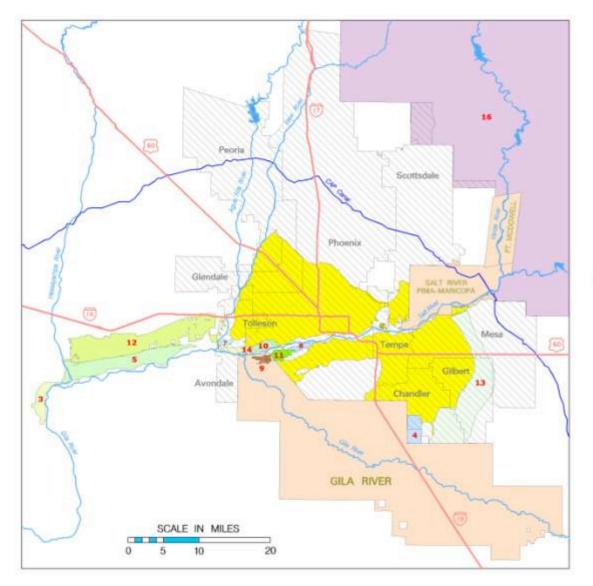


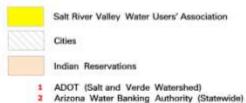
Salt River Project

- Salt River Valley Water Users Association
 - ✓ Established in 1903
 - √ ~ 400 sq. mi. service territory
 - \checkmark > 620,000 shareholders
 - √ ~1 million acre feet of annual deliveries
- Salt River Project Agricultural Improvement and Power District
 - ✓ Established in 1937
 - ✓ Electric service area 2,900 sq. mi.
 - √ ~825,000 electrical customers





Salt River Valley Water Users' Association and Contract Lands

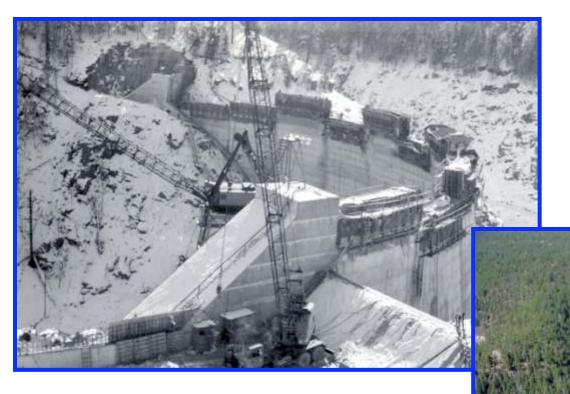


- Arlington Canal Company
- Bogle Farms
- Buckeye Water Conservation District
- CAWCD (Maricopa, Pima, Pinal Counties)
- Lakin Cattle Co.
- Maricopa Garden Farms
- Maricopa Indian Lands, Haggard Decree
- New State Irrigation District
- 11 Penisula Horowitz Irrigation District
- 12 Roosevelt Irrigation District
- Roosevelt Water Conservation District
- Saint Johns Irrigation District
- 15 San Carlos Reservation (Phelps Dodge)
- 16 Tonto National Forest

