Paragraph II for the year 2007; and

WHEREAS, the Coalition desires to "lease" the use of the District's Water Supply for the calendar year 2007; and

WHEREAS, the District is willing to "lease" the use of its Water Supply for the calendar year 2007 to the Coalition.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of this Memorandum of Agreement (hereinafter "Agreement") to the end of the 2007 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following term(s) are defined as follows:

"Water Supply" or "2007 Water Supply" shall mean the total amount of natural flow that would be available to the District for beneficial use at the Headgate of the Culbertson Canal during the 2007 calendar year. Based on the average of natural flow diversions, as reflected in the State's records for the years 2001 to 2005, the expected water supply from natural flow is approximately 8,000 acre-feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to lease the rights to the use of its Water Supply for the period from the date of the execution of this Agreement to the end of the 2007 calendar year.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the District, authorizing it to enter into this Agreement.

C. The District agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests

during the modification of the Integrated Management Plans and associated Rules and Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The District agrees to defend, enforce and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2007 Water Supply to the Coalition.

IV. THE COALITION AGREES TO PERFORM AS FOLLOWS:

A. The Coalition will pay the sum of six hundred forty thousand dollars (\$640,000.00) to the District, as payment in full to lease the use of the District's 2007 Water Supply. Payment shall be made to the District within one hundred eighty (180) days of the execution of this Agreement or within 60 days of the sale of any bonds issued by the Coalition to achieve the purposes of this Agreement, whichever is later. ^{earlier} These payments compensate the District for leasing the rights to the use of its Water Supply for the calendar year 2007 to the Coalition for the term of this Agreement.

B. The Natural Resources Districts and surface water irrigation districts will continue to work together to meet Nebraska's obligations under the Republican River Compact and Settlement Agreements.

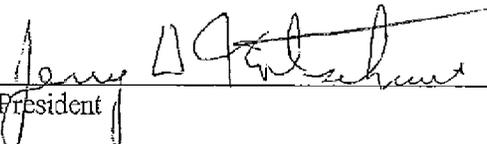
C. By execution of this Agreement, the Coalition represents and affirms that it has appropriated and secured the funds necessary to meet its obligations under this Agreement.

D. The Coalition agrees to defend and uphold the provisions of this Agreement to ensure the purchase and/or lease of the use of the District's 2007 Water Supply to the Coalition.

FRENCHMAN VALLEY IRRIGATION DISTRICT

JUN 05 2007

Date

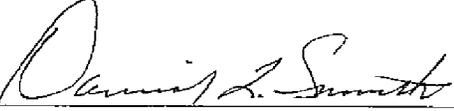


President

REPUBLICAN RIVER BASIN COALITION

1 June 2007

Date



Authorized Agent



United States Department of the Interior



IN REPLY REFER TO:

NK-100
WTR-4.03 FRC

BUREAU OF RECLAMATION
Great Plains Region
Nebraska-Kansas Area Office
P.O. Box 1607
Grand Island, Nebraska 68802-1607

JUN 28 2007

RECEIVED

JUL 02 2007

Mr. Dan Smith
Republican River Basin Coalition
P.O. Box 81
Curtis, NE 69025

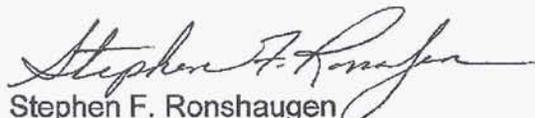
Subject: Temporary Assignment of Project Water, Frenchman-Cambridge Irrigation District, Frenchman-Cambridge Division, Pick-Sloan Missouri Basin Program, Nebraska

Dear Mr. Smith:

Enclosed for your records is a fully executed duplicate original "Temporary Assignment of Project Water from Frenchman-Cambridge Irrigation District to Kansas-Bostwick Irrigation District No. 2," dated June 21, 2007.

If you have any questions or need additional information, please contact me at the above address or telephone 308-389-5304 or Marv Swanda at our McCook Field Office, telephone 308-345-1027.

