TEAM ENGINEERING & MANAGEMENT, INC.

June 2, 2010

Dr. Bob Harrington Inyo County Water Department 135 South Jackson Street Independence, CA 93526

RE: Summary of Hydrologic Monitoring Activities May 2010 Rose Valley, Inyo County, California Hay Ranch Project Conditional Use Permit #2007-03

Dear Dr. Harrington:

This letter is intended to summarize hydrologic monitoring activities conducted in May 2010 by TEAM Engineering & Management, Inc. (TEAM), related to the Hay Ranch Water Extraction Project and CUP #2007-03.

Phase 2: Startup Monitoring and Reporting

With the initiation of pumping by Coso Operating Company on December 25, 2009, the Hay Ranch Water Extraction Project entered into the Phase 2 Startup Monitoring and Reporting period as outlined in the Hydrologic Monitoring and Mitigation Plan (HMMP).

During the May 2010 monthly hydrologic data collection event, static depth-to-water (DTW) measurements, one visual observation of the Little Lake Ranch Siphon Well Outflow and four sets of flow rates were collected by TEAM from 30 monitoring locations in the Rose Valley area, as summarized in the attached table (Table 1). Data for this monthly field event was collected on May 13 and 14. Pressure transducer data were downloaded from 24 units, including one "BaroTroll" measuring barometric pressure. On May 4, a DTW measurement at LADWP 816 Well was taken by LADWP personnel.

Coso Operating Company completed installation of a permanent water tank between the Hay Ranch North and South Wells in early May. With the completion of the tank, groundwater flow from the Hay Ranch South Well can be split either into the new tank or to the existing temporary tank. A new totalizer "HRS B Totalizer" measures Hay Ranch South flow into the new water tank, and went on-line on May 12, 2010 with an initial reading of 0 gallons. The existing totalizer "HRS A Totalizer" which has been capturing all flow previously pumped from the Hay Ranch South Well is still operational and will continue to be monitored. The Hay Ranch North Well is not operational as of May 14, but a totalizer for groundwater pumped from this well has been installed at the new permanent tank, HRN C Totalizer.

The HRS A Totalizer read 987,094,000 gallons at 11:50, May 14. The HRS B Totalizer read 3,230,000 gallons at 11:50, May 14. The combined flow amount from these two totalizers represents approximately 248,524,000 gallons (763 acre feet) of groundwater extracted from the Hay Ranch South Well since project initiation on December 25, 2009.

Figure 1 presents the combined amount of groundwater being pumped from the Hay Ranch North and South wells in acre feet (AF) with a hypothetical pumping amount. The hypothetical pumping amount assumes a linear pumping rate (approximately 8.2 AF/day) which starts on December 25, 2009 and reaches 3000 AF on December 25, 2010.

Data Transmittal

TEAM posted updates to the "Coso" database on the ICWD web server. New Rose Valley hydrographs in PDF form were uploaded to the ICWD website.

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If you have any questions or require additional information, please contact TEAM at your convenience.

Sincerely,

TEAM Engineering & Management, Inc.

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Keith Rainville Staff Geologist

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Table 1Field Observations of Rose Valley Hydrologic Monitoring PointsMay 13-14, 2010

Project Name:	Hay Ranch Project HMMP	Date: May 13-14, 2010			
Location:	Rose Valley, Inyo County				
Observer(s):	K. Rainville	Page: 1 of 1			

