

EXHIBIT 12
COOPERATIVE MANAGEMENT AGREEMENT

COOPERATIVE AGREEMENT 14-16-0002-90-225

COOPERATIVE MANAGEMENT AGREEMENT
BETWEEN
DELTA LAKE IRRIGATION DISTRICT
AND
THE UNITED STATES OF AMERICA

This cooperative management agreement is made this JUNE
7, 1990, by and between Delta Lake Irrigation District
(District), a political subdivision of Texas operating under
Chapter 58 of the Texas Water Code, and Article 16, Section 59 of
the Constitution of Texas, whose address is Rt. 1, Box 225,
Edcouch, Texas 78538, and the United States of America acting by
the Department of the Interior, Fish and Wildlife Service (Service)
under the authority of the Migratory Bird Conservation Act (16
U.S.C. 715-715r), as amended; Migratory Bird Hunting Stamp Act (48
Stat. 451), as amended (16 U.S.C. 718, et seq.); Fish and Wildlife
Act of 1956 (70 Stat. 1119), as amended (16 U.S.C. 742a-742j); and
Fish and Wildlife Coordination Act (16 U.S.C. 661-667c).

RECITALS

District owns and manages a water supply canal, formerly known
as the Willacy County Canal, with adjacent lands and borrow ditch
drains, to be named the "Otha Holland Wildlife Corridor," (the
Corridor) approximately 25 miles long and covering over 1200 acres
between Delta Lake in northern Hidalgo County and the Rio Grande
River.

District is legally mandated to deliver water with maximum
efficiency to the northern portion of Hidalgo County and parts of
Willacy County and surrounding areas and is legally obligated to
convey water for domestic and municipal uses to Raymondville,

Lyford, rural water supply corporations, several unincorporated communities, four other water districts and many rural homeowners. There is no conduit for this water except District's canal in the Corridor; it is necessary that the canal be cleaned if it is to function. At this time there is no feasible way of cleaning it except by dragline. To clean the canal by dragline requires a roadway along the canal bank on which to operate, and the spoil removed from the canal must be deposited outside the canal. The canal must be cleaned from both sides. Borrow ditch drains can, in most reaches, be cleaned from one side. These ditches are essential to the drainage of a great deal of land in Hidalgo and Cameron Counties and are used for that purpose by District and other political subdivisions: Santa Maria Irrigation District Cameron County No. 4, La Feria Irrigation District Cameron County No. 3, Valley Acres Water District, Hidalgo and Cameron Counties Irrigation District No. 9, and Hidalgo County.

District and the Service wish to accommodate the District's necessities and the Service's function of preserving and protecting wildlife habitat.

District is seeking assistance in eliminating illegal dumping and trespass on its lands.

In light of the foregoing considerations, District and the Service agree as follows:

1. District will retain full right to maintain the canal and borrow ditch drains. In doing so District agrees to leave the brush on the outside slope of the drain ditch levees and everywhere else not required for the cleaning of the canals and drains and

patrolling the ditch. District must patrol the canal on both sides and must have a road on each bank for vehicle passage.

2. In the reach from Delta Lake to the Hidalgo County Main Drain which intersects the Corridor just north of the North Floodway, District will clean its canal and the drain ditches at different times, leaving enough time between the operations that the place last cleaned will re-vegetate to an approximate two foot height before clearing a road to clean another conduit, so that one or the other will have cover for birds and animals. District will, in all reaches where possible, clean the borrow ditch drains from only one bank, leaving the brush on the other bank. In the reach south of the Hidalgo County Main Drain, the borrow ditches in the Corridor are cleaned and used by the other political subdivision above named, and the Service will make such agreements with them as are appropriate. Also there are many easements across and in the corridor, and District reserves the right to grant further easements. This agreement does not affect the rights and duties of other political subdivisions or owners of existing easements and easements to be granted.

3. District agrees to leave the habitat on the island in its canal located just south of the North Floodway unless and until it becomes a significant impediment to the flow of water. If this occurs only vegetation along the edge of the island will be removed or cut.

4. Service agrees to survey the District's property which is the subject of this agreement. District will furnish to the Service the title data necessary for the survey. When the survey

is acceptable to both parties, the Service agrees to post all boundaries and fence and gate all roads entering the Corridor. The Service also agrees to fence those portions of the boundaries where protection of brush cannot be achieved by boundary posting, including those reaches easily accessible to collections of people, such as colonias and trailers parks now existing or as they come into existence. This work is subject to the availability of funds and is to be accomplished within one year of the date of the signing of this agreement by both parties. The Service will also, within five years after the effective date of this agreement, begin fencing the balance of the boundaries of the Corridor and continue to do so at the rate of at least one-fifth of the balance per year, failing which District may cancel this lease. The completed survey, when accepted by the parties, shall be signed by them and become a part of this agreement. Fences and gates will be constructed in a manner mutually acceptable to the parties and will provide ready access to the Corridor to both parties and also to all other entities having a legal right of access, which includes the other political subdivisions above named, and farmers whose irrigation gates are in the Corridor. One gate on each side of the Corridor in each separately fenced reach shall be wide enough to permit the passage of 18-foot-wide equipment. Subject to the availability of funds, the Service will maintain the fence and gates in good repair throughout the life of this agreement. All fences and signs shall remain the property of the U. S. Fish and Wildlife Service.

5. The Service agrees to patrol the Corridor at least monthly and to mark its exterior to indicate this property is under the protection of the U. S. Fish and Wildlife Service. "Otha Holland Wildlife Corridor" signs will be erected on Highway 83, 107, 1015 and 281 crossings.

6. District reserves all of its rights to the mineral in and under the premises, together with the right to explore for and produce same; provided, that mineral leases shall prohibit well sites in the Corridor. District also reserves the right to do construction in the Corridor to further its lawfully mandated functions.

7. District does not warrant the boundaries of the Corridor, but will defend or not defend against adverse claims as it may decide to be in the interest of the District.

8. District reserves all of the freedom of action in the Corridor which it must have to comply with the State and Federal Dam Safety Act and all other applicable laws and governmental regulations.

9. This agreement shall be effective for a period of twenty-five years from its effective date; provided, that either party may cancel it at any time after ten years from its effective date by giving the other party ninety days written notice.

10. Nothing herein shall be construed as delegating the Service or the District to expend, or as involving the United States in any contract or obligation for the future expenditure of money in excess of those funds to be used as reflected elsewhere in this agreement.

Executed by Delta Lake Irrigation District by authority of a resolution of its board adopted May 16, 1990, and by the United States of America on JUNE 7, 1990.

DELTA LAKE IRRIGATION DISTRICT

BY Otha Holland
Otha Holland, President

ATTEST:

James B. Carlson
James Carlson, Secretary

UNITED STATES OF AMERICA

BY Mike Spear
Mike Spear, Regional Director
U. S. Fish and Wildlife Service
Albuquerque, New Mexico