STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 721 Denver, Colorado 80203 Phone: (303) 866-3441 FAX: (303) 866-4474 www.cwcb.state.co.us



Bill Ritter, Jr. Governor

Harris D. Sherman DNR Executive Director

Jennifer L. Gimbel CWCB Director

Dan McAuliffe CWCB Deputy Director

August 26, 2008

Kenneth Wagner City of Las Animas PO Box 468 Las Animas, CO 81054

RE: Notice to Proceed—City of Las Animas Water System Improvements

Dear Dave:

This letter is to inform you that the contract for your grant request of \$300,000 to assist in the funding of the City of Las Animas Water System Improvements has been signed on August 26, 2008. With the executed contract, you are now able to proceed with the project and begin invoicing the State of Colorado for costs incurred from August 26, 2008 to project completion. Upon receipt of your invoice(s), the State of Colorado will provide payment no later than 45 days. I wish you much success in your project.

Sincerely,

/s/

Eric Hecox, DNR/CWCB (303) 866-4895