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April 29, 2015

Colorado Water Conservation Board
1313 Sherman Street, 7th Floor
Denver, CO 80203

Re: Notice of Party Status-Proposed Instream Flow Appropriations on Yellow Creek

Dear Board:

Included with letter please find TerraCarta Energy Resources, LLC's Notice of Party Status regarding CWCB Staff ISF Recommendations on Yellow Creek (confluence of Barcus Creek to confluence of Lambert Springs and confluence of Lambert Springs to confluence of White River), Water Division 6. The CWCB ID numbers for the respective ISF Flow Recommendations are 13/6/A-005 and 13/6/006. The Notice of Party Status has also been sent by fax.

Sincerely,



Ryan M. Jarvis

RMJ

Enclosure

BEFORE THE COLORADO WATER CONSERVATION BOARD

STATE OF COLORADO

**IN THE MATTER OF PROPOSED INSTREAM FLOW APPROPRIATIONS IN WATER
DIVISION 6:**

YELLOW CREEK - UPPER (confluence Barcus Creek to confluence Lambert Springs)

**YELLOW CREEK – LOWER (confluence of Lambert Springs to confluence of White
River)**

NOTICE OF PARTY STATUS

TerraCarta Energy Resources, LLC, by and through its undersigned attorneys, submits the following Notice of Party Status regarding the Staff ISF Recommendations on Yellow Creek (confluence of Barcus Creek to confluence of Lambert Springs and confluence of Lambert Springs to confluence of White River), Water Division 6 (the “ISF Appropriations”). *See* Notice of Contested 2015 CWCB ISF Appropriations (April 9, 2015). This Notice of Party Status is submitted in a timely manner pursuant to Rule 51 of the Rules Concerning the Colorado Instream Flow and Natural Lake Level Program, 2 CCR 408-2 (“ISF Rules”)

1. Identity of party

TerraCarta Energy Resource, LLC (“TerraCarta”)
106 E. Liberty Drive
Wheaton, IL 60187

Please direct all notices, pleadings, and correspondence to TerraCarta’s counsel:

Jefferson V. Houpt, Esq.
Ryan M. Jarvis, Esq.
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Glenwood Springs, CO 81601
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Email: jhoupt@bch-law.com; rjarvis@bch-law.com

2. Identification of ISF recommendations at issue

Yellow Creek (Upper) – from confluence with Barcus Creek to confluence with
Lambert Springs

CWCB ID: 13/6/A-005

Upper Terminus: UTM North 4446251.97, UTM East 213556.69

Lower Terminus: UTM North 449129.57, UTM East 211572.39

Length: 3.66 miles

Posted in notice of Contested 2015 ISF Appropriations (April 9, 2015)

Yellow Creek (Lower) – from confluence with Lambert Springs to confluence with White River

CWCB ID: 13/6/A-006

Upper Terminus: UTM North 449129.57, UTM East: 211572.39

Lower Terminus: UTM North 4452477.49, UTM East: 210214.46

Length: 3.45 miles

Posted in notice of Contested 2015 ISF Appropriations (April 9, 2015)

3. Statement of reasons for obtaining party status

TerraCarta is an energy development company that owns water rights on Yellow Creek that may be affected by the ISF Appropriations. TerraCarta is obtaining party status in order to protect its interests in the Yellow Creek basin and surrounding area. More specifically, TerraCarta is joining this proceeding to insure that the ISF Appropriations are permitted by law and that they will not damage or impair TerraCarta's water rights or its energy development activities in the area.

4. Contested facts (to the extent known at this time)

- a. Whether the ISF Appropriations comply with C.R.S. § 37-92-102(3)(c) and ISF Rule 5i.
 - i. Whether there is a natural environment within the claimed reaches of Yellow Creek that can be preserved to a reasonable degree with the ISF Appropriations if granted.
 - ii. Whether such natural environment within the claimed reaches of Yellow Creek will be preserved to a reasonable degree by the water available for the ISF Appropriations to be made.
 - iii. Whether such natural environment within the claimed reaches of Yellow Creek can exist without material injury to water rights.
- b. Whether present uses and exchanges will be protected under C.R.S. § 37-92-102(3)(b).
- c. Whether the ISF Appropriations comply with C.R.S. § 37-92-102(3).

- i. Whether the ISF Appropriations are consistent with the beneficial use of the water of the people of the State of Colorado under law and interstate compacts.
- ii. Whether the ISF Appropriations reflect the minimum amount required to preserve the natural environment to a reasonable degree.
- d. Whether the CWCB has complied with C.R.S. § 37-92-102(4)(a) by adopting appropriate terms and conditions for the ISF Appropriations.
- e. Any contested fact(s) raised by other Parties.
- f. TerraCarta reserves the right to identify other contested facts prior to or during a hearing on the ISF Appropriations.

5. Matters that should be decided (to the extent known at this time)

- a. Whether the ISF Appropriations comply with C.R.S. § 37-92-102(3)(c) and ISF Rule 5i.
 - i. Whether there is a natural environment within the claimed reaches of Yellow Creek that can be preserved to a reasonable degree with the ISF Appropriations if granted.
 - ii. Whether such natural environment within the claimed reaches of Yellow Creek will be preserved to a reasonable degree by the water available for the ISF Appropriations to be made.
 - iii. Whether such natural environment within the claimed reaches of Yellow Creek can exist without material injury to water rights.
- b. Whether present uses and exchanges will be protected under C.R.S. § 37-92-102(3)(b).
- c. Whether the ISF Appropriations comply with C.R.S. § 37-92-102(3).
 - i. Whether the ISF Appropriations are consistent with the beneficial use of the water of the people of the State of Colorado under law and interstate compacts.
 - ii. Whether the ISF Appropriations reflect the minimum amount required to preserve the natural environment to a reasonable degree.
- d. Whether the CWCB has complied with C.R.S. § 37-92-102(4)(a) by adopting appropriate terms and conditions for the ISF Appropriations.

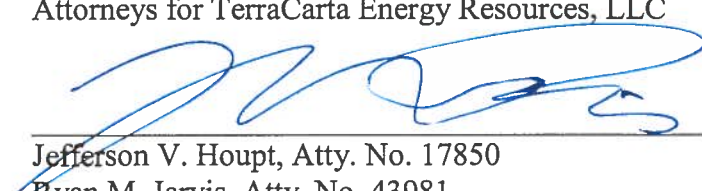
6. General description of data that TerraCarta will Present to Board (to the extent known at this time)

- a. All facts and data in the record of the Board to date regarding the ISF Appropriations.
- b. All facts and data in the record of the Board regarding the ISF Appropriations received after the date of this notice.
- c. All facts and data in the files of Colorado Parks and Wildlife and the U.S. Bureau of Land Management regarding the ISF Appropriations.
- d. All facts and data in state and federal agency reports, memoranda and letters pertaining to the ISF Appropriations, including all attachments and appendices.
- e. Technical evidence, documents, data, testimony, and witnesses provided by TerraCarta and other parties to the contested ISF Appropriations.
- f. Records available from the Division of Water Resources regarding existing water rights, decrees, stipulations, engineering reports, call chronology, basin studies, and other information relevant to the ISF Appropriations.
- g. Data from all stream gauges relevant to the ISF Appropriations.
- h. TerraCarta reserves the right to identify and present additional data, documents, witnesses and testimony upon which it may rely as new information becomes available.

WHEREFORE, TerraCarta files for party status in the contested ISF Appropriations and requests the appointment of a hearing officer in accordance with Rule 5n of the ISF Rules.

Dated this 29th day of April 2015.

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Attorneys for TerraCarta Energy Resources, LLC



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