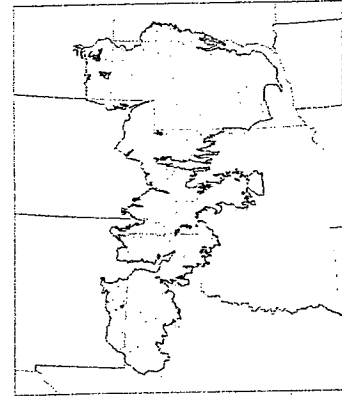


High Plains Hydrology LLC
7956 S. Shawnee St.
Aurora, CO 80016-7206
(303) 693-0299



January 2, 2007

Steve Gaul
Supervisor, Planning and Assistance Division
Nebraska Department of Natural Resources
P.O. Box 94676
Lincoln, NE 68509-4676

Dear Steve:

Enclosed are my monthly report for November, an invoice for the time and expenses for work with the Department of Natural Resource, and a spreadsheet supporting the time. The invoice also includes DNR's share of professional liability insurance for 2006, so I included a worksheet on that plus supporting documentation. If you have any questions, please give me a call. Thank you.

Sincerely,

Richard R. Luckey
Senior Hydrologist

RECEIVED

JAN 05 2007

DEPARTMENT OF
NATURAL RESOURCES

DNR 013572

Groundwater Modeling Support for the Nebraska Department of Natural Resources

Status Report, December 31, 2006

Objectives: 1. Provide modeling support as requested; and

2. Compare COHYST and RRCA models in area of overlap, with emphasis on the groundwater mound area.

Status:

Dick spent about a week on this project in December. Most of the time was spent comparing the Republican River Compact Administration (RRCA) and COHYST models in the area of overlap. He spent some time testing the various interpolation techniques that GMS uses to go from one grid to another. He had originally used an inverse distance weighted technique, but that produced unrealistic aquifer parameters near boundaries where the parameters changed. He found that a linear interpolation produced better results in these areas and similar results elsewhere. As a bonus, this technique is much faster. He completed comparison of hydraulic conductivity and specific yield between the two models.

Dick received a DVD from Jim Schneider that represents the input data from the RRCA model. He spent some time browsing the DVD and it does contain the historical recharge for the model. However, the recharge is contained in numerous files, containing recharge by component by month. Dick wrote a FORTRAN program to produce a cumulate sum of each recharge component so he could work with it in a spreadsheet. He also made a separate sum of recharge in the mound area.

Dick had some discussions with Jim Cook about an information request from David Freeman at Colorado State University. Dr. Freeman is writing a history of the Three-State Agreement and wanted to know the number of irrigation wells in the Platte Basin. He wanted the information from the registered well database. The three had a conference call, where they concluded that registered well database is poor measure of the desired information and that 1997 groundwater irrigated land is a much better measure. Dick discussed this request with Rich Kern, and Rich had Rick Vollertsen work on it. Dick checked the work, wrote a couple of paragraphs documenting the method, and sent it to Jim Cook to pass on.

Dick spent some time on the phone with Doug Hallam about ZoneBudget issues. They could not resolve the problems, but will look at it when they get together in January.

Plans for next month:

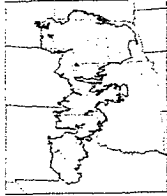
Dick will continue to compare aquifer properties between the RRCA and COHYST models. He will spend more time on recharge in the mound area, and may sum it by county. Because of how the RRCA model was calibrated, this sum may provide the best insight.

Dick will meet with Doug Hallam on January 2, and with Doug, Steve Gall, Jim Schneider, and Duane Woodward on January 4 to discuss DNR participation in COHYST.

Dick will do other tasks as requested by DNR.

