

WATER RESOURCES & WASTEWATER REPORT

For

**Grandview Reserve
Sketch Plan**

**April 2020
Revised: August 2020**



CONSULTANTS, INC.

WATER RESOURCES & WASTEWATER REPORT

APRIL 2020
REVISED: AUGUST 2020

Prepared for:

Land Development Companies
1271 Kelly Johnson Blvd. Ste 100
Colorado Springs, CO 80920

Prepared by:

JDS-Hydro Consultants, Inc
5540 Tech Center Dr, Suite 100
Colorado Springs, CO 80919

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1.0 INTRODUCTION

The purpose of this report is to address the specific water and wastewater needs of the proposed Grandview Reserve subdivision in Falcon, CO.

Development at Grandview Reserve by Land Development Companies consists of 768.23 acres and roughly 3,261 Single Family Equivalent (SFE) wastewater users (made up of single family residents, commercial, a church, and a school), located between Eastonville Rd and Highway 24, within Sections 21, 22, 27, and 28, all in Township 12 South, Range 64 West of the 6th Principal Meridian. Residential properties within the development will be provided water services through the proposed district formed as a part of the land use process.

A draft of the Sketch Plan including adjacent roadways is included in *Appendix A*.

At this point, five (5) phases are anticipated, but not yet ordered or sequenced.

2.0 PROJECTED WATER DEMANDS

It is expected that each SFE in Grandview Reserve will require an average of 0.353 annual acre-feet of water. This anticipated water demand is consistent with historic needs for nearby developments.

Table 1 below summarizes the water demand estimations for Grandview Reserve.

Table 1: Water Supply and Demand Summary

Description	SFE's	Demand/SFE (AF/Year)	Total Demand (AF/Year)
Single Family Residences	3,260	0.353	1,150.78
School	10		3.53
Church	5		1.7
Commercial	59.5		21.00
Grant Totals	3,334.5		1,177.08

Notes:

- Commercial demand is anticipated at 3.5 SFE's per acre ($3.5 \times 17 = 59.5$ AF)
- Church and school SFE's are anticipated to be similar to other churches and schools in the Falcon area.

Demand for housing, commercial, and institutional development is dynamic, and buildout will commence as market demands dictate.

The Water Supply Information Summary is located in *Appendix B*.

3.0 WATER SYSTEM FACILITIES & PHYSICAL SUPPLY

3.1 Source of Supply:

Future local wells, mostly in the Arapahoe and Laramie-Fox Hills formations, will provide water for the Grandview Reserve subdivision. Off-site wells will likely be needed (from neighboring lands owned by 4-Site Investments, LLC) for full build-out.

- The total annual water demand for 3,332.4 SFE's is calculated to be 1,177.08 AF.
- 4 Site Investments, the property owner, owns 1,400 AF of Arapahoe non-tributary water.
- The adjoining 4 Way Ranch owns 2,023 AF of Laramie-Fox Hills non-tributary water, and 1,011 AF of Arapahoe non-tributary water.
- Any additional water, should it be needed, will be derived from the 4 Way Ranch water.
- Water from the Arapahoe and Laramie-Fox Hills formations is Non-Tributary, Non-Renewable water.
- A breakdown of demand vs. supply is below:

4 Site Water	1,400 AF
<u>4 Way Ranch Water</u>	<u>3,034 AF</u>
<i>Total Supply</i>	<i>4,434 AF</i>
<i>Grandview Demand:</i>	<i>1,177.08 AF</i>
<i>300-Year Quantity:</i>	<i>3,531.24 AF (Less than the available supply)</i>

Copies of the water rights listed above are located in *Appendix E*.

In order to produce 1,177.08 AF of water (which equates to 1.05 million gallons per day, MGD), approximately 14 well sites will be needed. A well site will consist of an Arapahoe well and a Laramie-Fox Hills well with a total production rate of about 110 gallons per minute.

If the wells are pumped 12 hours per day, that equates to 79,200 gallons produced by each well site each day. Fourteen (14) well sites can produce 1.11 MGD (when only pumping half the time) in order to satisfy the demand of 1.05 MGD.

Grandview is to build the infrastructure on their land as well as on future off-site wells in 4-Way Ranch withholdings. A future IGA will be implemented between the parties.

3.2 Water Treatment:

Water treatment will be in the form of a single or multiple treatment facilities utilizing pressure-sand filtration. Ideally, a single centralized facility is easier for operation and maintenance. However, construction of a single facility capable of meeting buildout demands is not always economical in early stages. Therefore, two or more facilities may be constructed as building progresses.

Pressure-sand treatment systems are utilized by many other metropolitan districts in the Falcon area. They are typically used to treat secondary contaminant levels in source water (iron and manganese), primarily for aesthetics (taste and odor).

3.3 Water Storage

Water storage will have to be sized for the largest commercial building in the development and meet International Fire Code standards. That volume of water, referred to as “fire-flow volume,” will be added to the Maximum Daily Demand to establish the required water storage volume.

3.4 Distribution & Transmission Lines:

Distribution lines will likely be PVC, adequately-sized to convey fire-flows throughout the subdivision. They will be constructed by Grandview. No other districts are planned to provide water or infrastructure for Grandview’s water system. Only water from 4-Way Ranch withholdings will be used to supplement Grandview’s supply, and, as mentioned above, Grandview will be responsible for building are required infrastructure.

3.5 Water Quality

Water quality must meet Colorado Department of Public Health & Environment (CDPHE) regulations for primary drinking water standards.

4.0 WASTEWATER REPORT

4.1 Projected Wastewater Loads:

Wastewater projections are based on similar districts' historical use in this area. It is expected that each SFE in Grandview Reserve will generate an average of 172 gallons/day of wastewater. Table 2 below summarizes the projected wastewater loads for Grandview Reserve.

Table 2: Projected Wastewater Loads Summary

Description	SFE's	Unite Base Flow (GPD)	Average Daily Flow (GPD)
Single Family Residences	3,260	172	560,720
School	10		1,720
Church	5		860
Commercial	59.5		10,234
Grant Totals	3,334.5		573,534

4.2 Treatment Facilities:

The regional wastewater treatment provider in the area of Grandview Reserve is the Woodmen Hills Metropolitan District (WHMD). WHMD has constructed a new regional wastewater treatment facility which was placed online in the spring of 2019. The new plant is an advanced wastewater treatment plant with a rated hydraulic capacity of 1.3 MGD. WHMD is currently in compliance with its discharge permit and the treatment facility has adequate capacity for the additional flows.

Current loading at the facility is roughly 68%, but adequate capacity does not currently exist to handle the additional expected flows from Grandview.

As the regional wastewater treatment provider in the area, the District may possibly have excess capacity to serve future development contingent upon a potential service agreement, a future Inter-governmental Agreement (IGA) between the two agencies, and possible inclusion into the District.

Please refer to **Appendix C** for a map showing possible location of connection to WHMD's system, as well as the location of WHMD's treatment facility.

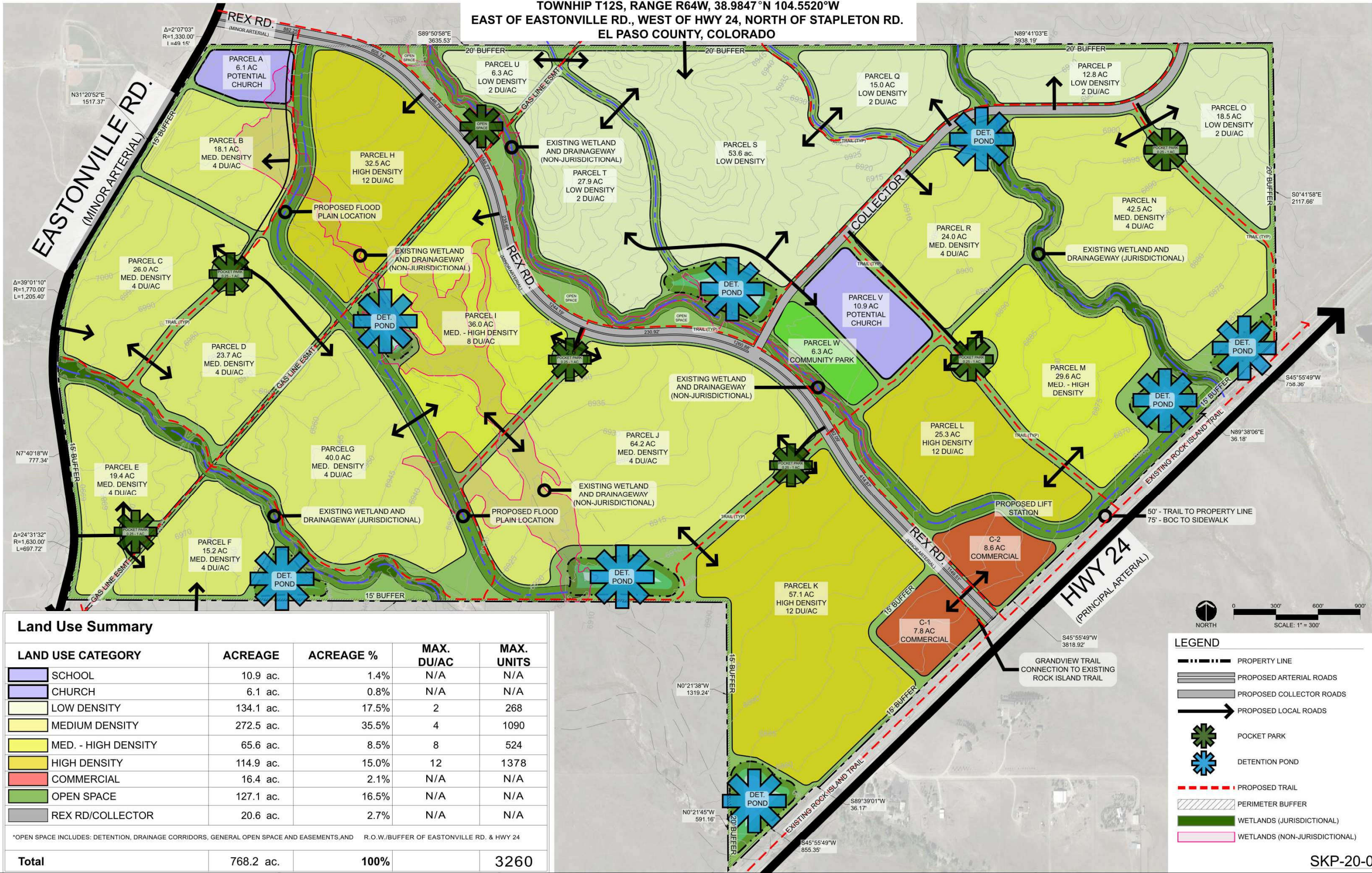
4.3 Collection and Pumping Facilities:

This project will be required to install gravity sewer facilities in accordance with certain standards and approvals. Said gravity sewer facilities could connect to existing collection systems owned and operated by WHMD.

Wastewater pumping facilities will be necessary to serve the Grandview Reserve Subdivision. A potential wastewater service letter from WHMD is included in **Appendix D**.

GRANDVIEW RESERVE SKETCH PLAN

TOWNSHIP T12S, RANGE R64W, 38.9847° N 104.5520° W
EAST OF EASTONVILLE RD., WEST OF HWY 24, NORTH OF STAPLETON RD.
EL PASO COUNTY, COLORADO



SKP-20-001

DRAWN BY: JAG JOB DATE: 7/10/2020
APPROVED: PLS JOB NUMBER: 191897
CAD DATE: ---
CAD FILE: J:\2019\191897\CAD\Drawings\L01-L-SHEETS

NO.	DATE	BY	REVISION DESCRIPTION

HRGreen.com
HRGreen

GRANDVIEW RESERVE
4 SITE INVESTMENT, LLC
FALCON, COLORADO

GRANDVIEW RESERVE SKETCH PLAN
SKETCH PLAN

SHEET
SP1.2
2

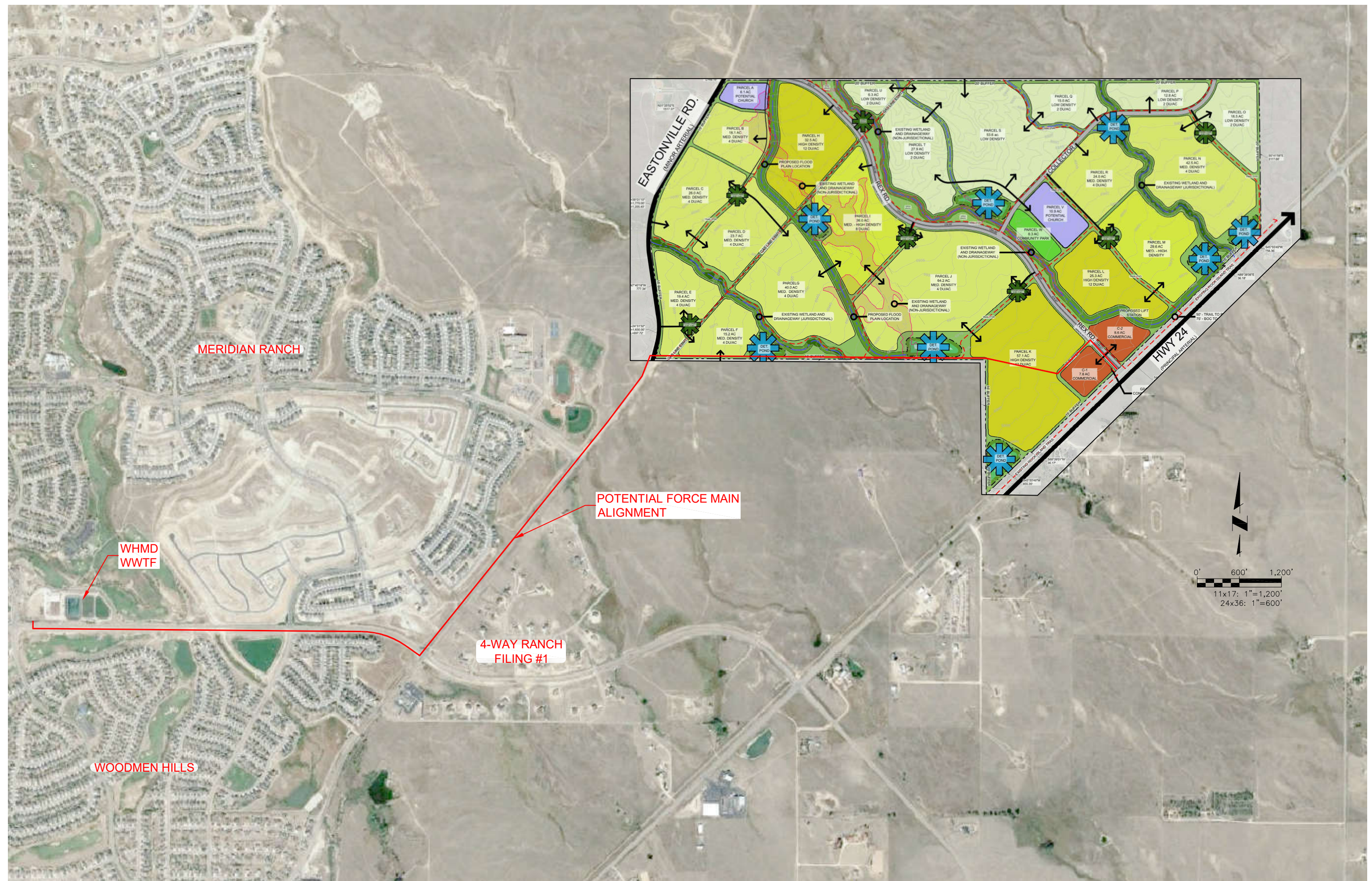
Appendix B

WATER SUPPLY INFORMATION SUMMARY

Section 30-28-133,(d). C.R.S. requires that the applicant submit to the County, "Adequate evidence that a Water supply that is sufficient in terms of quantity, quality, and dependability will be available to ensure an adequate supply of water"

