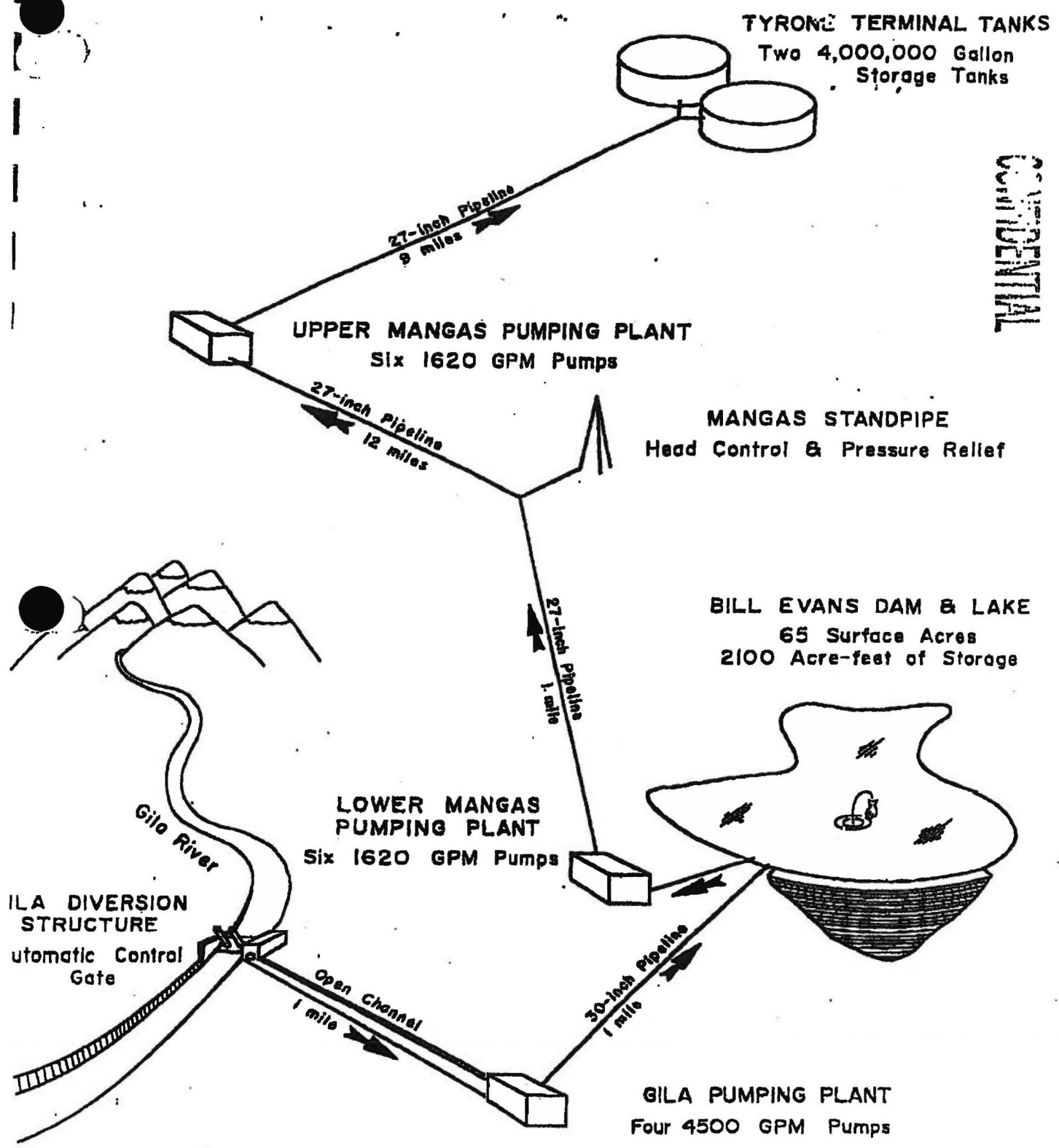
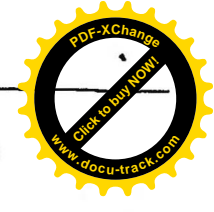
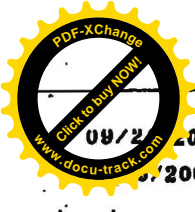


CONFIDENTIAL



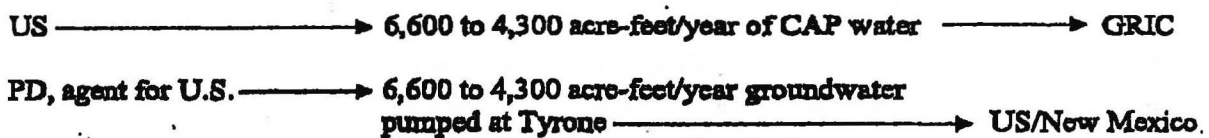
**GILA WATER SUPPLY SYSTEM
 FLOW SHEET**



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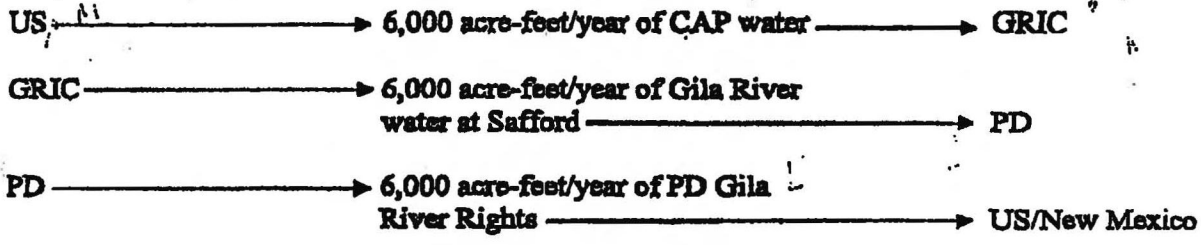
Schematic of Exchanges