High Plains Hydrology LLC

7956 S. Shawnee St.
Aurora, CO 80016-7206
Phone (303) 693-0299 Cell (303) 916-5973



INVOICE

INVOICE #114
DATE: JANUARY 2, 2007

TO:
Nebraska Department of Natural Resources
301 Centennial Mall South
P.O. Box 94676
Lincoln, NE 68509-4676

FOR:
Services of Senior Groundwater Modeler

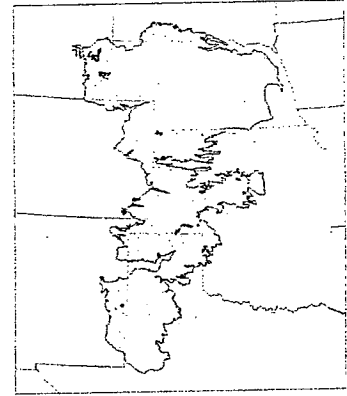
LABOR DESCRIPTION	HOURS	RATE	AMOUNT
December, 2006, Task 1-1 (see attached spreadsheet)	4.00	\$ 65.00	\$ 260.00
December, 2006, Task 1-2 (see attached spreadsheet)	33.00	65.00	2,145.00
EXPENSES DESCRIPTION	QUANTITY	UNIT PRICE	LINE TOTAL
Professional insurance for 2006 (see attached worksheet)			\$ 263.43
TOTAL this Period			\$ 2,668.43
Previous balance			\$ 2,908.75
Payments received			\$ 2,908.75
		TOTAL	\$ 2,668.43

Make all checks payable to **High Plains Hydrology LLC**
Total due in 30 days. Overdue accounts subject to a service charge of 1% per month.

Thank you for your business!

Date	Start	Stop	Start	Stop	Start	Stop	Hours	Task 1	Task 2	Task 3	DNR 1-1	DNR 1-2	Notes
12/01/2006	10:30 AM	12:30 PM	2:30 PM	4:30 PM			4.00	1.00		1.00	0.50	1.50	COHYST monthly report. DNR monthly report. Call from Duane on ZB issues. Call to Clint Sunday. Downloaded Clint's OAZFA stuff, unzip, ran (>18 minutes). Ran ZoneBudget. Got too large. Prevented cell-to-cell flows from being written. ZB to Access won't work. Call to F
12/03/2006	10:30 AM	12:00 PM	1:00 PM	2:30 PM			3.00			3.00			
12/04/2006	8:00 AM	12:00 PM	1:00 PM	5:00 PM			8.00	1.25		4.25		2.50	OAZFA update to Duane. Note to Rich on needed utilities. COHYST-RRCA Kh comparison interpolation. Tested well-layer program. Call from Kraus and Drain (30 minutes). Various r utility. Utilities documentation update.
12/05/2006	7:30 AM	12:30 PM	2:45 PM	4:45 PM			7.00			1.00		6.00	Call to Duane about Sponsors meeting. Sy evaluation between COHYST and RRCA mode
12/06/2006	10:00 AM	1:45 PM	1:30 PM	4:30 PM			6.75					6.75	Review DVD from Jim Schneider. Work on Kh comparison in DNR doc. Add map and graf
12/07/2006	8:00 AM	12:30 PM	2:00 PM	5:00 PM			7.50		5.00			2.50	New depletions documentation into final form. RRCA-COHYST documentation. Aquifer par
12/08/2006	1:00 PM	5:00 PM					4.00					4.00	Wrote Fortran program to sum RRCA raw recharge files to new file.
12/11/2006	1:00 PM	4:30 PM					3.50					3.50	RRCA program to sum recharge. Sum canal leakage recharge. Sum surface-water irrigatic
12/13/2006	1:15 PM	4:30 PM					3.25		3.25				Checking and correcting New Depletions PowerPoint.
12/18/2006	8:15 AM	12:45 PM	1:45 PM	4:30 PM			7.25			1.00		6.25	TC travel arrangements. Looked at Duane's spreadsheets for OAZFA. Made spreadsheet (
12/19/2006	10:00 AM	10:30 AM	3:00 PM	3:30 PM			1.00			0.50	0.50		Call from Clint about OAZFA issues. Conference call with Jim Cook and David Freeman.
12/20/2006	2:00 PM	3:30 PM					1.50	1.50					Getting stuff together for Steve to check eastern model for noise.
12/21/2006	8:15 AM	9:00 AM					0.75				0.75		Working on stuff for David Freeman request.
12/28/2006	3:30 PM	5:00 PM					1.50			0.75	0.75		ZoneBudget issues for Doug Halliam. Checking GW acres for Cook/Freeman. Writing C/F (
12/29/2006	9:30 AM	10:30 AM	1:00 PM	4:30 PM			4.50	1.00		2.00	1.50		Call to Doug Halliam about ZoneBudget stuff. Call to Duane about how to DNR modelers at
							63.50	4.75	8.25	13.50	4.00	33.00	December total and total by task number