1. NAME OF DEVELOPMENT AS PROPOSED				<u>Grandview Reserve</u>			
2. LAND USE ACTION				<u>Sketch Plan</u>			
3. NAME OF EXISTING PARCEL AS RECORDED				<u>N/A</u>			
SUBDIVISION		FILING		BLOCK		Lot	
<u>See Above</u>		<u>N/A</u>		<u>N/A</u>		<u>N/A</u>	
4. TOTAL ACREAGE		5. NUMBER OF LOTS PROPOSED		PLAT MAPS ENCLOSED			
<u>768.2</u>				<u>3000+/-</u>		<input checked="" type="checkbox"/> YES <u>See Submittal</u>	
6. PARCEL HISTORY - Please attach copies of deeds, plats, or other evidence or documentation. (In submittal package)							
A. Was parcel recorded with county prior to June 1, 1972? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO							
B. Has the parcel ever been part of a division of land action since June 1, 1972? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO							
If yes, describe the previous action							
7. LOCATION OF PARCEL - Include a map delineating the project area and tie to a section corner. (In submittal)							
1/4 OF 1/4 SECTION <u>21,22,27,28</u> TOWNSHIP <u>12</u>				<input type="checkbox"/> N <input checked="" type="checkbox"/> S RANGE <u>64</u> <input type="checkbox"/> E <input checked="" type="checkbox"/> W			
PRINCIPAL MERIDIAN: <input checked="" type="checkbox"/> 6TH <input type="checkbox"/> N.M. <input type="checkbox"/> UTE <input type="checkbox"/> COSTILLA							
8. PLAT - Location of all wells on property must be plotted and permit numbers provided.							
Surveyors plat <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If not, scaled hand -drawn sketch <input type="checkbox"/> YES <input type="checkbox"/> NO <u>N/A</u>							
9. ESTIMATED WATER REQUIREMENTS - Gallons per Day or Acre Foot per Year				10. WATER SUPPLY SOURCE			
HOUSEHOLD USE # * <u>3260</u> of units <u>1,027,347</u> GPD <u>1150.8</u> AF				<input checked="" type="checkbox"/> EXISTING <input checked="" type="checkbox"/> DEVELOPED <input type="checkbox"/> NEW WELLS			
COMMERCIAL USE # <u>74.5</u> SFE's <u>23,478</u> GPD <u>26.3</u> AF				WELLS SPRING <u>WELL PERMIT NUMBERS</u> <u>TBD</u>			
IRRIGATION # ** _____ acres _____ GPD _____ AF				<input type="checkbox"/> Alluvial <input checked="" type="checkbox"/> Upper Arapahoe			
STOCK WATERING # _____ of head _____ GPD _____ AF				<input type="checkbox"/> Upper Dawson <input checked="" type="checkbox"/> Lower Arapahoe			
OTHER _____ Multi-fam _____ GPD _____ AF				<input type="checkbox"/> Lower Dawson <input checked="" type="checkbox"/> Laramie Fox Hills			
TOTAL <u>1,050,825</u> GPD <u>1177.1</u> AF				<input type="checkbox"/> Denver <input type="checkbox"/> Dakota			
* Based on 0.353 Acre-Feet/Unit/Year and includes Commercial Units				<input type="checkbox"/> Other			
** Irrigation included in Residential Uses				MUNICIPAL _____			
				ASSOCIATION _____			
				COMPANY _____			
				<input checked="" type="checkbox"/> DISTRICT			
				NAME <u>TBD</u>			
				LETTER OF COMMITMENT FOR			
				SERVICE <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
11. ENGINEER'S WATER SUPPLY REPORT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If yes, please forward with this form. (This may be required before our review is completed)							
12. TYPE OF SEWAGE DISPOSAL SYSTEM <u>Central Sewer System</u>							
<input type="checkbox"/> SEPTIC TANK/LEACH FIELD				<input checked="" type="checkbox"/> CENTRAL SYSTEM - DISTRICT NAME: <u>TBD</u>			
<input type="checkbox"/> LAGOON				<input type="checkbox"/> VAULT - LOCATION SEWAGE HAULED TO:			
<input type="checkbox"/> ENGINEERED SYSTEM (Attach a copy of engineering design)				<input type="checkbox"/> OTHER:			

Appendix C



Appendix D



August 18, 2020

Paul J. Howard
1271 Kelly Johnson Blvd., Suite 100
Colorado Springs, CO 80920
paulhoward.LDC@outlook.com

Re: Potential Wastewater Service for the Grandview Reserve Subdivision

Dear Mr. Howard:

Woodmen Hills Metropolitan District (WHMD, the District) has been approached to potentially provide wastewater service for future development that lies on approximately 768 acres of land, roughly 1.3 miles northeast of the intersection of Stapleton Road and U.S. Highway 24. There are approximately 3,335 Single Family Equivalents (SFE's) proposed within this subdivision entitled Grandview Reserve.

As the regional wastewater provider in the area, the District may possibly have excess capacity to serve future development, contingent upon a potential service agreement, a future Inter-governmental Agreement (IGA) between the two agencies, and possible inclusion into the District. It is understood that Grandview Reserve will be responsible for building all required infrastructure to send wastewater to the WHMD's infrastructure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jerry Jacobson".

Jerry Jacobson
General Manager
Woodmen Hills Metropolitan District

Cc: John P. McGinn, District Engineer

Appendix E

**COLORADO GROUND WATER COMMISSION
FINDINGS AND ORDER**

IN THE MATTER OF AN APPLICATION FOR DETERMINATION OF WATER RIGHT TO
ALLOW THE WITHDRAWAL OF GROUND WATER IN THE UPPER BLACK SQUIRREL CREEK
DESIGNATED GROUND WATER BASIN

APPLICANT: FOUR WAY RANCH PARTNERSHIP / SPRING CREEK LLC

AQUIFER: ARAPAHOE

DETERMINATION NO.: 511-BD

In compliance with Section 37-90-107(7), C.R.S., and the Designated Basin Rules, 2 CCR 410-1, Four Way Ranch Partnership / Spring Creek, L.L.C., (hereinafter "applicant") submitted an application for determination of water right to allow the withdrawal of designated ground water from the Arapahoe Aquifer.

FINDINGS

1. The application was received complete by the Colorado Ground Water Commission on September 10, 2003.
2. The applicant requests a determination of rights to designated ground water in the Arapahoe Aquifer (hereinafter "aquifer") underlying 8,095 acres, generally described as the W1/2 of Section 1; Sections 2 and 3; the E1/2, the SE1/4 of the NW1/4, the SW1/4 of the SW1/4, and the E1/2 of the SW1/4 of Section 4; the E1/2, a portion of the E1/2 of the W1/2, and the NW1/4 of the NW1/4 of Section 9; Sections 10 and 11; that part of Sections 12, 13, and 14, located northwest of the Highway 24 right-of-way; the NW1/4 and the W1/2 of the SW1/4 of Section 15; most of the E1/2 of Section 16; the E1/2, a portion of the E1/2 of the NW1/4, and a portion of the SW1/4 of Section 21; that part of Sections 22, 23, and 27 located northwest of the Highway 24 right-of-way; the NE1/4 and a portion of the W1/2 of Section 28; a portion of the SE1/4 of Section 29; the N1/2 of the NE1/4 and a portion of the NE1/4 of the NW1/4 of Section 32; and that part of the N1/2 of the NW1/4 of Section 33 located northwest of the Highway 24 right-of-way; all in Township 12 South, Range 64 West of the 6th Principal Meridian, in El Paso County. According to a signed statement dated June 23, 2003, the applicant owns the 8,095 acres of land, as further described in said affidavit which is attached hereto as Exhibit A, and claims control of the ground water in the aquifer underlying this land area.
3. The proposed annual amount of ground water to be allocated and withdrawn from the aquifer for intended beneficial uses is the maximum allowable amount.
4. The above described land area overlying the ground water claimed by the applicant is located within the boundaries of the Upper Black Squirrel Creek Designated Ground Water Basin and within the Upper Black Squirrel Creek Ground Water Management District. The Colorado Ground Water Commission (hereinafter "Commission") has jurisdiction.

Robert C. Balink El Paso Cty, CO

09/10/2004

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Page

Rec \$130.00

1 of 26



5. The applicant intends to apply the allocated ground water to the following beneficial uses: domestic, livestock watering, lawn irrigation, commercial, industrial and replacement supply. The applicant's proposed place of use of the allocated ground water is the above described 8,095 acre land area.
6. The quantity of water in the aquifer underlying the 8,095 acres of land claimed by the applicant is 261,469 acre-feet. This determination was based on the following as specified in the Designated Basin Rules:
 - a. The average specific yield of the saturated permeable material of the aquifer underlying the land under consideration that could yield a sufficient quantity of water that may be extracted and applied to beneficial use is 17 percent.
 - b. The average thickness of the saturated permeable material of the aquifer underlying the land under consideration that could yield a sufficient quantity of water that may be extracted and applied to beneficial use is 190 feet.
7. At this time, there is no substantial artificial recharge that would affect the aquifer within a one hundred year period.
8. Pursuant to Section 37-90-107(7), C.R.S., and in accordance with the Designated Basin Rules, the Commission shall allocate ground water in the aquifer based on ownership of the overlying land and an aquifer life of one hundred years. Therefore, the maximum average annual amount of ground water in the aquifer that may be allocated for withdrawal pursuant to the data in the paragraphs above for the 8,095 acres of overlying land claimed by the applicant is 2,615 acre-feet.
9. The ability of wells permitted to withdraw the authorized amount of water from this non-renewable aquifer may be less than the one hundred years upon which the amount of water in the aquifer is allocated, due to anticipated water level declines.
10. In accordance with Rule 5.3.6 of the Designated Basin Rules, it has been determined that withdrawal of ground water from the aquifer underlying the 8,095 acres of land claimed by the applicant will not, within one hundred years, deplete the flow of a natural stream or its alluvial aquifer at an annual rate greater than one-tenth of one percent of the annual rate of withdrawal and, therefore, the ground water is nontributary ground water as defined in Rule 4.2.19 of the Designated Basin Rules. No more than 98% of the amount of ground water withdrawn annually shall be consumed, as required by the Designated Basin Rules.
11. A review of the records in the Office of the State Engineer has disclosed that none of the water in the aquifer underlying the land claimed by the applicant has been previously allocated or permitted for withdrawal.
12. Pursuant to Section 37-90-107(7)(c)(III), C.R.S., an approved determination of water right shall be considered a final determination of the amount of ground water so determined; except that the Commission shall retain jurisdiction for subsequent adjustment of such amount to conform to the actual local aquifer characteristics from adequate information obtained from well drilling or test holes.

13. In accordance with Section 37-90-107(7), C.R.S., upon Commission approval of a determination of water right, well permits for wells to withdraw the authorized amount of water from the aquifer shall be available upon application, subject to the conditions of this determination and the Designated Basin Rules and subject to approval by the Commission.
14. On February 4, 2004, in accordance with Rule 9.1 of the Designated Basin Rules, a letter was sent to the Upper Black Squirrel Creek Ground Water Management District requesting written recommendations concerning this application. No written recommendations from the district were received.
15. The Commission Staff has evaluated the application relying on the claims to control of the ground water in the aquifer made by the applicant.
16. In accordance with Sections 37-90-107(7) and 37-90-112, C.R.S., the application was published in the Gazette newspaper on February 12 and 19, 2004.
17. No objections to the determination of water right and proposed allocation of ground water were received within the time limit set by statute.
18. In order to prevent unreasonable impairment to the existing water rights of others within the Upper Black Squirrel Creek Designated Ground Water Basin it is necessary to impose conditions on the determination of water right and proposed allocation of ground water. Under conditions as stated in the following Order, no unreasonable impairment of existing water rights will occur from approval of this determination of water right or from the issuance of well permits for wells to withdraw the authorized amount of allocated ground water from the aquifer.

