

.BEATTIE FARMS SOUTHWEST (FARM)
INADVERTENT OVERRUN AND PAYBACK POLICY (IOPP)
REVISED PAYBACK PLAN for CALENDAR YEAR 2015

1. Cause of Exceedance of 2014 Adjusted Entitlement

In calendar year 2014, the Farm had an IOPP payback obligation of 179 AF for overruns the Farm incurred in calendar years 2011 and 2012¹. Incorporating this payback obligation, the Farm's adjusted entitlement for 2014 was 931 AF.² In accordance with the IOPP and the Farm's approved Payback Plan for Calendar Year 2014 dated August 15, 2013, the Farm fallowed 55.16 acres in 2014 in order to meet its payback obligation. Based on an application rate of 5 AF/acre, it was anticipated that by fallowing this acreage, the Farm would conserve approximately 276 AF.

To ensure it met its 2014 payback obligation, the Farm made the decision to keep Blocks 374, 375, and 376 (an additional 26.83 acres) out of production for the entire year (i.e. January 1-December 31). Due to unforeseen circumstances, more water was required to bring the Farm's celery crop (which was being produced on lands not subject to the fallowing program) to harvest than was originally estimated. Specifically, this was the first year the Farm produced a vegetable crop on fields that were historically planted in alfalfa, and the light soils required more frequent irrigation than anticipated.

In an effort to keep the Farm's total diversion within the Farm's 2014 adjusted entitlement of 931 AF, the Farm implemented additional measures and did not irrigate Blocks 378 and 379 (32.47 acres) from July 1, 2014 through December 31, 2014 to aid with conservation efforts. Despite these additional efforts, the Farm's total 2014 diversion was 1,000 AF, thereby exceeding its adjusted entitlement by 69 AF. Per the IOPP, the Farm is required to pay back the 69 AF in calendar year 2015. When added to the Farm's existing 2015 payback obligation of 37 AF, the Farm's total payback obligation became 106 AF.

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

In accordance with the Farm's approved IOPP Payback Plan for Calendar Years 2013-2015, the Farm had intended to fallow 6.00 acres in 2015 for purposes of paying back a portion of the Farm's 2011 overrun. To meet the Farm's 2015 revised IOPP payback obligation of 106 AF, the Farm has implemented a fallowing program in which 112.75 acres have been taken out of production. This acreage amount is more than the farm took out of production in 2014 and represents approximately 50% of the Farm's total irrigable acreage. 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 for 2015

The locations of the fields that will be fallowed are shown on the attached map (Attachment #1). Specifically, to meet the Farm's total 2015 payback obligation of 106 AF, the Farm will fallow blocks 369, 370, 371, 372, 373, 374, 375, 376, 378, 379, and 380 for a total of 114.46 acres. Historically, and in the absence of a payback obligation, these fields have produced an alfalfa crop. Based on an application rate of 2 AF/acre the Farm projects that this fallowing program will conserve a total of 229 AF (Table 1). The Farm believes this estimate is very conservative, but wants to ensure that implementation of this plan

¹See the Bureau of Reclamation's *Colorado River Accounting and Water Use Report Arizona, California, and Nevada* for calendar years 2011 and 2012, available at: <http://www.usbr.gov/lc/region/g4000/wtracct.html>

²Under Contract No. 05-XX-30-W0446 the Farm has an entitlement to 1,110 AF of Arizona Fourth-Priority Colorado River water.

will achieve the Farm's total 2015 payback obligation of 106 acre-feet. The Farm is committed to remaining within its 2015 adjusted entitlement of 1,004 AF.

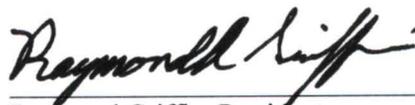
Table 1. Beattie Farms Fallowed Fields and Estimated Conservation, Calendar Year 2015

Year	Field/ Block #	USBR Field #	Acres	Acre-feet/Acre	Acre-feet Conserved
2015	369	8705	2.91	2.00	5.82
	370	8702	21.34	2.00	42.68
	371	9879	4.80	2.00	9.60
	372	8753	16.11	2.00	32.22
	373	8752	4.00	2.00	8.00
	374	8680	4.84	2.00	9.68
	375	8653	9.75	2.00	19.50
	376	8614	12.24	2.00	24.48
	378	17362	13.30	2.00	26.60
	379	8582	19.17	2.00	38.34
	380	8509	6.00	2.00	12.00
Total 2015			114.46		228.92