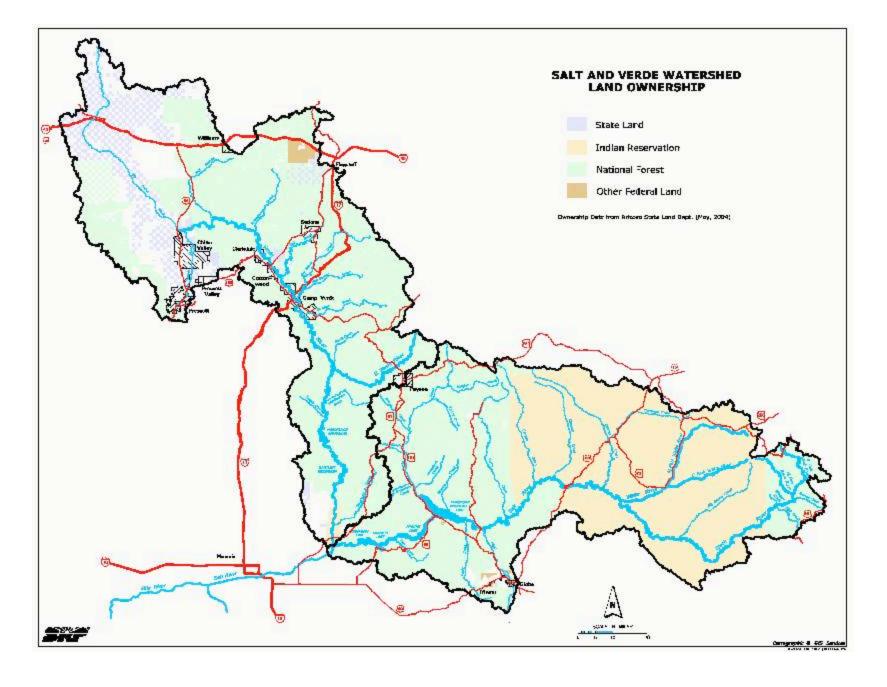
Salt River Project

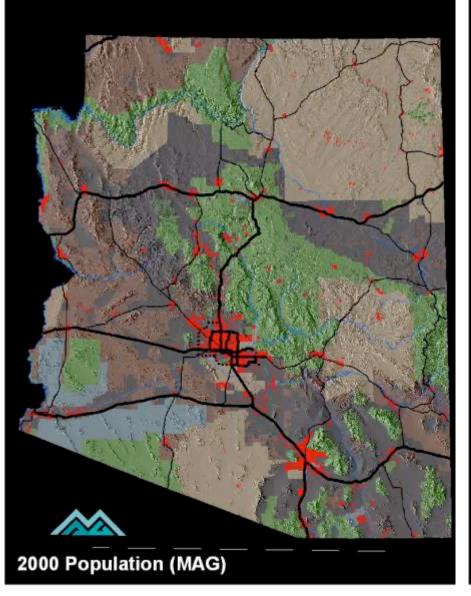
- ◆ Normal flow Kent Decree Rights
 - √ 151,000 acres (825,000 acre-feet)
 - ✓ 1869 to 1909
- Stored flood waters
 - √ 6 reservoirs (2.3 MAF)
 - ✓ 1893 to 1910

