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November 1, 2021

*Via Email and US-Mail*

Colorado Water Conservation Board  
c/o Peg Mason  
1313 Sherman Street, 7<sup>th</sup> Floor  
Denver, CO 80203

Re: CWCB Loan CMS 171343  
Borrower: Billings Ditch Company

Ladies and Gentlemen:

This firm is counsel to the Billings Ditch Company (the "Company"), a Colorado mutual ditch company and non-profit corporation, which has entered into and executed a Loan Contract (CMS 171343) with the Colorado Water Conservation Board (the "Loan Contract"), and has served in such capacity in connection with the authorization, execution, and delivery of the Loan Contract. Terms used herein that are defined in the Loan Contract will have the meanings assigned to them therein.

We have examined, among other things, the current Articles of Incorporation of the Company ("Articles") and current Bylaws of the Company, the Loan Contract, and the proceedings of the Board of Directors and of the Company's shareholders with respect to the authorization, execution, and delivery of the Loan Contract, and have made such examination of applicable Colorado and Federal Law, as we have deemed necessary in giving this opinion.

Based upon the foregoing, we are of the opinion that:

(A) The Loan Contract has been duly executed by the President and Secretary of the Company, both of whom are duly elected and authorized to execute the Loan Contract and to bind the Company thereby;

(B) The Resolutions of the Board of Directors and Resolutions of the Shareholders attached as Appendix 4 to the Loan Contract were duly adopted by the Board of Directors and shareholders of the Company;

(C) There are no provisions of the Company's Articles of Incorporation or Bylaws, or any state or local laws that prevent the Loan Contract from binding the Company; and

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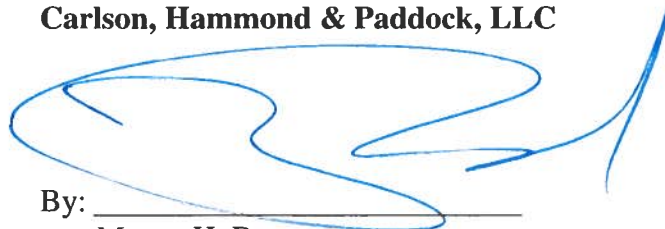
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(D) Subject to the effect of, and to restrictions and limitations imposed by, Creditor Rights Limitations and/or other laws, judicial decisions, and principles of equity relating to the enforcement of contractual obligations generally, the Loan Contract will be valid and binding against the Company if entered into by the Colorado Water Conservation Board (the "CWCB").

This opinion letter is issued as of the date hereof, and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention, or changes in law that may hereafter occur.

This opinion letter is furnished to the CWCB solely for its information and benefit in connection with the entry of the CWCB into the Loan Contract and may not be relied upon by the CWCB for any other purpose without the prior written consent of this firm. Further, the Company is our sole client in this transaction, and delivery of this letter to the CWCB does not establish an attorney-client relationship between this firm and the CWCB.

**Carlson, Hammond & Paddock, LLC**



By: \_\_\_\_\_  
Mason H. Brown

Copy: Billings Ditch Company  
William A. Paddock, Esq.