June 15, 2012

In order to reduce decline rates and extend the life of the aquifer SD 6 HPA proposes the following five year plan be submitted via the LEMA process contained in SB 310 (not yet assigned a K.S.A. statutory reference). This proposal has been generated through a public consensus process undertaken by the stakeholders of the SD-6 High Priority Area (HPA SD-6) over the course of eleven noticed meetings and two subcommittee working group meetings between November 10, 2008 and May 9, 2012.¹

Goal Expression

All water diversions within the SD-6 area are to be collectively restricted per this proposal between the period January 1, 2013 through December 31, 2017 to no more than 114,000 acrefeet total.

This LEMA shall exist only for the five year period beginning January 1, 2013 and ending December 31, 2017. The SD-6 HPA shall include all points of diversion that are located in the following sections:

- TWP 7S-28W: Sections 19-21 and 28-33
- TWP 7S-29W: Sections 4-9 and 16-36
- TWP 7S-30W: Sections 19-36
- TWP 8S-29W: Sections 1-18
- TWP 8S-30W: Sections 1-18
- TWP 8S-31W: Sections 22-27 and 34-36

These sections represent a LEMA boundary that is both clearly identifiable and entirely within the boundaries of the Northwest Kansas Groundwater Management District No. 4.

The total program diversion amount of 114,000 AF shall represent five (5) times the sum of:

a) Designated legally eligible acres (per section 1)) x 11/12 for irrigation water rights;
b) Maximum permitted head of livestock on December 31, 2010 x 12 GPH/D for stockwater rights; and
c) Ninety percent (90%) of the December 31, 2010 authorized recreational water quantity for recreation rights.

¹ Meeting Notes and attendance sheets that are available are attached as Attachment 1.
The Northwest Kansas Groundwater Management District No. 4 shall use the following procedures to determine the 5-year allocation for each water right, and specify said values in Section 3). All allocation values shall be expressed in terms of total acrefeet for the 5-year LEMA period. Any notes or remarks necessary to explain the individual allocations shall also be included.

1) Allocations – Irrigation

a) All irrigation water rights shall be limited to no more than 55 acre inches per recently irrigated acre covered by the water right over the 5-year period beginning January 1, 2013 and ending December 31, 2017.

b) Wells pumping to a common system or systems shall be provided a single allocation for the total system acres. The total amount pumped by all of the wells involved must remain within the system allocation.

c) For additional producer flexibility, water rights may at the discretion of the owners be combined into a single allocation account with flexibility of pumping the multiple wells within the account as directed by the owner, provided the total account allocation is not exceeded.

d) Temporary transfers of allocations between water rights may be made anywhere within the boundaries of SD-6. Said transfers shall be in effect for the balance of the current allocation time period. An Application for Transfer form shall be developed and must be signed by all owners involved in the transfer. No transfer shall result in an allocation that exceeds the authorized amount for the water right receiving the transfer.

e) No water right shall receive more than the currently authorized quantity for that right, times five (5).

f) No water right within a K.A.R. 5-5-11, 5-year allocation status shall receive an allocation that exceeds its current 5-year allocation limit.

g) No water right shall be allowed to pump more than its authorized annual quantity in any single year.

h) In all cases the allocation shall be assigned to the point of diversion and shall apply to all water rights and acres involving that point of diversion. Moreover, in all cases the original water right shall be retained.

i) On or before October 1, 2013 any irrigation water right owner will have the option of converting a 5-year allocation amount to a Multi-year Flex Account (MYFA) provided the MYFA quantity does not exceed the established 5-year allocation quantity. No other conversions to MYFAs will be authorized.
j) For water rights enrolled in EQIP and/or AWEP that will be coming out of either program on or before September 30, 2017, the allocation quantity shall be set at 11 acre-inches per acre for only the remaining years of the 2013-2017 LEMA period.

k) Any water right enrolling into, contracting with or officially participating in a reduced water use program (AWEP, EQIP, Northwest Kansas Groundwater Conservation Foundation, etc.) during the period January 1, 2013 through December 31, 2017 shall not be allowed to trade or market any allocation balance.

2) Allocations – Non-irrigation

a) Livestock uses will be limited to 12 gallons per head per day based on the maximum head supportable by the feedlot permit in effect on December 31, 2010. Each water right shall have the option of having this limited quantity as an annual limit or converted to a 5-year water right at 5 times the assigned allocation. The original water right will be retained.

b) Recreation water rights will be limited to 90% of the December 31, 2010 annual authorized water right quantity. Each water right shall have the option of having this limited quantity as an annual limit or converted to a 5-year water right at 5 times the assigned allocation. The original water right will be retained.

3) Individual Allocation Amounts

The 5-year allocations for every water right per Sections 1) a) and 2) above shall be converted to a 5-year acrefeet total, with Attachment 2 containing the assigned eligible allocations for each water right within the SD-6 HPA. Each water right is to be restricted to its total acrefeet allocation within any LEMA order issued through this process.

4) Violations

The LEMA order shall serve as initial notice to all water right owners within HPA SD-6 on its effective date. Violations of the authorized quantities shall be addressed as follows:

(1) Exceeding any total allocation quantity (which shall include any transferred quantities) of less than 4 AF within any allocation period shall result in a $1,000.00 fine for every day the allocation was exceeded. This penalty shall apply to all rights in combined allocation accounts described in sections 1) b) (1) and 1) b) (2).

(2) Exceeding any total allocation quantity (which shall include any transferred quantities) of 4 AF or more within any allocation period shall result in an automatic two year suspension of the water right. This penalty shall apply to all rights in combined allocation accounts described in sections 1) b) (1) and 1) b) (2).
(3) Exceeding the annual authorized quantity of the water right (not to include any transferred quantities) shall result in a $1,000.00 fine.

5) Metering

a) All water right owners shall be responsible for ensuring their meters are in compliance with state and local law(s). In addition to being in compliance and reporting annually the quantity of water diverted from each point of diversion, all water right owners shall at their discretion do one of the following additional well/meter monitoring procedures:

(1) Inspect, read and record the flow meter at least every two weeks the well is operating. The records of this inspection procedure shall be maintained by the well owner and provided to the district upon request. Should the flow meter reported readings be in question and the bi-weekly records not be available and provided upon request of the district, the well shall be assumed to have pumped its full annual authorized quantity for the year in question. Following each year’s irrigation season, the person or persons responsible for this data may at their discretion transfer the recorded data to the district for inclusion in the appropriate water right file for future maintenance.