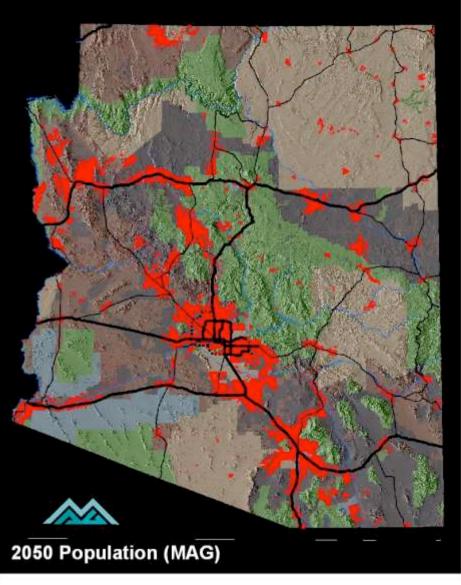
C.C. Cragin (Blue Ridge) Reservoir

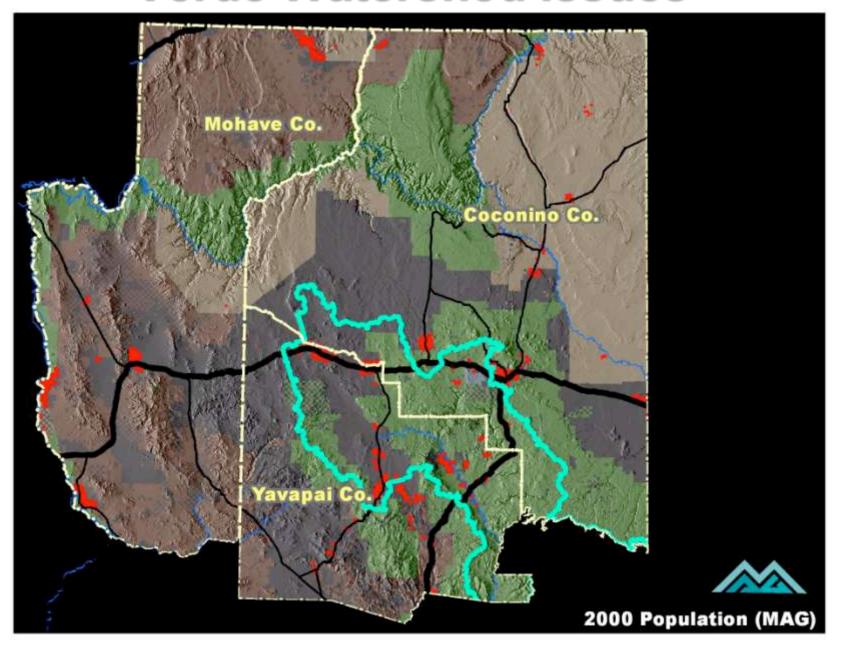


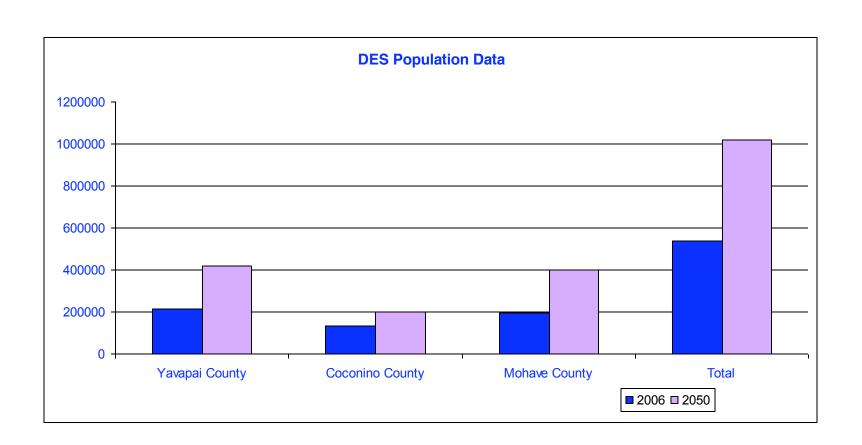


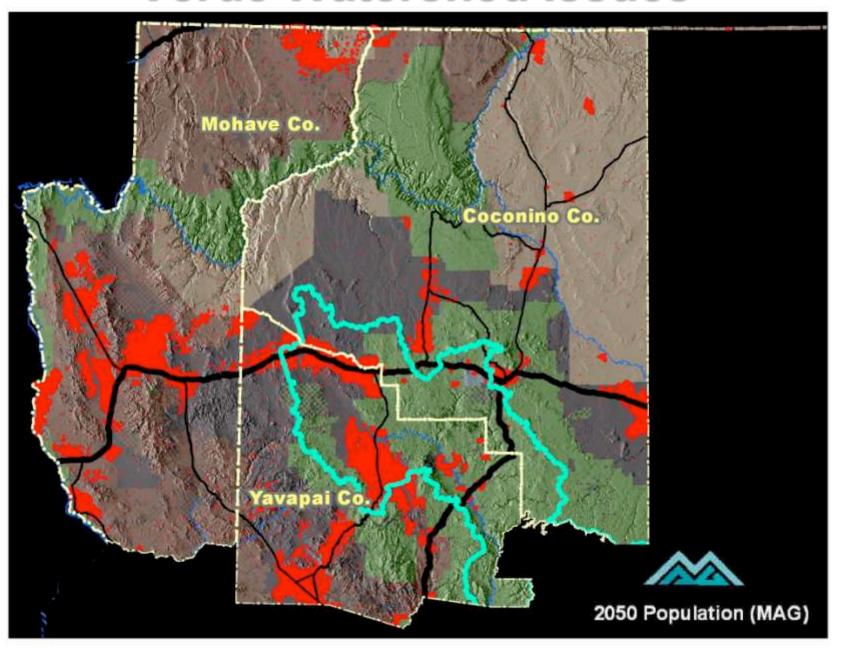


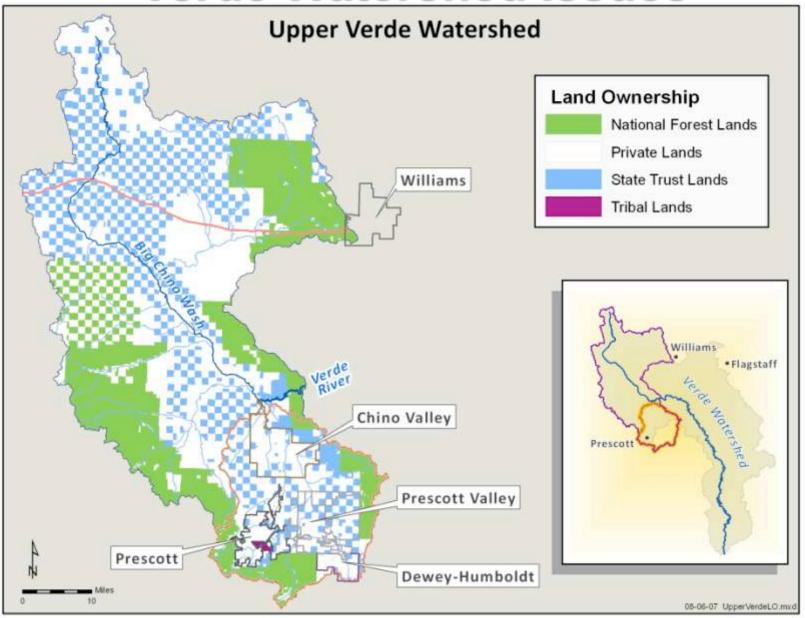






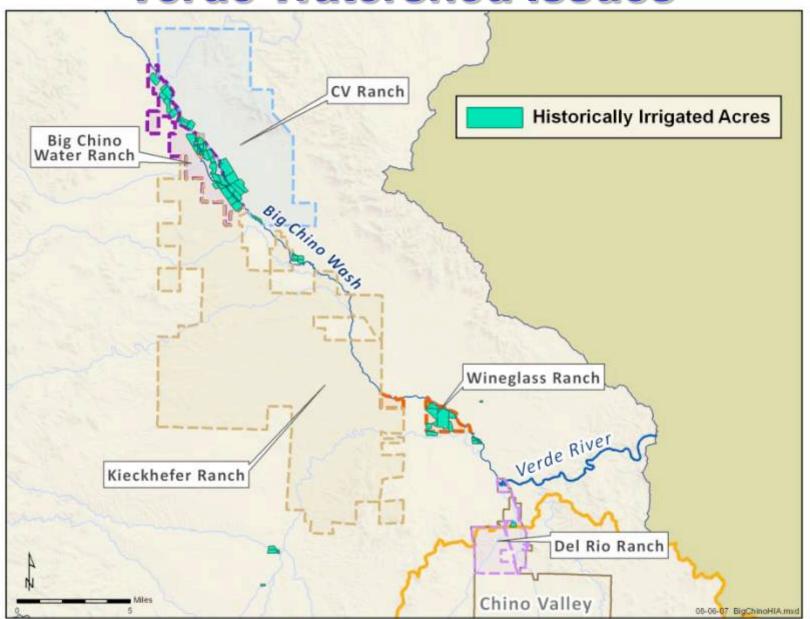


