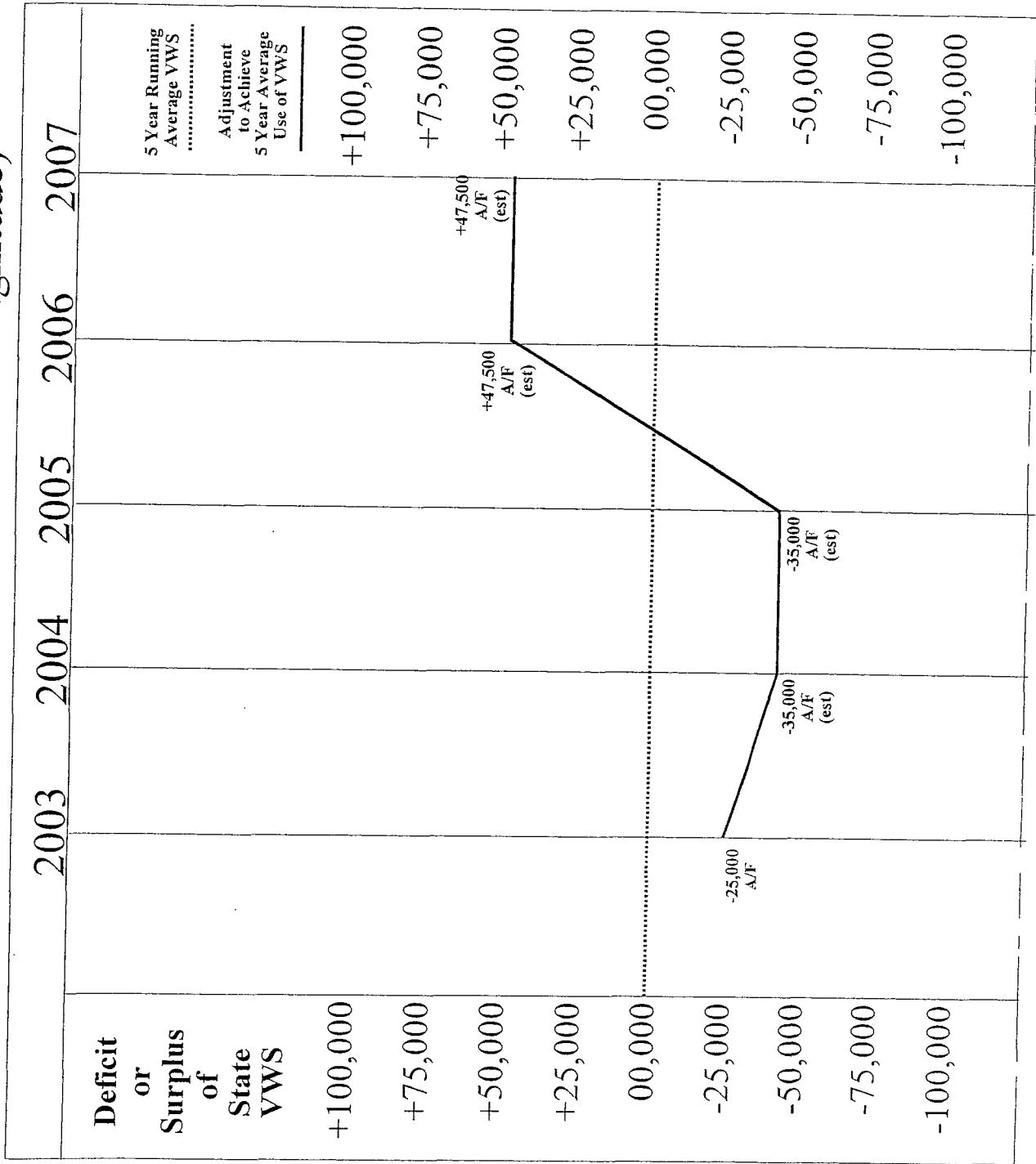


DRAFT - RRCA COMPLIANCE HOLE - 2003 THROUGH 2007

(Estimate of Potential Basin Problem Magnitude)



DRAFT 05/03/04
(modified as noted below)
URNRD RRCA SETTLEMENT COMPLIANCE PROPOSAL

**Plan A - Preferred Long Term Approach for Normal or Above Normal
Precipitation Periods**

1. Uses Voluntary Compensated Temporary and Permanent Retirement of Acres to reduce Pumpage.
2. Pumpage Reduction Goal is 5 % of 531,000 Acre Feet moving toward a 10% Reduction.
3. All Funding Options will be used to the fullest extent possible including:
 - a. Federal - Equip, CRP, CREP, and other as identified
 - b. State - NSWCP and other as identified
 - c. Local -

	Fee - \$	Fee - Carryforward "
Base Allocation Level	No Charge	-
Base plus Level 1	\$X.XX+	-
Base plus Level 2	\$X.XX++	-
Base plus Level X	\$XXX+++	X"
Base plus Level X+	\$X.XX++++	X+"

(Escalating Scale in both Dollars and Carryforward for higher usage to be Identified)
 - d. Possibly support a program of Well Pumping to agument storage in Harlan County Reservoir in Year 5 of the Accounting Period, 2007; and
 - *e. If this is not enough regulate the Quick Response Wells as necessary.