Sincerely,


Stephen F. Ronshaugen
Acting Area Manager

Enclosure

cc: Don Blankenau, Attorney
206 South 13th Street, Suite 1400
Lincoln, NE 68508
(with enclosure)

DUPLICATE ORIGINAL

Temporary Assignment No. 1
Contract No. 009D6B0122

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
PICK-SLOAN MISSOURI BASIN PROGRAM**

**TEMPORARY ASSIGNMENT OF PROJECT WATER FROM
FRENCHMAN-CAMBRIDGE IRRIGATION DISTRICT
CONTRACT NO. 009D6B0122
TO
KANSAS-BOSTWICK IRRIGATION DISTRICT NO. 2
CONTRACT NO. 009D6B0120**

THIS Assignment made this 21st day of JUNE, 2007, generally pursuant to the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or supplementary thereto, all collectively hereinafter referred to as the Federal Reclamation laws, between the UNITED STATES OF AMERICA, hereinafter called the "United States" acting through the Secretary of the Interior; the Frenchman-Cambridge Irrigation District, hereinafter called the "FCID", an irrigation district organized and existing pursuant to the laws of the State of Nebraska, with its principal place of business and office at Cambridge, Nebraska; Kansas-Bostwick Irrigation District No. 2, hereinafter called the "KBID", an irrigation district organized and existing pursuant to the laws of the State of Kansas, with its principal place of business and office at Courtland, Kansas; and the Republican River Basin Coalition, hereinafter called the "Coalition", established under the laws of the State of Nebraska, particularly Sections 13-801 et.seq. RRS, Nebraska. The United States, the above districts, and the Coalition hereinafter are referred to collectively as the "Parties".

a. WHEREAS, the United States has constructed the Frenchman-Cambridge Division of the Pick-Sloan Missouri Basin Program (P-SMBP), Nebraska, and the Bostwick Division of the P-SMBP, Kansas, pursuant to the Act of December 22, 1944 (58 Stat. 887), as set forth in House Document 475 and Senate Document 191, as revised and coordinated by Senate Document 247, 78th Congress, Second Session, to provide benefits for irrigation, flood control, sediment control, fish and wildlife enhancement, and recreation; and

b. WHEREAS, the United States and the FCID have entered into Contract No. 009D6B0122, dated July 25, 2000 for the furnishing of a project water supply, repayment and Operation, Maintenance and Replacement (OM&R) of the project water supply and distribution system; and

Temporary Assignment No. 1
Contract No. 009D6B0122

c. WHEREAS, the United States and KBID have entered into Contract No. 009D6B0120, dated July 25, 2000 for the furnishing of a project water supply, repayment and OM&R of the project water supply and distribution system; and

d. WHEREAS, the United States has an interest in and legal responsibilities with respect to the temporary assignment of project water, and has an obligation to ensure the uses of project water are in accordance with authorized purposes, existing contracts, and use of Federal facilities; and

e. WHEREAS, the FCID has entered into an agreement with the Coalition whereby the FCID has agreed that it will not utilize a portion of their existing project water supply for irrigation of FCID lands during the 2007 irrigation season; and

f. WHEREAS, the Coalition has entered into an agreement with the FCID to lease the rights to the use of storage and natural flow water available to FCID for beneficial use from Harry Strunk Lake to assist the State of Nebraska to meet its obligations under the Republican River Compact Settlement; and

g. WHEREAS, The delivery, protection, and accounting of the assigned water will be by the Nebraska Department of Natural Resources, pursuant to applicable state laws and regulations. However, the United States desires to reserve the right to protect its property interests if the delivery, protection, and accounting of the assigned water by the Nebraska Department of Natural Resources appears to reduce or diminish the water use benefits of the Bostwick Irrigation District in Nebraska's water supply that they would have received as a result of normal irrigation water deliveries from Harry Strunk Lake.

h. WHEREAS, the release of this water from Harry Strunk Lake will be made during the period of June 10, 2007 through September 1, 2007 in a manner that "mimics" normal irrigation season releases.

