ASSIGNMENT OF WATER RIGHTS

This Assignment made this 22nd day of March, 1993, by and between the UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT, a conservancy district organized under the laws of the State of Colorado, having its principal place of business at Gunnison, Colorado, Assignor, hereinafter referred to as the Gunnison District, and the UNITED STATES OF AMERICA, Department of the Interior, Assignee, hereinafter referred to as the United States; and

WHEREAS, the parties hereto entered into a contract dated April 16, 1990 (1990 Contract), wherein the Gunnison District agreed to assign to the United States any decree held by it for the use of or storage of any water in Taylor Park Reservoir;

NOW, THEREFORE, the Gunnison District in consideration of the sum of One Dollar and other good and valuable consideration does hereby assign, set over and transfer unto the United States all of the right, title and interest of the Gunnison District in and to the absolute and conditional water rights, and priorities incident thereto, awarded by the following described decree:

Judgment and Decree in Case No. 86CW203 in the District Court, Water Division No. 4, Colorado dated September 18, 1990, and amended by Order dated November 13, 1990, Concerning the Application For Water Rights of the Upper Gunnison River Water Conservancy District in Gunnison County, Colorado, for the right to refill Taylor Park Reservoir for a total amount of 106,230 acre feet with date of appropriation of August 28, 1975, as follows:

A. A total refill right of 106,230 acre feet for recreational purposes including fishery and wildlife while the waters are impounded in Taylor Park Reservoir and for fishery and recreational uses of the Taylor and Gunnison Rivers above Blue Mesa Reservoir, of which 44,700 acre feet was adjudicated absolute and the remaining 61,530 acre feet was decreed to be conditional for the aforesaid uses and purposes.

B. Of said refill right for 106,230 acre feet, 19,200 acre feet shall have the additional use for increased and supplemental irrigation within the Gunnison District, and of said 19,200 acre feet, 13,777 acre feet was awarded an absolute decree (as part of the 44,700 acre feet previously declared absolute above) and the remaining 5,423 acre feet awarded a conditional decree for irrigation
uses; said 5,423 acre feet conditional water right may be declared absolute to the extent any portion of the total refill right for 106,230 acre feet which has not already been awarded an absolute decree for the additional use of irrigation is applied to the beneficial use of irrigation. (See Order Granting Motion to Amend Judgment dated November 13, 1990).

The within Assignment is made by the Gunnison District and accepted by the United States, upon the condition that the water right assigned shall be utilized by the United States under the following terms and conditions:

1. The water right shall continue to be used and held for the purposes adjudicated in the aforesaid decree and subject to the provisions of the Taylor Park Reservoir Storage Exchange Agreement dated August 28, 1975 (1975 Agreement) and the 1990 Agreement or any subsequent operational agreement(s) between the United States, the Gunnison District, the Colorado River Water Conservation District (Colorado District) and the Uncompahgre Water Users Association (Association), and for no other purposes.

2. The United States and the Gunnison District shall each cooperate in an effort to apply the maximum amount of the conditional water right to the stated beneficial uses until an absolute decree has been obtained therefor. In this regard, the parties shall meet not less frequently than annually to review the status of actual beneficial use to such date and to plan to apply the remainder of said conditional decrees to such uses. Because of the mutual interests of the parties in the subject water right, the party who, in accordance with Paragraph 3, below, files the necessary application or applications for finding of diligence or to make conditional decree absolute, as appropriate, shall, as may be necessary for proof in connection therewith, be entitled to utilize the work of the other party related to diligence or actual use. Such other party shall, upon request of the party filing such application, furnish the requesting party with all information related to such activities.

3. The United States shall hereafter be responsible for preparing, executing and filing the necessary Application or Applications for Finding of Diligence or to Make Conditional Decree Absolute, as appropriate, with the District Court, Water Division 4, State of Colorado, until all of said water right has either been made absolute or until the United States decides not to pursue it. In the event the United States has not filed any such application by one year prior to the date that such application must be filed, and the Gunnison District desires to file the application itself, the Gunnison District shall notify the United States of its intent to file the application. If, following such notification, the United States still has not filed any such application by 6 months
prior to the date that the application must be filed, the District may file the application itself.

IN WITNESS WHEREOF the parties hereto have caused this Assignment to be executed the day and year first above written.

Attest:

[Signature]
Secretary

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

By: [Signature]
President

Approved:

[Signature]
Regional Solicitor’s Office
Department of Interior

THE UNITED STATES OF AMERICA

By: [Signature]
Regional Director
Bureau of Reclamation

STATE OF COLORADO

COUNTY OF GUNNISON

On the 2nd day of March, 1993, personally appeared before me, William S. Trampe and Mark Schumacher, who being by me duly sworn did say that they are the duly appointed, qualified and acting President and Secretary, respectively, in and for the Upper Gunnison River Water Conservancy District, a conservancy district organized under the laws of the State of Colorado and that the within and foregoing instrument was signed on behalf of said District by the authority of a Resolution of the Board of Directors of said Upper Gunnison River Water Conservancy District and that said District executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Witness my hand and official seal:

My Commission expires: Jan. 22, 1977

(SEAL)

Notary Public