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(removed from Agenda)

Feasibility Study

for the

Purchase of

Union Reservoir Company

Shares for

Augmentation Use

Sponsored by

Union Well Augmentation Group, Ltd.

September 2015

FEASIBILITY STUDY APPROVAL
Pursuant to Colorado Revised Statutes 37-60-121 & 122, and
in accordance with policies adopted by the Board, the
CWCS staff has determined this Feasibility Study meets all
applicable requirements for approval.

Signed



5/6/16
Date

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Union Well Augmentation Group, Ltd.

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P.O. Box 445
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(970) 353-6121 (office)
(970) 353-9703 (fax)
ditchoffice@qwestoffice.net

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Rex Craven, Vice President
John Alles, Director
William Franklin, Director
Harry Strohauer, Director
Donna Coble, Secretary

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Introduction

Union Well Augmentation Group, Ltd. (UWAG), located in Weld County, Colorado, provides water for augmentation use to its shareholders through a quota based on water availability in its augmentation plan for the current pumping year. UWAG currently owns one share of Union Ditch Company, a conditional junior water right, and also leases water from various entities. Through the purchase of additional water, UWAG would be able to increase the quota allocated to its shareholders, making UWAG's augmentation plan more stable and viable.

Project Sponsor

UWAG was organized as a Colorado for-profit corporation in July 2004 for the purpose of receiving and holding title to direct flow and storage water rights, reservoirs, and holding basins, land, easements, rights-of-way, and other related facilities. UWAG administers such water rights and operates the related facilities for the benefit of UWAG shareholders in accordance with the Plan for Augmentation under Decree entered in Case No. 03CW404 by the District Court in Water Division 1.

UWAG is in good standing with the Secretary of State's Office. UWAG's Articles of Incorporation, Bylaws, and certificate of good standing are included in Appendix B. UWAG collects assessments for the purpose of covering the costs and expenses incurred in the operation and maintenance of UWAG. The Company has issued 29 shares of stock owned by 17 shareholders, with no municipal or industrial users owning UWAG stock; a copy of the current shareholder list is included as Appendix C; note that Prado View Investments is included in UWAG's augmentation plan, but is not a shareholder. The Ream well and Ream pond have been dropped from the plan since the entry of the Decree; they have filed their own augmentation plan. All UWAG shareholders are shareholders of Union Ditch Company, but not all shareholders of Union Ditch Company are shareholders of UWAG. UWAG has a Board of Directors composed of five shareholders, two of which must be the Company president and vice president, and other officers including a secretary and treasurer. The Company holds an annual meeting and the Board of Directors meet, as needed, on a regular basis. The Company's annual operating budget varies from year-to-year. Revenue is generated through shareholder assessments and other fees and charges. The Company employs a part-time secretary/treasurer.

Project Service Area and Facilities

The general service area for UWAG is the land irrigated under the Union Ditch, generally east of the Town of LaSalle between the Lower Latham canal system to the north and Western Mutual (Hewes-Cook) canal system to the south. A map of the service area and the wells is included as Appendix D. The wells are used to supplement irrigation water from the Union Ditch for a variety of agricultural crops, and are often used in the early irrigation season for vegetable crops prior to irrigation water being run.

There is a recharge pond, known as the Miller Pond, that is used as part of the augmentation plan. The property for the pond site was provided in exchange for UWAG providing augmentation water for the landowner's well. See Letter of Understanding in Appendix E

Water Rights

UWAG owns one share of Union Ditch Company, which was included for a change of use for augmentation and recharge under Case No. 03CW404; a copy of the certificate is included in Appendix E. Under the Decree, there is also a conditional junior water right for use in the augmentation plan.

UWAG currently leases 5.75 shares of Union Reservoir water from Union Ditch Company. The leased shares of Union Reservoir water are used in accordance with the terms of the Operational Policies of Union Reservoir Company (included in Appendix E) and under agreements between the Union Ditch Company and Union Reservoir Company (also included in Appendix E)

UWAG also has leases with the City of Longmont and the City of Aurora. The lease with the City of Longmont has been reduced from the original amount and the only water leased from the City of Longmont is the amount requested by Prado View Investments under agreement dated September 15, 2014. The lease with the City of Aurora was entered into because of a substantial increase in the lease rate by the City of Longmont from \$258 per acre foot to \$1,112 per acre foot. The current lease rate of \$300 per acre foot with Aurora could increase at the end of the initial 5-year term. Copies of the above agreements are included in Appendix E.

Regarding the water being purchased, Union Reservoir Company shares were historically used as a supplemental irrigation supply for shareholders in the Union Ditch Company. Union Reservoir shares have not been used for irrigation purposes under the Union Ditch system since the early 1980s, when most of the shares owned by Union Ditch Company shareholders were sold or transferred to the City of Longmont. The City of Longmont changed the shares it owned under Case No. 87CW222; the decree also included Union Reservoir shares owned by the remaining Union Reservoir shareholders.

The water in the augmentation plan is used first to cover depletions, which vary from well to well, then to establish a quota for that year; a final quota is set annually based on available water. For 2015, the full initial quota was 4.57 AF per share, which includes the Aurora lease of 2.30 AF per well. The four Union Reservoir shares being purchased would yield 2.25 AF per share, almost equivalent to the amount from the Aurora lease, and would raise the initial quota to 6.87 AF per share. Quota can be leased between shareholders.

Copies of decrees, agreements, and other pertinent information are included in Appendix E; UWAG's quota information is also provided in Appendix F.

Project Description and Alternatives

The project is to acquire additional water for UWAG's augmentation plan.

Alternatives considered were:

1. No action.
2. Lease additional water.
3. Purchase four (4) shares of Union Reservoir Company that have been offered for sale.

Alternative 1 was considered unacceptable because it meant that UWAG would be dependent upon current water owned and leased, with lease costs anticipated to rise in the future.

Alternative 2 was considered unacceptable because lease rates are high and, as in the case of the current lease with the City of Longmont, are not cost-effective for crop production. It is also difficult to find cost-effective, long-term leases acceptable to the Water Court and objectors.

Alternative 3 was the optimal choice and was selected because the cost per acre foot of the water was cost-effective for crop production and the price would not increase over the years since a loan amount to purchase the shares would be paid through a fixed annual payment. The water would also be a Company asset. The Union Reservoir water would provide additional quota, as previously discussed. In the future, if the Aurora water lease costs were to increase substantially, the lease could be dropped and the water available for a quota would return to approximately the same level as prior to the purchase of the Union Reservoir shares.

The purchase of Union Reservoir shares would be beneficial because UWAG already leases Union Reservoir shares from Union Ditch Company and they work well in the UWAG augmentation plan. There is less transit loss with the Union Reservoir shares than with the lease with the City of Aurora, and there are no issues with having to bypass the water around the Western (Hewes-Cook) Ditch during the summer and fall. The Union Reservoir shares also provide flexibility with water release timing and, at least on a short-term basis, since the shares were included in Longmont's change case, the shares could be leased to Longmont in exchange for other water on a one-for-one consumptive use basis.

Selected Alternative and Cost Estimate

The selected Alternative 3 involves the following tasks:

1. Negotiations with the seller for purchase of the shares, including an appraisal of the shares.
2. Entering into an agreement to purchase the water.
3. Closing on the purchase of the shares.
4. Reissuance of the stock certificates into UWAG's name, with CWCB shown as a lienholder.

The estimated cost breakdown for the project, including future expenses for obtaining a CWCB loan, is as follows:

Purchase price	\$500,000
Engineering	5,000
Legal fees	7,500
Appraisal fee	5,000

Other estimated costs (including future expenses for obtaining a CWCB loan)	5,500
Total costs	<u>\$523,000</u>

Implementation Schedule

The Union Reservoir shares to be purchased are currently in the name of a trust and are in the process of being transferred to the trust beneficiaries. It is anticipated that the new certificates to the beneficiaries will be issued by the end of October. The beneficiaries have stated that they will not enter into negotiations until the shares have been re-issued. Once the shares have been re-issued, UWAG will again contact the share owners to negotiate the purchase of the shares. It is unknown how long the negotiations will take because there will be two owners to negotiate with. It is anticipated that negotiations and closing on the shares would take place by the end of January 2016, but it could take longer.

Permitting

There are no permitting issues.

Institutional Considerations

It has not been determined at this time whether the shares will be the subject of a change of use case in Water Court. Initially, it is anticipated the shares will be used in an exchange with the City of Longmont for effluent water on a one-for-one basis. If the shares are changed in Water Court, the shares will be used in the augmentation plan under a substitute water supply plan until the decree is entered in the case.

Financial Analysis

UWAG is applying for a 20-year loan from the CWCB in the amount of \$470,700 from the Water Project Loan Program Account to cover 90% of the estimated cost of purchase of Union Reservoir shares for augmentation use project. The remaining 10% of the estimated cost of the purchase of Union Reservoir shares for augmentation use project will be paid from funds currently held by the Company or through an assessment. The Union Reservoir shares would be a Company asset. The loan application is attached as Appendix A.

Financial statements for fiscal years ended 2012, 2013, and 2014 are included in Appendix G of this feasibility study, along with the proposed budget for 2015. UWAG does not operate on a large balance, but rather make assessments as needed during the year to cover expenses.

At the standard agricultural lending rate of 1.55%, the annual payments on a \$470,700 20-year loan would be \$27,552. Assessments would increase by approximately \$950 per share to cover the annual payment due under the loan (\$27,552 divided by 29 shares; the Prado View Investments well included in the augmentation plan would not benefit from the water purchased

and so would not be assessed for the CWCB loan payment; Prado View only receives water under the City of Longmont lease). Assessments, which vary from year to year, have been around \$1,055 per share and would increase to \$2,005 per share, including assessments for water leases. Assessments for administrative fees (which includes the loan payment on Loan Contract C150172 in the name of Union Ditch Company, which is discussed below under Credit Worthiness) and water rental are presented to shareholders through a proposed budget and approved at the annual shareholder meeting held in January of each year.

The assessments for administrative fees for the years 2012 to 2015 are summarized below. Amounts include shareholder assessments (one share is issued per well), plus the Prado View Investments well, and the Ream pond (dropped from the plan for 2015 budgeting purposes).

Year	Administrative Fees	Assessment Per Share
2015 (budgeted) (30 wells)	\$38,305	\$1,277
2014 (32 wells)	\$25,200	\$788
2013 (32 wells)	\$35,200	\$1,100
2012 (32 wells)	\$82,975	\$2,593

Assessment amounts vary depending on expenses incurred. The 2013, 2014, and 2015 amounts are more representative of assessment amounts. The average of 2013, 2014, and budgeted 2015 amounts is \$1,055.

UWAG will establish a CWCB loan reserve account in the amount required for the loan reserve for the requested loan and will be maintained throughout the term of the loan.

Financial Summary

Project Cost	\$523,000
Loan Amount (90% of Project Cost)	\$470,700
CWCB Loan Payment Amount	\$27,552
Number of Shareholders	17
Number of Shares of Stock	29
Current Assessment Per Share (average of 2013, 2014, and 2015 budget)	\$1,055
Future Assessment Per Share (approximate)	\$2,005
Annual Project Cost Per Acre Foot Consumptive Use (16 AF consumptive use per share)	\$431

Credit Worthiness

UWAG currently makes the loan payment on Loan Contract C150172 in the name of Union Ditch Company. The loan was for \$100,061.53; the current balance is \$97,782.37. At the time the loan was obtained, UWAG did not have sufficient credit or assets to obtain a CWCB loan on its own. The loan was for the construction of a recharge project consisting of three recharge ponds (only one was built), including flow measurement structures, headgate structures, and monitoring and reporting measurement equipment; annual payments of \$4,780.70 are made through Union Ditch Company to CWCB. UWAG purchased the one share of Union Ditch Company subsequent to the loan approval. In addition to assessment income, the Company

has occasional income from lease of water for oil and gas purposes. Complete financial information may be found in the Company's annual reports in Appendix G.

Alternative Financing Considerations

UWAG considered purchasing the Union Reservoir shares outright through an assessment, but the assessment amount was prohibitive for some of the shareholders. The alternative was to obtain a CWCB loan. The 20-year term of the loan was determined to be the most appropriate term for repayment.

Collateral

As security for the CWCB loan, UWAG can pledge future assessment income and the project itself.

Economic Analysis

By purchasing the Union Reservoir Company shares, UWAG's water portfolio in its augmentation plan will become more viable and costs can be better managed. If water lease rates for the Aurora water lease increase to a level which is not cost-effective, the lease can be dropped and the augmentation plan will still have sufficient water to operate. If water lease rates for the Aurora water lease remain affordable, then the shareholders will have a higher quota than currently, which could assist to maintain crop dependability in case of dry years or if delivery of Union Ditch water is interrupted for some reason.

Social, Physical, and Environmental Impacts

The project will have no significant social impacts as the augmentation plan will generally continue to operate as in the past. Physical impacts include the availability of additional water for quota to augment well pumping. There are no environmental impacts.

Conclusions

1. UWAG is an incorporated entity in the State of Colorado with the ability to enter into a contract with the CWCB for the purpose of obtaining a loan for purchasing Union Reservoir water for augmentation uses.
2. The project provides for the ability to increase pumping quota to augment well pumping, and flexibility in the water used in the augmentation plan.
3. The total cost of the project is \$523,000 of which 90% (\$470,700) would be financed by a loan from the CWCB. The remaining 10% (\$52,300) would be funded from current Company funds or through assessments.
4. The project is technically and financially feasible.

Appendix A
CWCB Loan Application

**COLORADO****Colorado Water
Conservation Board**

Department of Natural Resources

Water Project Loan Program**Application Type**☐ Prequalification (Attach 3 years of financial statements) ☒ Loan Approval (Attach Loan Feasibility Study)**Agency/Company Information**

Company / Borrower Name: Union Well Augmentation Group, Ltd.

Authorized Agent & Title: Donna L. Coble, Secretary

Address: PO Box 445, Greeley, CO 80632

Phone: (970) 353-6121 Email: ditchoffice@qwestoffice.net

Organization Type: ☐ Ditch Co, ☐ District, ☐ Municipality
☒ other: Augmentation CompanyIncorporated? ☒ YES
☐ NO

County: Weld

Number of Shares/Taps: 29 shares

Water District: 2

Avg. Water Diverted/Yr _____ acre-feet

Number of Shareholders/Customers Served:

Current Assessment per Share \$1,200 (Ditch Co)

17 shareholders / 18 Customers

Average monthly water bill \$ _____ (Municipality)

Contact Information

Project Representative: Gary Alles

Phone: (970) 396-2587 Email: susanalles@msn.com

Engineer: Soley Belt, BELA designs, LLC

Phone: (970) 692-3800 Email: beladesigns@yahoo.com

Attorney: James A. Gustafson

Phone: (970) 356-8200 Email: jamesagus@aol.com

Project Information

Project Name: Purchase of Union Reservoir Company Shares for Augmentation Use

Brief Description of Project: (Attach separate sheets if needed)

The project is the purchase of 2 shares of Union Reservoir Company to add water to the Company's
augmentation plan.Other Costs (see below): Purchase price of 2 shares (\$250,000); attorney fees (\$7,500); appraisal fee
(\$5,000); other estimated costs, including cost of obtaining CWCB loan (\$5,500)General Location: (Attach Map of Area) East of the Town of LaSalle, CO, between the Lower Latham and
Western Mutual canal systems.

Estimated Engineering Costs: \$5,000

Estimated Construction Costs:

Other Costs (Describe Above): \$268,000

Estimated Total Project Costs: \$273,000

Requested Loan Amount:

Project Start Date(s)

(Limit 90% of Total Project Costs) \$245,700

Design: N/A Construction: N/A **Signature**

Signature / Title

Donna L. Coble Secretary 4/13/16

Date

Return to: Finance Section Attn: Anna Mauss
1313 Sherman St #718
Denver, CO 80203
Ph. 303/866.3449
e-mail: anna.mauss@state.co.us



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Water Project Loan Program

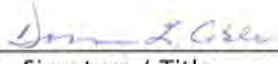
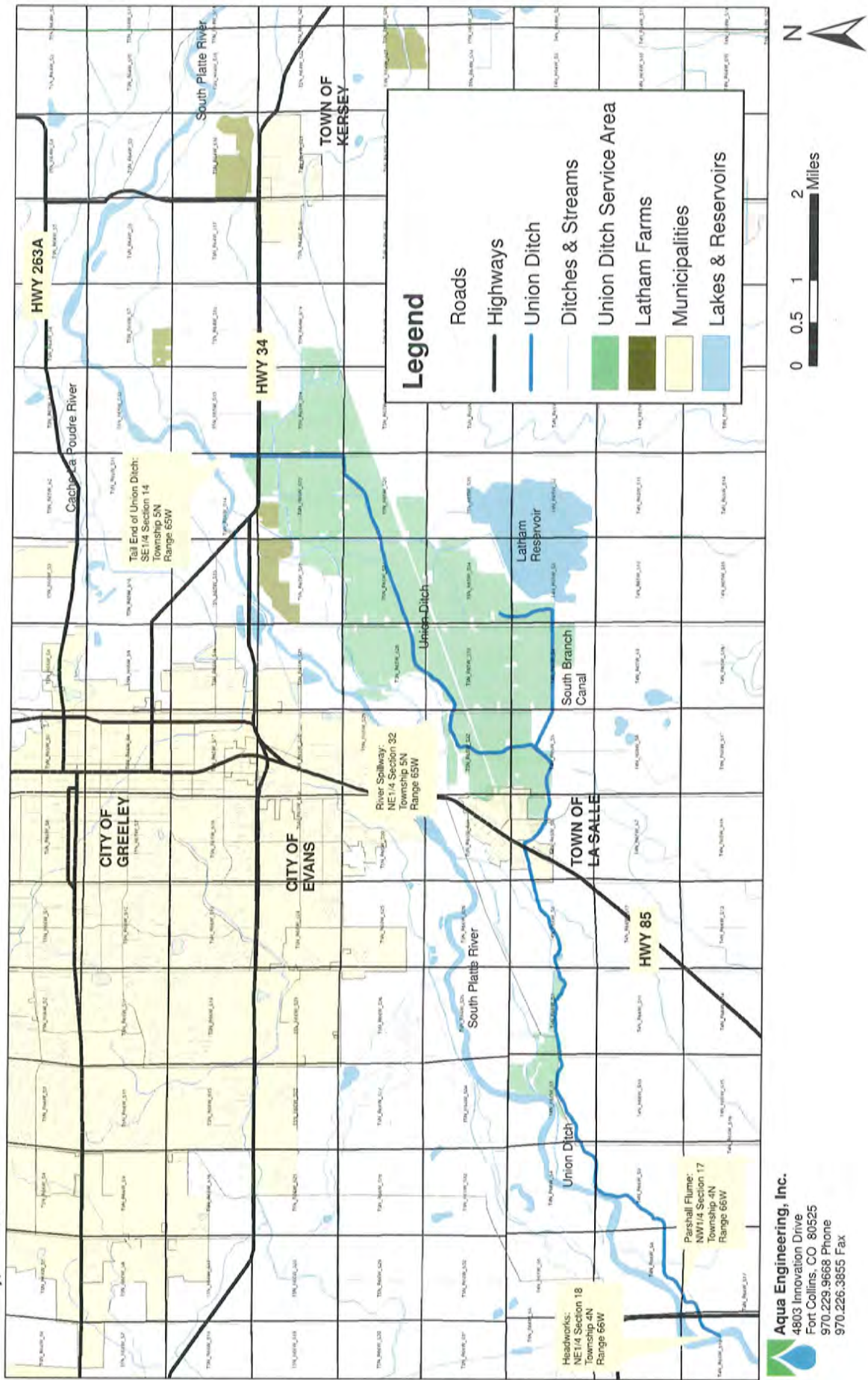
Application Type	
<input type="checkbox"/> Prequalification (Attach 3 years of financial statements)	<input checked="" type="checkbox"/> Loan Approval (Attach Loan Feasibility Study)
Agency/Company Information	
Company / Borrower Name: Union Well Augmentation Group, Ltd.	
Authorized Agent & Title: Donna L. Coble, Secretary	
Address: P.O. Box 445, Greeley, CO 80632	
Phone: () 970-353-6121	Email: ditchoffice@qwestoffice.net
Organization Type: <input type="checkbox"/> Ditch Co, <input type="checkbox"/> District, <input type="checkbox"/> Municipality	Incorporated? <input checked="" type="checkbox"/> YES
<input checked="" type="checkbox"/> Other: augmentation company	<input type="checkbox"/> NO
County: Weld	Number of Shares/Taps: 29
Water District: 2	Avg. Water Diverted/Yr _____ acre-feet
Number of Shareholders/Customers Served:	Current Assessment per Share \$ 1,055 (Ditch Co)
17/18	Average monthly water bill \$ _____ (Municipality)
Contact Information	
Project Representative: Gary Alles	
Phone: (970) 396-2587	Email: susanalles@msn.com
Engineer: Soley Belt, BELA designs, LLC	
Phone: (970) 692-3800	Email: beladesigns@yahoo.com
Attorney: James A. Gustafson	
Phone: (970) 356-8200	Email: jamesagus@aol.com
Project Information	
Project Name: Purchase of Union Reservoir Company Shares for Augmentation Use	
Brief Description of Project: (Attach separate sheets if needed)	
The project is the purchase of four shares of Union Reservoir Company to add water to the Company's augmentation plan.	
Other Costs (see below): Purchase price of shares (\$500,000); attorney fees (\$7,500); appraisal fee (\$5,000);	
other estimated costs, including cost of obtaining CWCB loan (\$5,500)	
General Location: (Attach Map of Area)	
East of the Town of LaSalle, Colorado, between the Lower Latham and Western Mutual canal systems	
Estimated Engineering Costs: \$5,000	Estimated Construction Costs:
Other Costs (Describe Above): \$518,000	Estimated Total Project Costs: \$523,000
Requested Loan Amount:	Project Start Date(s)
(Limit 90% of Total Project Costs) \$470,700	Design: N/A Construction: N/A
Signature	
 Secretary 9/29/15	Return to: Finance Section Attn: Anna Mauss 1313 Sherman St #718 Denver, CO 80203 Ph. 303/866.3449 e-mail: anna.mauss@state.co.us
Signature / Title	Date

Figure 2. Union Ditch Service Area

Weld County, Colorado



Aqua Engineering, Inc.
 4803 Innovation Drive
 Fort Collins, CO 80525
 970.229.9668 Phone
 970.226.3855 Fax

Appendix B

Articles of Incorporation

Bylaws

Certificate of Good Standing

Document Processing Fee

If document is on paper:

\$50.00

If document is filed electronically:

Currently Not Available

Fees are subject to change.

For electronic filing and to obtain
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Deliver paper documents to:

Colorado Secretary of State

Business Division

1560 Broadway, Suite 200

Denver, CO 80202-5169

Paper documents must be typed or machine printed.

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\$ 50.00
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09-14-2004 11:37:02

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation

filed pursuant to §7-90-301, et seq. and §7-102-102 of the Colorado Revised Statutes (C.R.S.)

1. Entity name:

Union Well Augmentation Group, Ltd.

(The name of a corporation must contain the term or abbreviation "corporation", "incorporated", "company", "limited", "corp.", "inc.", "co." or "ltd"; If the corporation is a professional corporation, it must contain the term or abbreviation "professional corporation", "p.c.", or "pc" §7-90-601, C.R.S.)

2. Use of Restricted Words (if any of these terms are contained in an entity name, true name of an entity, trade name or trademark stated in this document, make the applicable selection):

- ☐ "bank" or "trust" or any derivative thereof
☐ "credit union" ☐ "savings and loan"
☐ "insurance", "casualty", "mutual", or "surety"

3. Principal office street address:

1025 Ninth Avenue

(Street name and number)

Suite 309

Greeley

CO

80631

(City)

(State)

(Postal/Zip Code)

(Province – if applicable)

(Country – if not US)

4. Principal office mailing address:
(if different from above)

(Street name and number or Post Office Box information)

(City)

(State)

(Postal/Zip Code)

(Province – if applicable)

(Country – if not US)

5. Registered agent: (if an individual):

Alles

Gary

D.

(Last)

(First)

(Middle)

(Suffix)

OR (if a business organization):

6. The person appointed as registered agent in the document has consented to being so appointed.

7. Registered agent street address:

1025 Ninth Avenue

(Street name and number)

Suite 309

Greeley CO 80631
(City) (State) (Postal/Zip Code)

8. Registered agent mailing address:
(if different from above)

(Street name and number or Post Office Box information)
(City) (State) (Postal/Zip Code)
(Province – if applicable) (Country – if not US)

9. If the corporation's period of duration
is less than perpetual, state the date on
which the period of duration expires:

(mm/dd/yyyy)

10. (Optional) Delayed effective date:

(mm/dd/yyyy)

11. Name(s) and address(es) of
incorporator(s): (if an individual):

Alles Gary D.
(Last) (First) (Middle) (Suffix)

OR (if a business organization):

26285 Weld County Road 47
(Street name and number or Post Office Box information)

Greeley CO 80631
(City) (State) (Postal/Zip Code)
(Province – if applicable) (Country – if not US)

(if an individual)

(Last) (First) (Middle) (Suffix)

OR (if a business organization)

(Street name and number or Post Office Box information)

(City) (State) (Postal/Zip Code)
(Province – if applicable) (Country – if not US)

(if an individual)

(Last) (First) (Middle) (Suffix)

OR (if a business organization)

(Street name and number or Post Office Box information)

(City) (State) (Postal/Zip Code)

(Province - if applicable) (Country - if not US)

(If there are more than three incorporators, mark this box ☐ and include an attachment stating the true names and mailing addresses of all additional incorporators.)

12. The corporation is authorized to issue 40 shares of common stock.
(number)

(Additional classes of capital stock may be authorized and additional information regarding the corporation's stock may be stated, mark this box ☐ and include an attachment stating pertinent information.)

13. Additional information may be included pursuant to §7-102-102, C.R.S. and other organic statutes such as title 12, C.R.S. If applicable, mark this box ☒ and include an attachment stating the additional information.

Notice: See attached restriction for sale or transfer of common stock.

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

14. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

Alles Gary D.
(Last) (First) (Middle) (Suffix)
26285 Weld County Road 47
(Street name and number or Post Office Box information)
Greeley CO 80631
(City) (State) (Postal/Zip Code)
(Province - if applicable) (Country - if not US)

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box ☐ and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

Shareholders of Union Well Augmentation Group, Ltd. (UWAG) acknowledge that his, her or its share is issued for a well(s) and Union Ditch Company share(s) utilized to irrigate land underneath the Plan of Augmentation in District Court, Water Division No. 1, Case No. 2003 CW 404. Therefore, if a shareholder underneath the Plan decides to sell his, her or its property, well or Union Ditch Company shares, it may affect the ownership of the UWAG shares.

No transfer or sale of common stock of UWAG shall be valid unless the sale of this common stock is also transferred or sold with the real property, well(s) and Union Ditch Company share(s) that are in the Augmentation Plan filed in Water Court, Water Division No. 1, Case No. 2003 CW 404. If the sale or transfer of this common stock of UWAG is being proposed in a manner contrary to this restriction, then the owner of said share(s) shall notify the Secretary of UWAG of the proposed transfer or sale, the number of share(s) proposed to be transferred or sold, the price at which the proposed transfer or sale is to be made, the terms of the proposed transfer or sale and the name of the prospective buyer or transferee, and UWAG shall have ninety (90) days to match said offer so the share(s) of UWAG stay in tact with the real property and well(s) they correlate with in Case No. 2003 CW 404.

If UWAG purchases only the share(s), then a Dry-Up Covenant for the land will be given as part of the purchase.

If UWAG does not exercise its option to purchase the share(s) being sold, and said share(s) are not being used to augment the well(s) in the Plan, then the well(s) and a proportionate number of acres covered under the Plan must be taken out of the Plan at the time said share(s) are sold to the third party and the selling party shall bear all expenses associated with the amendment of the plan/application.



Colorado Secretary of State
Date and Time: 12/21/2005 09:28 AM
Entity Id: 20041252998
Document number: 20051472680

Document processing fee
If document is filed on paper \$125.00
If document is filed electronically \$ 25.00

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information or print copies of filed
documents, visit www.sos.state.co.us
and select Business Center.

Paper documents must be typewritten or machine printed.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Amendment

filed pursuant to §7-90-301, et seq. and §7-110-106 of the Colorado Revised Statutes (C.R.S.)

ID number: 20041252998

1. Entity name: Union Well Augmentation Group, Ltd.
(If changing the name of the corporation, indicate name BEFORE the name change)

2. New Entity name:
(if applicable)

3. Use of Restricted Words *(if any of these
terms are contained in an entity name, true
name of an entity, trade name or trademark
stated in this document, mark the applicable
box):*

- ☐ "bank" or "trust" or any derivative thereof
☐ "credit union" ☐ "savings and loan"
☐ "insurance", "casualty", "mutual", or "surety"

4. Other amendments, if any, are attached.

5. If the amendment provides for an exchange, reclassification or cancellation of issued shares, the attachment
states the provisions for implementing the amendment.

6. If the corporation's period of duration
as amended is less than perpetual, state
the date on which the period of duration
expires:

(mm/dd/yyyy)

OR

If the corporation's period of duration as amended is perpetual, mark this box: ☒

7. (Optional) Delayed effective date: *(mm/dd/yyyy)*

Notice:

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or
acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the
individual's act and deed, or that the individual in good faith believes the document is the act and deed of the
person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity
with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic
statutes, and that the individual in good faith believes the facts stated in the document are true and the
document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

8. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

Alles	Gary		
(Last)	(First)	(Middle)	(Suffix)
1135 Eighth Avenue			
(Street name and number or Post Office information)			
Suite B			
Greeley	CO	80631	
(City)	(State)	(Postal/Zip Code)	
	United States		
(Province – if applicable)	(Country – if not US)		

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box ☐ and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

On December 14, 2005, the Board of Directors of Union Well Augmentation Group, Ltd. amended the Articles of Incorporation, paragraph 12., by resolution to authorize the corporation to issue 50 shares of common stock.

**BY-LAWS
OF
UNION WELL AUGMENTATION GROUP, LTD.**

**ARTICLE I.
AUGMENTATION PLANS, QUALIFICATIONS OF STOCKHOLDERS,
STOCKHOLDER AGREEMENTS AND COVENANTS**

A. Purposes. The purposes for which this profit corporation is organized and its powers are fully set forth in the Articles of Incorporation and are incorporated herein by this reference. Its principal purpose is to receive and hold title to direct flow and storage water rights, reservoirs and holding basins and interest therein, lands, easements, rights-of-way and other related facilities in trust for its stockholders and to administer such water rights and operate the related facilities for the benefit of its stockholders in accordance with the plan for augmentation of Union Ditch Company and Union Well Augmentation Group, Ltd. (hereinafter UWAG) stockholders and pending approval of a Decree entered by the District Court of Water Division No. 1. The plan for augmentation referred to in these By-Laws, except as otherwise stated, is that plan for augmentation in District Court, Water Division No. 1, Colorado, in Case No. 2003 CW 404.

B. Stock Restrictions. Each shareholder of UWAG acknowledges that his, her or its (hereinafter he, his or him) share(s) is/are issued for a well(s) and Union Ditch Company share(s) utilized to irrigate land underneath the plan for augmentation in District Court, Water Division No. 1, Case No. 2003 CW 404. Therefore, if a shareholder underneath the plan decides to sell his property, well or Union Ditch Company share(s), it may affect the ownership of the UWAG shares.

No transfer or sale of common stock of UWAG shall be valid unless the sale of this common stock is also transferred or sold with the real property, well(s) and Union Ditch Company share(s) that are in the augmentation plan filed in District Court, Water Division No. 1, Case No. 2003 CW 404. If the sale or transfer of this common stock of UWAG is being proposed in a manner contrary to this restriction, then the owner of said share(s) shall notify the Secretary of UWAG of the proposed transfer or sale, the number of share(s) proposed to be transferred or sold, the price at which the proposed transfer or sale is to be made, the terms of the proposed transfer or sale and the name of the prospective buyer or transferee, and UWAG shall have ninety (90) days to match said offer so the share(s) of UWAG stay in tact with the real property and well(s) they correlate with in Case No. 2003 CW 404.

If UWAG purchases only the share(s), then a dry-up covenant for the land will be given as part of the purchase.

If UWAG does not exercise its option to purchase the share(s) being sold, and said share(s) are not being used to augment the well(s) in the plan, then the well(s) and a proportionate number of acres covered under the plan must be taken out of the plan at the time said share(s) are sold to the third party and the selling party shall bear all expenses associated

with the amendment of the plan/application.

C. Water Supply. The water supply to meet the annual water requirements for each stockholder's participation in the plan for augmentation shall be the water attributed to what is historically used for the irrigation of the lands in Weld County in the plan filed in Case No. 2003 CW 404. The Company filed a change of water right application in the District Court, Water Division No. 1, on the shares owned by the shareholders and some owned by the Union Ditch Company.

D. Qualification of Stockholders and Voting Rights. Except as is otherwise provided in these By-Laws or the Articles of Incorporation, the vested interest in land located within the area described in the decreed plan for augmentation is required in order to qualify for stock ownership in this Company. Once a person becomes a stockholder of the Company, he can utilize the shares of stock for augmentation.

(1) There shall only be one class of stock for the Company. This stock shall be common stock. The Company shall be authorized to issue 40 shares of stock to stockholders of the Company. The stock shall be non-transferable, except to the stockholder's heirs, personal representative, successors and assigns, except as follows:

*Amended
to 50
shares
12/11/05*

(a) A successor/owner of the tract of land owned by the stockholder that is utilizing the shares in the plan for augmentation.

(b) A person, entity, association or a corporation which owns or operates the water supply and delivery system on a tract of land located in Weld County that intends to use the shares in a plan for augmentation that has been approved by the Company and the District Court, Water Division No. 1.

(c) Any other person, entity, association or corporation bound by the judicially approved plan for augmentation which has been approved by and will be administered by the Company.

(d) Stock may be transferred in accordance with the form prescribed by these By-Laws and the Articles of Incorporation.

(2) The Company may elect for the purposes of accounting and convenience to transfer water rights to the Company in excess of the water replacement requirements of the adjudicated plan for augmentation if the Company exercises its option to purchase a shareholder's stock in the Company pursuant to the restrictions on the sale or transfer of the stock. The stock shall be held in trust by the Company and shall be assigned to qualified users in future individual plans for augmentation contracted for by it and upon entry of a Decree by the District Court for Water Division No. 1 for such a plan. During the period of time it holds any such stock, the Company shall be liable for its pro rata share of all operations and maintenance costs of facilities owned by this Company and shall be liable for and subject to assessments levied for this purpose.

(3) The Company shall be authorized to contract for the construction of storage reservoirs to implement plans for augmentation contracted for by it. Such storage reservoirs will be deeded to the Company. The Company may also contract for the sale of any surplus storage capacity in such reservoirs or basins to other stockholders of the Company, provided the unit cost per share is equivalent to the cost associated with the increase in water available for augmentation. Such other plans are referred to herein as a non-affiliated plan for augmentation.

E. Stockholder Agreements and Covenants. In consideration of his ownership of stock and the mutual promises and covenants of the other stockholders, each stockholder promises, covenants and agrees that:

(1) He shall be subject to and bound by all of the terms and conditions of the Decree and the individual plan for augmentation in which he has a vested ownership interest.

(2) He will furnish the water supply to meet the annual water requirements for each share owned by him through the diversion of water from the Company approved site; he will pay his share of the costs for the operation of this site and he will abide by all rules and regulations for this diversion.

(3) He will pay his share of the costs for the construction of any on-site diversion and he will pay his share of the expenses incurred in the operation and maintenance of this diversion site.

(4) He will pay his pro rata share of the costs or all of the costs as the case may be for the construction of any augmentation reservoir required by the plan for augmentation in which he is a vested owner or in which he has contracted with the vested owner which augmentation reservoir is in addition to any augmentation reservoir provided for by this Company. He will also pay for his pro rata share of the expenses or all of the expenses as the case may be incurred in the operation and maintenance of such additional augmentation reservoir.

(5) It is a condition of the plan for augmentation that each shareholder provides adequate replacement water for his use of water under the plan for augmentation.

(6) He will be bound by and subject to all the provisions of the By-Laws and the Articles of Incorporation of this Company.

(7) He will not waste water or use it for any purposes other than those permitted by the Company and the State of Colorado. If he commits waste or uses the water for any other purposes than designated, he agrees that the Company may withhold his replacement water. He agrees that the Company may withhold his replacement water from him if he has not paid all assessments regularly made when due and payable.

(8) All assessments provided herein in these By-Laws or by action of the Board of Directors shall become as they are made and levied a lien on the vested ownership interest of the stockholder, his heirs, personal representatives, successors and assigns and a lien on the share or shares of stock and water rights represented by the stock. The Company may enforce the lien by foreclosure and sale of the stock and any other water rights represented by the stock and/or by the foreclosure and sale of the vested ownership interest.

(9) Any stockholder who mortgages or incurs debt against his vested ownership interest in the stock of the Company shall notify the Secretary of the Company at its principal office located at 1025 Ninth Avenue, Suite 309, Greeley, Colorado 80631, or any new principal office of the Company, giving the name and address of his mortgagee or holder of the Deed of Trust. He shall also provide the Secretary with a photostatic or machine copy of the recorded mortgage or Deed of Trust. A copy of the mortgage or Deed of Trust shall be kept in a book entitled "Deeds of Trust".

(a) The Secretary of the Company or other officer or employee designated by the Board of Directors, whenever so requested in writing by the mortgagee or holder of the Deed of Trust, shall promptly report any then unpaid annual or special assessment due from the stockholder.

(b) The Secretary of the Company or other officer or employee designated by the Board of Directors, when sending a notice of demand to the stockholder advising him of his default in the payment of any assessment, shall mail a copy of the notice of demand to the holder of the mortgage or Deed of Trust by mailing the same to him at his address as shown in the book of Deeds of Trust.

(c) Each stockholder agrees that upon becoming the owner of a vested ownership interest or other tract of land described and included in a plan for augmentation will promptly furnish to the Secretary of the Company a photostatic or machine copy of the recorded instrument vesting him with ownership of an interest in said land. Each stockholder will give notice to the Secretary of the Company of every lien or encumbrance on his land other than for taxes and every suit or other proceeding which may affect title to his ownership interest or land. The notice is to be given in writing within five (5) days after the stockholder's knowledge of the same.

(10) He understands and agrees that the water supply available for the exercise of the water rights held in trust by the Company for the stockholders is dependent upon the legal and physical availability of water under those water rights. No liability shall be incurred on account of any failure to deliver replacement water due to the legal or physical unavailability of water. In addition, no liability shall be incurred by the Company on account of any failure to meet the augmentation requirements of single or combined plans for augmentation contracted for or approved by the Company in the event the Company's reservoir system or lake or recharge facility should become inoperable because of flood or other occurrences beyond the control of the Company.

(11) The provisions and agreements contained in this article shall be covenants running with the land and shall be binding upon the stockholder, his heirs, personal representatives, successors and assigns and all instruments affecting title to any tract of land described and located in a decreed plan for augmentation and any water rights pertaining thereto shall be subject to the provisions and agreements contained in this article.

F. Obligations of the Company. The Company is obligated:

(1) To receive and hold title to all direct flow and storage water rights, reservoirs and interest therein, land easements, rights-of-way, and other related facilities conveyed to it by stockholders in trust for the stockholders.

(2) To administer such water rights and operate the related facilities to provide replacement water for the benefit of its stockholders in accordance with individual plans for augmentation contracted for by stockholders and decreed by the District Court of Water Division No. 1.

(3) To make annual reports (or more often, if required by Decree) to the State Engineer on the number of wells or structures or gravel pits which are an active part of the system to be augmented and including within the reports such other information necessary to implement the Company's water rights.

(4) To determine the annual budget, assess stockholders and maintain records as required by the Water Court, State Engineer and State of Colorado.

(5) If necessary, to record a copy of these By-Laws certified by its Secretary with the County Clerk & Recorder of each county in which a decreed plan for augmentation is located.

(6) To be bound by and subject to all provisions of its By-Laws and Articles of Incorporation.

ARTICLE II. STOCKHOLDERS' MEETINGS

A. Place. The stockholders' meeting shall be held at the principal office of the Company in the City of Greeley, County of Weld, State of Colorado, unless some other place shall have been designated by a majority of the Board of Directors and at such other places, whether within or without the State of Colorado, as shall be stated in the notice and call of the meeting which notice or call shall be given to the stockholders not less than fifteen (15) days prior to the date of such meeting. If the Company is going to increase the issuance of authorized shares of UWAG, then notice of the meeting to conduct this business shall be given to the shareholders not less than thirty (30) days prior to the date of such meeting.

B. Annual Meeting. The annual meeting of the stockholders of the Company shall

be held each year on or after the third Saturday of January at the hour of 11:00 a.m. or immediately following the Union Ditch Company meeting.

C. Special Meetings. Special meetings of the stockholders for any purpose or purposes may be called by a majority of the directors, President and Secretary, or by the holders of 51% of all issued and outstanding stock entitled to vote at such meetings by giving of notice thereof as herein defined.

D. Voting. At all meetings of stockholders voting may be via voice, but any qualified voter may demand the vote be taken by ballot and the Secretary or Credentials Committee, as appointed by the President, shall count the votes and verify the stockholder voting and the number of shares voted and if such vote shall be by proxy the name of the proxy shall also be set forth. Voting may be in person or by proxy appointed in writing and subscribed to by the stockholder bearing a date of not more than one (1) year prior to the date of said meeting. It shall take one share of stock to be entitled to one (1) vote as is registered in his name on the books of the Company, except where the transfer books of the Company shall have been closed or a date shall have been fixed for a vote. Any stockholder who owns stock in the Company which has not been effectuated by the transfer on the Company's stock ledger may vote at the meeting as long as his ownership of the stock can be verified by the Secretary. A complete list of the stockholders entitled to vote arranged in alphabetical order and the number of voting shares held by each stockholder shall be prepared by the Secretary who shall have charge of the stockholder list and shall be subject to inspection by all stockholders and the contents thereof shall be made available during the full business day next prior to the meeting. Cumulative voting shall not be permitted.

A majority of the issued and outstanding stock shall be represented at each meeting and a majority of the stockholders represented shall control, except that with respect to meetings called for the purpose of amending the Articles of Incorporation shall require a vote of two-thirds (2/3rds) of the stock issued. In absence of a quorum, either regular or special meetings may be adjourned to a future date not more than sixty (60) days from the date designated in the call.

E. Order of Business. The order of business at any meeting or special meeting of the stockholders shall be as follows:

- (1) Call the meeting to order;
- (2) Read notice of meeting;
- (3) Roll call conducted by Secretary;
- (4) Appoint a Credentials Committee and determine existence or lack of a quorum;
- (5) Reading of minutes of last previous meeting;

- (6) Report by Superintendent;
- (7) Unfinished business;
- (8) New business;
 - (a) Financial report;
 - (b) Levy of assessments;
 - (c) Election of Directors, if annual meeting;
- (9) Questions and discussion;
- (10) Adjournment.

To the extent that these By-Laws do not apply, Robert's Rules of Order shall prevail.

F. Notice. Notice of stockholders' meetings shall be in writing and shall be delivered by mail to each stockholder at the address appearing on the stock books of the Company at least fifteen (15) days before the date of such meeting. If the Company is going to increase the issuance of authorized shares of UWAG, then notice of the meeting to conduct this business shall be given to the stockholders not less than thirty (30) days prior to the date of such meeting. The notice of the annual meeting is not required to state its purpose. In addition to the election of directors, all business that can legally come before a stockholders' meeting shall be considered and transacted under the order of business. Notice of special meetings shall state the purpose(s) of such meeting.

ARTICLE III. BOARD OF DIRECTORS

A. Management. The Board of Directors shall constitute the policy-making or legislative authority of the Company. The board shall consist of not less than three (3) nor more than five (5) members who shall be elected by the stockholders at the annual meeting of the stockholders by a plurality vote for a term of three (3) years, except as provided hereinafter, and shall hold office until their successors are elected and qualify. The Board of Directors shall have all power with respect to management, control and determination of the policies of the Company that are not limited by these By-Laws or by the statutes of the State of Colorado. The terms of the Board of Directors shall be staggered so two members of the initial Board serve a term of three (3) years, two members of the initial Board serve a term of two (2) years, and one member of the initial Board serves a term of one (1) year.

B. Vacancies. Any vacancies on the Board of Directors shall be filled by the remaining directors. The directors elected to fill vacancies shall hold office for the unexpired

term or until their successors are elected and qualify.

C. Removal of Directors. The entire Board of Directors or any lesser in number may be removed by majority vote of stockholders at any special meeting of stockholders called for that purpose.

D. Regular Meetings. The only regular meeting shall be held annually on or after the third Saturday of January at the hour of 11:00 a.m. or immediately following the Union Ditch Company meeting. All other scheduled meetings shall be scheduled pursuant to the special meetings provision set forth hereinafter.

E. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President, Secretary or by a majority of directors. Notice of the special meeting shall be in writing and such notice shall be given by mailing the same not less than three (3) days prior to the date of the special meeting or by telephone, with less than three (3) days prior notice, if agreed to by the majority of the directors.

F. Quorum. A majority of the Board of Directors shall constitute a quorum. If there is a quorum, the majority of those present may transact all business of the Company except as otherwise limited herein.

ARTICLE IV. OFFICERS

A. Titles. The officers of the corporation shall be President, Vice President, Secretary and Treasurer who shall be elected for one (1) year by the directors at the organizational meeting and thereafter at the meeting following the annual meeting of the stockholders. Such officers shall hold offices until their successors are elected and qualify. The President and Vice President shall be members of the Board of Directors. The other officers need not be members of the Board of Directors. One person may hold the office of Secretary and Treasurer. No one person shall hold the office of President and Secretary.

B. President. The President shall preside at all meetings of the stockholders and Board of Directors when present and shall have general care, supervision and direction of the affairs of the Company and its employees under the direction of the Board of Directors; he shall sign, execute and acknowledge for and on behalf of the Company all deeds, contracts, leases, conveyances, stock certificates, notes and evidences of indebtedness and other documents and papers necessarily or properly to be executed by said Company; he shall also sign, together with the Treasurer, all vouchers or checks for payment of money.

C. Vice President. The Vice President, in the absence of the President, shall preside at all meetings of the Board of Directors and of the stockholders and shall also do and perform any and all other acts which the President might do if present and do and perform such other duties as the board may from time to time prescribe.

D. Secretary. The Secretary shall issue notices for all meetings, shall keep minutes of all meetings and shall record all proceedings. He shall have custody and control of the corporate records and books, excluding the books of account together with the corporate seal. He shall also make such reports and perform such other duties as may be consistent with his office or as may be required of him from time to time by the Board of Directors.

E. Treasurer. The Treasurer shall act as financial agent of the Company for the receipt and disbursement of all funds; he shall keep the books of accounts of the Company in proper form and correctly and shall give receipts for monies or other assets coming into his hands or control and shall keep this information on file with the records of the Company; he shall sign all checks or vouchers for the payment of money with the President, or in the absence of the President, the Vice President; he shall file and preserve all vouchers, bills, orders and accounts paid by him and furnish from time to time as may be required to the Board of Directors a detailed statement in writing of the receipts and expenditures of the Company and the balance on hand at the date of such statement.

F. Vacancies. A vacancy in any office, however arising, may be filled by the directors at any regular or special meeting.

G. Salaries. The salaries of agents and employees shall be fixed by the Board of Directors.

ARTICLE V. STOCK

A. Stock. If the Court Decree for the plan for augmentation requires an increase in water rights, then additional water shall be purchased on a pro rata basis to the stock ownership of the Company.

B. Certificates. Certificates of stock shall be issued in numerical order on such form as approved by the Board of Directors. Each holder thereof shall be entitled to a certificate signed by the President or Vice President and the Secretary. Transfers of stock shall be in accordance with the form prescribed on the certificate. Possession of the stock certificate shall not be regarded as evidence of ownership unless it appears on the stock books of the Company that said shares of stock were issued or duly transferred to the holder thereof.

C. Loss of Certificate. In the event of loss or destruction of a certificate, another may be issued in its place upon proof of such loss or destruction and upon the giving of a bond of indemnity to the Company or the transfer agent, or both, in such sum as the Secretary of the Company may provide as long as it is done in accordance with Colorado law.

D. Regulations. The Board of Directors shall have the power and authority to make all rules and regulations concerning the issuance, transfer, conveyance and registration of certificates of shares provided, however, that such regulations shall not be inconsistent with the laws of the State of Colorado or the Articles of Incorporation or the By-Laws of the Company.

E. Registered Stockholders. The Company shall be entitled to treat the holder of record of any share or shares as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of any other person whether or not it shall have express or other notice thereof.

ARTICLE VI. FINANCES AND DIVIDENDS

A. Company/For Profit: This Company is organized for profit.

(1) Reasonable compensation may be paid to any director, officer or stockholder while acting as an employee or agent of the Company for services performed and affecting one or more of the purposes of the Company; and

(2) Any director, officer or shareholder may be reimbursed for his actual and reasonable out-of-pocket expenses incurred in connection with the administration of the affairs of the Company.