(2) Install and maintain an alternative method of determining the time that the well is operating. This information must be sufficient to be used to determine operating time in the event of a meter failure. Should the alternative method fail or be determined inaccurate the well shall be assumed to have pumped its full annual authorized quantity for the year in question. Well owners/operators are encouraged to give the details of the alternative method in advance to GMD 4 in order to insure that the data is sufficient.

b) Any water right owner or authorized designee who finds a flow meter that is inoperable or inaccurate shall within 48 hours contact the district office concerning the matter and provide the following information:

(1) water right file number;
(2) legal description of the well;
(3) date the problem was discovered;
(4) flow meter model, make, registering units and serial number;
(5) the meter reading on the date discovered;
(6) description of the problem;
(7) what alternative method is going to be used to track the quantity of water diverted while the inoperable or inaccurate meter is being repaired/replaced; and
(8) the projected date that the meter will be repaired or replaced.

c) Whenever an inoperable or inaccurate meter is repaired or replaced, the owner or authorized designee shall notify the district within seven days and provide the following information:
(1) water right file number;
(2) date the meter was replaced or repaired;
(3) if the meter was replaced, the make, model, registering units, serial number and meter reading of the new meter before it records any water use;
(4) if the meter was repaired, the date of repair and confirmation of the meter reading before it records any water use;
(5) provide information to determine the amount of water pumped while the meter was inoperative

c) This metering protocol shall be a specific annual review issue and if discovered to be ineffective, specific adjustments shall be recommended to the chief engineer by the advisory committee.

6) Accounting

a) GMD 4 shall keep records of the annual diversion amounts for each Water Right within the LEMA area, and the total 5 year quantity balances. Annual status reports shall be mailed to each water right owner and provided to DWR.

b) DWR shall provide GMD 4 with as timely as possible copies of annual water use reports received in the office of the chief engineer. GMD 4 and DWR shall cooperate on reconciliation and correction of any WUR found to be in error.

c) A form similar to the Wet Walnut IGUCA temporary transfer of allocations shall be developed by the chief engineer with input from GMD 4 for the SD-6 LEMA and shall be used to approve and track transfers of water within the SD-6 HPA per Section 1) d) above.

7) Advisory Committee

a) A SD-6 LEMA Advisory Committee shall be appointed and maintained by the GMD 4 Board consisting of an odd number of members between five (5) and nine (9) members as follows: one (1) GMD 4 representative; one (1) representative of the Division of Water Resources, Kansas Department of Agriculture as designated by the chief engineer; and the balance being SD-6 HPA residents/owners/operators – one (1) of which must represent non-irrigation users. One of the SD-6 HPA members shall chair the committee whose direction shall be set to further organize and meet annually to consider:

(1) water use data;
(2) water table information;
(3) economic data as is available;
(4) violations issues – specifically metered data;
(5) any new and preferable enhanced management authorities become available;
(6) other items deemed pertinent to the advisory committee.
b) The advisory committee shall produce a report after every meeting which shall provide a status for considerations (1) through (6) and any recommended modifications to the current LEMA Order relative to these six items. Said report shall be forwarded to the GMD 4 board and the chief engineer.

8) LEMA Order Reviews

a) In addition to the annual LEMA Order reviews per section 7), the SD-6 LEMA Advisory Committee shall also conduct a more formal LEMA Order review 1.5 years before the ending date of the LEMA Order. Review items will focus on economic impacts to the LEMA area and the local public interest. Water level data may be reviewed.

b) The committee shall also produce a report following this review to the chief engineer and the GMD 4 board which contains specific recommendations regarding future LEMA actions. All recommendations shall be supported by reports, data, testimonials, affidavits or other information of record.

9) Impairment Complaints

While this program is being undertaken it is the desire of the SD-6 stakeholders that any impairment complaint filed in the HPA while this management plan is in effect, which is based upon either water supply issues or a regional decline impairment cause, be received by the chief engineer and either: deferred for investigation until the management program is no longer valid; or, be investigated by the chief engineer in consideration to the on-going management activities.

10) Water Level Monitoring

Prior to the this LEMA proposal there were nine recognized observation wells within the SD-6 HPA that have been measured annually by either Division of Water Resources (DWR) or Kansas Geological Survey (KGS) personnel. These wells are located:

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For each of these wells there is a long history of annual water level measurements. The stakeholders of HPA SD-6 expressed a desire to increase the number of monitoring wells in support of this proposal.

To this end the Northwest Kansas Groundwater Management District No. 4 has agreed to convert one of these wells (08S30W13) to an hourly water level measurement schedule by the installation of a continuous pressure transducer, and to drill three new observation wells and equip them with pressure transducers also recording water levels hourly. These new locations are: 07S29W25; 08S29W05; and 08S31W26. The pressure transducers are the Slimline “G” model with a pressure range of 50 psi, suspended with vented poly cable and connected to the Dynotek Data Manager 700 data logger. Each of these installations will be placed into a sealed electrical box mounted on the observation well protection tubing. All the casing protector tubings and the electrical boxes will be padlocked for security. By choosing to install these transducers early, the 2012 pumping influences and its recovery trends will be captured before the anticipated 2013 LEMA program gets underway.

The Kansas Geological Survey has already indicated an interest in receiving all the data and analyzing it in a similar fashion to the Index Well program data. It is hoped this additional data collection and analysis will qualify a reduced rate of change (decline) in the annual water levels of the HPA.

11) Coordination

The SD-6 stakeholders and the GMD 4 board expect reasonable coordination between the chief engineer’s office and the GMD 4 board on at least the following four efforts:

a) Development of the LEMA Order resulting from the LEMA process;

b) Setting and accounting for the umbrella accounts authorized by Section 1) c);

c) Authorizing and accounting of water right transfers and bookkeeping authorized by Section 1) d); and

d) Accounting for annual pumpage amounts by LEMA water right owners/operators.