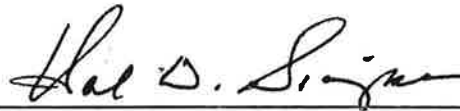
ORDER

In accordance with Section 37-90-107(7), C.R.S., and the Designated Basin Rules, the Colorado Ground Water Commission orders that the application for determination of rights to designated ground water in the Arapahoe Aquifer underlying 8,095 acres of land, generally described as the W1/2 of Section 1; Sections 2 and 3; the E1/2, the SE1/4 of the NW1/4, the SW1/4 of the SW1/4, and the E1/2 of the SW1/4 of Section 4; the E1/2, a portion of the E1/2 of the W1/2, and the NW1/4 of the NW1/4 of Section 9; Sections 10 and 11; that part of Sections 12, 13, and 14, located northwest of the Highway 24 right-of-way; the NW1/4 and the W1/2 of the SW1/4 of Section 15; most of the E1/2 of Section 16; the E1/2, a portion of the E1/2 of the NW1/4, and a portion of the SW1/4 of Section 21; that part of Sections 22, 23, and 27 located northwest of the Highway 24 right-of-way; the NE1/4 and a portion of the W1/2 of Section 28; a portion of the SE1/4 of Section 29; the N1/2 of the NE1/4 and a portion of the NE1/4 of the NW1/4 of Section 32; and that part of the N1/2 of the NW1/4 of Section 33 located northwest of the Highway 24 right-of-way; all in Township 12 South, Range 64 West of the 6th Principal Meridian, is approved subject to the following conditions:

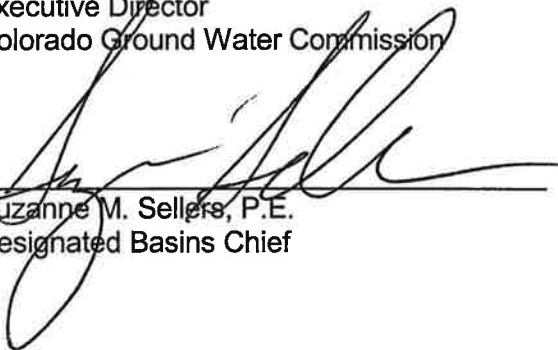
19. The allocated average annual amount of ground water to be withdrawn from the aquifer shall not exceed 2,615 acre-feet. The allowed maximum annual amount of withdrawal may exceed the allowed average annual amount of withdrawal as long as the total volume of water withdrawn does not exceed the product of the number of years since the date of approval of this determination times the allowed average annual amount of withdrawal.
20. To conform to actual aquifer characteristics, the Commission may adjust the allocated average annual amount of ground water to be withdrawn from the aquifer based on analysis of geophysical logs or other site-specific data if such analysis indicates that the initial estimate of the volume of water in the aquifer was incorrect.
21. No more than 98% of the ground water withdrawn annually shall be consumed. The Commission may require well owners to demonstrate periodically that no more than 98% of the water withdrawn is being consumed.
22. The use of ground water from this allocation shall be limited to the following uses: domestic, livestock watering, lawn irrigation, commercial, industrial and replacement supply. The place of use shall be limited to the above described 8,095 acre land area.
23. The applicant, or subsequent persons controlling this water right, shall record in the public records of the county - in which the claimed overlying land is located - notice of transfer of any portion of this water right to another within sixty days after the transfer, so that a title examination of the above described 8,095 acre land area, or any part thereof, shall reveal the changes affecting this water right. Such notice shall consist of a signed and dated deed which indicates the determination number, the aquifer, a description of the above described land area, the annual amount of ground water (acre-feet) transferred, name of the recipient, and the date of transfer.
24. Subject to the above conditions, well permits for wells to withdraw the authorized annual amount of water from the aquifer shall be available upon application subject to approval by the Commission and the following conditions:
 - a. The wells shall be located on the above described 8,095 acre overlying land area.
 - b. The wells must be constructed to withdraw water from only the Arapahoe Aquifer. Upon application for a well permit to construct such a well, the estimated top and base of the aquifer at the proposed well location will be determined by the Commission and indicated on the approved well permit. Plain non-perforated casing must be installed, grouted and sealed to prevent diversion of ground water from other aquifers and the movement of ground water between aquifers.
 - c. The entire depth of each well must be geophysically logged prior to installing the casing as set forth in Rule 9 of the Statewide Nontributary Ground Water Rules, 2 CCR 402-7.
 - d. Each well shall be constructed within 200 feet of the location specified on the approved well permit, but must be more than 600 feet from any existing large-capacity well completed in the same aquifer.

- e. The wells may withdraw the allowed average annual amount of water from the aquifer together in any combination. The total combined annual withdrawal of the wells shall not exceed the allowed average annual amount described in this Order.
- f. A totalizing flow meter or other Commission approved measuring device shall be installed on each well and maintained in good working order by the well owner. Annual diversion records shall be collected and maintained by the well owner and submitted to the Commission or the Upper Black Squirrel Creek Ground Water Management District upon their request.
- g. The well owner shall mark the well in a conspicuous place with the permit number and the name of the aquifer. The well owner shall take necessary means and precautions to preserve these markings.
25. A copy of this Findings and Order shall be recorded by the applicant in the public records of the county – in which the claimed overlying land is located - so that a title examination of the above described 8,095 acre overlying land area, or any part thereof, shall reveal the existence of this determination.

Dated this 22nd day of July, 2004.



Hal D. Simpson
Executive Director
Colorado Ground Water Commission

By: 
Suzanne M. Sellers, P.E.
Designated Basins Chief

Prepared by: EBT

FIND-117-04

EXHIBIT A

Page 1 of 21

GWS-1 (Rev, Sept 1996)

STATE OF COLORADO
OFFICE OF THE STATE ENGINEER
DIVISION OF WATER RESOURCES

NONTRIBUTARY GROUND WATER LANDOWNERSHIP STATEMENT

I (we) Four Way Ranch Partnership/Spring Creek LLC

(Name)

claim and say that I (we) am (are) the owner(s) of the following described property consisting of 8095 acres in the County of El Paso, State of Colorado:

See Attached Legal Description And Map

and, that the ground water sought to be withdrawn from the Arapahoe aquifer underlying the above-described land has not been conveyed or reserved to another, nor has consent been given to it's withdrawal by another.

Further, I (we) claim and say that I (we) have read the statements made herein; know the contents hereof; and that the same are true to my (our) own knowledge.

W. Tony S. 6/23/03
(Signature) (Date)

Linda Johnson-Corne 6/23/03
(Signature) (Date)

INSTRUCTIONS:

Please type or print neatly in black ink. This form may be reproduced by photocopy or word processing means. See additional instructions on back.

Legal Description: Parcel 4200000164

That part of N2, N2 lying East of Eastonville Road
Sec. 28-12-64
Total 140 Acres

Legal Description: Parcel 4200000165

SW4, That part of S2N2 Lying east of Eastonville Road, Sec 28-12-64
That Part of SE4 Lying east of Eastonville Road Sec 29-12-64
That Part of N2N2 Lying east of Eastonville Road Sec 32-12-64
That Part of N2NW4 Lying west of CRI & P RY Sec 33-12-64
Total 556 Acres

Legal Description: Parcel 4200000190

W2, SE4, W2NE4, Sec 2-12-64
All EX RD Sec 3-12-64
Total 1268.7 Acres

Legal Description: Parcel 4200000191

E2NE4 Sec 4-12-64
Total 87.3 Acres

Legal Description: Parcel 4200000192

SW4NE4, S2NW4, S2 Sec 10-12-64
Total 440 Acres

Legal Description: Parcel 4200000193

N2NW4, E2, Part of S2NW4, SW4 Lying East of W R/W Line of CO. Road, Sec 9-12-64
E2, Part of NE4NW4 Lying East of W R/W Line of CO Road, Sec 16-12-64
Total 900.7 Acres

Legal Description: Parcel 4200000194

W2 W/MR Sec 1-12-64
E2NE4 Sec 2-12-64
SW4 L/2MR, N2, SE4 EX RD, W/MR Sec 11-12-64
All Lying NW of CRI & P RY W/MR Sec 12-12-64
All Lying NW of CRI & P RY W/MR Sec 13-12-64
All Lying NW of CRI & P RY W/MR Sec 14-12-64
That Part of N2 and of N2S2 Lying NWLY OF R/W OF US HWY 24 W/4MR Sec 23-12-64

W2SW4, NW4 Sec 15-12-64

All Lying NW of R/W CRI & P Sec 22-12-64

That Part of NW4NE4 and of NW4 and of NW2SW4 Lying NW of RW of CRI & P RY
Sec 27-12-64