B. Depository. The depository of the Company funds shall be designated by resolution of the Board of Directors. Additional depositories may be designated from time to time by an appropriate resolution of the Board of Directors.

C. Records. All books, records, bills and accounts of the Company shall be reviewed at least once annually by a certified public accountant to be designated by the Board of Directors.

ARTICLE VII. INDEMNIFICATION

Each person or individual who may have acted for or on behalf of the Company as a director, officer, executive, employee, representative or agent and his heirs and personal representatives shall be indemnified by the Company against any costs and expenses, including attorney fees, reasonably incurred in connection with any civil, criminal, administrative or other claim, action, suit or proceeding in which he or they may have become involved or with which he or they may be threatened by reason of his being or having acted in such capacity for and on behalf of the Company or by reason of his serving or having served the Company as director, officer, executive, employee, representative or agent or otherwise and against any payments and settlement of any such claim, action, suit or proceeding or in satisfaction of any related judgment, fine or penalty, unless he is adjudged to be derelict in the performance of his duties. In the case of a criminal action, suit or proceeding a conviction or judgment (whether after trial or based upon the plea of guilty or nolo contendere or its equivalent) shall not be deemed an adjudication that the person is derelict in the performance of his duties to the Company, if he acted in good faith, in what he considered to be the best interests of the Company and with no reasonable cause to believe that the action was illegal. These rights of indemnification shall not be exclusive of other rights to which he may be entitled as a matter of law or otherwise.

ARTICLE VIII.
ASSESSMENTS

A. Assessments. The Company shall have the power to make annual and special assessments on the stock, to be levied pro rata on the shares of stock payable in money, for the purpose of covering the costs and expenses incurred in the operation and maintenance of all of the Company's property.

B. Annual Assessments. The annual assessments shall first be submitted to the stockholders at the annual meeting and the majority of the stock issued and outstanding represented by either the owner in person or by proxy can approve or modify such annual assessments and if the stockholders fail to make and levy an annual assessment at the annual meeting or any adjournment thereof, the Board of Directors shall have the power to make and levy assessments for the ensuing Company fiscal year.

C. Special Assessments. Special assessments shall first be submitted to the stockholders at an annual meeting or a special meeting called for that purpose and the majority of the stock issued and outstanding represented either by the owner in person or by proxy can approve or modify the special assessment (including those for depletions) and if the stockholders fail to make and levy an assessment the Board of Directors shall have the power to make and levy these special assessments. Assessments levied by the Board of Directors for depletions and administration costs arising from the Substitute Water Supply Plan and/or Plan for Augmentation shall not require the Board of Directors to call a special meeting to levy these assessments.

D. Lien. All assessments shall become, as they are made and levied, a lien on the lands of the stockholder, his heirs, personal representative, successors and assigns described and located in the plan for augmentation of which the stockholder is the owner and against which the assessment was levied and upon the shares of stock and all water rights and any other interest represented by the shares of stock. The Company may enforce the lien by foreclosure and sale of the stock and water rights represented thereby and/or by foreclosure and the sale of lands.

E. Delinquency. Annual assessments are due and payable when levied, but due and payable no later than April 1st of the current irrigation season. Special assessments are due and payable on the date of the levy and shall be paid in full within fifteen (15) days thereafter.

Whenever any stockholder fails to pay an assessment in full when due or any installment of any assessment in full when due, the Company may serve a written or printed demand on the stockholder by depositing the same in the United States mail, in a sealed envelope, postage prepaid, addressed to the person for whom such demand is intended to his address as the same appears on the books of the Company. The time of mailing shall be deemed the time of making such demand. After thirty (30) days have elapsed from the time of mailing, the Company may maintain an action to recover the amount of any assessments or installments of an assessment which remains due and unpaid and all costs, including reasonable attorney fees.

ARTICLE IX.
NOTICES

Whenever a notice shall be required by the statutes of the State of Colorado or by the By-Laws, there shall be no necessity for giving personal notice, and all requirements with respect to giving notice shall be fulfilled by depositing said notice in writing in the United States mail in a sealed envelope, postage prepaid, addressed to the person for whom such notice is intended to his address as the same appears on the books of the Company. The time of mailing shall be deemed the time of giving such notice. A waiver of notice in writing signed by the stockholder, director or officer, whether before or after the time stated in said waiver, shall be deemed in every respect to waive notice and all requirements for giving notice shall be deemed waived upon the signing of such waiver. The presence at any meeting of any officer, stockholder or director shall in all events be considered a waiver of such notice and failure to vote shall not decrease or defeat the effectiveness of such waiver.

ARTICLE X.
COMPANY YEAR

The Company's fiscal year shall be from January 1st to December 31st or any other fiscal year subsequently approved by the Board of Directors.

ARTICLE XI.
COMPANY SEAL

The Company shall obtain and have available a Company seal which shall remain in the possession of the Secretary of the Company.

ARTICLE XII.
AMENDMENTS

The By-Laws may be amended:

- A. By the stockholders at a regular or special meeting by a majority of the stockholders entitled to vote; or
- B. By the Board of Directors by a two-thirds (2/3rds) vote of the entire board.

ARTICLE XIII.
RULES OF ORDER

A. Stockholders' Meeting. Whenever no rule of order has been provided for herein, Robert's Rules of Order shall prevail.

B. Directors' Meetings. Directors' meetings may use the rules of order prescribed for the stockholders' meetings in these By-Laws or they may, without amending these By-Laws,

adopt such other rules of order as they may deem proper.

I do hereby certify that I was Secretary of the meeting of Union Well Augmentation Group, Ltd. duly called and held on the 7th day of October, 2004, and I do hereby certify that the above and foregoing By-Laws as By-Laws of the Company at such meeting.



Donna L. Coble
Secretary and Treasurer

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Union Well Augmentation Group, Ltd.

is a **Corporation** formed or registered on 09/14/2004 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20041252998.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 09/25/2015 that have been posted, and by documents delivered to this office electronically through 09/28/2015 @ 17:30:43.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on 09/28/2015 @ 17:30:43 pursuant to and in accordance with applicable law. This certificate is assigned Confirmation Number 9318791.



A handwritten signature in blue ink that reads "Wayne W. Williams".

Secretary of State of the State of Colorado

*****End of Certificate*****

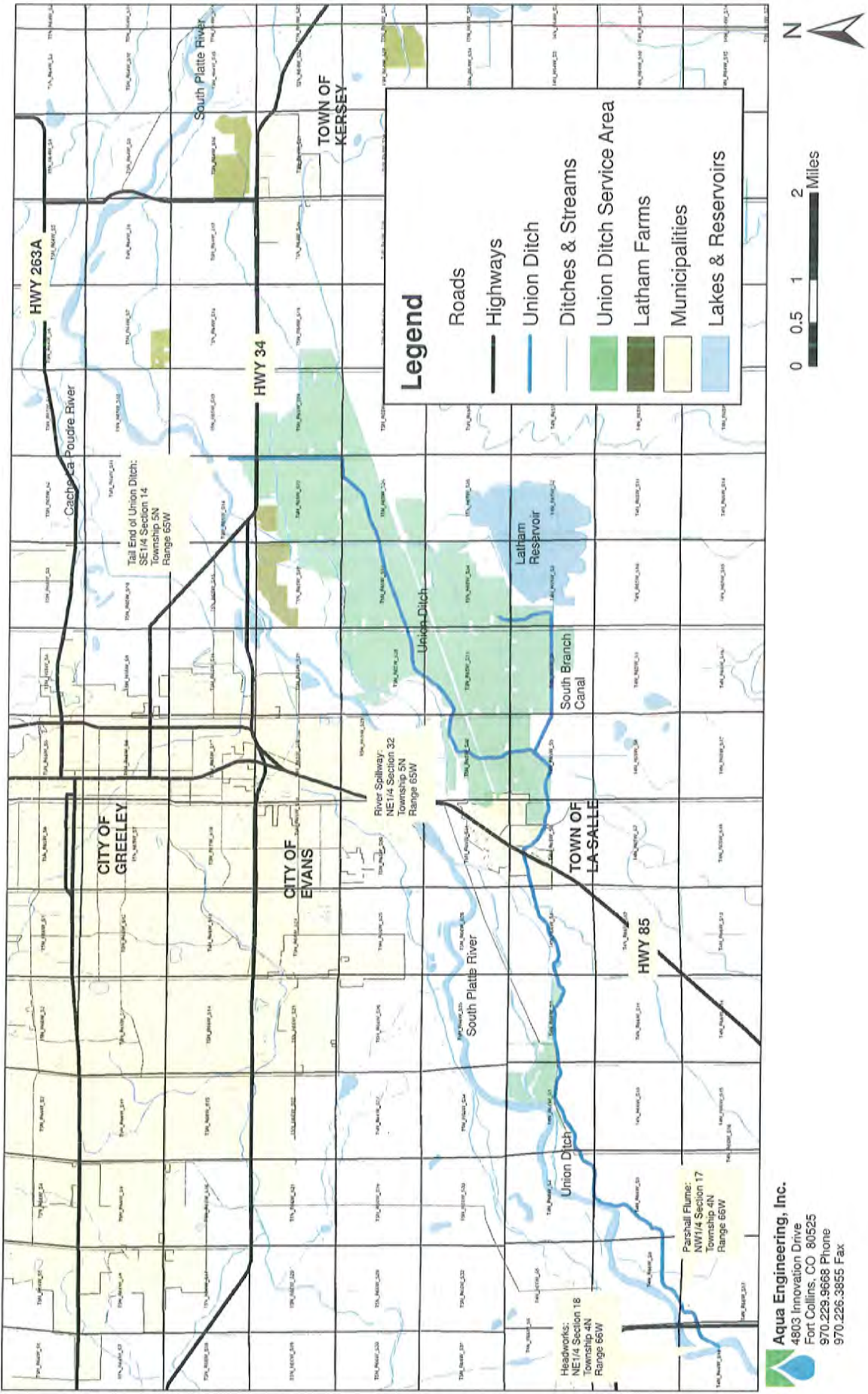
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Certificate Confirmation Page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us> click Business Center and select "Frequently Asked Questions."

Appendix C
Current Shareholder List

SHARES	NAME	PRESENT	REPRESENTED BY	PROXY
2	Alles, Gary			
1	Alles, Harry Lee Revocable Trust			
2	Alles, John Lee			
3	Michael Boulter Family Legacy, Inc.			
6	Michael Boulter Farms, LLC			
1	Roger Boulter, Inc.			
1	Craven, Rex			
1	Franklin, William			
1	Hoff, Vera			
2	Hoshiko Farms, Inc.			
1	Kallas, Jessie			
1	Keiser, G. A. Family Trust			
2	Maxey, George			
1	Mokray Joint Revocable Trust			
2	SB Farms, Inc.			
1	Strohauer Farms, Inc.			
1	Strohauer, Harry			
29				
	Included in Augmentation Plan; No Certificate Issued:			
1 well	Prado View Investments Company, LP			
30				

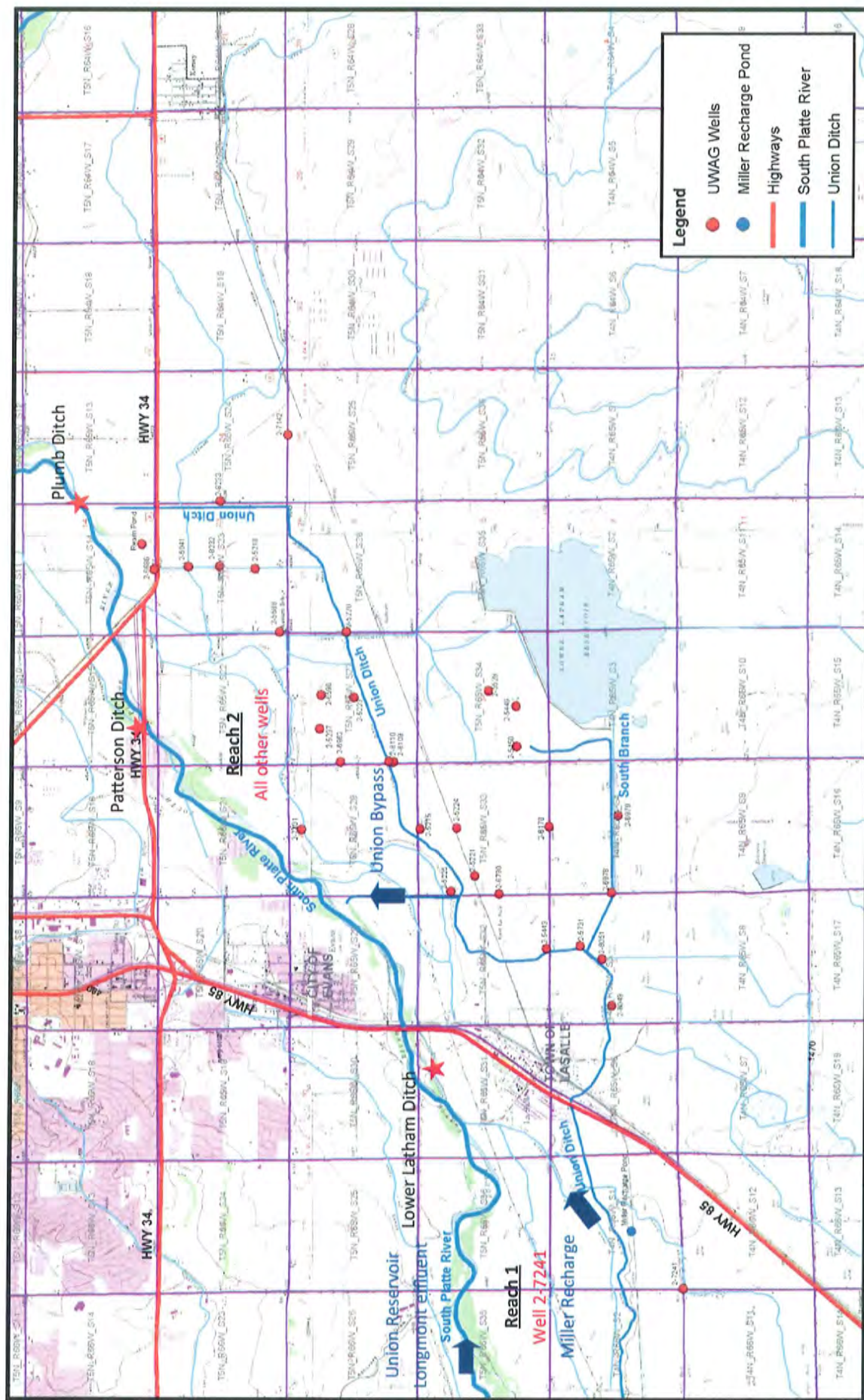
Appendix D
Map of Union Well Augmentation Group, Ltd. Service Area

Figure 2. Union Ditch Service Area
Weld County, Colorado



Aqua Engineering, Inc.
4803 Innovation Drive
Fort Collins, CO 80525
970.229.9668 Phone
970.226.3855 Fax

Appendix V. UWAG Depletion and Replacement Reaches



Appendix E
Letter of Understanding
Water Ownership Information
Operational Policies
Agreements
Decrees

James A. Gustafson
Attorney and Counselor of Law

3676952 02/19/2010 01:59P Weld County, CO
1 of 6 R 31.00 D 0.00 Steve Moreno Clerk & Recorder

1010 9th Avenue, P.O. Box 1417
Greeley, Colorado 80632
970-356-8200 or 970-356-8201
FAX 356-2202

November 18, 2008

Miller Feedlots, Inc.
c/o Mr. Jim Miller
P. O. Box 237
LaSalle, Colorado 80645

Re: Letter of Understanding Between Miller Feedlots, Inc./Jim Miller and Union Ditch
Company and Union Well Augmentation Group, Ltd. (UWAG)

Dear Jim:

On November 18, 2008, the UWAG Board met and agreed to the following terms and conditions for Miller Feedlots, Inc. and Jim Miller (hereinafter "Miller") to be in its plan for augmentation in District Court, Water Division No. 1, Case No. 2003 CW 404. If the terms set forth in this letter of understanding are acceptable to you, then you need to sign the letter of understanding and return it to me and I will prepare an Agreement that incorporates these terms in it to resolve the pending matters.

On December 29, 2005, you signed an Interim Agreement with Union Ditch Company and UWAG (hereinafter "Union"). Thereafter, you signed an Agreement Extending the Term of Interim Agreement. This letter of understanding is intended to clarify and provide more details for the terms and conditions to be set forth in a permanent Agreement to be signed by the parties.

Miller owns property in the SW 1/4 of Sec. 1, Twp. 4 N., Rng. 66 W. of the 6th P.M., Weld County, Colorado, as more particularly described and shown on Exhibit "A", which is attached hereto (hereinafter known as "Property").

Union desires to divert waters appropriated, unappropriated, owned, leased, or otherwise available to Union through the Union Ditch and onto the Property for augmentation, recharge, storage, and other beneficial uses.

In order for Union to utilize this Property to divert these waters, Miller agrees to allow Union to install structures to divert, measure, deliver, and place water to such uses and to divert and recharge and store water on the property.

Miller wants to remain a member of Union's plan for augmentation so that Miller can pump its well when it is out-of-priority. Therefore, Union and Miller, by signing this letter of understanding, are agreeing to enter into a formal agreement with the same terms (with the

understanding that each party will have its own attorney review said Agreement prior to signing it), which will subsequently be recorded with the Weld County Clerk & Recorder, that provides for the following terms and conditions:

1. The initial term of the Agreement will be for thirty-one (31) years, with the mutual agreement that allows Union to renew said Agreement for additional five year terms with similar conditions as set forth herein. Miller will allow Union to use the recharge site (project site) more specifically described in Exhibit "A". The project site will be transferrable by Miller, but Miller's property will be subject to Union's use and easement. Miller and his successors and/or assigns will continue paying the property taxes for the site on a timely basis. Union will be granted an easement for the project site that allows it to access the property to operate and, if necessary, to maintain the recharge site.
2. Miller will obtain approval from the State Engineer's Office and be responsible for the work, including preparing all documentation and paying the expenses associated with this request, if Miller wants to plant any trees, shrubs or other vegetation within this project site so as to insure the capacity of the project site will not be diminished. Prior to Miller contacting the State Engineer's Office, he should provide Union with written advance notice of his plans for planting trees, shrubs or other vegetation. If Union incurs any expenses because of Miller's actions, then Miller agrees to reimburse Union for the expenses it incurs for this request. In addition, Miller agrees not to divert or use the water delivered, stored, recharged or used by Union within the project site except as otherwise provided herein.
3. Union shall be entitled to 100% of the storage and/or recharge water delivered to and measured at the augmentation structure on the property and recharged at the property so it can be claimed as a credit in Union's augmentation plan.
4. Miller will be allowed to pump to 30 acre feet per year under Union's plan for augmentation. UWAG will secure leased water (with City of Longmont and Union Reservoir water) to cover Miller's depletions for the 30 acre feet that he is allowed to pump from its well each year. Miller's cost for the leased water will be the same as the cost charged to other UWAG members. The cost for this water may differ from year to year. It is understood that UWAG well members will not be required to dry-up any of their farms and to dedicate their water to cover the depletions from the pumping of Miller's well. Miller will receive credit against the cost for the leased water each year for the initial term of this lease in the amount of \$1,667.00 per year. Miller agrees to pay the same administrative costs as other UWAG well members to operate under Union's plan for augmentation. If Union's plan for augmentation allows its well users to pump their wells in excess to the amount allocated under the plan and excess water is available, then UWAG agrees to lease a portion of that excess water to Miller at the same price UWAG members pay for said water.

5. If the Weld County Assessor's Office assesses an increase in the taxes for the land where the project site is located, and Miller can provide documented proof to Union that verifies the increase in taxes is caused by this project site, then Union agrees to pay Miller each year in a timely manner for the portion of the increased taxes on the project site.
6. Union will finish excavation of the recharge pond on or before April 1, 2010, in accordance with the survey completed by Alles and Associates, Inc. Miller will grant permission to Union to enter Miller's property to perform such tasks after notifying Miller in writing.
7. When Union deems it necessary (on a yearly basis), it will notify Miller of the maintenance needed to be performed to the recharge site. This maintenance will include, but not be limited to, removal of silt, deep ripping of bottom surface, and general maintenance of the recharge site. Representatives of Union will provide written notice of instructions of what needs to be completed. If Miller has not completed the work on the project site within fifteen (15) days of the notice, then Union shall have the right to enter the project site and complete the work and Miller shall reimburse Union for the work completed on the project site. In case of adverse weather or other conditions that both parties agree will interfere with Miller completing the work within fifteen (15) days of the notice, then the parties will designate another completion date when the work needs to be done.
8. If for any reason Miller is not participating in Union's plan for augmentation, then Miller will be responsible for paying for its past depletions. Union shall be entitled to continue using the project site on Miller's property pursuant to the terms of the Agreement and pay Miller \$2,500.00 for annual rent to be paid by the 1st day of April each year.
9. Miller agrees to consult with its own counsel for advice prior to signing this letter of understanding and the subsequent Agreement that will be utilized to formalize this agreement between the parties. This letter of understanding shall be signed by Miller on or before November 25, 2008, and tendered to the Secretary of UWAG at 1135 Eighth Avenue, Greeley, Colorado 80631.

MILLER FEED LOTS, INC.

UNION DITCH COMPANY

By: 

Jim Miller, President

By: 

Gary Alles, President




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4 of 6 R 31.00 D 0.00 Steve Moreno Clerk & Recorder

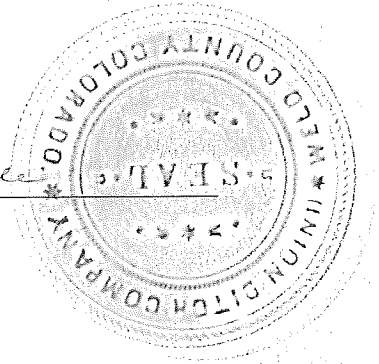
ATTEST:

_____, Secretary

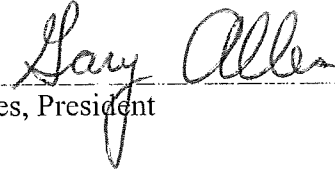

Jim Miller, Individually

ATTEST:



Donna L. Coble, Secretary

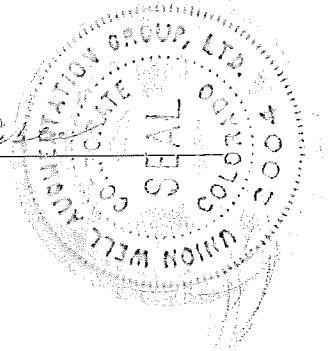


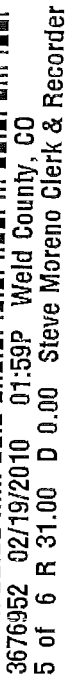
UNION WELL AUGMENTATION GROUP


Gary Alles, President

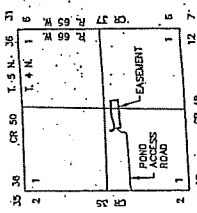
ATTEST:


Donna L. Coble, Secretary





WELL AUGMENTATION POND EASEMENT
PART S 1/2 SECTION 1, T. 4 N., R. 66 W.
6th P.M., WELD COUNTY, COLORADO.



EASEMENT AND/OR RIGHTS-OF-WAY - AUGMENTATION FUND

SECOND ACCESS ROAD CENTERLINE DESCRIPTION

SUPERVISOR'S CERTIFICATE

Kenneth R. Allen, a Registered Professional Land Surveyor in the State of Colorado do hereby certify that the survey represented by this plat was made under my personal supervision and checkbook. I further certify that the survey and this plat complies with all applicable rules, regulations, and laws of the State of Colorado. State Board of Licensure for Professional Engineers and Professional Land Surveyors, Weld County, the best of my knowledge and belief.





3676952 02/19/2010 01:59P Weld County, CO
6 of 6 R 31.00 D 0.00 Steve Moreno Clerk & Recorder

EXHIBIT "A"

WELL AUGMENTATION POND TOPOGRAPHICAL SURVEY
PART S 1/2 SECTION 1, T. 4 N., R. 66 W.
6th P.M. WELD COUNTY, COLORADO

SURVEYOR'S CERTIFICATE

I, Kenneth B. Allen, a Registered Professional Land Surveyor in the State of Colorado, do hereby certify that the survey represented by this plat was made under my personal supervision and contains a true and correct representation of the facts as shown on the ground and as shown on the maps and plans filed with the Board of Examiners for Professional Engineers and Professional Land Surveyors, and Weld County, to the best of my knowledge.

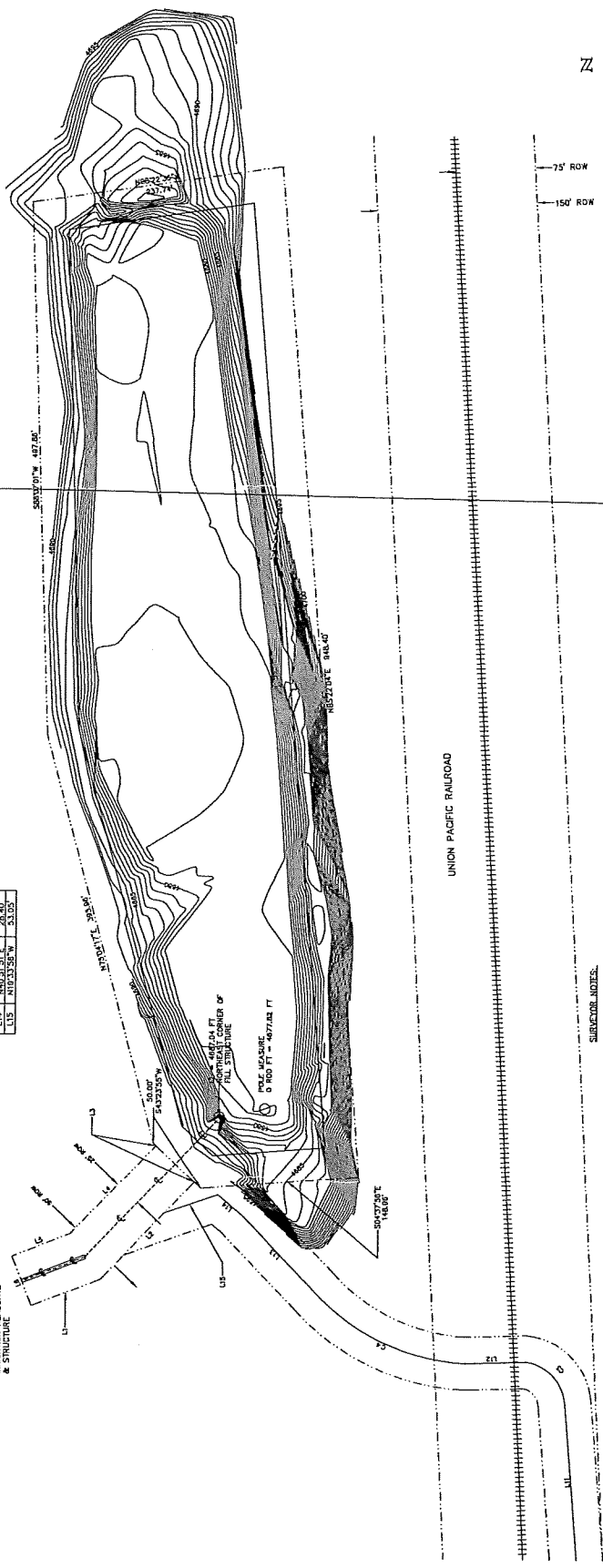
Kenneth B. Allen, Colorado PLS 9844

Date

REGISTRATION HEADQUARTERS
& STRUCTURE

LINE	BEARING	LENGTH
L1	S 84° 45' 00" E	127.22
L2	S 84° 45' 00" E	127.22
L3	N 43° 22' 55" E	50.00
L4	N 43° 22' 55" E	115.00
L5	N 43° 22' 55" E	50.00
L6	S 84° 45' 00" E	50.00
L7	N 89° 45' 53" E	40.88
L8	N 89° 45' 53" E	28.62
L9	N 89° 45' 53" E	28.62
L10	N 89° 45' 53" E	28.62
L11	N 89° 45' 53" E	28.62
L12	N 89° 45' 53" E	28.62
L13	N 43° 22' 55" E	28.62
L14	N 43° 22' 55" E	28.62
L15	N 43° 22' 55" E	53.05

CURVE	LENGTH	RADIUS	DELTA	TANGENT	CHORD	CHORD BEARING
C1	44.44	277.15	33.33°	33.33	77.77	N 77° 33' 33" E
C2	44.44	277.15	33.33°	33.33	77.77	N 77° 33' 33" E
C3	44.44	277.15	33.33°	33.33	77.77	N 77° 33' 33" E
C4	44.44	277.15	33.33°	33.33	77.77	N 77° 33' 33" E



SURVEY NOTES

- 1) All references to books, pages, maps and reception numbers are public documents on file at the Clerk and Recorder's Office of Weld County, State of Colorado unless stated otherwise.
- 2) See WELL AUGMENTATION POND EASEMENT Plat for description of Easement and/or Rights of Way for the Augmentation Pond, Irrigation Headgate and Structure, and Pond Access Road.
- 3) NOTICE: According to Colorado law, you must commence any legal action based upon any defect in this survey within the time period specified in the statute. The time period for commencing any legal action is the survey be commenced more than ten years from the date of the certification shown herein (C.S. 38-1-103 C.R.S.) Allen and Associates, Inc. and/or Kenneth B. Allen will not be liable for more than the cost of this survey in the event of a successful claim for damages caused by any error or omission in this survey, and/or use of this instrument for any purpose constituting agreement by the client to all terms stated herein.
- 4) BASIS OF BEARING: Considering the west line of the Southwest One-Quarter (SW 1/4) of Section One (1), Township Four (4) North, Range Sixty-Six (66) West, 6th P.M., County of Weld, State of Colorado, to bear South 89° 45' 53" West, between monuments as shown on the plat, and all bearing contained herein being relative thereto.
- 5) Elevations shown are based on NGS OPUS Rapid Static Solution Report, MAVO 88 using RTK-GPS methods.
- 6) This land survey plat is only valid if print, has the original seal and signature of the surveyor of record.

ALLAN AND ASSOCIATES, INC.
438 N. 26th St., Suite 100, Denver, CO 80202
TEL: (303) 733-5552
FAX: (303) 733-5554

Drawn by: EAA
Checked: KBA
Date: 05/04/09
Approved: KBA

WELL AUGMENTATION POND TOPOGRAPHICAL SURVEY
SHEET NO. 1 OF 1

AGREEMENT

THIS AGREEMENT is entered into this 15th day of ^{September}~~August~~, 2014, by and between Prado View Investments Company, LLP, doing business as Prado Dairy, whose legal address is 23360 Weld County Road 35, LaSalle, Colorado 80645, hereinafter referred to as "Prado", and the Union Well Augmentation Group, Ltd., a Colorado profit corporation, whose legal address is 3005 W. 29th Street, Suite G-1, Greeley, Colorado 80634, hereinafter referred to as "UWAG".

RECITALS

WHEREAS, Prado is the owner of property located in the Southwest Quarter of the Southwest Quarter (SW 1/4 SW 1/4) of Section One (1), Township Four (4) North, Range Sixty-Six (66) West of the 6th P.M., Weld County, Colorado, which contains upon it Miller Well No. 1-13856, hereinafter "Miller Well", which was originally decreed in District Court, Water Division No. 1, Case W-4209, and thereafter readjudicated in District Court, Water Division No. 1, Case No. 09CW9; and

WHEREAS, UWAG obtained a decreed plan of augmentation in District Court, Water Division No. 1, Case No. 03CW404, which allocated 30 acre feet per year to be used by Miller Well No. 1-13856, for dust suppression and, under appropriate circumstances, irrigation, and to fill and refill an unlined 2.2 acre recreational pond; and

WHEREAS, out-of-priority depletions from diversions by Miller Well are to be replaced pursuant to the UWAG's augmentation plan and to do so UWAG entered into a long-term lease with the City of Longmont to lease 100 acre feet annually of which 30 acre feet was allocated to the Miller Well; and

WHEREAS, the parties have agreed to reduce the current allocation of water that Prado will be expected to lease from UWAG, which comes from the lease with the City of Longmont, commencing for the irrigation season of 2015-2016, to 7.5 acre feet and to reduce the allocation of water leased by Prado for future years pursuant to the terms and conditions stated herein.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants, agreements, representations and warranties contained in this Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Prado agrees to pay UWAG the amount billed by the City of Longmont to UWAG for the 7.5 acre feet of treated water for the 2015-2016 irrigation season when assessed by UWAG. UWAG agrees to have available for Prado the use of 7.5 acre feet of treated water it leases from the City of Longmont for 2015-2016 irrigation season for augmentation and the uses that Miller Well was decreed in District Court, Water Division No. 1, Case No. 09CW9.

2. UWAG agrees to utilize the 7.5 acre feet that Prado obtains from UWAG from its lease with the City of Longmont to replace Prado's out-of-priority depletions caused by the use of the Miller Well.

3. Commencing with the irrigation season of 2016-2017, Prado agrees, at a minimum, to lease 5 acre feet of City of Longmont treated water and to pay UWAG for said water when it is assessed, unless Prado's compliance with UWAG's augmentation plan requires more water to be leased. UWAG acknowledges that Prado may provide written notice to the Secretary for UWAG that it intends to lease more than 5 acre feet in any given year, as long as said written notice is provided to the Secretary of UWAG on or before August 31st of the prior irrigation season. Thus, Prado would have to provide the Secretary for UWAG written notice of the amount of the City of Longmont water it intends UWAG to lease for Prado for the irrigation season of 2016-2017, by August 31, 2016~~5~~, so UWAG has sufficient time to notify the City of Longmont of the amount of water that UWAG intends to lease from the City of Longmont for the 2016-2017 season.

4. Prado intends to remain in UWAG's plan of augmentation. If Prado decides to delete the Miller Well from UWAG's augmentation plan, then Prado must provide written notice of its intent to delete the Miller Well from the UWAG augmentation plan pursuant to the terms of paragraph 27.3 of the Decree entered in District Court, Water Division No. 1, Case No. 03CW404. At that juncture, UWAG and Prado will need to reach a written agreement on the manner of how and when Prado will delete its well from the augmentation plan. Until that occurs, Prado agrees to abide by the terms and conditions of UWAG's augmentation plan and the policies UWAG implements to ensure that the augmentation plan operates pursuant to the Decree entered in District Court, Water Division No. 1, Case No. 03CW404.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

PRADO VIEW INVESTMENTS, LLP
D/B/A PRADO DAIRY

UNION WELL AUGMENTATION GROUP, LTD.

By: _____

By: _____

ATTEST: _____

ATTEST: _____

Secretary

Secretary

NUMBER
964

SHARES
---ONE (1)---

INCORPORATED UNDER THE LAWS OF
THE STATE OF COLORADO

UNION DITCH COMPANY

EVANS, WELD COUNTY, COLORADO

CAPITAL STOCK, \$25,000 250 SHARES OF \$100 EACH

**This Certifies
that**

Union Well Augmentation Group, Ltd. *is the owner of*
one (1) *Share of the Capital Stock of*

UNION DITCH COMPANY

*transferable only on the books of the Corporation by the holder hereof in
person or by Attorney upon surrender of this Certificate properly endorsed.*

IN WITNESS WHEREOF, the said Corporation has caused this Certificate to be signed
by its duly authorized officers and its Corporate Seal to be hereunto affixed
this 22nd day of February A.D. 1905

SECRETARY

PRESIDENT

\$100

OPERATIONAL POLICIES FOR UNION RESERVOIR

TABLE OF CONTENTS

1.	General	1
2.	Storage and Allocation	1
3.	Releases	2
4.	Carryover Water	3
5.	Accountings	4
6.	Maintenance, Improvements, or Repairs Issues	5
7.	Foreign Water	5
8.	Amendments	6

Appendix 1

OPERATIONAL POLICIES FOR UNION RESERVOIR

1. General

- A. All stockholders have separate accounts in the reservoir based on their respective pro rata interest in the reservoir water rights stored in the reservoir, subject to a "reservoir account." Each stockholder manages their own water in their separate account.
- B. Stockholder accounts are allocated 10,000 AF of the total 12,768 AF current capacity of the reservoir.
- C. A "reservoir account" is allocated 2,768 AF capacity of the reservoir. The account is used to cover evaporative and shrinkage losses, pumping right obligations, and adjustments that need to be made to the reservoir. The Company shall have the right to charge evaporative and seepage losses to the stockholder accounts on a pro rata basis instead of using the reservoir account to cover such losses. The Company shall also have the right to charge the stockholder accounts on a pro rata basis for the pumping right obligations instead of using the reservoir account to cover such obligations. Any increase in evaporation or seepage losses to other stockholders resulting from operations under agreements between the Company and stockholders shall be offset by the provision of sufficient water by the stockholder creating such increase in losses.
- D. The remaining capacity of 451 AF is allotted to capacity for siltation in the reservoir.
- E. Water will be diverted into Union Reservoir for subsequent delivery into Spring Gulch to the St. Vrain Creek, as has been customarily done in the past.
- F. Non-foreign water is water stored under the Union Reservoir decrees:

<u>Decreed Amount</u>	<u>Appropriation Date</u>	<u>Adjudication Date</u>	<u>Priority No.</u>	<u>Case No.</u>
13,219 AF	10/06/1902	03/13/1907	51	CA4790
5,879 AF	05/01/1973	03/11/1977	refill	W-7486

- G. Reservoir levels and conditions will be checked twice per week by the Company Superintendent, except due to weather conditions and icing at the reservoir, and recorded by the Company Secretary.

2. Storage and Allocation

- A. A stockholder is only entitled to store their pro rata share of reservoir water rights, subject to the reservoir account.

- B. Storage of non-foreign water through the Oligarchy Ditch is by an existing agreement dated July 20, 1903.
- C. Non-foreign water storage will be tracked, and allocated first to the stockholder accounts based on the stockholder's pro rata share of reservoir water rights, subject to the reservoir account, then allocated to the reservoir account. However, the Company reserves the right to allocate the non-foreign water storage to the reservoir account first, then to the stockholder accounts based on the stockholder's pro rata share of reservoir water rights, subject to the reservoir account.
- D. Non-foreign water storage will be allocated to stockholder accounts at the end of June each year for amounts stored from July through June. Storage allocation to stockholder accounts may be authorized by the Board prior to the end of June if the reservoir fills prior to that time.
- E. Non-foreign water storage will be allocated to stockholder replacement obligations accounts, if applicable, based on the schedule provided by the stockholder or lessee annually at the beginning of July, with the balance allocated to the stockholder's fully consumable account.
- F. Storage capacity levels in the winter and spring may be limited due to weather and other operational concerns.
- G. The Company's 1902 decree is a one-fill rule decree. The reservoir can only be refilled under the 1973 decree.
- H. A chart showing reservoir elevations and storage capacity at those elevations is attached as Appendix 1.

3. Releases

- A. Water may be released year-round, subject to operational restrictions as the Company deems appropriate. Operational restrictions include, but are not limited to, weather, amount of water to be released, and operational limitations of the reservoir.
- B. Seven (7) days' notice is required for releases. Release requests should be sent to the Company Secretary.
- C. At full reservoir levels, no more than 90 cfs total can be released from the reservoir at one time. If more than 90 cfs in releases at one time are requested, capacity will be allocated in proportion to share ownership. Outlet capacity decreases as the water elevation in the reservoir drops. In the event of reduced outlet capacity, capacity will be allocated in proportion to share ownership.
- D. Depending on the amount and duration of scheduled releases, scheduled small releases may be made over one (1) to four (4) days, generally at either the beginning or the end of the month. By agreement with the current Water Commissioner Division 1, District 5, monthly releases of 50 AF per month or less for the month can be released in as short as one (1) day.

- E. Notification must be given to personnel of the City of Longmont Department of Parks, Open Space, and Forestry as designated by that Department prior to increases in release amounts so that the boards at Sandstone Ranch can be set appropriately.
- F. Release request amounts should be submitted in tenths of cfs; releases are made in full cfs.
- G. It is the stockholder's responsibility to coordinate releases with the Water Commissioner to be sure the water can be shepherded to its intended destination, taking into consideration necessary bypasses around and through calling ditches, downstream dry-up points, etc.
- H. Releases are drawn against a shareholder's account by the type of water requested to be released.
- I. If applicable, stockholders should annually supply release schedules covering July through June of their monthly replacement obligation (return flow obligations and ditch loss replacements) releases no later than July 10 each year. The schedule should include monthly total and average flow rates (cfs) per day, and totals for each type of release. Figures should be rounded to the nearest tenth of a number.
- J. When there is a free river, scheduled releases **will still be made** unless other instructions are received from the stockholder or their engineer, or from the lessee or their engineer.
- K. Pumping right obligation release amounts were agreed upon with the Water Commissioner of Water Division 1, District 5, and the State Engineer. No releases are required during a free river.

4. Carryover Water

- A. All stockholders have carryover storage rights equivalent to their pro rata share of capacity, subject to the reservoir account.
- B. If a stockholder's account fills at any point, then carryover water is lost as of the filling date. However, if there is capacity in the reservoir account, the stockholder may book the carryover water into available space in the reservoir account; such space is subject to the pump right, and agreements with the City of Longmont, Union Ditch Company, and Central Colorado Water Conservancy District for use of available storage space in the reservoir account.
- C. Carryover water stored in the reservoir account is subject to ten percent (10%) of the net quantity of water stored being booked over to the Company as compensation for use of the storage space. The carryover water is also subject to an annual storage fee as set by the Company based on the quantity of water stored, with a minimum fee based on ten (10) acre feet of water.

- D. Carryover fees for water carried over in a stockholder's account will be charged only if the Company charges all stockholders a carryover fee for storage in their respective accounts.
- E. Storage fees are deemed to have been earned by the Company at the time water is stored.
- F. Payments shall be made on an annual basis.
- G. Stockholders agree to provide the Company with notice of their intention to carry over water for storage in the reservoir account by October 1 of each year. The Company will advise the stockholder of the availability of carryover space for such water.

5. Accountings

- A. Accounting will be sent monthly and will show the amount of water stored in and released from the reservoir, and any adjustments made to the reservoir account.
- B. The water year used for accounting purposes runs from July 1 to June 30 of each year because most stockholders are operating under terms consistent with City of Longmont's decree in case 87CW222 in which water stored in the stockholder's account from July 1 through June 30 needs replacement obligations met between July 1 and June 30 of following year.
- C. Accountings are sent to each stockholder and, if applicable, to the stockholder's engineer (only one per stockholder). A copy is also provided to the Water Commissioner and, as appropriate, to other Water Division 1 employees.
- D. Where long-terms leases have been signed, the accounting for that stockholder is also being sent to the lessee's engineer (only one per lessee). If there is only a short-term lease in effect, the accounting is sent only to the stockholder, and, if applicable, to the stockholder's engineer (only one per stockholder).
- E. The information contained in the accounting is confidential and is not to be shared with anyone other than the stockholder's or lessee's engineers, attorneys, and other similar individuals who need the information to do work on the stockholder's or lessee's behalf.
- F. Costs of accounting are currently paid by the Company, but the Company reserves the right to bill costs of accounting to the stockholders in proportion to stock ownership or to any particular stockholder whose operations require extraordinary accounting costs not in proportion to other shareholders' operations.

6. Maintenance, Improvements, or Repairs Issues

- A. If the reservoir is drawn down for maintenance, improvements, or repairs, stockholder accounts will be reduced proportionately to stock ownership to the reservoir capacity determined by the Company. No adjustment will be made to the reservoir account unless determined by the Company. Reasonable efforts

will be made to notify stockholders in advance of any maintenance, improvements, or repairs that may interfere with storage and release of water.

- B. If as a result of State inspection or other similar situations where the Company has no control over the request, if there is silting in of the reservoir, or if there are maintenance, improvements, or repairs required to be done and the reservoir capacity is reduced, stockholder accounts will be reduced on a pro rata basis to the reduced reservoir capacity determined by the Company. No adjustment will be made to the reservoir account unless determined by the Company.
- C. Any water stored in excess of the stockholder's reduced storage capacity which is not called for by the stockholder within ten (10) days of notice of such capacity reduction shall be spilled or booked over to another account(s) if excess capacity exists in that account(s).

7. Foreign Water

- A. Foreign water storage requires an agreement with the Company.
- B. The water may be stored first in the stockholder's account, then, subject to space availability and agreements with the City of Longmont, Union Ditch, and Central Colorado Water Conservancy District, in the reservoir account, and lastly in the remaining stockholders' accounts subject to an agreement with any stockholder in whose account the water will be stored.
- C. At the stockholder's option, when non-foreign water storage is allocated, all or part of the foreign water in the stockholder's account may be retained in the account in place of non-foreign water storage. If there is capacity in the reservoir account, subject to the pump right and agreements with the City of Longmont, Union Ditch Company, and Central Colorado Water Conservancy District, the stockholder may book all or part of the foreign water into available space in the reservoir account. The stockholder may also book all or part of the foreign water into available space in other stockholders' accounts subject to an agreement with any stockholder in whose account the water will be stored. Non-foreign water will be allocated to the stockholder's account to fill any remaining space in the stockholder's account in accordance with instructions given to the Company Secretary. In the absence of instructions to the Company Secretary, foreign water will be spilled to accommodate non-foreign water. Any stockholder who is retaining foreign or non-foreign water in its account shall be subject to the 2.25 acre-foot per share minimum replacement obligation as more fully described in section H., sub-paragraph (x) of the final decree in case #87CW222.
- D. Only Union Ditch or Union Reservoir water leased from other Union Ditch Company or Union Reservoir Company stockholders, C-BT water, or Windy Gap water may be stored. The exception to this is storage allowed according to the terms of foreign water storage agreements between the Company and stockholders.
- E. Seven (7) days' notice is required for storage of foreign water. Storage requests should be sent to the Company Secretary. Based upon available excess capacity in Oligarchy Ditch, Union Reservoir Company will coordinate delivery of

foreign water through Oligarchy Ditch on behalf of any stockholder requesting storage of foreign water in Union Reservoir.

- F. Seven (7) days' notice is required for releases from Union Reservoir. Release requests should be sent to the Company Secretary.
- G. Foreign water storage requires coordination with and approval by Oligarchy Ditch Company and may not be available year round. Subject to prior use of excess capacity in the Oligarchy Ditch by City of Longmont, Union Ditch Company, and Central Colorado Water Conservancy District, water may be run down the Oligarchy Ditch when (i) it is otherwise running water, (ii) there is excess capacity available, and (iii) the Oligarchy Ditch Company does not object to running the foreign water in the ditch. When the Oligarchy Ditch is dry, foreign water may be run after an agreement is reached between the Company and the Oligarchy Ditch Company regarding maintenance of the ditch to facilitate running the water. The stockholder may be billed for fees charged by Oligarchy Ditch Company to run the foreign water.

8. Amendments

- A. These operational policies may be amended from time to time at the discretion of the Board of Directors of the Company, and a copy, as amended, provided to all stockholders.



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UNION DITCH CO./UNION RESERVOIR CO. AGREEMENT

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THIS AGREEMENT dated this 27th day of October, 2004, is between THE UNION RESERVOIR COMPANY, a Colorado non-profit corporation, (the "Reservoir Co."), and THE UNION DITCH COMPANY, a Colorado non-profit corporation, (the "Ditch Co.").

RECITALS

- A. The Reservoir Co. is a mutual ditch and reservoir company. Among its assets are the Union Reservoir, a/k/a Calkins Lake ("Union Reservoir"), which has been decreed the following absolute water storage rights (the "Reservoir Water Rights"):

<u>Decreed Amount</u>	<u>Appropriation Date</u>	<u>Adjudication Date</u>	<u>Priority No.</u>	<u>Case No.</u>
13,219 AF	10/06/1902	03/13/1907	51	C.A. 4790
5,879 AF	05/01/1973	03/11/1977	refill	W-7486

The decreed source of water for Union Reservoir is surface water tributary to St. Vrain Creek and Spring Gulch, a tributary of St. Vrain Creek. The existing feeders of Union Reservoir are the Oligarchy Ditch and a ditch from Spring Gulch.

- B. The Ditch Co. currently owns 5.75 shares of the 250 total issued and outstanding shares of the Reservoir Co., or 2.3%. The shares which are owned by the Ditch Co. are referred to herein as the "Ditch Co. Shares".
- C. The Ditch Co. desires to change the use of the Ditch Co. Shares' pro rata interest in the Reservoir Water Rights to include the use of augmentation, replacement, exchange for use, as well as the decreed changes in District Court, Water Division No. 1, Case No. 87 CW 222, (the "Ditch Co. Changed Shares"). These changes are sought and more fully described in the Ditch Co.'s application filed in District Court, Water Division No. 1, Case No. 03 CW 404 (the "Ditch Co.'s Change Case").
- D. The Ditch Co. will periodically request releases of the Ditch Co. Changed Shares at different times of the year as a replacement water source to meet out of priority winter depletions and other depletions caused by the Union well augmentation group ("UWAG"). The diversions will continue to be made in priority into Union Reservoir and subsequently released into the St. Vrain River for delivery to the South Platte River or Union Ditch. Thereafter, the Ditch Co. Changed Shares will be either run through the Union Ditch into the South Platte River or into various recharge sites listed in Case No. 03 CW 404. If UWAG has another adequate available replacement water source, then the Ditch Co. may request the Reservoir Co. to carry

Ditch Co. Changed Shares water over for storage into the next storage season in a separate storage account for the Ditch Co. and to utilize any excess storage capacity in Union Reservoir pursuant to the terms and conditions of this Agreement, subject to the prior agreements between Emma Johnson for the right to pump water from the reservoir as set forth in a deed between Emma Johnson and the Ditch Co. dated November 20, 1902 as recorded in Weld County at Book 200, page 454 (the "Pumping Right") and the City of Longmont's ("Longmont") prior right to the use of excess capacity in accordance with the Amended Longmont/Union Reservoir Company Agreement, dated October 10, 2000 ("Longmont Agreement").