12) General

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2 The Index Well program is a 5-year study by KGS exploring the usefulness of specified, dedicated index wells to describe larger areas of the Ogallala Aquifer. The website for this effort is: [http://www.kgs.ku.edu/HighPlains/OHP/index_program/index.shtml](http://www.kgs.ku.edu/HighPlains/OHP/index_program/index.shtml)
The core concern of this LEMA is to remain within the allocation quantity after five years of pumping. Any future decisions within this LEMA period which intend to incorporate new or overlooked issues shall be made in deference to this total allocation limit.
November 10, 2008 Meeting (initial):

Sheridan HPA SD-6
November 10, 2008 Meeting
Participant Comments (C) / Questions (Q) and District Responses (R)

Q: What is the district’s timeframe?
R: District has no set timeframe. Whatever pace is comfortable for the participants. However, an inordinately slow time frame may allow the process to be questioned.

Q: What have other HPA’s done?
R: They have all begun discussions with few decisions being made. View the GMD4 webpage where each meetings’ discussion topics will be posted.

C: To affect the water level decline rate, any adjustments will need to come from pumped water, not appropriated water.
R: This is likely an accurate statement.

Q: Are we getting close to having to do something?
R: This is what the participants need to be deciding for your area and recommending to the GMD board.

Q: Does information on individual water rights (quantity, reported use, etc.) exist?
R: Yes. Next meeting staff will make it a point to provide a listing of data sources that anyone can view on the internet.

Q: Can we get an idea of what results might be achieved from different pumpage reduction rates?
R: When the hydrologic model is complete we should be able to. But the model needs to run a scenario that the group is interested in seeing the results of.

C: Run the model in several increments between pumping 30,000 AF annually and 15,000 AF annually – with each increment being implemented in 5 years, 10 years and 15 years.
R: Will try to get this done. How are the results to be provided? Mailed out? Another meeting?

C: Request another meeting in 2-3 months if the model runs have been made.
R: Will try to provide this information in order to facilitate further discussions.

C: Run the model assuming possible cropping alternatives alone.
R: This should be a stakeholder decision with recommendations to the GMD board.

C: Amazed that only 9 wells are annually measured in the HPA area. There should be more.
R: Comment will be submitted to the board for consideration.
C: Meters have helped known pumpage data.
R: Agreed.

C: Certain management options will not be equitable across the range of water rights involved.
R: Agreed. Your process may want to consider this situation as it deliberates possible approaches.

Q: Can the hydro/economic results be presented?
R: Yes.

Q: Could the GMD present some options to help the discussions?
R: If requested to, Yes.

Q: Can the GMD outline or specify what legal options are available?
R: Staff will try to outline legal options available at the next meeting.

C: Enhanced recharge could/should be part of the solution
R: If a supply of recharge water can be found that will not affect other water rights, yes.

Q: What happens if the State independently addresses the problem?
R: No way to predict when or how the State might address the problem in the absence of local efforts.

Q: What would have to happen to eliminate an area from high priority status?
R: The trigger or triggers that identified the area initially would have to be mitigated.

C: The 5-10 year timeframes suggested earlier should be shortened to 2-5 years – the longer timeframes may be too late for workable solutions.
R: This is a stakeholders issue that can and should be expressed to the GMD board.

(NOte: The above items were merely captured as comments/questions/discussion points. No final decisions or recommendations were made by the meeting participants regarding any of them. If any participant feels these notes are in error or need more clarification, GMD staff should be contacted about those concerns.)

November 11, 2008 Meeting Attendance List

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3 GMD4 staff Wayne Bossert and Ray Luhman were also in attendance but did not sign in. There may have been others who attended but declined to sign on or arrived late and did not have a chance to sign in.
February 4, 2009 Meeting (2):

Sheridan HPA SD-6
February 4, 2009 Meeting
Participant Comments (C) / Questions (Q) and District Responses (R)

Q: Does time and temperature reduce pumpage amounts (referring to electric wells being shut off during high temperature times)?
R: Hard to say. The water use report data before the mandate and after might reveal an answer.

Q: Is there a way to find out how many wells there are in this HPA on the interruptible service?
R: Not sure how much data and information is available from the power companies.

C: Soil moisture does not seem to be adversely impacted by the interruptible service.
R: Noted.

C: Must be careful using a percentage reduction – the user that has already cut back gets hurt the worst.
R: This may well be the case. It would need to be recognized in any recommendations that might be made from this meeting group.

Q: Are alternative supplies viable? Would setting aside acres work? Could the state and/or federal government be engaged to promote and assist in out of area water transfers or recharge?
R: Alternative supplies are likely not viable. The Dakota and deeper aquifers have water quality problems and nobody has offered yet to transfer their excessive supplies to another location. Recharge may be part of the solution, but any recharge would have to come from local water supplies (area rainfall).

Q: Should the observation well network be increased?
R: Several felt that the well network should be increased, but appreciated the costs associated with collecting new data – especially from dedicated monitoring wells.

Q: What is the effect of surrounding wells? Do they cancel gains made within the area?
R: The hydrologic modeling done thus far is indicating that the reduced pumpage of one area benefits that area for a number of years into the future before surrounding pumpage begins to affect the area. This situation results due to the slow movement of groundwater, which can delay outside pumping influences for several decades.

Q: Are there other sources of water level data? What about well owners who have such measurements? Isn’t some of this data available on the water use reports?
R: It could be beneficial to have this data for consideration. How would be the best way to get it? GMD 4 can glean the water use reports and make this data available next meeting.