Total 3631.7 Acres

Legal Description: Parcel 4200000195

R/W of OLD C&S RY, ALL Lying E of R/W Sec 21-12-64

Total 461.0 Acres

Legal Description: Parcel 4204000001

SE4, SW4SW4, E2SW4, SE4NW4, W2NE4, Sec 4-12-64

Total 410.0 Acres

Legal Description Parcel No: 42000000014

N2N2, SE4NE4 W/MR SEC 10-12-64

Total 200 Acres

Grand Total 8095 Acres

EXHIBIT A

Page 4 of 21

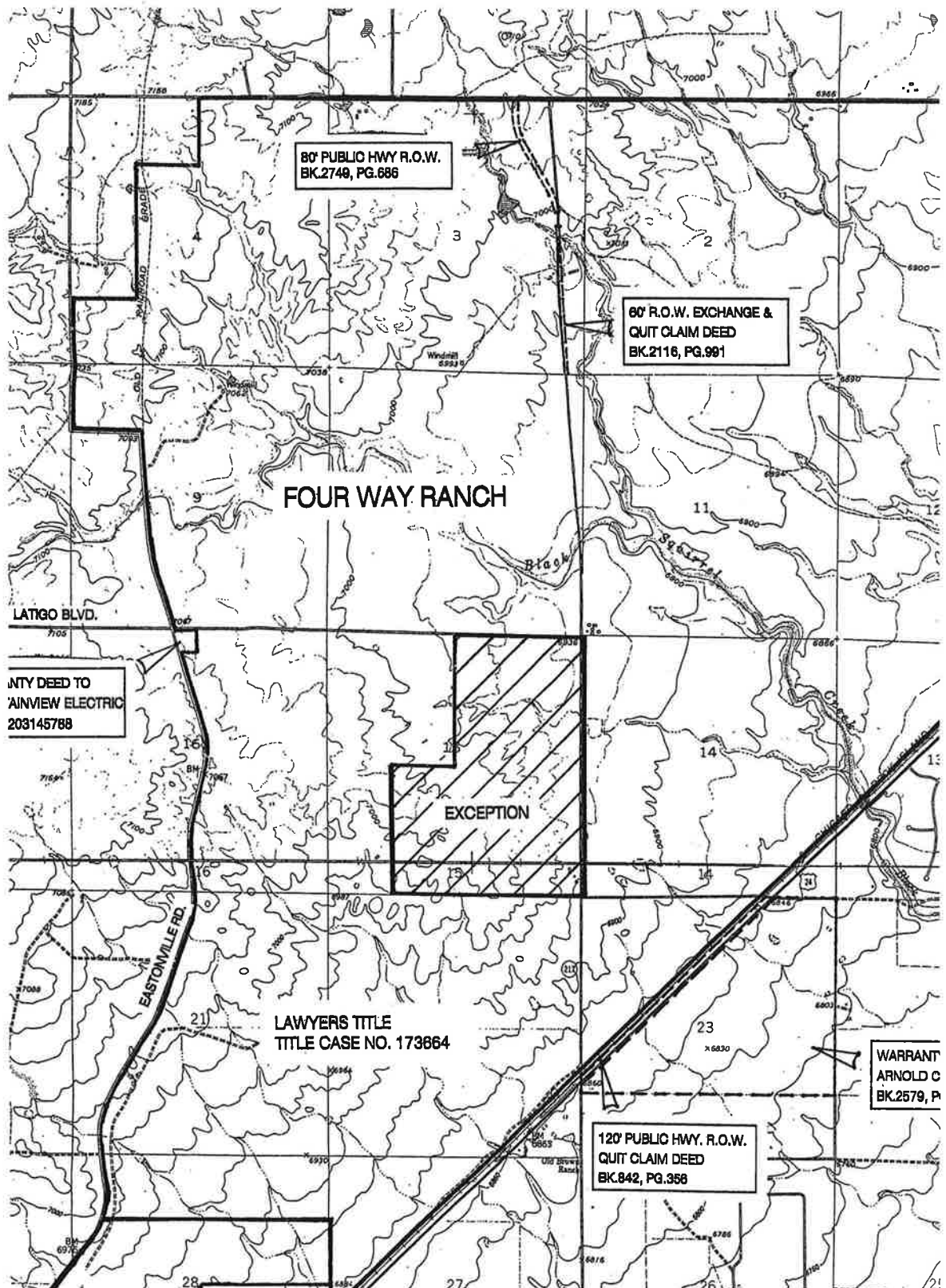


EXHIBIT A

Page 5 of 21

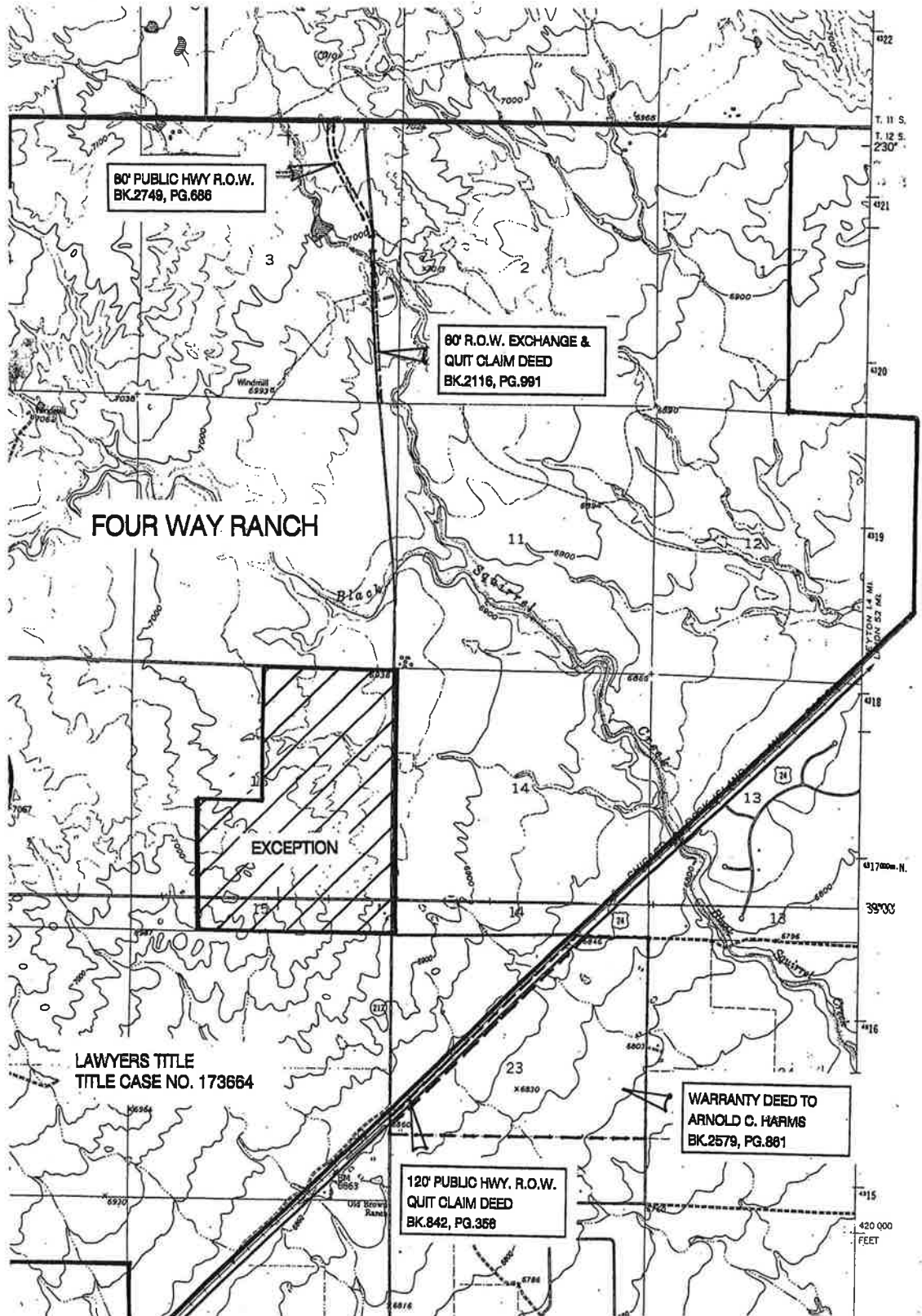
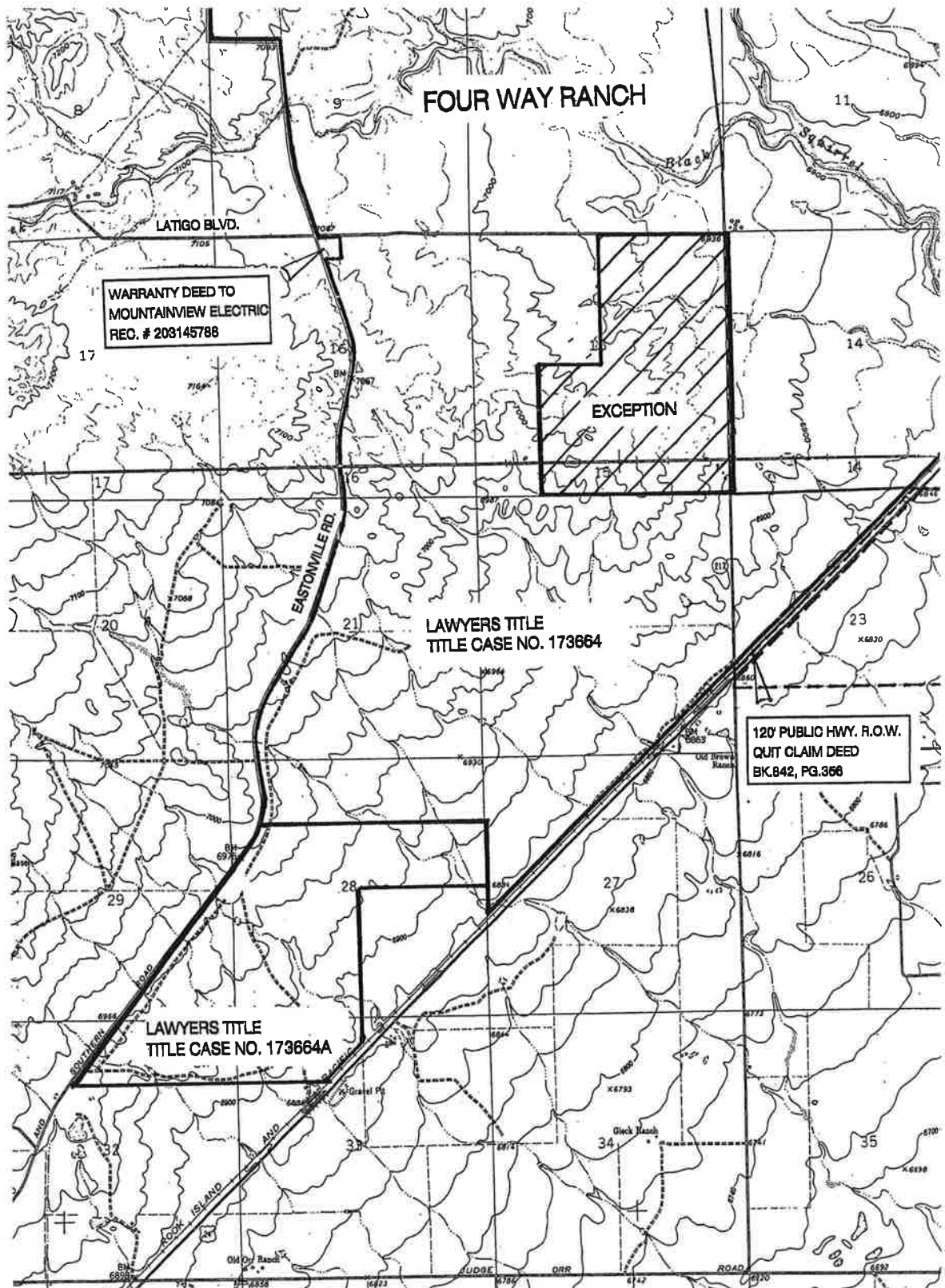
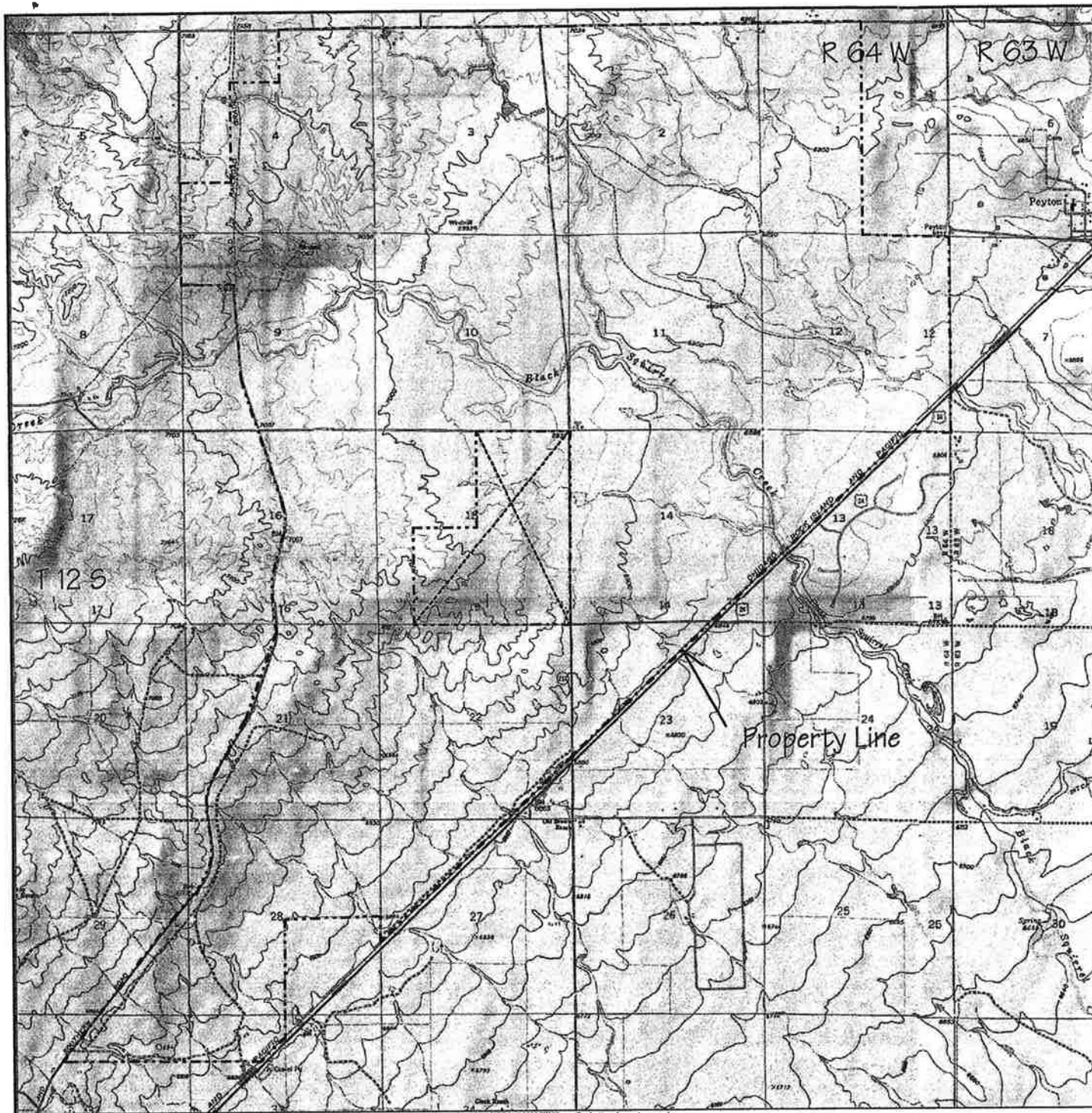


EXHIBIT A

Page 6 of 21





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Location Map

Wm Curtis Wells & Co.
consulting ground water geologists



Scale 1" = 4000'

EXHIBIT A

Page 7 of 21

Figure 1

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

EFFECTIVE DATE: August 4, 2003

at 7:30 a.m.

CASE NO. 173664

POLICY OR POLICIES TO BE ISSUED:

(a) X ALTA OWNER'S POLICY 1992

AMOUNT \$

ALTA RESIDENTIAL TITLE INSURANCE POLICY-1987

PURCHASE PRICE

PROPOSED INSURED:

A PURCHASER TO BE DETERMINED

(b) ALTA LOAN POLICY, (10-17-92)

AMOUNT \$

PROPOSED INSURED:

(c)

AMOUNT \$

PROPOSED INSURED:

TITLE TO THE FEE SIMPLE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED
TO IN THIS COMMITMENT IS AT THE EFFECTIVE DATE HEREOF VESTED IN :

FOUR WAY RANCH, A COLORADO GENERAL PARTNERSHIP

THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED ON SCHEDULE A-4 ATTACHED

For title questions, please call Clark Hollis

at (719) 475-8850.

For closing questions, please call

This Commitment supersedes Commitment No. 173664 C-6, which is hereby canceled.

Schedule A-Page 1

Commitment No. 173664 C-7 mc

This commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664

SCHEDULE A-4 (DESCRIPTION PAGE)

THE WEST HALF OF SECTION 1;

ALL OF SECTION 2;

ALL OF SECTION 3, EXCEPTING THOSE PORTIONS CONVEYED TO EL PASO COUNTY IN DEEDS RECORDED IN BOOK 2116 AT PAGE 991 AND IN BOOK 2749 AT PAGE 686;

THE SOUTHEAST QUARTER, THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4;

THE NORTH HALF OF THE NORTHWEST QUARTER, AND THAT PORTION OF THE SOUTH HALF OF THE NORTHWEST QUARTER AND OF THE SOUTHWEST QUARTER LYING EAST OF THE COUNTY ROAD ADJOINING THE RIGHT OF WAY OF THE COLORADO AND SOUTHERN RAILWAY ON THE WEST, AND THE EAST HALF, ALL IN SECTION 9;

ALL OF SECTION 10;

ALL OF SECTION 11;

THE NORTH HALF, THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER LYING NORTH AND WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD RIGHT OF WAY ALL IN SECTION 12;

ALL OF SECTION 13 LYING NORTH AND WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD RIGHT OF WAY;

THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER, THE NORTH HALF AND THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER LYING NORTH AND WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD RIGHT OF WAY, ALL IN SECTION 14;

THE NORTHWEST QUARTER AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 15;

ALL THAT PORTION OF SECTION 16 LYING EAST OF SAID COUNTY ROAD, EXCEPTING THEREFROM, THAT PORTION THEREOF CONVEYED TO MOUNTAIN VIEW ELECTRIC ASSOCIATION, INC. BY DEED RECORDED JUNE 27, 2003 AT RECEPTION NO. 203145788;

THE EAST HALF AND THAT PORTION OF THE WEST HALF OF SECTION 21 LYING EAST OF SAID COUNTY ROAD;

THAT PORTION OF SECTION 22 LYING NORTHWEST OF THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY;

THE NORTH HALF AND THE NORTH HALF OF THE SOUTH HALF OF SECTION 23 EXCEPT THAT PORTION CONVEYED IN WARRANTY DEED RECORDED IN BOOK 2579 AT PAGE 861, AND EXCEPT THAT PORTION

*****CONTINUED**

Lawyers Title Insurance Corporation

LEGAL DESCRIPTION
CONTINUED

CASE NO. 173664

CONVEYED TO EL PASO COUNTY IN DEED RECORDED IN BOOK 842 AT PAGE 356, AND EXCEPT ANY PORTION FOUND TO BE LYING WITHIN THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD.

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, AND OF THE NORTHWEST QUARTER, AND OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER LYING NORTHWEST OF THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY ALL IN SECTION 27;

THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 28 AND THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 28 LYING EAST OF THE COUNTY ROAD (EASTONVILLE ROAD) ;

ALL IN TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.

SCHEDULE B--SECTION 1
REQUIREMENTS

CASE NO. 173664

THE FOLLOWING ARE THE REQUIREMENTS TO BE COMPLIED WITH:

- item a PAYMENT TO OR FOR THE ACCOUNT OF THE GRANTORS OR MORTGAGORS OF THE FULL CONSIDERATION FOR THE ESTATE OR INTEREST TO BE INSURED.
- item b PROPER INSTRUMENT(S) CREATING THE ESTATE OR INTEREST TO BE INSURED MUST BE EXECUTED AND FULLY FILED FOR RECORD TO WIT:
 - 1. Warranty Deed from FOUR WAY RANCH, A COLORADO GENERAL PARTNERSHIP vesting fee simple title in the purchaser. (The deed from the partnership must be executed by its general partners, who the public records indicate as being: LINDA D. JOHNSON-CONNIE AND W. TRACY LEE, PARTNERS AND CO-MANAGERS.)
- item C Such further requirements as may be deemed necessary by the Company when the identity of the proposed insured has been established to the satisfaction of the Company.

RECORDING FEES: \$1.00 PER DOCUMENT; \$5.00 PER PAGE
TITLE INSURANCE CHARGES: AMOUNT;
OWNER'S POLICY (TBD)

SCHEDULE B-SECTION 1 - COMMITMENT NO. 173664 C-7 mc

This Commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664

SCHEDULE B--SECTION 2
EXCEPTIONS

THE POLICY OR POLICIES TO BE ISSUED WILL CONTAIN EXCEPTIONS TO THE FOLLOWING UNLESS THE POLICY OR POLICIES ARE DISPOSED OF TO THE SATISFACTION OF THE COMPANY.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
6. Any and all unpaid taxes, assessments and unredeemed tax sales.
7. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing insurance thereof; water rights, claims or title to water including but not limited to that certain reservation of all minerals, ores and metals of every kind and character and all coal, asphaltum, oil and other like substances in or under said land and the right of ingress and egress for the purpose of mining, together with enough of the surface of same as may be necessary for the proper and convenient working of such minerals and substances as contained in State School Patent recorded in Book 290 at Page 169 and a reservation of all coal as contained in United States Patent recorded in Book 290 at Page 277. (Sections 15 & 16).
8. Any and all ditch and ditch rights, reservoir and reservoir rights, pipelines and all easements and appurtenances thereto including, but not limited to those associated with the Carrick Ditch and pipeline, the Ford White Ditch No. 2, the Hay Creek Reservoir, the Ford White Ditch No. 1, the Railroad Ditch, the Last Chance Ditch and the First Chance Ditch as evidenced in Deeds recorded in Book 1769 at Page 195 and Book 2233 at Page 646.

*****CONTINUED**

Exceptions numbered NONE are hereby omitted.

The Owner's Policy to be issued, if any, shall contain the following items in addition to the ones set forth above:

- 1) The Deed of Trust, if any, required under Schedule B-Section 1, item (b).