Accordingly, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Reservoir Co. and the Ditch Co. agree as follows:

I. RESERVOIR ACCOUNTING

- 1.1 Separate Account. The Reservoir Co. will maintain a separate account for the Ditch Co. Shares' respective pro rata interest in the reservoir water rights which are stored in the Union Reservoir (the "Union Ditch Account"). After execution of this Agreement and promptly upon the Ditch Co.'s request, the Reservoir Co. will allocate any remaining amount of water then in storage in the Union Reservoir and attributable to the Ditch Co. Shares based on its current pro rata ownership. Thereafter, the Reservoir Co. will maintain separate accounting to accurately reflect the amount of water stored in and released from the Union Ditch Account. Water in the Union Ditch Account will not be available for use by any other shareholder without the Ditch Co.'s consent, except for recreational use by the leaseholder of the reservoir recreation lease and substitution by Longmont pursuant to the Longmont Agreement.
- 1.2 Separate Storage Capacity. The Ditch Co. Shares shall be allocated and have a separate and exclusive use, subject to prior rights pursuant to the Pumping Right and the Longmont Agreement, of their own pro rata share of Union Reservoir's total storage capacity, which capacity is currently 12,768 acre feet. The existing reservoir accounting is set up based on individual accounts; the Reservoir Co. account (2,768 acre-feet), the Longmont account (currently 8,520 acre-feet) and the remaining shareholders account (currently 1,480 acre-feet). Individual accounts are based upon the non-Reservoir Co. capacity of 10,000 acre-feet. For example, the Ditch Co. will currently have sole and exclusive use, subject to Pumping Right and Longmont's prior rights pursuant to the Longmont Agreement, of 230 acre feet of storage (2.3% of 10,000 acre feet). The Ditch Co. can use its pro rata share of storage capacity in the Union Reservoir only to store its pro rata shares of the reservoir water rights. If the storage capacity in Union Reservoir is ever reduced, whether by storage restrictions imposed by the State Engineer, silting or otherwise, the Ditch Co. Shares' storage capacity shall be reduced on a pro rata basis. Any water stored under the

Union Ditch Account's reduced storage capacity which is not called for by the owner within ten days of notice of such capacity reduction, shall be spilled or booked over to another account if excess capacity exists in that account.

- 1.3 Carry-Over Storage. The Ditch Co. shall have a carry-over storage right in Union Reservoir equivalent to the Ditch Co.'s pro rata share of capacity, subject to the provisions of Section 3, below. The Ditch Co. may carry-over water stored in the Union Ditch Account from season to season; however, any water so carried-over shall be counted against the Ditch Co.'s share of its storage capacity and credited against its storage rights under the Reservoir Water Rights.
- 1.4 Evaporative and Seepage Losses. The Ditch Co. shall bear a pro rata share of any evaporative or seepage losses which are assessed against the Union Reservoir by the Reservoir Co. or the Water Commissioner, based on the amount of water stored in the Union Ditch Account during the time for which such assessment is made.
- 1.5 Pumping Right Obligation. The Reservoir Water Rights are subject to an obligation set forth in a Deed dated December 20, 1902, from Emma Johnson to the Union Reservoir Co. recorded in the real property records of Boulder County in Book 200, at Page 454, (the "Pumping Right"). The Ditch Co. Shares shall bear the pro rata share of any water owed by the Reservoir Co. to the owners of the Pumping Right based upon the number of Ditch Co. Shares in existence during the storage season during which such obligation is owed.

II. CHANGE OF DITCH CO. SHARES

- 2.1 Approval by Reservoir Co. The Reservoir Co. will consent to the change in the Ditch Co. Shares sought in the Ditch Co.'s Change Case of 2003CW404, provided that any Decree entered therein is consistent with the terms of this Agreement. The Reservoir Co.'s Board of Directors shall review any Decree proposed by the Ditch Co. Approval of the proposed Decree by the Reservoir Co.'s Board of Directors must be obtained before submission of the Decree to the Water Court.
- 2.2 Payment of Assessments. The Ditch Co. shall continue to pay all assessments made by the Reservoir Co. against the Ditch Co. Shares regardless of whether or not the Ditch Co. Shares are diverted and stored through or in the Reservoir Co.'s facilities.
- 2.3 Diversion Rate and Ditch Losses. Subject to Water Court approval and the terms of this Agreement, the Reservoir Co. agrees that the Ditch Co. Shares will continue to be diverted into the Union Reservoir for subsequent delivery into the Union Ditch as has been customarily done in the past. However, the Reservoir Co. acknowledges that after the Ditch Co. Shares are delivered to the Union Ditch they may be diverted into the recharge sites listed Case No. 03 CW 404.

- 2.4 Evaporation and Seepage Losses. If the Ditch Co. Changed Shares and the Union Reservoir's operations resulting from this Agreement result in the other shares bearing an increased amount of evaporation and/or seepage losses from the Union Reservoir, then the Ditch Co. will provide an amount of water sufficient to offset any such increased burden which would otherwise fall upon the Ditch Co.'s shareholders.

III. CARRY-OVER STORAGE RIGHT

- 3.1 Pre-Existing Carry-Over Storage Right. The Ditch Co. acknowledges its storage right is second in priority to the Longmont storage right established by the Longmont Agreement, in which Longmont obtained a carry-over storage right of waters that are subject to Longmont's decree in Case No. 87CW222, District Court, Water Division No. 1, and remaining shares that Longmont owns in the Union Reservoir. However, if additional storage is available in the Union Reservoir, then the Reservoir Co. agrees that the Ditch Co. has secondary preference for carry-over storage of its Ditch Co. Changed Shares in the Union Reservoir, provided, however, that any Ditch Co. water so stored shall be spilled or booked over when and to the extent such capacity is needed for storage by Longmont pursuant to the Longmont Agreement or by the remaining shareholders in the Reservoir Co. pursuant to the Reservoir Water Rights. If in any water storage year, November 1 to October 31, the Ditch Co. stores carry-over water, then an amount equal to 10% of the net quantity so stored shall be booked over to the Reservoir Co. for the benefit of the Reservoir Co. account as compensation for such use of such storage space, and the Ditch Co. agrees to pay to the Reservoir Co. a storage fee of \$18.00 per acre foot per year based on the quantity of water so stored, but a minimum fee shall be paid based on 10 acre-feet. No payments will be owed in years that no such carry-over storage is made by the Ditch Co. Storage charges shall be deemed to have been earned by the Reservoir Co. at the time water is stored. Payments shall be made on an annual basis. This fee shall be subject to adjustment based on the changes to Longmont's annual water lease rates to agricultural users, or in the event that lease rate is unavailable, another adjustment factor shall be agreed upon by the parties. Water which remains the property of the Ditch Co. shall be assessed seepage and evaporative losses. The monetary per acre foot fee and 10% carryover fee listed above shall apply only to water carried over in non Ditch Co. storage space. Water carried over in the Ditch Co. account or the Ditch Co. pro rata share of the Reservoir account shall only be charged carry over fees if the Reservoir Co. charges all stockholders a carry over fee for storage in their respective storage capacities. Water carried over the Ditch Co. may be carried over from year to year so long as the water carried over is not used, booked over or spilled.
- 3.2 Plan of Operation. The Ditch Co. agrees to provide the Reservoir Co. with timely notice of its intention to carry-over for storage its Ditch Co. Changed Shares, but in no event later than October 1st of any year. The Reservoir Co. agrees to promptly inform the Ditch Co. of the availability of carry-over storage for these Ditch Co.

Changed Shares and to thereafter coordinate releases of the water stored so that it is available for implementation in the Ditch Co.'s Case No. 03 CW 404 for augmentation, replacement, exchange and any other decreed uses.

IV. PAYMENTS BY DITCH CO.

- 4.1 Extra Expenses. The Ditch Co. will reimburse the Reservoir Co. for any and all expenses incurred by the Reservoir Co. in connection with the administration or operation of this Agreement. Such expenses shall include, but not be limited to, accounting, metering and measurement expenses and increased liability expenses incurred by the Reservoir Co. as a result of this Agreement.
- 4.2 Water Payments. The Ditch Co. shall make its water payment under this Agreement within thirty (30) days of a billing being sent to the Ditch Co.

V. MISCELLANEOUS

- 5.1 Term. The term of this Agreement and the rights granted herein shall be perpetual, unless terminated by mutual written agreement of the parties.
- 5.2 Default. The parties agree that default in their performance of this Agreement is not subject to adequate compensation by monetary damages and that this Agreement may be enforced by specific performance. No party shall be in breach hereunder unless it is received written notice of its alleged default from the other party and has failed to cure such default within thirty (30) days thereafter.
- 5.3 Binding Effect. This Agreement shall be binding upon and for the benefit of the respective parties and their successors and assigns.
- 5.4 Amendments. This Agreement may be amended, modified or altered only by written amendment executed by both the Ditch Co. and the Reservoir Co.
- 5.5 Complete Agreement. This Agreement constitutes the complete Agreement between the parties with respect to the subject matter hereof and all prior agreements, understandings and negotiations are merged herein.
- 5.6 Paragraph Headings. Headings of the paragraphs of this Agreement are inserted solely for the ease of reference and are not intended to govern, limit or aid in the construction of any term or provision hereof.

UNION RESERVOIR COMPANY

By: Ken S. Huson
Ken S. Huson, President of the Board



Donna L. Coble
Donna Coble, Secretary

UNION DITCH COMPANY

By: Gary Alles
Gary Alles, President

ATTEST:

(Seal)



Donna L. Coble
Donna Coble, Secretary

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UNION DITCH CO./UNION RESERVOIR CO.
AGREEMENT TO STORE FOREIGN WATER

THIS AGREEMENT entered into the 6th day of September, 2007, is between THE UNION RESERVOIR COMPANY, a Colorado non-profit corporation, (the "Reservoir Co."), and THE UNION DITCH COMPANY, a Colorado non-profit corporation, (the "Ditch Co.") is to set forth the terms and conditions for the Ditch Co. to store foreign water that may periodically be leased and obtained by it in the Union Reservoir at different times of the year as replacement water sources to meet out-of-priority winter depletions and other depletions caused by Union Well Augmentation Group, Ltd. (UWAG).

RECITALS

- A. The Reservoir Co. is a mutual ditch and reservoir company. Among its assets are the Union Reservoir, a/k/a Calkins Lake ("Union Reservoir"), which has been decreed the following absolute water storage rights (the "Reservoir Water Rights"):

<u>Decreed Amount</u>	<u>Appropriation Date</u>	<u>Adjudication Date</u>	<u>Priority No.</u>	<u>Case No.</u>
13,219 AF	10/06/1902	03/13/1907	51	C.A. 4790
5,879 AF	05/01/1973	03/11/1977	refill	W-7486

The decreed source of water for Union Reservoir is surface water tributary to St. Vrain Creek and Spring Gulch, a tributary of St. Vrain Creek. The existing feeders of Union Reservoir are the Oligarchy Ditch and a ditch from Spring Gulch.

- B. The Ditch Co. currently owns 5.75 shares of the 250 total issued and outstanding shares of the Reservoir Co., or 2.3%. The shares which are owned by the Ditch Co. are referred to herein as the "Ditch Co. Shares".
- C. The Ditch Co. desires to store foreign water in the Union Reservoir that may periodically be leased and obtained by it in the Union Reservoir at different times of the year as replacement water sources to meet out-of-priority winter depletions and other depletions caused by UWAG.
- D. Until the Ditch Co. obtains a water court decree for its plan for augmentation in District Court, Water Division No. 1, Case No. 2003CW404, and it is operating under substitute water supply plans (SWSP), the Ditch Co. may periodically request the Reservoir Co. to store foreign water in the Union Reservoir if adequate space is available. The Ditch Co. will periodically request releases of this foreign water at different times of the year as a replacement water source to meet out-of-priority

winter depletions and other depletions caused by the Union Well Augmentation Group, Ltd. (UWAG). This foreign water will be stored in priority into the Union Reservoir and subsequently released into the St. Vrain River and then into the South Platte River and then possibly into the Union Ditch. Thereafter, the foreign water may either be run back into the South Platte River or into various recharge sites listed in Case No. 2003CW404. If UWAG has other adequate available replacement source, then the Ditch Co. may request the Reservoir Co. to carry this water over for storage, to set up a separate storage account and to utilize any excess storage capacity in Union Reservoir pursuant to the terms and conditions of this Agreement.

- E. UWAG is a group of well users who irrigate land underneath the plan for augmentation filed in District Court, Water Division No. 1, Case No. 2003CW404.

AGREEMENT

1. The Ditch Co. desires to store foreign water that may periodically be leased and obtained by it in the Union Reservoir at different times of the year as replacement water sources to meet out-of-priority winter depletions and other depletions caused by UWAG.
2. The Ditch Co. has the ability to store this foreign water in the Ditch Co.'s separate account with the Union Reservoir.
3. The releases shall continue to be made in priority into the Union Ditch. Thereafter, the foreign water will be either run through the Union Ditch into the South Platte River or into various recharge sites listed in Case No. 2003CW404. Foreign water Union Reservoir Co. will accept, if storage space is available, is CBT water, Windy Gap water, or Union Ditch Co. and Union Reservoir Co. water leased from other Union Ditch Co. and/or Union Reservoir Co. members.
4. The right to store this water in the reservoir shall be second to Longmont's storage right established by an Amended Longmont/Union Reservoir Co. Agreement entered into on or about October 10, 2000, more specifically described in paragraph 3.1 of the Agreement entered into between Union Reservoir Co. and Union Ditch Co. dated October 27, 2004. Terms and conditions of this Agreement are as follows:
 - (i) The Ditch Co. agrees to follow the reservoir accounting provisions provided in paragraph 1.1, 1.2, 1.3, 1.4, and 1.5 of the Agreement dated October 27, 2004, entered into between Union Ditch Co./Union Reservoir Co. (hereinafter 10/27/04 Agreement).
 - (ii) The Ditch Co. agrees to make payment of assessments provided in paragraph 2.2 of the 10/27/04 Agreement.

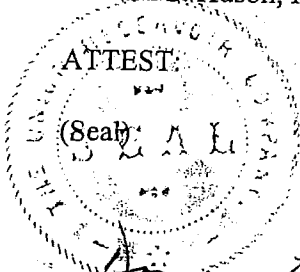
- (iii) The Ditch Co. agrees to adhere to the diversion rate and ditch losses provided in paragraph 2.3 of the 10/27/04 Agreement.
 - (iv) The Ditch Co. agrees to adhere to the evaporation and seepage losses provided in paragraph 2.4 of the 10/27/04 Agreement.
 - (v) The Ditch Co. agrees to adhere to the pre-existing carry-over storage right provided in paragraph 3.1 of the 10/27/04 Agreement.
 - (vi) The Ditch Co. agrees to adhere to the plan of operation provided in paragraph 3.2 of the 10/27/04 Agreement.
 - (vii) The Ditch Co. agrees to pay the extra expenses provisions provided in paragraph 4.1 of the 10/27/04 Agreement.
 - (viii) The Ditch Co. agrees to make the water payments provided in paragraph 4.2 of the 10/27/04 Agreement.
 - (ix) The Ditch Co. agrees to make any payments due to Oligarchy Ditch for the right to run this foreign water in the Oligarchy Ditch.
 - (x) The Ditch Co. agrees to make reasonable good faith efforts to store this foreign water in the Union Reservoir in a timely manner so as to prevent problems to representatives of the Union Reservoir Co.
5. The term of this Agreement shall be perpetual; however, the Reservoir Co. shall have the right to terminate this Agreement at any time, without cause, upon a six month notice period to Ditch Co.
 6. This Agreement is not transferable to any third party and benefits the Ditch Co. only.
 7. This Agreement is valid only to the extent the Ditch Co. is a stockholder in the Reservoir Co.
 8. Storage of foreign water in Union Reservoir shall first occur in the proportionate storage space of the Ditch Co., then in the Reservoir Co. account and lastly in the remaining shareholders account space.
 9. This Agreement and storage in Union Reservoir shall be governed by the rules and regulations of the Reservoir Co. as currently existing and as may be amended from time to time by the Reservoir Co.
 10. The Ditch Co. acknowledges that maintenance or expansion work may be performed

on the Reservoir in the future. The Ditch Co. acknowledges that such work may interfere with the ability of the Reservoir Co. to supply or store water pursuant to the terms of this Agreement, and the Ditch Co. agrees that Reservoir Co. shall not be liable for any such interference. Reservoir Co. will attempt to schedule construction on the Reservoir and time releases to the Ditch Co. so as to avoid interference in its obligations under the Agreement. Rehabilitation of the Reservoir is the sole discretion of the Reservoir Co. and nothing in this Agreement shall be constructed to obligate Reservoir Co. to rehabilitate or make repairs to the Reservoir at any time.

11. If the operation of this Agreement is contrary to the Reservoir Co. normal operating policies and procedures, then Ditch Co. agrees that the Reservoir Co. normal operating policies and procedures shall have priority.

UNION RESERVOIR COMPANY

By: Ken S. Huson
Ken S. Huson, President

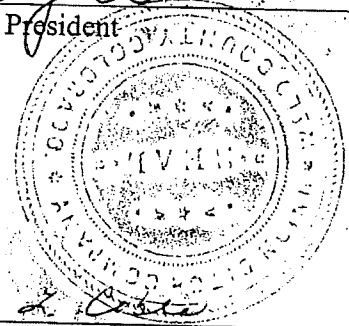


Donna L. Coble
Donna Coble, Secretary

UNION DITCH COMPANY

By: Gary Alles
Gary Alles, President

ATTEST:
(Seal)



Donna L. Coble
Donna Coble, Secretary

WATER SUPPLY AGREEMENT

THIS WATER SUPPLY AGREEMENT ("Agreement") is made and entered into this 11th day of ~~December~~ 2008, by and between the **City of Longmont**, a municipal corporation organized under the laws of the State of Colorado and acting by and through its Water Utility Enterprise ("Longmont") whose address is 1100 South Sherman Street, Longmont, Colorado 80501, and Union Well Augmentation Group, Ltd. (hereinafter "UWAG"), whose mailing address is 1135 Eighth Avenue, Suite B, Greeley, Colorado 80631. Longmont and UWAG may sometimes be referred to herein individually as a "Party" or collectively as "Parties".

RECITALS

A. Longmont, a home rule municipality, duly organized and existing as a home-rule city under Article XX of the State of Colorado Constitution, acting on behalf of its water utility enterprise, is authorized, pursuant to Sections 1.2, 1.3 and 11.1 of Longmont's Home Rule Charter and Section 31-15-101, et seq., C.R.S., as amended, to acquire, hold, lease and dispose of real and personal property, including water and water rights.

B. Longmont owns water, water rights, or water credits in the St. Vrain Creek basin that are fully consumable.

C. Longmont and UWAG desire to enter into this Agreement to provide for fully-consumable water to be supplied by Longmont to UWAG for a plan for augmentation to replace depletions for UWAG's members' well pumping in District Court, Water Division No. 1, Case No. 03 CW 404, that will occur under the Union Ditch service area located in Sections 2 and 3, Twp. 4 N., Rng. 66 W., and Sections 3, 4, 5 and 6, Twp. 4 N., Rng. 65 W., and Sections 14, 22, 23, 24, 26, 27, 28, 31, 32, 33, and 34, Twp. 5 N., Rng. 65 W., and Sections 7, 16, 19, and 27, Twp. 5 N., Rng. 64 W. of the 6th P.M., Weld County, (the "Augmentation Plan").

AGREEMENT

Now, therefore, in consideration of the foregoing recitals, and mutual covenants and agreements herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Supply. Longmont hereby agrees to annually provide to UWAG 100 acre-feet of fully consumable water (the "Subject Water") during the term of this Agreement, as more fully set forth on the attached Exhibit A. The Subject Water may be selected and delivered by Longmont, in its discretion, from various sources including reusable effluent, water stored in Union Reservoir, fully consumable water controlled by Longmont or water from any other source, provided the Subject Water shall be usable by UWAG for its stated purpose.

2. Deliveries.

2.1 Point of delivery. Longmont shall, at its sole discretion, deliver the Subject Water at either (hereinafter the "Delivery Point"): (1) the outfall of Longmont's municipal wastewater treatment plant, presently located in the SE1/4 NW 1/4 of Section 11, T2N, R69W of the 6th P.M., Boulder County, Colorado, or (2) the confluence of Spring Gulch and the Saint Vrain Creek, presently located in the SE1/4 of Section 7, T2N, R68W of the 6th P.M., Weld County, Colorado. UWAG shall bear any losses associated with conveyance of the Subject Water from the Delivery Point to any location where UWAG may use the Subject Water. Longmont shall be responsible for all losses and/or return obligations associated with delivery of the Subject Water to the Delivery Point.

2.2 Timing of deliveries. The Subject Water shall be delivered based upon the schedule outlined in Exhibit A. Notwithstanding the foregoing, UWAG and the Executive Director of the Public Works and Water Utilities Department may mutually agree in writing to adjust the monthly distribution schedule set forth in Exhibit A to accommodate UWAG's operational requirements.

2.3 Accounting. Longmont shall maintain an accounting of all deliveries of the Subject Water to UWAG and shall provide copies of such accounting to UWAG on a monthly basis.

3. Use of Subject Water. UWAG shall use the Subject Water in its plan for augmentation to replace depletions for members' wells pumping in District Court, Water Division No. 1, Case No. 03 CW 404.

3.1 Augmentation and/or substitute supply plan. UWAG may seek Water Court approval of a plan for augmentation, or a State Engineer approved substitute supply plan, using the Subject Water as a source of augmentation or replacement water; however, no change of Longmont's water rights shall be applied for or reviewed in any such plan, and, following the expiration or termination of this Agreement, UWAG acknowledges that Longmont has no duties or obligation to provide water for the replacement of depletions, delayed or otherwise, arising from the operation of such plan. Prior review by Longmont will be required regarding submittal of a substitute supply plan and/or a water court request.

3.2 Other approvals. UWAG shall be responsible for obtaining all necessary authorizations, approvals, water court decrees, and/or permits from any and all private entities, and local, state and federal agencies, as may be required to effectuate use of the Subject Water by UWAG pursuant to this Agreement. If requested, UWAG shall provide copies of any such authorizations, approvals, and permits to Longmont.

4. Rate. For the first five (5) years during the term of this Agreement, UWAG agrees to pay Longmont \$258.00 per acre-foot of Subject Water ("Initial Rate"). Payment for the Subject Water deliverable during the first year of this Agreement shall be due contemporaneously with the execution of this Agreement and payment for all subsequent years

shall be due no later than November 1st for the Subject Water deliverable the following year. Such annual payments shall be nonrefundable and not contingent upon whether the Subject Water is actually diverted or used by UWAG, so long as Longmont either delivered or was ready to deliver the Subject Water. Beginning in the sixth year of the term of this Agreement, and for the remainder of the term of this Agreement, the Initial Rate shall be subject to increases (the "Adjusted Rate") based on Longmont's analysis of the pro rata cost of the Longmont water system facilities used for providing the Subject Water ("Cost of Service Analysis"). Longmont may conduct Cost of Service Analyses at its sole discretion during the term of this Agreement. Factors included in Longmont's Cost of Service Analyses and determinations of the Adjusted Rate may include, without limitation, the costs attributable to developing Longmont's base raw water supply, yearly assessment costs to acquire raw water from third party supplies, costs to construct, operate and maintain Longmont's raw water system, losses attributable to developing a reusable water supply, and the then-current market value of fully-consumable water. Upon completion of a Cost of Services Analysis, Longmont shall notify UWAG in writing, of the Adjusted Rate for the Subject Water, which Adjusted Rate per acre-foot of Subject Water shall become effective for the next payment due no later than November 1st, as described above. The Adjusted Rate charged to UWAG shall be the same Adjusted Rate charged to other contract purchasers, as adjusted to reflect those costs or increased costs that may be specific to only UWAG and not to other contract purchasers. The Initial Rate shall remain in effect until a cost of Service Analysis is completed, as set forth above. The Adjusted Rate may be further adjusted pursuant to subsequent Cost of Service Analyses.

5. Term. The term of this Agreement shall be 20 years, from January 1, 2009, through January 1, 2029, unless terminated earlier in accordance with the provisions of this Agreement.

6. Curtailment. UWAG acknowledges that the availability of the Subject Water provided for hereunder is dependent upon natural water resources that are variable in quantity of supply from year to year, and which can be affected by causes beyond Longmont's control. Accordingly, deliveries pursuant to this Agreement may be curtailed by Longmont during: 1) times of drought, 2) force majeure events, or 3) if otherwise required by Longmont's Water Supply and Drought Management Plan ("Drought Plan"), as it may be amended from time to time. UWAG acknowledges that this Agreement is subject to all provisions of the Drought Plan. In the event of curtailment or reduction of deliveries caused by such events, Longmont shall refund to UWAG the advanced payment received for any amount of the Subject Water that is not delivered. Longmont shall use best efforts to inform UWAG of any event which it reasonably foresees may cause an interruption in deliveries pursuant to the events 1-3, above. Longmont shall notify UWAG, in writing, of any curtailment of deliveries under this Agreement and shall include in such notice the reasons for curtailment, the extent of the curtailment, and a reasonable estimate of the length of such curtailment.

7. Untreated water. The water delivered to UWAG under this Agreement is untreated or non-potable water of whatever quality that is now or in the future available from the sources specified herein. Delivery of non-potable water under this Agreement will be on an "as is" basis only, and Longmont does not warrant the quality of the Subject Water or the suitability of the Subject Water for any particular purposes. UWAG shall not make any claim against

Longmont arising from the quality of water delivered, and Longmont shall have no treatment responsibility for the Subject Water made available under this Agreement.

8. Indemnification. UWAG shall bear all responsibility for its use of the Subject Water provided under this Agreement, together with the costs associated therewith. UWAG shall defend, indemnify and hold harmless Longmont from and against any and all damages, claims, losses, obligations, other costs, and other liabilities arising out of UWAG's use of the Subject Water provided under this Agreement.

9. Transfer and assignment. This Agreement, and the right to use the Subject Water, may not be transferred, assigned or otherwise conveyed by UWAG for use at locations other than the Augmentation Plan without the prior written consent of Longmont.

10. Water Conservation. UWAG agrees to implement or continue reasonable Best Management Practices ("BMP") for water conservation during the term of this Agreement. This subparagraph shall not be construed to require any specific BMP, but shall broadly be held to encourage reasonable, cost effective efforts to conserve water used by UWAG both under this Agreement and for base water supplies used by UWAG. Examples of BMP's for agricultural uses include the conservation practices promoted by the Natural Resources Conservation Service ("NRCS"). Examples of BMP's for municipal or industrial uses include the conservation practices promoted by the American Water Works Association. UWAG's current BMP's are set forth in Exhibit B which is attached hereto.

10.1 As an incentive to promote conservation efforts by UWAG, Longmont may, in its sole discretion, reimburse UWAG in any given water year up to 50% of UWAG's cost to implement water conservation BMP's. The amount of the reimbursement in any given water year shall not exceed 10% of the annual rate charged to and paid by UWAG pursuant to this Agreement. The amount of the incentive and the BMP's eligible for the incentive shall be determined by Longmont staff in their sole discretion. Procedures and application processes for this subparagraph shall be as outlined in the City's annual Water Supply and Drought Management Plan.

11. Integration. This instrument embodies the whole agreement of the Parties with respect to the subject matter contained herein. This Agreement shall supersede all previous communications, representations, or agreements, whether verbal or written, between the Parties hereto. There shall be no modification of this Agreement nor waiver of any of its provisions except upon mutual agreement of the Parties expressed in writing, executed with the same formalities as this instrument.

12. Default; remedies. A default shall be deemed to have occurred if either Party breaches its obligations hereunder and fails to cure such breach within thirty (30) days of written notice from the non-breaching Party specifying the breach. Waiver or failure to give notice of a particular default or defaults shall not be construed as condoning or acquiescing to any continuing or subsequent default. In addition to other legal remedies available to it, including specific performance and damages, the non-breaching Party shall also have the right to cancel this Agreement for noncompliance with any provision hereunder by giving written notice of

cancellation; provided that such Party has previously given the other Party written notice of such noncompliance and the other Party has not cured such noncompliance.

13. Notices and payments. All notices, payments and other communications under this Agreement shall be in writing, except as otherwise provided for in this Agreement. All such notices and communications and all payments shall be deemed to have been duly given on the date of service, if delivered and served personally, or served via facsimile (with respect to notices and communications only) on the person to whom notice is given; on the next business day after deposit for overnight delivery by a courier service such as Federal Express; or on the third day after mailing, if mailed to the Party to whom payment and notice is to be given by first class mail, postage prepaid, and properly addressed as follows:

Longmont: City of Longmont
Public Works and Water Utilities Director
1100 South Sherman Street
Longmont, Colorado 80501
Facsimile: (303) 651-8812

With a Copy to: City of Longmont
City Attorney
408 Third Avenue
Longmont, Colorado 80501

UWAG: Union Well Augmentation Group, Ltd.
1135 Eighth Avenue, Suite B
Greeley, Colorado 80631

With a Copy to: James A. Gustafson
Attorney for UWAG
P. O. Box 1417
Greeley, Colorado 80632

Persons and addresses to which notices are to be sent may be changed by the same method.

14. No beneficiaries. This Agreement is for the sole benefit of and binds the Parties, their successors and assigns. This Agreement affords no claim, benefit, or right of action to any third party. Any person besides Longmont or UWAG receiving services or benefits under this Agreement is only an incidental beneficiary.

15. Government immunity. Nothing in this Agreement shall be construed to waive Longmont's protection from liability or the limitations on its liability due to its sovereign immunity under the Colorado Governmental Immunity Act or otherwise.

16. Governing law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. In the event of litigation over this Agreement,

jurisdiction and venue shall be proper and exclusive in the District Court in and for Boulder County, State of Colorado.

17. Force majeure. UWAG acknowledges that the availability of the Subject Water provided for hereunder is dependent upon natural water resources that are variable in quantity of supply, and which can be affected by causes beyond Longmont's control. Moreover, Longmont shall not be liable for any delay or failure to perform its obligations under this Agreement caused by an event or condition beyond the reasonable control of, and without the fault of Longmont, including without limitation failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, contamination, war, terrorist act, riot, civil disturbance, labor disturbance, accidents, sabotage, or restraint by court or restrictions by other public authority which delays or prevents performance (including but not limited to the adoption or change of any rule, policy, or regulation or environmental constraints imposed by federal, state or local governments), which Longmont could reasonably have avoided by exercise of due diligence and foresight. Upon the occurrence of such an event or condition, the obligations of Longmont under this Agreement shall be excused and suspended without penalty or damages, provided that Longmont shall give UWAG written notice describing the particular of the occurrence or condition, the suspension of performance is of no greater scope and of no longer duration than is required by the event or condition, and Longmont proceeds with reasonable diligence to remedy its inability to perform and provide progress reports to UWAG describing the actions taken to remedy the consequences of the event or condition.

18. Independent contractors. Both Parties shall perform all services under this Agreement as independent contractors, and not as an agent or employee of the other Party. No official or employee of Longmont shall supervise UWAG. No official or employee of UWAG shall supervise Longmont. Neither Party shall represent that it is an employee or agent of the other Party in any capacity. Neither Party owes the other party a fiduciary duty pursuant to the terms or conditions of this Agreement. **Neither Party has any right to Worker's Compensation benefits from the other Party or its insurance carriers or funds. UWAG shall pay any federal and state income tax on money earned under this Agreement.**

19. No continuing duty to supply water. Longmont shall have no obligation to supply water to UWAG after this Agreement expires or is otherwise terminated. By agreeing to deliver water to UWAG under this Agreement, Longmont does not intend to represent itself as a public utility to UWAG or others in such regard nor shall it be deemed to operate as a public utility. UWAG shall not assert that Longmont is a public utility by reason of delivering water pursuant to this Agreement, nor that it is subject to regulation as a public utility or subject to regulation by the Colorado Public Utilities Commission or to rate regulation by any other public entity.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement. Facsimile signatures shall be acceptable and binding upon all Parties.

21. Headings. All paragraph headings used herein are for the convenience of the Parties and shall have no meaning in the interpretation or effect of this Agreement.

22. Negotiated provisions. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that both Longmont and UWAG have contributed substantially and materially to the preparation of this Agreement.

23. Authority. The Parties warrant that they have taken all actions necessary or required by their own procedures, bylaws, or applicable law, to authorize their respective signatories to sign this Agreement for them and to bind them to its terms.

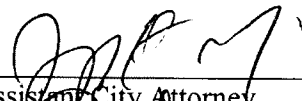
Executed as of the date first set forth above.

**CITY OF LONGMONT, acting by and through
its Water Utility Enterprise:**



Mayor

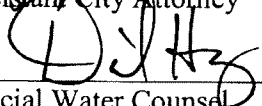
APPROVED AS TO FORM:



Assistant City Attorney

10/1/08

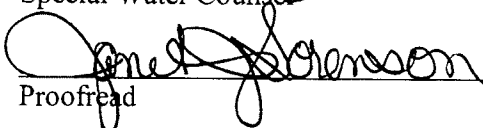
Date



Special Water Counsel

10/6/08

Date



Proofread

10-1-08

Date

APPROVED AS TO FORM AND SUBSTANCE:



Originating Department

11/13/08

Date

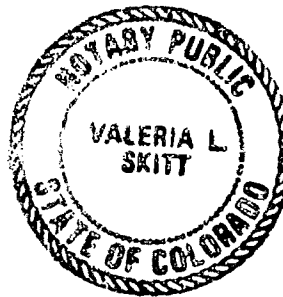
State of Colorado)
) ss.
County of Boulder)

I attest that the foregoing instrument was acknowledged before me this 11th day of December, 2008, by Roger Lange, as the Mayor of the City of Longmont.

Witness my hand and official seal.

Valeria L. Skitt
CITY CLERK

Notary Public, State of Colorado
My commission expires: My Commission Expires August 29, 2012



UNION WELL AUGMENTATION GROUP,
LTD.

By: Gary Alles
Gary Alles, President



Donna L. Coble, Secretary

State of Colorado)
) ss:
County of Weld)

The foregoing instrument was acknowledged before me by Gary Alles,
(Name of party signing)

as President of Union Well Augmentation Group, Ltd.,
(Title of party signing) (Name of corporation)

a Colorado corporation, on behalf of the corporation, this
(State of incorporation)

22nd day of October, 2008.

Witness my hand and official Seal.

My Commission expires June 15, 2011.

Mary K. Lien
Notary Public



EXHIBIT A

Exhibit A: Water Use Schedule

Month	Gross Release	Credit to Augmentation
January	0.0	0.0
February	0.0	0.0
March	6.3	5.5
April	20.7	18.1
May	19.7	17.2
June	11.6	10.2
July	7.3	6.4
August	5.8	5.1
September	6.1	5.3
October	12.0	10.5
November	8.1	7.1
December	2.4	2.1

EXHIBIT B

Section 10: Water Conservation:

Union Well Augmentation Group (UWAG) is an entity formed by irrigators under the service areas of the Union Ditch Company and the Western Mutual Ditch Company to develop and administer an augmentation plan under which the supplemental use of groundwater wells for irrigation can be authorized by the State Engineer and the Water Court. UWAG members typically rely on surface water sources to provide the bulk of the irrigation water required to produce a crop on their farms, but the availability of surface irrigation water is not always reliable, particularly during recent drought years. Reliable water supply for irrigation is critical for the economic viability of UWAG member farms, as well as other farms in northeastern Colorado.

In light of recent drought conditions, UWAG members have undertaken a number of water conservation measures to make better use of their existing surface water supplies. These improvements include:

- Conversion of on-farm irrigation system from surface methods to center-pivot sprinklers.
- Lining of lateral and on-farm irrigation ditches to prevent excess seepage.
- Implementation of NRCS-recommended best practices in accordance with EQIP and other programs.

Water delivered under the terms of this Agreement will be used to replace out-of-priority depletions generated under a State Engineer's Office and, ultimately, Water Court-sanctioned augmentation plan. Many of the current and future depletions that will be augmented by water from this Agreement resulted from pumping necessary to maintain the viability of the participant farms during the severe drought years earlier this decade. With the exception of water lost in transit from the point of delivery to the point that the depletions impact the river (estimated to be 10%), approximately 90 percent of the water supplied under this Agreement will be utilized with no additional losses due to inefficient irrigation practices or conveyances.

SUMMARY OF LONG TERM FULLY CONSUMABLE WATER LEASES AND EXCHANGES

EXISTING

LEASES	Term	Water Year											
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
A&W Water	2008 to 2027	300	420	480	540	600	600	600	600	600	600	600	600
	2007 to 2026	1000	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500
	2008 to 2028	50	50	50	50	50	50	50	50	50	50	50	50
	2008 to 2028	30	30	30	30	30	30	30	30	30	30	30	30
Lease Total		1380	2000	2060	2120	2180	2180	2180	2180	2180	2180	2180	2180
EXCHANGES													
Public Service Company	Term	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	2002 to 2017	3500	3500	3500	3500	3500	3500	3500	3500	3500	3500	3500	3500
	Exchange Total	3500	3500	3500	3500	3500	3500	3500	3500	3500	3500	3500	3500
	SUM TOTAL EXISTING	4880	5500	5560	5620	5680	5680	5680	5680	5680	5680	5680	5680

PROPOSED

LEASES	Term	Water Year											
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Union Well Augment Group	2008 to 2029	100	100	100	100	100	100	100	100	100	100	100	100
	Lease Total	100	100	100	100	100	100	100	100	100	100	100	100
EXCHANGES													
Public Service Company	Term	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	2009 to 2080	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	Exchange Total	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	SUM TOTAL PROPOSED	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600

EXISTING & PROPOSED

SUM TOTAL EXISTING & PROPOSED		6,480	7,100	7,160	7,220	7,280	7,280	7,280	7,280	7,280	7,280	7,280	7,280
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Revision Date: 10/22/2008
Printed Date: 10/30/2008

PUBLIC WORKS & NATURAL RESOURCES
1100 S. Sherman Street
Longmont, CO 80501
303-651-8817 • Fax: 303-651-8812 • www.ci.longmont.co.us



November 20, 2013

Union Well Augmentation Group, Ltd.
1135 Eighth Avenue, Suite B
Greeley, CO 80631

To Whom It May Concern:

The purpose of this correspondence is to serve as a notice of receipt of payment regarding the Water Supply Agreement between Union Well Augmentation Group and the City of Longmont; in particular, payment for the 2014 water year.

The 2014 water year starts November 1, 2013 and ends October 31, 2014. The amount of water requested by UWAG during this time period is 100 acre-feet of fixed fully consumable water.

The current lease rate for **fully consumable water** is \$258.00 per acre foot. The \$258.00 per acre foot * 100 acre-feet of fully consumable water equates to a cost of \$25,800.00. The total amount received by the City of Longmont for the fully consumable water equates to \$25,800.00.

Your check was received and deposited on November 5, 2013. Thank you for your payment!

If you have any questions regarding this matter, please contact me at 303-651-8379.

Sincerely,

A handwritten signature in cursive script, appearing to read "Becky Doyle".

Becky Doyle
Utilities Financial Analyst
Public Works & Natural Resources Department



November 20, 2013

Union Well Augmentation Group, Ltd.
1135 Eighth Avenue, Suite B
Greeley, CO 80631

To Whom It May Concern:

According to the terms of the Water Supply Agreement between the City of Longmont and Union Well Augmentation Group, Ltd. entered on December 11, 2008, will soon reach the end of the five-year period in which the Initial Rate per acre-foot of water supplied is prescribed by the agreement. The agreement calls for a Cost of Service Analysis adjusting the Initial Rate after that five-year time period.

Longmont has recently completed a Cost of Service Analysis as described in paragraph 4 ("Rate") of the Water Supply Agreement. This letter is to inform you that for the 2014/2015 water delivery period, effective for the payment due November 1, 2014, the Adjusted Rate charged for the Subject Water will be \$1,112.00 per acre-foot.

Longmont's recently completed Cost of Service analysis is attached for your information. If you have any questions about the study, please call me at (303) 651-8358. If you have any questions about delivery or scheduling of this water please call our Water Resources team at (303) 651-8340.

Sincerely,

A handwritten signature in cursive script, appearing to read "Barbara McGrane".

Barbara McGrane
Business Services Manager

Enclosure: 2013 Raw Water Lease Rate Study

The proposed raw water lease rate calculation is a two-step process:

Step 1 – Determine weighted cost per AF of transferrable portfolio. The following tabulation shows the calculation of the weighted cost.

	Parent Project			Firming Project Cost per AF	Total Cost per AF	Portion of Transferrable Portfolio	Weighted Cost per AF
	Project Cost	AF	Cost per AF				
Windy Gap	\$ 53,670,663	4,800	\$11,181	\$ 8,300	\$ 19,481	33.2%	\$ 6,468
C-BT					\$ 25,000	66.8%	16,700
Total						100%	\$23,168

Step 2 – Determine raw water lease rate. The proposed raw water lease rate is the product of the weighted cost of the transferrable water rights times the current municipal bond annual interest rate. This interest rate is a reasonable indicator of the cost of recent municipal debt. The following tabulation shows this calculation step for the proposed 2013 rate.

Weighted Cost of transferrable water rights, per AF	\$ 23,168
Annual bond interest rate (a)	4.8%
Raw water lease rate, per AF	\$ 1,112
(a) Based on August 21, 2013 Bond Buyer's 20 bond index.	

RFC recommends the raw water lease rate be reviewed annually or whenever changes occur in the market value of water rights affecting the City's transferrable portfolio.



MEMO

To: Dale Rademacher
From: John Gallagher
Date: August 26, 2013
Re: Raw Water Lease Rate

Raftelis Financial Consultants, Inc. (RFC) has completed its 2013 Raw Water Lease Rate Study for the City of Longmont (City). This memorandum summarizes the study findings.

Representatives from the City and RFC met on August 7, 2013 at the City Service Center to formulate a calculation procedure for the raw water lease rate. Similar to historical practice, the procedure recognizes the cost of acquiring transferrable water rights. The procedure also improves the adequacy of the rates by using the current market value of water rights.

The existing raw water lease rate is \$258 per acre-foot (AF) and was based on historic Windy Gap assessments. This rate has been in effect since 1988.

The proposed raw water lease rate is based on current Windy Gap and Colorado-Big Thompson (C-BT) assessments. These water rights were selected because the City owns a significant amount of each, and an active transaction market exists for these rights. By contrast, water rights in Longmont's native basin would be difficult to price. The transaction volume on such water rights is low or non-existent, so no market value could be established.

Market rates were also considered as a test of reasonableness. Comparable water leases in the area are priced between \$350 and \$1,500 per acre-foot.

**AGREEMENT
FOR LEASE OF FIRM DELIVERY OF RECLAIMED WASTEWATER**

THIS AGREEMENT ("Agreement") is made and entered into this 30th day of April, 2015, by and between the City of Aurora, Colorado, a municipal corporation of the counties of Adams, Arapahoe and Douglas acting by and through its Utility Enterprise ("Aurora"), whose address is 15151 East Alameda Parkway, Suite 3600, Aurora, Colorado 80012, and Union Well Augmentation Group, whose address is P.O. Box 445, Greeley, CO 80632 ("Lessee") (Aurora and Lessee collectively referred to herein as the "Parties").

WITNESSETH

WHEREAS, Aurora has the right to use, sell, or lease certain of its fully reusable municipal wastewater return flows to the South Platte River ("Reclaimed Wastewater"); and

WHEREAS, such Reclaimed Wastewater is derived from trans-mountain or other reusable sources; and

WHEREAS, Lessee has a use for a certain portion of this Reclaimed Wastewater; and

WHEREAS, Aurora and Lessee desire to enter into this Agreement whereby Aurora shall lease a portion of such Reclaimed Wastewater to Lessee; and

WHEREAS, this Agreement will be of mutual benefit and convenience to Aurora and Lessee; and

WHEREAS, the Aurora Utility Enterprise staff has determined as a precondition to entering this Agreement that Aurora is able to fulfill all exchange and operational obligations that require Reclaimed Wastewater, that it is able to fulfill all existing long-term agreements that require Reclaimed Wastewater and that all other needs of Aurora that may be fulfilled by these sources are met; and

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, Aurora and Lessee hereby agree as follows:

AGREEMENT

1. **General Terms.** The duration of this Agreement shall commence on the Effective Date, as defined in Paragraph 21 below, and continue until the last date for delivery of water as provided for on the water delivery schedule attached hereto as **Exhibit A**, such date being not more than five (5) years after the Effective Date. Said Agreement shall be made expressly subject to each of the terms and conditions set forth in this Agreement.

2. **Delivery Schedule.** Delivery of the Reclaimed Wastewater will be made in accordance with the water delivery schedule set forth and attached hereto as **Exhibit A** and incorporated herein by this reference ("Delivery Schedule"). In no event shall the total amount of Reclaimed Wastewater delivered exceed the maximum amounts set forth in the Delivery Schedule. As long

as Aurora is capable of delivering the Reclaimed Wastewater to the delivery points according to the Delivery Schedule, Lessee will be obligated to pay the per-acre foot charge set forth in Paragraph 8 below regardless of whether or not Lessee uses the Reclaimed Wastewater.

3. Delivery Location.

(a) Delivery Points. Lessee agrees that Aurora shall initially make its delivery of the Reclaimed Wastewater at the outfall of the Metro Wastewater Reclamation District's Robert W. Hite treatment facility ("Hite"). Lessee further agrees that Aurora may, in its sole discretion, satisfy its delivery obligations under this Agreement by delivering the Reclaimed Wastewater at any other delivery point or delivery points on the South Platte River (each of Hite and such other delivery points, hereinafter, a "Delivery Point" and collectively, the "Delivery Points"), provided that such alternative Delivery Points are located within a reach of the South Platte River beginning at or below Hite and continuing downstream to a point at or above the location on the South Platte River that is approximately 48 miles downstream of Hite at the Union Ditch headgate, located in the SE¼ of the SW¼ of the NE¼ of Section 18, Township 4 North, Range 66 West of the 6th P.M. in Weld County, Colorado ("Point of Use"). Lessee acknowledges and agrees that the alternate Delivery Points may include, but are not limited to, other wastewater treatment plants that may be constructed in the future that discharge Reclaimed Wastewater owned by Aurora, the Brighton Ditch Augmentation Stations, the outfall of Walker Reservoir, and the confluence of Sand Creek and the South Platte River. Aurora will bear the responsibility for delivery of the Reclaimed Wastewater to these Delivery Points, and in its sole discretion may determine which of the Delivery Points it will use at any given time. Once Aurora has completed its delivery of the Reclaimed Wastewater hereunder, Lessee shall assume sole liability for any loss, damage, or injury that may occur to persons or property as the direct or indirect result of the control and/or use of said Reclaimed Wastewater by Lessee. The amount of Reclaimed Wastewater needed at the Delivery Points was calculated by Lessee to include any transportation losses, or "shrinkage," from Hite to Lessee's point of use downstream. Lessee also acknowledges the travel time between the alternate Delivery Points and Lessee's Point of Use varies, but that the timing for Aurora's delivery obligations as provided for under the Delivery Schedule shall remain the same regardless of Aurora's use of alternative Delivery Points.

(b) Credit for Avoided Transit Loss. Aurora's obligations with respect to the volume of Reclaimed Wastewater to be delivered under this Agreement are deemed to be satisfied if Aurora makes deliveries in such amounts as if delivered at Hite. Thus, if Aurora elects, in its sole discretion, to make its delivery of any Reclaimed Wastewater under this Agreement at a Delivery Point other than Hite, and if delivery at such alternative Delivery Point(s) results in reduced transit loss, Aurora shall be entitled to retain such avoided transit loss with no credit to Lessee in water, money or otherwise. Aurora shall maintain and provide to Lessee a monthly accounting and report of daily deliveries at the Delivery Point(s). If Aurora elects to deliver some or all of the Reclaimed Wastewater at alternative Delivery Point(s), then the foregoing reports shall include the calculated amount of avoided transit loss and the amount of water physically delivered at such alternative Delivery Point(s). For purposes of calculating any such avoided transit loss, the Parties hereby agree that the volume of Reclaimed Wastewater required to be delivered by Aurora in accordance with the Delivery Schedule shall be discounted by an amount equal to one-half of one percent (0.5%) of such volume during the April through September irrigation season, or one-fourth of one percent (0.25%) of such volume during the

October through March non-irrigation season, for each river mile in distance between Hite and such alternative Delivery Point(s) (such distance calculated to the nearest one-tenth of a mile), or by such other amount as determined by the Division Engineer for Water Division No. 1 (such office or its replacement the "Division Engineer") or as specified in an applicable statute or decree from a court of applicable jurisdiction. The product of this calculation shall represent the amount of avoided transit loss in acre-feet, which Aurora shall be entitled to retain.