C: Want to meet again on June 17, at 1:30 P.M. here in the Hoxie Elks Lodge, and discuss some model run results. Look at 20%, 40% and 60% reductions in total HPA pumpage – each percentage looked at by the same three methods as run during the calibration runs - % reduction across the board; % reduction via a CREP program; and % reduction via strict water rights administration by priority.
R: Noted.
February 4, 2009 Meeting Attendance List:

2/4/09  HPA-6  (SD County)

NAME  REG Tel Points
Therfield Ballard  Bill Harter
Don Vazquez  Ken Victor
Lenny Salom  Scott Frazee
Pamela Miller  Gary Alston
Son Oaki
Augusto Ochoa
Bill Och  Scott Schneyer
Touma Baizer
John I. White
Ray Morell
Larry Cransley
Kenneth Cooper
Bill Spirk
Robert Cooper
Lea Capp
Bill Spillman
Max Schaffert
Ewald Kapers
Bill McDole
Bob Hoppe
Tim Nigh
Stuart Belden
C: I am still thinking “allocations” as the solution. Something needs to be done to reduce water use.

C: Whatever is done, it must be enforceable. Voluntary solutions will not work or be fair.

Q: Are there as of yet undiscussed options?

R: One program that has not been discussed is the currently available multi-year flex accounts (MFA) – using this voluntary procedure to bring about reduced water use. The advantages are: can be done outside an IGUCA; can be tailored to any goal statement chosen; allows maximum flexibility of use for water remaining under the converted right; and is a 5-year process subject to review (and probably adjustment) every 5 years. Disadvantages are: currently a voluntary program – we’d need to find a way to make it mandatory; the MFA permits issued are based on actual historical water use, so they will be less equal than an allocation approach (tending to advantage those who pumped higher amounts of water); and currently requires the chief engineer to evaluate each water right and set up a MFA account individually.

C: Clarification – an allocation approach will require an IGUCA and an MFA approach will not?

R: This is mostly correct. While an allocation approach will require an IGUCA, the MFA approach would not require an IGUCA. However, to make it mandatory will require a local regulation - which is being explored at this time, but is currently unknown. Moreover, if an IGUCA is requested, the IGUCA could require either approach so long as a strong enough case is built, and the chief engineer so decides.

C: For any HPA reduction in water use it seems the HPA area will be subsidizing non-HPA neighbors. Don’t think we’re pumping any more per well than users outside the HPA, we just have a higher density of wells pumping. As such, we need to reduce the wells.

R: This is the exercise at hand. Reducing pumpage can come in a number of ways – reducing wells completely, reducing pumpage from all wells, scheduling pumpage, etc. The neighbors facing each other on either side of a HPA boundary is always going to be an issue.

C: We need to ease into the problem. I’d support an initial 10% reduction for 5 years and then step back and take a look before continuing on.

R: This is a possibility.

Q: How was the area designated? Was it based on the 9 observation wells?

R: The observation wells were used to generate an interpolated water level value for the center of every section. The 1997 section-center values were subtracted from the 2006 values and any section that declined 9% or more was identified. The reported water use was also aggregated for every section and any section that had more than 275 AF of annually reported water use was identified. Next, any ¼ Township that had two or more identified sections, was designated as a HPA ¼ Township. Finally, the ¼ Townships were combined to form the 6 HPA areas.
Q: Should a survey be sent to all water users asking for input on alternatives?

R: GMD 4 would support such an effort if desired. (This idea was discussed and consensus was that it would likely do little good)

C: Organization is critical. The SD-6 HPA needs some form of organization. How do we provide a goal and a desired approach to the board without a recognizable organization?

R: The group is free to organize any way they feel best or are comfortable with – formally or informally.

Q: Can the MFA data that was discussed be placed on the website?

R: Yes, it will be posted as soon as we can – likely tomorrow.

C: The entire group present today should become the steering committee to begin advancing alternatives for consideration by everyone involved. Brent Rogers and Mitch Baalman should head the effort to capture several possible approaches to reducing water use. The resulting list should then be sent to all water users for consideration/discussion and soon thereafter another HPA meeting should be set. (This comment was agreed to by all present and will be promoted.)

(NOTE: The above items were merely captured as comments/questions/discussion points. With the exception of the last comment, no final decisions or recommendations were made by the meeting participants. If any participant feels these notes are in error or need more clarification, GMD staff should be contacted about those concerns.)

June 17, 2009 Meeting Attendance List:
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<tr>
<td>Wayne Bennett</td>
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<td>Ray Luhman</td>
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<td>Paul Roach</td>
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<tr>
<td>Lucy Blatman</td>
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<td>Scott Coss</td>
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<td>Del Mann</td>
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<td>Jeff Torluekke</td>
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<tr>
<td>Howard Belman</td>
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<tr>
<td>Fred Moss</td>
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<tr>
<td>Cal Garcia</td>
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The meeting began with an intro by Mitchell Baalman who synthesized the last meeting discussion and reiterated the overall goals of the meeting – to continue discussing possible goals to reducing water use to achieve the state water plan goals (slowing the decline rate and extending the economic life of the aquifer), and approaches to achieving the selected goal(s). Another discussion point for this meeting was the potential use of a 2010 AWEP program in moving the process forward. Mitchell asked GMD 4 staff to cover the developing 2010 AWEP effort.

Wayne Bossert and Ray Luhman covered the developing 2010 AWEP application – essentially an application that would provide HPA landowners with an option (voluntarily) to permanently convert irrigated acres for a NRCS practice payment. The use of this program could be at least a partial solution to achieving any reduction goal eventually set by the group. GMD 4 needed to know if this HPA wanted to be included in the 2010 application or not.

Q: Clarifying that it would be a voluntary program for the producers. (Yes)

Q: What might the practice payment rates be?

R: GMD 4 would like the group’s input, but early values (based on all the WTAP applications) are suggesting a 3-tiered rate proposal based on the amount of irrigation water applied – the highest rate would be about $2,300-2,400 per acre; the mid rate at $1,700-$1,800 per acre; and the lowest rate at $1,200-$1,400 per acre. The 3 tiers of water use suggested are: 1.1 AF/Ac and more (high); .8 – 1.09 AF/Ac (medium); and .79 and less AF/Ac (low) – 1/3 payable each year over a 3-year period.

C: The local operators may be unduly affected if too many absentee landlords participate.

C: I still prefer the previous suggestion of a mandated approach for all water rights (either MFA or per acre allocation) – especially if it can be done outside an IGUCA.

C: It’s time that something got started – even if it’s a small step forward. Otherwise the issue will get discussed to death and nothing will be done.