4. Monitoring and Verifying IOPP Conservation Measure

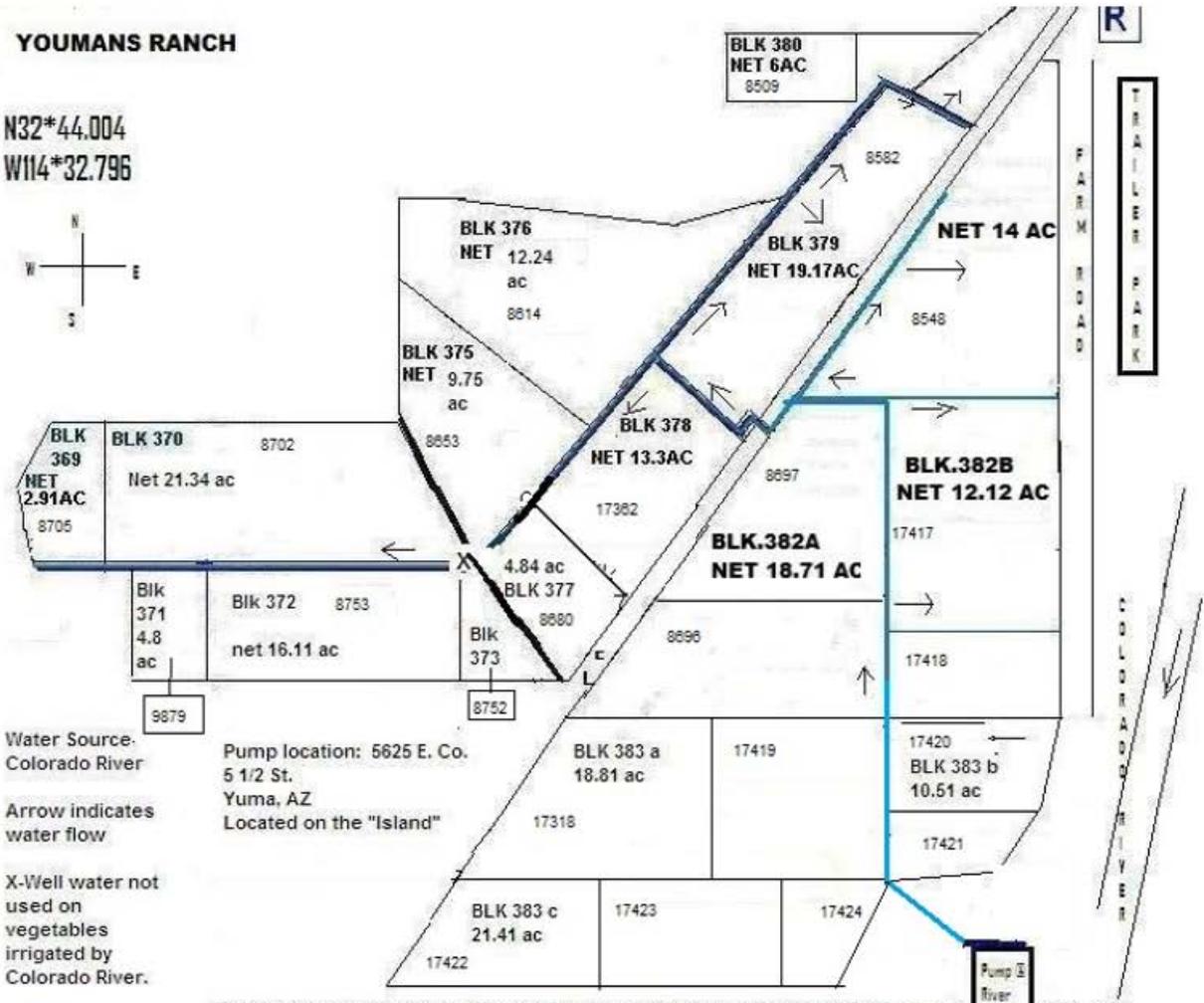
The Farm will continue to maintain a monthly record of the Farm's Colorado River water diversions and, in 2015, will commit to submitting this report to Reclamation within five business days following the end of the month. Additionally, the Farm will continue to monitor its monthly diversions to ensure it is on target to meet its 2015 payback obligation. If, during the year, the Farm's actual diversions, when combined with its scheduled diversions, are projected to exceed the Farm's 2015 adjusted entitlement, the Farm will consult with Reclamation on a modified schedule and take all necessary actions to limit diversions such that by the end of the year the Farm has successfully met its payback obligation.

Reclamation will perform quarterly field verification inspections on 100% of the fallowed acreage and will review satellite imagery to ensure that the fields remain fallow during the period outlined in this Plan.


 Raymond Griffin, President
 Griffin Ranches, Inc.

YOUMANS RANCH

N32*44.004
W114*32.796



Water Source:
Colorado River

Arrow indicates
water flow

X-Well water not
used on
vegetables
irrigated by
Colorado River.

R- Restroom

Pump location: 5625 E. Co.
5 1/2 St.
Yuma, AZ
Located on the "Island"

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