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is mutually agreed as follows:

1. This Assignment is authorized under Article 23 of Contract No. 009D6B0122 titled "Assignment Limited – Successors and Assigns Obligated" which provides "that no assignment or transfer of this Contract or any right or interest therein shall be valid until approved in writing by the Contracting Officer."

2. FCID will not utilize their existing project water supply for irrigation of FCID lands during the 2007 irrigation season as stipulated in the agreement with the Coalition.

Temporary Assignment No. 1
Contract No. 009D6B0122

3. The agreement between FCID and the Coalition is clarified in that the end use of the agreement's water supply has been identified in paragraph 6 of this Assignment.

4. This Assignment is a temporary, one-year assignment of the above-referenced water supply (2007 irrigation season ONLY).

5. The delivery, protection, and accounting of the assigned water will be by the Nebraska Department of Natural Resources, pursuant to applicable state laws and regulations. However, the United States reserves the right to protect its property interests if the delivery, protection, and accounting of the assigned water by the Nebraska Department of Natural Resources appears to reduce or diminish the water use benefits of the Bostwick Irrigation District in Nebraska's water supply that they would have received as a result of normal irrigation water deliveries from Harry Strunk Lake.

6. Pursuant to the accounting provisions identified in paragraph 5 of this Assignment, a portion of the above-referenced project water supply will be released from Harlan County Lake as necessary to provide irrigation water as may be requested by the KBID for the irrigation of KBID lands.

7. This Assignment will be in accordance with all other applicable Federal laws, including, but not limited to the National Environmental Policy Act and the Endangered Species Act, and must not impair the Secretary of the Interior's trust obligation to Native Americans.

8. The Coalition, the FCID, and the KBID, in carrying out this Assignment, shall comply with all applicable federal, state, tribal, and local laws, including, but not limited to, those concerning appropriation, diversion, storage, use of water, and changes of water rights.

9. KBID agrees to utilize the project water made available under this Assignment for irrigation of its project lands.

10. Except as herein provided, the terms and provisions of Contract No. 009D6B0122 and Contract No. 009D6B0120 will remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have signed their names the day and year first above written.

UNITED STATES OF AMERICA

By: 

Michael J. Ryan
Regional Director

Temporary Assignment No. 1
Contract No. 009D6B0122

Frenchman-Cambridge Irrigation District

Dale A. Cramer
President

(SEAL)
Thom Henry
Secretary

Kansas-Bostwick Irrigation District No. 2

Gay L. Zwickler
President

(SEAL)
Bruce D. Peterson
Secretary

Republican River Basin Coalition

Danning L. Smith
Authorized Agent

Contract No.: 269

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 2nd day of April in the year 2008 by and between; the STATE OF NEBRASKA, NEBRASKA DEPARTMENT OF NATURAL RESOURCES hereinafter referred to as the "STATE", and FRENCHMAN CAMBRIDGE IRRIGATION DISTRICT hereinafter referred to as the "DISTRICT."

WITNESSETH:

WHEREAS, the District has surface water appropriations for natural flow; and

WHEREAS, the State has requested the District to delay the exercise of its right to divert natural stream flows or begin delivering irrigation water to the Cambridge Canal at least until the end of the day of June 16, 2008, or later if requested by the State, but no later than the end of the day of June 22, 2008 in order assist the State of Nebraska in its efforts to comply with the Republican River Compact and Final Settlement Stipulation; and

WHEREAS, the District is willing to assist the State of Nebraska and delay the exercise of its right to divert natural stream flows or begin delivering irrigation water to the Cambridge Canal until June 16, 2008 or later if requested by the state but no later than June 22, 2008 in return for compensation.

NOW THEREFORE, in consideration of the mutual covenants made and the compensation agreed to, the parties agree as follows:

I. DURATION OF AGREEMENT

This Agreement is for 120 days beginning on the date signed by the last party. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to delay the exercise of its right to divert natural stream flows or begin delivering irrigation water available at Cambridge Diversion dam to the Cambridge Canal until the end of the day June 16, 2008.