Q: What are the advantages/disadvantages of using AWEP to jump start the forward progress?

R: Advantages: all water use retired via AWEP will reduce the water use reductions that must be achieved to meet any chosen goal by other means; it’s a voluntary program with a practice payment. Disadvantages: Reducing full water rights is not the best economic way to achieve any chosen reduction goal (it’s not the worst either).

C: Perhaps a 20% reduction across the board would be tolerable – especially w/ advanced crop hybrids and other technology on the horizon.
Q: I’m not so sure a voluntary payment is needed to get everyone to participate.

Q: What are the differences between a 5-year allocation and converting a water right to a 5-year multiyear flex account (MFA)?

R: A 5-year allocation (example: 45 inches over 5 years – or 9 inches per year) is limited to the 45 inches, but in no single year can the right exceed its annual appropriation before the change. The MFA is essentially some percentage (not to exceed 90%) of the average annual usage (between 1992 and 2002) times 5. Being based on actually usage with a percentage conservation reduction, the total 5-year water right can be used with no limit other than the total quantity. The MFA is more flexible for the producers, but is going to be a little more difficult to require.

Other discussion Points: Chief engineer recently met with the GMD 4 board and expressed the following (relative to enhanced management):

a. he is supportive of exploring local GMD regulation(s) that could mandate MFAs for all water rights if the district wants to draft such regulation(s);

b. no one can guess when or who will decide to address the decline problem if this process doesn’t work;

c. he wants to find locally workable solutions to the overdraft conditions in the Ogallala that involve the GMDs and their affected members, and also maximize the economic returns from any pumpage reductions;

Directions:

1. The group should meet again following the GMD 4 annual meeting (3:30 P.M.-ish, February 17, 2010) to decide if SD-6 HPA should or should not be included in the AWEP application. Staff should notify everyone of this direction by invitation which should include a statement to the effect that the meeting will be held to make certain decisions regarding the AWEP program and the possible choice of a HPA goal that would reduce all water use in the HPA by 60%.

January 25, 2010 Meeting Attendance List:
Jan 25, 2010  SD-6 HPA MTG

Wayne Bossert
Ray Luckman
Brad Rupe
Shawn Bickman
Mike Bickman
Curt Velt
Bob Ohl
Kelly Aceto
Heard Cooper
Fred Moss
Bill Geller
Howard Baylen
Marc Murphy
Rock Medler
Kevin Tremblay
Stuart Bickman
The meeting began with an intro by Mitchell Baalman who indicated that there were two meeting items to discuss: 1) Participation in the developing AWEP proposal; and 2) continued discussion on the selection of a goal statement for the HPA.

**Q:** In regard to the AWEP proposal, why are we expecting a payment to stop irrigating when we have gained from it? Shouldn't we be solving these problems by ourselves?

**R:** No. The entity (SD-6 HPA) was formed several years ago and AWEP has come along since that time.

**Q:** What if the federal funding does not get completed?

**R:** The GMD is working with DWR to conditionally forfeit water rights pending the final federal payment. DWR has already indicated agreement with the concept.

**Q:** Will the irrigated acres approved for conversion be ranked? By whom? How?

**R:** NRCS will be ranking producer applications, but we don't know on what specific basis. NRCS has indicated a willingness to accept recommendations from the GMD regarding ranking, but these would be recommendations only.

**C:** I believe we should agree to be included in the AWEP proposal. The opportunity could help the area achieve any goal that may be set.

**Q:** What is an IGUCA? How does it differ from other possible approaches of reaching a goal?

**R:** An IGUCA (Intensive Groundwater Use Control Area) is a formal approach to solving a water supply or water quality problem. It also allows the problem to be solved with other than priority administration actions. Once requested, the process is largely in the hands of the chief engineer – including the choice of any corrective control measures. There are other ways to solve a water supply problem without formally establishing an IGUCA. One such approach is a local GMD regulation implementing an allocation schedule - annual or multi-year.

**Q:** How can a potential goal statement be framed?

**R:** There are many ways to express or frame a goal statement. Examples are: 1) every water right reduces its current use by “X” percent; 2) Total HPA pumpage be reduced by “X” percent;
3) the average decline rate be reduced by “X” percent; 4) the average HPA decline rate be reduced to 150% of the overall GMD average decline rate; 5) each water right be converted to its average acre-inches per acre use based on the past 10 years of reported use and reduced “X” percent if it exceeds a nominal 11 acre-inches per acre; 6) ...

C: I think we should contact every water right owner and tenant with a ballot question to solicit their preference for one of three possible water right reduction levels restricting all water rights to: a) 13 acre-inches per acre; b) 11 acre-inches per acre; or c) 10 acre-inches per acre.

C: Things need to be simpler – there are too many alternatives being considered all at the same time.

Directions:

1. GMD4 staff prepare a data set of a 25% reduction in total water use from current usage applied to all water rights in the HPA giving deference to those water rights that have already reduced their water use to below the HPA average of 14 inches per acre. This application is to be a trial run to look at both the quantity and method of reductions for further discussion. When completed, schedule another meeting to present it and discuss it further.

February 17, 2010 Meeting Attendance List:
June 23, 2010 Meeting:

June 23, 2010 HPA Meeting for SD-6 – Page 1

Sheridan HPA SD-6
June 23, 2010
Participant Comments (C), Questions (Q) and District Responses (R)

The meeting began with an intro by Mitchell Baalman who indicated that this entire effort is still a work in progress and that few decisions have been made. Mitch referred to the agenda which was included in the meeting notice and had 4 items. Mitch finally indicated that the meeting notice was dictated by he and Brent Rogers and was NOT the product of GMD 4 staff.

C: (RE the concepts listed in the meeting notice) Rights that increased their acres later in the data period being used should not have the added acres apply to their average acres.

C: (RE the concepts listed in the meeting notice) Current regulations still allows increases in pumpage.

C: The selection process for the HPAs is still being questioned by some.

C: Everyone district-wide should be reduced equally or nothing should be done. Did not feel that reducing use inside the HPA while others just outside did nothing is fair.

Q: How did the reductions come to be applied only to irrigation rights?