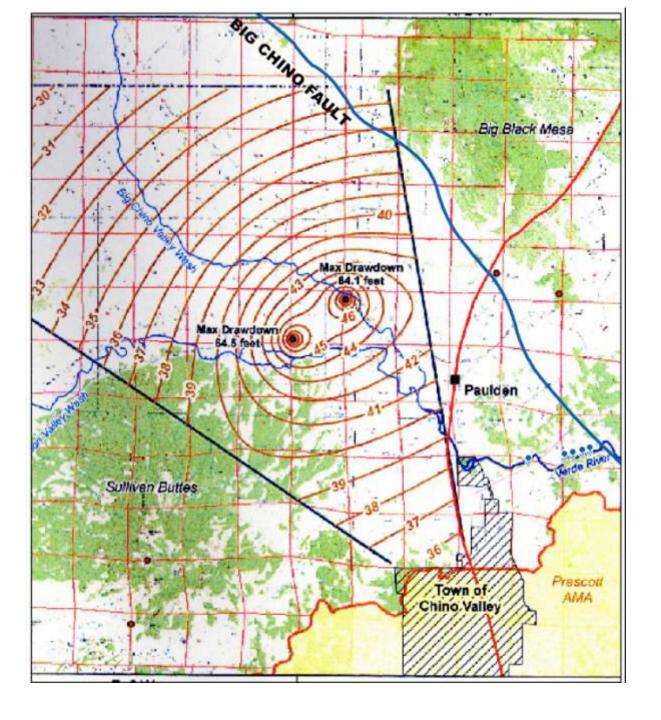




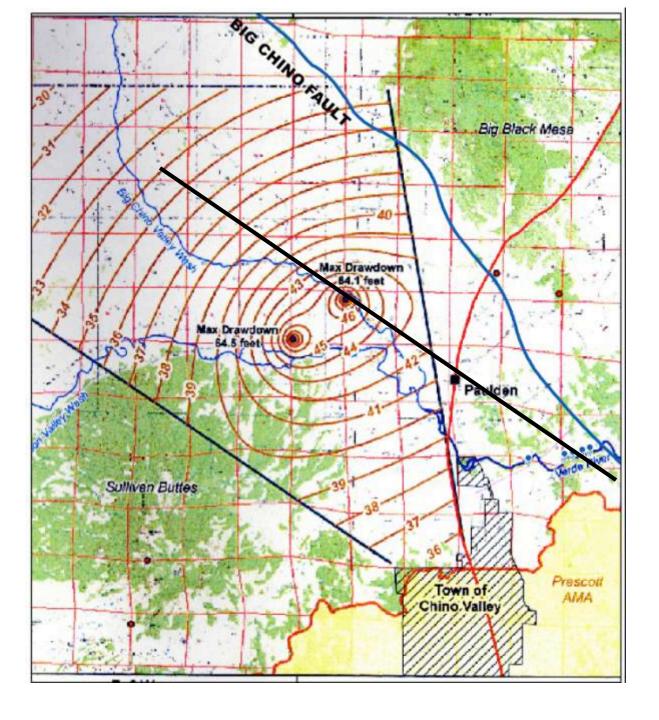
Big Chino Sub-Basin Water Transfer

- ◆ State law permits out of basin transfers to Prescott AMA
 - √ 3 af/ac associated with historically irrigated farm land (HIA lands) by cities or towns (HIA water)
 - ✓ Up to 14,000 af/yr by Prescott (Exemption water)
- **◆ Current transfer plans**
 - ✓ Prescott (sale to Prescott Valley) up to 12,400 af/yr from Big Chino Water Ranch
 - ✓ Chino Valley up to 8,000 af/yr from Wineglass Ranch (Chino Grande LLC agreement)

