

# **EXHIBIT X**

## Robert G. Kuhs

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**From:** Dubois, James (ENRD) <James.Dubois@usdoj.gov>  
**Sent:** Sunday, November 9, 2014 11:17 AM  
**To:** Robert G. Kuhs  
**Cc:** 'tchester@smilandlaw.com'  
**Subject:** RE: Antelope Valley Groundwater Cases Confidential Settlement Discussions

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Have you two come to agreement on this issue? I have not touched Exhibit 4 on this matter. I will make and show changes to 4 for the next iteration, but not if one of you is going to end up looking for my head because I changed something.

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**From:** Robert G. Kuhs [mailto:rgkuhs@kuhsparkerlaw.com]  
**Sent:** Wednesday, October 29, 2014 10:28 PM  
**To:** Dubois, James (ENRD)  
**Subject:** Re: Antelope Valley Groundwater Cases Confidential Settlement Discussions

Thank you.

Sent from my iPhone

On Oct 29, 2014, at 8:34 PM, Dubois, James (ENRD) <James.Dubois@usdoj.gov> wrote:

Robert:

I am out of the office and currently without computer access, so I have not seen Ted's letter. Your objections are noted. But I am not touching Exh 4 allocations. I have only made changes to the Production Allocations when agreed to by the Landowners as a group.

Jim

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**From:** Robert G. Kuhs [mailto:rgkuhs@kuhsparkerlaw.com]  
**Sent:** Wednesday, October 29, 2014 08:04 PM Eastern Standard Time  
**To:** Dubois, James (ENRD)  
**Cc:** Ted Chester <tchester@smilandlaw.com>  
**Subject:** RE: Antelope Valley Groundwater Cases Confidential Settlement Discussions

Jim: I am in receipt of ill-founded Mr. Chester's letter dated October 29th, 2014. We strongly object to Mr. Chester's last minute attempt to unilaterally renegotiate the Exhibit 4 allocation. Granite's Little Rock facility consists of both leased ground and fee ground. Granite, not Little Rock Sand and Gravel, Inc., installed the wells and has put the water to reasonable and beneficial use as established during the Phase 4 trial.

During our settlement discussion during which all parties agreed on a correlative allocation of rights, Mr. Chester and I agreed to allocate Granite's Exhibit 4 allocation as follows:

1. Granite Big Rock: 126af
2. Granite Littlerock 100af
3. Little Rock Sand and Gravel. 134af

The only remaining issue was who bears the risk that the allocation may be reduced in the future. I offered to Mr. Chester that Granite was prepared to spread the risk pro rata, the same as every other party. Alternatively, I proposed that Granite would agree to bear 100% of the risk of reduction provided that Granite received 100% of any future increased allocation. Indeed, Granite would not have agreed to the generous allocations for Mr. Chester's other clients such as Mr. Burrows, the Lane Trust, and Landinv, had Granite believed that Mr. Chester would attempt to renegotiate the allocation at the last minute.

Granite will honor it's prior agreement with Mr. Chester and his client. You may either leave Exhibit 4 untouched, or adjust the allocation as shown above. To do anything else would affect the correlative allocations of all parties.

Robert Kuhs

<image001.jpg>

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**From:** Felicia Herbstreith [<mailto:fherbstreith@smilandlaw.com>]  
**Sent:** Wednesday, October 29, 2014 4:23 PM  
**To:** [james.dubois@usdoj.gov](mailto:james.dubois@usdoj.gov)  
**Cc:** Robert G. Kuhs; George Lane ([mvbs@verizon.net](mailto:mvbs@verizon.net)); Ted Chester  
**Subject:** Antelope Valley Groundwater Cases

Dear Mr. DuBois:

Please find attached correspondence dated October 29, 2014 from Theodore A. Chester regarding the above-referenced matter.

Should you have any questions or comments, please contact Mr. Chester at the number below.

Thank you.

Very truly yours,

Felicia Herbstreith  
Secretary to Theodore A. Chester, Jr.  
Smiland Chester LLP  
601 West Fifth Street, Suite 1100  
Los Angeles, CA 90071  
Telephone: (213) 891-1010  
Facsimile: (213) 891-1414  
Email: [fherbstreith@smilandlaw.com](mailto:fherbstreith@smilandlaw.com)