R: Original thinking was that the majority of non-irrigation rights were stockwatering rights where a significant amount of the local economy was being generated and where most of the irrigated corn was ending up.

Q: Is this process a takings?

R: No one knows yet, but the idea is to leave the water rights alone and through an order, restrict these rights based on the enhanced management program adopted – meaning a 3 or 5-year restriction.

From here the discussion turned to considering the 9 concept elements to re-assess if these were still the desire of the group or not.

1) A mandated reduction of water usage in the HPA resulting in less total usage:

Show of hands vote to continue developing this effort was in the affirmative – noting that not everyone raised their hand in the affirmative, but no one raised their hand in the negative.

2) That all non-irrigation rights be exempted (for economic concerns):

Following information that this concept is likely illegal, the consensus was to eliminate it from further discussion and development.

3) A significant penalty be imposed for water use violations:
Consensus was to retain the concept and develop specific procedure in the development of the HPA regulation if and when that time comes.

4) Subsequent impairment complaints be considered by DWR in the context of the enhanced management efforts ongoing;

Consensus was to retain this concept

5) The regulation implementing these conditions be automatically sunsetting after the specific program period – to be locally amended or eliminated per stakeholder decision;

Consensus to retain this concept

6) Individual water right priority be a non-factor;

Much discussion but on a show of hands vote, 20 voted to retain this concept and 7 voted in the negative.

7) Water rights that have reduced their recent water use be reduced a lesser amount;

Consensus was to retain this concept.

8) That an IGUCA approach (Intensive Groundwater Use Control Area) not be taken;

Consensus was to continue developing a bottoms-up approach outside the IGUCA process until this is no longer an option.

9) That water rights already in a set-aside conservation program, or have not used water at all in the specific target years, not be penalized;

Consensus was to retain this concept.

GMD 4 staff offered to meet with any group who wanted to catch up by going back to the beginning to cover again the introductory presentations.

GMD 4 staff stated that they have offered very little in the way of suggested goals and/or approaches. The role of GMD 4 in this process is to find a way to implement whatever the group decided should be their future goal(s) and approaches.

There needs to be a more formal approach to this process. Suggested a voting procedure – 1 water right, 1 vote.

Agreed that a voting process is needed for decisions, but felt there needed to be some input mechanism for those who cannot attend or are absentee – suggested a ballot be provided on all the issues.

Felt that there has been enough opportunity for anyone to get involved if they wanted to. Absentee landlords have been getting meeting notifications and have had ample opportunity to get with operators if they were interested or concerned.

This issue broke into many side discussions and comments – all of which were not able to be captured. There were clear differences of opinion on the issues of: 1) voting in meetings such as this one; 2) getting input from the remainder of the stakeholders who have not been
participating; and whether the additional input should be formal (by voting ballot) or informal (by questionnaire or survey). There were also comments concerning who should be receiving the ballots/surveys.

GMD 4 staff suggested a more formal informal process might include a process where the final recommendations to the board be made in the form of a petition requiring a set number of signatures. It could also be argued that the required public hearings for the management program, any regulations done for this effort, and the added public hearing for the final recommendations, constitutes enough of a formal process. GMD 4 staff also indicated that the group could organize however they wanted to and get as formal as they wanted to. It is not certain that any consensus was reached on this concept.

G MD 4 staff spoke about the future steps involved and presented them in the hopes they would better clarify the process and pitfalls ahead and give everyone a wider perspective of the process – and showing how several of the most important concepts are being incorporated.

G The idea of a fund-driven program was suggested again. Basically any exceedance of the designated multi-year allocation would command a payment into a special fund that would then be used to retire water use to eventually achieve the goal.

**Directions to DWR or GMD 4:**

1. None

**June 23, 2010 Meeting Attendance List:**

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4 Attendance sheet failed to get dated. GMD4 staff printed a few of the names whose signatures were not legible.
December 16, 2010 Meeting (7 - Joint Stakeholders and DWR meeting):

No notes or attendance list available. The basic agenda of this meeting was to propose a modified IGUCA approach that was designed to be more attentive to local desires.

January 5, 2011 Meeting (8 - Initial working subcommittee meeting):

No notes available.

January 5, 2011 Meeting Attendance List:

Wayne Bossert; Ray Luhman; Mitch Baalman; Brent Rogers; Stu Beckman; Jerry Hill; Lenny Patmon; Roch Meier; Brett Oelke; Bill Herl; and Dennis Rogers.  

January 11, 2011 Meeting (9 - second working subcommittee meeting):

No notes available.

January 11, 2011 Meeting Attendance List:

Wayne Bossert; Ray Luhman; Mitch Baalman; Brent Rogers; Stu Beckman; Jerry Hill; Lenny Patmon; Roch Meier; and Brett Oelke.

January 19, 2011 Meeting (10):

No official notes were recorded from this meeting but on the GMD 4 copy of the Draft 3 discussion document, manager Wayne Bossert recorded four items: 1) “more local control of committee choice”; 2) “Vote for Flexibility: all for; 1 opposed”; 3) “move forward as proposed: all for; 1 opposed”; and 4) “strong consensus”.

Item 1) was in response to discussions regarding the chief engineer appointing the members of the SD-6 review committee. The consensus was to provide more local direction of who these committee members would be. This direction shows up in the latest draft proposal.

Item 2) was a “show of hands” (informal vote) on the issue of providing or not providing flexibility in moving around the allocation inches within the HPA.

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5 List captured from summary of SD-6 meeting activity contained in Northwest Kansas Groundwater Management District No. 4 Enhanced Management Process Report (filename: GMD4 Enhanced Management Process.doc). This list represents the complete Working Committee as organized by the stakeholders.
Item 3) was a “show of hands” (informal vote) of where the group stood on moving forward or not.

Item 4) was manager Wayne Bossert’s comment regarding the fact that one hand raised in opposition to the flexibility and the continuation of the proposal was a strong consensus for both issues.

**January 19, 2011 Meeting Attendance List:**
May 25, 2011 Meeting: (11):

No meeting notes available.