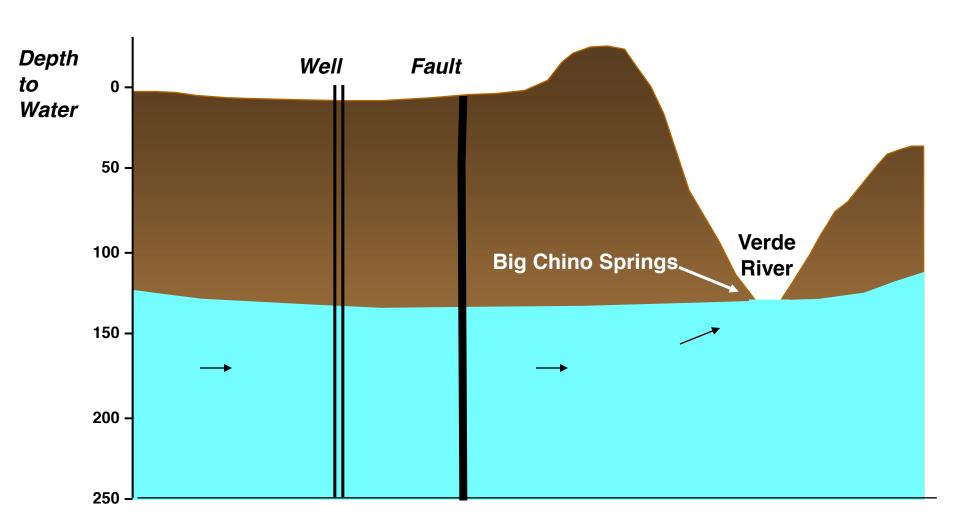


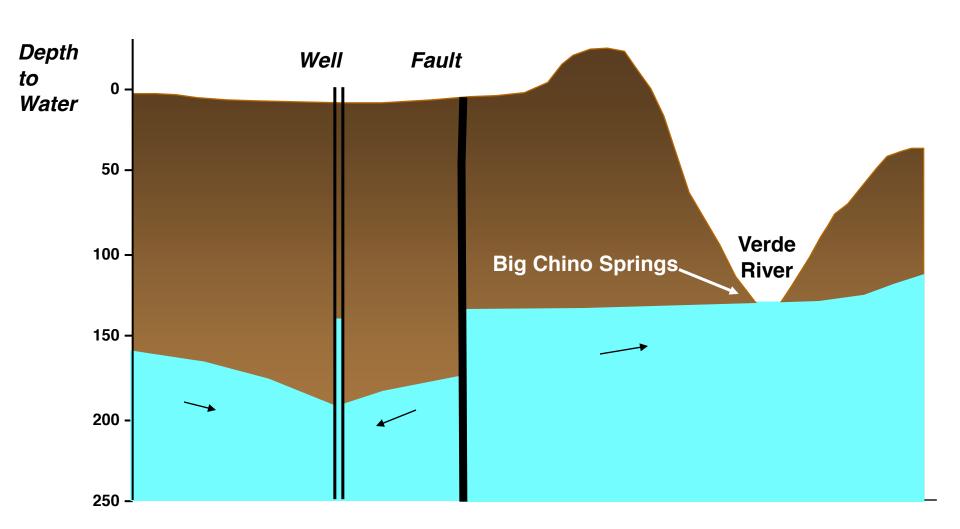


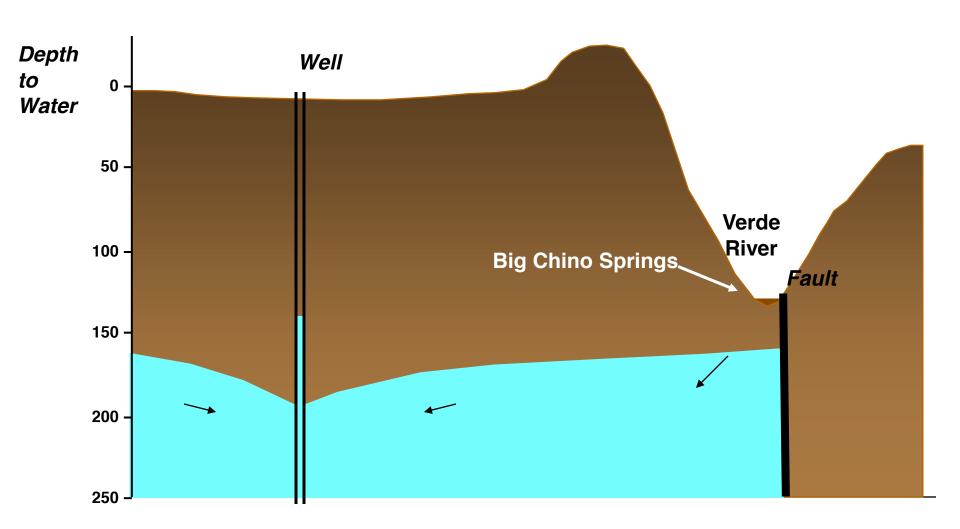
Chino Valley
Groundwater
Modeling Report
for Application for
Analysis of
Groundwater
Availability

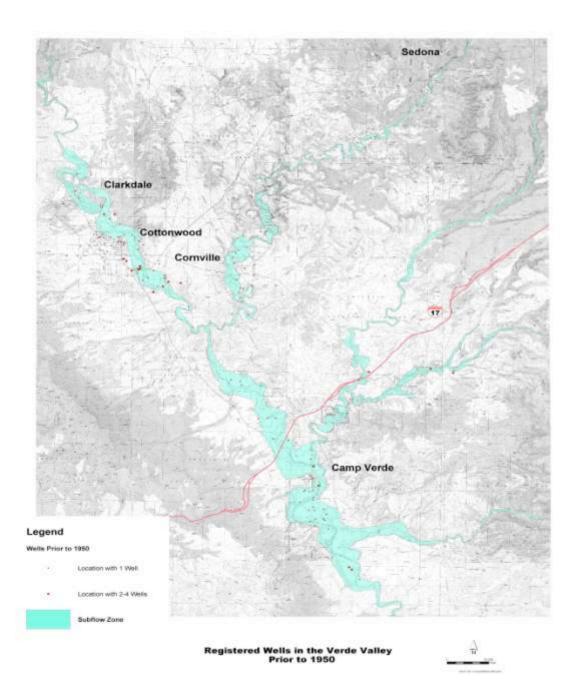


Chino Valley
Groundwater
Modeling Report
for Application for
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Groundwater
Availability