**Note: 3e above, was not part of the proposal approved by the Board but was added later by the Committee.*

Plan B - Water Short Year Administration - 2005, 2006 and 2007 possibly

4. The first WSYA will be the most difficult due to:
 - a. the extreme drought and
 - b. that we have nothing in place to limit pumpage.
5. If the drought continues this will probably be the most difficult situation we have to handle.
6. WSY Draft Proposal -
 - a. Reduce Pumping by 10% by Allocating to 90% or less of the Certified Acres;
 - b. Or reducing the Allocation for those years to 12.5 inches;
 - c. And reducing the pumpage in the Quick Response Well Areas by 50%;
 - d. Possibly support a program of Well Pumping to agument storage in Harlan County Reservoir in Year 5 of the Accounting Period, 2007; and
 - e. If this is not enough regulate the Quick Response Wells as necessary.

change per acre-inch



NEG-Com III

Hypothetical Draft 1

CERT. AC.	448716	426280	13.850	
% WET AC.	95.0%			
WET AC.	426280.2 FUNDS GENERATED BY USE:	100%		
FEE ST. >	7.0 OVER BASE			
A.F. @ 7")	248663 % ACRES PUMPING ADD'L.			
	<i>A.F.</i>			
		3.5	1.50	124332
		10.5	5.25	\$5.25
		2.0	2.00	56837
		12.5	4.00	\$9.25
		1.5	2.50	26643
		14.0	3.75	\$13.00
		4.0	3.00	28419
		18.0	12.00	\$25.00
		2.0	4.00	7105
		20.0	8.00	
				\$33.00 /acre if you wanted to pump 2d"

CUMULATIVE PUMPAGE: 491998

243,335 A.F. \$5,765,440

% AC. "/AC.

80%

50%

20%

10%

ALLOCATION TO 95% OF 448,716 OF CERTIFIED ACRES

Neg Com IV

Hypothetical Draft 2

CERT. AC.	448716					14.200	
% WET AC.	100.0%	448716	% AC. "/AC.			381,409	\$6,371,767
WET AC.	448716				A.F.		
FEE ST.->	4.0 FUNDS GENERATED BY USE: 100%		BASE CHARGE OVER 4" MIN.:	5.00			\$2,243,580
A.F. @ 7")	149572 OVER BASE			0.00	112179		
	% ACRES PUMPING ADD'L.	100%		0.00	\$5.00		
				0.00	74786		
		80%		0.00	\$5.00		
				1.00	149572		1,794,864
		20%		5.00	\$10.00		
				4.00	29914		1,435,891
		10%		16.00	\$26.00		
				5.00	14957		897,432
				20.00			
						\$46.00	

for 22 inches

ALLOCATION TO 100% OF 448,716 OF CERTIFIED ACRES
ANY USE OVER 4.00" TRIGGERS \$5.00 BASE FEE.

1992 to 2002 Water Use as a % of Total Acres

compiled by Sid Bartels May 2004

	1993	1994	1995	1996	1997	Total Acres 93	Total Acres 94	Total Acres 95	Total Acres 96	Total Acres 97	District Total Acres
4" or Less	27.48%	2.35%	4.39%	10.62%	3.20%	125165	10689	20013	48381	14567	455472
5" to 7"	34.66%	6.96%	9.01%	30.83%	8.75%	157877	31715	41049	140413	39841	
8" to 11"	28.23%	24.80%	28.49%	35.42%	31.70%	128597	112060	129776	161326	144385	
12" to 15"	5.88%	34.10%	36.64%	14.60%	33.06%	26781	155302	166872	66498	150517	
16" to 17"	1.08%	11.77%	10.36%	3.66%	11.28%	4935	53601	47201	16662	51380	
18" to 20"	0.75%	9.66%	5.19%	2.12%	9.64%	3394	44111	23639	9646	43888	
>20"	0.43%	7.00%	2.13%	1.04%	7.73%	1963	31863	9696	4730	35200	
						448712	439341	438246	447656	479798	

	1998	1999	2000	2001	2002	Total Acres 98	Total Acres 99	Total Acres 00	Total Acres 01	Total Acres 02	District Total Acres
4" or Less	2.75%	5.63%	1.12%	2.34%	0.66%	12,385	25,349	5,054	10,552	2,967	450531
5" to 7"	7.43%	20.64%	1.57%	6.82%	1.88%	33,488	92,982	7,069	30,730	8,480	
8" to 11"	25.65%	46.42%	7.20%	24.92%	7.88%	115,098	209,151	32,429	112,263	35,481	
12" to 15"	32.63%	22.11%	22.45%	37.15%	19.70%	147,010	99,630	101,137	167,394	88,775	
16" to 17"	11.81%	2.39%	18.04%	13.53%	15.16%	53,196	10,767	81,259	60,948	68,317	
18" to 20"	10.23%	1.10%	24.67%	8.69%	24.83%	46,110	4,949	111,133	39,149	111,847	
>20"	7.92%	0.33%	23.58%	5.12%	28.82%	35,690	1,487	106,250	23,046	129,864	
						442,977	444,315	444,331	444,082	445,731	