May 25, 2011 Meeting Attendance List:

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<th>NAME</th>
<th>SD-6 MTG</th>
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<td>Wayne Bonnet</td>
<td>Scott Foote</td>
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March 28, 2012 Meeting: (12):

No notes or attendance list available.

May 9, 2012 Meeting: (13):

May 9, 2012 HPA Meeting for SD-6 – Page 1

Sheridan HPA SD-6

May 9, 2012 Meeting Notes

The meeting was started in the Hoxie Elks Lodge at 8:00 AM, May 9, 2012. Wayne Bossert began by covering the agenda and what needed to happen IF the process was to go forward. Also to be covered, following discussion of all provided comments, was the latest draft of the proposal as it was drafted following the May 25, 2011 meeting - plus three items included by GMD 4 staff for consideration. The May 25, 2011 draft had been included in the mailing notice and copies were made available.

The first issue was the process to assign, contest and settle on the eligible acres - the heart of the allocation proposal. Ray Luhman began by covering the previous process based on the reported acres in 2007–2009 inclusive. While this was done in 2011, the 2010 reported acres irrigated were not available. He then suggested that for the final proposal the 2010 reported acres (now available) could be included if desired. Ray also suggested some small changes to the procedure that had been approved earlier and on which the 2010 eligible acre dry-run process was done. The suggested process would be:

If 2010 reported irrigated acres are equal to the 2007–2009 (inclusive) acres, the 2010 reported acres will be designated;

If 2010 reported irrigated acres do not equal 2007–2009 acres, the highest reported acres that can be reconciled with the GMD 4 acquired aerial photography and the water right file information will be used;

If the 2010 irrigated acres do not equal 2007–2009 acres and the highest reported acres cannot be reconciled with aerial photography and the water right information, the highest acres that can be supported by the photography and water right information will be used and a note to this effect will be attached.

In every case, the designated eligible acres will be provided to each water right owner with an opportunity to question or contest the acres with staff, and if staff’s decision is not acceptable, with the board of directors.

The consensus of the group was that the suggested changes were acceptable and should be included in the proposal.

The public comments offered were next discussed in the order provided:
1) From Kevin Wark:  *The stockwatering rights should have to take a real water use reduction like the irrigation water rights.*

In discussion the reason for the current handling of these water rights was covered again and the issue was opened up for further discussion. A question was asked about the 11-inch per acre allocation proposed for irrigation - where did this number come from and is it still discussable? Staff explained where it came from and that it was still discussable. In the end, the group consensus was: 1) the economic impacts remained important enough to retain the proposal for stockwatering as it is; and 2) the 11-inch per acre allocation was correct and should remain in the proposal.

2) From Mike Beckman:  *The priority system should be applied in any approved allocation scheme - even if it results in just an inch or two additional water for the senior water rights.*

May 9, 2012 HPA Meeting for SD-6 – Page 2

Staff explained again why the share-the-pain philosophy was opted for rather than a priority based approach. Staff offered for discussion a process whereby the priority system could be done, but advised that the total pumpage level for the 5-year period would remain the same, so any additional allocations to senior rights would be at the expense of junior rights. The basis of the priority approach would have the stakeholders determining the median allocation level, and the minimum and maximum levels. The median allocation would be assigned to the median water right file with the most senior right being assigned the maximum allocation level and the most junior right getting the minimum level. Each water right along the scale would get an equal step allocation. All allocations would be converted to total acrefeet for the LEMA period. The further the minimum and maximum allocation choices were from the median value, the more water would be cut from the juniors and dedicated to the seniors.

Following questions and discussion, the consensus was to leave the approach alone, and the allocation level at 11-inches per eligible acre.

3) From Harold Murphy:  Had three items initially, but based on private discussions before this meeting, the first two issues were withdrawn. His remaining comment was:  *The consequences of the state permitting of water usage by the oil drilling industry and the possible selling of water by water right holders could greatly affect the end result of whether the depletion objective is met. In his opinion, these oil and gas exempt water rights should be handled in the proposal.*

In discussion, the issues were: 1) how many exempt water rights might be expected?; and 2) what hydrologic impacts to the HPA might they have? While it is theoretically true that the non-domestic exempt water rights would negatively affect whatever total pumpage value is ultimately set, it was the consensus of the group that the oil and gas exempt water use would not likely be significant in the initial 2013-2017 LEMA period, and if it did become so, this issue could be dealt with in the annual reviews and the more formal ending review. There was no support for addressing domestic water rights in this proposal in any fashion different than what is currently in place.

4) From Archie Moss:  *The boundaries are not correct - should be the entire GMD; SD-6 should go forward ONLY if TH-5 and SH-1 develop proposals within the next 2-3 years. If they don't, the SD-6 proposal should cease; There needs to be a formal voting process developed - suggested that each water right get one vote; and the water right priority system should be followed more.*
As with the other comments, the original mind-set for each of these decisions was covered. There was considerable discussion on the voting issue. When completed, the consensus was to leave the proposal unchanged.

The three new items were discussed next. They were:

1) Exempt water rights - should they be ignored or included? This issue had already been settled in the above discussion, so there was no direction at this time to include it into the proposal.

2) Multi-year Flex Account (MYFA) conversion process - should such a conversion be ignored or included? GMD 4 staff commented on the benefits of including such a procedure and stated that it had no downside. Staff suggested that every water right be given the opportunity to enroll into a MYFA on or before October 1, 2013 provided the MYFA period starts in 2013 and runs concurrently with the LEMA period. This would allow any MYFA right to exceed its annual quantity in any year as long as the 5-year MYFA quantity (which may be equal to or less than the LEMA allocation) is not exceeded. The consensus was to include this authority into the proposal as proposed by GMD 4 staff.

3) AWEP synchronization - should water rights going into or coming out of AWEP during the LEMA term be handled or ignored? GMD 4 staff also proposed that the AWEP program be considered in order to better control the desired pumpage limits. The concern was that a water right could use or market its entire allocation in the first few years of its 5-year period, then enroll into AWEP. Staff suggested that any enrollment into AWEP during the LEMA period would require the allocation balance upon enrollment to become zero. The consensus of the group was to include such an element into the proposal.

