

AGREEMENT

This Agreement is entered into by and between the Lower Gunlock Reservoir Corporation, a Utah non-profit mutual water company (“Corporation”), the Utah Division of Wildlife Resources (“Division”), and the Washington County Water Conservancy District (“District”).

Recitals

A. The Corporation and the Division entered into a written Contract dated March 20, 1970 for the joint financial participation, construction and use of the Gunlock Reservoir located on the Santa Clara River in Washington County, Utah, providing among other things a contractual right for a sport fishery conservation pool in said Reservoir for the benefit of the Division.

B. The March 20, 1970 Contract was amended and superceded by an Amended Contract dated June 10, 1981 whereby the parties reallocated the fish conservation pool and active storage pool in Gunlock Reservoir. A copy of the 1981 Amended Contract is attached hereto as Exhibit A and incorporated by reference herein.

C. The parties wish to implement the Santa Clara Project Agreement which is intended to:

1. Conserve water and provide more dependable supplies for water users below Gunlock Reservoir;
2. Settle the water right claims of the Shivwits Band of Paiute Indians; and,
3. Provide certain instream flows in the Santa Clara River below Gunlock Reservoir for the Virgin River Spinedace.

A copy of the Santa Clara Project Agreement is attached hereto as Exhibit B and incorporated by reference herein.