

BEATTIE FARMS SOUTHWEST
INADVERTENT OVERRUN AND PAYBACK POLICY (IOPP)
PAYBACK PLAN for CALENDAR YEARS 2014

1. Cause of Inadvertent Overrun

As reported in the *Colorado River Accounting and Water Use Report Arizona, California, and Nevada, Calendar Year 2012*, the Farm incurred an overrun in the amount of 235 acre-feet. Prior to July, 2012, the Farm's diversions were unmetered, and this was the cause of the overrun. In July 2012, the Farm installed a meter and has since been measuring and reporting its diversions on a monthly basis.

2. IOPP Conservation Measure(s) that will be Implemented to Pay Back the Overrun

To meet the Farm's IOPP payback obligation for its 2012 overrun (235 acre-feet), the Farm will implement a fallowing program in which 46.25 acres will be taken out of production in calendar year 2014. This acreage is in addition to the 8.91 acres the Farm will take out of production in 2014 to meet the Farm's IOPP payback obligation for its 2011 overrun (37 acre-feet), in accordance with the Farm's approved payback plan (Attachment #2). In the absence of this payback obligation the Farm would have irrigated these lands.

3. Location and Schedule of Fallowing with Amount of Water Conserved

The locations of the fields that will be fallowed are shown on the attached map (Attachment #1). Specifically, to meet the Farm's total 2014 payback obligation of 272 acre-feet, the Farm will fallow blocks 369-373 and 380 for a total of 55.16 acres. Historically, and in the absence of a payback obligation, these fields would be farmed in alfalfa. Based on an application rate of 5 acre-feet/acre (a conservative estimate) the Farm projects that this fallowing program will conserve 275.8 acre-feet (Table 1). Implementation of this plan will achieve the Farm's total 2014 payback obligation of 272 acre-feet.

Table 1. Beattie Farms Payback Schedule, 2014

| Year | Field/Block # | Acres | Acre-foot/Acre | Acre-feet Conserved |
|-------------------|---------------|--------------|----------------|---------------------|
| 2014 | | | | |
| | 369* | 2.91 | 5 | 14.55 |
| | 370 | 21.34 | 5 | 106.7 |
| | 371 | 4.80 | 5 | 24 |
| | 372 | 16.11 | 5 | 80.55 |
| | 373 | 4.00 | 5 | 20 |
| | 380* | 6.00 | 5 | 30 |
| Total 2014 | | 55.16 | | 275.8 |

*These fields are being fallowed to meet the Farm's 2014 payback obligation for its 2011 overrun.

4. Monitoring and Verifying IOPP Conservation Measure

The Farm will continue to monitor monthly diversions to ensure it meets its 2014 payback obligation. In addition, Reclamation will perform satellite and field verification to ensure that the fields remain fallow during the period outlined in this Plan.

- If, upon verification, it is determined that the following program outlined in this Plan results in greater than anticipated actual water conservation, the Farm requests that this additional conservation be applied towards the Farm's remaining payback obligation.