Staff also suggested that any water right coming out of AWEP during the LEMA period should receive only an allocation for each eligible acre based only on the remaining years of the current LEMA period. The consensus was to include this requirement into the proposal as well.

The floor was then opened up for any further discussion or comment. It was the consensus of the group that the proposal as modified during the meeting be written up and presented to the GMD 4 board for adoption and subsequent submission to the chief engineer on their behalves. While few of the consensus decisions recorded during this meeting were unanimous, this record is deemed to reflect the majority consensus of the participants.
Sign-in sheet - SD-6 MTG
May 9, 2012

Wayne Boscott
Ray Huhn
Sierra Secorilla
Margaret Sekemilla
Bud Leg
Bill Lyman
Don Moyar
Ray More
Arnold Lie
Donald Clark
Bill Burt
Howard Gantman
Tim Mass
Carl Mass
Dan More
Rock More
Kelly Schilltz
Glen Johnson
Herbert Murphy
Hurst Bednos
Bat Berman
Joe Sevock
Dick Mass
Sam Melter
Ray Arnold
Daryl Allen
Larry Hill
Attachment 2

Data Set of water rights, eligible acres and allocations

The embedded Microsoft Excel spreadsheet (FINAL WORKSHEET FOR CERT 5-14-12 MOD 7-13-12.xls) is provided to support the eligible acres assigned and the total allocations requested in this LEMA proposal. It contains four worksheets as follows: ACRES; PL-USE; MULT OWNERS; and AF 96-10.

The 5-year allocation quantities requested by this proposal are in column BA of worksheet ACRES. The annual water use data are contained in the worksheet AF 96-10. The relevant data for this LEMA proposal came from the Water Rights Information System (WRIS) maintained by the Kansas Department of Agriculture, Division of Water Resources, and are considered to be accurate.

Ownership data came from GMD 4 data sets obtained from the Sheridan and Thomas County Clerks offices which have been used in the GMD 4 assessment process, and are considered to be accurate.

Should any data errors be discovered in the final processing of this LEMA request, it is the request of the GMD 4 board of directors that GMD 4 be contacted about updating and correcting said errors.

The spreadsheet cells are locked to prevent accidental changes from being made.
Eligible Acre Process

By consensus the stakeholders agreed to the following procedure to assign eligible acres to every irrigation water right within the SD-6 HPA and to include this process in any LEMA request made.

Eligible acres as used herein (Attachment 2) have been determined as follows:

a) If 2010 reported irrigated acres on the 2010 water use report submitted to DWR equal the 2007, 2008 and 2009 reported irrigated acres on the respective water use reports and were legal, the 2010 reported irrigated acres shall be assigned.

b) If 2010 reported irrigated acres do not equal 2007, 2008 and 2009 reported irrigated acres, the highest reported acres that can be verified as being legally irrigated with the GMD 4 in-house aerial photography and water right file information shall be used.

c) If 2010 reported irrigated acres do not equal 2007, 2008 and 2009 reported irrigated acres and the highest reported 2007-2010 irrigated acres cannot be verified with the GMD 4 in-house aerial photography and water right file information, the highest acres supported by the available information (aerial photography and water right information) and legally irrigated shall be used and those acres will be noted as such. In every case where 2010 acres did not equal 2007, 2008 and 2009 acres, the maximum acres irrigated on the authorized place of use as determined by aerial photography shall be used.

d) The Northwest Kansas Groundwater Management District No. 4 shall contact every water right owner and others known to them as operators or interest holders in the water right to inform them of the eligible acres assigned to their water right(s) per the adopted process, and allow each the opportunity to appeal the assigned acres and to provide additional information to the GMD 4 board on the correct acres. The Board’s decision shall be final and the resultant eligible acres will be used to calculate and assign the allocation.

Every water right owner was contacted by certified mail dated May 15, 2012 and provided their eligible acre assignments per the adopted process. The notification also included an opportunity to question the assigned eligible acres and to appeal the assignment to GMD 4 staff on or before June 14, 2012. All sent notifications were picked up by the addressee. A copy of the notification letter follows:
TO: SD-6 HPA Water right owners/operators/interest holders:
DATE: May 15, 2012

The GMD #4 Board of Directors is continuing a process of requesting a Local Enhanced Management Area (LEMA) for the SD-6 high priority area. As has been discussed at several of the stakeholder meetings, the process will include a 5 year reduction in water pumped. The process will reduce irrigation rights to a 5-year maximum total allowable amount based on 55 acre-inches per recently reported irrigated acre using water use reported in 2007 through 2010. Stockwater allocations will be calculated on a maximum of 12 gallons per head per day based on the licensed lot capacity as of 12/31/2010. Recreation allocations will be calculated using 90% of the authorized amount as of 12/31/2010.

Enclosed is a report for every water right that GMD #4 and DWR records show that you have an interest in, either as an owner or as a water use correspondent. The report shows the water right numbers, the proposed limitations, and information on how the limitation was calculated.

If the GMD #4 Board proceeds with a request to DWR for establishment of a LEMA for the SD-6 area, said request will include a list of all water rights and their respective 5-year amounts. The amounts will be based on the information enclosed.

Please review the enclosed report. If you have questions or reason to believe that the data for your water right(s) is incorrect please contact GMD #4. The board has set a procedure through which you can meet with district staff to try to correct any errors or present any information that could change the reported values. If that meeting does not result in agreement on the figures you will have the opportunity to meet with the board of directors at the June 14, 2012, board meeting, scheduled for June 14, 2012, beginning at 10:00 A.M. local time in the district offices at 1175 S. Range, Colby, KS.

Again, the final specific allocations will be used by the GMD #4 Board if and when they make the LEMA request so it is important to make sure that the numbers are correct.

Also, please contact GMD #4 if you receive information for any right in which you no longer have any interest, or if you did not receive information on a well that you own or operate. Thank you for your attention to this important matter.

Sincerely,

[Signature]

Wayne Bossert, Manager, Northwest Kansas Groundwater Management District No. 4
On June 14, 2012 the Northwest Kansas Groundwater Management District No. 4 board of directors reconciled all questions and appeals and designated the eligible acres for all water rights. The listing is contained in Attachment 2 herein.