CLARIFICATION OF THE

CONTRACT BETWEEN THE UNITED STATES
AND
GRASSLAND WATER DISTRICT
FOR WATER SUPPLY TO LANDS WITHIN
THE GRASSLAND RESOURCE CONSERVATION DISTRICT

In entering into the Contract referenced above (hereinafter referred to as the Subject Contract), the Contracting Officer and the Contractor have determined that it is necessary to clarify application of the terms and conditions governing water deliveries to certain lands under the Subject Contract.

The Contract recognizes that the parties to the Subject Contract have entered into contract No. 14-06-200-6106, dated September 13, 1956 and contract No. 14-06-200-3447A, dated August 4, 1967 pursuant to Federal Reclamation law, which require that the Contracting Officer make available specified quantities of Project Water to the Contractor under terms and conditions set forth in contract No. 14-06-200-4658A, dated December 27, 1969, as amended on December 6, 1980. These existing contracts make available Project Water supplies to eligible lands within the boundaries of the Grassland Water District ("GWD"). The lands provided Project Water under these existing contracts include three parcels within the boundaries of the GWD but outside the boundaries of the Grassland Resource Conservation District ("GRCD"). A fourth parcel within the boundaries of the GWD but outside the boundaries of the GRCD would be authorized to receive Project Water supplies under these existing contracts if the landowner were to convert the land from agricultural production to wetland habitat management. All four parcels are described in Attachment A to this Side Letter.

In entering into the Subject Contract, the parties have agreed that these existing contracts shall be suspended and of no force or effect so long as the Subject Contract or a renewal of the Subject Contract is in effect. However, because Project Water supplies have been provided under these existing contracts to three parcels outside of the GRCD, the Contracting Officer has agreed that the Contractor may continue to serve these three parcels from the water supplies made available under the Subject Contract. In addition, because a fourth parcel outside of the GRCD would be authorized to receive Project Water under these existing contracts if converted to wetland habitat management, the Contracting Officer has agreed that the Contractor may serve this parcel from the water supplies made available under the Subject Contract should such parcel convert to

wetland habitat management. Provided, that nothing in this clarification shall be construed to indicate any continuing obligation of the Contracting Officer under these existing contracts as long as the Subject Contract is in effect, or any obligation of the Contracting Officer to provide quantities of water in excess of the quantities set forth in Exhibit B of the Subject Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Side Letter as of the day and year first above written.

THE UNITED STATES OF AMERICA

By: _____
Regional Director, Mid-Pacific Region
Bureau of Reclamation

APPROVED AS TO LEGAL FORM AND SUFFICIENCY
James E. Turner
OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

GRASSLAND WATER DISTRICT

By: _____
President/Director

ATTACHMENT A

PARCEL 2

All that portion of Section 29, 11/11, lying north and east of the CCID's Main Canal and west of a County road.

PARCEL 3

Beginning at the southeast corner of Section 35, 11/12. M.D.B. & M.,

Thence along the east line of said Section 35 northerly 475 feet,

Thence westerly 2,727 feet,

Thence southerly through said Section 35 through Section 2, 12/12 to a point on the northerly right-of-way line of the CCID's Helm Canal,

Thence easterly up and along said canal to a point on the east line of said Section 2,

Thence northerly 1,693 feet to the point of beginning.

PARCEL 4

Beginning at the west quarter section corner of Section 6, 11/11. M.D.B. & M.,

Thence easterly 2,187 feet,

Thence southerly 1,320 feet,

Thence westerly 2,188 feet,

Thence along the west line of said Section 6 northerly 1,320 feet to the point of beginning.

PARCEL 6

All that portion of the south half; the south half of the north half, and the south half of the north half of the north half of Section 11, 10/9, M.D.B. & M., lying north of the CCID's Main Canal.