MEMORANDUM

Date: February 4, 2009

To: Mike McLachlan, Law Office of Michael D. McLachlan, APC
   Dan O’Leary, Law Office of Daniel M. O’Leary

From: Timothy J. Thompson, Vice President and Senior Consultant

Re: Technical Support Services for Small Pumpers Class, Antelope Valley Groundwater Adjudication

At your request, I have prepared this preliminary delineation of fundamental tasks associated with providing expert technical services on behalf of the Small Pumpers Class. It is anticipated that these tasks and their associated budget represent an initial level of effort for this support role. On going support beyond the budgeted amounts identified herein may be necessary to adequately represent the technical needs of the Small Pumpers Class and will be suggested at future times as the issues and needs become evident.

Task 1. Self Help Defense / Reasonable and Beneficial Use of Groundwater

Services associated with this task will include:
   (a) Documentation of historical water use, including amounts and historical use periods for representative members of the Class. Work products will include summary memoranda, maps, charts, databases and other technical products.
   (b) Preparation of detailed questionnaire to be circulated to Class members to collect detailed information on historical groundwater use. Information to be requested to be determined by counsel and/or the Court, but will likely include number of wells, years of groundwater pumping, availability of definitive groundwater-usage documentation (including but not limited to electrical usage records, well repair records, flow meter records, written logs of well operations, etc.), water level records, and well deepening or improvements related to changing water levels. Additional data requests may also be included in the questionnaire, or in follow-up communications with Class members.
   (c) Provide deposition and trial testimony.

Task 2. Analysis of Technical Committee Reports / General Consultation

Services associated with this task will include:
   (a) Provide technical review, analysis and comments on reports, databases and results provided by other technical experts, including consultation with other experts
   (b) Provide direct and/or rebuttal testimony regarding groundwater quantification, yield, usage amounts, quality or sustainability matters.
Estimated Budget for Initial Phase of Effort:

Task 1. Self Help Defense / Beneficial Use  $110,000

Task 2. Analysis of Technical Reports / General Consultation  $  45,000

TOTAL BUDGET  $155,000

This estimated budget includes time for principals and staff.