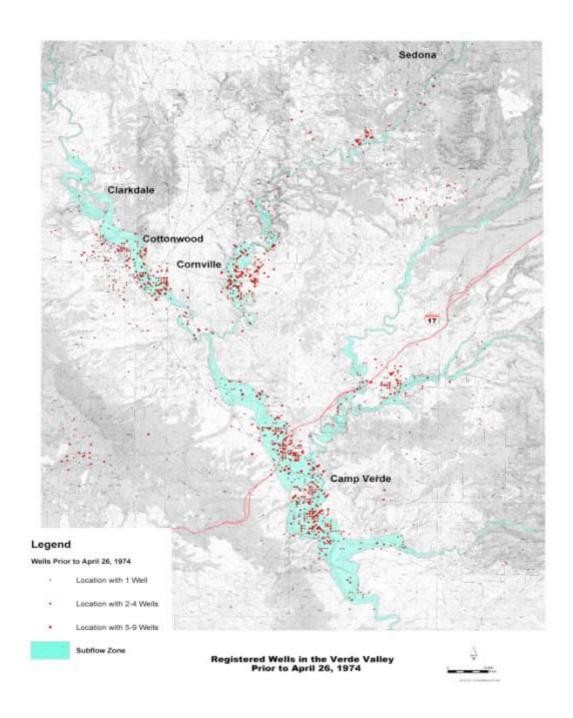




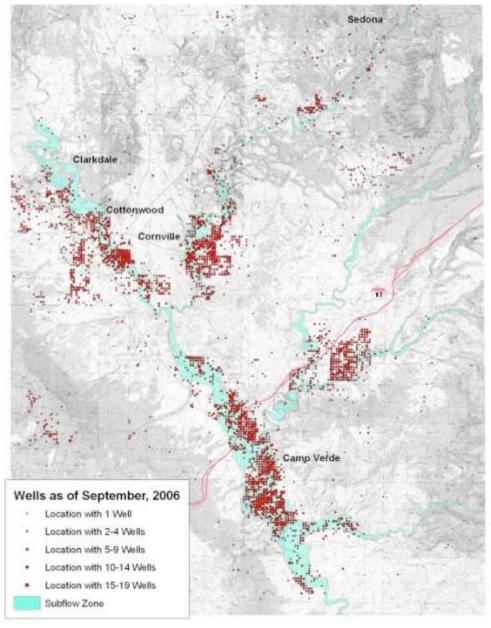


Verde Valley Wells as of 1950:

190 Wells



Verde Valley Wells as of 1974: 1,900 Wells



Verde Valley Wells as of 2006:

6,300 Wells

Registered Wells in the Verde Valley as of September, 2006

Verde Valley Orders to Show Cause

- ◆ Nine cases filed in April 2004
 - ✓ Three resolved
 - □ Shield Ranch injunction in favor of SRP
 - □ Leslie settlement agreement
 - □ Verde River Ranch settlement agreement
 - ✓ Three in settlement discussions
 - □ River Ranch Estates, Robinson and Chester-Campbell
 - √ Trial delayed
 - □ Kovacovich
 - □ Wiertzema
 - NBJ Ranch

Shield Ranch Inc.



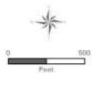
- Approximate parcel boundary
- Irrigated areas without historic water right



Verde River Ranch, LLC and Squaw Peak Ranch, LLC Severance and Transfer

Exhibit B





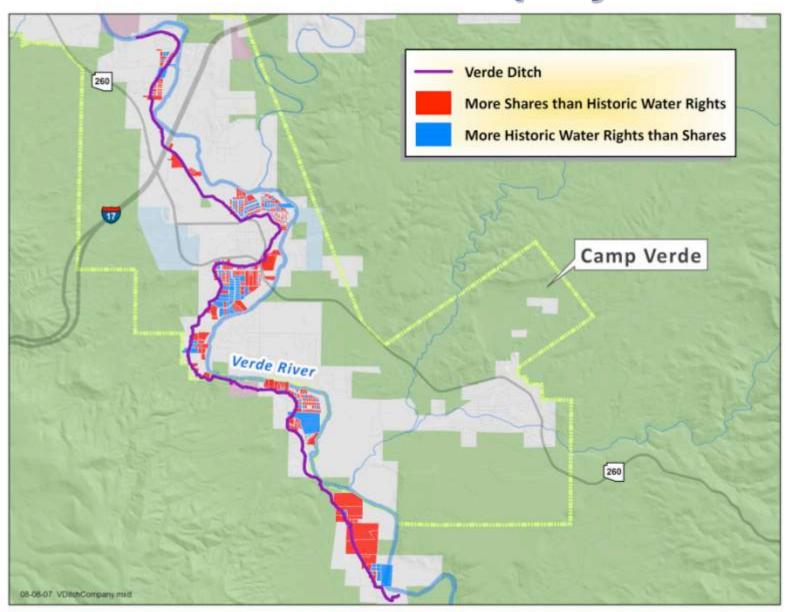
NE4 Section 28 T13N RSE Photo date August 30, 2002



