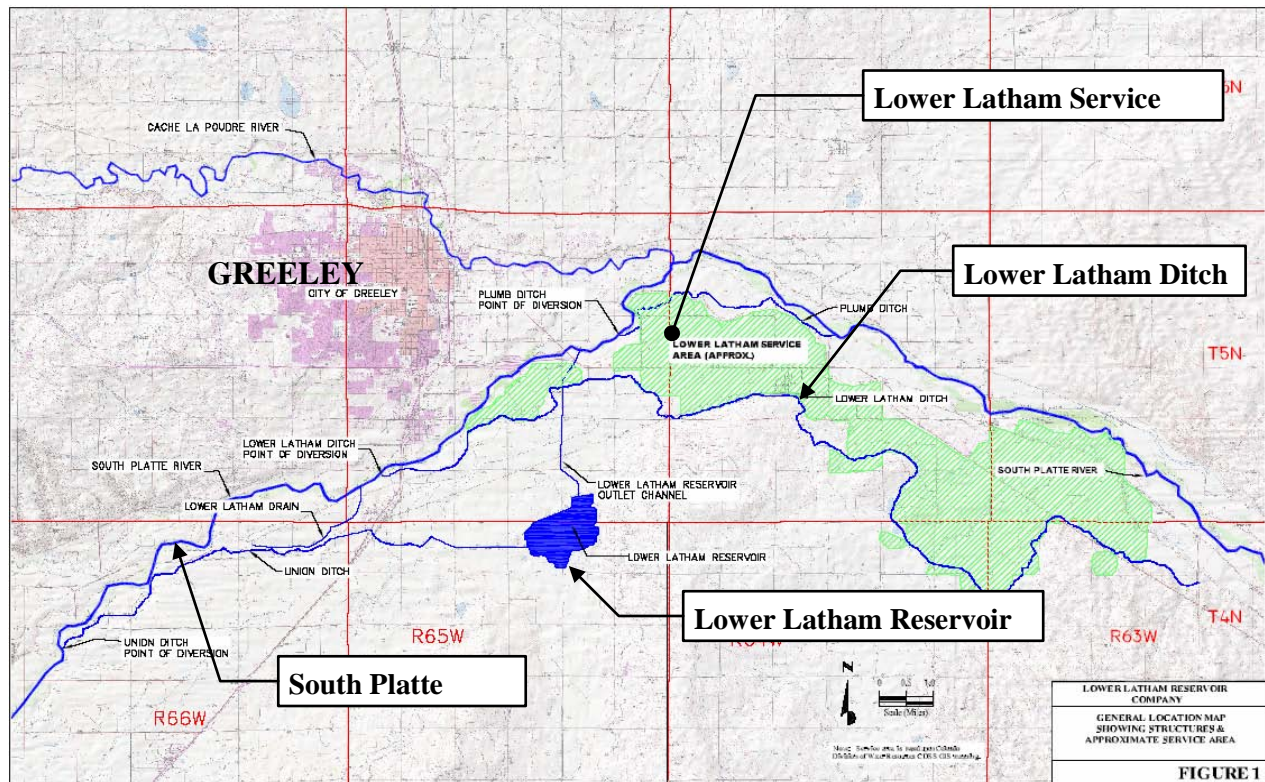


LOWER LATHAM RESERVOIR COMPANY WATER RIGHTS PURCHASE - WELL AUGMENTATION PROJECT (Phase II)



Location Map

Project Description

The Lower Latham Reservoir Company is acquiring 2 shares of Lower Latham Ditch Company, for the purpose of providing augmentation water for existing shareholder wells. The Company provides augmentation water for 84 wells in Weld County by replacing out-of-priority pumping depletions. 39 wells were formerly in the GASP Augmentation Plan, and 45 wells are covered in the Augmentation Plan of Central Colorado Water Conservancy District's GMS. The Company is attempting to cover the former GASP wells, and supplement coverage of the GMS wells with their own augmentation plan. The Company determined that additional replacement sources were necessary to provide sufficient replacement water during extended drought years. With this purchase of 2 shares from the Schmidt Farm, the Company will have 24.5 shares of the Ditch Company stock.

Project Data

Sponsor: Lower Latham Reservoir Co **County:** Weld

Water Source: South Platte River

Terms of Loan: \$670,640, 30 years @ 2.25%

Substantial Completion: December 1, 2008

Engineer: Doug Seely, Greeley, CO

Appraiser: Bud Clemons, Colorado Certified General Appraiser, Greeley, CO

Project Elements: purchase of two shares of Lower Latham Ditch Company