B. The District further agrees, if requested in writing by the State, to delay further the exercise of its right to divert natural stream flows or begin delivering irrigation water available at Cambridge Diversion dam to the Cambridge Canal until the end of the day June 22, 2008 or until the State has notified the District that it may begin diverting natural flow, whichever comes first. The State will notify the District that it may begin diverting natural flow when the State has determined that Nebraska has achieved avoidance of water short year status under the accounting rules of the Final Stipulation Summary of the Republican River Compact.

C. The District agrees, as planned prior to this Agreement, not to divert water into Bartley Canal before the end of the day, June 22, 2008.

D. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant regulations, statutes, District procedures, and U.S. Bureau of Reclamation ("Bureau") procedures and oversight, the District has complied with all requirements necessary to allow it to enter into this agreement and perform all actions herein required.

E. The District agrees to allocate and distribute funds received under this Agreement among its users or members in a reasonable manner, giving consideration to benefits received and the value of the rights surrendered.

F. The District agrees to defend and uphold the provisions of this Agreement to ensure that limitations on the use of the District's surface water appropriations are in accordance with this Agreement.

III. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State will pay the sum of two hundred ninety four thousand dollars (\$294,000.00) to the District, as payment in full for forgoing the use of the District's natural flow surface water appropriations until June 16, 2008. Payment shall be made on or before July 7, 2008 in accordance with Part C, below.

B. If the State exercises its option and requests the District to delay diverting natural flow or to delay delivering irrigation water to the Cambridge Canal until June 22, 2008 or earlier if notified, the State will pay an additional sum of one hundred seventy-six thousand six hundred and forty dollars (\$176,640.00) to the District, as payment in full for forgoing the use of the District's natural flow surface water appropriations from June 16, 2008 until end of day June 22, 2008 or until the State has notified the District that it may begin diverting natural flow, whichever comes first. The State will notify the District in writing if the State chooses to exercise this option. If the State has not given Notice on or before April 17, 2008 the option will not be exercised.

C. Payment will be made in two portions; an initial payment of \$52,000.00 will be made within three weeks of final execution of this Agreement. The second payment shall be made on or before July 7, 2008. If the State does not exercise its option to have the District delay diverting its water until June 22, 2008, the second payment will be \$242,000.00. If the State exercises its option and requests the District to delay diverting natural flow or delay delivering irrigation water to the Cambridge Canal until end of day June 22, 2008 or earlier if notified, then the second payment will be \$418,640.00.

D. The State will continue to work with the Republican Basin Natural Resources Districts and surface water irrigation districts to meet Nebraska's obligations under the Republican River Compact and Final Settlement Stipulation and will inform the District immediately upon determination of the State avoiding water short year status under the accounting rules of the Final Settlement and Stipulation of the Republican River Compact.

E. By execution of this Agreement, the State represents and affirms that it has requested an appropriation and will make every effort to secure the funds.

F. The State agrees that the District's surface water appropriations will not be impacted other than as set forth in this Agreement and that it will work with the Republican Basin Natural Resources Districts to ensure that the ground water allocations held by the individual surface water appropriators within the District are not negatively impacted because the District has entered into this Agreement.

IV. THE PARTIES MUTUALLY AGREE AS FOLLOWS:

A. The parties agree to work with the Natural Resources Districts in meeting the goals and objectives identified in the Republican River Basin Integrated Management Plans and corresponding *groundwater management rules and regulations*.

B. The parties agree that all operations by the Bureau will continue as normal, unaffected by this agreement and in particular that:

1) The pool level of Harry Strunk Lake will be maintained near 2365.5 feet elevation (.5 feet below full) by making releases through the river outlet works until approximately April 21 2008 in order to prevent walleye from passing through the uncontrolled spillway notch during the spawn.



Dave Heineman
Governor

STATE OF NEBRASKA
DEPARTMENT OF NATURAL RESOURCES
Ann Bleed
Director

April 2, 2008

IN REPLY TO:

Stanley C. Goodwin
Attorney at Law
116 W. C St.
P.O. Box 607
McCook, NE 69001

RE: Frenchman Cambridge Agreement

Dear Stanley,

Enclosed please find Frenchman Cambridge Irrigation District's fully executed copy of the Agreement for their records. We will begin processing the first payment of \$52,000, due in three weeks, immediately.