4. **Source and Quality of Reclaimed Wastewater.** The Reclaimed Wastewater to be provided by Aurora under this Agreement shall, at Aurora's discretion, consist of Aurora's reusable municipal return flows to the South Platte River, any fully consumable portion of changed irrigation water rights owned by, or available to Aurora, fully consumable water diverted pursuant to decrees entered in 03CW414, 03CW415 and 06CW104, and any other legal source of Reclaimed Wastewater available to Aurora. Under no circumstances shall this Agreement be interpreted to mean that Aurora must supply potable water should the sources set forth in this paragraph be unavailable. Aurora does not warrant or guaranty any water quality standards with respect to the Reclaimed Wastewater to be delivered as provided for under this Agreement and Lessee hereby waives any such warranty or guaranty.

5. **Use of Reclaimed Wastewater.** Lessee shall have the right to use and reuse to extinction the Reclaimed Wastewater delivered under this Agreement for water supply purposes, including replacement and exchange purposes in connection with any Substitute Water Supply Plan approved by the Colorado State Engineer's Office, and augmentation and exchange purposes in accordance with any augmentation plan decreed by the Colorado Water Court; provided that such use is consistent with the terms of this Agreement and all applicable laws, rules and regulations. Notwithstanding the foregoing provision, however, this entire Agreement shall be void if the Reclaimed Wastewater is used in any manner that benefits United Water and Sanitation District, East Cherry Creek Valley Water and Sanitation District or Farmers Reservoir and Irrigation Company.

6. **Water Rights Accounting.** Lessee will be solely responsible for any and all reporting and accounting required by the Colorado State Engineer, the Division Engineer for Water Division 1, the Water Commissioner for Water Commissioner District 2, or any other lawful authority after Aurora makes its delivery of the Reclaimed Wastewater as provided for under this Agreement. This responsibility includes, but is not limited to, Lessee's withdrawal of the Reclaimed Wastewater from the South Platte River (if any) and Lessee's use of the Reclaimed Wastewater. In addition to the report requirements set forth in Section 3(b) above, Aurora will provide any and all reporting and accounting required by the Colorado State Engineer, the Division 1 Engineer, or any other lawful authority concerning proof of the reusability of the Reclaimed Wastewater and conveyance of the Reclaimed Wastewater to the Delivery Point(s).

7. **Subordination Clause.** This Agreement shall be made expressly subordinate to any present or future city use of effluent for purposes of augmentation, exchange, or any other use which is or will be of greater direct benefit to Aurora and the users of its water delivery system, as well as to the water supply obligations which Aurora has incurred or will incur through any of the following: (a) the March 2, 1981, Water Agreement with the City of Arvada, Colorado and any renewals thereof; (b) the October 25, 1993, Effluent Agreement with the State of Colorado, Division of Parks and Outdoor Recreation and any renewals thereof; (c) its obligation pursuant to the Substitute Water Supply Plan for Upper Cherry Creek Management Association approved

March 19, 1998, and any renewals thereof; (d) its obligations pursuant to Water Division 1, Case Nos. 95CW226 & 227, Case No. 99CW158, Case No. 01CW284 and Case No. 02CW341; (e) the April 23, 2001, Agreement for Reclaimed Wastewater with Calpine Corporation; (f) the May 20, 2003, Water Rights Purchase and Sale Agreement with the City of Thornton, Colorado; (g) the May 19, 2006, Reusable Water Agreement with the Central Colorado Water Conservancy District, and (h) any and all obligations resulting from any firm delivery annual lease or delivery contract of Reclaimed Wastewater executed prior to the date of this Agreement. The foregoing subordination does not, in and of itself, create an excuse for Aurora's failure to deliver the Reclaimed Wastewater under this Agreement. However, Aurora and Lessee agree that the purpose and effect of the foregoing subordination is to establish a priority among and between Aurora's obligations under this Agreement and Aurora's other obligations with respect to its Reclaimed Wastewater in the event of a *force majeure* event or other delay or interruption in Aurora's delivery of the Reclaimed Wastewater.

8. **Consideration.** Lessee agrees to pay to Aurora the amount of Three Hundred dollars (\$300.00) per acre-foot ("Unit Rate") of Reclaimed Wastewater delivered under this Agreement. The Unit Rate shall remain constant throughout the term of this Agreement.

9. **Payment.** Aurora will bill Lessee for all Reclaimed Wastewater it will deliver to Lessee during the water year as provided on the Delivery Schedule, attached hereto as **Exhibit A**, within 30 business days of the Effective Date. On April 1, 2016, , and on each succeeding April 1 thereafter, Aurora shall bill Lessee for all Reclaimed Wastewater it will deliver to Lessee during that water year of the Agreement as set forth in the Delivery Schedule. All billing shall be done on such forms as designated by Aurora for that purpose. Payment by Lessee shall be due no later than 45 days after such bill has been issued. If Lessee does not make the required payment by the due date, Aurora may give Lessee a notice of default. If Lessee does not cure the default by making full payment within 30 days of receipt of any notice of default, then Aurora, in addition to pursuing any other remedies available to it, may declare this Agreement terminated.

10. **Non-Assignability and No Subleases.** Neither Aurora nor Lessee may assign its rights or delegate its duties hereunder without the prior written consent of the other Party. Lessee may not sublease the Reclaimed Wastewater to which it is entitled pursuant to this Agreement without the permission of Aurora, which permission Aurora may grant or withhold at its discretion.

11. **Successors and Assigns.** This Agreement and the rights and obligations created hereby shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, if any are allowed. The Parties intend that Aurora shall not incur any liability other than those liabilities directly running to Aurora or assigns permitted under this Agreement if any. Lessee therefore covenants and agrees to indemnify, save and hold harmless Aurora from all liability, cost or expense of any kind, including Aurora's costs of defense to any other party arising in connection with or relating in any way to the execution, delivery or performance of any allowed assignment or any related document by the parties thereto or to the consummation of any transaction in connection with such documents.

12. **No Rights Conferred.** Except as otherwise provided in this Agreement, the Parties acknowledge that all Reclaimed Wastewater leased hereunder is intended for the present and future use of Aurora. It is further understood and agreed to by the Parties that this Agreement shall confer no rights in such Reclaimed Wastewater upon Lessee, nor shall any future needs of

Lessee for water enable Lessee to make claim against Aurora for any of Aurora's Reclaimed Wastewater, other water or water rights. Lessee further acknowledges the statutory prohibition against vesting of a right for a continued lease expressed in CRS § 31-35-201 applies in these circumstances.

13. **Aurora Right to Request Reuse.** The Parties hereto acknowledge that hydrologic and other conditions may exist wherein Lessee may not need all or a portion of the Reclaimed Wastewater flow available to it under this Agreement. Aurora may contact Lessee, not more frequently than once per day, to determine if any of the Reclaimed Wastewater leased hereunder will not be needed.

14. **Entire Agreement of the Parties.** This Agreement represents the entire agreement of the Parties and neither Party has relied upon any fact or representation not expressly set forth herein. All prior and contemporaneous conversations, negotiations, possible alleged agreements, representations, covenants and warranties concerning the subject matter hereof, are merged in this Agreement.

15. **Amendment.** This Agreement may be amended, modified, changed, or terminated in whole or in part only by written agreement duly authorized and executed by the Parties hereto.

16. **Enforcement.** The Parties agree that this Agreement may be enforced in law or in equity for specific performance, injunctive, or other appropriate relief, including damages, as may be available according to the laws of the State of Colorado. It is specifically understood that, by executing this Agreement, each Party commits itself to perform pursuant to the terms hereof, and that any breach hereof resulting in any recoverable damages shall not thereby cause the termination of any obligations created by this Agreement unless such termination is requested by the Party not in breach hereof.

17. **Failure to Perform Due to Force Majeure.** Subject to the terms and conditions in this Paragraph, no Party to this Agreement shall be liable for any delay or failure to perform under this Agreement due solely to conditions or events of *force majeure*, as that term is specifically defined herein; provided that: (i) the non-performing Party gives the other Party prompt written notice describing the particulars of the occurrence of the *force majeure*; (ii) the suspension of performance is of no greater scope and of no longer duration than is required by the *force majeure* event or condition; and (iii) the non-performing Party proceeds with reasonable diligence to remedy its inability to perform and provides weekly progress reports to the other Party describing the actions taken to remedy the consequences of the *force majeure* event or condition. As used herein *force majeure* shall mean any delay or failure of a Party to perform its obligations under this Agreement caused by events beyond the Party's reasonable control, and without the fault or negligence of the Party, including, without limitation A) changes in state or federal law or administrative practice concerning, water rights administration, water quality or stream flow requirements, B) changes in state water rights administrative practice concerning the reuse of reclaimed wastewater through leases to others for use at locations other than Aurora, Colorado, including, but not limited to, challenges to retained dominion and control, C) acts of God, D) sudden actions of the elements such as floods, earthquakes, hurricanes, or tornadoes, E) sabotage, F) vandalism beyond that which can be reasonably prevented by the Party, G) terrorism, H) war, I) riots, J) fire, K) explosion, L) severe cold or hot weather, M) snow, N) drought [a condition more severe than that which occurred in 2002 in the South Platte River

Basin or any basin from which the Reclaimed Wastewater originates] O) other extreme weather conditions, P) blockades, Q) insurrection, R) strike, slow down or labor disruptions (even if such difficulties could be resolved by conceding to the demands of a labor group); S) actions by federal, state, municipal, or any other government or agency (including but not limited to, the adoption or change in any rule or regulation or environmental constraint imposed by federal, state or local government bodies) but only if such requirements, actions, or failures to act prevent or delay performance, T) inability, despite due diligence, to obtain required licenses, permits or approvals, and, U) changes of law relating to financial obligations, revenues and budgetary matters concerning Colorado local governments and their enterprises. In the event a *force majeure* event or condition prevents Aurora from delivering all or part of the agreed upon amounts of Reclaimed Wastewater to Lessee, Aurora shall refund all advance payments made for that water not delivered within 60 days of the conclusion of the *force majeure* event or the cancellation of the Agreement pursuant to the remaining provisions of this Paragraph. In no event will any delay or failure of performance caused by any conditions or events of *force majeure* extend this Agreement beyond its stated term. In the event any delay or failure of performance on the part of the Party claiming *force majeure* continues for an uninterrupted period of more than 120 days from its occurrence or inception as noticed pursuant to this Paragraph, the Party not claiming *force majeure* may, at any time following the end of such 120 day period, terminate this Agreement upon written notice to the Party claiming *force majeure*, without further obligation except as to costs and balances incurred prior to the effective date of such termination.

18. **Sole Obligation of Utility Enterprise.**

(a) This Agreement shall never constitute a general obligation or other indebtedness of the City of Aurora ("City"), or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of the Constitution and laws of the State of Colorado or of the Charter and ordinances of the City.

(b) In the event of a default by Aurora's Utility Enterprise of any of its obligations under this Agreement, Lessee shall have no recourse for any amounts owed to it against any funds or revenues of the City except for those revenues derived from rates, fees or charges for the services furnished by, or the direct or indirect use of, the Water System and deposited in the Water Enterprise Fund, as the terms "Water System" and "Water Enterprise Fund" are defined in City Ordinance No. 2003-18, and then only after the payment of all operation and maintenance expenses of the Water System and all debt service and reserve requirements of any bonds, notes, or other financial obligations of the Utility Enterprise secured by a pledge of the net revenues of the Water Enterprise Fund. Notwithstanding any language herein to the contrary, nothing in this Agreement shall be construed as creating a lien upon any revenues of the Utility Enterprise or the City.

19. **Miscellaneous.**

(a) **Intent of Agreement.** This Agreement is intended to describe the rights and responsibilities of and between the named Parties and is not intended to, and shall not be deemed to confer rights upon any persons or entities not named as Parties, nor to limit in any way the powers and responsibilities of Aurora, Lessee, or any other entity not a party hereto.

(b) **Effect of Invalidity.** If any portion of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction as to either Party or as to both Parties, the entire Agreement will terminate.

(c) **Waiver of Breach.** Waiver of breach of any of the provisions of this Agreement by either Party shall not constitute a continuing waiver of any subsequent breach by said Party of either the same or any other provision of this Agreement.

(d) **Multiple Originals.** This Agreement may be simultaneously executed in any number of counterparts, each one of which shall be deemed an original, but all of which constitute one and the same Agreement.

(e) **Headings for Convenience.** Headings and titles contained herein are intended for the convenience and reference of the Parties only and are not intended to confine, limit, or describe the scope of intent of any provision of this Agreement.

(f) **Recordation.** Following the execution of this Agreement, the Parties may cause this Agreement to be recorded with the Clerk and Recorder's Office of such county or counties in Colorado as they may desire.

(g) **Notice.** All notices, requests, demands, or other communications (collectively, "Notices") hereunder shall be in writing and given by (i) established express delivery service which maintains delivery records requiring a signed receipt, (ii) hand delivery, or (iii) certified or registered mail, postage prepaid, return receipt requested to the Parties at the following address, or at such other address as the Parties may designate by Notice in the above manner.

To Aurora: City of Aurora
 15151 East Alameda Parkway, Suite 3600
 Aurora, CO 80012-1555
 Attn: Director, Aurora Water

with copy to: City of Aurora
 15151 East Alameda Parkway, Suite 5300
 Aurora, CO 80012-1555
 Attn: City Attorney

with copy to: Brownstein Hyatt Farber Schreck, LLP
 410 17th Street, Twenty Second Floor
 Denver, CO 80202
 Attn: Andrew L. Meyers, Esq.

To Lessee: Union Well Augmentation Group
 c/o Donna L. Coble, Secretary
 P.O. Box 445
 Greeley, CO 80632
 (970) 353-6121

with copy to: James A. Gustafson, Esq.
P.O. Box 1417
Greeley, CO 80632

Notices shall be effective (x) the next day following the date sent by an established express delivery service which maintains delivery records requiring a signed receipt, (y) upon receipt by the addressee of a hand delivery, or (z) three (3) days following the date of mailing via certified or registered mail, postage prepaid, return receipt requested.

(h) **Non-Business Days.** If any date for any action under this Agreement falls on a Saturday, Sunday or a day that is a "holiday" as such term is defined in Rule 6 of the Colorado Rules of Civil Procedure, then the relevant date shall be extended automatically until the next business day.

(i) **Commissions and Fees.** Each Party shall be solely responsible for the payment of any and all real estate commissions or other commissions or fees that it incurs with respect to this Agreement.

(j) **Governing Law and Venue.** This Agreement and its application shall be construed in accordance with the law of the State of Colorado. Should it be necessary to initiate court proceedings concerning this Agreement, the Parties agree that venue shall be in the District Court for Arapahoe County, Colorado.

(k) **No Attorneys' Fees.** In the event of any litigation, mediation, arbitration or other dispute resolution process arising out of or related to this Agreement each Party agrees to be responsible for its own attorneys' and other professional fees, costs and expenses associated with any such proceedings.

(l) **No Construction Against Drafter.** This Agreement was drafted by Aurora with review and comment from the attorney for Lessee. Accordingly, the Parties agree the legal doctrine of construction against the drafter will not be applied should any dispute arise concerning this Agreement.

20. **Effective Date.** The "Effective Date" of this Agreement shall be the date it is signed by the Director of Aurora Water.

IN WITNESS WHEREOF, this Agreement is executed and delivered by authorized representatives of the Parties, effective as of the day and year first above written.

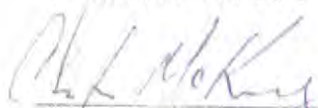
CITY OF AURORA, COLORADO,
ACTING BY AND THROUGH ITS
UTILITY ENTERPRISE



Marshall P. Brown, Director, Aurora Water

4/20/15
Date

APPROVED AS TO FORM FOR AURORA:



Christine McKenney, Assistant City Attorney

4.15.15
Date

15009193
ACS#



Steven O. Sims, Special Water Counsel

4-10-15
Date

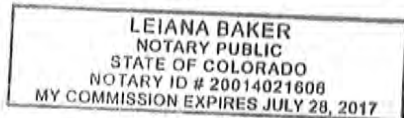
STATE OF COLORADO)
) ss
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this 20 day of April, 2015,
by Marshall P. Brown, Director, Aurora Water, acting on behalf of the Utility Enterprise of the
City of Aurora, Colorado.

Witness my hand and official seal: Leiana Baker
Notary Public

My commission expires: 7.28.17

(SEAL)



LESSEE:

UNION WELL AUGMENTATION GROUP

By: Gary Alles
Name: Gary Alles
Title: President

4/30/15
Date

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

The foregoing instrument was acknowledged before me this 30th day of April, 2015, by Gary Alles as President of UNION WELL AUGMENTATION GROUP, a Colorado corporation.

Witness my hand and official seal: Donna L. Coble
Notary Public

My commission expires: June 7, 2015

(SEAL)



EXHIBIT A
DELIVERY SCHEDULE

(All values in acre feet)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Gross Delivery	10	0	0	0	0	10	10	10	10	10	10	10	80
Transit Loss	2.56	0	0	0	0	2.56	2.56	1.28	1.28	1.28	1.28	1.28	14.08
Net Delivery	7.44	0	0	0	0	7.44	7.44	8.72	8.72	8.72	8.72	8.72	65.92

DISTRICT COURT, WATER DIVISION NO. 1,
COLORADO
901 Ninth Avenue
P. O. Box 2038
Greeley, Colorado 80632-2038

**CONCERNING THE APPLICATION FOR
CHANGE OF WATER RIGHTS,
APPLICATION FOR NEW WATER RIGHT
AND APPROVAL OF PLAN FOR
AUGMENTATION OF UNION DITCH
COMPANY AND UNION WELL
AUGMENTATION GROUP, LTD. IN
WELD COUNTY.**

▲ COURT USE ONLY ▲

Case No. 03 CW 404

Div.: 1 Ctrm:

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND DECREE**

An Application for Change of Water Rights, Application for New Water Right and Approval of Plan for Augmentation, as amended, was filed in the District Court, Water Division No. 1, by the Union Ditch Company and Union Well Augmentation Group, Ltd. The Court, having considered the pleadings, the evidence presented where such evidence was necessary, the stipulations of the parties, the comments of the Division Engineer, and otherwise being fully advised in the premises, hereby finds, concludes, adjudicates, and decrees as follows:

FINDINGS OF FACT

1.0 The Applicants. Union Ditch Company, 3005 W. 29th Street, Suite G1, P. O. Box 445, Greeley, Colorado 80632 ("Ditch Company"); and Union Well Augmentation Group, Ltd. ("UWAG"), 3005 W. 29th Street, Suite G1, P. O. Box 445, Greeley, Colorado 80632.

2.0 The Applications. The Ditch Company filed the original Application in this matter with the Court on December 19, 2003. The Ditch Company and UWAG filed Amended Applications

on December 29, 2005; June 23, 2006; December 28, 2006; September 12, 2008; and September 17, 2010, which were each approved by order of the Court. The Application, as amended, is referred to herein as the "Application."

3.0 Notice and Jurisdiction. The time for filing statements of opposition in this matter has now expired. All notices of this matter required by law have been fulfilled and the Court has jurisdiction over the subject matter of this Application, all amendments made thereto and over all persons and property affected by it, irrespective of whether they or its owners have appeared. The water and lands that are the subject of this Application are not located in a designated groundwater basin.

4.0 Statements of Opposition. The following parties filed timely Statements of Opposition. No other Statements of Opposition have been filed and the time for filing Statements of Opposition has expired:

- 4.1 The Farmers Reservoir and Irrigation Company.
- 4.2 City of Englewood filed a Withdrawal of Statement of Opposition on August 3, 2005.
- 4.3 City of Aurora.
- 4.4 City of Boulder.
- 4.5 Centennial Water and Sanitation District.
- 4.6 City of Longmont.
- 4.7 Union Reservoir Company.
- 4.8 Greeley Irrigation Company filed a Withdrawal of Statement of Opposition on November 15, 2010.
- 4.9 Central Colorado Water Conservancy District, the Groundwater Management Subdistrict of the Central Colorado Water Conservancy District and the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District ("Central").
- 4.10 Irrigationists' Association, Water District 1, filed a Withdrawal of Statement of Opposition on April 2, 2009.
- 4.11 Bijou Irrigation Company, Bijou Irrigation District.

- 4.12 Mr. James Aranci filed a Withdrawal of Statement of Opposition on April 16, 2009.
- 4.13 The City of Greeley, acting by and through its Water and Sewer Board.
- 4.14 The Henrylyn Irrigation District.
- 4.15 State and Division Engineers.
- 4.16 Western Mutual Ditch Company.
- 4.17 Farmers Independent Ditch Company.
- 4.18 East Cherry Creek Valley Water & Sanitation District.
- 4.19 Varra Companies, Inc.
- 4.20 Cache La Poudre Water Users Association.
- 4.21 Lower Latham Reservoir Company.
- 4.22 Ogilvy Irrigating and Land Company.
- 4.23 Daniel and Janet Gibbs.
- 4.24 South Adams County Water and Sanitation District.
- 4.25 Breakwater Capital Group III LLC filed a Withdrawal of Statement of Opposition on October 4, 2010.
- 4.26 The City of Thornton.

5.0 Summaries of Consultation. The Division Engineer for Water Division No. 1 filed Summaries of Consultation on April 20, 2004; April 25, 2006; November 29, 2006; June 15, 2007; and January 21, 2009. The Ditch Company and UWAG served copies of the Summaries of Consultation on the Objectors. The Court has duly considered the Summaries of Consultation.

6.0 Stipulations and Settlements. Stipulations and settlements entered into between Applicants and Objectors are as follows:

- 6.1 A Stipulation of Applicants and Daniel and Janet Gibbs was filed on March 23, 2010, and an Order Approving Stipulation of Applicants and Daniel and Janet Gibbs was entered by the Court on March 30, 2010.

- 6.2 A Stipulation with City of Longmont was filed on February 24, 2010, and an Order Approving Stipulation with City of Longmont was entered on August 20, 2010.
- 6.3 A Stipulation Between Applicants and Union Reservoir Company was filed on July 6, 2010, and an Order Approving Stipulation Between Applicants and Union Reservoir Company was entered on August 20, 2010.

CHANGE OF WATER RIGHTS
(Union Reservoir)

7.0 Subject Union Reservoir Water Rights. The water rights represented by 5.75 of the 250 shares (2.3%) of the capital stock in the Union Reservoir Company, a nonprofit mutual reservoir company incorporated in Colorado ("Reservoir Company") issued under Certificate Nos. 768, 770, 771, and 1110 ("Subject Reservoir Shares").

7.1 General Description. Union Reservoir, also known as Calkins Lake, is owned by the Reservoir Company. Union Reservoir is located in portions of Sections 30, 31 and 32, T3N, R68W of the 6th P.M. and Sections 5 and 6, T2N, R68W of the 6th P.M., Weld County, Colorado. The feeders of Union Reservoir are the Oligarchy Ditch, which diverts water from St. Vrain Creek, and a ditch from Spring Gulch, which collects drainage water and discharges into St. Vrain Creek. The Oligarchy Ditch headgate is located on St. Vrain Creek in the NE 1/4 of Section 27, T3N, R70W of the 6th P.M., Boulder County, Colorado, at a point whence the East quarter corner of said Section 27 bears South 27°26' East a distance of 560 feet more or less; the East line of the NE 1/4 of said Section 27 as bearing North 00°32'42" West, with all bearings relative thereto. The head of the ditch from Spring Gulch is located in Weld County, Colorado, at a point whence the Southwest corner of Section 31, T3N, R68W of the 6th P.M. bears South 12° West a distance of 800 feet. The outlet of Union Reservoir is on Spring Gulch near its confluence with St. Vrain Creek. The confluence of Spring Gulch and St. Vrain Creek is located in Section 7, T2N, R70W of the 6th P.M., just upstream of the confluence of Dry Creek and St. Vrain Creek.

7.2 Existing Storage Decrees. Union Reservoir has the following absolute storage rights decreed to it:

<u>Case No.</u>	<u>Adjudication Date</u>	<u>Appropriation Date</u>	<u>Amount</u>
C.A. 4790	3/13/1907	10/6/1902	13,219 af
W-7486	3/11/1977	5/1/1973	5,879 af

The above water rights were originally adjudicated for agricultural purposes. The water right decreed in C.A. 4790 is sometimes referred to herein as the "Senior Union Decree". The water right decreed in Case No. W-7486 is sometimes referred to herein as the "Refill Decree". The Senior Union Decree and Refill Decree are sometimes collectively referred to herein as the "Reservoir Rights".

- 7.3 Previous Decree. A Decree was entered in Case No. 87CW222, Water Division No 1, on December 28, 2000 ("87CW222 Decree"), by which (1) the historical use of all 250 shares in the Reservoir Company, including the Subject Reservoir Shares, was quantified, and (2) all 250 shares in the Reservoir Company were changed to municipal, which included augmentation and replacement uses, by the City of Longmont ("Longmont") within Longmont or pursuant to Longmont's out-of-city water contracts.

8.0 New Uses for the Subject Reservoir Shares. The purpose of this Decree is to change the Subject Reservoir Shares for use in the augmentation plan approved in this Decree, to replace historical return flows for the water rights changed herein and for use by direct delivery to the South Platte River to replace out-of-priority depletions caused by UWAG Member Well pumping, the Ream Pond and/or return flows associated with water supplies used in the augmentation plan, and for delivery to the Miller Recharge Pond pursuant to the terms and conditions of this Decree. UWAG has entered into an Agreement with the Ditch Company, dated October 27, 2004, to utilize the Subject Reservoir Shares for augmentation of its wells pursuant to the augmentation plan approved in this Decree. The Division Engineer shall assess river and ditch transit losses pursuant to paragraph 38.4 of this Decree.

- 8.1 Use of the Subject Reservoir Shares in the Miller Recharge Pond. Applicants will deliver water attributable to the Subject Reservoir Shares to the Miller Recharge Pond, and such additional recharge ponds that are approved pursuant to the terms of this Decree, to generate accretions to the South Platte River pursuant to paragraph 19.4 to replace out-of-priority well depletions and historical return flows attributable to the water rights changed herein.
- 8.2 Subject Reservoir Shares to be Changed. UWAG has entered into an Agreement with the Ditch Company to utilize the 5.75 shares of Union Reservoir Company water issued under Certificate Nos. 768, 770, 771, and 1110 for ten (10) years, with an option to purchase, for augmentation of its wells listed herein and for the additional uses described herein.
- 8.3 Water from Union Reservoir has historically been used as supplemental irrigation water to irrigate lands below the Bijou Canal, Union Ditch and Lower Latham Ditch. Union Reservoir water was released and conveyed down St. Vrain Creek and into the South Platte River for delivery to these ditches. The representative distribution of Union Reservoir shares among the ditches was Bijou Canal, 98.25 shares (39%); Union Ditch, 131 shares (52%); and Latham Ditch, 20.75 shares

(8%). Applicants' 5.75 shares (2.3%) were used to irrigate land under the Union Ditch.

8.4 Because the Subject Reservoir Shares have been historically used for supplemental irrigation water, historic use did not fall into any uniform pattern, and varied from year to year depending on crop patterns, weather conditions, and availability of other sources of water. In order to replicate the historic returns (including ditch losses) as close as is reasonably possible to avoid injuring other water users, Longmont analyzed two scenarios in Case No. 87CW222: first, the average historic use; and second, the minimum historic use. By using both scenarios for calculating future replacement obligations, downstream water rights will be protected regardless of the patterns of future use.

8.5 It was decreed in Case No. 87CW222 that average annual releases from Union Reservoir to the St. Vrain Creek over a representative study period (1929 to 1972) were 3,827 acre feet (15.3 acre feet/share); releases for the year 1968 were not included in this average because of a large inadvertent release during that year. The historic use of the Reservoir Rights resulted in an average historic consumptive use of 50% of reservoir releases. Based upon the representative distribution of shares between the ditches set forth above, the remaining 50% of releases at Union Reservoir is attributable to return flows and ditch losses, as follows:

37.11% for irrigation return flows from the Union Ditch System,
2.15% for irrigation return flows from the Lower Latham Ditch system,
21.24% for irrigation return flows from the Bijou Canal system,
10.31% ditch loss from the Union Ditch,
0.60% ditch loss from the Lower Latham Ditch, and
28.59% ditch loss from the Bijou Canal.

The minimum annual irrigation return flows and ditch losses during the study period were distributed as follows:

43.33% for irrigation return flows from the Union Ditch system,
2.54% for irrigation return flows from the Lower Latham Ditch system,
24.82% for irrigation return flows from the Bijou Canal system,
8.94% ditch loss from the Union Ditch,
0.00% ditch loss from the Lower Latham Ditch, and
20.37% ditch loss from the Bijou Canal.

In calculating these distributions, ditch loss factors of 10% of ditch diversions were used for the Union and Latham Ditches, and a factor of 35% of ditch diversions was used for the Bijou system.

8.6 River transit losses shall be assessed by the State Engineer.

8.7 New Place of Use: The Subject Reservoir Shares will be diverted at the historic points of diversion, stored in the Union Reservoir, and released to the stream. The historic point of diversion is defined as the Oligarchy Ditch and the Spring Gulch feeder Ditch.

9.0 Volumetric Limitations. As set forth below, the Subject Reservoir Shares shall be subject to the volumetric limitations set forth in paragraph 8.D of the 87CW222 Decree except that the calculations reflect that the Subject Reservoir Shares represent a 2.3% *pro rata* portion of the Reservoir Rights.

9.1 Pro Rata Share of Decreed Amount: Diversion of the Subject Reservoir Shares' pro rata interest in the Senior Union Decree into Union Reservoir will be limited to a volumetric maximum in each Water Year (as defined herein) equal to the Subject Reservoir Shares' proportionate share of the Senior Union Decree, with a possible reduction thereof by application of the One-Fill Restriction described below. Applicants' Subject Reservoir Shares entitle them to 2.3% of the Senior Union Decree. Applicants will bear a pro rata share of any water furnished by the Company pursuant to the right reserved by Emma Johnson in a Deed from her to the Union Reservoir Company dated November 20, 1902, and recorded in the real property records of Weld County at Book 200, Page 454.

9.2 One-Fill Restriction: The Reservoir Company is entitled to one-filling of its reservoir capacity during each 12-month period pursuant to the terms of the Senior Union Decree. The water year used for Union Reservoir is November 1 through October 31 ("Water Year"). For purposes of this Decree, one-filling under the Senior Union Ditch Decree shall be deemed to occur pursuant to paragraph 8(D)(ii) of the 87CW222 Decree and restated as follows (the "Allowable Fill"):

- (a) The amount of unfilled space in Union Reservoir on November 1 of that ensuing Water Year;
- (b) The amount of water stored in Union Reservoir on that November 1 pursuant to water rights other than the Reservoir Rights;
- (c) The amount of water stored in Union Reservoir on that November 1 pursuant to the Reservoir Rights if such water is held over for release during that ensuing Water Year for the Replacement Obligation; and
- (d) The amount of water stored in Union Reservoir on November 1 pursuant to the Reservoir Rights if such water was diverted and stored in a prior Water Year for which return flow obligations have occurred.

- 9.2.1 Allowable Fill: At the beginning of each Water Year, Applicants, in consultation with the Reservoir Company, shall calculate the Allowable Fill available to the Subject Reservoir Shares on November 1, and they shall so notify the Water Commissioner and Division Engineer.
- 9.2.2 Credit: Water shall be credited toward the amount of Allowable Fill of the Senior Union Decree for the Subject Reservoir Shares when and to the extent water is physically and legally available to Applicants under the Senior Union Decree but is not diverted for beneficial use by Applicants. Any such undiverted water, though, shall neither trigger an obligation by Applicants under the Decree for a Replacement Obligation nor relieve Applicants from the Minimum Replacement Obligation provided for below.
- 9.2.3 Refill Decree: The Refill Decree portion of the Subject Reservoir Shares can be exercised by Applicants only after the one-filling is accomplished for the Senior Decree as described in paragraph 9.2 above, and if space is available to store in Union Reservoir in the amount of the Subject Reservoir Shares' *pro rata* account. Consistent with historic practice, the Refill Decree can be exercised in priority multiple times to fill the reservoir, so long as the total cumulative storage under the Refill Decree in any Water Year does not exceed the decreed amount of 5,879 acre feet.

10.0 Diversion Rate: The combined rate of diversion of the Senior Union Decree by the Company (through the Oligarchy Ditch), Central, Applicants and the City of Longmont (at Longmont's alternate points of diversion and storage) cannot exceed 84.2 cfs (the current decreed fill rate of Union Reservoir through the Oligarchy Ditch).

11.0 Replacement Obligation. As set forth below, the Subject Reservoir Shares shall be subject to the replacement obligations set forth in paragraphs 8.F through 8.H of the 87CW222 Decree except that the calculations shall reflect that the Subject Reservoir Shares are associated with the Union Ditch system and represent a 2.3% *pro rata* portion of the Reservoir Rights. To replicate the historic returns (including ditch losses) as close as reasonably possible, a portion of the amount of the Subject Reservoir Shares diverted to storage by Applicants from July 1 through the succeeding June 30 ("Diversion Period") shall be replaced to the stream and ditches ("Replacement Obligation") on a daily basis in accordance with the method described hereinafter in this paragraph. For these purposes, "diversions" into Union Reservoir shall be calculated as the amount stored in Union Reservoir pursuant to the Subject Reservoir Shares after ditch losses through the Oligarchy Ditch and the Spring Gulch feeder ditch. The return flow component of the Replacement Obligation shall be delivered and administered to the confluence of St. Vrain Creek with the South Platte River. The ditch loss component of the Replacement Obligation shall be delivered and administered to the headgate of the Union Ditch. The Replacement Obligation will be made by Applicants on a daily basis during each of the twelve (12) months following the Diversion Period in accordance with the monthly percentages set forth hereinafter.

Summary of Union Reservoir Credit and replacement obligations – Union Shares	
Units=acre-feet	
Historical Period =1929-1972 (Not 1968)	
Union Reservoir	Avg. Annual
Annual Releases	3,827.0
Per Share (250 Shares)	15.3
Union Pro-rata (5.75 shares):	
Releases	88.0
Historic Consumptive Use – 50% of Releases	44.0
Return Flow – 50% of Releases	-44.0
Return Flow Obligation – 78%	
Jul (7%)	- 2.4
Aug (7%)	-2.4
Sep (8%)	-2.7
Oct (9%)	-3.1
Nov (10%)	-3.4
Dec (10%)	-3.4
Jan (10%)	-3.4
Feb (9%)	-3.1
Mar (8%)	-2.7
Apr (8%)	-2.7
May (7%)	-2.4
Jun (7%)	-2.4
Subtotal	-34.3
Ditch Flow Loss Obligation – 22%	
Jul (30%)	-2.9
Aug (70%)	-6.8
Subtotal	-9.7
Total Return Flow/Ditch Loss Obligation	-44.0
Total Consumptive Use Credit	44.0

- 11.1 Priority: No Replacement Obligation for the return flow component shall exist when the call on the river, including exchanges, is junior to December 19, 2003, (which is the date the original Application in this case in which the change of the Subject Reservoir Shares was noticed); except that during time periods that there

is a call, including exchanges, on the South Platte River at or below the Burlington Ditch headgate, Applicants shall deliver their Replacement Obligation when storage reservoirs located below the confluence of the St. Vrain and South Platte Rivers with rights senior to December 19, 2003, are lawfully diverting water from the South Platte River regardless of whether such diversions shall be reflected by an administrative "call" by the Office of the State Engineer. For purposes of the preceding sentence, Applicants may contact the Division Engineer for Water Division 1 or the Water Commissioners for Water District 1, 2 and 64 to determine whether any such diversions are being made and rely upon the information so obtained. Nothing in this subparagraph shall reduce or suspend the ditch loss component of the Replacement Obligation.

- 11.2 Replacement Sources: The Replacement Obligation can be met by any fully consumable water available to Applicants and decreed for such purposes, including those water rights listed below in paragraphs 11.24 and 28 so long as they are located such that they can provide the replacement water needed in time, place and amount to prevent injury to water rights, including exchanges, senior to December 19, 2003.
- 11.3 Water stored in Union Reservoir will be pursuant to Applicants' Subject Reservoir Shares and the Agreement entered into between Union Reservoir Company and UWAG.
- 11.4 Calculation of Replacement Obligation: The annual nominal Replacement Obligation (RO) shall be equal to 50% of the amount of the Subject Reservoir Shares diverted to storage by Applicants during the Diversion Period. Said 50% is calculated using historically administered river transit losses. However, Applicants' actual Replacement Obligation shall be determined using whatever river transit loss is then reasonably and lawfully determined by the State Engineer's Office for future deliveries. The actual Replacement Obligation shall be computed according to the procedure which is illustrated in paragraph 11.6.
- 11.5 Calculation of Subject Reservoir Share Distribution Factors. The Subject Reservoir Shares Distribution Factors are calculated as follows:

Representative Distribution among Ditches of Historical Shares:

Total historical Union Ditch Shares	= 131.00 shares
Total all Union Reservoir Shares	= 250.00 shares

Representative Distribution of Return Flows and Ditch Losses based upon the historic percentages set forth in paragraph 8.5.

Union Ditch Shares = $(0.3711 + 0.1031) \div 131 \text{ shares} = 0.003620 \text{ per share}$

Representative Distribution of Minimum Return Flows and Minimum Ditch Losses, based upon the historic percentages set forth in paragraph 8.5.

$$\text{Union Ditch Shares} = (0.4333 + 0.0894) \div 131 \text{ shares} = 0.003990 \text{ per share}$$

Next, the Subject Reservoir Share Distribution Factor (SSDF) shall be computed according the following formula:

$$\text{SSDF} = (\text{SSUD} \times 0.003620)$$

Where,

SSUD = number of Subject Reservoir Shares from the Union Ditch system

For purposes of this Decree, SSUD are replaced in the remaining formulas by the number of shares changed by Applicants in this case, as follows: SSUD = 5.75; which results in the following:

$$\text{SSDF} = (5.75 \times 0.003620) = 0.020815.$$

In addition, the Minimum Subject Reservoir Share Distribution Factor (MSSDF) shall be computed according to the following formula:

MSSDF = (SSUD x 0.003990) which results in the following:

$$\text{MSSDF} = (5.75 \times 0.003990) = 0.02294.$$

- 11.6 Calculation of Replacement Obligation. The amount of the Replacement Obligation (RO) in acre-feet for the Subject Reservoir Shares shall be calculated as follows (assuming the RO is to be released from Union Reservoir to St. Vrain Creek, and river transit losses are the same as those charged historically):

$$\text{UDRO} = [(\text{SSUD} \times 0.003620) \div (\text{SSDF})] \times \text{RO}$$

UDRO = Union Ditch Replacement Obligation, in acre-feet,

RO = Replacement Obligation, in acre-feet, and,

SSDF = Subject Reservoir Share Distribution Factor. See ¶ 11.5.

Which results in:

$$\text{UDRO} = [(5.75 \times 0.003620) \div 0.020815] \times \text{RO}$$

11.7 Adjustment For Future Changes in River Transit Losses. The Replacement Obligation shall be allocated between return flows and ditch losses, and adjusted for future changes in river transit losses, if any, to determine the actual amount of replacement water Applicants must provide below Union Reservoir. Return flow components of the Replacement Obligation shall be delivered and administered to the St. Vrain Creek/South Platte River confluence. Ditch loss components of the Replacement Obligation shall be delivered and administered to the headgate of the Union Ditch. River transit losses which are then currently being charged by the State (as may be revised from time to time) will be used to determine the amount of water required to deliver the necessary replacement obligations. See paragraph 11 for these calculations.

11.8 Allocation of the Replacement Obligation Between Return Flows and Ditch Losses. The Replacement Obligation attributable to the Union Ditch shall be allocated between return flows and ditch losses according to the following:

<u>Ditch</u>	<u>Return Flow</u>	<u>Ditch Loss</u>
Union Ditch	78%	22%

The ditch loss component shall be delivered and administered to the headgate of the Union Ditch, which shall be entitled to divert its respective ditch loss component at its headgate.

11.9 Calculation of Return Flow Component of the Replacement Obligation. As determined in the 87CW222 Decree, the historical return flow component of the Replacement Obligation at Union Reservoir was 78% of the Union Ditch Replacement Obligation (UDRO). Applicants' use of the Subject Reservoir Shares shall not reduce the Replacement Obligation for diversions under the Reservoir Rights as such Replacement Obligation was determined in paragraph 8(H)(iii) of the Decree in Case No. 87CW222.

11.10 Transit Losses. The amount of replacement water for the return flow component of the Replacement Obligation, if made available at St. Vrain Creek below Union Reservoir, shall be the historical return flow component of the Replacement Obligation adjusted for current river transit losses being charged by the State water administration official.

11.11 Timing of Return Flow Component of Replacement Obligation. Typically, water stored in Union Reservoir was not released for irrigation use until July of any given year. Accordingly, the return flow component of the Replacement Obligation will be delivered to the Replacement Point daily (the confluence of St. Vrain Creek with the South Platte River, as indicated in paragraph 11) over a twelve month period beginning with the July following the Diversion Period in which Applicants diverted the Subject Reservoir Shares. A return flow lagging

analysis using the Glover procedure was performed to determine the timing of the historic return flows from the lands under the Union Ditch, which were historically irrigated by the Subject Reservoir Shares. Because of the sandy soils in the irrigation areas and the generally large distances from the irrigated lands to the river, all unconsumed irrigation water was assumed to return to the river as subsurface flow. The results of the lagging analysis indicated that the irrigation return flows returned to the stream in the pattern shown in the table in paragraph 11.

Applicants are required to make replacements of return flow obligations in time, location and amount to ensure vested water rights are not being injured. Replacement of return flow obligations will be done on a daily basis, unless otherwise allowed by the Water Commissioner and Division Engineer.

- 11.12 Calculation of Ditch Loss Component of the Replacement Obligation. The historical ditch loss component of the Replacement Obligation at Union Reservoir was 22% of the Union Ditch Replacement Obligation (UDRO). The amount of replacement water for the ditch loss component of the Replacement Obligation, if made available at St. Vrain Creek below Union Reservoir, shall be the historical ditch loss component of the Replacement Obligation adjusted by changes to current river transit losses being charged by the State water administration officials.
- 11.13 Timing of Ditch Loss Flow Component of Replacement Obligation. The ditch loss component of the Replacement Obligation shall be delivered and administered to the Union Ditch headgates during the months of July and August following the Diversion Period in which Applicants diverted the Subject Reservoir Shares. Of the total obligation for the Union Ditch, 30% shall be released during July and 70% shall be released during August. It shall be delivered in the amount and at times reasonably requested in advance by the Union Ditch Company, subject to available Union Reservoir outlet capacity. The water shall only be used by the Union Ditch Company for ditch carriage when other water is being carried in the ditches and shall not be otherwise beneficially used. If the ditch loss replacement water is not requested by the Union Ditch Company by the end of each month, and if there is then a call on the river, including exchanges, senior to December 19, 2003, [the date of the original Application in this case in which the change of the Subject Reservoir Shares was noticed], Applicants shall forthwith release said amount of water, which shall be delivered and administered to the South Platte River at its confluence with the St. Vrain Creek during the following month at a constant rate throughout the month.
- 11.14 Requirement of a Minimum Replacement Obligation. In the event Applicants divert less than 4.5 acre-feet per Subject Reservoir Share in any given Diversion Period, Applicants shall nonetheless incur a Minimum Replacement Obligation

(MRO) for that Diversion Period of 2.25 acre-feet per Subject Reservoir Share. If 4.5 acre-feet per Subject Reservoir Share could not have been diverted in priority, the Minimum Replacement Obligation for that Diversion Period will be reduced proportionately, after prior notice to the Division Engineer and parties hereto. Applicants will bear the burden of proving the physical and legal unavailability of water for these purposes to the satisfaction of the Division Engineer and parties hereto. Paragraph 11.15 sets forth the manner of the calculation for the Minimum Replacement Obligation.

- 11.15 Calculation of Minimum Replacement Obligation. Based on Applicants' ownership of the Subject Reservoir Shares from the Union Ditch system and based upon the representative distribution factors set forth in paragraph 11.5, the amount of the Minimum Replacement Obligation in acre-feet shall be calculated as follows (assuming the MRO is to be released from Union Reservoir to St. Vrain Creek and river transit losses are the same as those charged historically):

$$\text{MUDRO} = [(\text{SSUD} \times 0.003990) \div (\text{MSSDF})] \times \text{MRO}$$

where,

MUDRO = Minimum Union Ditch Replacement Obligation, in acre-feet,
MRO = Minimum Total Replacement Obligation, in acre-feet, and,
MSSDF = Minimum Subject Reservoir Share Distribution Factor.

Which results in,

$$\text{MUDRO} = [(5.75 \times 0.003990 \div 0.02294)] \times \text{MRO}$$

- 11.16 Adjustment For Future Changes in River Transit Losses. The Minimum Replacement Obligation shall be allocated between return flows and ditch losses, and adjusted for future changes in river transit losses, if any, to determine the actual amount of replacement water Applicants must provide below Union Reservoir. Return flow components of the Minimum Replacement Obligation shall be delivered and administered to the St. Vrain Creek/South Platte River confluence. Ditch loss components of the Minimum Replacement Obligation shall be delivered and administered to the headgates of the Union Ditch. River transit losses which are then currently being charged by the State (as may be revised from time to time) will be used to determine the amount of water required to deliver the necessary replacement water.

- 11.17 Allocation of the Minimum Replacement Obligation Between Return Flows and Ditch Losses. The Minimum Replacement Obligation attributable to the Union Ditch shall be allocated between return flows and ditch losses according to the following:

<u>Ditch</u>	<u>Return Flow</u>	<u>Ditch Loss</u>
Union Ditch	83%	17%

The ditch loss component shall be delivered and administered to the headgate of Union Ditch and the Ditch Company shall be entitled to divert its ditch loss component at its headgate.

11.18 Calculation and Timing of Return Flow Component of the Minimum Replacement Obligation. As determined in the 87CW222 Decree, the historical return flow component of the Minimum Replacement Obligation at Union Reservoir was 83% of the Minimum Union Ditch Replacement Obligation (MUDRO). Applicants' use of the Subject Reservoir Shares shall not reduce the Minimum Union Ditch Replacement Obligation as such Minimum Union Ditch Replacement Obligation was determined in paragraph 8(H)(xi) of the Decree in Case No. 87CW222. The amount of replacement water for the return flow component of the Minimum Replacement Obligation to be made available at St. Vrain Creek below Union Reservoir shall be the historical return flow component of the Replacement Obligation adjusted for current river transit losses being charged by the State water administration officials in the manner set forth in paragraph 11.15. Minimum return flow replacements shall be distributed monthly according to the factors set forth in paragraph 11.

11.19 Calculation and Timing of Ditch Loss Component of the Minimum Replacement Obligation. As determined in the 87CW222 Decree, the historical ditch loss component of the Minimum Replacement Obligation at Union Reservoir was 17% of the Minimum Union Ditch Replacement Obligation (MUDRO). Applicants' use of the Subject Reservoir Shares shall not reduce the Minimum Union Ditch Replacement Obligation for diversions under the Reservoir Rights as such Minimum Union Ditch Replacement Obligation was determined in paragraph 8(H)(xi) of the Decree in Case No. 87CW222. The amount of replacement water for the ditch loss component of the Minimum Replacement Obligation, if made available at St. Vrain Creek below Union Reservoir, shall be the historical ditch loss component of the Minimum Replacement Obligation adjusted by changes to current river transit losses being charged by the State water administration officials. Minimum ditch loss requirements shall be distributed monthly according to the factors set forth in paragraph 11.

11.20 Suspension of Minimum Replacement Obligation. Applicants' Minimum Replacement Obligation may be suspended when and to the extent that legal or physical constraints [other than the lack of water availability, which is covered under 11.14] make it impossible for Applicants to divert, store, or release water from Union Reservoir, which conditions are beyond Applicants' reasonable

control, provided Applicants first file a Petition with the Court in the manner set forth herein in paragraph 52, and such Petition is approved by the Court. There is no limit on the Court's period of retained jurisdiction when applied to this situation. This provision shall not relieve Applicants of their obligation to deliver Replacement Obligations for diversions made during any prior Diversion Period.