SCHEDULE B-SECTION 2 - COMMITMENT NO. 173664 C-7 mc

This commitment is invalid unless the Insuring Provisions and schedules A & B are attached

SCHEDULE B
EXCEPTIONS CONTINUED

CASE NO. 173664

9. Rights of others in and to the continued and uninterrupted flow of Black Squirrel Creek and its tributaries as the same may be found to be coursing through the subject premises.
10. Any right, title, claim or interest of the public in and to any roadway or highway including, but not limited to claims associated with the "Road Order" recorded in Book A at Page 78 and with the right of way of West Scott Road as described in instruments recorded in Book 1810 at Page 396 and recorded November 29, 1997 at Reception No. 97136695.
11. Reservation of 3/4 interest of all oil, gas and other minerals as evidenced in Deed recorded in Book 1688 at Page 500 and in Book 1781 at Page 328. (Section 23)
12. Reservation to the Federal Land Bank of Wichita an undivided one-half interest in and to all oil, gas and mineral rights as contained in Book 1128 at Page 83. Mineral Deed to Lee A. Adams conveying one-fourth interest in and to said minerals recorded in Book 1474 at Page 564 and Mineral Deed to Malco Refineries, Inc. conveying three-sixteenths interest in and to said minerals recorded in Book 1475 at Page 438. Notice of Proper Address and Claim of Interest to perpetuate mineral ownership recorded September 28, 1993 in Book 6269 at Page 1094. Conveyance Assignment and Bill of Sale from Atlantic Richfield Company to Morgan Capital Group recorded in Book 6465 at Page 1485. Quit Claim Deed recorded in connection to said reservation on June 23, 1995 in Book 6671 at Page 147, and Personal Representative's Deed recorded May 29, 1998 at Reception No. 98072480. (N 1/2, N 1/2 S 1/2 Section 23)
13. Reservation of all oil, including the right to enter said land to ~~prospect or drill for oil and the right to remove the same.~~ It is understood that if oil should be found, the grantee (Elisha Baker) herein shall receive 1% royalty as evidenced in Book 598 at Page 239. (Section 1)
14. Reservation of oil, including the right to enter said land to prospect or drill for oil and the right to remove the same. It is understood that if oil should be found, the grantee (R. S. Robinson) herein shall receive 1% royalty as evidenced in Book 658 at Page 202. (Sections 1 and 2)

*****CONTINUED**

SCHEDULE B

CASE NO. 173664

EXCEPTIONS CONTINUED

15. Right of way 50 feet in width for Fidelity Ditch, together with the right to build a headgate or dam across the Black Squirrel Creek recorded in Book 402 at Page 544. (Section 13)
16. Reservation to Arthur H. Norden and Eva Norden an undivided one-half interest in and to all mineral, oil rights in or under said land and the right of ingress and egress contained in Book 1286 at Page 355. Mineral Deed to John E. Stanford recorded in Book 2084 at Page 628. Mineral Deed to Harry Goltz recorded in Book 1996 at Page 707. Quit Claim Deed to Claro Royalty, Inc. recorded in Book 2238 at Page 949. (SW 1/4 Section 11, NW 1/4 Section 14)
17. Conveyance of undivided one-half interest in and to all oil, gas, casinghead gas, gasoline Royalty and Royalty in other minerals that may be mined from subject premises, together with the right of ingress and egress for the purpose of mining, drilling and exploring for a period of 35 years or as long thereafter as oil, gas or other minerals is produced or mined from said lands as evidenced in Deed recorded in Book 1265 at Page 294.
18. Inclusion of the subject property within the Black Squirrel Soil Conservation District as evidenced by Certificate recorded August 13, 1945, in Book 957 at Page 277.
19. Right of Way and/or Easement, given to Mountain View Electric, for electrical purposes, as described in instrument, recorded December 21, 1964 in Book 2049 at Page 890.
20. Right of Way and/or Easement, given to the Mountain States Telephone and Telegraph Company, for communication purposes, as described in instrument, recorded April 2, 1973 in Book 2574 at Page 302. (Section 23)
21. Right of Way and/or Easement, given to Mountain View Electric Association, for electrical purposes, as described in instrument, recorded March 29, 1964 in Book 1852 at Pages 370, 374 and 377, recorded June 24, 1968 in Book 2240 at Page 442 and recorded November 8, 1996 at Reception No. 96142336. (Sections 12, 14, 16, 17 and 23)

*****CONTINUED**

SCHEDULE B

EXCEPTIONS CONTINUED

22. Right of Way and/or Easement, given to American Telephone and Telegraph Company, for communication purposes, the exact location of which is not specified, recorded October 14, 1963 in Book 1980 at Page 448 and recorded November 18, 1963 in Book 1986 at Page 795. Rule and Order recorded in conjunction therewith on April 24, 1997 at Reception No. 97046029.
23. Right of Way and/or Easement, given to Colorado Telephone Company, for communication purposes, as described in instrument, recorded January 9, 1905 in Book 358 at Page 542. Conveyance to the Mountain States Telephone and Telegraph Company recorded in Book 482 at Page 190.
24. Right of Way for pipeline purposes for the benefit of Diamond Shamrock Pipeline Company the existence of which is evidenced by Rule and Order recorded April 24, 1997 at Reception No. 97046029. (Sections 21 and 28)
25. Terms, conditions, provisions, obligations and easements as contained in and created by Temporary Construction Easement Agreements recorded October 4, 2001 at Reception Nos. 201145336, 201145337 and 201145338. (Sections 10 and 11)
26. Right of Way and/or Easement, given to American Telephone and Telegraph Company, for communication purposes, the exact location of which is not specified, recorded May 7, 1956 in Book 1568 at Pages 568 and 570. (Sections 3 and 4)

Informational Note:

The subject premises appears to be affected by Zoning Resolution recorded in Book 1921 at Page 323.

Colorado Revised Statutes S10-11-122 requires that "every title insurance agent or title insurance company" shall provide, along with each title commitment issued, the following statement:

- (a) That the subject real property may be located in a special taxing district;
- (b) That a certificate of taxes due listing each taxing jurisdiction may be obtained from the county treasurer or the county treasurer's authorized agent;
- (c) That information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder or the County Assessor.

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

EFFECTIVE DATE: August 11, 2003 at 7:30 a.m. CASE NO. 173664A

POLICY OR POLICIES TO BE ISSUED:

(a) X ALTA OWNER'S POLICY 1992 AMOUNT \$
ALTA RESIDENTIAL TITLE INSURANCE POLICY-1987 PURCHASE PRICE
PROPOSED INSURED:

A PURCHASER TO BE DETERMINED

(b) ALTA LOAN POLICY, (10-17-92) AMOUNT \$
PROPOSED INSURED:

(c) AMOUNT \$
PROPOSED INSURED:

3. ~~TITLE TO THE FEE-SIMPLE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED~~ -
TO IN THIS COMMITMENT IS AT THE EFFECTIVE DATE HEREOF VESTED IN :

SPRING CREEK, LLC, A COLORADO LIMITED LIABILITY COMPANY, AS TO PARCEL A;
MERIDIAN MEADOWS, A COLORADO LIMITED PARTNERSHIP, AS TO PARCEL B

4. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED ON SCHEDULE A-4 ATTACHED

For title questions, please call Clark Hollis at (719) 475-8850.
For closing questions, please call

This Commitment supersedes Commitment No. 173664A C-6, which is hereby canceled.

Schedule A-Page 1 Commitment No. 173664A C-7 mc
This commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664A

SCHEDULE A-4 (DESCRIPTION PAGE)

PARCEL A:

THE SOUTH HALF OF THE NORTHEAST QUARTER AND THE SOUTHWEST QUARTER AND THAT PORTION OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 28 LYING EAST OF THE COUNTY ROAD (EASTONVILLE ROAD); THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 29 LYING EAST OF SAID COUNTY ROAD; THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 32 LYING EAST OF SAID COUNTY ROAD, AND THAT PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 33, LYING NORTH AND WEST OF THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY, ALL IN TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.

PARCEL B:

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 29 IN TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, LYING EAST OF THE COUNTY ROAD (EASTONVILLE ROAD).

Lawyers Title Insurance Corporation

SCHEDULE B--SECTION 1
REQUIREMENTS

CASE NO. 173664A

THE FOLLOWING ARE THE REQUIREMENTS TO BE COMPLIED WITH:

- item a PAYMENT TO OR FOR THE ACCOUNT OF THE GRANTORS OR MORTGAGORS OF THE FULL CONSIDERATION FOR THE ESTATE OR INTEREST TO BE INSURED.
- item b PROPER INSTRUMENT(S) CREATING THE ESTATE OR INTEREST TO BE INSURED MUST BE EXECUTED AND FULLY FILED FOR RECORD TO WIT:
 - 1. Warranty Deed from SPRING CREEK, LLC, A COLORADO LIMITED LIABILITY COMPANY vesting fee simple title in the purchaser. (The deed from the company must be executed by its co-managers, who the public records indicate as being: LINDA D. JOHNSON-CONNOR AND W. TRACY LEE, CO-MANAGERS.)
- item c Recordation of a Deed from MERIDIAN MEADOWS, A COLORADO LIMITED PARTNERSHIP, to SPRING CREEK, LLC, A COLORADO LIMITED LIABILITY COMPANY. (As to Parcel B)
NOTE: Said Deed must be executed by: see item "d" below.
- item d Recordation of Statement of Authority for MERIDIAN MEADOWS, A COLORADO LIMITED PARTNERSHIP evidencing the existence of the entity and authority of the person authorized to execute and deliver instruments affecting title to real property on behalf of the entity, and containing other information required by CRS 38-30-172.
- item e Such further requirements as may be deemed necessary by the Company when the identity of the proposed insured has been established to the satisfaction of the Company.

RECORDING FEES: \$1.00 PER DOCUMENT; \$5.00 PER PAGE
TITLE INSURANCE CHARGES: AMOUNT:
OWNER'S POLICY (TBD)

SCHEDULE B-SECTION 1 - COMMITMENT NO. 173664A C-7 mc

This Commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664A

SCHEDULE B--SECTION 2
EXCEPTIONS

3 POLICY OR POLICIES TO BE ISSUED WILL CONTAIN EXCEPTIONS TO THE FOLLOWING UNLESS THE
4E ARE DISPOSED OF TO THE SATISFACTION OF THE COMPANY.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public record.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
6. Road Order by the Board of Commissioners of El Paso County, Colorado, which provides for public roads, 30 feet in width, adjacent to all exterior section lines recorded in Book A at Page 78.
7. Inclusion of the subject property within the Black Squirrel Soil Conservation District as evidenced by Certificate recorded August 13, 1945, in Book 957 at Page 277.
8. Right of Way and/or Easement, given to Mountain View Electric, for electrical purposes, as described in instrument, recorded December 21, 1964 in Book 2049 at Page 890.
9. Right of Way and/or Easement, given to American Telephone and Telegraph Company, for communication purposes, as described in instrument, recorded November 18, 1963 in Book 1986 at Page 795.
10. Right of Way and/or Easement, given to Colorado Telephone Company, for communication purposes, as described in instrument, recorded January 9, 1905 in Book 358 at Page 542.

*****CONTINUED**

Exceptions numbered NONE are hereby omitted.

1e Owner's Policy to be issued, if any, shall contain the following items in addition to
1e ones set forth above:

- 1) The Deed of Trust, if any, required under Schedule B-Section 1, item (b).
- 2) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing issuance thereof; water rights, claims or title to water.
- 3) Any and all unpaid taxes, assessments and unredeemed tax sales.

SCHEDULE B-SECTION 2 - COMMITMENT NO. 173664A C-7 mc

his commitment is invalid unless the Insuring Provisions and Schedules A & B are attached

SCHEDULE B
EXCEPTIONS CONTINUED

CASE NO. 173664A

11. Right of Way for pipeline purposes for the benefit of Diamond Shamrock Pipeline Company the existence of which is evidenced by Lis Pendens recorded October 15, 1996 at Reception No. 96131560.
12. Any right, title or interest in favor of Falcon Properties & Investments for property being assessed under El Paso County Schedule No. 42000-00-232.

INFORMATIONAL NOTE:

The subject premises appears to be affected by Zoning Resolution recorded in Book 1921 at Page 323.



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

December 3, 2008

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Dick Wolfe, P.E.
Director

Spring Creek LLC and Four Way Ranch General Partnership
c/o Felt, Monson & Culichia, LLC
319 N. Weber Street
Colorado Springs, CO 80903
ATTN: Michael J. Gustafson

RE: Change of Determination of Water Right

Dear Sirs:

Enclosed are 2 copies of the Colorado Ground Water Commission's Findings and Order for the Change of Determination of Water Right No. **511-BD**, for the allocation of ground water in the **Arapahoe** aquifer. This Findings and Order is the Commission's approval of your application for determination of rights to ground water in the above stated aquifer. This document contains important information about your water right and should be reviewed and retained for your records.

As indicated in the Order, a copy of this determination must be recorded by the applicant in the public records of the county – in which the overlying land is located – so that a title examination of the overlying land claimed in the application, or any part thereof, shall reveal this determination. An additional copy of the Findings and Order is enclosed for this purpose.

If you have any questions, please contact this office.

Sincerely,

Melissa A. Peterson, P.E.
Water Resources Engineer
Designated Basins Team

enclosures: a/s

Office of the State Engineer

1313 Sherman Street, Suite 818 • Denver, CO 80203 • Phone: 303-866-3581 • Fax: 303-866-3589

www.water.state.co.us

**COLORADO GROUND WATER COMMISSION
FINDINGS AND ORDER**

IN THE MATTER OF AN APPLICATION FOR CHANGE OF WATER RIGHT TO CHANGE THE
TYPE AND PLACE OF USE OF GROUND WATER - FOR DETERMINATION OF WATER
RIGHT NO. **511-BD**

APPLICANT: SPRING CREEK LLC AND FOUR WAY RANCH GENERAL PARTNERSHIP

AQUIFER: ARAPAHOE

FINDINGS

In compliance with Section 37-90-111(1)(g), C.R.S., Spring Creek LLC and Four Way Ranch General Partnership (hereinafter "applicants") submitted an application for a change of determination of water right to change the allowed type and place of use of ground water under Determination of Water Right No. 511-BD. Based upon information provided by the applicant and the records of the Division of Water Resources, the Colorado Ground Water Commission (hereinafter "Commission") finds as follows:

1. Pursuant to Section 37-90-107(7), C.R.S., in a Commission Findings and Order dated July 22, 2004, the Commission approved a Determination of Water Right for Four Way Ranch Partnership/Spring Creek, LLC, assigned Determination No. 511-BD. This determination of water right allows the withdrawal of ground water from the Arapahoe Aquifer (hereinafter "aquifer"), underlying 8,095 acres, generally described as the W1/2 of Section 1; Sections 2 and 3; the E1/2, the SE1/4 of the NW1/4, the SW1/4 of the SW1/4, and the E1/2 of the SW1/4 of Section 4; the E1/2, a portion of the E1/2 of the W1/2, and the NW1/4 of the NW1/4 of Section 9; Sections 10 and 11; that part of Sections 12, 13, and 14, located northwest of the Highway 24 right-of-way; the NW1/4 and the W1/2 of the SW1/4 of Section 15; most of the E1/2 of Section 16; the E1/2, a portion of the E1/2 of the NW1/4, and a portion of the SW1/4 of Section 21; that part of Sections 22, 23, and 27 located northwest of the Highway 24 right-of-way; the NE1/4 and a portion of the W1/2 of Section 28; a portion of the SE1/4 of Section 29; the N1/2 of the NE1/4 and a portion of the NE1/4 of the NW1/4 of Section 32; and that part of the N1/2 of the NW1/4 of Section 33 located northwest of the Highway 24 right-of-way; all in Township 12 South, Range 64 West of the 6th Principal Meridian, in El Paso County. This area is more completely described in Exhibit A of the above described Findings and Order.
2.
 - a. In accordance with the above Order, the allowed average annual amount of ground water to be withdrawn from the aquifer shall not exceed 2,615 acre-feet.
 - b. The place of use for this allocation of ground water is the above-described 8,095-acre overlying land area.
 - c. The allowed beneficial uses for this allocation are as follows: domestic, livestock watering, lawn irrigation, commercial, industrial and replacement supply.
3. Pursuant to Section 37-90-107(7)(c)(III), C.R.S., an approved determination of water right shall be considered a final determination of the amount of ground water so determined, subject to adjustment by the Commission to conform to actual site-specific aquifer characteristics.