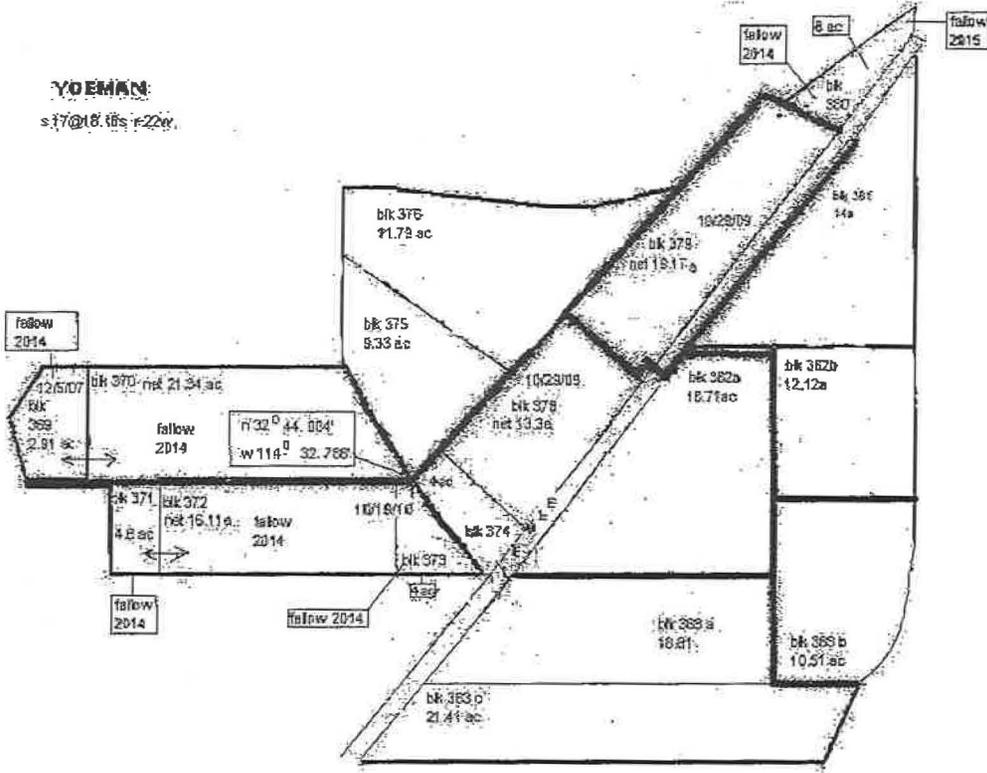

Raymond Griffin, President
Griffin Ranches, Inc.

| YOEMAN CROP HISTORY | | | |
|---------------------|--------------------|----------------|--|
| YEAR | BLK | CROP | |
| 2008 | 370-373 | ALFALFA | |
| 2008 | 369,375-380 | WHEAT | |
| 2009 | 369-373 | WHEAT-MILO | |
| 2010 | 369-373 | WHEAT | |
| 2010 | 375-380 | ALFALFA | |
| 2010 | 381-382 | WHEAT-CELERY | |
| 2010 | 383 | ALFALFA | |
| 2011 | 369-380 | ALFALFA | |
| 2011 | 381-382 | WHEAT-CELERY | |
| 2011 | 383 | ALFALFA | |
| 2012 | 369-380 | ALFALFA | |
| 2012 | 381-382 | WHEAT-CELERY | |
| 2012 | 383 | ALFALFA | |
| 2013 | 369-373 | FALLOW | |
| 2013 | 375-376 | FALLOW | |
| 2013 | 374 | ONION SEED | |
| 2013 | 378,379,-383A,B,-C | ALFALFA | |
| 2013 | 381-382 | CELERY - SUDAN | |

Attachment #1

YOEMAN

s:7@10 lbs r:22cr



FALLOW FOR 2014 55.16 AC

FALLOW FOR 2015 6AC

BEATTIE FARMS SOUTHWEST
INADVERTENT OVERRUN AND PAYBACK POLICY (IOPP)
PAYBACK PLAN for CALENDAR YEARS 2013-2015

1. Cause of Inadvertent Overrun

As reported in the *Colorado River Accounting and Water Use Report Arizona, California, and Nevada, Calendar Year 2011*, the Farm incurred an overrun in the amount of 453 acre-feet. The cause of the overrun was unmetered irrigation use.

2. IOPP Conservation Measure(s) that will be Implemented to Pay Back the Overrun

The Farm will implement a 3-year fallowing program during calendar years 2013-2015 to meet its IOPP payback obligation. To conserve the required payback amount, a total of 91.19 acres will be taken out of production in accordance with the schedule outlined in Table 1. In the absence of this payback obligation the Farm would have irrigated these lands.

In addition to the fallowing program, and in response to the Farm's overrun, the Farm will implement a soil-amendment program on the fields not included in the fallowing program. Bactifeed, an additive designed to reduce water requirements, is advertised to reduce the number of irrigation cycles required for an annual crop by one. As this is a new practice being tested by the Farm, the water conservation potential is not yet known.

