

# Lower Rio Grande surface water restoration project beneficial for ranchers, wildlife and regional growth

*Aquifer Group is part of Texas' first comprehensive public-private water infrastructure partnership*

**April 2007 (2) - Austin, Texas** –Aquifer Group, LLC locates, designs, finances, develops, constructs, operates and maintains prolific aquifer recharge, surface water restoration projects throughout rural areas of Texas. As a sustainable groundwater reserve is developed recovery wellfields, treatment and supporting delivery canals and other infrastructure is added to enhance environmental flows, improve drought preparedness and provide dependable sustainable water resources for the State's growing water demand.

Aquifer Group was founded in response to the growing global gap between additional sustainable water resources and the government's ability to fund them. Aquifer Group is the first U.S. owned company with the capabilities to locate lost aquifer recharge and surface water restoration opportunities prolific enough to support the Company's private-sector solutions of development and investment to complete public water recovery and delivery infrastructure.

Utilizing **Aquifer Group's proven IR5 Methodology** to select large areas of brush for remediation and maintenance has identified opportunities to significantly increase surface water production on the Texas side of the lower Rio Grande River and its main tributaries. Brush sculpting and selective eradication would extend several miles inland from the Rio Grande beginning northwest of Del Rio, Texas and ending above Falcon Lake. The Rio Grande segment provides an important water solution by leveraging unmet Federal and State mandates including:

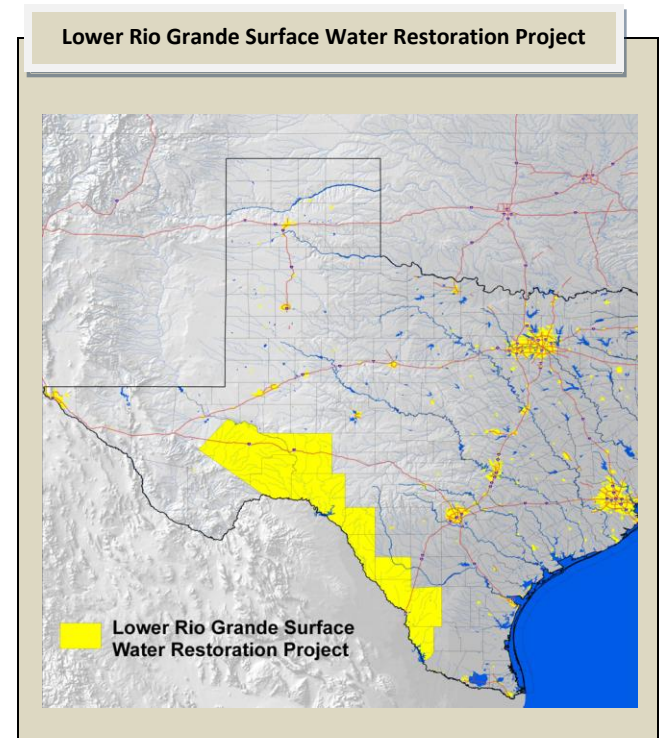
- a. Restoration of international treaty water flows and lake levels necessary to support the dramatic increase in U.S. and Mexico water demand for agricultural, industrial and domestic needs on both sides of the lower Rio Grande River.
- b. Recent Homeland Security/Immigration/Border Patrol initiatives to reduce inflow of illegal aliens into the United States. This segment of the proposal would support that initiative by using brush management techniques to create an ecologically, wildlife and economically compatible "line-of-sight barrier" to illegal border crossing.

The **Rio Grande River Environmental Flow Restoration Project** includes 3.5 million acres of brush remediation to produce approximately 1 million acre feet of new-sustainable surface water annually. The project would significantly

reduce **Texas Water Development (TWDB) Board's** projected Lower Rio Grande water deficit.

This restored water supply would also sustain both environmental flows into the Lower Rio Grande River and storage in both Lakes Amistad and Falcon. Preliminary evaluations indicate the opportunity for development of a similar project on the Mexico side of the River. No viable or prolific recharge restoration opportunities were identified.

By using proven, proprietary technologies and our history of large water project construction combined with private equity from investors, consortiums and arranged debt, AG uses sophisticated brush remediation techniques to reduce evapotranspiration through noxious brush for Texas water markets experiencing critical water needs.



As a primary water rights restorer, the Company contracts or partners with local, state and federal agencies to replace critical water supplies lost to evaporation, evapotranspiration, erosion, sediment and siltation. Aquifer Group water reserve, recovery and transportation models are entirely compatible with environmental, wildlife, fishery, ranching and recreational requirements

We anticipate funding, user fees and guarantees would be provided by the **U.S., Mexico, the World Bank, the State of Texas** and targeted municipal water markets. Critical sponsorships and operating alliances may include various **Texas agencies; the International Boundary and Water (IBWC) Commission; Homeland Security, and; other federal agencies.**

Aquifer Group will award a **5 year construction contract estimated at \$1.5 billion dollars** to complete brush remediation and construct flood control structures to **Brocksch Construction, LLC.**