

Exhibit 7

**Procedure to Eliminate
Negative Natural Flow Upon Occurrence**

Procedure to Eliminate Negative Natural Flow At Orin Upon Occurrence

Background

The phrase “negative natural flow at Orin” is a term used within the river accounting system to track the delivery of storage water through the North Platte River system. This tracking system, which is in conformity with the Natural Flow and Ownership Accounting Procedures, was developed and is maintained by the U.S. Bureau of Reclamation in cooperation and coordination with the Wyoming State Engineer’s Office and the Nebraska Department of Natural Resources (NDNR). This term is unique to the discrete segment of the North Platte River between Gray Reef Reservoir outflow (Gray Reef) and Orin gages.

A negative natural flow at Orin occurs in the accounting of water when the total flow gaged at the Orin gage is less than the amount of storage water released from Gray Reef two days prior, after adjusting and accounting for the conveyance losses provided in Exhibit 9, “Procedure for River Carriage (Conveyance) Losses.”

A negative natural flow at Orin can occur from one or more of the following conditions: 1) a substantial increase in the release of water from Gray Reef Dam, which can result in significant actual daily variations in travel times and conveyance losses that differ from the preset values, 2) inaccurate gaging at either the Gray Reef or Orin gage, 3) a conveyance loss value that is too low, 4) an assumed two-day travel time from the Gray Reef gage to the Orin gage

that is incorrect, 5) an incorrect calculation of the natural flow arriving at the Orin gage, or 6) the interception of storage releases by diverters that are not in conformance with, or do not have, a storage contract. Due to the extensive daily river accounting system used for the North Platte River operations, the Bureau of Reclamation and Wyoming State Engineer field office staff can anticipate the likely development of river flow, accounting or operational conditions as listed above, that may result in the occurrence of a negative natural flow at Orin.

Procedure

On a daily basis, the Wyoming State Engineer's Office will evaluate the stream gage, river and storage accounting data between the Gray Reef gage and the Orin gage to monitor any changes or trends to the daily accounting and river flow data that may indicate the likely development of negative natural flows at Orin.

Upon occurrence of negative natural flow at Orin, unless Wyoming identifies and reports to the field office of NDNR and the Bureau of Reclamation office in Mills that one or more of the above numbered conditions one through five is the cause of such negative natural flow, Wyoming will administer water rights and/or take other actions necessary to eliminate the negative natural flow at Orin. If there is disagreement on the cause of the negative natural flow among the State field offices and the Bureau of Reclamation office in Mills, these officials will report the disagreement to the NPDC for further review.

If the cause of the negative natural flow at Orin is determined to be number six above, it will be eliminated by the Wyoming State Engineer Offices actions as soon as possible within three days of the time of occurrence. The

Wyoming State Engineer will report to the NPDC, with respect to any specific actions taken to eliminate the occurrence of negative natural flow at Orin.