Thank you and Frenchman Cambridge for the efforts taken in reaching this Agreement.

Sincerely,

A handwritten signature in cursive script that reads "Brian P. Dunnigan".

Brian P. Dunnigan, P.E.
Acting Director

Enclosure

admin-directors/dunnigan/2008

301 Centennial Mall South, 4th Floor • P.O. Box 94676 • Lincoln, Nebraska 68509-4676 • Phone (402) 471-2363 • Telefax (402) 471-2900

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NE0061602



Dave Heineman
Governor

STATE OF NEBRASKA
DEPARTMENT OF NATURAL RESOURCES
Brian P. Dunnigan, P.E. [REDACTED]
Acting Director

April 15, 2008

IN REPLY TO:

Roy Patterson, Manager
Frenchman Cambridge Irrigation District
P.O. Box 116
Cambridge, NE 69022-0116

Date: April 15, 2008

Re: Exercising Contractual Option

Dear Mr. Patterson:

Pursuant to the recently executed Agreement with the Irrigation District, the Department wishes to inform the District that it will exercise its option under article III. B. of the Agreement¹, and hereby requests the District to delay diverting natural flow or to delay delivering irrigation water to the Cambridge Canal until June 22, 2008. For clarification, the contractual provision is reprinted below.

The Department also wishes to express its appreciation, on behalf of the State, for the District's participation and cooperation in developing and executing the April 1, Memorandum of Agreement.

Sincerely,

Handwritten signature of Brian P. Dunnigan in cursive.

Brian Dunnigan, Acting Director

cc: Brad Edgerton
Stan Goodwin
Rex Gittins

¹ III. B. If the State exercises its option and requests the District to delay diverting natural flow or to delay delivering irrigation water to the Cambridge Canal until June 22, 2008 or earlier if notified, the State will pay an additional sum of one hundred seventy-six thousand six hundred and forty dollars (\$176,640.00) to the District, as payment in full for forgoing the use of the District's natural flow surface water appropriations from June 16, 2008 until end of day June 22, 2008 or until the State has notified the District that it may begin diverting natural flow, whichever comes first. *The State will notify the District in writing if the State chooses to exercise this option.* If the State has not given Notice on or before April 17, 2008 the option will not be exercised.

Contract No.: 271

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 10 day of April in the year 2008 by and between; the **STATE OF NEBRASKA, DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the "**STATE**", and **FRENCHMAN VALLEY IRRIGATION DISTRICT**, hereinafter referred to as the "**DISTRICT**."

WHEREAS, the District has the rights to natural flow of the Frenchman Creek for an identified Water Supply as hereinafter defined in Paragraph II for the year 2008; and

WHEREAS, the State desires the District to forgo the use of its Water Supply for the calendar year of 2008; and

WHEREAS, the District is willing to waive rights to the use of its Water Supply for the calendar year 2008 to the State.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of the Memorandum of Agreement (hereinafter "Agreement") to the end of the 2008 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

"Water Supply" or "2008 Water Supply" shall mean the total amount of natural flow that would be available to the District for beneficial use at the Headgate of Culbertson Canal during the 2008 calendar year. Based on the average of natural flow diversions, as reflected in the State's records for the years 2001 to 2005, the expected water supply from natural flow is approximately 8,000 acre-feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE DISTRICT AGREES TO PERFORM AS FOLLOWS:

A. The District agrees to forgo any use of its Water Supply for the State's benefit for the period from the date of the execution of this Agreement to the end of the 2008 calendar year.

B. By execution of this Agreement, the District represents and affirms that, in accordance with all relevant state statutes and District procedures, the District has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the District, authorizing it to enter into this Agreement.

C. The District agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests on compliance with the Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

D. The District agrees to allocate and disburse funds received from the State under this agreement among its users or members in a reasonable manner, giving consideration to the benefits received and the rights surrendered.

E. The District agrees to defend, enforce and uphold the provision of this Agreement to ensure forgoing its use of the District's 2008 Water Supply to the State.