EXCHANGE A

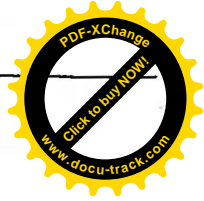
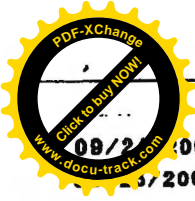


- US pays OM&R for CAP water deliveries to GRIC
- US/New Mexico (and ultimate water users) pay OM&R for groundwater deliveries in New Mexico
 - Federal funding of distribution system
 - Federal funding for wells and treatment plant

EXCHANGE B

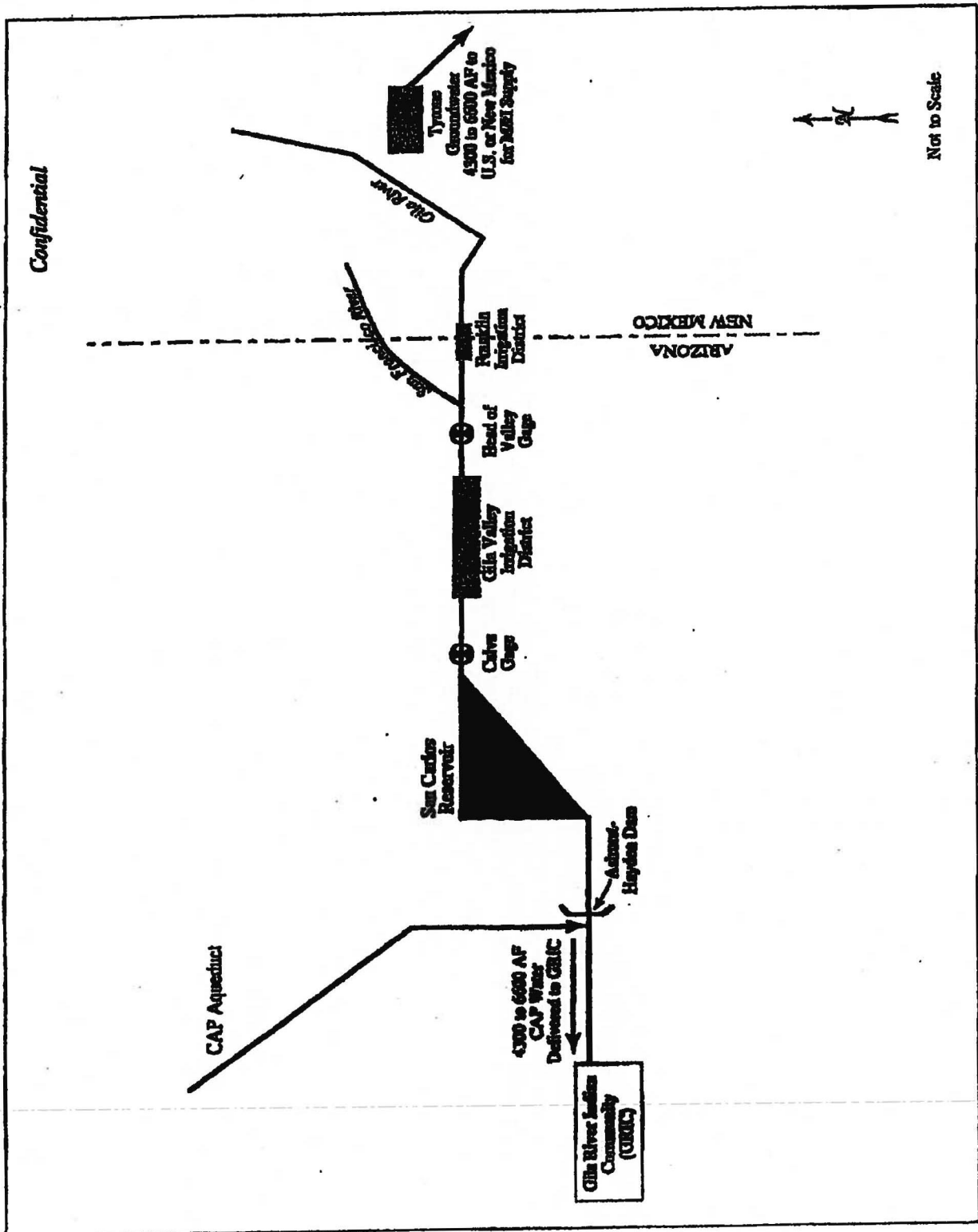


- US pays OM&R for CAP water deliveries to GRIC
- PD pays capital, OM&R for Gila River water deliveries at Safford.
- US/New Mexico (and ultimately water users) pays capital, OM&R for delivery of PD Gila Rights through Bill Evans system in New Mexico.
 - Federal funding for distribution system.
 - Federal funding for capital associated with use and improvement of Phelps Dodge system.

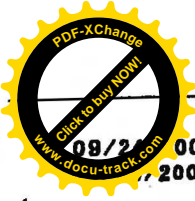


Confidential

Schematic Diagram
Exchange A



1:00
1:00



**Schematic Diagram
Exchange B**

Confidential

