

APPENDIX I

MEMORANDUM OF UNDERSTANDING

VIRGIN RIVER RESOURCE MANAGEMENT AND RECOVERY PROGRAM

MEMORANDUM OF UNDERSTANDING

BETWEEN

**UTAH DEPARTMENT OF NATURAL RESOURCES,
UNITED STATES FISH AND WILDLIFE SERVICE,
UNITED STATES BUREAU OF LAND MANAGEMENT
UNITED STATES NATIONAL PARK SERVICE**

AND

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT

This Memorandum of Understanding ("MOU") is made and entered into by and between the Utah Department of Natural Resources ("UDNR"), United States Fish and Wildlife Service ("USFWS"), United States Bureau of Land Management ("BLM"), United States National Park Service ("NPS") and Washington County Water Conservancy District ("District"), referred to herein collectively as "Program Participants."

WHEREAS, the parties to this MOU have worked cooperatively and in good faith since 1995 to develop the Virgin River Resource Management and Recovery Program ("Program") in an effort to recover, conserve, enhance, and protect native species and their habitat within the Virgin River Basin, while balancing and accommodating the growing need for future water development and use; and

WHEREAS, Program Participants intend that this Program will fulfill all federal obligations under section 7 of the Endangered Species Act of 1973, as amended ("ESA"), and federal regulations promulgated thereunder, in that it will provide the basis for reasonable and prudent alternatives to actions processed through the Program; and

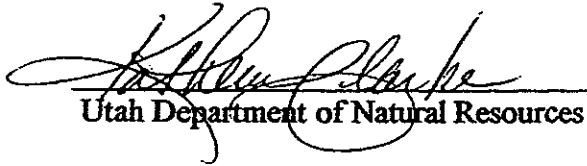
WHEREAS, Program Participants have embodied their intent to recover, enhance, and protect native species and their habitat while facilitating future use and development of Virgin River Basin resources in a document entitled "Virgin River Resources Management and Recovery Program" dated June, 1998 and attached hereto; and

WHEREAS, Program Participants understand that the Program cannot be implemented until the USFWS issues a biological opinion for the Program in accordance with the ESA and other federal review is completed in accordance with the National Environment Policy Act.

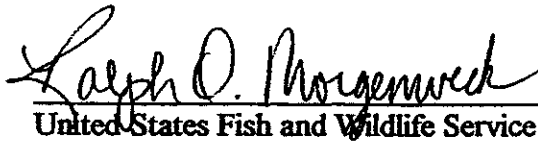
NOW THEREFORE, Program Participants agree to submit the Program to the USFWS as it is currently drafted for the purpose of obtaining a biological opinion and meeting other federal requirements and review. Program Participants understand that any and all agreements made in developing this Program have been made conditionally and that the Program may be changed or modified in accordance with such review and approval. Program Participants further understand that any Participant may unilaterally withdraw participation in this Program if it is determined that the concepts embodied therein are required to be materially altered to meet the requirements of federal law.

During the pendency of the issuance of the biological opinion, Program Participants agree to continue to work in good faith and to exercise all rights and authority available to them to facilitate the successful implementation of this Program.

This MOU may be executed in several counterparts, each of which shall be an original, and all of which shall constitute one and the same agreement.


Utah Department of Natural Resources

4-1-99
Date


United States Fish and Wildlife Service


4-1-99
Date


United States Bureau of Land Management

4-2-99
Date


United States Park Service

5/5/99
Date


Washington County Water Conservancy
District

4-2-99
Date