IV. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State will pay the sum of one million dollars (\$1,000,000.00) to the District, as payment in full to forgo the use of the District's 2008 Water Supply. Payment shall be made to the District within ninety (90) days of the execution of this Agreement. These payments compensate the District for waiving the rights to the use of its Water Supply for the calendar year 2008 to the State for the term of this Agreement.

B. The State, Natural Resources Districts, and surface water irrigation districts will continue to work together to meet the State of Nebraska's obligations under the Republican River Compact and Settlement Agreements.

C. By execution of this Agreement, the State agrees to defend and uphold the provisions of this Agreement to ensure the District's compensation for waiving rights for the use of the District's 2008 Water Supply.

V. THE PARTIES MUTUALLY AGREE AS FOLLOW:

A. The parties agree to work with the Natural Resources Districts in meeting the goals and objectives identified in the Republican River Basin Integrated Management Plans and corresponding groundwater management rules and regulations

B. The parties agree that all operations by the Bureau will continue as normal, unaffected by this agreement.

C. The parties agree that that District has retained and reserved the rights to any additional water that it would be entitled to receive under agreements and contracts between the Bureau and District that are outside of the constraints of this Agreement.

D. In executing this agreement the parties shall be in compliance with all other applicable state and federal laws, including but not limited to, the National Environmental Policy Act and the Endangered Species Act and must not impair the Sec. of Interior's trust obligation to Native Americans.

E. This Agreement is void if no money is appropriated for payment.

FRENCHMAN VALLEY IRRIGATION DISTRICT

Henrich Albert
President

Date 04-09-08

NEBRASKA DEPARTMENT OF NATURAL RESOURCES

Brian P. Dunnigan
Brian Dunnigan, Acting Director

4/10/08 Date

APPROVED
AS TO FORM & CONTENT
BY NDNR LEGAL COUNSEL

RT DATE 4-10-08



220 Center Ave. Phone: 800-873-5613
PO Box 81 Fax: 308-367-4285
Curtis, NE 69025 Email: dsmith@mnrnd.org

Middle Republican Natural Resources District

March 14, 2008

Don Feiker, Manager
Frenchman Valley Irrigation District
501 Kleven Ave.
Culbertson NE 69024

Dear Don,

Action was taken by the board of directors, following a variance hearing, that will allow irrigators with supplemental wells in the service area of Frenchman Valley and Riverside to use those wells even though they have leased their water to the State of Nebraska. This action was taken because of the favorable lease rates suggested by Frenchman Valley and Riverside.

Thank your patrons for their consideration in this process. Nebraska has an excellent chance of getting out of the water short year status this year and much of that is a result of the actions taken by your districts. Please let me know if you need any other information.

Sincerely,

Daniel L. Smith, Manager

Contract No.: 270

MEMORANDUM OF AGREEMENT

THIS AGREEMENT entered into on this 10 day of April in the year 2008 by and between; the **STATE OF NEBRASKA, DEPARTMENT OF NATURAL RESOURCES** hereinafter referred to as the "**STATE**", and **RIVERSIDE IRRIGATION COMPANY, INC.** hereinafter referred to as the "**COMPANY**."

WHEREAS, the Company has the rights to natural flow of the Frenchman Creek for an identified Water Supply as hereinafter defined in Paragraph II for the year 2008; and

WHEREAS, the State desires the Company to forgo the use its Water Supply for the calendar year of 2008; and

WHEREAS, the Company is willing to waive rights to the use of its Water Supply for the calendar year 2008 to the State.

NOW THEREFORE, in consideration of these facts, the parties agree as follows:

I. DURATION OF AGREEMENT

This agreement is for the period from the execution of the Memorandum of Agreement (hereinafter "Agreement") to the end of the 2008 calendar year. There will be no extension or renewal of this Agreement unless further agreed to in writing by the parties.