3. Location and Schedule of Fallowing with Amount of Water Conserved

The locations of the fields that will be fallowed are shown on the attached map (Attachment 1). Specifically, the Farm will fallow blocks 369-373, 375, 376, and 380 for a total of 76.28 acres in 2013; blocks 369 and 380 for a total of 8.91 acres in 2014; and block 380 for a total of 6 acres in 2015. Historically, and in the absence of a payback obligation, these fields would be farmed in alfalfa. Based on an application rate of 5 acre-feet/acre (a conservative estimate) the Farm projects that this fallowing program will conserve 381 acre-feet in 2013; 44.55 acre-feet in 2014; and 30 acre-feet in 2015, for a total conservation yield of 455 acre-feet (Table 1). Implementation of this plan will achieve the Farm's payback obligation of 453 acre-feet.

4. Monitoring and Verifying IOPP Conservation Measure

The Farm has purchased and installed a flow meter on its diversion pump, and beginning with August of 2012 will report monthly diversions to Reclamation. These diversion records will be made available for inspection at any time upon reasonable notice. In addition, Reclamation will perform satellite and field verification to ensure that the fields remain fallow during the period outlined in this Plan.

If, upon verification, it is determined that the following program outlined in this Plan results in greater than anticipated actual water conservation in calendar years 2013 and/or 2014, the Farm requests that this additional conservation be applied towards the Farm's remaining payback obligation.

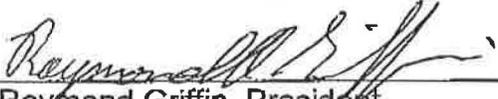
Table 1. Beattie Farms Payback Schedule, 2013-2015.

| Year | Field/Block # | Acres | Acre-feet/Acre | Acre-feet Conserved |
|-------------------|---------------|--------------|----------------|---------------------|
| 2013 | | | | |
| | 369 | 2.91 | 5 | 14.55 |
| | 370 | 21.34 | 5 | 106.7 |
| | 371 | 4.80 | 5 | 24 |
| | 372 | 16.11 | 5 | 80.55 |
| | 373 | 4.00 | 5 | 20 |
| | 375 | 9.33 | 5 | 46.65 |
| | 376 | 11.79 | 5 | 58.95 |
| | 380 | 6.00 | 5 | 30 |
| Total 2013 | | 76.28 | | 381.4 |

| Year | Field/Block # | Acres | Acre-feet/Acre | Acre-feet Conserved |
|-------------------|---------------|-------------|----------------|---------------------|
| 2014 | | | | |
| | 369 | 2.91 | 5 | 14.55 |
| | 380 | 6.00 | 5 | 30 |
| Total 2014 | | 8.91 | | 44.55 |

