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 Executive Director

Dan McAuliffe Acting Director

January 17, 2008

Greg Trainor City of Grand Junction 250 North Fifth Street Grand Junction, CO 81501

RE: Notice to Proceed—Energy Development Water Needs Assessment

Dear Greg:

This letter is to inform you that the contract for your grant request of \$300,000 to fund the Energy Development Water Needs Assessment has been signed on February 13, 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 February 13, 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