

Recorded at the Request of and
When Recorded Return to:

General Counsel
California Department of Fish and Game
1416 Ninth Street
Sacramento, California 94814

(Space Above Line For Recorder's Use)

The undersigned declares that this document is recorded for the benefit of the California Department of Fish and Game, an agency of the State of California, and is therefore exempt from the payment of the recording fee pursuant to Government Code Section 6103 and from the payment of the documentary transfer tax pursuant to Revenue and Taxation Code Section 11922.

By: _____
Authorized Representative for Agency

**MEMORANDUM OF NATURAL COMMUNITY CONSERVATION PLAN / HABITAT
CONSERVATION PLAN**

THIS MEMORANDUM OF NATURAL COMMUNITY CONSERVATION PLAN / HABITAT CONSERVATION PLAN ("Memorandum") is made and entered into as of _____, 1997, by and among the United States Fish and Wildlife Service (the "Service"), the California Department of Fish and Game (the "Department") and Kern Water Bank Authority, a California joint powers authority ("KWBA"), with reference and respect to the following facts and circumstances.

RECITALS

A. KWBA is the owner of 19,900 acres in Kern County, California (the "Property") more particularly described on Exhibit "A" hereto.

B. Concurrently herewith, the parties are entering into the Kern Water Bank Natural Community Conservation Plan / Habitat Conservation Plan Implementation Agreement (the "Implementation Agreement"). Pursuant to the Implementation Agreement, the Service will issue permits (the "Permits") for the incidental take on the Property by KWBA of species listed as threatened and

endangered under the Endangered Species Act of 1973, as amended, and the Department will issue management authorizations ("Management Authorizations") allowing the incidental take on the Property by KWBA of species listed as threatened and endangered and species which are candidates for that status under the California Endangered Species Act. The Permits and the Management Authorizations have an initial term of seventy-five years from the date hereof.

C. Pursuant to the terms of the Implementation Agreement, the parties are to execute and arrange for the recording of this Memorandum in the Official Records of Kern County, California, in order to give appropriately interested persons, including without limitation any and all future owners of the Property or any part thereof or any interest therein, notice of the existence of the Implementation Agreement, the Permits and the Management Authorizations.

NOW, THEREFORE, the parties do hereby agree and confirm as follows:

1. Pursuant to the terms of the Implementation Agreement, KWBA has agreed, among other things, (1) to use the Property in a certain manner during the existence of the Permits and Management Authorizations, (2) to convey conservation easements of perpetual duration on portions of the Property (the "Conservation Easement Properties" to the Department, and (3) to assume the obligation to manage the Conservation Easement Properties in perpetuity. While the Permits and Management Authorizations are in effect, the Conservation Easement Properties will be managed in accordance with the Implementation Agreement and the applicable conservation easement agreements. Prior to the termination of the Implementation Agreement, KWBA is obligated to prepare and have approved by the Service and the Department a Perpetual Management Plan covering the Conservation Easement Properties. The parties expect that, following the termination of the Permits, the Management Authorizations and Implementation Agreement, the Conservation Easement Properties will be managed in accordance with the Perpetual Management Plan and the applicable conservation easement agreements.

2. The obligations described in paragraph 1 above and more fully set forth in the Implementation Agreement are and shall be binding upon KWBA and all of KWBA's heirs, successors, assigns and successors-in-interest in and to the Property or any part thereof in perpetuity. By taking title to the Property, such heirs, successors, assigns, successors-in-interest and other transferees of KWBA acknowledge and agree to be bound by the obligations outlined in this Memorandum and the Implementation Agreement.

3. Appropriately interested parties may ask to inspect an original or a copy of the Implementation Agreement, the Permits, the Management

Authorizations, the Habitat Conservation Plan and other related documents by contacting KWBA, the Service and/or the Department at the following addresses:

Kern Water Bank Authority
P.O. Box 80607
Bakersfield, CA 93380-0607

Regional Manager
California Department of Fish and Game, Region 4
1234 East Shaw Avenue
Fresno, CA 93710

Field Supervisor
U.S. Fish and Wildlife Service
3310 El Camino Avenue, Suite 130
Sacramento, CA 95821

IN WITNESS WHEREOF, this Memorandum was made and entered into as of the date first set forth above.

KERN WATER BANK AUTHORITY

By: _____
William D. Phillimore
Title: Chairman

Approved as to form:
Nossaman, Guthner, Knox & Elliott, LLP
(KWBA Counsel)

By: _____
Robert D. Thornton

UNITED STATES FISH AND WILDLIFE SERVICE

By: _____
Michael J. Spear
Title: Regional Director

Approved as to form:
Office of the Regional Solicitor
U.S. Department of the Interior
(Service Counsel)

By: _____
Dana Jacobsen

CALIFORNIA DEPARTMENT OF FISH AND GAME

By: _____
Jacqueline E. Schafer
Title: Director

Approved as to form:
General Counsel
California Department of Fish and Game
(Department Counsel)

By: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF KERN)

On _____, 1997, before me _____,
Notary Public, personally appeared _____ personally known to me (or
proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to
the within instrument and acknowledged to me that he/she executed the same in his/her
authorized capacity, and that by his/her signature on the instrument the person, or the entity upon
behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

STATE OF CALIFORNIA)
) ss.
COUNTY OF KERN)

On _____, 1997, before me _____,
Notary Public, personally appeared _____ personally known to me (or
proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to
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