II. DEFINITIONS

For purposes of the Agreement, the following terms are defined as follows:

"Water Supply" or "2008 Water Supply" shall mean the total amount of natural flow that would be available to the Company for beneficial use at the Headgate of Riverside Canal during the 2008 calendar year. Based on the average of natural flow diversions, as reflected in the State's records for the years 2001 to 2005, the expected water supply from natural flow is approximately 2,000 acre-feet per year. Both parties agree that the actual amount of natural flow could be more or less than the five-year average.

III. THE COMPANY AGREES TO PERFORM AS FOLLOWS:

A. The Company agrees to waive the rights to the use of its Water Supply to the State for the period from the date of the execution of this Agreement to the end of the 2008 calendar year.

B. The Company agrees not to divert natural flow from the Headgate of the Riverside Canal during the calendar year of 2008.

C. By execution of this Agreement, the Company represents and affirms that, in accordance with all relevant state statutes and Company procedures, the Company has received the requisite affirmative vote of its qualified electors, at a duly authorized meeting of the Company, authorizing it to enter into this Agreement.

D. The Company agrees to allocate and disburse funds received from the State under this agreement among its customers or shareholders in a reasonable manner, giving consideration to the benefits received and the rights surrendered.

E. The Company agrees to consult and collaborate with the State of Nebraska, the Republican River Basin Natural Resources Districts and other basin water resource interests on compliance with the Regulations now in effect with the several Natural Resources Districts for the Republican River Basin.

F. The Company agrees to defend, enforce and uphold the provision of this Agreement to ensure waiving its rights to the use of the Company's 2008 Water Supply to the State.

IV. THE STATE AGREES TO PERFORM AS FOLLOWS:

A. The State will pay the sum of one hundred sixty-five thousand dollars (\$165,000.00) to the Company, as payment in full to forgo the use of the Company's 2008 Water Supply. Payment shall be made to the Company within ninety (90) days of the execution of this Agreement. These payments compensate the Company for waiving the rights to the use of its Water Supply for the calendar year 2008 to the State for the term of this Agreement.

B. The State, Natural Resources Districts, and surface water irrigation districts will continue to work together to meet the State of Nebraska's obligations under the Republican River Compact and Settlement Agreements.

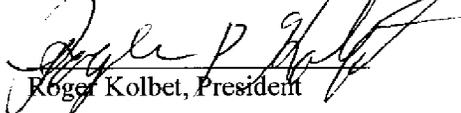
C. By execution of this Agreement, the State agrees to defend and uphold the provisions of this Agreement to ensure the Company's compensation for waiving rights for the use of the Company's 2008 Water Supply.

V. THE PARTIES MUTUALLY AGREE AS FOLLOW:

A. The parties agree to work with the Natural Resources Districts in meeting the goals and objectives identified in the Republican River Basin Integrated Management Plans and corresponding groundwater management rules and regulations..

B. This Agreement is void if no money is appropriated for payment.

RIVERSIDE IRRIGATION COMPANY, INC.


Roger Kolbet, President

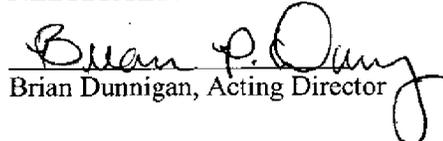
4/2/08
Date

APPROVED

AS TO FORM & CONTENT
BY NDNR LEGAL COUNSEL

4.10.08 *RT*
DATE

NEBRASKA DEPARTMENT OF NATURAL RESOURCES


Brian Dunnigan, Acting Director

4/10/08
Date



220 Center Ave. Phone: 800-873-5613
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Middle Republican Natural Resources District

March 14, 2008

Don Feiker, Manager
Frenchman Valley Irrigation District
501 Kleven Ave.
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Dear Don,

Action was taken by the board of directors, following a variance hearing, that will allow irrigators with supplemental wells in the service area of Frenchman Valley and Riverside to use those wells even though they have leased their water to the State of Nebraska. This action was taken because of the favorable lease rates suggested by Frenchman Valley and Riverside.

Thank your patrons for their consideration in this process. Nebraska has an excellent chance of getting out of the water short year status this year and much of that is a result of the actions taken by your districts. Please let me know if you need any other information.

Sincerely,

Daniel L. Smith, Manager