- 11.21 Use and Reuse. As long as Applicants deliver the Replacement Obligation and comply with the other terms and conditions set forth herein, Applicants are entitled to use, reuse, and successively use water derived from the Subject Reservoir Shares to extinction for the uses described in paragraph 8.
- 11.22 Accounting. To ensure Applicants are not expanding the use of Applicants' Subject Reservoir Shares Applicants must provide accounting that clearly distinguishes Applicants' shares from the other shares in the Union Reservoir. In consultation with the Reservoir Company, Applicants shall make such measurements and maintain adequate accounting records to account for its diversion and use of the Subject Reservoir Shares changed herein, including the timing, amount, and source of water released to maintain its Replacement Obligation. Such accounting must be in a form reasonably acceptable to the Division Engineer. The rate of filling of Union Reservoir, the rates of filling at any alternate places of storage, the rates of diversion at any alternate points of diversion, the volumes of water diverted or held in each of the storage reservoirs, and the Allowable Fill for that Water Year shall be included in the accounting forms.
- 11.23 Ditch Assessments. Applicants shall continue to pay ditch assessments on all of its shares of the Reservoir Company.
- 11.24 Replacement Sources. Applicants will use the sources identified in paragraph 28 to meet its replacement obligation attributable to the Subject Reservoir Shares, as well as the non-consumable portion of the Union Reservoir yield to meet the required return flow replacements, provided the water shall be delivered at or above the water right entitled to receive said return flows.

JUNIOR RECHARGE WATER RIGHT **(Miller Recharge Pond)**

12.0 Description of Junior Recharge Water Right. UWAG requests confirmation of a junior recharge water right to be diverted at the headgate of the Union Ditch and delivered to the Miller Recharge Pond from the Union Ditch. Water diverted under the Junior Recharge Water Right and delivered to the Miller Recharge Pond will be allowed to seep into the underlying alluvial aquifer of the South Platte River to generate accretions to the Lower Latham Drain, a tributary to the South Platte River. UWAG does not claim and shall not be entitled to use accretions to the

South Platte River from seepage, if any, from the Union Ditch from the carriage of the Junior Recharge Water Right in said facilities.

13.0 Point of Diversion. Headgate of the Union Ditch on the east bank of the South Platte River in the NE1/4 of Section 18, T5N, R66W of the 6th P.M., approximately five miles upstream of the confluence of the South Platte River and the Big Thompson River.

14.0 Source. South Platte River.

15.0 Appropriation Date. December 19, 2003, by the filing of the Application in this case.

16.0 Amount Claimed. A total of 50 c.f.s. and 500 acre feet per year diverted at the Union Ditch Headgate.

16.1 9.3 c.f.s., absolute. Water under this right was diverted to recharge within the Miller Recharge Pond on April 24, 2009, through the long-throated flume and continuous recording device located at the Miller Recharge Pond inlet and used to recharge the alluvial aquifer to generate credits to apply toward replacement of out-of-priority well depletions for UWAG Member Wells.

16.2 112.3 acre feet absolute. Water under this water right was diverted to recharge within the Miller Recharge Pond during the 2009 substitute water supply plan period and used to recharge the alluvial aquifer to generate credits to apply toward replacement of out-of-priority well depletions for UWAG Member Wells.

16.3 Conditional water right. 40.7 c.f.s. up to an additional 387.7 acre feet per year conditional.

17.0 Uses. Accretions generated from the Junior Recharge Water Right will be used for augmentation, replacement and recharge under the augmentation plan approved herein and to replace historical return flows for water rights changed herein.

18.0 Miller Recharge Pond.

18.1 Location of Miller Recharge Pond. The Miller Recharge Pond is located in the N1/2 of Sec. 1, T4N, R66W of the 6th P.M., Weld County. The Miller Recharge Pond that is this subject of this Decree is a separate structure from the Miller Recharge Pond identified in paragraph 11.9.2.1 of the decree entered in Case No. 05CW331.

18.2 Name and Address of Owner of Land on Which Miller Recharge Pond is Located. Jim Miller, P. O. Box 237, LaSalle, Colorado 80645.

- 18.3 Surface Area. 3.4 acres at stage of 8.0 feet. A topographical survey, stage-area-volume relationship table, and stage-volume relationship table are attached hereto as Appendix III.A., III.B., and III.C. respectively.
- 18.4 Capacity. 20.91 acre feet at stage 8.0 feet.
- 18.5 Aquifer Parameters. $X = 848$ feet, $T = 182,000$ gallons per day per foot, $W = 20,265$ feet, $S = 0.2$.
- 18.6 Location of Accretions. Lower Latham Drain, discharges to the South Platte River, more specifically described as returning to the South Platte River in the NW $\frac{1}{4}$ of Sec. 31, T5N, R65W of the 6th P.M., Weld County, upstream of the Lower Latham headgate.
- 18.7 Additional Ponds or Modification of Existing Ponds: UWAG may add additional recharge ponds and modify existing recharge ponds so long as the Division Engineer approves in writing the additional recharge ponds or modifications of existing recharge ponds prior to use. UWAG shall provide notice to the Division Engineer and objectors to be filed with the Court of UWAG's request for each additional recharge pond or modification at least sixty days prior to the proposed use of the additional recharge pond or modified recharge pond. In order to properly evaluate such requests, or any modifications to an existing recharge pond, the following information must be provided in said notice: (1) a description of the proposed modification of any existing recharge pond; (2) the location, including the affected River Reach, as defined in paragraph 30.4 of this Decree, of any new recharge pond; (3) the increased or new capacity of the modified recharge pond; (4) the evaporative loss information required under paragraph 19.2.1; (5) the X, T, W and S aquifer parameter values that UWAG proposes to use to determine the effect of the increased or new accretions on the South Platte River; (6) whether the recharge accretions from the recharge pond will accrue to the South Platte River, or a tributary or drain to the river and the location of such accretions; (7) updated accounting forms; and (8) whether there will be an increase in consumptive use of ground water caused by recharge from the recharge pond. Any new recharge pond constructed by UWAG will need to be able to receive water from the Union Ditch. If any Objector files a Notice of Objection to use of the additional recharge pond or modified recharge pond within sixty days of service of the notice required herein, UWAG shall not use the additional recharge pond or modified recharge pond until it is approved by the Court. All terms and conditions applicable to existing recharge ponds under this decree shall also apply to any additional recharge pond or modified recharge pond. The Court shall retain perpetual jurisdiction to resolve any dispute regarding additional recharge ponds or modification to existing recharge ponds. Total diversions under the junior recharge right decreed in this matter for delivery

into any additional or modified recharge pond shall be subject to the flow rate and volumetric limits in paragraph 16.

19.0 Terms and Conditions for Use of the Miller Recharge Pond.

19.1 Measuring Devices. Prior to the delivery of water to any new or modified recharge pond under this Decree, UWAG shall install a continuous recording device capable of measuring the amount of water delivered to the recharge pond on a daily basis. Any measuring device shall be at least as accurate as a Parshall flume. If the recharge pond has the capability to release water, the outlet shall likewise be equipped with a continuous recording measuring device to measure outflows from the recharge pond on a daily basis. UWAG shall survey and develop a stage-area-capacity curve and install a staff gauge at the lowest surface elevation in each recharge pond. The staff gauge must be readable from a readily accessible location adjacent to the recharge pond. In addition to the requirements of paragraph 18.7, all measuring devices required by this paragraph must be approved by the Water Commissioner prior to operation of the recharge pond.

19.1.1 Miller Recharge Pond Measuring Devices. Water has been delivered to the Miller Recharge Pond since 2006. UWAG installed a continuous recording device capable of measuring the amount of water delivered to the Miller Recharge Pond on a daily basis. This measuring device is as accurate as a Parshall flume. The Miller Recharge Pond has the capability to release water. The outlet is equipped with a continuous recording measuring device to measure outflows from the Miller Recharge Pond on a daily basis. UWAG has installed a staff gage at the lowest surface elevation in the Miller Recharge Pond. The staff gage is readable from a readily accessible location adjacent to the Miller Recharge Pond. The measuring devices required by this paragraph have been approved by the Water Commissioner prior to operation of the Miller Recharge Pond. The Miller Recharge Pond has been surveyed and a stage-area-capacity curve is attached hereto as Appendix III.A.

19.2 Amount Credited to Recharge. The net daily volume of water recharged to the alluvial aquifer at the Miller Recharge Pond shall be determined by measuring the amount of water delivered to the Miller Recharge Pond by use of a continuous recording measuring device, and by subtracting: (1) the amount of water that flowed out of the Recharge Pond, if any, measured by use of a continuous recording measuring device; (2) the amount of water that was lost to evaporation, as determined by the method described in paragraph 19.2.1 of this Decree; (3) the amount of water lost to consumptive use due to vegetation located in the Recharge Pond, which will be determined by the method described in paragraph 19.2.2 of this Decree; and (4) the amount of water retained in the Recharge Pond that has not yet percolated into the ground. The staff gauge required by paragraph

19.1 of this Decree shall be read daily. The staff gauge data and the stage-area-capacity curve shall be used to determine: (1) the volume of the water in the Recharge Pond; and (2) the exposed surface area of water, in acres. Accounting shall be done on a daily basis using the accounting forms attached hereto as Appendix VII and as required under paragraph 40.

19.2.1 Evaporation. Losses to evaporation shall be calculated based upon exposed surface area each day (in acres). Evaporation losses from the Miller Recharge Pond shall be calculated by multiplying the daily exposed surface area for the Miller Recharge Pond by the rate of net evaporation. UWAG shall use real time evapotranspiration data from the Greeley West weather station, maintained by the Northern Colorado Water Conservancy District (NCWCD) in its calculations. If data from the Greeley West weather station is not available, then UWAG shall use data from the NCWCD's Gilcrest weather station. If for any reason data from either of these stations is not available, then the average evaporation loss values in Table 1 below, which are in inches per acre per month of exposed surface area, shall be prorated for the number of days of exposed water in the Miller Recharge Pond each month to determine the Recharge Pond evaporation. Real time net evaporation shall be determined on a daily basis as follows: Gross pan evaporation shall be computed by multiplying daily standard alfalfa reference crop evapotranspiration (ET_r) published by NCWCD for Greeley West or, if unavailable from Greeley West, from Gilcrest, in inches, by 1.2 to determine monthly gross pan evaporation in inches. Gross pan evaporation will then be multiplied by a pan coefficient of 0.7 to obtain daily gross pond evaporation in inches. Daily net pond evaporation will be computed as gross pond evaporation when the water right is out-of-priority; when the water right is in priority, daily net pond evaporation will be computed as gross pond evaporation minus effective precipitation where effective precipitation is total daily precipitation, in inches, multiplied by 0.7.

TABLE 1

NOAA Technical Report NWS 33 CF table 119a	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Monthly Distribution (for sites under 6500 ft msl)	0.03	0.035	0.055	0.09	0.12	0.145	0.15	0.135	0.1	0.07	0.04	0.03	1
Monthly Evaporation (in) per Acre of Surface Area	1.35	1.575	2.475	4.05	5.4	6.525	6.75	6.075	4.5	3.15	1.8	1.35	45

19.2.2. Evapotranspiration. Evapotranspiration losses from vegetation located within the Miller Recharge Pond shall be assessed only to the extent there is vegetation within the confines of the Recharge Pond. In these circumstances, the daily amount of water lost to evapotranspiration shall be determined by multiplying the maximum number of acres of the Recharge Pond covered with vegetation in a given month by the following factors and then divided by the number of days in the given month, to arrive at a daily amount in acre-feet consumed by such vegetation. The evapotranspiration values for months not shown on Table 2 below are zero.

TABLE 2

Apr	May	Jun	Jul	Aug	Sept	Oct
0.08	0.16	0.27	0.40	0.35	0.22	0.08

19.3 Lagging Accretions. The timing of accretions reaching the South Platte River from the Miller Recharge Pond from the net monthly/daily amount of water recharged, calculated in accordance with paragraph 19.2, shall be calculated using the analytical equations described by Glover (Glover, Robert E., 1977, *Transient Ground Water Hydraulics*, Water Resources Publications) and others. The method to be used for applying the analytical equations described by Glover shall represent a parallel no-flow boundary that requires the following parameters: (1) a boundary condition for the alluvial aquifer indicating that the boundary constitutes a "no-flow" condition; (2) the width of the aquifer on the side of the river where the pond is located, commonly referred to as "W"; (3) the distance

from the river to the location of the pond, commonly referred to as "X"; (4) the harmonic transmissivity of the aquifer between the pond and the river, commonly referred to as "T"; and (5) the specific yield of the aquifer, commonly referred to as "S". The aquifer parameters for the Miller Recharge Pond were determined from the U.S. Geological Survey Publication entitled Hydrogeological Characteristics of the Valley Fill Aquifer in the Greeley Reach of the South Platte Valley, Colorado ("Hydrogeologic Characteristics"). The "X" and "W" factors for the Miller Recharge Pond were determined by measurement of the perpendicular distance from the Lower Latham Drain to the Miller Recharge Pond and from the Miller Recharge Pond to the aquifer boundary. The "T" factor was determined by using the harmonic transmissivity of the aquifer between the Miller Recharge Pond and the Lower Latham Drain. The specific yield for the aquifer was assumed to be twenty percent (20%). The X, T, W, and S values for the Miller Recharge Pond are listed above in paragraph 18.5. AWAS is based upon the Analytical Stream Depletion Model of the Office of the State Engineer, Colorado Division of Water Resources, which was developed by Dewayne R. Schroeder in 1987 to compute stream depletion caused by a well pumping from an aquifer hydraulically connected to the stream. The alluvial aquifer setting of the AWAS program, or another program which incorporates the Glover no-flow boundary method, shall be used to determine the timing of stream depletions.

- 19.4 Other Sources of Water Delivered to the Miller Recharge Pond. UWAG may deliver the Subject Reservoir Shares, the Subject Ditch Share described in paragraph 21, or other sources which may be added to the augmentation plan as provided in paragraph 29 below to the Miller Recharge Pond to generate accretions to the South Platte River to be used for the same purposes as the Junior Recharge Water Right. The amount credited to recharge shall be calculated pursuant to paragraph 19.2 and accretions shall be lagged pursuant to paragraph 19.3. UWAG shall separately measure and record deliveries to the Miller Recharge Pond from: (1) the Subject Reservoir Shares; (2) the Junior Recharge Right; (3) the Subject Ditch Share; and (4) any other sources added pursuant to paragraph 29, and shall track the volume of water from each source separately in its accounting.
- 19.5 Limitations on Use of the Miller Recharge Pond. The Miller Recharge Pond shall only be used for deliveries of water under the Junior Recharge Water Right, the Subject Reservoir Shares, the Subject Ditch Share or other sources which may be added to the augmentation plan as provided in paragraph 29 below pursuant to paragraph 19.4. All other uses of the Miller Recharge Pond are prohibited including, without limitation, storage of water for future use for irrigation purposes and deliveries of water for recharge from any source other than those authorized by the Decree in this case. Further, Applicants shall not deliver any water into the Miller Recharge Pond unless and until they have obtained an

agreement with the Lower Latham Ditch Company to use the Lower Latham Drain.

- 19.6 Limitation on Diversion and Use of Junior Recharge Water Right. The diversion and use of the Junior Recharge Water Right is intended to provide the amounts necessary to replace depletions occurring from pumping of the wells included in this Decree, depletions from the Ream Pond and to replace historical return flows from the water rights changed by this Decree. UWAG and its successors in interest shall not divert the Junior Recharge Water Right under this Decree with the intention or for the purpose of creating a permanent supply of water for use by any other person or entity. However, at times it may not be possible for UWAG to match the timing of the recharge credits with the timing of the augmentation and historical return flow replacement obligations under this Decree. Therefore, to the extent that accretions occur to the South Platte River from water diverted to recharge under this Decree at times when they are not needed to replace depletions from the Ream Pond and the UWAG Member Wells included in this Decree or to satisfy the historical return flow obligations associated with the water rights changed by this Decree ("Excess Recharge Accretions"), then UWAG may lease such Excess Recharge Accretions, for a period not to exceed one year at a time to other persons or entities for use in other decreed augmentation plans, or for use under substitute water supply plans approved by the State Engineer pursuant to Section 37-92-308, C.R.S. or successor statutes. If such Excess Recharge Accretions are used by any other water user(s) in five separate years, such other water user(s) shall be required to apply to the Court for, and obtain, a decree or decrees authorizing the use of such Excess Recharge Accretions in order for such use(s) to continue.

CHANGE OF WATER RIGHTS **(Union Ditch)**

20.0 Quantification Claim Withdrawn. Applicants, through counsel, notified the Water Court of their intentions not to pursue the claim to quantify the water rights represented by 247 of the 250 outstanding shares of the capital stock of the Ditch Company, excluding therefrom the water rights represented by the three shares of stock in the Ditch company changed in Case No. 00CW159, which has been ordered withdrawn. The quantification claim was the portion of the Application requesting a ditch wide analysis of the Union Ditch shares.

21.0 Water Rights Changed. The water rights represented by 1 share of the 250 shares (0.4%) of the capital stock of the Ditch Company, represented by Certificate No. 917 owned by UWAG ("Subject Ditch Share"). The decreed point of diversion of the Subject Ditch Share is the headgate of the Union Ditch, described in paragraph 13 of this Decree.

22.0 Existing Decrees. The following water rights are decreed to the Union Ditch for diversion from the South Platte River and are held by the Ditch Company for the benefit of its shareholders.

<u>Case No.</u>	<u>Adjudication Date</u>	<u>Appropriation Date</u>	<u>Amount</u>	<u>Pro Rata Portion of the Subject Ditch Shares</u>
C.A. 6009	April 28, 1883	November 5, 1874	100 c.f.s.	0.4 c.f.s.
C.A. 6009	April 28, 1883	November 2, 1881	84.03 c.f.s.	0.336 c.f.s.

The following water rights are decreed to the Union Ditch for diversion from seepage and are held by the Ditch Company for the benefit of its shareholders.

<u>Case No.</u>	<u>Adjudication Date</u>	<u>Appropriation Date</u>	<u>Amount</u>	<u>Pro Rata Portion of the Subject Ditch Shares</u>
C.A. 54658	August 2, 1918	July 15, 1893	20 c.f.s.	0.08 c.f.s.

The above water rights decreed to the Union Ditch were originally adjudicated for agricultural purposes. The water right decreed to the Big Bend Ditch, Priority No. 32, with an adjudication date of April 28, 1883 and an appropriation date of September 26, 1873, for 4 c.f.s., which was transferred to the Union Ditch headgate in the decree entered in C.A. 45608 on April 2, 1909, is not held by the Ditch Company and is not changed herein.

23.0 Historical Use of the Subject Ditch Share. The modified Blaney-Criddle methodology was used to determine the historical consumptive use of the Subject Ditch Share. Diversion records were obtained from the State Engineer's Office, climate data was obtained from the Greeley/UNC Weather Station, and historical farm operations and cropping patterns were provided by Harry Strohauser.

- 23.1 An analysis of the historical use of the Subject Ditch Share was conducted for the period of 1974 to 2003. This study period encompasses wet years, dry years, and years of average supply and is representative of historical use.
- 23.2 The Subject Ditch Share was used with 5.5 additional shares to irrigate approximately 137 acres of spring grains, corn, potatoes, onions, and sugar beets. The proportionate amount of land irrigated by the Subject Ditch Share was approximately 22.9 acres in Section 32, T5N, R65W of the 6th P.M., in Weld County, Colorado. The 22.9 historically irrigated acres are identified on the map in Appendix I as the 2.2 acre parcel, 14.2 acre parcel, 3.8 acre parcel, 1.5 acre parcel, and 1.2 acre parcel.

- 23.3 The Subject Ditch Share was entitled to a 0.4% *pro rata* portion of diversions under the existing decrees listed in paragraph 22, the maximum volume of which was 128.8 acre feet in 1981 and which averaged 102.3 acre feet during the study period.
- 23.4 Ditch losses occur between the Union Ditch headgate and farm headgates, attributable to seepage through the earthen canal, consumption of phreatophytes, surface water evaporation, and operational spills. Union Ditch Company's ditch losses are estimated to be 25%, which is based on observation and historical operational requirements for irrigation deliveries under the system.
- 23.5 The farm headgate deliveries under the Subject Ditch Share averaged 76.7 acre feet during the study period and the maximum was 96.6 acre feet in 1981.
- 23.6 A portion of the farm headgate deliveries under the Subject Ditch Share was consumed by the mix of corn, grain, vegetables, and sugar beets grown on the historically-irrigated acres during the study period.
- 23.7 The portion of the farm headgate deliveries under the Subject Ditch Share that was not consumed by the crops identified in paragraph 23.5 returned to the South Platte River as return flows. The approximate location of the return flows is shown on Appendix II. Return flows from the historical use of the Subject Ditch Share were split evenly between surface (50%) and subsurface (50%) return flows. Return flows historically accrued to the South Platte River in the SE1/4 of Section 29 T5N, R65W of the 6th P.M., which is located upstream of the headgate of the Patterson Ditch and which is located in River Reach 2 of the augmentation plan approved herein.

24.0 Change of Use of the Subject Ditch Share. UWAG will use the Subject Ditch Share as a source of replacement water in the augmentation plan approved herein, to replace historical return flows for the water rights changed herein and to be used for direct delivery to the South Platte River to replace out-of-priority depletions caused by the Ream Pond and well pumping pursuant to this Decree and/or return flows associated with water supplies used in the UWAG augmentation plan, and approved herein, and for delivery to the Miller Recharge Pond pursuant to the terms and conditions of this Decree. Direct deliveries to the South Platte River shall be made through the Union Ditch augmentation structure, as described below.

25.0 Terms and Conditions on Use of the Subject Ditch Share. The following terms and conditions shall apply to the future use of the Subject Ditch Share.

- 25.1 All diversions under the Subject Ditch Share shall continue to be measured daily at the headgate of the Union Ditch and shall be delivered to: (1) the Union Ditch augmentation structure located in the NE1/4 of Section 32, T5N, R65W of the 6th P.M., which delivers water to the South Platte River in the SE1/4 of Section 29,

T5N, R65W of the 6th P.M. ("Augmentation Station"), which has a Parshall flume located in the SE ¼ of the NE ¼ of Section 29, T. 5 N., R. 65 W. of the 6th P.M., Weld County, and is equipped with flow monitoring equipment which meets the State Engineer's Office current requirements; or (2) to the Miller Recharge Pond identified in Paragraph 18 of this Decree; these deliveries of the Subject Ditch Share to the Union Ditch Augmentation Station or the Miller Recharge Pond shall be subject to ditch loss assessed by the Ditch Company on all shareholders. All such deliveries under the Subject Ditch Share shall constitute "Augmentation Deliveries" for purposes of this Decree and shall include both fully consumable water and return flows.

25.2 In addition to the measuring devices described and/or specifically required by this decree, UWAG shall also install such additional measuring devices as are reasonably determined by the Division Engineer to be necessary for the proper administration and operation of this Decree.

25.3 Diversions under the Subject Ditch Share shall be limited to the period of April 1 through October 31.

25.4 Volumetric Limits.

25.4.1 The maximum annual volume of Augmentation Deliveries shall not exceed 96.6 acre feet in any single year.

25.4.2 The 20-year cumulative maximum volume of Augmentation Deliveries shall not exceed 1,535 acre feet, which shall be calculated as 1,535 acre feet less the sum of the previous 19 years of Augmentation Deliveries. UWAG shall assume that 76.7 acre feet of Augmentation Deliveries were made in each of the 19 years before this Decree was entered for the purpose of starting the calculation of the 20-year cumulative maximum volume of Augmentation Deliveries under this paragraph.

25.4.3 The maximum monthly Augmentation Deliveries shall be no greater than those volumes in acre feet set forth in the following table.

April	May	June	July	August	September	October
11.7	15.7	19.6	22.8	21.3	16.3	9.1

25.4.4 The 20-year cumulative maximum consumptive use attributable to the Subject Ditch Share shall not exceed 580 acre feet, which shall be calculated as 580 acre feet less the sum of the previous 19 years of consumptive use. UWAG shall assume 29 acre feet of consumptive use for each of the 19 years before this Decree was entered for the purpose of

starting the calculation of the 20-year cumulative maximum consumptive use under this paragraph

- 25.5 Return Flow Obligation. Augmentation Deliveries shall incur a return flow obligation to the stream system. Replacement of return flows as decreed herein will result in a replication of the return flows which occurred due to the historical agricultural use of the Subject Ditch Share.

- 25.5.1 Surface Return Flows. The daily surface return flow obligation shall be determined by multiplying the surface return flow factor in the table below for the appropriate month by the daily Augmentation Deliveries made pursuant to this Decree.

April	May	June	July	August	September	October
49%	46%	33%	25%	23%	30%	46%

- 25.5.2 Subsurface Return Flows. The daily subsurface return flow obligation shall be determined by multiplying the average of the previous five years of annual Augmentation Deliveries for that month by the subsurface return flow factor in the table below for the appropriate month and dividing by the number of days in the appropriate month.

January	February	March	April	May	June
2.4%	2.0%	2.0%	1.8%	1.9%	2.1%

July	August	September	October	November	December
2.6%	3.0%	3.1%	3.3%	3.0%	2.7%

- 25.6 Replacement of Return Flows. Historical return flows associated with the Subject Ditch Share accrued to the South Platte River in the SE1/4 of Section 29, T5N, R65W of the 6th P.M. Return flows associated with the Subject Ditch Share shall be replaced pursuant to this Decree during all times when there is a valid call.
- 25.7 Return Flow Replacement Sources. Return flows required to be replaced pursuant to this Decree shall be replaced with a portion of the Augmentation Deliveries made to the Union Ditch Augmentation Station pursuant to this Decree and/or with accretions from the Miller Recharge Pond and pursuant to the terms and conditions of this Decree, provided the water shall be delivered at or above the water right entitled to receive said return flows.
- 25.8 All diversions and deliveries of water pursuant to this Decree shall be measured daily and recorded on an accounting form as described in and required by paragraph 40 of this Decree.

- 25.9 Dry Up. The lands identified on Appendix I, located in Section 32, T5N, R65W of the 6th P.M., in Weld County, Colorado, containing approximately 22.9 acres (the 2.2 acre parcel, 14.2 acre parcel, 3.8 acre parcel, 1.5 acre parcel, and 1.2 acre parcel), have been and shall be permanently dried up and shall not be irrigated in the future with water from the Union Ditch or any other source unless irrigated: (1) pursuant to a decree of this Court approving an augmentation plan, change of water right, or determination of a new water right to be used on the parcels; or (2) a municipal water supply.
- 25.10 UWAG shall be entitled to utilize the Subject Ditch Share for the changed uses decreed herein at such times that it has in place and effect written contractual authorization from the Ditch Company to use its facilities and related structures not otherwise utilized in the historical agricultural use of the Ditch Company.

PLAN FOR AUGMENTATION

26.0 Plan for Augmentation. Diversions from the wells and evaporation from an unlined pond included in this plan for augmentation cause depletions to the South Platte River. Some of these depletions affect the river during times when the call, including exchanges, is senior to the priority dates of the wells and unlined pond or senior to the priority of the most junior well as provided in paragraph 37.1. To the extent those depletions are out-of-priority, the purpose of this plan is to provide for replacement of such out-of-priority depletions in time, location and amount in a manner sufficient to prevent injury to vested water rights and decreed conditional water rights. The Court approves the plan for augmentation subject to the terms and conditions of this Decree.

27.0 Structures to be Augmented.

27.1 Member Wells and Ream Pond. The UWAG wells ("Member Wells") and the unlined pond of Janet L. Ream ("Ream Pond") are identified in the following table. The term "Member Wells" includes the use of three Member Wells as "Augmentation Wells" under the terms and conditions of this Decree, including, but not limited to, paragraph 36.3. The Member Wells and Ream Pond are all located in the Union Ditch service area.

WDID	Well Owner	Permit No.	Case No.	Approp. Date	Decree Date	Ditch Company Service Area	T	R	S	q40	q160
2-5218	Gary Alles	7196-R	W459	5/1953	9/22/1971	Union	5N	65W	23	NW	SE
2-8232	Gary Alles	7226-R	W1486	6/1940	11/9/1972	Union	5N	65W	23	SW	NE
2/5225	John L. Alles	11348-F	W561	6/22/1941	4/26/1972	Union	5N	65W	33	NW	NW
2-5223	Mike Boulter	10395-R-R	W562	6/1946	11/30/1971	Union	5N	65W	27	NW	SE
2-5215	HJJ Farms	1033-R-R	W562	1928	11/30/1971	Union	5N	65W	33	NW	NE
2-5221	HJJ Farms	1034-R	W562	5/20/1914	11/30/1971	Union	5N	65W	33	SW	NW

2-5224	HJJ Farms	12801-R	W562	6/1954	11/30/1971	Union	5N	65W	33	SW	NE
2-5220	M. Mallard, Conservator	16094-R	W924	12/31/1913	6/9/1972	Union	5N	65W	26	SW	NW
2-5449	Mad Tat, Inc.	10725-R-R	W2398	4/1/1951	2/7/1973	Union	5N	65W	34	SE	SW
2-5450	Mad Tat, Inc.	10726-R	W2398	4/1/1946	2/7/1973	Union	5N	65W	9	NW	SW
2-5529	Mad Tat, Inc.	264-R	W664	5/31/1950	1/28/1972	Union	5N	65W	34	SW	NE
2-8109	Mike Boulter	1763-R	W172	1914	3/22/1971	Union	5N	65W	27	SW	SW
2-8110	Mike Boulter	1764-R	W172	7/9/1954	3/22/1971	Union	5N	65W	27	SW	SW
2-6962	Mike Boulter	13565-R-R	W401	Spring, 1914	2/22/1972	Union	5N	65W	27	SW	NW
2-6978	Rex & Mary Ann Craven	10415-R	W290	2/24/1941	8/6/1975	Union	4N	65W	4	SW	NW
2-7101	William J. Franklin	13151-R	W2828	6/1/1954	9/5/1973	Union	5N	65W	28	SW	SE
2-6596	LeRoy K. Hoff	13033-R	W4270	7/15/1936	4/30/1976	Union	5N	65W	27	NW	NE
2-5588	Hoshiko Farms, Inc.	13086-F	W785	5/6/1954	10/31/1972	Union	5N	65W	23	SW	SW
2-5041	Hoshiko Farms, Inc.	5923-R	W4270	7/1/1935	4/30/1976	Union	5N	65W	23	NE	SE
2-6979	Jessie & Bill Kallas	10416-R	W290	6/19/1954	8/6/1975	Union	4N	65W	4	NW	SE
2-6780	G. A. Keiser	13981-R	W1778	12/31/1924	5/1/1975	Union	5N	65W	33	NW	SW
2-7142	George Maxey	15889-R	W4323	6/12/1954	12/14/1977	Union	5N	65W	24	NW	SE
2-8233	George Maxey	7227-R	W1486	6/1954	11/9/1972	Union	5N	65W	24	SW	NW
2-8049	Seebass-Lynch, LLC	7211-R	W726	5/31/1953	11/30/1971	Union	4N	65W	5	SW	NW
2-8051	Seebass-Lynch, LLC	7213-R	W276	6/31/1955	11/30/1971	Union	4N	65W	5	SE	NW
2-7241	Miller Feed Lots, Inc.	13856-R-R	W4209	7/31/1935	12/30/1976	None	4N	66W	1	SW	SW
2-5237	Stephen E. Mokray	04131-F	W315	5/9/1963	3/22/1971	Union	5N	65W	27	NW	NW
2-6686	Janet L. Ream	8641-R	W640	7/12/1954	1/24/1972	Union	5N	65W	14	SW	SE
2-5443	Harry Strohauser	7225-R	W2108	5/14/1965	12/30/1975	Union	5N	65W	32	SW	SE
2-5731	Harry Strohauser	384-R-R	W696	6/23/1953	4/17/1972	Union	4N	65W	5	NW	NE
2-6178	Harry Strohauser/ R. Boulter	170-R	W3025	5/1/1953	10/4/1973	Union	5N	65W	33	SW	SE
0203371	Janet L. Ream (Ream Pond)	68973-F	2000 CW159	9/7/2000	11/15/2004	Union	5N	65W	14	NE	SE

27.2 Addition of Wells. If UWAG seeks to add a well, either as a new well, supplemental well, or alternate point of diversion for an existing well, UWAG or the well owner shall file a separate application with the Water Court to add the well to the plan for augmentation. After such application is filed, the subject well may operate under a substitute water supply plan ("SWSP") approved by the State Engineer pursuant to C.R.S. §37-92-308(4) or successor statutes.

27.3 Deletion of a Member Well or Ream Pond. UWAG shall replace all out-of-priority depletions from Member Wells and the Ream Pond pursuant to the terms and conditions of this Decree, until and unless a decree or Order of this Court authorizes deletion of a Member Well or the Ream Pond from the plan for augmentation. UWAG or the owner of a Member Well or Ream Pond may file an application in the Water Court, with notice as required by law, seeking the deletion of the Member Well or Ream Pond from the plan for augmentation, seeking terms and conditions on which said application should be granted. Alternatively, UWAG or the owner of the Member Well may request the Court to delete a Member Well or Ream Pond from the plan by filing a petition with the Water Court setting forth: (1) the location of the Member Well or Ream Pond; (2) the Member Well's permit number and the decretal information for the Member Well or Ream Pond; and (3) future depletions anticipated as a result of the Member Well's pumping or Ream Pond evaporation from pumping prior to the date the petition is filed. Following the deletion of a Member Well or Ream

Pond, UWAG shall continue to replace all out-of-priority depletions caused by pre-deletion pumping of the Member Well or pre-deletion use of the Ream Pond. The Court retains jurisdiction to consider the terms and conditions on which such petition may be granted, including, but not limited to, terms and conditions requiring replacement of ongoing depletions resulting from the use of the Member Well or Ream Pond prior to the date the Court allows the Member Well or Ream Pond to be deleted from the plan for augmentation. All parties to this case shall have 60 days after the date of service of notice of the petition in which to respond to the petition and to request a hearing on the petition. UWAG shall have 15 days after service of any response in which to file a reply.

27.4 Replacement, Supplemental or Alternate Point of Diversion Wells. Any well that is constructed with a valid well construction permit issued by the Office of the State Engineer as a replacement well for a Member Well may also be a Member Well under this plan, provided the replaced well is located within 200 feet of the Member Well for which it is a replacement and the existing Member Well is properly abandoned. The Member Well information may be updated with the new permit number and well location without amending this Decree. Any well constructed as a replacement well that is located more than 200 feet from the Member Well for which it is a replacement and an alternate point of diversion or supplemental well for one of the Member Wells may also be a Member Well under this plan, provided it is added to the plan pursuant to paragraph 27.2 of this Decree.

27.5 Validity of Permits and Decrees for Wells. Entry of this Decree does not validate any expansion of use that may have occurred for any Member Well, nor does it mean that each Member Well is operating in compliance with its permit and/or decree for its groundwater right. UWAG shall ensure that all well permit files are valid and the uses by the Member Wells under this Decree are consistent with the decreed and permitted uses for the Member Wells. If well permits for any of the Member Wells do not meet this standard, valid well permits must be obtained by the well owners

28.0 Water and Water Rights to be Used for Augmentation. The water rights to be used for augmentation under this plan are the following.

28.1 The Subject Reservoir Shares identified and changed in this Decree.

28.2 The Subject Ditch Share identified and changed in this Decree.

28.3 Recharge accretions resulting from deliveries to the Miller Recharge Pond attributable to the junior recharge right decreed herein.

28.4 UWAG entered into a Water Supply Agreement with the City of Longmont, dated December 11, 2008, and recorded with the Boulder County Clerk and Recorder at Reception No. 2969404 ("Longmont Lease") to provide 100 acre feet of fully consumable water annually to UWAG through January 1, 2029 to replace UWAG's depletions caused by its out-of-priority well pumping. Transit losses shall be charged by the State water administration officials in the manner set forth in paragraph 38.4. The points of delivery for the Longmont Lease water are: (1) the outfall of Longmont's municipal wastewater treatment plant, presently located in the SE ¼ NW ¼ of Section 11, T2N, R69W of the 6th P.M., Boulder County, Colorado; or (2) the confluence of Spring Gulch and the St. Vrain Creek, presently located in the SE ¼ of Section 7, T2N, R68W of the 6th P.M., Weld County, Colorado.

28.5 Augmentation Wells as provided in paragraph 36.3.

29.0 Supplies of Augmentation Water of Limited Duration, Additional or Alternative Sources. The Court authorizes UWAG to use supplies of augmentation water of limited duration, and additional and alternative sources for replacement in this augmentation plan if such sources are decreed or lawfully available for such use, are part of a substitute water supply plan approved pursuant to C.R.S. §37-92-308 or are part of an interruptible supply agreement approved under C.R.S. §37-92-309. This paragraph sets forth the procedure under which these sources may be used in this plan. These procedures are adequate to prevent injury to other water rights that might otherwise result from the addition of these sources to this plan.

29.1 Additional Water Right Separately Decreed or Lawfully Available for Augmentation Use. If a water right is decreed or lawfully available for augmentation use and not already approved for such use under this Decree, UWAG shall give at least sixty (60) days advance written notice of use of water right for augmentation to the Court, the Division Engineer and all Objectors herein which shall describe: (1) the water right by name and decree, if any; (2) the annual and monthly amount of water available to UWAG from the water right; (3) the location or locations at which the water will be delivered to the stream; (4) evidence that the claimed amount of water will not be used by another person; and (5) the manner in which UWAG will project and account for use of the replacement water. No water right may be used unless the Division Engineer approves of its use, with a copy of such approval to be provided to Objectors, and no such approval may be issued by the Division Engineer if the Notice of Use required hereunder is not given in advance of the proposed use of such additional water or water rights. The Division Engineer shall not approve use of such water rights retroactively to the date of the Notice of Use and may not approve use of such water rights that would occur during any time period prior to the date the copy of such approval is provided to Objectors.

29.2 Additional Water Rights, Temporary Administrative Approval. If a water right is not decreed or otherwise available for augmentation use, and the Colorado statutes or other governing authority provide a mechanism for using such water right without the need of a decree or well permit, UWAG shall provide written notice to the Objectors herein of its request for approval of the State Engineer pursuant to C.R.S. §37-92-308 or C.R.S. §37-92-309, or other applicable statutes. Such notice shall be in addition to any notice required by applicable statutes. UWAG shall also provide the following information in its notice to the parties pursuant to this paragraph: (1) the source of the water proposed for use; (2) the annual and monthly amount of water available to UWAG; (3) the location or locations at which the water will be delivered to the stream; (4) evidence that the claimed amount of water will not be used by another person; and (5) the manner in which UWAG will project and account for use of the replacement water. UWAG may use such water rights in this plan of augmentation upon the State Engineer's approval of the underlying administrative application for the term of such approval, unless such approval is reversed or modified on appeal or under retained jurisdiction. The State Engineer may not approve use of such water rights retroactively to the date of written notice to Objectors required hereunder and may not approve use of such water rights that would occur during any time period prior to the date a copy of the State Engineer's approval is provided to Objectors.

30.0 Integrated Operations. The changes of water rights, junior recharge water right, other water sources listed in paragraph 28 above, and plan for augmentation decreed herein constitute an integrated water supply plan. The contemplated operation is as follows.

- 30.1 UWAG may deliver the Subject Reservoir Shares to the Union Ditch and take delivery of the Subject Reservoir Shares into the Miller Recharge Pond for measurement and to utilize said water for augmentation and replacement purposes in accordance with paragraph 19.4 of this Decree. Typically, UWAG will deliver the Subject Reservoir Shares into the South Platte River to replace out-of-priority depletions caused by the Ream Pond and Member Well pumping pursuant to this plan for augmentation and return flows associated with water used in this plan.
- 30.2 UWAG will deliver the Augmentation Deliveries attributable to the Subject Ditch Shares into the Miller Recharge Pond in accordance with paragraph 19.4 of this Decree or deliver the Augmentation Deliveries to the South Platte River through the Augmentation Station to replace out-of-priority depletions caused by the Ream Pond and Member Well pumping and return flows associated with water used in this plan.
- 30.3 UWAG will operate the Junior Recharge Water Right to replace out-of-priority depletions caused by the Ream Pond and Member Well pumping and return flows associated with water used in this plan.

30.4 River Reaches. For the purposes of the administration and operation of this augmentation plan, the South Platte River has been divided into two River Reaches: River Reach 1, which is the South Platte River upstream of the headgate of the Lower Latham Ditch on the South Platte River, which is located in the NW ¼, Sec. 31, Twp. 5 N., Rng. 65 W. of the 6th P.M., Weld County; and River Reach 2, which is the South Platte River downstream of the headgate of the Lower Latham Ditch. These River Reaches are shown in Appendix V (There is no Appendix IV to this Decree).

31.0 Metering. Member Wells shall be fitted with totalizing flow meters, pursuant to the requirements of the Division Engineer in addition to the requirements of this Decree. A well without a meter shall not be pumped. Meters will be tested and certified as accurate at least once every four years by a registered professional engineer or other qualified person as approved in advance by the Division of Water Resources. In the event a flow meter malfunctions, the amount of water pumped during the time of malfunction shall be estimated based on power records for the well, calculating the power coefficient for the prior month (by calculating the volume pumped per kilowatt hour consumption for irrigation of the crops or other intended use for the prior two months of pumping and multiplying that number times the kilowatt hours for the time period the flow meter malfunctioned). UWAG shall make every attempt to repair or replace a malfunctioning flow meter within 30 days of the time the malfunction is discovered. If not replaced within such time period, use of the well shall cease until the malfunctioning flow meter is repaired or replaced. In the case of an Augmentation Well, as defined in paragraph 36.3, if the owner fails to do so, UWAG shall not receive any augmentation credit for pumping by the well occurring more than 15 days after the malfunction is discovered, but must nevertheless replace any out-of-priority depletions caused by such pumping and the owner shall cease use of the well until the malfunctioning flow meter is repaired or replaced.

32.0 Depletions From Pumping Prior to March 31, 2012. UWAG shall replace on a daily basis all ongoing depletions caused from the pumping of the Member Wells which occurred on or after March 15, 1974. See C.R.S. § 37-92-305(8)(b). Appendix VI sets forth the amount and location of ongoing depletions from Member Well pumping. Applicants have operated SWSPs since 2003 that include wells not included in this Decree as Member Wells (Dropped Wells). If the Dropped Wells were used on lands which continue to be irrigated with a Member Well, UWAG shall replace all ongoing depletions from pumping that occurred on or after March 15, 1974. None of the Dropped Wells were used on lands which continue to be irrigated with a Member Well.

33.0 Depletions from Pumping of Member Wells After March 31, 2012.

33.1 Presumptive Depletion Factors for Member Wells. Presumptive Depletion Factors for surface, sprinkler, drip irrigation, and augmentation uses shall be 0.6, 0.80, 1.0, and 1.0, respectively.

- 33.2 Consumptive Use Determination for Member Wells. The total amount of consumptive use for each Member Well pumped in any month for irrigation uses shall be the total amount of pumping times the appropriate Presumptive Depletion Factor described in paragraph 33.1.
- 33.3 Amount, Timing, and Location of Depletions from Member Wells. The amount of the depletions affecting the South Platte River from Member Wells shall be the consumptive portion of the total pumping. The timing of depletions to the South Platte River shall be calculated using the Glover methodology described in paragraph 19.3. The aquifer parameters for each of the Member Wells were determined, when possible, from the U.S. Geological Survey Publications entitled Hydrogeological Characteristics of the Valley Fill Aquifer in the Greeley Reach of the South Platte Valley, Colorado (“Hydrogeologic Characteristics”). For purposes of determining the aquifer parameters for the Member Wells, the location of the South Platte River was determined by reference to the plates included within the Hydrogeologic Characteristics. The “X” and “W” factors for each well were determined by measurement of the perpendicular distance from the South Platte River to the well and from the well to the aquifer boundary. The “T” factor was determined by using the harmonic transmissivity of the aquifer between the well and the river. The specific yield for the aquifer was assumed to be twenty percent (20%).

WDID	Well Owner	Permit No.	Case No.	W (ft)	X (ft)	T (gpd/ft)
2-5218	Gary Alles	7196-R	W459	10,251	5,151	145,000
2-8232	Gary Alles	7226-R	W1486	10,039	3,839	136,000
2-5225	John L. Alles	11348-F	W561	16,974	3,574	190,000
2-5223	Mike Boulter	10395-R-R	W562	14,409	6,609	184,500
2-5215	HJJ Farms	1033-R-R	W562	17,209	4,209	190,000
2-5221	HJJ Farms	1034-R	W562	16,780	4,480	190,000
2-5224	HJJ Farms	12801-R	W562	18,152	5,352	190,000
2-5220	M. Mallard, Conservator	16094-R	W924	13,371	8,171	186,000
2-5449	Mad Tat, Inc.	10725-R-R	W2398	18,979	10,979	190,000
2-5450	Mad Tat, Inc.	10726-R	W2398	19,053	9,553	190,000
2-5529	Mad Tat, Inc.	264-R	W664	18,300	8,300	190,000
2-8109	Mike Boulter	1763-R	W172	16,163	5,963	187,500
2-8110	Mike Boulter	1764-R	W172	16,163	5,963	187,000
2-6962	Mike Boulter	13565-R-R	W401	14,000	4,800	184,300
2-6978	Rex & Mary Ann Craven	10415-R	W290	16,739	9,300	188,000
2-7101	William J. Franklin	13151-R	W2828	14,800	1,500	190,000
2-6596	LeRoy K. Hoff	13033-R	W4270	14,015	6,015	183,600
2-5588	Hoshiko Farms, Inc.	13086-F	W785	12,490	6,190	177,000
2-5041	Hoshiko Farms, Inc.	5923-R	W4270	9,826	2,526	129,000
2-6979	Jessie & Bill Kallas	10416-R	W290	16,623	10,323	190,000
2-6780	G.A. Keiser	13981-R	W1778	16,214	4,714	190,000
2-7142	George Maxey	15889-R	W4323	10,300	8,600	150,000
2-8233	George Maxey	7227-R	W1486	10,050	4,521	139,000
2-8049	Seebass-Lynch, LLC	7211-R	W276	16,998	7,258	177,500
2-8051	Seebass-Lynch, LLC	7213-R	W276	16,953	8,453	189,000

2-7241	Miller Feed Lots, Inc.	13856-R-R	W4209	21,500	8,400	180,000
2-5237	Stephen E. Mokray	04131-F	W315	16,000	6,000	189,200
2-6686	Janet L. Ream	8641-R	W640	9,914	1,214	122,000
2-5443	Harry Strohauser	7225-R	W2108	16,500	5,700	150,000
2-5731	Harry Strohauser	384-R-R	W696	16,282	7,282	189,500
2/6178	Harry Strohauser/R. Boulter	170-R	W3025	12,650	7,758	190,000
NA	Janet L. Ream (Ream Pond)	68973-F	2000CW159	9,914	1,214	112,000

33.4 Pumping Limit. UWAG shall set an annual pumping limit, in addition to a specified Quota Amount for each Member Well. The annual pumping limit shall be an acre-foot volume which may be pumped by each Member Well to be determined by dividing the total amount of annual consumptive use allowed for each Member Well by the Presumptive Depletion Factor representative of the type of use of the Member Well. The annual pumping limit shall be communicated to UWAG members on an annual basis on or before April 15.

34.0 Depletions from Ream Pond. The Ream Pond is an unlined pond which exposes ground water and results in the consumption of water through evaporation. The amount of the depletions affecting the South Platte River from the Ream Pond shall be calculated based upon exposed surface area of 2 acres. Evaporation losses from the Ream Pond shall be calculated by multiplying 2 acres by the rate of evaporation for the days of exposed water surface. UWAG shall use real time evapotranspiration data from Northern Colorado Water Conservancy District (NCWCD) Greeley West weather station in its calculations. If data from the Greeley West weather station is not available, then UWAG shall use data from the NCWCD Gilcrest weather station. If for any reason data from either of these stations is not available, then the average evaporation loss values in Table 1 from paragraph 19.2.1, which are in inches per acre per month of exposed surface area, shall be prorated for the number of days of exposed water in the Ream Pond each month to determine the Ream Pond evaporation. Real time evaporation shall be determined on a daily basis as follows: Gross pan evaporation shall be computed by multiplying daily standard alfalfa reference crop evapotranspiration (ET_r) published by NCWCD for Greeley West or, if unavailable from Greeley West, from Gilcrest, in inches, by 1.2 to determine monthly gross pan evaporation in inches. Gross pan evaporation will then be multiplied by a pan coefficient of 0.7 to obtain daily pond evaporation in inches. The timing of depletions to the South Platte River shall be calculated using the Glover methodology described in paragraph 19.3. The location of depletions from the Ream Pond are set forth in paragraph 37.2.

35.0 Depletion and Augmentation Water Supply Projections. On or before April 1 of each year, UWAG shall make an annual and monthly projection by River Reach of the projected depletions from Member Wells and the projected evaporation loss from the Ream Pond, and the projected supply of augmentation water for replacing out-of-priority depletions, and return flow obligations associated with replacement sources by River Reach. Such projection shall forecast depletions, return flow obligations, and replacement supplies on a monthly basis for a period of 5 years. The purpose of the projection is to demonstrate that UWAG will have sufficient augmentation supplies to replace in time, place and amount all depletions and all return flow

obligations during the entire projection period from all prior well pumping and projected future well pumping under this augmentation plan, from evaporation loss from the Ream Pond, from the use of the Subject Ditch Share and Subject Reservoir Shares changed pursuant to this Decree and from other water rights approved for use in this augmentation plan pursuant to paragraph 29 this Decree. The projection shall be used to limit the amount of pumping of Member Wells under this augmentation plan. The water year for the purposes of the projection shall be April 1 through March 31 of the following year. The annual and monthly projections required hereunder shall be submitted on the Projection and Quota spreadsheet attached hereto as Appendix VIII. The Projection and Quota Spreadsheet is not decreed by this Decree and may be changed from time to time pursuant to paragraph 40.2. If a Projection and Quota Spreadsheet is not submitted by April 15, all well pumping under the plan for augmentation and all use of the Subject Ditch Share and Subject Reservoir Shares shall cease until the Projection and Quota Spreadsheet is submitted.

