

January 12, 2022

Colorado Water Conservation Board  
Attn: Construction Fund Section  
1313 Sherman St., Room 718  
Denver, CO 80203

**Borrower: Left Hand Ditch Company**  
**Contract No. CT2019-3463**

Ladies and Gentlemen:

We have acted as counsel for Left Hand Ditch Company ("Borrower") in connection with the above-captioned loan, and we render this opinion to the Colorado Water Conservation Board, and its successors and/or assigns ("CWCB") in that capacity.

In rendering this opinion, we have reviewed the following documents:

- A. Articles of Incorporation and Bylaws of Borrower and all amendments thereto (collectively, the "Company Documents");
- B. Amendment No. 2 to Promissory Note (the "Note") dated December 7, 2021, made by Borrower to the order of CWCB, in the principal amount of \$1,075,650.00; and
- C. Amendment No. 2 to Loan Contract, including all appendices dated as of the date of the Note from Borrower to the Lender.

The documents described in paragraphs B and C are hereinafter collectively referred to as the "Loan Documents."

In rendering the opinions set forth herein, we have relied upon the accuracy of all factual matters set forth in the Loan Documents and have not independently verified the same; provided, however, that we assure you that nothing has come to our attention which indicated that such factual matters are incorrect. We have assumed that Borrower holds the requisite title and rights to any property in the Loan Documents that is designated as belonging to Borrower, including, without limitation, any property that is designated as collateral or security for the performance of the Loan Documents, that the descriptions of any property contained in the Loan Documents are legally sufficient and adequate under applicable law to identify such property, that the Deed of Trust and a valid financing statement for the Security Agreement will be recorded and filed, as applicable, with the



Boulder County Clerk and Recorder and the Colorado Secretary of State, and that all recordation or filing charges specified therein will be paid.

Based upon and subject to the foregoing, and on the assumption that the Loan Documents have, where appropriate, been duly executed and delivered by the other parties thereto, we are of the opinion that:

1. Borrower is duly organized, validly existing and in good standing as a corporation under the laws of the State of Colorado, and is organized as a mutual ditch company under C.R.S. §§ 7-42-101, *et seq.*

2. The Loan Documents have been duly executed by officers of Borrower who have been duly elected or appointed and are authorized to execute the Loan Documents and to bind the Borrower.

3. The resolutions of the Borrower authorizing the execution and delivery of the Loan Documents have been duly adopted by the Borrower's Board of Directors.

4. The execution, delivery and performance by Borrower of the Loan Documents, the compliance by Borrower with the respective terms thereof and the consummation of the transactions contemplated thereby do not and will not conflict with or constitute on the part of Borrower a violation of, breach of or default under (i) the Company Documents or (ii) any applicable law, statute or ordinance.

5. The Loan Documents will be valid and binding against Borrower if fully executed.

The opinions expressed above are subject to and qualified by the following:

A. We express no opinion as to the power and/or authority of Lender, nor the compliance by Lender, under federal or state laws, applicable to Lender's execution and delivery of the Loan Documents and consummation of the transactions contemplated thereunder;

B. We are admitted to practice in the State of Colorado and in rendering the foregoing opinions, notwithstanding any language therein that may be interpreted to the contrary, we express no opinion as to the laws of any state or jurisdiction other than the State of Colorado in effect on the date hereof as they presently apply;

C. We express no opinion as to the legality, validity, or enforceability of any provision of any of the Loan Documents purporting to: (i) preclude the modification of any of the Loan Documents through conduct, custom, or course of performance, action, or dealing; (ii) waive any equitable or statutory rights or remedies of Borrower; (iii) require the payment or reimbursement by Borrower of any fees, costs, expenses or other amounts which are unreasonable in nature or amount; (iv) waive notice, opportunities to cure or redeem in the event of a default, or rights of recourse against a party in the event of willful, wanton or intentional misconduct by such party, each such waiver may be found by a court to be unenforceable; (v) waive the doctrine of





laches or any applicable statute of limitations; or (vi) authorize Lender to sign or file documents without the signature of Borrower;

D. Our opinions are subject to the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting the rights and remedies of creditors generally.

E. We express no opinion as to the enforceability of cumulative remedies to the extent such cumulative remedies purport to or would have the effect of compensating the party entitled to the benefits thereof in amounts in excess of the actual loss suffered by such party;

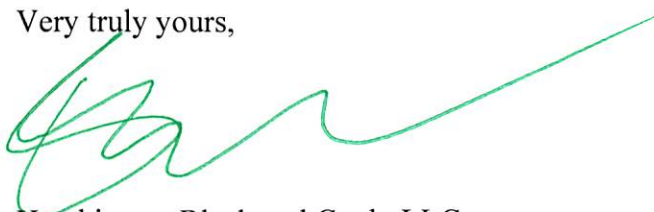
F. The duties to exercise reasonable care in the custody and preservation of collateral, to deal with and to dispose of collateral in a commercially reasonable manner, and to act in good faith with diligence, reasonableness and care as required by the Colorado Uniform Commercial Code or other applicable law may not be disclaimed by agreement or released prior to a default;

G. The rights of Borrower to receive notices under CRS §§ 4-9-611, 4-9-620, *et seq.*, and other applicable laws may not be waived prior to default, and the failure to comply with such notice requirements may affect Lender's ability to enforce its liens and security interests or bar the recovery of any deficiency remaining after the retention or sale of repossessed collateral;

H. Notwithstanding certain language contained in the Loan Documents, Lender may be limited to recovering only reasonable expenses with respect to the retaking, holding, preparing for sale or lease, selling, leasing and the like of collateral and reasonable attorneys' fees and legal expenses; and

I. Our opinions are based upon facts, laws, and conditions as they exist on the date of this letter or, as to any fact or condition referenced herein and contained in any certificate, search, or the Loan Documents, as of the earlier date indicated therein. We disclaim any obligation or duty to update our opinions based upon any changes in facts, laws, or conditions after the date of this letter.

Very truly yours,



Hutchinson, Black and Cook, LLC,  
by Brendan Chatham, member