High Plains Hydrology LLC
7956 S. Shawnee St.
Aurora, CO 80016-7206
(303) 693-0299



January 2, 2007

2006 Insurance Cost Worksheet

Annual cost of professional insurance, obtained February 2006 = \$3,708.00. (See attached sheets).

Cost allocated to 2006 = $\$3,708.00 * (11/12) = \$3,399.00$.

Hours worked for COHYST in 2006 = 1,104.00

Hours worked for DNR in 2006 = 92.75

Total hours worked in 2006 = 1,196.75

2006 insurance charged to COHYST = $\$3,399.00 * (1104.00/1196.75) = \$3,135.57$

2005 insurance charged to DNR = $\$3,399.00 * (92.75/1196.75) = \263.43

Richard R. Luckey
Senior Hydrologist



FARMERS®

LUCKEY INSURANCE AGENCY
1300 BROAD ST
MILLIKEN CO 80543
970-587-9260
970-744-4483

Date:
 2/7/2006

Invoice #
 253

Bill To:
 High Plains Hydrology LLC
 7956 S Shawnee St
 Aurora CO 80016
 970-944-9621

Ship To:
 SAME

	Description	Unit Price	Total
	Hudson Specialty Insurance	\$3,000.00	\$3,000.00
	Professional Liability/CGL		
	Inspection and Brokerage fees	\$600.00	\$600.00
<p>If you are Paying in full Please</p> <p>Remit the full amount due.</p> <p>If you are on Monthly payments:</p> <p>You will be billed by Royal Premium.</p>			
Subtotal			\$3,600.00
PAID			
Subtotal			\$3,600.00
Sales tax rate			3.00%
Sales tax on purchase			\$108.00
Total			\$3,708.00

Make all checks payable to Luckey Insurance Agency
 If you have any questions concerning this invoice, please contact:
 BRIAN LUCKEY 970-587-9260

Thank you for your business!



Burns & Wilcox Ltd.

A KAUFMAN GROUP COMPANY

7936 E. Arapahoe Ct, Suite 3000, Englewood CO 80112
 Phone: (303) 804-0200 OR (800) 888-9701 Fax: (303) 804-0207

DATE: 2/7/2006

INSURANCE BINDER

Page 1 of 2

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN BELOW.

INSURED: High Plains Hydrology, LLC
 7956 S. Shawnee St.
 Aurora, CO 80016

B&W PRODUCER: Edmund J Holub
AGENT: Brian R. Luckey
 1300 Broad St
 Milliken, CO 80543

LOCATION(S) OF RISK:

1: 7956 S. Shawnee St., Aurora, CO 80016

POLICY EFFECTIVE FROM: 02/03/06 AT 12:01 AM TO 02/03/07 AT 12:01 AM STD TIME AT RISK LOCATION.