35.1 Information Required for Monthly Projections. The monthly projections will include the following information by River Reach:

35.1.1 Ongoing Depletions from Pumping on or Before March 31, 2012. The ongoing depletions associated with pumping of the Member Wells as summarized in Appendix VI.

35.1.2 Ongoing Depletions from Pumping After March 31, 2012, and Prior to the Date of the Projection. The amount of ongoing depletions from pumping of the Member Wells and from evaporation loss from Ream Pond after March 31, 2012, and prior to the date of the projection.

35.1.3 Projected Depletions and Evaporation from Ream Pond. The amount of depletions from evaporation by the Ream Pond as determined pursuant to paragraph 34 of this Decree. UWAG shall project evaporation from the Ream Pond for years 1 through 5 of the projection based on evaporation from a dry year distributed monthly as indicated in the following table in acre feet which is the total evaporation for the 2 acre Ream Pond:

January	February	March	April	May	June
0.23	0.26	0.41	0.68	0.90	1.09

July	August	September	October	November	December
1.13	1.01	0.75	0.53	0.30	0.23

35.1.4 Projected Member Well Pumping and Depletions. The amount of projected Member Well pumping for year one of the projection and resulting depletions, calculated pursuant to paragraph 33 of this Decree that can occur in the current year without causing unreplaced depletions

over the five year projection period. No Member Well pumping shall be projected for years after year one of the projection. The projection of Augmentation Well pumping is addressed below in paragraph 35.1.12. The foregoing notwithstanding, in order to be consistent with the Agreement that exists between Miller Feed Lots, Inc. and UWAG wherein Miller Feed Lots, Inc. is allowed to pump its Member Well up to 30 acre feet each year, Applicants shall project 30 acre feet of well pumping from this well in each year of the projection until such time as the Agreement is terminated.

- 35.1.5 Recharge Accretions. The amount of accretions from the Junior Recharge Water Right identified in paragraphs 12-19 of this Decree which are expected to reach the South Platte River during the projection period as a result of the delivery of water to the Miller Recharge Pond prior to the date of the projection.
- 35.1.6 Storage and Direct Flow Water Right Deliveries. The deliveries of the Subject Reservoir Shares and the Subject Ditch Share are projected pursuant to the terms and conditions of this Decree. UWAG shall also project which portion of the Subject Reservoir Shares and Subject Ditch Share will be delivered to the South Platte River through the Augmentation Station and to the Miller Recharge Pond.
- 35.1.7 Storage and Direct Flow Water Right Return Flow Obligations. The return flow obligations attributable to the Subject Reservoir Shares and Subject Ditch Share for the previous and projected use of storage and direct flow water released for augmentation including, but not limited to, the Subject Reservoir Shares and the Subject Ditch Share.
- 35.1.8 Longmont Lease. The water available to UWAG under the Longmont Lease shall only be projected over the period which Applicants have a right to use the water under the terms of the Longmont Lease.
- 35.1.9 Additional or Alternate Supplies. Any additional or alternate net replacement supplies or credits that have been authorized for use in the plan pursuant to paragraph 29 of this Decree.
- 35.1.10 Estimated River Transit Loss. Estimated river transit loss determined pursuant to paragraph 38.4 of this Decree.
- 35.1.11 UWAG shall project whether there are sufficient replacement supplies to replace all out-of-priority depletions and return flow obligations. To the extent augmentation supplies delivered to the river in River Reach 1 are used to meet replacement obligations in River Reach 2, Applicants must

demonstrate their ability to bypass water past the headgate of the Lower Latham Ditch.

35.1.12 Projected Augmentation Well Pumping and Depletions. Augmentation Well pumping shall be projected only at such times as all other augmentation sources are projected to be insufficient to replace depletions and only to the extent all out-of-priority depletions from the use of the Augmentation Wells themselves can be replaced for the entire projection period with augmentation supplies other than Augmentation Well pumping. Augmentation Well pumping may only be projected during Year One of the projection. No Augmentation Well pumping shall be projected in Years Two through the remaining projection period. Projected Augmentation Well deliveries shall not exceed physical delivery capacity and shall only include amounts for Augmentation Wells owned by UWAG or for which UWAG has a signed agreement, and then only for the term of that agreement. Copies of all Augmentation Well agreements then in effect shall be provided with the April 15 projection each year. UWAG shall project appropriate transit losses for the delivery of water pumped from Augmentation Wells to the point of depletion on the South Platte River.

35.2 Projection Limitations and Assumptions.

35.2.1 Period of Call. The projection will assume a call, including exchanges, senior to all of the Member Wells will occur continuously for all years of the projection.

35.2.2 Projected Deliveries to the Subject UWAG Ditch Share. Projected deliveries to the Subject Ditch Share in Year One of the projection shall be based on the average of the 2002-2006 recorded deliveries. These values are set forth in the following table in acre feet. Projected deliveries to the Subject Ditch Share in Years Two and after of the projection shall be based upon the running average of the deliveries for the five years immediately preceding the projection or the previous year's actual deliveries, whichever is less. When computing the average for Year Two and after, the projected deliveries shall be based on the average of the deliveries that occurred in that same month in the preceding five years. The average shall be based upon diversion records, and shall be updated monthly. Return flow obligations for the Subject Ditch Share shall be estimated on the same basis, using return flow factors in this Decree.

April	May	June	July	August	September	October
8.1	12.0	13.5	17.2	16.4	13.5	4.7

- 35.2.3 Deliveries to the Subject Reservoir Shares. Projected deliveries to the Subject Reservoir Shares in Year One of the projection shall be 56.1 acre feet, which is based upon the average of the 2002-2006 recorded deliveries, calculated as diversions at the Oligarchy Ditch headgate less 10% ditch loss. Projected deliveries to the Subject Reservoir Shares in Years Two and after of the projection shall be based upon the running average of deliveries for the five years immediately preceding the projection or the previous year's actual deliveries, whichever is less. When computing the average for Years 2 and after, the projected deliveries shall be based on the average of the deliveries that occurred in that same month in the preceding five years. The average shall be based upon diversion records and shall be updated monthly. Return flow obligations for the Subject Reservoir Shares shall be estimated on the same basis, using return flow factors in this Decree. The ditch loss for the Oligarchy Ditch for purposes of calculating deliveries to storage from diversions to storage at the Oligarchy Ditch headgate shall be 10%.
- 35.2.4 Projected Recharge Accretions. The amount of accretions from the Junior Recharge Water Right identified in paragraphs 12-19 of this Decree which are expected to reach the South Platte River during the projection period as a result of the delivery of water to the Miller Recharge Pond prior to the date of the projection.
- 35.2.5 Additional Leased Supplies. UWAG may project deliveries from additional water supplies to the extent to which it has a fixed and definite right to delivery of those supplies.
- 35.2.6 Periodic Updates and Changes to the Projection. UWAG shall complete a periodic update of the annual and monthly projection based on actual to date operations of all Member Wells and augmentation supplies included in the projection and use of all replacement supplies for replacement of associated return flow obligations for any month in which: (1) projected augmentation supplies or supplies to replace return flow obligations will be less than in the April 1 projection or the most recent periodic update; (2) projected well pumping will be more than in the April 1 projection or the most recent periodic update; (3) UWAG has sold or transferred a replacement source relied upon in a previous projection; or (4) UWAG has modified the delivery schedule of water pursuant to the Longmont Lease or another lease. UWAG shall complete any periodic update not later than the end of the month following the occurrence of the event which causes the update to be required and shall, in the same month a periodic update is completed, submit the update to the Division Engineer in electronic format, in an Excel spreadsheet – or comparable format if technology changes - with cell formulas included. UWAG may update the annual

projection at other times it deems appropriate and shall submit each update to the Division Engineer and the Water Commissioner in electronic format, in an Excel spreadsheet - or comparable format if technology changes - with cell formulas included. Any updated or modified projection shall be provided to Objectors in electronic format, in an Excel spreadsheet – or comparable format if technology changes - with cell formulas included at the same time such updated or modified projection is provided to the Division Engineer and/or Water Commissioner. Applicants must obtain approval from the Division Engineer for updates to the projection. Objectors shall have thirty (30) days from the date the notice is served to provide comments to the Division Engineer before the modified projection is approved.

- 35.3 Member Well Consumptive Use Quota. No later than April 1 of each year, UWAG shall set a Quota that specifies an acre-foot amount of water that may be consumed by each Member Well. The Quota shall be limited in accordance with the annual projection by River Reach developed under paragraph 35 of this Decree and may be adjusted monthly based on the amount of actual well depletions and augmentation water supplies by River Reach. Not later than April 15th of each year, UWAG shall notify Member Well owners of the Quota which shall be allowed by Member Wells by River Reach during the projection period. Quotas may differ by well and/or location provided UWAG accounts for these differences and ensures that total consumptive use by all Member Wells in such River Reach does not exceed that allowed by the projection. Each Member Well owner shall limit annual and monthly pumping of such Member Well during the current projection year (April 1 of the current year to March 31 of the following calendar year) to the amounts allowed by the Pumping Quota for such Member Well and updates to the Pumping Quota for such Member Well. Monthly flow meter readings for each Member Well shall be provided by UWAG to the Division Engineer and/or Water Commissioner so that it can be determined whether the monthly or annual Pumping Quota for any Member Well or the plan as a whole has been exceeded. Quota allocated to Member Wells may be transferred from one Member Well to another Member Well, provided such a transfer is reflected in the projection and accounting and completed prior to April 1 of the year in which the transfer is to be effective. Any transfer of quota to a well that is in a different River Reach than the transferring well must be shown as a separate item in the projection and accounting. Any such transfer shall be approved by UWAG and notice of such approval shall be provided to the Division Engineer and the Objectors no later 30 days after the transfer is approved by UWAG.

36.0 Limitation of Current Year Pumping and Depletions. The pumping of Member Wells shall at all times be limited to the amounts allowed by the projection set forth in paragraph 35. If at any time the projected depletions from Member Well pumping and Ream Pond evaporation

loss which must be replaced under this plan and the return flow obligations associated with the replacement supplies used hereunder to replace depletions exceed the amount of projected replacement supplies, UWAG shall immediately do one or more of the following:

- 36.1 Reduction of Projected Pumping and Depletions. UWAG shall immediately limit or fully curtail well pumping so that UWAG replaces all out-of-priority depletions from Member Wells and all evaporation loss depletions from the Ream Pond under the terms and conditions of this Decree. UWAG may allocate reduced pumping between Member Wells. The amount of pumping curtailment for each Member Well shall be determined by UWAG in accordance with UWAG's By-Laws, rules and regulations and policies, so long as UWAG, at all times curtails well pumping sufficiently to replace all out-of-priority depletions under the terms and conditions of this Decree.
- 36.2 Additional Water Rights. To the extent that full curtailment does not result in full replacement of depletions, UWAG shall secure by purchase or lease water rights for use in the augmentation plan pursuant to paragraph 29 of this Decree which shall be sufficient in time, location and amount to replace all projected out-of-priority depletions and return flow obligations.
- 36.3 Augmentation Wells. UWAG intends to use the three Member Wells identified in the table below as augmentation wells to replace its out-of-priority depletions and return flow obligations for the water rights changed herein in addition to the use of the wells for irrigation purposes. Such wells are referred to herein as the "Augmentation Wells". These Augmentation Wells will be used pursuant to the terms and conditions of this Decree as a last resort to replace depletions resulting from out-of-priority operation of Member Wells in the plan of augmentation approved herein. UWAG may use these Augmentation Wells to ensure that replacement of out-of-priority depletions occurs in accordance with the terms and conditions of this Decree in the event of a temporary or unforeseen disruption in the delivery of another replacement source and provided that all depletions from pumping the Augmentation Wells will be replaced in time, location and amount pursuant to the terms and conditions of this Decree. These Augmentation Wells shall not be used to allocate future pumping quota to UWAG Member Wells. UWAG shall inform the Division Engineer and Objectors of its intention to use Augmentation Wells for this purpose as soon as practical under that future circumstance and prior to such use. No water rights are decreed herein for augmentation use of the Augmentation Wells in this plan. Until such time as water rights are decreed to the Augmentation Wells for augmentation in this plan, depletions from the Augmentation Wells shall be considered to be out-of-priority any time there is a valid downstream call from any water rights.

Well Owner	WDID	Well Permit No.	Township	Range	Section	q40	q160
Seebass-Lynch, LLC	2-8051	2-7213	4N	65W	5	SE	NW
Seebass-Lynch, LLC	2-8049	1-7211	4N	65W	5	SW	NW
H. Strohauser	2-5443	7225	5N	65W	32	SW	SE

36.3.1 Location of Augmentation Wells. Each of the Augmentation Wells is located adjacent to the Union Ditch and is located upstream of the Augmentation Station in Section 32, along Weld County Road 41. Water pumped by the Augmentation Wells will be delivered into the Union Ditch and the Augmentation Station to the South Platte River.

36.3.2 Time, Location and Amount of Depletions from Augmentation Wells. The time, location and amount of depletions resulting from pumping of each of the Augmentation Wells shall be determined pursuant to paragraph 33.

36.3.3 Replacement of Depletions from Augmentation Wells. Depletions from pumping the Augmentation Wells shall be replaced in time, location, and amount pursuant to paragraph 37.

36.3.4 The Augmentation Well with WDID 2-5443 identified above was decreed for augmentation purposes in the decree entered in Case No. 03CW99 (“Central WAS Plan”). UWAG shall account separately for pumping this well under this Decree and under the Central WAS Plan.

36.3.5 Additional Terms and Conditions Regarding the Augmentation Wells. In addition to the terms and conditions on all Member Wells, the following additional terms and conditions shall apply to the Augmentation Wells.

36.3.5.1 Separate totalizing flow meters shall be installed on the Augmentation Wells pumped for both augmentation and irrigation uses and the volume of water pumped for each use shall be measured and recorded.

36.3.5.2 Prior to use of any Augmentation Well, the well owner must obtain and maintain a valid well permit for augmentation use. The use of Augmentation Wells authorized by this Decree is for the sole use of the UWAG to replace well depletions under the terms and conditions of this Decree. UWAG shall not sell, lease or otherwise dispose of water produced by the Augmentation Wells for any other purpose. UWAG’s use of the Augmentation Wells shall be limited to times when all of UWAG’s other augmentation sources are insufficient to replace well depletions for the Member Wells, and only if UWAG is able to fully replace all out-of-priority depletions resulting

from use of the Augmentation Wells themselves using augmentation supplies other than the Augmentation Wells.

- 36.3.5.3 Live Stream. There shall be no credit for replacement water pumped from Augmentation Wells and delivered into a drain, gulch or other tributary to the South Platte River unless prior to the delivery of such replacement water and during the entire period of delivery such tributary is a live stream between the point at which such replacement water is discharged from the Augmentation Well into the tributary and the South Platte River. A tributary shall not be considered a live stream for purposes of this paragraph if it would not be a live stream but for the delivery of replacement water by UWAG or any other person.
- 36.3.5.4 Transit Losses. Transit losses shall be assessed against replacement water pumped from the Augmentation Wells that is delivered via a tributary in the amount of 0.5 % per mile, or as determined by the Division Engineer, from the point at which such replacement water is discharged into the tributary to the South Platte River
- 36.3.5.5 Pipeline Delivery. If UWAG delivers water from the Augmentation Wells to the stream by pipeline, UWAG shall receive credit for the replacement water pumped from the Augmentation Wells that is delivered directly to the South Platte River through a pipeline in an amount equal to the amount of replacement water pumped from the Augmentation Wells as measured by use of totalizing flow meters in accordance with this Decree, less any transit losses assessed by the Division Engineer, below, from the delivery of such augmentation water in the stream.

37.0 Replacement. UWAG shall replace depletions resulting from pumping of Member Wells and evaporation loss from Ream Pond as required by the terms and conditions of this Decree.

37.1 Time. Depletions from Member Wells other than Augmentation Wells shall be replaced during times when the depletions affect the South Platte River or its tributaries and there is a valid call for water downstream of the depleting well from a water right or adjudicated exchange that is senior to the depleting well's water right. Return flow obligations shall be replaced, during times when there is a valid call. Paragraph 27.1 above sets forth the appropriation and adjudication dates of each Member Well. No water rights are decreed to the Augmentation Wells and depletions from pumping of the Augmentation Wells for augmentation

purposes shall be replaced during all times when there is any call, including exchanges, for water downstream of the location of the depletions from the Augmentation Wells. Unless accounting is provided for either individual wells or groups of wells, depletions from Member Wells other than those depletions resulting from use of the Augmentation Wells for augmentation purposes shall be considered out-of-priority during all times there is a valid downstream call from water rights or exchanges senior to the priority date of the most junior Member Well being used for irrigation and covered by this plan for augmentation.

- 37.2 Location. Depletions from Member Wells shall be assumed to affect the South Platte River at a point on the river perpendicular to the well. UWAG shall replace stream depletions at or above the location of the depletions. The locations of depletions from Member Wells and the Ream Pond are identified on Appendix V.
- 37.3 Amount. The amount of depletions to be replaced for each Member Well at any given time shall be determined pursuant to paragraph 33 herein and the amount of depletions from the Ream Pond shall be determined pursuant to paragraph 34.

38.0 Administration by the State and Division Engineers ("State Engineer").

- 38.1 Curtailment. The State Engineer and Division Engineer shall administer this Decree in accordance with the terms and conditions set forth herein. The State Engineer shall curtail all out-of-priority diversions the depletions from which are not so replaced as to prevent injury to vested water rights, pursuant to C.R.S. § 37-92-305(8).
- 38.2 Delivery of Replacement Supplies. The Division Engineer, with the approval of the State Engineer, shall administer the movement of water involved in this augmentation plan. Prior to the State and Division Engineer administering the movement of the water involved in this augmentation plan, Applicant shall obtain a physical and legal means of passing water through any dry-up reaches.
- 38.3 Notification of Deliveries. In the absence of extenuating circumstances creating the need for immediate changes, the schedule of deliveries through the Augmentation Stations and deliveries from reservoirs authorized by this plan of augmentation must be provided to the water commissioner in writing by the end of the month preceding the month in which the release is proposed to occur. For example, releases proposed for July must be communicated by June 30.
- 38.4 River and Ditch Transit Losses. When water is transported in the South Platte River, its tributaries or ditches for use under this Decree, the Division Engineer shall assess reasonable transit losses resulting from such transportation when determining the amount of water available for use by UWAG at the point of replacement of depletions or return flows.

39.0 Enforcement. UWAG shall maintain summaries of Member Well meter readings, and shall immediately report any pumping by a Member Well in excess of the amount authorized by UWAG to the well owner and the Division Engineer. If the well owner refuses to cease pumping, UWAG shall take action under its Bylaws, Rules, Regulations and Policies to prevent further pumping. The Division Engineer may also issue orders to cease pumping to the Member Well Owner. Subject to the terms and conditions of this Decree, UWAG shall be required to replace any depletions caused by Member Well pumping, even pumping it does not authorize, unless the depletions are replaced pursuant to another augmentation plan or substitute water supply plan approved by the State Engineer pursuant to C.R.S. § 37-92-308(4), or successor statutes.

40.0 Accounting and Reporting for the Changes of Water Rights, Junior Recharge Water Right, and Plan for Augmentation.

40.1 Credit Allotted to Augmentation Sources. Direct flow sources and reservoir releases shall be measured daily through relevant measurement structures. UWAG shall provide the direct flow and storage release augmentation data to the Water Commissioner on a daily basis. Conveyance of any augmentation and replacement supplies in the South Platte River or its tributaries shall be assessed transit losses as described in paragraph 38.4. UWAG will coordinate with the Division Engineer to assure proper administration and accounting of the augmentation water rights. If any excess augmentation water is available, then use of such water will be limited pursuant to paragraph 19.6 and the terms of this Decree. In order to assure that augmentation supplies can be delivered to replace depletions in all River Reaches, Applicants shall install bypass structures or obtain permission to use existing bypass structures on or in the vicinity of the Lower Latham Ditch. Nothing in this Decree shall be construed to grant UWAG the right to use such structures. Applicants shall not receive credit for replacement of depletions or return flows in any downstream River Reach for any excess amount of replacement credits occurring in any upstream River Reach, except to the extent that such excess credits have been measured and otherwise documented to be physically delivered into the downstream River Reach. The Court retains perpetual jurisdiction of this Decree to determine, upon request of any Objector, whether the operational and administrative requirements of this paragraph above are being complied with and enforced in a manner which will prevent injury to vested water rights and decreed conditional water rights within or below the River Reaches.

40.2 Frequency of Reporting. Reporting of UWAG's operation of the plan for augmentation shall be done on a monthly basis. The water accounting year shall be April 1 through March 31 of the following year. Measurement and accounting for the plan will be done on a daily basis, and all accounting for each month's operation will be completed and sent to the Division Engineer and Objectors in

electronic format no later than the last day of the following month. In addition, Applicants shall file an annual report with the Division Engineer no later than November 15 of each year that summarizes diversions, depletions and replacements made under the plan. The initial accounting forms are attached hereto as Appendix VII. These initial accounting forms are not decreed herein and may be changed from time to time with the approval of the Division Engineer and 30 days advance written notice to all Objectors in this case, provided that all information required by this Decree and included in the accounting forms attached as Appendix VII is included in any changed accounting forms. The notice shall state the period of time, which shall be at least 60 days from the date the notice is served, that Objectors shall have to provide comments to the Division Engineer before the request for the proposed or modified forms is acted upon. The Division Engineer has not yet approved the initial accounting forms. Applicants shall not operate the plan for augmentation until the Division Engineer approves the forms.

- 40.3 Applicants' accounting shall include, at a minimum, the following information accounted for and recorded on a daily basis, by River Reach as defined in paragraph 30.4, and submitted to the Division Engineer on a monthly basis:

The calling water right(s) downstream of Applicants' replacement sources and replacement obligations and the priority of the right(s).

Measured inflows into each recharge pond, by source.

The amount of evaporation, water lost to the consumptive use of vegetation, and water remaining in each recharge pond for each source of water.

Beginning of month and end of month stage reading and surface area for each recharge pond.

Total measured outflows from each recharge pond, by type of water.

Net recharged water for each recharge pond, by type of water.

Net stream accretions for each recharge pond, by type of water.

Return flow factors and calculated return flow obligations for the changed water rights.

Meter readings, volume of water pumped and corresponding depletions for each Member Well by type of use.

Presumptive depletion factors assigned to each member well for purposes of calculating depletions and consumptive use for each Member Well.

Stream depletions for each Member Well's previous years' pumping and current year's pumping.

Running total of volumetric diversions and limitations decreed herein.

Locations, amounts and sources of water used to replace out-of-priority depletions and meet return flow obligations.

Transit losses incurred in the conveyance of water in ditches or the natural stream to replace out-of-priority depletions and return flow obligations.

Total augmentation pumping for each Augmentation Well.

For the Augmentation Well with WDID 2-5443, the amount of augmentation pumping apportioned to this plan, as well as the Central GMS Plan approved in Case No. 02CW335 and the Central WAS Plan approved in Case No. 03CW99.

Depletions and accretions by River Reach.

Diversions into the Union Ditch by water right.

Deliveries through the Augmentation Station, including the raw data, by type of water.

The various sources of water that are diverted into recharge. (i.e. the Subject Reservoir Shares, junior recharge water right, the Subject Ditch Share, and Longmont effluent.)

AWAS files. Input and output tables made part of the accounting.

WDID's on all structures within the accounting.

The accounting must accommodate bypassing replacement water passed by the Latham Ditch when it is drying the river.

Depletions and accretions must be broken into River Reaches above and below the Latham Ditch.

Computed augmentation credits after return flow requirements and transit losses.

Unreplaced depletions or surplus augmentation credits.

Monthly, annual and long-term volumetrics applicable to each source of replacement water.

41.0 Measuring Devices. In addition to the measurement devices required in this Decree, Applicants shall also install and maintain, at their expense, such additional meters, gages, or other measuring devices required by the water commissioner or division engineer, and shall also report at such additional reasonable times to the water commissioner and/or division engineer the readings of such meters, gages, or other measuring devices pursuant to C.R.S. § 37-92-502(5).

CONCLUSIONS OF LAW

42.0 Incorporation by Reference. To the extent any of the foregoing Findings of Fact include Conclusions of Law or state conclusions regarding mixed issues of law and fact, they are incorporated herein by reference.

43.0 Notice and Jurisdiction. The Application was filed with the Water Court in accordance with C.R.S. §37-92-302(1)(a). Timely and adequate notice of the claims adjudicated herein was provided in accordance with the statutory notice requirements of C.R.S. §37-92-302(3). The Court has jurisdiction over the subject matter of the Application and all persons affected hereby, whether they have appeared or not. C.R.S. §37-92-301(2).

44.0 Burden of Proof. Applicants have proven all elements required for the approval and confirmation of the changes of water rights, junior recharge water right, and plan for augmentation herein by a preponderance of the evidence.

45.0 No Injury. The Court determines that the changes of water rights, junior recharge water right, and plan for augmentation herein are authorized by law and, if operated in accordance with the terms and conditions of this Decree, will not result in injury to the vested water rights or decreed conditional water rights of others. Therefore, Applicants are entitled to a decree approving the changes of water rights herein. C.R.S. §37-92-305(3).

DECREE

46.0 Incorporation by Reference. The foregoing Findings of Fact and Conclusions of Law are incorporated herein by reference and made a part of the Decree as if fully set forth herein.

47.0 Stipulation and Settlements. The Stipulations entered into between Applicants and Objectors are approved by the Court.

48.0 Approval of Claims. Subject to the terms and conditions contained in this Decree, Applicants' claims for the changes of water rights, junior recharge water right, and plan of augmentation herein are approved.

49.0 Use of Structures. Nothing in this Decree shall be construed to create or enlarge any right of Applicants to utilize land or structures owned by parties other than Applicants (including in particular the Lower Latham Drain) for the diversion of water, nor be construed to enlarge any right to use lands, structures or facilities currently possessed by Applicants. Applicants may utilize existing water diversion, carriage and storage structures only to the extent they have acquired the right to use such structures from the appropriate entities, by purchase, or by any other appropriate means. Similarly, Applicants may utilize land for the construction and operation of such structures only to the extent they then have acquired the right to use such land from the appropriate entities, by purchase, or by any other appropriate means

50.0 Binding Effect of Decree. Applicants shall record this Decree with the clerk and recorder for Weld County within 10 days after the expiration of the right of all parties to appeal, and shall file a certificate with the Court specifying the date of recording and the recording information. The terms and conditions of this Decree shall bind, and be enforceable against, Applicants and the owners of Member Wells and the Ream Pond, and their successors and assigns, and against those persons or entities who contract with Applicants for use of water that may be available under the Junior Recharge Water Right and their successors and assigns. Nothing in this paragraph is intended to affect the exercise of any remedy which may be available to any person affected by the failure of Applicants to comply with the terms and conditions of this Decree.

51.0 Adoption of Rules and Regulations and Other Requirements. Applicants shall adopt rules and regulations, bylaws and policies which are consistent with, and which will permit Applicants to fully comply with the terms and conditions of this Decree and shall enforce such rules and regulations and policies against the owners of the Ream Pond and the Member Wells included in this plan for augmentation and the Subject Ditch Share and the Subject Reservoir Shares, and their successors and assigns. Applicants shall provide copies of the applicable rules and regulations or other documents to the Division Engineer and the Objectors in this matter. The Court retains perpetual jurisdiction to consider whether the rules and regulations or other requirements adopted by the Applicants from time to time are consistent with and permit Applicants to fully to comply with, the terms and conditions of this Decree.

52.0 Retained Jurisdiction. Pursuant to C.R.S. §37-92-304(6), the Court is required to retain jurisdiction for some period following entry of this decree for reconsideration of the question of injury to vested rights in connection with the augmentation plan and change of water rights decreed herein with the length of the period to be determined by the Court. In connection with the change of water rights herein, this Court will retain jurisdiction on the question of injury to vested water rights for ten years from the addition of the last of any additional recharge ponds added by UWAG pursuant to the terms and conditions of this Decree. In addition to any other notice required herein, for the purposes of initiating the retained jurisdiction period, UWAG shall provide written notice to the parties herein at the time it adds the last recharge pond. The Court retains jurisdiction under the following paragraphs: 11.20 (Suspension of Minimum Replacement Obligation); 18.7 (Additional Ponds or Modifications to Existing Ponds); 27.3 (Deletion of a Member Well or Ream Pond); 29.2 (Additional Water Rights, Temporary Administrative Approval); 40.1 (Credit Allotted to Augmentation Sources); and 51.0 (Adoption of Rules and

Regulations and Other Requirements). The plan for augmentation shall remain subject to perpetual retained jurisdiction.

52.1 Procedure for Retained Jurisdiction. Any person, including the State and Division Engineers, may invoke retained jurisdiction within the general retained jurisdiction period or under perpetual jurisdiction, by filing a petition to do so with this Court. Such petition shall be filed under the caption and case number of this case and shall be served on counsel of record for all parties who have appeared. Any petition to invoke retained jurisdiction shall set forth the factual basis and the alleged injury or decree dispute or violation upon which the requested reconsideration is premised. Responses to the petition shall be filed no later than 90 days after the date of service of the petition. The petitioning party shall have the initial burden of going forward to establish the facts alleged in the petition, but Applicants shall have the ultimate burden of proof to show either that the alleged injury, decree dispute or decree violation has not occurred or will not occur, or to propose additional terms and conditions which will prevent the injury from occurring or address the decree dispute or decree violation.

53.0 No Precedent. There was no trial in this matter and no issues were litigated. The Findings of Fact, Conclusions of Law and Decree were completed as the result of substantial discussions, negotiations and compromises by, between and among Applicants and the several Objectors pertaining to all parts of the findings, conclusions and Decree. It is specifically understood and agreed by the parties hereto, and found and concluded by the Court, that the acquiescence of the parties to a stipulated decree under the specific factual and legal circumstances of this contested matter and upon the numerous and interrelated compromises reached by the parties shall never give rise to any argument, claim, defense or theory of acquiescence, waiver, bar, merger, stare decisis, res judicata, estoppel, laches, or otherwise, nor to any administrative or judicial practice or precedent, by or against any of the parties hereto in any other matter, case or dispute, nor shall testimony concerning such acquiescence of any party to a stipulated decree herein be allowed in any other matter, case or dispute. All parties stipulate and agree that they do not intend the findings, conclusions, and Decree to have the effect of precedent or preclusion on any factual or legal issue in any other matter. The parties further stipulate and agree that they each reserve the right to propose or to challenge any legal or factual position in any other plan for augmentation, change of water right in the Union Ditch, or other matter filed in this or any other court without limitation by these finding, conclusions, and Decree.

54.0 Diligence. The Junior Recharge Water Right confirmed herein is continued in full force and effect until February 28, 2018. If Applicants desire to maintain such conditional water right, an application for finding of reasonable diligence shall be filed on or before February 28, 2018, or a showing made on or before such date that the conditional water right has become absolute by reason of completion of the appropriation.

55.0 Priority. The Application for the Junior Recharge Water Right was filed in the Water Court in the year of 2003 so the water right will be administered as having been filed that year

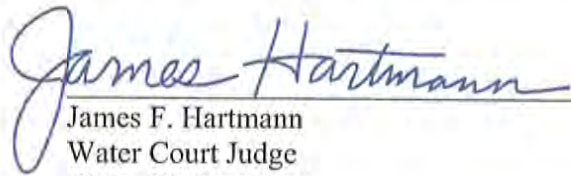
and shall be junior to all priorities for which applications were filed in previous years. As between all rights for which applications were filed in the same calendar year, priority shall be determined by historical date of appropriation and not affected by the date of the entry of the ruling.

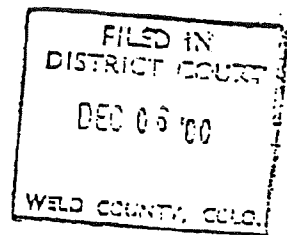
56.0 Administration by State and Division Engineers. The State Engineer and Division Engineer shall administer this Decree in accordance with the terms and conditions set forth herein.

57.0 Judgment Filed with Division and State Engineer. A copy of this Decree shall be filed with the Division Engineer, Water Division No. 1, and with the State Engineer.

Dated: February 1, 2012

BY THE COURT:


James F. Hartmann
Water Court Judge
Water Division One



DISTRICT COURT, WATER DIVISION NO. 1, STATE OF COLORADO

Case No. 87CW222

(Union Reservoir Change) 1225

RULING OF THE REFEREE AND DECREE OF THE COURT

IN THE MATTER OF THE APPLICATION FOR WATER RIGHTS OF THE CITY OF
LONGMONT, IN THE SOUTH PLATTE RIVER AND ITS TRIBUTARIES,

IN BOULDER AND WELD COUNTIES, COLORADO.

This matter having come before the Water Referee on the Application for Change of Water Rights filed herein by the City of Longmont, and the Referee having considered the pleadings, the evidence presented, the stipulations of various parties, the comments of the Division Engineer and otherwise being fully informed, hereby makes the following findings of facts and conclusions of law and enters his ruling as set forth below.

FINDINGS OF FACT

1. Name and Address of Applicant.

City of Longmont
c/o Dale Rademacher
Director of Water/Wastewater Utilities
Utilities Service Center
1100 South Sherman Street
Longmont, Colorado 80501

2. Application and Opposition. Applicant City of Longmont ("Longmont") filed its Application for Change of Water Rights (the "Application") on October 30, 1987. Statements of Opposition were initially filed by Central Colorado Water Conservancy District and its Groundwater Management Subdistrict ("Central") and by the Farmers Reservoir Irrigation Company ("FRICO"). The Union Reservoir Company was granted leave to intervene and filed an entry of appearance, but no statement of opposition. The Highland Ditch Company ("Highland"), certain minority shareholders in the Union Reservoir Company (the "Minority Shareholders") and the Bijou Irrigation District and Bijou Irrigation Company ("Bijou") were all granted leave to intervene in this case and have filed statements of opposition. The Minority Shareholders subsequently withdrew their statement of opposition. Stipulations were entered between

Longmont and the remaining parties, which stipulations are approved and the terms of which are incorporated herein.

3. Jurisdiction. Timely and adequate notice of the Application was given in the manner required by law. This Court has jurisdiction over the subject matter of these proceedings and over all persons affected thereby, whether they have appeared or not. None of the water rights or structures involved herein are located within a designated groundwater basin.

4. Union Reservoir.

A. General Description. The Application seeks changes in the storage rights decreed to Union Reservoir, a storage reservoir sometimes known as Calkins Lake. Union Reservoir is owned by the Union Reservoir Company, a nonprofit mutual reservoir company incorporated in Colorado (the "Company"). Union Reservoir is located in portions of Sections 30, 31 and 32, T3N, R68W of the 6th P.M. and Sections 5 and 6, T2N, R68W of the 6th P.M., Weld County, Colorado. The feeders of Union Reservoir are the Oligarchy Ditch which diverts water from St. Vrain Creek, and a ditch from Spring Gulch, which collects drainage water and discharges into St. Vrain Creek. The Oligarchy Ditch headgate is located on St. Vrain Creek in the NE1/4 of Section 27, T3N, R70W of the 6th P.M., Boulder County, Colorado at a point whence the East quarter corner of said Section 27 bears South 27°26' East a distance of 560 feet more or less; the East line of the NE1/4 of said Section 27 as bearing North 00°32'42" West with all bearings relative thereto. The head of the ditch from Spring Gulch is located in Weld County, Colorado at a point whence the Southwest corner of Section 31, T3N, R68W of the 6th P.M. bears South 12° West a distance of 800 feet. The outlet of Union Reservoir is on Spring Gulch near its confluence with St. Vrain Creek.

B. Existing Decrees. Union Reservoir has the following absolute storage rights decreed to it:

<u>Case No.</u>	<u>Adjudication Date</u>	<u>Appropriation Date</u>	<u>Amount</u>
C.A. 4790	3/13/1907	10/6/1902	13,219
W-7486	3/11/1977	5/1/1973	5,879

The above water rights are currently adjudicated for agricultural purposes. The water right decreed in C.A. 4790 is sometimes referred to herein as the "Senior Union Decree." The water right decreed in Case No. W-7486 is sometimes referred to herein as the "Refill Decree." The Senior

Union Decree and Refill Decree are sometimes collectively referred to herein as the "Reservoir Rights."

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5. Shares To Be Changed. As of October 26, 2000, Longmont owns 203 out of the total 250 issued and outstanding shares of capital stock of the Company and anticipates acquiring additional shares in the future. The Union Reservoir Company has approved the change herein of all of the shares of the Union Reservoir Company, except the shares of shareholders who have elected to withdraw their shares from this case. All shareholders of the Company have been informed of the requested changes and been afforded an opportunity to withdraw their shares from the changes sought herein. No shareholders have elected to withdraw their shares from this proceeding, as shown on the table attached hereto as Exhibit A. Exhibit A also contains a list of the consenting shares not owned by Longmont. Longmont's 203 shares, together with 47 other shares of the Company (representing all the remaining shares), are referred to herein as the "Subject Shares." The Subject Shares' 100% interest in the Reservoir Rights is sometimes referred to herein as the "Subject Rights."

Water also has been pumped from Union Reservoir to irrigate adjacent land pursuant to an agreement with the Union Reservoir Company, which use is not represented by ownership of shares. This right (the "Pumping Right") was reserved by Emma Johnson in a deed from her to the Union Reservoir Company, dated November 20, 1902, and recorded in the real property records of Weld County at Book 200, Page 454, conveying a portion of the reservoir site to the Company. The Pumping Right permitted the erection of a "pumping plant for the purpose of pumping water from said reservoir for irrigation and domestic purposes" and the right to pump "such an amount . . . necessary for irrigating the North half of section five (5) township two (2) north, range sixty eight (68) west, and no other land." Longmont has acquired and used a ten percent (10%) interest in the Pumping Right in connection with the City's acquisition of a portion of the benefitted land. The Pumping Right is not included within this change and is not part of the "Subject Rights;" this decree makes no determination as to the existence or historic use of this Pumping Right.

6. Historic Use.

A. Water from the Subject Rights has historically been used as supplemental irrigation water to irrigate lands below the Bijou Canal, Union Ditch and Latham Ditch. Union Reservoir water was released and conveyed down St. Vrain Creek and into the South Platte River for delivery to these ditches. The representative distribution of Union shares among the ditches was Bijou Canal, 98.25 shares (39%); Union Ditch, 131 shares (52%); and Latham Ditch, 20.75 shares (8%). Longmont's current 203 shares were derived as follows: Bijou Canal, 88 shares; Union Ditch, 94.50 shares; and Latham Ditch, 20.5 shares.

B. Because the Subject Rights have historically been used for supplemental irrigation water, historic use did not fall into any uniform pattern, and varied from year to year

depending on cropping patterns, weather conditions, and availability of other sources of water. In order to replicate the historic returns (including ditch losses) as close as is reasonably possible to avoid injuring other water users, Longmont has analyzed two scenarios: first, the average historic use; and second, the minimum historic use. By using both scenarios for calculating future replacement obligations, downstream water rights will be protected regardless of the patterns of future use.

C. Average annual releases from Union Reservoir to the St. Vrain Creek over a representative study period (1929 through 1972) were 3,827 acre feet (15.3 acre feet/share); releases for the year 1968 were not included in this average because of a large, inadvertent release during that year. The historic use of the Subject Rights resulted in an average historic consumptive use of 50% of reservoir releases. Based upon the representative distribution of shares between the ditches set forth above, the remaining 50% of releases at Union Reservoir is attributable to return flows and ditch losses, as follows:

- 37.11% for irrigation return flows from the Union Ditch system,
- 2.15% for irrigation return flows from the Lower Latham Ditch system,
- 21.24% for irrigation return flows from the Bijou Canal system,
- 10.31% ditch loss from the Union Ditch,
- 0.60% ditch loss from the Lower Latham Ditch, and
- 28.59% ditch loss from the Bijou Canal.

The minimum annual irrigation return flows and ditch losses during the study period were distributed as follows:

- 43.33% for irrigation return flows from the Union Ditch system,
- 2.54% for irrigation return flows from the Lower Latham Ditch system,
- 24.82% for irrigation return flows from the Bijou Canal system,
- 8.94% ditch loss from the Union Ditch,
- 0.00% ditch loss from the Lower Latham Ditch, and
- 20.37% ditch loss from the Bijou Canal.

In calculating these distributions, ditch loss factors of 10% of ditch diversions were used for the Union and Latham Ditches, and a factor of 35% of ditch diversions was used for the Bijou system.

D. River transit losses historically administered by the State of Colorado were zero on St. Vrain Creek from Union Reservoir's outlet on Spring Gulch to the confluence of St. Vrain Creek with the South Platte River, a distance of 14.5 miles. River transit losses on the South Platte River historically were administered at $\frac{1}{2}$ of 1% per mile. Using this criteria, historic South Platte River transit losses from the St. Vrain Creek confluence were calculated: to the headgate of the Union Ditch, a distance of 4.5 miles, at 2.25%; to the headgate of the Lower

Latham Ditch, a distance of 12.9 miles, at 6.45%; and to the headgate of the Bijou Canal, a distance of 36.2 miles, at 18.10%.

7. Proposed Changes. The Application seeks the following changes in the Subject Rights:

A. Change of Use and Alternate Use. A change of use is sought for municipal uses by Longmont, within the City or pursuant to out-of-city water contracts, for any Subject Shares owned by Longmont; an alternate use for these same municipal uses by Longmont is sought for any Subject Shares not owned by Longmont. "Municipal use" includes all municipal uses, such as, but not by way of limitation, domestic, commercial, manufacturing, industrial, agricultural, watering of parks and lawns and gardens, fire protection, generation of electric power and power generally, recreation, fish and wildlife propagation, sewage treatment, street sprinkling, maintenance of adequate storage reserves, replacement, augmentation and exchange. Longmont has withdrawn its request to retain the original decreed uses for agricultural purposes for any Subject Shares owned by Longmont.

B. Alternate Points of Diversion and Places of Storage. In addition to the existing points of diversion and place of storage, alternate points of diversion and places of storage are also sought for the Subject Shares' pro rata interest in the Senior Union Decree described in Paragraph 4.B. above at any one or a combination of the following points of diversion on St. Vrain Creek or its tributaries. No such change in point of diversion or place of storage is sought for the Refill Decree.

(i) Alternate Points of Diversion - Direct Flow

(a) The "South Pipeline," also known as the Longmont Pipe Line, the headgate or point of intake of which is on the South St. Vrain Creek at a point whence the West quarter corner of Section 19, T3N, R70W of the 6th P.M., bears South 70°30' West a distance of 1657 feet.

(b) The "North Pipeline," also known as the Longmont Water Works Pipe Line, the headgate or point of intake of which is on the North St. Vrain Creek at a point whence the Northeast corner of Section 16, T3N, R71W, of the 6th P.M., bears North 45°37' East a distance of 2532 feet.

(c) The headgate of the Supply Ditch located in the NE 1/2 of Section 20, T3N, R70W of the 6th P.M., at a point whence the Northwest corner of said Section 20 bears North 86°46' West a distance of 470 feet more or less; the North line of the NW 1/4 of said Section 20 as bearing North 84° West with all bearings relative thereto.

(d) The headgate of the Rough and Ready Ditch located in the N1/2 of Section 20, T3N, R70W of the 6th P.M., at a point whence the Northwest corner of said Section 20 bears North 49° 57' West a distance of 3730 feet more or less; the North line of the NW1/4 of said Section 20 as bearing North 84° West with all bearings relative thereto.

(e) The headgate of the St. Vrain and Palmerton Ditch, also known as the Palmerton Ditch, located in the N1/2 of Section 20, T3N, R70W of the 6th P.M., at a point whence the Northwest corner of said Section 20 bears North 49° 51' West a distance of 3750 feet more or less; the North line of the NW1/4 of said Section 20 as bearing North 84° West with all bearings relative thereto.

(f) The headgate of the Highland Ditch located in the N1/2 of Section 20, T3N, R70W of the 6th P.M., at a point whence the Northwest corner of said Section 20 bears North 39° 18' West a distance of 1720 feet more or less; the North line of the NW1/4 of said Section 20 as bearing 84° West with all bearings relative thereto.

(ii) Alternate Points of Diversion - Storage.

(a) Union Reservoir and any enlargement thereof, via the following alternate points of diversion:

(1) The proposed St. Vrain Creek Pump Station No. 1 with an inlet to be located at a point on the north bank of St. Vrain Creek approximately 1400 feet East and 1560 feet South of the Northwest corner of Section 11, T2N, R69W of the 6th P.M.

(2) The proposed St. Vrain Creek Pump Station No. 2 with an inlet to be located at a point on the West bank of St. Vrain Creek approximately 190 feet North and 2700 feet East of the Southwest corner of Section 4, T2N, R68W of the 6th P.M.

(3) The headgate of the Supply Ditch, which headgate is described above, with the water then transported to Union Reservoir via a proposed pipeline.

(4) The headgate of the Highland Ditch, which headgate is described above, with the water then transported to Union Reservoir via a proposed pipeline.

(b) Button Rock Dam, also known as Ralph Price Reservoir, located onstream in Sections 17, 18, 19, and 20, T3N, R71W of the 6th P.M. and Sections 13 and 24, T3N, R72W of the 6th P.M.

(c) Southwestern Portland Pits A and C to be constructed by Southdown, Inc. Pits A and C will be located in Section 28, T3N, R70W of the 6th P.M.

Pits A and C will receive water through one or more of the following: the Foothills Reservoir Feeder Canal, the headgate of which is located on the South or right bank of St. Vrain Creek at a point which is in the NW1/4 SE1/4 of Section 21, T3N, R70W of the 6th P.M.; the Swede Ditch, the headgate of which is located on the South side of St. Vrain Creek in the SW1/4 NE1/4 of Section 20, T3N, R70W of the 6th P.M., at a point whence the North quarter corner of said Section 20 bears North 13°59' West a distance of 2590 feet more or less, the North line of the NW1/4 of said Section 20 bearing North 84° West with all bearings relative thereto; the Smead Ditch, the headgate of which is located on St. Vrain Creek in the SW1/4 NE1/4 of Section 20, T3N, R70W of the 6th P.M., at a point whence the North quarter corner of said Section 20 bears North 13°59' West a distance of 2580 feet more or less, the North line of the NW1/4 of said Section 20 as bearing North 84° West with all bearings relative thereto; and the South Ledge Ditch (a/k/a Bradford & Stiles Ditch), the headgate of which is located on the south bank of the South St. Vrain Creek at a point South 73° East a distance of 953 feet from the West quarter corner of Section 19, T3N, R70W of the 6th P.M.

(d) Burch Lake, also known as the Oligarchy Reservoir No. 1, located in Sections 25 and 26, T3N, R70W of the 6th P.M. Burch Lake receives water through the St. Vrain and Palmerton Ditch (the decreed filler ditch); and the Highland Ditch by means of operating agreements between Longmont and the Oligarchy Ditch Company, and Longmont and the Highland Ditch Company. The headgates of the St. Vrain and Palmerton Ditch and the Highland Ditch are described above. Water for Burch Lake may, in the future, also be diverted at the headgates of the Supply Ditch and Rough and Ready Ditch, which headgates are described above, and then transported by proposed pipelines to Burch Lake.

C. Use of Excess Credits. After use in its municipal water system, Longmont claims a water credit in the stream at the point of its sewage outfall to St. Vrain Creek to the extent that its municipal return flow credits from its use of the Subject Rights exceed its Replacement Obligation (as defined later herein), or to the extent Longmont replaces its Replacement Obligation from other sources. This water credit can be used by reuse, successive use, exchange, storage, or other disposition; however, no appropriative right of exchange is being claimed herein for these particular purposes. At this time, Longmont has agreed not to seek credit for monthly return flows resulting from municipal lawn irrigation uses of the Subject Rights for purposes of calculating any municipal return flows, but it reserves the right to claim lawn irrigation return flows at a later date in accordance with other provisions of this decree.

D. Longmont also seeks adjudication of a change ("First Use Plan") whereby Longmont would first divert the Senior Union Decree for municipal uses at the alternate points of diversion and places of storage and then replace such water to Union Reservoir, either simultaneously or on a deferred basis, for decreed uses by other Union Shareholders who consent to such first use.

8. Terms and Conditions. The Court finds that the changes of water rights described above can be approved, adjudicated and implemented without injury to the vested rights of others if made subject to the terms and conditions described below:

A. Consent to Use of Other Shares. Any of the Subject Shares not currently owned by Longmont may be diverted, stored or utilized by Longmont only if and to the extent that such shares have been acquired by Longmont by annexation, purchase, lease or otherwise, or their use by Longmont has been consented to in writing by the owners of such shares.

