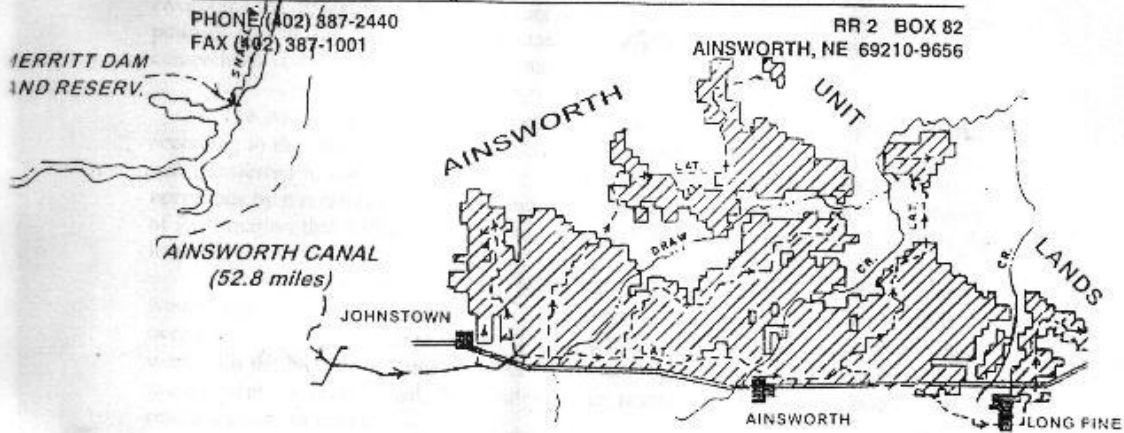


AINSWORTH IRRIGATION DISTRICT



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AINSWORTH, NE 69210-9656

January 9, 2004

Mr. Rex Amack
Nebraska Games & Parks Commission
P O Box 30370
Lincoln NE 68503

In Re: Agreement between Ainsworth Irrigation District
and Nebraska Game & Parks Commission

Dear Mr. Amack:

Please be advised that we are writing to you and enclosing herewith copies of our proposed Grant of Perpetual Conservation Easement, a copy of the Operating Agreement and the Agreement to adopt and execute those documents between the Ainsworth Irrigation District and the Nebraska Game and Parks Commission. Also, enclosed are copies of a letter from the Bureau of Reclamation to the Nebraska Game and Parks Commission and a letter from Governor Mike Johanns to the Ainsworth Irrigation.

Both the Grant of Perpetual Conservation Easement and the Operating Agreement are patterned nearly identical to the Agreement that the Nebraska Game and Parks Commission entered into with the Loup Basin Reclamation District when they obtained for management of Sherman Reservoir following the transfer of title from the Bureau of Reclamation. As you know the Ainsworth Irrigation District is in the process of

obtaining such transfer of title to the Ainsworth Irrigation District from the Bureau of Reclamation. Those issues which have been raised from the public and agency environmental assessment scoping process and those issues which Rex Amack has pointed out in his June 10, 2003 statement of issues, are being addressed in a comprehensive and detailed environmental assessment.

The Ainsworth Irrigation District will continue to operate the Irrigation District according to the standard operating procedures established when operation of the project was transferred to the District in 1967. The District will be held to a strict standard of operations by a means of a Memorandum of Understanding entered into with the Bureau of Reclamation that will become part of the federal legislation required to authorize the transfer.

We are at the point with the Nebraska Game and Parks Commission that we would appreciate it if you would move this matter along, since we have been at this for over a year now. Be assured that the Ainsworth Irrigation District is ready and willing to work with the Nebraska Game & Parks Commission to protect the public interest in the management of recreational, fish and wildlife resources for the best benefit of the resources and our citizens.

Your help and cooperation is appreciated. Thank you.

Sincerely,



Brent Johnson
President Ainsworth Irrigation District

pc: Dr. Mark Pinkerton
Randy Stinnette
Connie Lapascotes
Bill Grewcock
Marv Westcott
James Stuart, Jr.
Gary Parker
Bill Zutavern