FORM OF COVERAGE: PROFESSIONAL LIABILITY
 Environmental Consultants

CLAIMS MADE Retro Date: 01/03/2006

POLICY NO: FEC6105647

INSURER(S):

Line Of Business	Supplier(s)	Participation
PROFESSIONAL LIABILITY	Hudson Specialty Insurance Company	100.00%

LIMITS / DEDUCTIBLES:

TOTAL CHARGES:

Premium: \$ 3,000.00 Professional Liability
 Fee: \$ 150.00 Policy Fee (Fully Earned)
 Fee: \$ 250.00 Supplier Fee (Fully Earned)
 Fee: \$ 200.00 Supplier Inspection Fee (Fully Earned)
 Tax: \$ 108.00 Surplus Lines Tax - PROFLIAB

TERM MINIMUM PREMIUM:

25.00% EARNED
 MINIMUM PREMIUM = \$750.00

TOTAL: \$ 3,708.00

EXCLUSIONS:

ENDORSEMENTS:

CONDITIONS:



Burns & Wilcox Ltd.

A KAUFMAN GROUP COMPANY

7936 E. Arapahoe Ct, Suite 3000, Englewood, CO 80112
Phone: (303) 804-0200 OR (800) 888-9701 Fax: (303) 804-0207

DATE: 2/7/2006

INSURANCE BINDER

Page 2 of 2

Limits of Insurance: Please note, these limits apply once for the entire policy term and not separately for each Coverage Part.

Applicable to Professional Liability Coverage Part:

\$1,000,000 Damages Limit for Each Occurrence, Wrongful Act or Claim
\$1,000,000 General Aggregate Limit
\$1,000,000 Claims Expense Limit for Each Claim
\$1,000,000 Claims Expense Aggregate Limit

Applicable to Commercial General Liability Coverage Part:

\$1,000,000 General Aggregate Limit (Other than Products-Completed Operations)
\$1,000,000 Products-Completed Operations Aggregate
\$1,000,000 Personal and Advertising Injury Limit
\$1,000,000 Damages Limit for Each Occurrence or Claim
\$ 50,000 Fire Damage Limit (Any One Fire)
\$ 5,000 Medical Expense Limit (Any One Person)

Contractors Pollution Liability Coverage Part:

\$1,000,000 Damages Limit for Each Occurrence, Claim or Pollution Condition
\$1,000,000 General Aggregate Limit
\$1,000,000 Claims Expense Limit for Each Claim
\$1,000,000 Claims Expense Aggregate Limit

Deductibles:

Professional Liability: \$2,500 Per Wrongful Act
Commercial General Liability: \$2,500 Per Occurrence
Contractors Pollution Liability: \$2,500 Per Pollution Condition

Premium: Minimum and Deposit. Rate: \$50.00 per \$1,000 of Gross Receipts. The estimated Gross Revenue used to calculate the premium was: \$60,000.

Endorsements included: Blanket Additional Insured (Not available for Professional Liability); Blanket Waiver of Subrogation (Not available for Professional Liability).

Coverage was bound, subject to Hudson's receipt, review and acceptance of the following items within the next 10 days:

- The ORIGINAL completed, signed and dated Hudson Application, including the Project Description - Supplemental Page
- The ORIGINAL completed, signed and dated Disclosure Statement

PLEASE REVIEW THIS BINDER CAREFULLY AS IT MAY DIFFER FROM COVERAGES AND LIMITS REQUESTED.

THIS COMPANY BINDS THE KIND(S) OF INSURANCE STIPULATED HEREIN. THE ABOVE COVERAGES ARE THE ONLY COVERAGES BOUND. ANY COVERAGE REQUESTED IN THE APPLICATION THAT DIFFERS FROM THE ABOVE IS NOT INCLUDED. THE INSURANCE IS SUBJECT TO THE TERMS, CONDITIONS, LIMITATIONS, AND FORMS OF THE POLICY(S) IN CURRENT USE BY THE COMPANY. THIS BINDER IS CANCELLED SIXTY (60) DAYS FROM THE EFFECTIVE DATE OR WHEN REPLACED BY A POLICY, WHICHEVER COMES FIRST.

THE AGENT MUST READ THIS CERTIFICATE AND IF NOT CORRECT RETURN IT IMMEDIATELY TO BURNS & WILCOX, LTD.

BY: Donald L. Kasper, Authorized Representative