4. By an application for change of determination of water right received complete by the Commission on October 9, 2008, the applicants have requested:
 - a. To change the place of use of the subject determination of water right so as to include the service area of Woodmen Hills Metropolitan District service area boundaries. The service area of Woodmen Hills Metropolitan District is located within the boundaries of the Upper Black Squirrel Creek Designated Ground Water Basin.
 - b. To change the type of use so as to include municipal by the Four-Way Ranch Metropolitan District (the service area of which is located within the 8,905 acres originally approved as a place of use), and municipal use by the Woodmen Hills Metropolitan District.
 - c. To change the type of use to include augmentation.
5. In accordance with Section 37-90-112(1) and Section 37-90-111(1)(g), C.R.S., the requested change of determination of water right was published in the Ranchland News newspaper on October 23 and 30, 2008.
6. No objections to the proposed change were received within the time limit set by statute.
7. In accordance with Section 37-90-111(1)(g), C.R.S., and the Designated Basin Rules, 2 CCR 410-1, the Colorado Ground Water Commission finds that the proposed change of determination of water right will not cause material injury to the existing rights of other appropriators within the Upper Black Squirrel Creek Designated Ground Water Basin, subject to the conditions stated in the following Order.

ORDER

Now, therefore, the Colorado Ground Water Commission orders that the application for change of water right to change the type and place of use of ground water for Determination of Water Right No. 511-BD is approved, subject to the following conditions:

8. The place of use is limited to the 8,905 acres originally approved as a place of use, and the service area of the Woodmen Hills Metropolitan District. The approved service area of Woodmen Hills Metropolitan District must be located within the boundaries of the Upper Black Squirrel Creek Designated Ground Water Basin.
9. The type of use is limited to domestic, livestock watering, lawn irrigation, commercial, industrial, replacement, augmentation and municipal by the Four-Way Ranch Metropolitan District and the Woodmen Hills Metropolitan District.
10. The Commission's Findings and Order of July 22, 2004, for Determination of Water Right No. 511-BD, is hereby amended to incorporate the above change. All other terms and conditions in the Findings and Order for Determination of Water Right No. 511-BD shall remain in full force and effect.


Applicant: Spring Creek LLC and Four Way Ranch General Partnership
Aquifer: Arapahoe
Determination No.: 511-BD

Page 3

Dated this 3rd day of December, 2008.



Dick Wolfe, P.E.
Executive Director
Colorado Ground Water Commission

By: 

Keith Vander Horst, P.E.
Water Resource Engineer

Prepared by: MAP

DEC 08 2008



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

December 3, 2008

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Dick Wolfe, P.E.
Director

Spring Creek LLC and Four Way Ranch General Partnership
c/o Felt, Monson & Culichia, LLC
319 N. Weber Street
Colorado Springs, CO 80903
ATTN: Michael J. Gustafson

RE: Change of Determination of Water Right

Dear Sirs:

Enclosed are 2 copies of the Colorado Ground Water Commission's Findings and Order for the Change of Determination of Water Right No. **510-BD**, for the allocation of ground water in the **Laramie-Fox Hills** aquifer. This Findings and Order is the Commission's approval of your application for determination of rights to ground water in the above stated aquifer. This document contains important information about your water right and should be reviewed and retained for your records.

As indicated in the Order, a copy of this determination must be recorded by the applicant in the public records of the county – in which the overlying land is located – so that a title examination of the overlying land claimed in the application, or any part thereof, shall reveal this determination. An additional copy of the Findings and Order is enclosed for this purpose.

If you have any questions, please contact this office.

Sincerely,

Melissa A. Peterson, P.E.
Water Resources Engineer
Designated Basins Team

enclosures: a/s

Office of the State Engineer

1313 Sherman Street, Suite 818 • Denver, CO 80203 • Phone: 303-866-3581 • Fax: 303-866-3589

www.water.state.co.us

**COLORADO GROUND WATER COMMISSION
FINDINGS AND ORDER**

IN THE MATTER OF AN APPLICATION FOR CHANGE OF WATER RIGHT TO CHANGE THE TYPE AND PLACE OF USE OF GROUND WATER - FOR DETERMINATION OF WATER RIGHT NO. **510-BD**

APPLICANT: SPRING CREEK LLC AND FOUR WAY RANCH GENERAL PARTNERSHIP

AQUIFER: LARAMIE-FOX HILLS

FINDINGS

In compliance with Section 37-90-111(1)(g), C.R.S., Spring Creek LLC and Four Way Ranch General Partnership (hereinafter "applicants") submitted an application for a change of determination of water right to change the allowed type and place of use of ground water under Determination of Water Right No. 510-BD. Based upon information provided by the applicant and the records of the Division of Water Resources, the Colorado Ground Water Commission (hereinafter "Commission") finds as follows:

1. Pursuant to Section 37-90-107(7), C.R.S., in a Commission Findings and Order dated July 22, 2004, the Commission approved a Determination of Water Right for Four Way Ranch Partnership/Spring Creek, LLC, assigned Determination No. 510-BD. This determination of water right allows the withdrawal of ground water from the Laramie-Fox Hills Aquifer (hereinafter "aquifer"), underlying 8,095 acres, generally described as the W1/2 of Section 1; Sections 2 and 3; the E1/2, the SE1/4 of the NW1/4, the SW1/4 of the SW1/4, and the E1/2 of the SW1/4 of Section 4; the E1/2, a portion of the E1/2 of the W1/2, and the NW1/4 of the NW1/4 of Section 9; Sections 10 and 11; that part of Sections 12, 13, and 14, located northwest of the Highway 24 right-of-way; the NW1/4 and the W1/2 of the SW1/4 of Section 15; most of the E1/2 of Section 16; the E1/2, a portion of the E1/2 of the NW1/4, and a portion of the SW1/4 of Section 21; that part of Sections 22, 23, and 27 located northwest of the Highway 24 right-of-way; the NE1/4 and a portion of the W1/2 of Section 28; a portion of the SE1/4 of Section 29; the N1/2 of the NE1/4 and a portion of the NE1/4 of the NW1/4 of Section 32; and that part of the N1/2 of the NW1/4 of Section 33 located northwest of the Highway 24 right-of-way; all in Township 12 South, Range 64 West of the 6th Principal Meridian, in El Paso County. This area is more completely described in Exhibit A of the above described Findings and Order.
2.
 - a. In accordance with the above Order, the allowed average annual amount of ground water to be withdrawn from the aquifer shall not exceed 2,429 acre-feet.
 - b. The place of use for this allocation of ground water is the above-described 8,095-acre overlying land area.
 - c. The allowed beneficial uses for this allocation are as follows: domestic, livestock watering, lawn irrigation, commercial, industrial and replacement supply.
3. Pursuant to Section 37-90-107(7)(c)(III), C.R.S., an approved determination of water right shall be considered a final determination of the amount of ground water so determined, subject to adjustment by the Commission to conform to actual site-specific aquifer characteristics.

4. By an application for change of determination of water right received complete by the Commission on October 9, 2008, the applicants have requested:
 - a. To change the place of use of the subject determination of water right so as to include the service area of Woodmen Hills Metropolitan District service area boundaries. The service area of Woodmen Hills Metropolitan District is located within the boundaries of the Upper Black Squirrel Creek Designated Ground Water Basin.
 - b. To change the type of use so as to include municipal by the Four-Way Ranch Metropolitan District (the service area of which is located within the 8,905 acres originally approved as a place of use), and municipal use by the Woodmen Hills Metropolitan District.
 - c. To change the type of use to include augmentation.
5. In accordance with Section 37-90-112(1) and Section 37-90-111(1)(g), C.R.S., the requested change of determination of water right was published in the Ranchland News newspaper on October 23 and 30, 2008.
6. No objections to the proposed change were received within the time limit set by statute.
7. In accordance with Section 37-90-111(1)(g), C.R.S., and the Designated Basin Rules, 2 CCR 410-1, the Colorado Ground Water Commission finds that the proposed change of determination of water right will not cause material injury to the existing rights of other appropriators within the Upper Black Squirrel Creek Designated Ground Water Basin, subject to the conditions stated in the following Order.

ORDER

Now, therefore, the Colorado Ground Water Commission orders that the application for change of water right to change the type and place of use of ground water for Determination of Water Right No. 510-BD is approved, subject to the following conditions:

8. The place of use is limited to the 8,905 acres originally approved as a place of use, and the service area of the Woodmen Hills Metropolitan District. The approved service area of Woodmen Hills Metropolitan District must be located within the boundaries of the Upper Black Squirrel Creek Designated Ground Water Basin.
9. The type of use is limited to domestic, livestock watering, lawn irrigation, commercial, industrial, replacement, augmentation and municipal by the Four-Way Ranch Metropolitan District and the Woodmen Hills Metropolitan District.
10. The Commission's Findings and Order of July 22, 2004, for Determination of Water Right No. 510-BD, is hereby amended to incorporate the above change. All other terms and conditions in the Findings and Order for Determination of Water Right No. 510-BD shall remain in full force and effect.


Applicant: Spring Creek LLC and Four Way Ranch General Partnership
Aquifer: Laramie-Fox Hills
Determination No.: 510-BD

Page 3

Dated this 3rd day of December, 2008.



Dick Wolfe, P.E.
Executive Director
Colorado Ground Water Commission

By: 

Keith Vander Horst, P.E.
Water Resource Engineer

Prepared by: MAP

**COLORADO GROUND WATER COMMISSION
FINDINGS AND ORDER**

IN THE MATTER OF AN APPLICATION FOR DETERMINATION OF WATER RIGHT TO
ALLOW THE WITHDRAWAL OF GROUND WATER IN THE UPPER BLACK SQUIRREL CREEK
DESIGNATED GROUND WATER BASIN

APPLICANT: FOUR WAY RANCH PARTNERSHIP / SPRING CREEK LLC

AQUIFER: LARAMIE-FOX HILLS

DETERMINATION NO.: **510-BD**

In compliance with Section 37-90-107(7), C.R.S., and the Designated Basin Rules, 2 CCR 410-1, Four Way Ranch Partnership / Spring Creek, L.L.C., (hereinafter "applicant") submitted an application for determination of water right to allow the withdrawal of designated ground water from the Laramie-Fox Hills Aquifer.

FINDINGS

1. The application was received complete by the Colorado Ground Water Commission on September 10, 2003.
2. The applicant requests a determination of rights to designated ground water in the Laramie-Fox Hills Aquifer (hereinafter "aquifer") underlying 8,095 acres, generally described as the W1/2 of Section 1; Sections 2 and 3; the E1/2, the SE1/4 of the NW1/4, the SW1/4 of the SW1/4, and the E1/2 of the SW1/4 of Section 4; the E1/2, a portion of the E1/2 of the W1/2, and the NW1/4 of the NW1/4 of Section 9; Sections 10 and 11; that part of Sections 12, 13, and 14, located northwest of the Highway 24 right-of-way; the NW1/4 and the W1/2 of the SW1/4 of Section 15; most of the E1/2 of Section 16; the E1/2, a portion of the E1/2 of the NW1/4, and a portion of the SW1/4 of Section 21; that part of Sections 22, 23, and 27 located northwest of the Highway 24 right-of-way; the NE1/4 and a portion of the W1/2 of Section 28; a portion of the SE1/4 of Section 29; the N1/2 of the NE1/4 and a portion of the NE1/4 of the NW1/4 of Section 32; and that part of the N1/2 of the NW1/4 of Section 33 located northwest of the Highway 24 right-of-way; all in Township 12 South, Range 64 West of the 6th Principal Meridian, in El Paso County. According to a signed statement dated June 23, 2003, the applicant owns the 8,095 acres of land, as further described in said affidavit which is attached hereto as Exhibit A, and claims control of the ground water in the aquifer underlying this land area.
3. The proposed annual amount of ground water to be allocated and withdrawn from the aquifer for intended beneficial uses is the maximum allowable amount.
4. The above described land area overlying the ground water claimed by the applicant is located within the boundaries of the Upper Black Squirrel Creek Designated Ground Water Basin and within the Upper Black Squirrel Creek Ground Water Management District. The Colorado Ground Water Commission (hereinafter "Commission") has jurisdiction.

Robert C. Balink El Paso Cty, CO

09/10/2004 03:51

Doc \$0.00 Page

Rec \$130.00 1 of 26

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5. The applicant intends to apply the allocated ground water to the following beneficial uses: domestic, livestock watering, lawn irrigation, commercial, industrial and replacement supply. The applicant's proposed place of use of the allocated ground water is the above described 8,095 acre land area.
6. The quantity of water in the aquifer underlying the 8,095 acres of land claimed by the applicant is 242,850 acre-feet. This determination was based on the following as specified in the Designated Basin Rules:
 - a. The average specific yield of the saturated permeable material of the aquifer underlying the land under consideration that could yield a sufficient quantity of water that may be extracted and applied to beneficial use is 15 percent.
 - b. The average thickness of the saturated permeable material of the aquifer underlying the land under consideration that could yield a sufficient quantity of water that may be extracted and applied to beneficial use is 200 feet.
7. At this time, there is no substantial artificial recharge that would affect the aquifer within a one hundred year period.
8. Pursuant to Section 37-90-107(7), C.R.S., and in accordance with the Designated Basin Rules, the Commission shall allocate ground water in the aquifer based on ownership of the overlying land and an aquifer life of one hundred years. Therefore, the maximum average annual amount of ground water in the aquifer that may be allocated for withdrawal pursuant to the data in the paragraphs above for the 8,095 acres of overlying land claimed by the applicant is 2,429 acre-feet.
9. The ability of wells permitted to withdraw the authorized amount of water from this non-renewable aquifer may be less than the one hundred years upon which the amount of water in the aquifer is allocated, due to anticipated water level declines.
10. In accordance with Rule 5.3.6 of the Designated Basin Rules, it has been determined that withdrawal of ground water from the aquifer underlying the 8,095 acres of land claimed by the applicant will not, within one hundred years, deplete the flow of a natural stream or its alluvial aquifer at an annual rate greater than one-tenth of one percent of the annual rate of withdrawal and, therefore, the ground water is nontributary ground water as defined in Rule 4.2.19 of the Designated Basin Rules. No more than 98% of the amount of ground water withdrawn annually shall be consumed, as required by the Designated Basin Rules.
11. A review of the records in the Office of the State Engineer has disclosed that none of the water in the aquifer underlying the land claimed by the applicant has been previously allocated or permitted for withdrawal.
12. Pursuant to Section 37-90-107(7)(c)(III), C.R.S., an approved determination of water right shall be considered a final determination of the amount of ground water so determined; except that the Commission shall retain jurisdiction for subsequent adjustment of such amount to conform to the actual local aquifer characteristics from adequate information obtained from well drilling or test holes.

