

**FRENCHMAN VALLEY IRRIGATION DISTRICT  
PO BOX 297  
CULBERTSON, NE 69024  
(308)278-2125**

March 13, 2006

Dear Frenchman Valley Landowner:

A meeting of qualified landowners of the Frenchman Valley Irrigation District has been scheduled for Thursday, March 30, 2006 at 10:00 A.M. at the Culbertson Fairgrounds Community Building, Railroad Street. At that time there will be a general presentation regarding a proposed Memorandum of Agreement with the State of Nebraska to release the use of the District's water supply (natural flow) for the 2006 water season.

It is estimated that the agreement will result in a State payment of \$400,000.00 - based on \$50.00 per acre foot for 8000 acre feet reflected by an average of natural flow diversions for the years 2001 to 2005. This will break down to approximately \$43.00 per acre.

Representatives of the State of Nebraska and others who may be able to assist in a complete understanding of the terms and conditions and how the agreement will affect qualified landowners will be present.

Only qualified \* landowners will be issued ballots at the meeting and allowed to vote on the question of acceptance or rejection and only those landowners present at the meeting shall be allowed to vote. The results of the election from those attending and voting will be the basis for determination of the final action by the Frenchman Valley Board of Directors.

---

Clarence Jankovits Jr., President  
Frenchman Valley Irrigation District

\* "Qualified" landowners are those landowners eligible to vote in any regular election. Voters must have at least 15 acres to be an eligible voter. If land is listed husband and wife, joint owners, they each have a vote unless acreage is less than 30, then only one or the other is entitled to vote.

3-13-2006

Conference Call to discuss MOA proposal + Evap. Proposal

55:31 time

Kansas

Nebraska

Lee Rolfs

Ann Bleed

David Bartfield

Brad Edgerton

John Draper

Justin Lavene

David Pope

David Cookson

Mike Thompson

Ann Diers

Cookson - Thought we would have something simpler  
no need for a full fledged MOA - just a letter

#3, 5, 6 are ~ OK with NE

#1+2 would actually be in a MOA between  
Bureau + 2 districts

Nebr would honor and protect the water  
as it goes to Kansas

Paragraph 4 - evap. is a no-go for Nebraska

Pope - why not a MOA - Cookson - don't want any interference  
with state - District MOA

Argument over Evap. split ensues

Cookson - Substitute Supply argument - 2004 no deliveries  
were made, but wells were allowed.

Pope - Superior Canal did get water, but now they  
won't and the wells will pump. KS looks at that  
as an alternate supply, because they may incrementally  
pump more to make up for the loss of surface  
water

☒  
Dave C. & Ann B. - these wells were used before  
settlement & went in before the moratorium

V. b. 2 a. Water Short Year Administration  
... diverting at or above Guide Rock ...  
Dry Year Leasing ... one or more  
of the following measures ... we are  
doing ~~it~~ <sup>in TY</sup> according to Dave Cookson

David Cookson thinks we should leave it  
without evap. discussions, because we are  
nowhere near agreement. He offered Justin  
Lavigne draft a letter with 3, 5 & 6 as  
modified by Nebraska. ↘

Pope - ~~as~~ a bare minimum KS would want some  
neutral language in the letter that  
they are not committing to any  
particular method to compute  
evaporation. It takes unanimous action  
to modify accounting procedures. What if  
we skip the proposed evap for 2006, but adopt  
something for after 2006?

Bleed - We should continue to discuss

We will see what happens