2. The District shall be responsible for the preparation and filing of any necessary applications, permits and approvals for the Sand Hollow Project and shall prepare and process appropriate applications and instruments to obtain approval of the Utah State Engineer for the storage and maintenance, by the District, of said conservation pool, including, if necessary, an application for change in place or nature of use of said water. The Division shall cooperate in executing any appropriate instruments or applications necessary to facilitate gaining approval of the State Engineer for storage of the conservation pool.

3. The District shall retain the sole right to operate Sand Hollow Reservoir according to its needs, so long as the conservation pool capacity remains continuously available to the Division each and every year. The 1,086 acre feet of capacity for the conservation pool shall be stored within one year after final completion of reservoir construction, provided the availability of water is sufficient to accomplish such storage.

4. The Division will have exclusive use of the conservation pool in place for fish and wildlife purposes. The Division shall consult with the District regarding the species of fish that are stocked in the reservoir. The District agrees that it will not withdraw any water from the conservation pool in said reservoir to which the Division is entitled under this Agreement, and that it will continue to allocate from its water rights necessary water to offset losses to the conservation pool by seepage, transpiration or evaporation. The District will not incur liability for withdrawal of water from the conservation pool as may be required by the State Engineer for repairs to the reservoir or other purposes as may be determined by the State Engineer. To