13. In accordance with Section 37-90-107(7), C.R.S., upon Commission approval of a determination of water right, well permits for wells to withdraw the authorized amount of water from the aquifer shall be available upon application, subject to the conditions of this determination and the Designated Basin Rules and subject to approval by the Commission.
14. On February 4, 2004, in accordance with Rule 9.1 of the Designated Basin Rules, a letter was sent to the Upper Black Squirrel Creek Ground Water Management District requesting written recommendations concerning this application. No written recommendations from the district were received.
15. The Commission Staff has evaluated the application relying on the claims to control of the ground water in the aquifer made by the applicant.
16. In accordance with Sections 37-90-107(7) and 37-90-112, C.R.S., the application was published in the Gazette newspaper on February 12 and 19, 2004.
17. No objections to the determination of water right and proposed allocation of ground water were received within the time limit set by statute.
18. In order to prevent unreasonable impairment to the existing water rights of others within the Upper Black Squirrel Creek Designated Ground Water Basin it is necessary to impose conditions on the determination of water right and proposed allocation of ground water. Under conditions as stated in the following Order, no unreasonable impairment of existing water rights will occur from approval of this determination of water right or from the issuance of well permits for wells to withdraw the authorized amount of allocated ground water from the aquifer.

ORDER

In accordance with Section 37-90-107(7), C.R.S., and the Designated Basin Rules, the Colorado Ground Water Commission orders that the application for determination of rights to designated ground water in the Laramie-Fox Hills Aquifer underlying 8,095 acres of land, generally described as the W1/2 of Section 1; Sections 2 and 3; the E1/2, the SE1/4 of the NW1/4, the SW1/4 of the SW1/4, and the E1/2 of the SW1/4 of Section 4; the E1/2, a portion of the E1/2 of the W1/2, and the NW1/4 of the NW1/4 of Section 9; Sections 10 and 11; that part of Sections 12, 13, and 14, located northwest of the Highway 24 right-of-way; the NW1/4 and the W1/2 of the SW1/4 of Section 15; most of the E1/2 of Section 16; the E1/2, a portion of the E1/2 of the NW1/4, and a portion of the SW1/4 of Section 21; that part of Sections 22, 23, and 27 located northwest of the Highway 24 right-of-way; the NE1/4 and a portion of the W1/2 of Section 28; a portion of the SE1/4 of Section 29; the N1/2 of the NE1/4 and a portion of the NE1/4 of the NW1/4 of Section 32; and that part of the N1/2 of the NW1/4 of Section 33 located northwest of the Highway 24 right-of-way; all in Township 12 South, Range 64 West of the 6th Principal Meridian, is approved subject to the following conditions:

19. The allocated average annual amount of ground water to be withdrawn from the aquifer shall not exceed 2,429 acre-feet. The allowed maximum annual amount of withdrawal may exceed the allowed average annual amount of withdrawal as long as the total volume of water withdrawn does not exceed the product of the number of years since the date of approval of this determination times the allowed average annual amount of withdrawal.
20. To conform to actual aquifer characteristics, the Commission may adjust the allocated average annual amount of ground water to be withdrawn from the aquifer based on analysis of geophysical logs or other site-specific data if such analysis indicates that the initial estimate of the volume of water in the aquifer was incorrect.
21. No more than 98% of the ground water withdrawn annually shall be consumed. The Commission may require well owners to demonstrate periodically that no more than 98% of the water withdrawn is being consumed.
22. The use of ground water from this allocation shall be limited to the following uses: domestic, livestock watering, lawn irrigation, commercial, industrial and replacement supply. The place of use shall be limited to the above described 8,095 acre land area.
23. The applicant, or subsequent persons controlling this water right, shall record in the public records of the county - in which the claimed overlying land is located - notice of transfer of any portion of this water right to another within sixty days after the transfer, so that a title examination of the above described 8,095 acre land area, or any part thereof, shall reveal the changes affecting this water right. Such notice shall consist of a signed and dated deed which indicates the determination number, the aquifer, a description of the above described land area, the annual amount of ground water (acre-feet) transferred, name of the recipient, and the date of transfer.
24. Subject to the above conditions, well permits for wells to withdraw the authorized annual amount of water from the aquifer shall be available upon application subject to approval by the Commission and the following conditions:
 - a. The wells shall be located on the above described 8,095 acre overlying land area.
 - b. The wells must be constructed to withdraw water from only the Laramie-Fox Hills Aquifer. Upon application for a well permit to construct such a well, the estimated top and base of the aquifer at the proposed well location will be determined by the Commission and indicated on the approved well permit. Plain non-perforated casing must be installed, grouted and sealed to prevent diversion of ground water from other aquifers and the movement of ground water between aquifers.
 - c. The entire depth of each well must be geophysically logged prior to installing the casing as set forth in Rule 9 of the Statewide Nontributary Ground Water Rules, 2 CCR 402-7.
 - d. Each well shall be constructed within 200 feet of the location specified on the approved well permit, but must be more than 600 feet from any existing large-capacity well completed in the same aquifer.

e. The wells may withdraw the allowed average annual amount of water from the aquifer together in any combination. The total combined annual withdrawal of the wells shall not exceed the allowed average annual amount described in this Order.

f. A totalizing flow meter or other Commission approved measuring device shall be installed on each well and maintained in good working order by the well owner. Annual diversion records shall be collected and maintained by the well owner and submitted to the Commission or the Upper Black Squirrel Creek Ground Water Management District upon their request.

g. The well owner shall mark the well in a conspicuous place with the permit number and the name of the aquifer. The well owner shall take necessary means and precautions to preserve these markings.

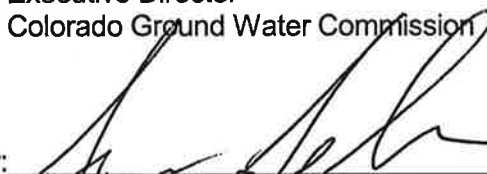
25. A copy of this Findings and Order shall be recorded by the applicant in the public records of the county – in which the claimed overlying land is located - so that a title examination of the above described 8,095 acre overlying land area, or any part thereof, shall reveal the existence of this determination.

Dated this 22nd day of July, 2004.



Hal D. Simpson
Executive Director
Colorado Ground Water Commission

By:



Suzanne M. Sellers, P.E.
Designated Basins Chief

Prepared by: EBT

FIND-116-04

EXHIBIT A

Page 1 of 21

GWS-1 (Rev, Sept 1996)

STATE OF COLORADO
OFFICE OF THE STATE ENGINEER
DIVISION OF WATER RESOURCES

NONTRIBUTARY GROUND WATER LANDOWNERSHIP STATEMENT

I (we) Four Way Ranch Partnership/Spring Creek LLC

(Name)

claim and say that I (we) am (are) the owner(s) of the following described property consisting of 8095 acres in the County of El Paso, State of Colorado:

See Attached Legal Description And Map

and, that the ground water sought to be withdrawn from the Laramie Fox Hills aquifer underlying the above-described land has not been conveyed or reserved to another, nor has consent been given to it's withdrawal by another.

Further, I (we) claim and say that I (we) have read the statements made herein; know the contents hereof; and that the same are true to my (our) own knowledge.

W. T. S. 4/23/03
(Signature) (Date)

Linda Johnson-Conne 6/23/03
(Signature) (Date)

INSTRUCTIONS:

Please type or print neatly in black ink. This form may be reproduced by photocopy or word processing means. See additional instructions on back.

Legal Description: Parcel 4200000164

That part of N2, N2 lying East of Eastonville Road
Sec. 28-12-64
Total 140 Acres

Legal Description: Parcel 4200000165

SW4, That part of S2N2 Lying east of Eastonville Road, Sec 28-12-64
That Part of SE4 Lying east of Eastonville Road Sec 29-12-64
That Part of N2N2 Lying east of Eastonville Road Sec 32-12-64
That Part of N2NW4 Lying west of CRI & P RY Sec 33-12-64
Total 556 Acres

Legal Description: Parcel 4200000190

W2, SE4, W2NE4, Sec 2-12-64
All EX RD Sec 3-12-64
Total 1268.7 Acres

Legal Description: Parcel 4200000191

E2NE4 Sec 4-12-64
Total 87.3 Acres

Legal Description: Parcel 4200000192

SW4NE4, S2NW4, S2 Sec 10-12-64
Total 440 Acres

Legal Description: Parcel 4200000193

N2NW4, E2, Part of S2NW4, SW4 Lying East of W R/W Line of CO. Road, Sec 9-12-64
E2, Part of NE4NW4 Lying East of W R/W Line of CO Road, Sec 16-12-64
Total 900.7 Acres

Legal Description: Parcel 4200000194

W2 W/MR Sec 1-12-64
E2NE4 Sec 2-12-64
SW4 L/2MR, N2, SE4 EX RD, W/MR Sec 11-12-64
All Lying NW of CRI & P RY W/MR Sec 12-12-64
All Lying NW of CRI & P RY W/MR Sec 13-12-64
All Lying NW of CRI & P RY W/MR Sec 14-12-64
That Part of N2 and of N2S2 Lying NWLY OF R/W OF US HWY 24 W/4MR Sec 23-12-64

W2SW4, NW4 Sec 15-12-64

All Lying NW of R/W CRI & P Sec 22-12-64

That Part of NW4NE4 and of NW4 and of NW2SW4 Lying NW of RW of CRI & P RY
Sec 27-12-64