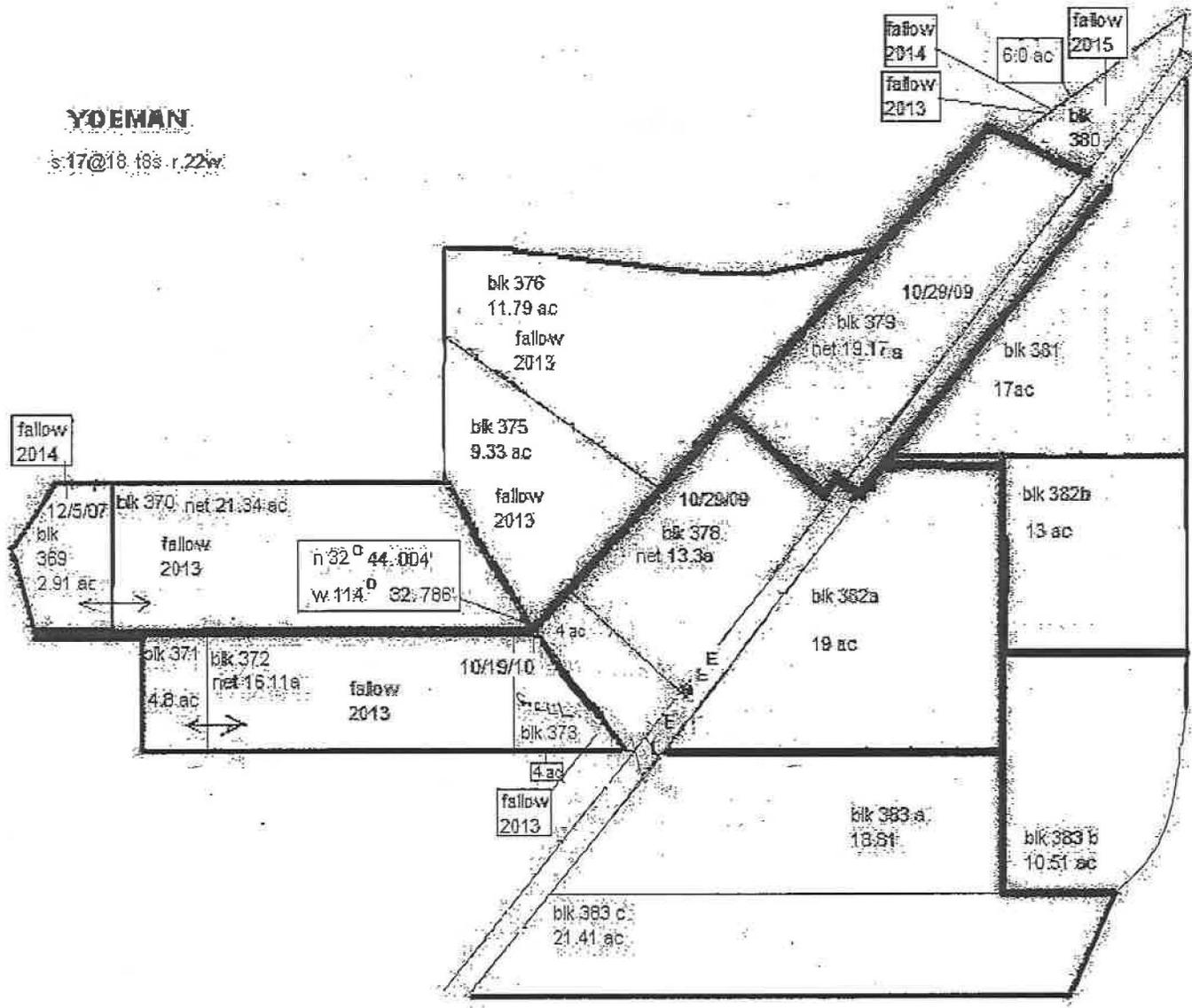
| Year | Field/Block # | Acres | Acre-feet/Acre | Acre-feet Conserved |
|-------------------|---------------|-------------|----------------|---------------------|
| 2015 | | | | |
| | 380 | 6.00 | 5 | 30 |
| Total 2015 | | 6.00 | | 30 |

| | | | | |
|------------------------|--|--------------|--|---------------|
| Total 2013-2015 | | 89.19 | | 455.95 |
|------------------------|--|--------------|--|---------------|


 Raymond Griffin, President
 Griffin Ranches, Inc.

YDEMAN

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| YOEMAN CROP HISTORY | | | |
|---------------------|-------------|--------------|--|
| YEAR | BLK | CROP | |
| 2008 | 370-373 | ALFALFA | |
| 2008 | 369,375-380 | WHEAT | |
| 2009 | 369-373 | WHEAT-MILO | |
| 2010 | 369-373 | WHEAT | |
| 2010 | 375-380 | ALFALFA | |
| 2010 | 381-382 | WHEAT-CELERY | |
| 2010 | 383 | ALFALFA | |
| 2011 | 369-380 | ALFALFA | |
| 2011 | 381-382 | WHEAT-CELERY | |
| 2011 | 383 | ALFALFA | |
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| 2012 | 381-382 | WHEAT-CELERY | |
| 2012 | 383 | ALFALFA | |