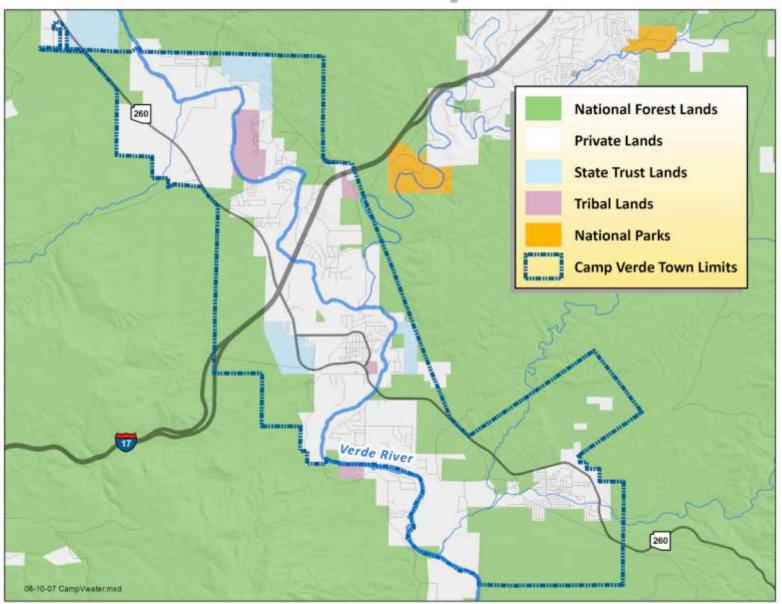




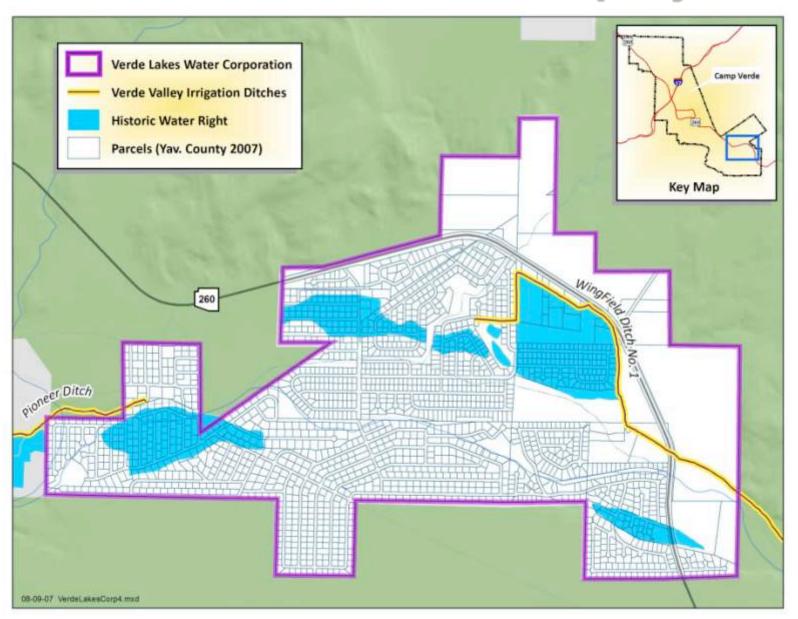
Verde Ditch Company

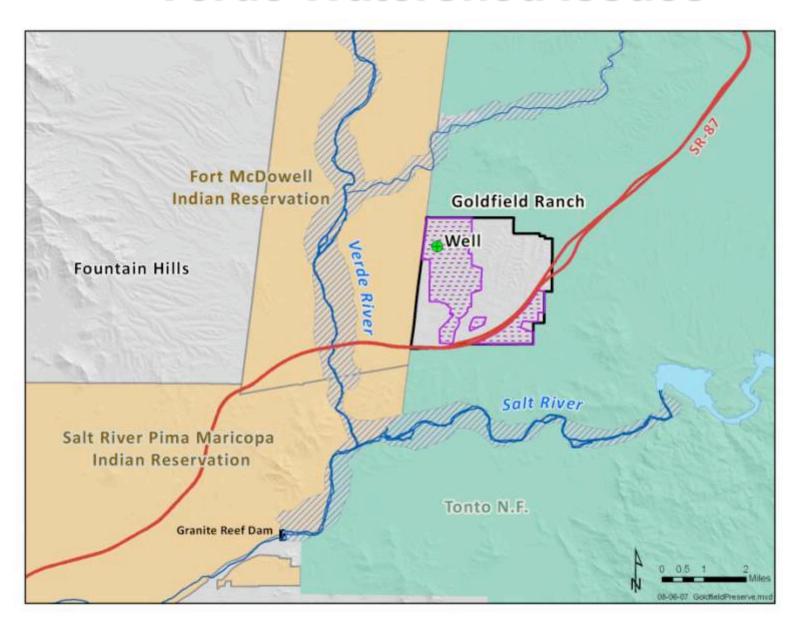


Town of Camp Verde



Verde Lakes Water Company





Questions?