Well ID	Monitoring Point	Date	Time	DTW	Flow	GWE	Method	Transducer	Notes
				(ft)	(cfs)	(ft amsl)		Log Interval	
RV-10	Dews	5/14/10	12:16	213.91		3773.01	TEAM manual read	NA	
RV-20	LADWP 816	5/4/10	13:15	79.70		3435.36	LADWP manual read	NA	Data provided by LADWP
RV-30	Cal Pumice	5/14/10	9:22	247.83		3258.06	TEAM manual read	Hourly	
RV-40	Dunmovin	5/14/10	9:01	295.36		3252.51	TEAM manual read	NA	
RV-50	Hay Ranch North	5/14/10	11:11	NM	No	NM	TEAM manual read	NA	0 gallons (0 AF) pumped since 12/25/09
RV-60	Hay Ranch 1A	5/14/10	11:25	192.45		3239.72	TEAM manual read	Hourly	
RV-61	Hay Ranch 1B	5/14/10	11:39	199.31		3232.54	TEAM manual read	Hourly	
RV-62	Hay Ranch 1C	5/14/10	11:49	192.70		3238.80	TEAM manual read	Hourly	
RV-70	Hay Ranch South	5/14/10	11:10	NM	Yes	NM	TEAM manual read	NA	248,524,000 gallons (763 AF) pumped since 12/25/09
RV-80	Hay Ranch 2A	5/14/10	10:48	195.14		3237.86	TEAM manual read	Hourly	
RV-81	Hay Ranch 2B	5/14/10	10:39	205.35		3227.28	TEAM manual read	Hourly	
RV-82	Hay Ranch 2C	5/14/10	10:59	196.20		3235.90	TEAM manual read	Hourly	
RV-90	Coso Jct Ranch	5/13/10	14:31	171.23		3231.90	TEAM manual read	Hourly	
RV-100	Coso Jct Store #1	5/13/10	14:16	143.23		3228.89	TEAM manual read	Hourly	
RV-110	Davis Ranch North Well	5/13/10	15:01	6.47		3886.53	TEAM manual read	Hourly	
RV-111	Davis Ranch South Well	5/13/10	15:10	11.25		3886.75	TEAM manual read	Hourly	
RV-112	Davis Ranch South Flow	5/13/10	15:22	NA	0.014	NA	TEAM manual read	Hourly	
RV-120	Red Hill Well (BLM)	5/13/10	13:57	140.08		3200.75	TEAM manual read	Hourly	
RV-130	G-36	5/13/10	13:45	180.08		3199.94	TEAM manual read	NA	
RV-140	Lego	5/13/10	13:32	222.19		3200.66	TEAM manual read	Hourly	
RV-150	Cinder Road	5/14/10	10:12	191.02		3186.94	TEAM manual read	Hourly	
RV-160	18-28 GTH	5/13/10	13:11	173.95		3188.63	TEAM manual read	Hourly	
RV-170	Fossil Falls Campground	5/14/10	10:03	140.96		3175.81	TEAM manual read	NA	
RV-180	LLR North Well	5/13/10	9:55	39.94		3159.16	TEAM manual read	Hourly	
RV-210	LLR Dock Well	5/13/10	10:13	5.94		3148.20	TEAM manual read	Hourly	
RV-220	LLR Stilling Well (lake surface)	5/13/10	10:25	3.41		3147.63	TEAM manual read	Hourly	
RV-230	LLR Little Lake Outflow	5/13/10	11:35	NA	0.09	NA	TEAM manual read	Hourly	
RV-240	LLR Coso Springs Flow	5/13/10	10:45	NA	0.43	NA	TEAM manual read	Hourly	
RV-245	LLR North Culvert Flow	5/13/10	11:51	NA	0.88	NA	TEAM manual read	Hourly	
RV-250	LLR Siphon Discharge	5/13/10	11:52	NA	Yes	NA	TEAM visual read	NA	Discharging into Pond 2; increased flow from 4/30/10
RV-260	LLR Hotel Well	5/13/10	9:21	0.06		3138.72	TEAM manual read	Hourly	Pressure gauge reads 0.20 psi

NM - not measured; NA - not applicable; IO - Inoperative

DTW - Depth to water in feet below top of casing or other reference point; a negative DTW indicates that the groundwater elevation is above the surveyed reference point

GWE- Groundwater elevation in feet above mean sea level

3000 1 2500 2000 1500

FIGURE 1 HYPOTHETICAL AND ACTUAL HAY RANCH PROJECT PUMPING:

0 May-10 Jun-10 Dec-09 Jan-10 Feb-10 Mar-10 Apr-10 Jul-10 Aug-10 Sep-10 Oct-10 Nov-10 Note: Coso Operating Co. initiated Hay Ranch Project pumping on 12/25/09. TEAM The "linear pumping rate" shown above is a hypothetical pumping rate that reaches 3000 Acre Feet (AF) in one year ENGINEERING & MANAGEMENT, INC.

with pumping evenly distributed at 8.2 AF/day.

Hay Ranch Project Pumping (AF)

1000

500

Bishop and Mammoth Lakes, California

Jan-11

Dec-10

3000

2500

2000

1500

1000

500

0

5/20/2010