



Board of County Commissioners

Lincoln County, Nevada

P.O. Box 90—Pioche, Nevada 89043

Telephone (775) 962-5390

Fax (775) 962-5180

COUNTY COMMISSIONERS

Ronda Hornbeck, Chair
Wade Poulsen, Vice Chair
Paul Mathews
George T. Rowe
Bill Lloyd

DISTRICT ATTORNEY

Gregory J. Barlow

COUNTY CLERK

Lisa C. Lloyd

December 19, 2007

Southern Nevada Water Authority
Attn: John Entsminger
100 City Parkway, Suite 700
Las Vegas, Nevada 89106

Dear Mr. Entsminger,

In the Agreement dated April 17, 2003 ("2003 Agreement") between Lincoln County, the Southern Nevada Water Authority (the "Authority") and Las Vegas Valley Water District (the "District"), it is understood that Lincoln County is entitled to an amount not to exceed 3,000 acre feet of water from any permit and/or certificate granted pursuant to the District's and/or Authority's applications within the following basins:

Basin 180 — Cave Valley
Basin 181—Dry Lake Valley
Basin 182—Delamar Valley
Lincoln County Portion of Basin 184—Spring Valley.

It is further understood that if the State Engineer grants the Authority and/or District to appropriate and divert over 30,000 acre-feet of groundwater from the Authority and/or District applications within Delamar, Dry Lake and Cave Valleys, then Lincoln County has a right to fifteen percent (15%) of any of said permits and /or certificates above the 30,000 acre-feet granted.

At a special meeting of the Lincoln County Commission held December 19, 2007, the Board of County Commissioners identified that any and all water received by Lincoln County under the 2003 Agreement would be put to beneficial use within Lincoln County for projects identified within Lincoln County's Master Plan, including projects and

development within the Coyote Springs-Lincoln County General Improvement District. At present, the Lincoln County Master Plan does not anticipate any projects or development within Delamar, Dry Lake, and Cave Valleys, and/or the Lincoln County portion of Spring Valley. Further, Lincoln County has not identified any public lands within Delamar, Dry Lake, Cave and/or Spring Valleys for release in accordance with the 2004 Lincoln County Conservation, Recreation and Development Act.

If you have any questions or need further information regarding Lincoln County's proposed use of the water under the 2003 Agreement please call Chairperson Ronda Hornbeck at (775) 962-5202 or (775) 962-1886.

Sincerely,



Ronda Hornbeck, Chairperson
Lincoln County Board of Commissioners