B. Refill Decree. Longmont has withdrawn its request for and the Court does not decree herein any alternate points of diversion or storage for the Refill Decree for Union Reservoir described in Paragraph 4.B above, although the Subject Shares' pro rata interest in the Refill Decree is changed to include a municipal use as sought in Paragraph 7.A above.

C. Continued Diversions in Priority. The Subject Shares' pro rata interest in the Senior Union Decree can be diverted at the alternate places of storage or points of diversion described in Paragraph 7.B above only when such rights are in priority, when water would otherwise be physically available at the headgate of the Oligarchy Ditch (the principal historic filling structure for Union Reservoir), and when the Oligarchy Ditch would be physically capable of carrying the water.

D. Volumetric Limitations.

(i) Pro Rata Share of Decreed Amount. Diversion of the Subject Shares' pro rata interest in the Senior Union Decree into Union Reservoir or at the alternate points of diversion or storage described in Paragraph 7.B above will be limited to a volumetric maximum in each Water Year (as defined herein) equal to the Subject Share's proportionate share of the Senior Union Decree, with a possible reduction thereof by application of the One-Fill Restriction described below. Longmont's current ownership of 203 of the Subject Shares entitles it to 81.2% of the Senior Union Decree. Longmont will bear a pro rata share of any water furnished by the Company pursuant to the Pumping Right.

(ii) One-Fill Restriction. Union Reservoir Company is entitled to one-filling of its reservoir capacity during each 12-month period pursuant to the terms of the Senior Union Decree. The water year used for Union Reservoir is November 1 through October 31 ("Water Year"). For purposes of this decree, one-filling shall be deemed to occur for the Subject Shares' interest in the Senior Union Decree when Longmont has stored at Union Reservoir and diverted at the alternate points during the Water Year an amount equal to the following combined amounts (the "Allowable Fill"):

(a) the amount of unfilled space in Union Reservoir on November 1 of that ensuing Water Year attributable to the Subject Shares' pro rata account;

(b) the amount of water stored in the Subject Shares' pro rata account in Union Reservoir on that November 1 pursuant to water rights other than the Reservoir Rights;

(c) the amount of water stored in the Subject Shares' pro rata account in Union Reservoir on that November 1 pursuant to the Reservoir Rights if such water is held over for release during that ensuing Water Year for the Replacement Obligation; and

(d) the amount of water stored in the Subject Shares' pro rata account in Union Reservoir on that November 1 pursuant to the Reservoir Rights if such water was diverted and stored in a prior Water Year for which return flow obligations have been incurred.

At the beginning of each Water Year, Longmont shall calculate the Allowable Fill available to the Subject Shares on November 1, and it shall so notify the Water Commissioner and Division Engineer.

Water shall be credited toward the amount of Allowable Fill of the Senior Union Decree pursuant to the Subject Rights when and to the extent water is physically and legally available to Longmont under the Senior Union Decree but is not diverted for beneficial use by Longmont. Any such undiverted water, though, shall neither trigger an obligation by Longmont under this Decree for a Replacement Obligation nor relieve Longmont from the Minimum Replacement Obligation provided for below.

The Refill Decree of the Subject Shares can be exercised by Longmont only after the one-filling is accomplished for the Senior Decree as to the Subject Shares, and if space in Union Reservoir is available in the amount of the Subject Shares. Consistent with historic practice, the Refill right can be exercised in priority multiple times to fill the reservoir, so long as the total cumulative storage under the Refill Decree in any water year does not exceed the decreed amount of 5,879 acre feet.

E. Diversion Rate. The combined rate of diversion of the Senior Union Decree by the Company (through the Oligarchy Ditch) and Longmont (at Longmont's alternate points of diversion and storage) cannot exceed 84.2 cfs (the current decreed fill rate of Union Reservoir through the Oligarchy Ditch). Diversions may be alternated between Longmont and the Company with each diverting at the full diversion rate. Longmont will coordinate its diversions with the Company to minimize ditch losses. If, despite diligent efforts to so coordinate such diversions, the Company suffers any additional ditch losses or reduction in yield due to Longmont's use of alternate points of diversion, Longmont has agreed with the Company to replace such losses or reduction in yield from other water available to Longmont.

F. Replacement Obligation. To replicate the historic returns (including ditch losses) as close as reasonably possible, a portion of the amount of Subject Rights diverted directly or to storage by Longmont for municipal use from July 1 through the succeeding June 30

("Diversion Period") shall be replaced to the stream and ditches ("Replacement Obligation") in accordance with the method described in Paragraph 8(H) below. For these purposes, "diversions" into Union Reservoir shall be calculated as the amount stored in Union Reservoir pursuant to the Subject Rights after carriage losses through the Oligarchy Ditch and the Spring Gulch feeder ditch, while all other diversions shall be calculated as river headgate diversions at the alternate points of diversion or storage. The return flow component of the Replacement Obligation shall be delivered and administered to the confluence of St. Vrain Creek with the South Platte River. The ditch loss component of the Replacement Obligation shall be delivered and administered to the headgate of the ditch to which it is owed. The Replacement Obligation will be made by Longmont during each of the twelve (12) months following the Diversion Period in accordance with the monthly percentages set forth below in Paragraph 8.H(vii).

(i) No Replacement Obligation for the return flow component shall exist when the call on the river is junior to October 30, 1987 (the date of the Application in this case); except that during time periods that there is a call on the South Platte River at or below the Burlington Ditch headgate, Longmont shall deliver its Replacement Obligation when storage reservoirs located below the confluence of the St. Vrain and South Platte Rivers with rights senior to October 30, 1987, are lawfully diverting water from the South Platte River regardless of whether such diversions shall be reflected by an administrative "call" by the Office of the State Engineer. For purposes of the preceding sentence, Longmont may contact the Division Engineer for Water Division 1 or the Water Commissioners for Water Districts 1, 2 and 64 to determine whether any such diversions are being made and rely upon the information so obtained. Nothing in this subparagraph shall reduce or suspend the ditch loss component of the Replacement Obligation.

(ii) No Replacement Obligation shall accrue solely by reason of the Senior Union Decree being initially diverted and used by Longmont for municipal uses under the First Use Plan and fully replaced to Union Reservoir during the same Diversion Period with water from the sources described in Paragraph 8.G below.

(iii) As to water stored in Union Reservoir pursuant to the Subject Shares owned by Longmont at the time the entry of a final decree in the case, the Replacement Obligation for such water shall accrue as if such water were diverted in that Diversion Period. At Longmont's discretion, Longmont may elect to stage the conversion to municipal use of such existing stored water (and defer the accrual of the Replacement Obligation on such water) over three Diversion Periods, provided that it declares at least one-third of such water for municipal use in each of said Diversion Periods.

G. Replacement Sources. The Replacement Obligation can be met by any fully consumable water available to Longmont or water otherwise decreed for such purposes, including any of the sources described below:

(i) Return flows from Longmont's initial use of the Subject Rights as calculated in Paragraph 8.I below.

(ii) Water stored in Ralph Price Reservoir (a/k/a Buttonrock Reservoir) under any of the following priorities: Ralph Price Reservoir (a/k/a Button Rock Dam, Amended Lyons Storage Reservoir), Reservoir priority No. 33, appropriation date February 8, 1910, for 1765 acre-feet; Ralph Price Reservoir (a/k/a Button Rock Dam, Enlarged and Amended Longmont Reservoir No. 3), Reservoir priority No. 35, appropriation date July 3, 1926, for 2866.5 acre-feet; Ralph Price Reservoir (a/k/a Button Rock Dam, Enlarged and Amended Longmont Reservoir No. 3) First Enlargement, Reservoir Priority No. 53A, appropriation date May 27, 1964, for 13,330.7 acre-feet; Ralph Price Reservoir (a/k/a Button Rock Dam, Enlarged and Amended Longmont Reservoir No. 3) Second Enlargement, conditional Reservoir Priority No. 53B, appropriation date May 27, 1964, for 32,551.1 acre-feet, conditional. The foregoing rights and priorities were adjudicated by decree dated February 25, 1971, in Civil Action No. 20716 in the District Court in and for Boulder County. This instream reservoir is located on the North St. Vrain Creek in Sections 17, 18, 19 and 20, T3N, R71W of the 6th P.M., and Sections 13 and 24, T3N, R72W of the 6th P.M., Boulder County, Colorado.

(iii) Water stored in Union Reservoir pursuant to any of the following: Longmont's share of the Subject Rights; the conditional storage right for the Union Reservoir enlargement obtained by Longmont in Case No. 86CW394 for 19,802 acre feet with an appropriation date of October 28, 1986; or any other of Longmont's water rights decreed for storage in Union Reservoir.

(iv) Replacement, augmentation and exchange water available from Longmont's interest in the following ditches diverting from St. Vrain Creek pursuant to decrees entered by the District Court in and for Water Division No. 1 on May 20, 1983 in the following cases: Case No. 81CW355, Longmont Supply Ditch; Case No. 81CW356, Rough and Ready Ditch; Case No. 81CW357, Smead Ditch; Case No. 81CW360, Palmerton Ditch; Case No. 81CW361 Oligarchy Ditch; and Case No. 81CW362, Swede Ditch.

(v) Replacement, augmentation and exchange water made available from Longmont's interest in the following ditches diverting from St. Vrain Creek pursuant to decrees entered by the District Court in and for Water Division No. 1 on September 16, 1991 in the following cases: Case No. 87CW212, Longmont Supply Ditch; Case No. 87CW213, Rough and Ready Ditch; and pursuant to decree entered by the District Court in and for Water Division No. 1 on October 29, 1992 in Case No. 87CW214, Oligarchy Ditch.

(vi) Replacement, augmentation and exchange water made available to Longmont by change decrees for Longmont's interests in the following ditches: Clover Basin Ditch (a/k/a Pella Ditch - Second Enlargement) diverting from St. Vrain Creek and Dry Creek. Case No. 87CW216; Niwot Ditch diverting from St. Vrain Creek and Dry Creek. Case

No. 87CW218; South Flat Ditch diverting from St. Vrain Creek, Case No. 87CW220; Pella Ditch diverting from St. Vrain Creek, Case No. 87CW219; Zweck and Turner Ditch diverting from St. Vrain Creek, Case No. 87CW221; and Beckwith Ditch diverting from St. Vrain Creek, Case No. 87CW215.

(vii) Replacement, augmentation and exchange water made available to Longmont by decrees entered or to be entered by this Court pursuant to change applications filed by Longmont contemporaneously with this application involving Longmont's interests in the following reservoirs: Pleasant Valley Reservoir, the source of which is surface water tributary to St. Vrain Creek, Case No. 87CW231; Clover Basin Reservoir, the source of which is surface water tributary to St. Vrain Creek and Dry Creek, a tributary of St. Vrain Creek, Case No. 87CW233; Independent Reservoir, the source of which is surface water tributary to St. Vrain Creek, Case No. 87CW234; McCall Reservoir, the source of which is surface water tributary to St. Vrain Creek, Case No. 87CW232; Oligarchy Reservoir No. 1, a/k/a Burch Lake, the source of which is surface water tributary to St. Vrain Creek, Case No. 87CW235; and McIntosh Reservoir, the source of which is surface water tributary to St. Vrain Creek, Case No. 87CW233.

(viii) Longmont's right to water in Elliott Pond No. 1, Elliott Pond No. 2, and Elliott Pond No. 3 (also known as Golden Ponds) decreed in Case No. 89CW073, the source of which is surface water tributary to St. Vrain Creek.

(ix) Longmont's right to transmountain water derived from the United States Department of the Interior, Bureau of Reclamation, Windy Gap Project (a/k/a Six Cities Transmountain Diversion) via the St. Vrain Supply Canal and the Southern Water Supply Pipeline. The point of delivery to St. Vrain Creek of said Supply Canal is located in the NW1/4 NW1/4 of Section 20, T3N, R70W of the 6th P.M., Boulder county, Colorado. Said Supply Canal has a capacity of 575 cfs. The Southern Water Supply Pipeline will deliver water to Longmont through a connecting pipeline near Burch Lake as described above; Burch Lake can deliver water to the Oligarchy Ditch and then into Union Reservoir. Any decree to be entered in this case is not intended to affect in any way the right of the Northern Colorado Water Conservancy District to regulate, in its sole discretion, any use of project water or facilities by Longmont pursuant to and in accordance with applicable law, the provisions of the repayment contract between the Northern Colorado Water Conservancy District and the United States of America, the allotment contracts between Longmont and the Northern Colorado Water Conservancy District, and the rules, regulations and policies of the District, as may be amended from time to time.

H. Calculation of Replacement Obligation. The annual nominal Replacement Obligation (RO) shall be equal to 50% of the amount of the Subject Rights diverted directly or to storage by Longmont during the Diversion Period, after the reduction of such diversions for fully replaced municipal uses under the First Use Plan, as described in Paragraph 8.F. Said 50% is calculated using historically administered river transit losses. However, Longmont's actual Replacement Obligation shall be determined using whatever river transit loss is then reasonably

and lawfully determined by the State Engineer's office for future deliveries. The actual Replacement Obligation shall be computed according to the following procedure, which is illustrated in Exhibit B:

(i) Definitions. For purposes of these computations, "Union Ditch shares" shall mean the Subject Shares historically used in the Union Ditch system, "Lower Latham Ditch shares" shall mean the Subject Shares historically used in the Lower Latham Ditch system, and "Bijou Canal shares" shall mean the Subject Shares historically used in the Bijou Canal system. For purposes of this Decree the Subject Shares from each ditch system shall be the number of shares Longmont owns or leases as of July 1 of that Diversion Period. River transit losses shall be applied to determine the amount of water required in St. Vrain Creek below the Union Reservoir outlet or other release point in order to meet Longmont's replacement obligations.

(ii) Calculation of Subject Share Distribution Factors. As Longmont obtains ownership or the use of additional Subject Shares, the relative proportion of its Subject Shares from each of the historic ditch systems will change and the relative distribution of the Replacement Obligation between return flows, ditch losses, and river losses will change correspondingly. To account for these changes, it is necessary to first calculate the distribution factors per share for return flows and ditch losses based on the historic, representative distribution between the ditch systems of all Union Shares as follows:

Representative Distribution Among Ditches of Historical Shares:

Total historical Union Ditch shares	= 131 shares
Total historical Lower Latham Ditch shares	= 20.75 shares
Total historical Bijou Canal shares	= <u>98.25 shares</u>
Total all Union Reservoir shares	= 250 shares

Representative Distribution of Return Flows and Ditch Losses, based upon the historic percentages set forth in Paragraph 6(C):

Union Ditch shares	= $(0.3711 + 0.1031) \div 131 \text{ shares}$	= 0.003620 per share
Lower Latham shares	= $(0.0215 + 0.0060) \div 20.75 \text{ shares}$	= 0.001325 per share
Bijou Canal shares	= $(0.2124 + 0.2859) \div 98.25 \text{ shares}$	= 0.005072 per share

Representative Distribution of Minimum Return Flows and Minimum Ditch Losses, based upon the historic percentages set forth in Paragraph 6(C):

Union Ditch shares	= $(0.4333 + 0.0894) \div 131 \text{ shares}$	= 0.003990 per share
Lower Latham shares	= $(0.0254 + 0.0000) \div 20.75 \text{ shares}$	= 0.001224 per share
Bijou Canal shares	= $(0.2482 + 0.2037) \div 98.25 \text{ shares}$	= 0.004599 per share

Next, a Subject Share Distribution Factor (SSDF) shall be computed for each Diversion Period based on Longmont's then current ownership or lease of Union Reservoir shares according to the following formula:

$$SSDF = (SSUD \times 0.003620) + (SSLLD \times 0.001325) + (SSBC \times 0.005072)$$

where,

SSUD = number of Subject Shares from the Union Ditch system,
SSLLD = number of Subject Shares from the Lower Latham Ditch system, and
SSBC = number of Subject Shares from the Bijou Canal system.

Also, a Minimum Subject Share Distribution Factor (MSSDF) shall be computed for each Diversion Period based on Longmont's then current ownership or lease of Union Reservoir shares according to the following formula:

$$MSSDF = (SSUD \times 0.003990) + (SSLLD \times 0.001224) + (SSBC \times 0.004599)$$

(iii) Calculation of Replacement Obligation. The amount of the Replacement Obligation (RO) in acre-feet, based on Longmont's ownership or lease of Subject Shares from each ditch system during the Diversion Period, shall be calculated for each ditch system as follows (assuming the RO is to be released from Union Reservoir to St. Vrain Creek, and river transit losses are the same as those charged historically):

$$\begin{aligned} UDRO &= [(SSUD \times 0.003620) + SSDF] \times RO \\ LLDRO &= [(SSLLD \times 0.001325) + SSDF] \times RO \\ BCRO &= [(SSBC \times 0.005072) + SSDF] \times RO \end{aligned}$$

where,

UDRO = Union Ditch Replacement Obligation, in acre-feet,
LLDRO = Lower Latham Ditch Replacement Obligation, in acre-feet,
BCRO = Bijou Canal Replacement Obligation, in acre-feet, and
RO = Replacement Obligation, in acre-feet,

and,

SSUD = number of Subject Shares from the Union Ditch system,
SSLLD = number of Subject Shares from the Lower Latham Ditch system, and
SSBC = number of Subject Shares from the Bijou Canal system.

and,

SSDF = Subject Share Distribution Factor (see paragraph 8.H.i).

(iv) Adjustment for Future Changes in River Transit Losses. The Replacement Obligation shall be allocated between return flows and ditch losses, and adjusted for future changes in river transit losses, if any, to determine the actual amount of replacement water Longmont must provide below Union Reservoir. Return flow components of the Replacement Obligation shall be delivered and administered to the St. Vrain Creek/South Platte River confluence. Ditch loss components of the Replacement Obligation shall be delivered and administered to the headgates of the Union Ditch, Lower Latham Ditch and Bijou Canal. River transit losses which are then currently being charged by the State (as may be revised from time to time) will be used to determine the amount of water required to deliver the necessary replacement obligations. See Exhibit B as to such calculations.

(v) Allocation of the Replacement Obligation between Return Flows and Ditch Losses. The Replacement Obligation attributable to each ditch shall be allocated between return flows and ditch losses according to the following:

<u>Ditch</u>	<u>Return Flow</u>	<u>Ditch Loss</u>
Union Ditch	78%	22%
Lower Latham Ditch	78%	22%
Bijou Canal	43%	57%

The ditch loss component shall be delivered and administered to the headgate of each ditch, and each ditch company shall be entitled to divert its respective ditch loss component at its headgate.

(vi) Calculation of Return Flow Component of the Replacement Obligation. The historical return flow component of the Replacement Obligation at Union Reservoir was the sum of 78% of the Union Ditch Replacement Obligation (UDRO), plus 78% of the Lower Latham Ditch Replacement Obligation (LLDRO), plus 43% of the Bijou Canal Replacement Obligation (BCRO).

The amount of replacement water for the return flow component of the Replacement Obligation, if made available at St. Vrain Creek below Union Reservoir, shall be the historical return flow component of the Replacement Obligation adjusted for current river transit losses being charged by the State water administration officials, in the manner set forth in Exhibit B.

(vii) Timing of Return Flow Component of Replacement Obligation.

Typically, water stored in Union Reservoir was not released for irrigation use until July of any given year. Accordingly, the return flow component of the Replacement Obligation will be delivered to the Replacement Point over a twelve month period beginning with the July following the Diversion Period in which Longmont diverted the Subject Rights for municipal purposes. A return flow lagging analysis using the Glover procedure was performed to determine the timing of the historic return flows from the lands under the Union Ditch, Lower Latham Ditch and Bijou Canal which were historically irrigated by the Subject Rights. Because of the sandy soils in the irrigation areas and the generally large distances from the irrigated lands to the river, all unconsumed irrigation water was assumed to return to the river as subsurface flow. The results of the lagging analysis indicated that the irrigation return flows returned to the stream in the following pattern:

July	7%	January	10%
August	7%	February	9%
September	8%	March	8%
October	9%	April	8%
November	10%	May	7%
December	10%	June	7%

Replacement of return flow obligations may be made daily, weekly or monthly. If requested by Longmont and approved by the Water Commissioner, the monthly obligations may be accumulated and provided upon the direction of the Water Commissioner.

(viii) Calculation of Ditch Loss Component of the Replacement Obligation. The historical ditch loss component of the Replacement Obligation at Union Reservoir was the sum of 22% of the Union Ditch Replacement Obligation (UDRO), plus 22% of the Lower Latham Ditch Replacement Obligation (LLDRO), plus 57% of the Bijou Canal Replacement Obligation (BCRO).

The amount of replacement water for the ditch loss component of the Replacement Obligation, if made available at St. Vrain Creek below Union Reservoir, shall be the historical ditch loss component of the Replacement Obligation adjusted by changes to current river transit losses being charged by the State water administration officials, in the manner set forth in Exhibit B.

(ix) Timing of Ditch Loss Flow Component of Replacement Obligation.

The ditch loss component of the Replacement Obligation shall be delivered and administered to the ditch headgates during the months of July and August following the Diversion Period in which Longmont diverted the Subject Rights for municipal purposes. Of the total obligation for each ditch, 30% shall be released during July and 70% shall be released during August. It shall be

delivered in the amount and at times reasonably requested in advance by the ditch companies, subject to available Union Reservoir outlet capacity. The water shall only be used by the ditch companies for ditch carriage when other water is being carried in the ditches and shall not be otherwise beneficially used. If the ditch loss replacement water is not requested by the ditch companies by the end of each month, and if there is then a call on the river senior to October 30, 1987 [or filling of senior storage rights as set forth in Paragraph F(i)], Longmont shall forthwith release said amount of water, which shall be delivered and administered to the South Platte River at its confluence with the St. Vrain Creek during the following month at a constant rate throughout the month.

(x) Requirement of a Minimum Replacement Obligation. In the event Longmont diverts less than 4.5 acre-feet per Subject Share in any given Diversion Period, Longmont shall nonetheless incur a Minimum Replacement Obligation (MRO) for that Diversion Period of 2.25 acre-feet per Subject Share. If 4.5 acre-feet per Subject Share could not have been diverted in priority, the Minimum Replacement Obligation for that Diversion Period will be reduced proportionately, after prior notice to the Division Engineer and parties hereto. Longmont will bear the burden of proving the physical and legal unavailability of water for these purposes to the satisfaction of the Division Engineer and parties hereto. Longmont's share ownership each year for computing the Minimum Replacement Obligation will be the number of shares it owns or leases as of July 1 of that Diversion Period. Exhibit C sets forth the manner of the calculation of the Minimum Replacement Obligation.

(xi) Calculation of Minimum Replacement Obligation. Based on Longmont's then current ownership or lease of Subject Shares from each ditch system, and based upon the representative distribution factors set forth in paragraph 8.H(ii) above, the amount of the Minimum Replacement Obligation in acre-feet shall be calculated for each ditch system as follows (assuming the MRO is to be released from Union Reservoir to St. Vrain Creek and river transit losses are the same as those charged historically):

$$\begin{aligned} \text{MUDRO} &= [(\text{SSUD} \times 0.003990) + \text{MSSDF}] \times \text{MRO} \\ \text{MLLDRO} &= [(\text{SSLLD} \times 0.001224) + \text{MSSDF}] \times \text{MRO} \\ \text{MBCRO} &= [(\text{SSBC} \times 0.004599) + \text{MSSDF}] \times \text{MRO} \end{aligned}$$

where,

MUDRO = Minimum Union Ditch Replacement Obligation, in acre-feet,
MLLDRO = Minimum Lower Latham Ditch Replacement Obligation, in acre-feet,
MBCRO = Minimum Bijou Canal Replacement Obligation, in acre-feet, and
MRO = Minimum Total Replacement Obligation, in acre-feet,

and,

SSUD = number of Subject Shares from the Union Ditch system,
SSLLD = number of Subject Shares from the Lower Latham Ditch system, and
SSBC = number of Subject Shares from the Bijou Canal system,

and,

MSSDF = Minimum Subject Share Distribution Factor (see paragraph 8.H.i).

(xii) Adjustment for Future Changes in River Transit Losses. The Minimum Replacement Obligation shall be allocated between return flows and ditch losses, and adjusted for future changes in river transit losses, if any, to determine the actual amount of replacement water Longmont must provide below Union Reservoir. Return flow components of the Minimum Replacement Obligation shall be delivered and administered to the St. Vrain Creek/South Platte River confluence. Ditch loss components of the Minimum Replacement Obligation shall be delivered and administered to the headgates of the Union Ditch, Lower Latham Ditch and Bijou Canal. River transit losses which are then currently being charged by the State (as may be revised from time to time) will be used to determine the amount of water required to deliver the necessary replacement water. See Exhibit C as to such calculations.

(xiii) Allocation of the Minimum Replacement Obligation between Return Flows and Ditch Losses. The Minimum Replacement Obligation attributable to each ditch shall be allocated between return flows and ditch losses according to the following:

<u>Ditch</u>	<u>Return Flow</u>	<u>Ditch Loss</u>
Union Ditch	83%	17%
Lower Latham Ditch	100%	0%
Bijou Canal	55%	45%

The ditch loss component shall be delivered and administered to the headgate of each ditch and each ditch company shall be entitled to divert its respective ditch loss component at its headgate.

(xiv) Calculation and Timing of Return Flow Component of the Minimum Replacement Obligation. The historical return flow component of the Minimum Replacement Obligation at Union Reservoir was the sum of 83% of the Minimum Union Ditch Replacement Obligation (MUDRO), plus 100% of the Minimum Lower Latham Ditch Replacement Obligation (MLLDRO), plus 55% of the Minimum Bijou Canal Replacement Obligation (MBCRO).

The amount of replacement water for the return flow component of the Minimum Replacement Obligation to be made available at St. Vrain Creek below Union Reservoir shall be the historical return flow component of the Replacement Obligation adjusted for current river transit losses being charged by the State water administration officials in the manner set forth in Exhibit B. Minimum return flow replacements shall be distributed monthly according to the factors in paragraph 8.H(vii).

(xv) Calculation and Timing of Ditch Loss Component of the Minimum Replacement Obligation. The historical ditch loss component of the Minimum Replacement Obligation at Union Reservoir was the sum of 17% of the Minimum Union Ditch Replacement Obligation (MUDRO), plus 0% of the Minimum Lower Latham Ditch Replacement Obligation (MLLDRO), plus 45% of the Minimum Bijou Canal Replacement Obligation (MBCRO).

The amount of replacement water for the ditch loss component of the Minimum Replacement Obligation, if made available at St. Vrain Creek below Union Reservoir, shall be the historical ditch loss component of the Minimum Replacement Obligation adjusted by changes to current river transit losses being charged by the State water administration officials. Minimum ditch loss replacements shall be distributed monthly according to the factors in paragraph 8.H(ix).

(xvi) Suspension of Minimum Replacement Obligation. Longmont's Minimum Replacement Obligation may be suspended when and to the extent that legal or physical constraints [other than the lack of water availability, which is covered under Paragraph 8.H(x) above] make it impossible for Longmont to divert, store, or release water from Union Reservoir, which conditions are beyond Longmont's reasonable control, provided Longmont first files a Petition with the Court in the manner set forth in Paragraph 10 herein, and such Petition is approved by the Court. There is no limit on the Court's period of retained jurisdiction when applied to this situation. This provision shall not relieve Longmont of its obligation to deliver Replacement Obligations for diversions made during any prior Diversion Period.

I. Municipal Return Flow Credits. As long as Longmont delivers the Historic Replacement Obligation, it is entitled to use, reuse, and successively use water derived from the Subject Rights to extinction, and any unconsumed water can be used by Longmont for replacement, augmentation, or exchange purposes. In order to determine the amount of the Subject Storage Rights which will be available to Longmont for reuse and augmentation, replacement, exchange or maintenance of historic return flows after Longmont's initial use, it is necessary to determine the return flows resulting in any month from Longmont's initial use. Due to the variable timing of use of the Subject Storage Rights, Longmont has agreed not to seek at this time credit for lawn irrigation return flows which may result from its use of the Subject Storage Rights, but reserves the right to claim lawn irrigation return flows from use of the Subject Storage Rights at a later date under the retained jurisdiction provisions of this decree. Until such lawn irrigation return flows, if any, are so decreed, the daily municipal return flow for which

Longmont can claim credit following its initial municipal use of the Subject Water Rights shall be equal to the amount of the Subject Water Rights delivered each day to Longmont's water treatment plant (by direct flow or from storage) times the following factor (which defines the amount of allowed return flow as a percentage of the amount of treated water delivered to Longmont and excludes any return flows from use of the water for lawn irrigation). One factor shall apply for an entire month, as follows:

<u>Month</u>	<u>Factor</u>
January	.940
February	.918
March	.947
April	.604
May	.579
June	.282
July	.232
August	.310
September	.333
October	.501
November	.931
December	.955

Such return flow credits decreed herein can be used, reused and successively used by Longmont to extinction and any unconsumed credits can be used by Longmont for augmentation, replacement, exchange, or maintenance of historic return flows as required in paragraph 8.F above. The above factors are based on usage of the Subject Storage Rights in Longmont's municipal treated water system. If the Subject Water Rights are ever used for a particular purpose other than in Longmont's treated water system, and if Longmont desires to claim return flow credit from such use, then Longmont shall first invoke the retained jurisdiction of this credit upon motion and notice to the parties hereto for a determination of such return flow credits.

J. Accounting. Longmont shall make such measurements and maintain adequate accounting records to account for its diversion and use of the Subject Rights changed herein, including the timing, amount, and source of water released to maintain its Replacement Obligation. Such accounting must be in a form reasonably acceptable to the Division Engineer. The rate of filling of Union Reservoir, the rate(s) of filling at any alternate places of storage, the rate(s) of diversion at any alternate points of diversion, the volumes of water diverted or held in each of the storage reservoirs, and the Allowable Fill for that Water Year shall be included in the accounting forms.

K. Ditch Assessments. Longmont shall continue to pay ditch assessments on all of its shares of the Company.

L. Use of Facilities. Longmont may not divert or store any of the Subject Rights at any facilities not owned by Longmont without prior written consent of the owners of the facilities or without otherwise acquiring the lawful right to use such facilities. Also, the owners of the Subject Shares other than Longmont may not divert or store any of the Subject Rights at any of Longmont's facilities without Longmont's prior written consent.

9. First Use Plan. Longmont also seeks adjudication of a First Use Plan. The First Use Plan has been approved by the Company in an Agreement with Longmont dated July 26, 1994 (the "Agreement"). Under the First Use Plan, when water would otherwise be diverted at the Oligarchy Ditch pursuant to the Senior Union Decree, Longmont will divert the water instead at the alternative points of diversion and places of storage described in paragraph 7.B above for a first use of the water for municipal purposes. At least 100% of the water so diverted by Longmont would then be replaced to Union Reservoir by Longmont, or in such greater amount as may be required by the Agreement (the "Replacement Water"). The water so replaced to Union Reservoir will be used for its decreed use(s) by the other shareholders just as if it had been diverted without the first use by Longmont.

When Longmont diverts water under this Plan into its direct flow points of diversion, the return flow credit to the St. Vrain River from the discharge of municipal effluent shall be calculated using the municipal return flow factors set forth in paragraph 8.I above. Longmont will then pump an equivalent amount of water from the River into Union Reservoir from the proposed St. Vrain Creek Pump Station Nos. 1 and/or 2. Additionally, Longmont will replace to Union Reservoir the amount of water consumed by the municipal use with water from other sources that is fully consumable or otherwise decreed for such use.

If, instead, Longmont does not utilize the Pump Station Nos. 1 and/or 2 to divert the water to Union Reservoir, it may elect to take consumptive use credit for its municipal returns in the River below its discharge. In this event, Longmont will replace water to Union Reservoir from other sources, that is fully consumable or otherwise decreed for such use, in an amount at least equal to the full amount diverted by Longmont under the First Use Plan.

When Longmont diverts water under this Plan into storage, Longmont will then replace to Union Reservoir at least an equal amount of water. Except when Colorado-Big Thompson Project water is used for replacement, Longmont can fully consume such water in municipal storage; and it may also use such water in its municipal system and then reuse or successively use such water to extinction, using the municipal return flow factors set forth in paragraph 8.I above to determine municipal return flow credit. When Colorado-Big Thompson Project water is used for replacement, Longmont may only make one use of the water it stored in its reservoirs and may not reuse or successively use it, under current rules and policies of the Northern Colorado Water Conservancy District.

The First Use Plan is subject to the additional terms and conditions as follows:

A. The First Use Plan shall only be operated in accordance with the Agreement, including any amendments thereto which may be made in the future.

B. Diversions under the First Use Plan can be made only when, and to the extent, water would otherwise be diverted at the Oligarchy Ditch headgate by the Company for storage in Union Reservoir. The diversion rate limits of paragraph 8.E shall also apply. This decree shall not preclude other shareholders from transferring their pro rata interest in the Senior Union Decree to other places of storage or to other points of diversion or to other uses.

C. Because Union water after full replacement by Longmont will be used for its decreed use(s) notwithstanding Longmont's first use, no return flow obligations need to be imposed as with the changes described in paragraph 7 above, and consequently the terms and conditions of paragraphs 8.F and G above will not apply to the First Use Plan.

D. Longmont shall notify the Division Engineer prior to its intended exercise of the First Use Plan and obtain the Division Engineer's approval and concurrence that adequate replacement water is available and that the First Use Plan can be operated without injury to senior water users. Water pledged by Longmont for replacement shall not be used for any other purpose (other than in-storage recreational, piscatorial or other non-consumptive uses) until Longmont's replacement obligations for that year have been fully satisfied.

E. The full amount of Replacement Water shall be placed in Union Reservoir prior to the time such water is called for by the Company or its shareholders for their use, but in no event later than July 15 of any year. Rather than storing such Replacement Water in Union Reservoir, such Replacement Water may be delivered to or left in St. Vrain Creek for downstream delivery to shareholders, if so directed by the Company. Any Replacement Water delivered to or left in St. Vrain Creek shall be accounted for as stored in and released from Union Reservoir, and Longmont shall bear such river transit losses as may reasonably be assessed by the Division Engineer to the St. Vrain Creek where Union Reservoir would have been released for delivery to other shareholders.

10. General Retained Jurisdiction. In order to ensure that the vested water rights of others are not injured by the changes decreed herein, the Court retains jurisdiction in this matter for the limited purpose of reconsideration of whether such changes will result in injury to the vested water rights of others. In the event any person petitions the Court for reconsideration on this issue, the Court shall order appropriate notice to be given to all the parties hereto. Such petition shall be verified, made in good faith, and shall set forth with particularity the factual basis upon which the requested reconsideration is premised. The party lodging the petition shall have the burden of going forward to establish the prima facie facts alleged in the petition. If a prima facie case of injury to vested water rights is established, Longmont shall thereupon bear the burden

of proof to show (a) that any modification sought by any other party is not required to avoid injury to other appropriators, or (b) that any term or condition proposed by Longmont in response to the petition does avoid injury to other appropriators. The Court retains jurisdiction in this matter for the purposes set forth in the preceding paragraph, until ten years from the date of entry of this decree. If no petition for reconsideration is filed within such time, the retention of jurisdiction shall automatically expire.

11. Municipal Return Flow Retained Jurisdiction. Paragraph 8.I of this decree, relating to the municipal use and return flow pattern of Longmont, shall be subject to reconsideration at any time in the future. A motion for reconsideration may be filed by Longmont, the St. Vrain and Left Hand Water Conservancy District, the objectors herein, or the Division Engineer. If it is the moving party, Longmont shall bear the burden of establishing any asserted change in the pattern of municipal use or return flow which would affect the terms and conditions of this decree. Any other party lodging a petition shall have the burden of going forward to establish the prima facie facts alleged in the petition as to an asserted change in the pattern of municipal use or return flow which would affect the terms and conditions of this decree; if a prima facie case is so established, Longmont shall bear the burden of proof that no such change has occurred.

12. Minimum Replacement Obligation/Retained Jurisdiction. Paragraphs 8.H(x) through (xvi), relating to the Minimum Replacement Obligation, shall be subject to reconsideration as to the amount and method for ensuring the Minimum Replacement Obligation, under the Court's retained jurisdiction for a period of 25 years from the date of entry of this decree. A petition for reconsideration may be filed by Longmont, Central, or Bijou. This petition shall conform to the same requirements and process for a petition set forth in paragraph 10 above under the General Retained Jurisdiction. On the tenth and twentieth anniversaries of the entry of the decree, Longmont shall provide to Central, Bijou and the Division Engineer a tabulation of monthly and annual diversions of the Subject Rights, releases made for Replacement Obligation and Minimum Replacement Obligation, and the annual averages thereof since the entry of the decree.

CONCLUSIONS OF LAW

13. This Court has jurisdiction over the subject matter of these proceedings and over all who may be affected thereby, whether they have chosen to appear or not. See §§ 37-92-203 and 37-92-302, C.R.S. 1973.

14. Timely and adequate notice of the pendency of this action was given in the manner provided by law. See § 37-92-302(2), C.R.S. 1973.

15. The change of water rights described herein are, as a matter of law, permissible and come within the definition authorized by statute. See §§ 37-80-120, 37-83-104, 37-92-302(1)(a) and 37-92-305, C.R.S. 1873.

16. The terms and conditions as set forth in this decree are adequate to prevent injury to the vested rights of others, including the owners of, or persons entitled to use, water under a vested water right or a decreed conditional water right. See § 37-92-305(3) and (4), C.R.S. 1973.

17. This decree is administrable by the water officials of the State of Colorado provided that Longmont furnishes to the Division Engineer or his representative the accounting records described herein.

RULING

The Water Referee therefore rules that:

A. The foregoing Findings of Fact and Conclusions of Law are fully incorporated herein.

B. The changes of water rights described in Paragraph 7 above are hereby approved and decreed, subject to the terms and conditions set forth in Section 8 above.

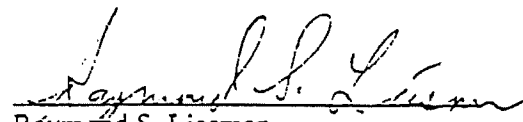
C. The First Use Plan described in Paragraph 9 above is approved and decreed, subject to the terms and conditions set forth in Paragraph 9.

D. The Court retains jurisdiction of this matter as set forth in Paragraphs 10, 11, and 12 above.

It is accordingly ORDERED that this Ruling shall be filed with the Water Clerk and shall become effective upon such filing.

It is further ORDERED that a copy of this Ruling shall be filed with the State Engineer and the Division Engineer for Water Division No. 1.

Done at the City of Greeley, Colorado, this 6 day of December, 2000.

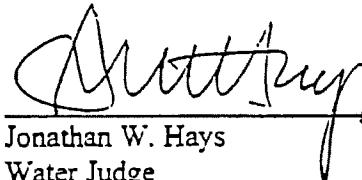

Raymond S. Liesman
Water Referee
Water Division No. 1
State of Colorado

DECREE

No protest having been filed to the foregoing Ruling of the Referee and the time for filing of such protest having now expired, the foregoing Ruling of the Referee is confirmed and approved and is hereby made the judgment and decree of this Court.

Dated this _____ day of DEC 25, 2000.

BY THE COURT:



Jonathan W. Hays
Water Judge
Water Division No. 1

12-28-2000

EXHIBIT A

UNION RESERVOIR CHANGE CASE 87CW222

Total Shares in Company
250

SHAREHOLDERS EXPLICITLY CONSENTING TO INCLUSION OF THEIR SHARES IN 87CW222

Exhibit Number	Owner	Address	Stock Certificate Number	Number of Shares	Date of Consent Form
	City of Longmont			203.00	
C-1	Blackfox Real Estate Group, LLC Attn: Dave Good, Mgr.	P.O. Box 209 Hvlgene, CO 80533	1088	0.50	August 23, 2000
C-2	CCWCO & Groundwater Management Subdistrict (1)	3309 West 29th Street Greeley, CO 80631	917, 923, 924, 925 926, 930, 931	20.50	October 16, 2000
C-3	Herman L. & Judith E. Harboun	1718 Emery St. Longmont, CO 80501	1023 & 1045	1.00	August 21, 2000
C-4	Jane M. Houston	2566 South Layden Denver, CO 80222	881	1.00	August 29, 2000
C-5	James Company	2919 Valmont Road #204 Boulder, CO 80301	1087	0.75	August 16, 2000
C-6	Linca S. Jourgansen (2)	750 Flagstaff Road Boulder, CO 80312	882	0.50	August 24, 2000
C-7	Stephen E. & Benna M. McKay	25970 WCR #43 Greeley, CO 80631	932	1.00	July 22, 1997
C-8	Northern Colorado Property Michael J. Donaldson	P.O. Box 1312 Fort Collins, CO 80522	1082	2.00	September 12, 2000
C-9	Raymond A. & Vera M. Sauer	1042 22nd Avenue Greeley, CO 80631	981	2.00	August 23, 2000
C-10	James K. Stewart Katherine C. Stewart	112 N. Walnut 13537 WCR #6 LaSalle, CO 80545	999	3.00	March 29, 1999
C-11	Union Ditch Company c/o Gary Alles, Pres.	25285 WCR 47 Greeley, CO 80631	768, 770, 771 773, 778	9.00	August 31, 2000
C-12	Xilinx, Inc.	2300 55th Street Boulder, CO 80301	1049	0.25	September 11, 2000
TOTAL SHARES EXPLICITLY INCLUDED IN CASE NO. 87CW222				244.50	97.80%

SHAREHOLDERS IMPLICITLY CONSENTING TO INCLUSION OF THEIR SHARES IN CASE NO. 87CW222

Owner	Address	Stock Certificate Number	Number of Shares	Percent Included In Case 87CW222
Verma Gecaruer	833 West 9th Akron, CO 80720	1072	1.00	
John D. Maynoffer, et. Al.	P.O. Box 267 Lafayette, CO 80026	1092	4.00	
Trump Investments LLC c/o Con Macy	650 Cherry St., Suite 1400 Denver, CO 80222	1021	0.50	
TOTAL SHARES IMPLICITLY INCLUDED IN CASE NO. 87CW222			5.50	2.20%
TOTAL SHARES INCLUDED IN CASE NO. 87CW222			250.00	100.00%

(1) Per Court Stipulation dated 10-16-2000

(2) 1.5 shares transferred to Longmont ownership since consent form signed

Revised 11/27/00

EXHIBIT B - Case No. 87CW222 - EXAMPLE OF NORMAL REPLACEMENT OBLIGATIONS

BASIC DIVERSION, USE AND REPLACEMENT OBLIGATION INFORMATION

1a	Diversion Period Diversions:	2000 ac-ft	stored in Union Reservoir via Oligarchy Ditch	
1b		+ 1000 ac-ft	stored in Button Rock Res.	
1c		- 2500 ac-ft	diverted at direct flow alternate points of diversion	
1d		<u>5000 ac-ft</u>		
2a	Uses:	2000 ac-ft	augmentation from Union Reservoir	
2b		+ 1000 ac-ft	stored in Button Rock for later use	
2c		+ 2500 ac-ft	direct flow municipal use	
2d		- 500 ac-ft	direct flow municipal use, Replaced in Union under First Use Plan	
2e		<u>5000 ac-ft</u>	total Municipal Use	
3a	Nominal Replacement Obligation:	5000 ac-ft	total use	
3b		x 50%	Replacement Obligation factor	
3c		<u>2500 ac-ft</u>	Replacement Obligation (RO)	
4a	Longmont Subject Shares Distribution:	88.55 shares	Union Ditch	(SSUD)
4b		+ 17.40 shares	Lower Latham Ditch	(SSLLO)
4c		- 84.75 shares	Bijou Canal	(SSBC)
4d		<u>190.70 shares</u>	total Longmont shares	
5a	Representative Distribution of Return	0.003620 per share attributable to Union Ditch	(0.3711 + 0.1031) / 131	
5b	Flows and Ditch Losses	0.001325 per share attributable to Lower Latham Ditch	(0.0215 + 0.0060) / 20.75	
5c	for All 250 Shares at Union Res.:	0.005072 per share attributable to Bijou Canal	(0.2124 + 0.2959) / 98.25	
6	Subject Share Distribution Factor:	0.773458	(88.55 * 0.003620) + (17.40 * 0.001325) + (84.75 * 0.005072)	
7a	Distribution of Historic Return Flows	41.444%	Union Ditch portion	(88.55 * 0.003620) / 0.773458
7b	Plus Ditch Losses (at Union Reservoir):	2.981%	Lower Latham Ditch portion	(17.40 * 0.001325) / 0.773458
7c		+ 55.575%	Bijou Canal portion	(84.75 * 0.005072) / 0.773458
7d		<u>100.000%</u>		
8a	Historic Return Flows and Ditch	1036.10 ac-ft	Union Ditch	(UDRO) RO * distribution percentages
8b	Losses (at Union Reservoir):	74.52 ac-ft	Lower Latham Ditch	(LLDRO) RO * distribution percentages
8c		+ 1389.38 ac-ft	Bijou Canal	(BCRO) RO * distribution percentages
8d		<u>2500.00 ac-ft</u>		

Key to Formulae

Row	Description	Row	Description
1a	Input (varies)	5a	=(0.3711 + 0.1031) / 131
1b	Input (varies)	5b	=(0.0215 + 0.0060) / 20.75
1c	Input (varies)	5c	=(0.2124 + 0.2959) / 98.25
1d	=Sum(Row 1a..Row 1c)	6	=(Row 4a * Row 5a) + (Row 4b * Row 5b) + (Row 4c * Row 5c)
2a	Input (varies)	7a	=(Row 4a * Row 5a) / (Row 6)
2b	Input (varies)	7b	=(Row 4b * Row 5b) / (Row 6)
2c	Input (varies)	7c	=(Row 4c * Row 5c) / (Row 6)
2d	Input (varies)	7d	=Sum(Row 7a..Row 7c)
2e	=Sum(Row 2a..Row 2c) - Row 2d		
3a	= (Row 2e)	8a	=(Row 7a * Row 3c)
3b	50% (fixed)	8b	=(Row 7b * Row 3c)
3c	=(Row 3a * Row 3b)	8c	=(Row 7c * Row 3c)
		8d	=Sum(Row 8a..Row 8c)
4a	Input (varies)		
4b	Input (varies)		
4c	Input (varies)		
4d	=Sum(Row 4a..Row 4c)		

EXHIBIT B - Case No. 87CW222 - EXAMPLE OF NORMAL REPLACEMENT OBLIGATIONS

RIVER TRANSIT LOSS INFORMATION

9	Historic South Platte River Transit Losses - from the St. Vrain Creek Confluence (values are fixed)			
9a	St. Vrain Creek to Union Ditch	2.250%	Union Ditch	(4.5 miles * 0.5% per mile)
9b	St. Vrain Creek to Lower Latham	6.450%	Lower Latham Ditch	(12.9 miles * 0.5% per mile)
9c	St. Vrain Creek to Bijou Canal	18.100%	Bijou Canal	(36.2 miles * 0.5% per mile)
10	Historic St. Vrain Creek Transit Losses - from Union Reservoir Outlet to the South Platte River Confluence (value is fixed)			
10a	Union Reservoir to South Platte River	0.000%	South Platte River	(14.5 miles * 0.0% per mile)
11	Current South Platte River Transit Losses - from the St. Vrain Creek Confluence (values may vary in future)			
11a	St. Vrain Creek to Union Ditch	2.250%	Union Ditch	(4.5 miles * 0.5% per mile)
11b	St. Vrain Creek to Lower Latham	6.450%	Lower Latham Ditch	(12.9 miles * 0.5% per mile)
11c	St. Vrain Creek to Bijou Canal	18.100%	Bijou Canal	(36.2 miles * 0.5% per mile)
12	Current St. Vrain Creek Transit Losses - from Union Reservoir Outlet to the South Platte River Confluence (value may vary)			
12a	Current St. Vrain Creek Transit Loss:	3.525%	South Platte River	(14.5 miles * 0.25% per mile)

Note: Current (1999) South Platte and St. Vrain Creek River Transit Losses are equal to the historic values. Values used are for illustration only. Actual values may vary.

Key to Formulae

Row	Description	
9a	2.25% (constant)	= (4.5 miles * 0.5 percent per mile)
9b	6.45% (constant)	= (12.9 miles * 0.5 percent per mile)
9c	18.10% (constant)	= (36.2 miles * 0.5 percent per mile)
10	0.00% (constant)	(historically no transit loss was charged on lower St. Vrain Creek)
11a	2.25% (varies)	(assumed for illustration purposes only, may vary in future)
11b	6.45% (varies)	(assumed for illustration purposes only, may vary in future)
11c	18.10% (varies)	(assumed for illustration purposes only, may vary in future)
12	3.525% (varies)	= (14.5 miles * 0.25 percent per mile) (assumed for illustration purposes only)

EXHIBIT B - Case No. 87CW222 - EXAMPLE OF NORMAL REPLACEMENT OBLIGATIONS

RETURN FLOW REPLACEMENT OBLIGATIONS

13a	Return Flows as Portion of Total	73%	Union Ditch	
13b	Return Flows and Ditch Losses:	73%	Lower Latham Ditch	
13c		43%	Bijou Canal	
14a	Historic Amounts at Union Reservoir:	808.16 ac-ft	Union Ditch	(UDRO * 0.73)
14b	+	58.13 ac-ft	Lower Latham Ditch	(LLCRO * 0.73)
14c	+	597.44 ac-ft	Bijou Canal	(BCRO * 0.43)
14d		1463.72 ac-ft	Total	
15a	Historic Amounts at Ditch Headgates:	789.97 ac-ft	Union Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0225))
15b	+	54.38 ac-ft	Lower Latham Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0645))
15c	+	489.30 ac-ft	Bijou Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.1810))
15d		1333.65 ac-ft	Total	
16a	Current Amounts at St. Vrain Creek/	808.15 ac-ft	Union Ditch	(Amount at Union Ditch / (1 - 0.0225))
16b	South Platte River	+	Lower Latham Ditch	(Amount at Lower Latham Ditch / (1 - 0.0645))
16c	Confluence	+	Bijou Ditch	(Amount at Bijou Ditch / (1 - 0.1810))
16d		1463.72 ac-ft	Total	
17a	Current Amounts at Union Reservoir	838.55 ac-ft	Union Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
17b	+	60.32 ac-ft	Lower Latham Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
17c	+	619.91 ac-ft	Bijou Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
17d	Total Return Flow at Union Reservoir	1518.78 ac-ft	Total	
18a	Monthly Return Flow Replacement	July	7%	
18b	Distribution:	August	7%	
18c		September	8%	
18d		October	9%	
18e		November	10%	
18f		December	10%	
18g		January	10%	
18h		February	9%	
18i		March	8%	
18j		April	8%	
18k		May	7%	
18l		June	7%	
19a	Monthly Return Flow Replacement	July	106.31	(Total Return Flow at Union Reservoir * 0.07)
19b	Obligations at Union Reservoir:	August	105.31	(Total Return Flow at Union Reservoir * 0.07)
19c		September	121.50	(Total Return Flow at Union Reservoir * 0.08)
19d		October	136.59	(Total Return Flow at Union Reservoir * 0.09)
19e		November	151.88	(Total Return Flow at Union Reservoir * 0.10)
19f		December	151.88	(Total Return Flow at Union Reservoir * 0.10)
19g		January	151.88	(Total Return Flow at Union Reservoir * 0.10)
19h		February	136.59	(Total Return Flow at Union Reservoir * 0.09)
19i		March	121.50	(Total Return Flow at Union Reservoir * 0.08)
19j		April	121.50	(Total Return Flow at Union Reservoir * 0.08)
19k		May	106.31	(Total Return Flow at Union Reservoir * 0.07)
19l		June	106.31	(Total Return Flow at Union Reservoir * 0.07)
20	Total Return Flow Replacements at Union Reservoir	1518.8 ac-ft		

Key to Formulae

Row	Description	Row	Description
13a	73% (fixed) (historic portion of unconsumed water)	16a	=(Row 15a / (1 - Row 11a))
13b	73% (fixed) used by ditches which was irrigation	16b	=(Row 15b / (1 - Row 11b))
13c	43% (fixed) return flow	16c	=(Row 15c / (1 - Row 11c))
		16d	=Sum(Row 16a..Row 16c)
14a	=(Row 8a * Row 13a)	17a	=(Row 16a / (1 - Row 12))
14b	=(Row 8b * Row 13b)	17b	=(Row 16b / (1 - Row 12))
14c	=(Row 8c * Row 13c)	17c	=(Row 16c / (1 - Row 12))
14d	=Sum(Row 14a..Row 14c)	17d	=Sum(Row 16a..Row 16c)
15a	=(Row 14a * (1 - Row 10) * (1 - Row 9a))	18a..l	values as shown
15b	=(Row 14b * (1 - Row 10) * (1 - Row 9b))		
15c	=(Row 14c * (1 - Row 10) * (1 - Row 9c))	19a..l	=(Row 17d * Row 18a..l)
15d	=Sum(Row 15a..Row 15c)		
		20	=Sum(Row 19a..Row 19l)

EXHIBIT B - Case No. 87CW222 - EXAMPLE OF NORMAL REPLACEMENT OBLIGATIONS

DITCH LOSS REPLACEMENT OBLIGATIONS

21a	Ditch Losses as Portion of Total	22%	Union Ditch		
21b	Return Flows and Ditch Losses:	22%	Lower Latham Ditch		
21c		57%	Bijou Canal		
22a	Historic Amounts at Union Reservoir:	227.94 ac-ft	Union Ditch	(UDRO * 0.22)	
22b	+	16.39 ac-ft	Lower Latham Ditch	(LLDRO * 0.22)	
22c	+	791.95 ac-ft	Bijou Canal	(BCRO * 0.57)	
22d		1036.28 ac-ft	Total		
23a	Historic Amounts at Ditch Headgates:	222.31 ac-ft	Union Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0225))	
23b	+	15.34 ac-ft	Lower Latham Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0645))	
23c	+	648.61 ac-ft	Bijou Canal	(Amount at Union Res * (1 - 0.00) * (1 - 0.1810))	
23d		886.76 ac-ft	Total		
24a	Current Amounts at St. Vrain Creek/	227.94 ac-ft	Union Ditch	(Amount at Union Ditch / (1 - 0.0225))	
24b	South Platte River	+	16.40 ac-ft	Lower Latham Ditch	(Amount at Lower Latham Ditch / (1 - 0.0645))
24c	Confluence	+	791.95 ac-ft	Bijou Canal	(Amount at Bijou Ditch / (1 - 0.1810))
24d		1036.29 ac-ft	Total		
25a	Current Amounts at Union Reservoir	236.51 ac-ft	Union Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))	
25b	+	17.01 ac-ft	Lower Latham Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))	
25c	+	821.74 ac-ft	Bijou Canal	(Amount at St. Vrain Confluence / (1 - 0.03625))	
25d	Total Ditch Loss at Union Reservoir	1075.26 ac-ft	Total		
26a	Monthly Ditch Loss Replacement	July	30%		
26b	Distribution:	August	70%		
27a	July Amounts at Union:	70.95 ac-ft	Union Ditch		
27b		5.10 ac-ft	Lower Latham Ditch		
27c	+	246.52 ac-ft	Bijou Canal		
27d		322.58 ac-ft	Total July Ditch Loss Replacement Obligation		
28a	August Amounts at Union:	165.56 ac-ft	Union Ditch		
28b		11.91 ac-ft	Lower Latham Ditch		
28c	+	575.22 ac-ft	Bijou Canal		
28d		752.68 ac-ft	Total August Ditch Loss Replacement Obligation		
29	Total Ditch Loss Replacements at Unio	1075.26 ac-ft			
30	Total Releases from Union for All Replacement Obligations:	2594.04 ac-ft			

Key to Formulae

Row	Description	Row	Description
21a	22% (fixed) (historic portion of unconsumed water	25a	30% (fixed) (part of ditch loss obligation to be delivered in July)
21b	22% (fixed) used by ditches which was ditch loss)	25b	70% (fixed) (part of ditch loss obligation to be delivered in August)
21c	57% (fixed)		
22a	=(Row 9a * Row 21a)	27a	=(Row 25a * Row 25a)
22b	=(Row 8b * Row 21b)	27b	=(Row 25b * Row 25a)
22c	=(Row 8c * Row 21c)	27c	=(Row 25c * Row 25a)
22d	=Sum(Row 22a..Row 22c)	27d	=Sum(Row 27a..Row 27c)
23a	=(Row 22a * (1 - Row 10) * (1 - Row 9a))	28a	=(Row 25a * Row 25b)
23b	=(Row 22b * (1 - Row 10) * (1 - Row 9b))	28b	=(Row 25b * Row 25b)
23c	=(Row 22c * (1 - Row 10) * (1 - Row 9c))	28c	=(Row 25c * Row 25b)
23d	=Sum(Row 23a..Row 23c)	28d	=Sum(Row 28a..Row 28c)
24a	=(Row 23a / (1 - Row 11a))	29	=(Row 27d + Row 28d)
24b	=(Row 23b / (1 - Row 11b))	30	=Sum(Row 29 + Row 29)
24c	=(Row 23c / (1 - Row 11c))		
24d	=Sum(Row 24a..Row 24c)		
25a	(Row 24a / (1 - Row 12))		
25b	(Row 24b / (1 - Row 12))		
25c	(Row 24c / (1 - Row 12))		
25d	=Sum(Row 24a..Row 24c)		

EXHIBIT C - Case No. 87CW222 - EXAMPLE OF MINIMUM REPLACEMENT OBLIGATIONS

BASIC DIVERSION, USE AND MINIMUM REPLACEMENT OBLIGATION INFORMATION

1a	Diversion Period Diversions:	0 ac-ft	stored in Union Reservoir via Oligarchy Ditch
1b		+ 0 ac-ft	stored in Button Rock Res.
1c		+ 0 ac-ft	diverted at direct flow alternate points of diversion
1d		0 ac-ft	
2a	Uses:	0 ac-ft	augmentation from Union Reservoir
2b		+ 0 ac-ft	stored in Button Rock for later use
2c		+ 0 ac-ft	direct flow municipal use
2d		- 0 ac-ft	direct flow municipal use, Replaced in Union under First Use Plan
2e		0 ac-ft	total Municipal Use
3a	Nominal Minimum Replacement	2.25 ac-ft/sh	minimum replacement obligation per share
3b	Obligation:	x 190.70 shares	total Longmont shares
3c		429.08 ac-ft	Minimum Replacement Obligation (RO)
4a	Longmont Subject Shares Distribution:	88.55 shares	Union Ditch (SSUD)
4b		+ 17.40 shares	Lower Latham Ditch (SSLD)
4c		+ 84.75 shares	Bijou Canal (SSBC)
4d		190.70 shares	total Longmont shares
5a	Representative Distribution of Minimum	0.003990 per share attributable to Union Ditch	(0.4333 + 0.0894) / 131
5b	Return Flows and Ditch Losses	0.001224 per share attributable to Lower Latham Ditch	(0.0254 + 0.0000) / 20.75
5c	for All 250 Shares at Union Res.:	0.004599 per share attributable to Bijou Canal	(0.2482 + 0.2037) / 98.25
6	Min. Subject Share Distribution Factor:	0.764377	(84.80 * 0.003990) + (16.75 * 0.001224) + (84.75 * 0.004599)
7a	Distribution of Historic Minimum Return	46.223%	Union Ditch portion (84.80 * 0.003620) / 0.764377
7b	Flows Plus Ditch Losses (at Union Res.)	2.786%	Lower Latham Ditch portion (16.75 * 0.001325) / 0.764377
7c		+ 50.991%	Bijou Canal portion (84.75 * 0.005072) / 0.764377
7d		100.000%	
8a	Historic Minimum Return Flows and	198.33 ac-ft	Union Ditch (MUORO) MRO * distribution percentages
8b	Ditch Losses (at Union Reservoir):	11.96 ac-ft	Lower Latham Ditch (MLLDRO) MRO * distribution percentages
8c		+ 218.79 ac-ft	Bijou Canal (MBCRO) MRO * distribution percentages
8d		429.08 ac-ft	

Key to Formulae

Row	Description	Row	Description
1a	Input (varies)	5a	=(0.4333 + 0.0894) / 131
1b	Input (varies)	5b	=(0.0254 + 0.0000) / 20.75
1c	Input (varies)	5c	=(0.2482 + 0.2037) / 98.25
1d	=Sum(Row 1a..Row 1c)	6	=(Row 4a * Row 5a) + (Row 4b * Row 5b) + (Row 4c * Row 5c)
2a	Input (varies)	7a	=(Row 4a * Row 5a) / (Row 5)
2b	Input (varies)	7b	=(Row 4b * Row 5b) / (Row 5)
2c	Input (varies)	7c	=(Row 4c * Row 5c) / (Row 5)
2d	Input (varies)	7d	=Sum(Row 7a..Row 7c)
2e	=Sum(Row 2a..Row 2c) - Row 2d		
3a	2.25 (fixed)	8a	=(Row 7a * Row 3c)
3b	=(Row 4d)	8b	=(Row 7b * Row 3c)
3c	=(Row 3a * Row 3b)	8c	=(Row 7c * Row 3c)
		8d	=Sum(Row 8a..Row 8c)
4a	Input (varies)		
4b	Input (varies)		
4c	Input (varies)		
4d	=Sum(Row 4a..Row 4c)		

EXHIBIT C - Case No. 87CW222 - EXAMPLE OF MINIMUM REPLACEMENT OBLIGATIONS

RIVER TRANSIT LOSS INFORMATION

9	Historic South Platte River Transit Losses - from the St. Vrain Creek Confluence (values are fixed)			
9a	St. Vrain Creek to Union Ditch	2.250%	Union Ditch	(4.5 miles * 0.5% per mile)
9b	St. Vrain Creek to Lower Latham	6.450%	Lower Latham Ditch	(12.9 miles * 0.5% per mile)
9c	St. Vrain Creek to Bijou Canal	18.100%	Bijou Canal	(36.2 miles * 0.5% per mile)
10	Historic St. Vrain Creek Transit Losses - from Union Reservoir Outlet to the South Platte River Confluence (value is fixed)			
10a	Union Reservoir to South Platte River	0.000%	South Platte River	(14.5 miles * 0.0% per mile)
11	Current South Platte River Transit Losses - from the St. Vrain Creek Confluence (values may vary in future)			
11a	St. Vrain Creek to Union Ditch	2.250%	Union Ditch	(4.5 miles * 0.5% per mile)
11b	St. Vrain Creek to Lower Latham	6.450%	Lower Latham Ditch	(12.9 miles * 0.5% per mile)
11c	St. Vrain Creek to Bijou Canal	18.100%	Bijou Canal	(36.2 miles * 0.5% per mile)
12	Current St. Vrain Creek Transit Losses - from Union Reservoir Outlet to the South Platte River Confluence (value may vary)			
12a	Current St. Vrain Creek Transit Loss:	3.625%	South Platte River	(14.5 miles * 0.25% per mile)

Note: Current (1999) South Platte and St. Vrain Creek River Transit Losses are equal to the historic values. Values used are for illustration only. Actual values may vary.

Key to Formulae

Row	Description	
9a	2.25% (fixed)	= (4.5 miles * 0.5 percent per mile)
9b	6.45% (fixed)	= (12.9 miles * 0.5 percent per mile)
9c	18.10% (fixed)	= (36.2 miles * 0.5 percent per mile)
10	0.00% (fixed)	(historically no transit loss was charged on lower St. Vrain Creek)
11a	2.25% (varies)	(assumed for illustration purposes only, may vary in future)
11b	6.45% (varies)	(assumed for illustration purposes only, may vary in future)
11c	18.10% (varies)	(assumed for illustration purposes only, may vary in future)
12	3.625% (varies)	= (14.5 miles * 0.25 percent per mile) (assumed for illustration purposes only)

EXHIBIT C - Case No. 87CW222 - EXAMPLE OF MINIMUM REPLACEMENT OBLIGATIONS

MINIMUM RETURN FLOW REPLACEMENT OBLIGATIONS

13a	Minimum Return Flows as Portion of Total	83%	Union Ditch	
13b	Minimum Return Flows and Ditch Losses:	100%	Lower Latham Ditch	
13c		55%	Bijou Canal	
14a	Historic Amounts at Union Reservoir:	164.62 ac-ft	Union Ditch	(MUDRO * 0.83)
14b	+	11.96 ac-ft	Lower Latham Ditch	(MLLDRO * 1.00)
14c	+	120.34 ac-ft	Bijou Canal	(MBCRO * 0.55)
14d		296.91 ac-ft	Total	
15a	Historic Amounts at Ditch Headgates:	160.91 ac-ft	Union Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0225))
15b	+	11.18 ac-ft	Lower Latham Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0645))
15c	+	98.56 ac-ft	Bijou Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.1810))
15d		270.65 ac-ft	Total	
16a	Current Amounts at St. Vrain Creek/	164.61 ac-ft	Union Ditch	(Amount at Union Ditch / (1 - 0.0225))
16b	South Platte River	+	Lower Latham Ditch	(Amount at Lower Latham Ditch / (1 - 0.0645))
16c	Confluence	+	Bijou Ditch	(Amount at Bijou Ditch / (1 - 0.1810))
16d		296.91 ac-ft	Total	
17a	Current Amounts at Union Reservoir	170.81 ac-ft	Union Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
17b	+	12.4 ac-ft	Lower Latham Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
17c	+	124.87 ac-ft	Bijou Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
17d	Total Minimum Return Flow at Union R	308.08 ac-ft	Total	
18a	Monthly Minimum Return Flow	July	7%	
18b	Replacement Distribution:	August	7%	
18c		September	8%	
18d		October	9%	
18e		November	10%	
18f		December	10%	
18g		January	10%	
18h		February	9%	
18i		March	8%	
18j		April	8%	
18k		May	7%	
18l		June	7%	
19a	Monthly Minimum Return Flow	July	21.57	(Total Minimum Return Flow at Union Reservoir * 0.07)
19b	Replacement Obligations at Union Res.	August	21.57	(Total Minimum Return Flow at Union Reservoir * 0.07)
19c		September	24.65	(Total Minimum Return Flow at Union Reservoir * 0.08)
19d		October	27.73	(Total Minimum Return Flow at Union Reservoir * 0.09)
19e		November	30.31	(Total Minimum Return Flow at Union Reservoir * 0.10)
19f		December	30.31	(Total Minimum Return Flow at Union Reservoir * 0.10)
19g		January	30.31	(Total Minimum Return Flow at Union Reservoir * 0.10)
19h		February	27.73	(Total Minimum Return Flow at Union Reservoir * 0.09)
19i		March	24.65	(Total Minimum Return Flow at Union Reservoir * 0.08)
19j		April	24.65	(Total Minimum Return Flow at Union Reservoir * 0.08)
19k		May	21.57	(Total Minimum Return Flow at Union Reservoir * 0.07)
19l		June	21.57	(Total Minimum Return Flow at Union Reservoir * 0.07)

20 Total Minimum Return Flow Replacements at Union Reservoir 308.08 ac-ft

Key to Formulae

Row	Description	Row	Description
13a	83% (fixed) (historic portion of unconsumed water	15a	=(Row 15a / (1 - Row 11a))
13b	100% (fixed) used by ditches which was irrigation	16b	=(Row 15b / (1 - Row 11b))
13c	55% (fixed) return flow)	16c	=(Row 15c / (1 - Row 11c))
		16d	=Sum(Row 16a..Row 16c)
14a	=(Row 8a * Row 13a)	17a	=(Row 16a / (1 - Row 12))
14b	=(Row 8b * Row 13b)	17b	=(Row 16b / (1 - Row 12))
14c	=(Row 8c * Row 13c)	17c	=(Row 16b / (1 - Row 12))
14d	=Sum(Row 14a..Row 14c)	17d	=Sum(Row 16a..Row 16c)
15a	=(Row 14a * (1 - Row 10) * (1 - Row 9a))	18a..l	(values as shown)
15b	=(Row 14b * (1 - Row 10) * (1 - Row 9b))	19a..l	=(Row 17d * Row 18a..l)
15c	=(Row 14c * (1 - Row 10) * (1 - Row 9c))		
15d	=Sum(Row 15a..Row 15c)	20	=Sum(Row 19a..Row 19l)

EXHIBIT C - Case No. 87CW222 - EXAMPLE OF MINIMUM REPLACEMENT OBLIGATIONS

MINIMUM DITCH LOSS REPLACEMENT OBLIGATIONS

21a	Minimum Ditch Losses as Portion of Total	17%	Union Ditch	
21b	Minimum Return Flows and Ditch Losses:	0%	Lower Latham Ditch	
21c		45%	Bijou Canal	
22a	Historic Amounts at Union Reservoir:	33.72 ac-ft	Union Ditch	(MUDRO * 0.17)
22b	+	0.00 ac-ft	Lower Latham Ditch	(MLLDRO * 0.00)
22c	+	98.46 ac-ft	Bijou Canal	(MBCRO * 0.45)
22d		132.17 ac-ft	Total	
23a	Historic Amounts at Ditch Headgates:	32.96 ac-ft	Union Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0225))
23b	+	0.00 ac-ft	Lower Latham Ditch	(Amount at Union Res * (1 - 0.00) * (1 - 0.0645))
23c	+	80.64 ac-ft	Bijou Canal	(Amount at Union Res * (1 - 0.00) * (1 - 0.1810))
23d		113.6 ac-ft	Total	
24a	Current Amounts at St. Vrain Creek/	33.72 ac-ft	Union Ditch	(Amount at Union Ditch / (1 - 0.0225))
24b	South Platte River	+	Lower Latham Ditch	(Amount at Lower Latham Ditch / (1 - 0.0645))
24c	Confluence	+	Bijou Canal	(Amount at Bijou Ditch / (1 - 0.1810))
24d		132.18 ac-ft	Total	
25a	Current Amounts at Union Reservoir	34.99 ac-ft	Union Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
25b	+	0 ac-ft	Lower Latham Ditch	(Amount at St. Vrain Confluence / (1 - 0.03625))
25c	+	102.17 ac-ft	Bijou Canal	(Amount at St. Vrain Confluence / (1 - 0.03625))
25d	Total Minimum Ditch Loss at Union Res	137.16 ac-ft	Total	
26a	Monthly Ditch Loss Replacement	July	30%	
26b	Distribution:	August	70%	
27a	July Amounts at Union:	10.50 ac-ft	Union Ditch	
27b		0.00 ac-ft	Lower Latham Ditch	
27c	+	30.55 ac-ft	Bijou Canal	
27d		41.15 ac-ft	Total July Minimum Ditch Loss Replacement Obligation	
28a	August Amounts at Union:	24.49 ac-ft	Union Ditch	
28b		0.00 ac-ft	Lower Latham Ditch	
28c	+	71.52 ac-ft	Bijou Canal	
28d		96.01 ac-ft	Total August Minimum Ditch Loss Replacement Obligation	
29	Total Minimum Ditch Loss Replacement at Union Reservoir	137.16 ac-ft		
30	Total Releases from Union for All Minimum Replacement Obligations:	445.24 ac-ft		

Key to Formulae

Row	Description	Row	Description
21a	17% (fixed) (historic portion of unconsumed water	25a	30% (fixed) (part of ditch loss obligation to be delivered in July)
21b	0% (fixed) used by ditches which was ditch loss)	26b	70% (fixed) (part of ditch loss obligation to be delivered in August)
21c	45% (fixed)		
22a	=(Row 21a * Row 21a)	27a	=(Row 25a * Row 26a)
22b	=(Row 21b * Row 21b)	27b	=(Row 25b * Row 26a)
22c	=(Row 21c * Row 21c)	27c	=(Row 25c * Row 26a)
22d	=Sum(Row 22a..Row 22c)	27d	=Sum(Row 27a..Row 27c)
23a	=(Row 22a * (1 - Row 10) * (1 - Row 9a))	28a	=(Row 25a * Row 26b)
23b	=(Row 22b * (1 - Row 10) * (1 - Row 9b))	28b	=(Row 25b * Row 26b)
23c	=(Row 22c * (1 - Row 10) * (1 - Row 9c))	28c	=(Row 25c * Row 26b)
23d	=Sum(Row 23a..Row 23c)	28d	=Sum(Row 28a..Row 28c)
24a	=(Row 23a / (1 - Row 11a))	29	=(Row 27d - Row 28d)
24b	=(Row 23b / (1 - Row 11b))	30	=Sum(Row 29 - Row 29)
24c	=(Row 23c / (1 - Row 11c))		
24d	=Sum(Row 24a..Row 24c)		
25a	(Row 24a / (1 - Row 12))		
25b	(Row 24b / (1 - Row 12))		
25c	(Row 24c / (1 - Row 12))		
25d	=Sum(Row 25a..Row 25c)		



State of Colorado)
County of Boulder) ss.

IN THE DISTRICT COURT
No. 4790

IN THE MATTER OF THE ADJUDICATION
OF PRIORITIES OF RIGHT TO THE USE
OF WATER FOR IRRIGATION IN WATER
DISTRICT NO.5, STATE OF COLORADO.

THE HIGHLAND DITCH COMPANY.

Patient story

DECLASS

78.

THE UNION RESERVOIR COMPANY,

Nonpendent

Now, on this twentieth day of February, A. D. 1925, this matter coming on for final hearing upon the report of Fred W. Stow, Esq., the referee last appointed herein, and the court being satisfied that the testimony and exhibits returned, and upon which the findings in said report contained have severally been made, were taken pursuant to the requirements of the statute in such case made and provided, and according to the several orders of the court in that behalf in this proceeding duly made and entered, and it further appearing to the court that an appeal was duly taken and prosecuted by the said petitioner to the Supreme Court of the State of Colorado in this action, from the decree of this court made and entered on the 13th day of March, 1907, and which appeal was taken insofar as the said decree adjudicated the priorities of the said petitioner, The Highland Ditch Company, and those of the respondent, The Union Reservoir Company, and it appearing to the court that upon said appeal and in action number 6657, pending in the said Supreme Court, the judgment of this court fixing the date of the priorities of the parties to said appeal and the volume awarded the appellee, the respondent herein, was reversed, and the

cause remanded, with directions to permit the parties to introduce such further competent evidence as they might be advised, and further directing that a decree be entered fixing the relative rights and priorities of the parties to said appeal; and pursuant to the mandate and judgment of said Supreme Court a further hearing has been had in this cause, which hearing has been had before the said referee, duly appointed and qualified under order of this court for that purpose, and that thereafter the said referee, to-wit, on or about the ninth day of March, A. D. 1918, heard the evidence introduced on behalf of the said petitioner and respondent, and made and reported the following findings for the respective reservoirs herein named and described of said respondent and petitioner:

THE MCINTOSH RESERVOIR

1st. The claimant of this reservoir is The Highland Ditch Company, a corporation.

2nd. This reservoir was constructed and it has been maintained and operated for the storage of water for agricultural purposes.

3rd. The natural stream from which water has been diverted for storage in this reservoir is St. Vrain Creek.

4th. The reservoir is situated on parts of Sections 29 and 30, in Township 3 North, Range 69 East of the 6th P.M. Its area, at high water line, is Two Hundred and Sixty-three (263) acres. It has been filled to the height of Thirteen (13) feet above the bottom of the outlet, and its available storage capacity is estimated at One Hundred and Seven Million, One Hundred and Fifty-three Thousand, three Hundred and Eighty (107,163,380) cubic feet.

5th. The feeder of this reservoir is the Oligarchy Ditch, and a lateral therefrom.

6th. The carrying capacity of the feeder aforesaid is eighty-four and two-tenths (84.2) cubic feet per second.

7th. The work of construction of this reservoir was first commenced on the 28th day of July A.D. 1890, but the completion of said reservoir and the application of water therefrom to a beneficial use for irrigation purposes was not prosecuted with reasonable diligence, but on the 8th day of October, 1902, such work was commenced that the waters thereof thereby were made available for application to a beneficial use and was thereafter and in the year 1903 so applied.

8th. As a matter of law the claimant is entitled to a decree to the effect that for storage for agricultural purposes and under and by virtue of appropriations, as by original construction and use of water, sufficient water not needed for immediate use for domestic or irrigating purposes, be permitted to flow into said reservoir from the stream aforesaid at the rate of eighty-four and two-tenths (84.2) cubic feet per second, to fill it once a year to the height of thirteen (13) feet, measuring from the bottom of the outlet, in quantity estimated at One Hundred and Seven Million, One Hundred and Fifty-three Thousand, Three Hundred eighty (107,153,380) cubic feet, being Reservoir Priority No. 52, New Series, dating from the 8th day of October, A.D. 1902.

THE UNION RESERVOIR

1st. The claimant of this reservoir is The Union Reservoir Company, a corporation organized under the laws of the State of Colorado.

2nd. This reservoir was constructed and it has been maintained and operated for the storage of water for agricultural purposes.

3rd. The natural streams from which water has been diverted for storage in this reservoir are St. Vrain Creek and Spring Gulch, a tributary of said creek.

4th. This reservoir is situated on parts of Sections 29, 30, 31 and 32, in Township 3 North, Range 68 West of the 6th P.M. and upon parts of Sections 5 and 6, in Township 2 North, Range 68 West of the 6th P.M. Its area is Nine Hundred and Fifty (950) acres, at high water line, and its area, at low water line, is Two Hundred and Nine (209) acres. Its storage capacity when filled is estimated at Five Hundred and Seventy-five Million, Eight Hundred and Twenty Thousand, Eight Hundred (575,820,800) cubic feet.

5th. The feeders of this reservoir are, the Oligarchy Ditch which diverts water from St. Vrain Creek, and a ditch from Spring Gulch. It is also fed to some extent by drainage from its water shed. The head of the said feeder from Spring Gulch is located at a point whence the southwest corner of Section 21, Township 3 North, Range 68, West of the 6th P.M., bears South 12 degrees West a distance of 800 feet. Spring Gulch is a natural stream originally carrying a small volume of water, but occasionally carrying a great flood.

6th. The said feeder from St. Vrain Creek has a carrying capacity of eighty-four and two-tenths (84.2) cubic feet per second. The carrying capacity of said feeder from Spring Gulch is One Hundred and Seventy-nine (179) cubic feet per second.

7th. The work of original construction of this reservoir was commenced on the 6th day of October, A.D. 1902, and was prosecuted with reasonable diligence.

8th. Within a reasonable time after completion of said reservoir an originally constructed unappropriated water not needed for immediate use for domestic or irrigating purposes, sufficient to fill it to the height of twenty-eight (28) feet above the bottom

of the outlet, estimated at Five Hundred Seventy-five Million, Eight Hundred Twenty Thousand, Eight Hundred (575,820,800) cubic feet, was diverted and stored therein, and so much thereof as was required for agricultural purposes, was applied thereto.

9th. As a matter of law, the claimant is entitled to a decree to the effect that, for storage for agricultural purposes, under and by virtue of appropriation as by original construction, and for the benefit of the party or parties entitled to the enjoyment thereof, there be permitted to flow out of said streams, through the feeders aforesaid, at the rate of their respective carrying capacities aforesaid, to fill it once a year to the height of twenty-eight feet measuring from the bottom of the outlet, in quantity estimated at Five Hundred Seventy-five Million, Eight Hundred Twenty Thousand, Eight Hundred (575,820,800) cubic feet, with Reservoir Priority No. 51. New Series, dating from the 6th day of October, A. D. 1902.

And it appearing to the court, further, that the said referee did recommend a decree for the said reservoir of the petitioner and respondent in conformity with the said findings, and the report of said referee being found to be in due form, and the court having examined the same, and it appearing to the court that said report and findings are true and correct except in the following particular and respect, to-wit:

That as to the finding of the referee with respect to the carrying capacity of the feeder to the said McIntosh Reservoir, namely, the Oligarchy Ditch, the same is erroneous as this court finds and determines, and not in accordance with the fact, and as to such carrying capacity of said feeder, the court finds and determines that the same is one hundred seventy-one and two-tenths (171.2) cubic feet, per second;

IT IS THEREFORE, upon consideration of all the premises, decreed, ordered and adjudged by this court that the several findings of the referees herein so reported and filed in this court, and hereinbefore set forth, be, in all things accepted, approved and confirmed by this court, except that as to said McIntosh Reservoir the findings as to the carrying capacity of the Oligarchy Ditch, the feeder thereto, shall be and hereby is found, decreed, and adjudged to be one hundred seventy-one and two-tenths (171.2) cubic feet, per second, and that otherwise the said several findings of the said referees herein be deemed, taken and held in all respects as the findings of this court, and it is therefore ORDERED, ADJUDGED AND DECREED BY THIS COURT:

THE MCINTOSH RESERVOIR

That, for storage for agricultural purposes and under and by virtue of appropriation as by original construction, and for the benefit of the party or parties entitled to the enjoyment thereof, there be permitted to flow out of said St. Vrain Creek, through the feeder aforesaid at the rate of one hundred seventy-one and two-tenths (171.2) cubic feet per second and into this reservoir, sufficient water not needed for immediate use for domestic or irrigating purposes, to fill the said reservoir once a year to the height of thirteen (13) feet, measuring from the bottom of the outlet pipe or tube, in quantity estimated at one hundred and seven million, one hundred and fifty-three thousand, three hundred eighty (107,153,380) cubic feet, with Reservoir Priority Number 52 New Series, dated from the eighth day of October, 1902: subject to the general and paramount provision of and as if this decree was embodied in the decree entered in the District Court of Boulder County, Colorado, on the thirteenth day of March, A.D.

1907, in that matter entitled, "In The Matter of the Adjudication of Priorities of Right To The Use of Water For Irrigation In Water District No. 5, State of Colorado."

THE UNION RESERVOIR

That, for storage for agricultural purposes and under and by virtue of appropriation as by original construction, and for the benefit of the party or parties entitled to the enjoyment thereof, there be permitted to flow into said reservoir out of said St. Vrain Creek, through the Oligarchy Ditch as a feeder, at the rate of eighty-four and two-tenths (84.2) cubic feet per second, to Spring Gulch and from said Spring Gulch through the feeder therefrom at the rate of one hundred and seventy-nine (179) cubic feet per second, sufficient water not needed for immediate use for domestic or irrigating purposes to fill the said reservoir once a year to the height of twenty-eight (28) feet measuring from the bottom of the outlet, in quantity estimated at five hundred seventy-five million, eight hundred twenty thousand, eight hundred (575,820,800) cubic feet, with Reservoir Priority No. 51, New Series, dated from the sixth day of October, 1902, subject to the general and paramount provision of and as if this decree were embodied in the decree entered in the District Court of Boulder County, Colorado, on the thirteenth day of March, A.D. 1907, in that matter entitled, "In the Matter of the Adjudication of Priorities of Right to The Use of Water For Irrigation in Water District No. 5, State of Colorado."

BY THE COURT:

Claude C. Coffin
Judge.

STATE OF COLORADO)
) SS
COUNTY OF BOULDER)

I, Amos A. Mahan, Clerk of the District Court of Boulder County, in the State aforesaid, do hereby certify the above and foregoing to be a true, perfect and complete copy of Decrees in a certain cause No. 4790, pending in said Court, IN THE MATTER OF THE ADJUDICATION OF PRIORITIES OF RIGHT TO THE USE OF WATER FOR IRRIGATION IN WATER DISTRICT NO. 8, STATE OF COLORADO: THE HIGHLAND DITCH COMPANY, Petitioner, v. THE UNION RESERVOIR COMPANY, Respondent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Court, at Boulder, this 18th day of March, A. D. 1926.

Amos A. Mahan
Clerk of the District Court.

RECEIVED
FEB 11 1977

CENTRAL FILES

FILED
FEB 11 1977
CLERK OF DISTRICT COURT
DISTRICT 10
COLORADO

IN THE WATER COURT IN AND FOR
WATER DIVISION 1, STATE OF COLORADO

CASE NO. W-7486

IN THE MATTER OF THE APPLICATION)
FOR WATER RIGHTS OF UNION) FINDINGS AND DECREE
RESERVOIR COMPANY)
IN BOULDER COUNTY

THIS MATTER having come on for hearing the 15th day of February, 1977, and the Applicant being present in Court through its counsel, John H. Chilson, and through its superintendent, John Sitzman, and the Division Engineer being represented, and the Referee having taken evidence thereon finds:

1. That proper notice of this Application was given by publication, and no statements of opposition nor entries of appearances were made by any other party hereto. The Court has jurisdiction over this action.
2. The Applicant is the owner of Union Reservoir, a storage reservoir, which takes water from the St. Vrain River through the Oligarchy Ditch and from Spring Gulch under a priority of appropriation for storage decreed on October 6, 1902, in the original total amount of 256,089,000 cubic feet. Said reservoir is located in Sections 31 and 32, Township 3 North, Range 68 West of the 6th P.M.
3. By virtue of natural runoff, seepage, drainage and percolating waters flowing into the Oligarchy Ditch in and from Sections 1, 2, 6 and 12, Township 2 North, Range 68 West of the 6th P.M., Sections 27, 34, 35 and 36, Township 3 North, Range 68 West of the 6th P.M., and Section 31, Township 3 North, Range 68 West of the 6th P.M., unappropriated waters have become available in said Oligarchy Ditch for appropriation by Applicant. Applicant initiated appropriation of said waters on May 1, 1973. Oligarchy Ditch is so located as to intercept


these waters before they reach any natural water course.

4. The Applicant, Union Reservoir Company, is entitled to a decree for a priority of appropriation of natural runoff, seepage, drainage and percolating waters flowing into the Oligarchy Ditch in and from Sections 1, 2, 6 and 12, Township 2 North, Range 68 West of the 6th P.M., Sections 27, 34, 35 and 36, Township 3 North, Range 69 West of the 6th P.M., and Section 31, Township 3 North, Range 68 West of the 6th P.M., for storage for irrigation purposes as a refill right for the Union Reservoir Company with a priority of appropriation of May 1, 1973.

5. Nothing herein contained shall require owners of property in Sections 1, 2, 6 and 12, Township 2 North, Range 68 West of the 6th P.M., or Sections 27, 34, 35 and 36, Township 3 North, Range 69 West of the 6th P.M., or Section 31, Township 3 North, Range 68 West of the 6th P.M. to release waters to the Oligarchy Ditch, which waters are stored or retained under a priority decreed prior to the date of this decree, or stored or retained under a priority decreed subsequent to the date of this decree, but in which the initiation of appropriation preceded May 1, 1973.


IT IS THEREFORE ORDERED that Union Reservoir Company is hereby decreed to have the right to appropriate and store in its existing reservoir for irrigation purposes as a refill right a total of 256,089,000 cubic feet of water, the source of which water is natural runoff, seepage, drainage and percolating waters flowing into the Oligarchy Ditch in and from Sections 1, 2, 6 and 12, Township 2 North, Range 68 West of the 6th P.M., Sections 27, 34, 35 and 36, Township 3 North, Range 69 West of the 6th P.M., and Section 31, Township 3 North, Range 68 West of the 6th P.M., with an appropriation date of May 1, 1973.

FINDINGS entered this 11th day of Nov, 1977.


THOMAS A. ARON, JR.
Water Referee, Division 1

THE COURT DOETH FIND: NO PROTEST WAS FILED IN THIS
MATTER. THE FOREGOING RULING IS CONFIRMED AND APPROVED, AND
IS HEREBY MADE THE JUDGMENT AND DECREE OF THIS COURT.

DATED this 31st day of March, 1977.


JUDGE DONALD A. CARPENTER
Water Judge, Division 1

Appendix F
Augmentation Quota Information

UWAG
2012 Irrigation Season Well Pumping Quota

PDF
Sprinkler 0.8
Flood 0.6
Both 0.7

WDID	WELL OWNER NAME	Irrigation Method	Initial Quota	Well Meter Volume (AF)	Meter #
2-5218	G_Alles 1	Flood	2.838	4.7308	1361
2-8232	G_Alles 2	Sprinkler	2.972	3.7152	1355
2-5588	Hoshiko Farms_1	Flood	3.598	5.9961	1370
2-5041	Hoshiko Farms_2	Flood	3.434	5.7241	1369
2-6978	Craven	Flood	1.420	2.3673	1352
2-6979	Kallas	Flood/Sprinkler	0.023	0.0332	1365
2-5220	M Mallard	Flood	2.100	3.4996	1377
2-7142	Maxey_1	Flood	3.600	6.0008	1380
2-8233	Maxey_2	Flood	3.604	6.0068	1379
2-5237	Mokray	Flood	3.493	5.8216	1359
2-6780	Keiser_1	Flood	3.209	5.3486	1364
2-6686	Ream	Flood	3.522	5.8705	1378
2-5731	Strohauer_4	Flood	2.352	3.9198	1366
2-5225	J_Alles_1	Flood	2.834	4.7233	1356
2-5223	Boulter_7	Flood	3.033	5.0555	1368
2-5215	J_Alles_2	Flood	2.958	4.9296	1367
2-5221	Boulter_8	Flood	2.916	4.8598	1357
2-5224	Boulter_9	Flood	2.748	4.5806	1354
2-7101	Franklin	Flood	2.909	4.8488	2042
2-6596	Hoff	Flood	2.915	4.8583	1358
2-5443	Strohauer_1	Flood	2.474	4.1233	1360
2-6178	Strohauer_2Boulter	Flood/Sprinkler	3.408	4.8680	1363
2-8049	SB Farms_1	Flood/Sprinkler	1.430	2.0428	1362
2-8051	SB Farms_2	Flood/Sprinkler	-1.011	-1.4439	1353
2-5449	MadTat_1	Flood/Sprinkler	1.546	2.2085	1374
2-5450	MadTat_2	Flood/Sprinkler	1.340	1.9140	2041
2-5529	MadTat_3	Flood/Sprinkler	1.289	1.8415	3809
2-8109	Boulter_4	Sprinkler	1.712	2.1403	1372
2-8110	Boulter_5	Sprinkler	2.134	2.6680	1373
2-6962	Boulter_6	Sprinkler	2.773	3.4662	1376
	Total		73.576	116.7189	

UWAG
2013 Irrigation Season Well Pumping Quota

PDF
Sprinkler 0.8
Flood 0.6
Both 0.7

WDID	WELL OWNER NAME	Irrigation Method	Initial Quota	Quota Transfer	Total Quota	Well Meter	
						Volume (AF)	Meter #
2-5218	G_Alles 1	Flood	3.095		3.095	5.1580	1361
2-8232	G_Alles 2	Sprinkler	3.427		3.427	4.2837	1355
2-5588	Hoshiko Farms_1	Flood	3.894	3.765	7.659	12.7646	1370
2-5041	Hoshiko Farms_2	Flood	3.765	X	0.000	0.0000	1369
2-6978	Craven	Flood	2.905		2.905	4.8415	1352
2-6979	Kallas	Flood/Sprinkler	1.943		1.943	2.7751	1365
2-5220	M Mallard	Flood	3.187		3.187	5.3121	1377
2-7142	Maxey_1	Flood	3.896		3.896	6.4926	1380
2-8233	Maxey_2	Flood	3.896		3.896	6.4935	1379
2-5237	Mokray	Flood	3.845		3.845	6.4086	1359
2-6780	Keiser_1	Flood	3.272		3.272	5.4526	1364
2-6686	Ream	Flood	3.831		3.831	6.3851	1378
2-5731	Strohauer_4	Flood	3.166		3.166	5.2771	1366
2-5225	J_Alles_1	Flood	3.366		3.366	5.6108	1356
2-5223	Boulter_7	Flood	3.645		3.645	6.0750	1368
2-5215	J_Alles_2	Flood	3.543		3.543	5.9056	1367
2-5221	Boulter_8	Flood	3.519		3.519	5.8645	1357
2-5224	Boulter_9	Flood	3.290		3.290	5.4840	1354
2-7101	Franklin	Flood	3.516		3.516	5.8603	2042
2-6596	Hoff	Flood	3.504		3.504	5.8393	1358
2-5443	Strohauer_1	Flood	2.526		2.526	4.2103	1360
2-6178	Strohauer_2Boulter	Flood/Sprinkler	3.779		3.779	5.3985	1363
2-8049	SB Farms_1	Flood/Sprinkler	2.914	X	0.000	0.0000	1362
2-8051	SB Farms_2	Flood/Sprinkler	0.623	2.914	3.537	5.0532	1353
2-5449	MadTat_1	Flood/Sprinkler	1.846		1.846	2.6371	1374
2-5450	MadTat_2	Flood/Sprinkler	1.665		1.665	2.3791	2041
2-5529	MadTat_3	Flood/Sprinkler	2.530		2.530	3.6147	3809
2-8109	Boulter_4	Sprinkler	2.776		2.776	3.4695	1372
2-8110	Boulter_5	Sprinkler	3.129		3.129	3.9117	1373
2-6962	Boulter_6	Sprinkler	3.487		3.487	4.3587	1376
Total			93.78			147.32	

UWAG
2014 Irrigation Season Well Pumping Quota

PDF
Sprinkler 0.8
Flood 0.6
Both 0.7

WDID	WELL OWNER NAME	Irrigation Method	Initial Quota	Quota Transfer	Total Quota	Well Meter Volume (AF)	Meter #
2-5218	G_Alles 1	Flood	3.436		3.436	5.7275	1361
2-8232	G_Alles 2	Sprinkler	3.621		3.621	4.5261	1355
2-5588	Hoshiko Farms_1	Flood	1.024		1.024	1.7067	1370
2-5041	Hoshiko Farms_2	Flood	3.910	3.000	6.910	11.5163	1369
2-6978	Craven	Flood	3.354		3.354	5.5903	1352
2-6979	Kallas	Flood/Sprinkler	2.580		2.580	3.6854	1365
2-5220	M Mallard	Flood	3.538		3.538	5.8963	1377
2-7142	Maxey_1	Flood	4.025		4.025	6.7080	1380
2-8233	Maxey_2	Flood	4.025		4.025	6.7085	1379
2-5237	Mokray	Flood	3.991		3.991	6.6518	1359
2-6780	Keiser_1	Flood	3.606		3.606	6.0106	1364
2-6686	Ream	Flood	3.967		3.967	6.6120	1378
2-5731	Strohauer_4	Flood	3.467		3.467	5.7788	1366
2-5225	J_Alles_1	Flood	3.582		3.582	5.9703	1356
2-5223	Boulter_7	Flood	3.858		3.858	6.4301	1368
2-5215	J_Alles_2	Flood	3.764		3.764	6.2730	1367
2-5221	Boulter_8	Flood	3.745		3.745	6.2415	1357
2-5224	Boulter_9	Flood	3.538		3.538	5.8971	1354
2-7101	Franklin	Flood	3.744		3.744	6.2398	2042
2-6596	Hoff	Flood	3.729		3.729	6.2143	1358
2-5443	Strohauer_1	Flood	3.186		3.186	5.3105	1360
2-6178	Strohauer_2Boulter	Flood/Sprinkler	4.002	3.000	7.002	10.0026	1363
2-8049	SB Farms_1	Flood/Sprinkler	0.364		3.235	4.6214	1362
2-8051	SB Farms_2	Flood/Sprinkler	1.501		1.501	2.1440	1353
2-5449	MadTat_1	Flood/Sprinkler	2.019		2.019	2.8850	1374
2-5450	MadTat_2	Flood/Sprinkler	1.860		1.860	2.6578	2041
2-5529	MadTat_3	Flood/Sprinkler	2.975		2.975	4.2496	3809
2-8109	Boulter_4	Sprinkler	3.163		3.163	3.9539	1372
2-8110	Boulter_5	Sprinkler	3.470		3.470	4.3381	1373
2-6962	Boulter_6	Sprinkler	3.738		3.738	4.6725	1376
	Total		96.78	6.00		165.22	

UWAG

2015 Irrigation Season Well Pumping Quota

PDF

Sprinkler 0.8
Flood 0.6
Both 0.7

WDID	WELL OWNER NAME	Irrigation Method	Initial Quota	Quota Transfer	Total Quota	Well Meter	
						Volume (AF)	Meter #
2-5218	G_Alles_1	Flood	4.15		4.153	6.9215	1361
2-8232	G_Alles_2	Sprinkler	4.22		4.222	5.2775	1355
2-5588	Hoshiko Farms_1	Flood	4.57		4.571	7.6176	1370
2-5041	Hoshiko Farms_2	Flood	4.47		3.781	6.3017	1369
2-6978	Craven	Flood	4.12		4.116	6.8608	1352
2-6979	Kallas	Flood/Sprinkler	3.50		3.500	5.0004	1365
2-5220	M Mallard	Flood	4.24		4.236	7.0596	1377
2-7142	Maxey_1	Flood	4.57		4.571	7.6191	1380
2-8233	Maxey_2	Flood	4.57		4.572	7.6193	1379
2-5237	Mokray	Flood	4.55		4.548	7.5806	1359
2-6780	Keiser_1	Flood	4.28		4.284	7.1400	1364
2-6686	Ream	Flood	0.00		0.000	0.0000	1378
2-5731	Strohauer_4	Flood	4.14		4.144	6.9070	1366
2-5225	J_Alles_1	Flood	4.20	4.378	8.578	14.2973	1356
2-5223	Boulter_7	Flood	4.46		4.461	7.4343	1368
2-5215	J_Alles_2	Flood	4.38	-4.378	0.000	0.0000	1367
2-5221	Boulter_8	Flood	4.36		4.363	7.2725	1357
2-5224	Boulter_9	Flood	4.22		4.224	7.0401	1354
2-7101	Franklin	Flood	4.36		4.363	7.2715	2042
2-6596	Hoff	Flood	4.35		4.347	7.2455	1358
2-5443	Strohauer_1	Flood	3.84		3.841	6.4011	1360
2-6178	Strohauer_2Boulter	Flood/Sprinkler	4.56		4.560	6.5145	1363
2-8049	SB Farms_1	Flood/Sprinkler	4.13		3.235	4.6214	1362
2-8051	SB Farms_2	Flood/Sprinkler	2.59		2.591	3.7021	1353
2-5449	MadTat_1	Flood/Sprinkler	2.63		2.626	3.7511	1374
2-5450	MadTat_2	Flood/Sprinkler	2.49		2.490	3.5565	2041
2-5529	MadTat_3	Flood/Sprinkler	3.76		3.762	5.3738	3809
2-8109	Boulter_4	Sprinkler	3.91		3.908	4.8850	1372
2-8110	Boulter_5	Sprinkler	4.17		4.170	5.2121	1373
2-6962	Boulter_6	Sprinkler	4.37		4.369	5.4616	1376
Total			118.17			181.95	