Total 3631.7 Acres

Legal Description: Parcel 4200000195

R/W of OLD C&S RY, ALL Lying E of R/W Sec 21-12-64

Total 461.0 Acres

Legal Description: Parcel 4204000001

SE4, SW4SW4, E2SW4, SE4NW4, W2NE4, Sec 4-12-64

Total 410.0 Acres

Legal Description Parcel No: 42000000014

N2N2, SE4NE4 W/MR SEC 10-12-64

Total 200 Acres

Grand Total 8095 Acres

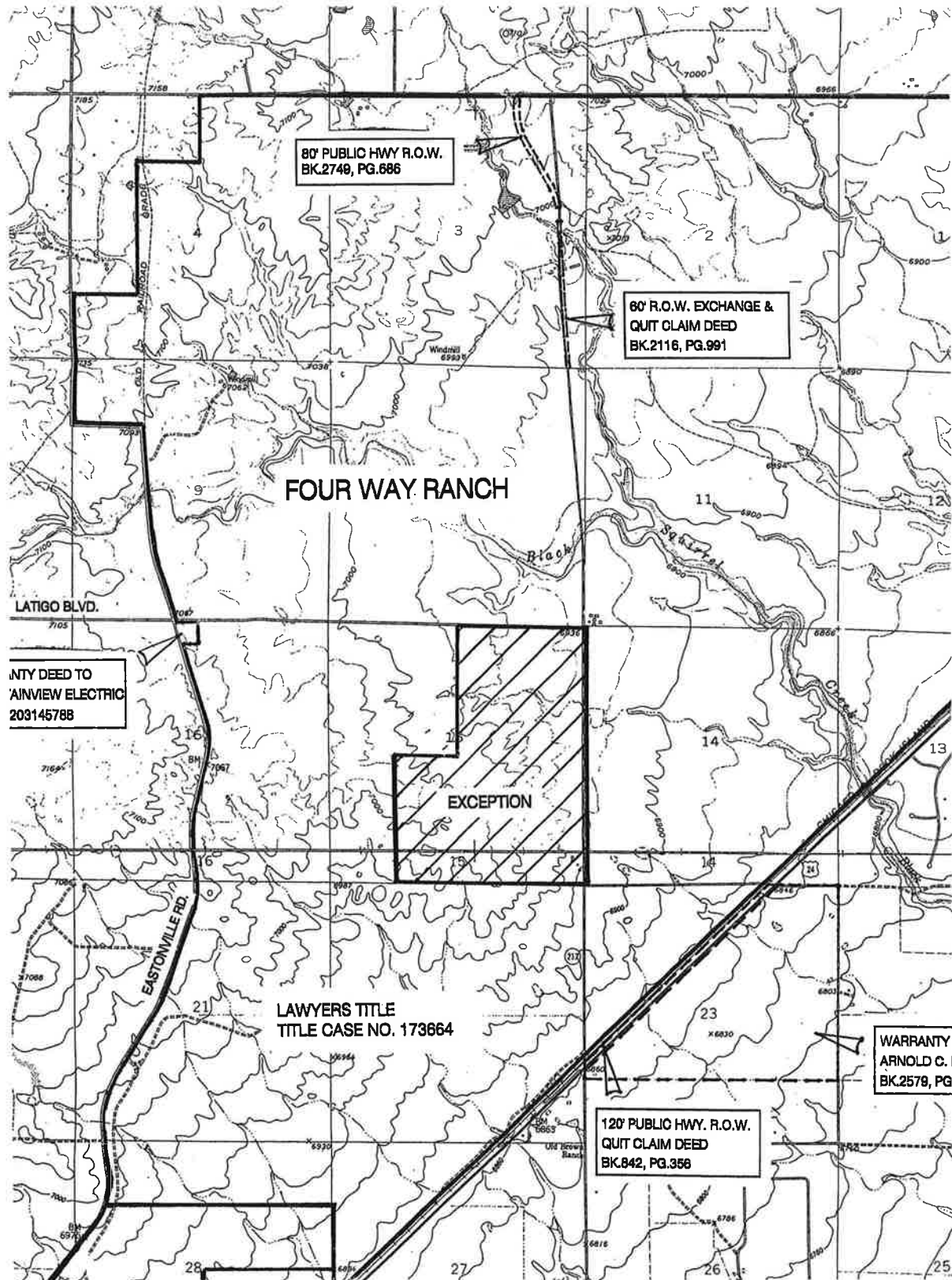
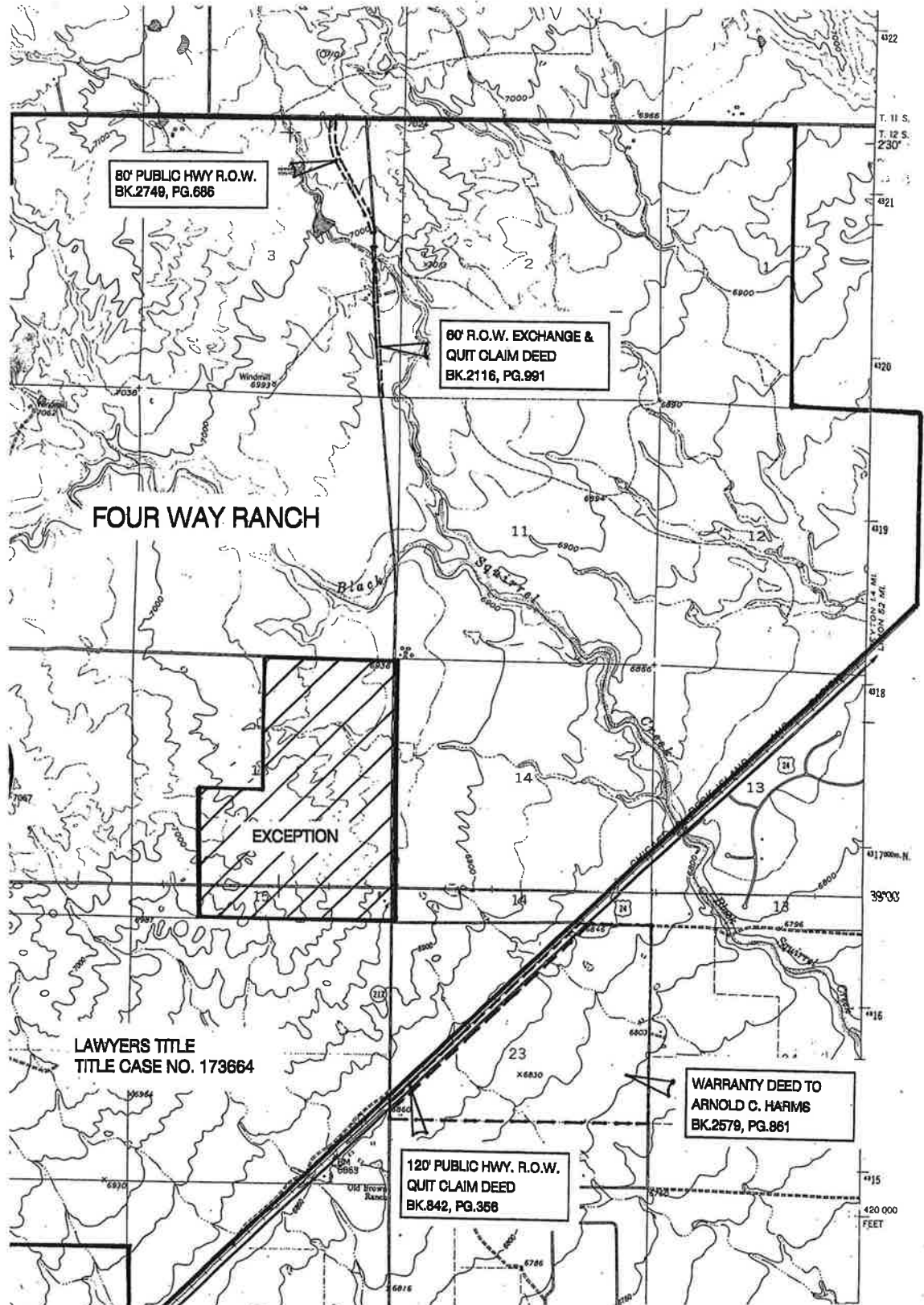
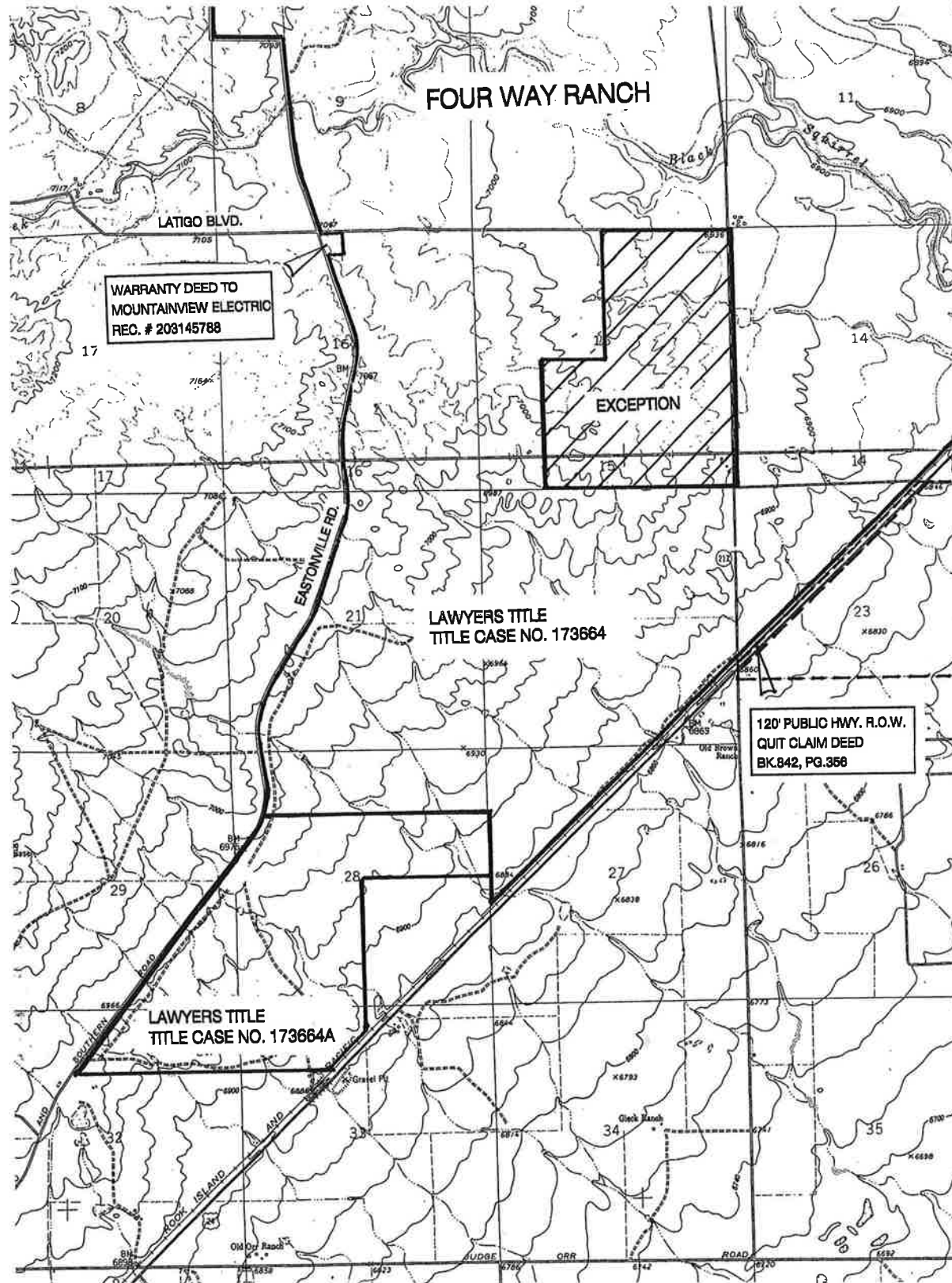


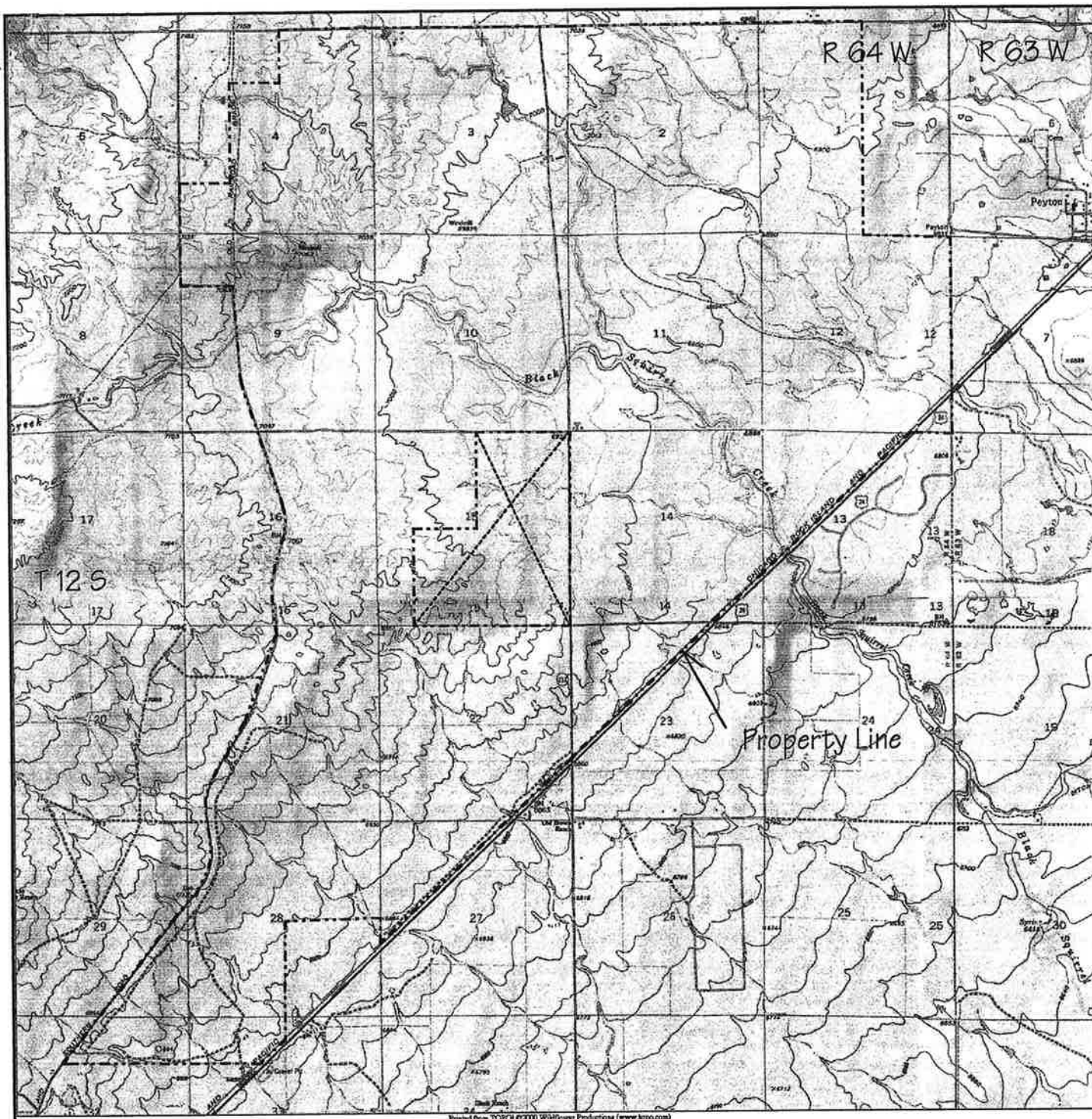
EXHIBIT A

Page 5 of 21



Page 6 of 21





Printed from TOPOR 62000 Wildlife Productions (www.kopo.com)

N
Scale 1" = 4000'

Location Map

Wm Curtis Wells & Co.
consulting ground water geologists

Figure 1

EXHIBIT A

Page 7 of 21

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

1. EFFECTIVE DATE: August 4, 2003 at 7:30 a.m. CASE NO. 173664

2. POLICY OR POLICIES TO BE ISSUED:

(a) X ALTA OWNER'S POLICY 1992 AMOUNT \$
ALTA RESIDENTIAL TITLE INSURANCE POLICY-1987 PURCHASE PRICE
PROPOSED INSURED:

A PURCHASER TO BE DETERMINED

(b) ALTA LOAN POLICY, (10-17-92) AMOUNT \$
PROPOSED INSURED:

(c) AMOUNT \$
PROPOSED INSURED:

3. TITLE TO THE FEE SIMPLE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED
TO IN THIS COMMITMENT IS AT THE EFFECTIVE DATE HEREOF VESTED IN :

FOUR WAY RANCH, A COLORADO GENERAL PARTNERSHIP

4. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED ON SCHEDULE A-4 ATTACHED

For title questions, please call Clark Hollis at (719) 475-8850.
For closing questions, please call

This Commitment supersedes Commitment No. 173664 C-6, which is hereby canceled.

Schedule A-Page 1 Commitment No. 173664 C-7 mc
This commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664

SCHEDULE A-4 (DESCRIPTION PAGE)

THE WEST HALF OF SECTION 1;

ALL OF SECTION 2;

ALL OF SECTION 3, EXCEPTING THOSE PORTIONS CONVEYED TO EL PASO COUNTY IN DEEDS RECORDED IN BOOK 2116 AT PAGE 991 AND IN BOOK 2749 AT PAGE 686;

THE SOUTHEAST QUARTER, THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4;

THE NORTH HALF OF THE NORTHWEST QUARTER, AND THAT PORTION OF THE SOUTH HALF OF THE NORTHWEST QUARTER AND OF THE SOUTHWEST QUARTER LYING EAST OF THE COUNTY ROAD ADJOINING THE RIGHT OF WAY OF THE COLORADO AND SOUTHERN RAILWAY ON THE WEST, AND THE EAST HALF, ALL IN SECTION 9;

ALL OF SECTION 10;

ALL OF SECTION 11;

THE NORTH HALF, THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER LYING NORTH AND WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD RIGHT OF WAY ALL IN SECTION 12;

ALL OF SECTION 13 LYING NORTH AND WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD RIGHT OF WAY;

THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER, THE NORTH HALF AND THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER LYING NORTH AND WEST OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD RIGHT OF WAY, ALL IN SECTION 14;

THE NORTHWEST QUARTER AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 15;

ALL THAT PORTION OF SECTION 16 LYING EAST OF SAID COUNTY ROAD, EXCEPTING THEREFROM, THAT PORTION THEREOF CONVEYED TO MOUNTAIN VIEW ELECTRIC ASSOCIATION, INC. BY DEED RECORDED JUNE 27, 2003 AT RECEPTION NO. 203145788;

THE EAST HALF AND THAT PORTION OF THE WEST HALF OF SECTION 21 LYING EAST OF SAID COUNTY ROAD;

THAT PORTION OF SECTION 22 LYING NORTHWEST OF THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY;

THE NORTH HALF AND THE NORTH HALF OF THE SOUTH HALF OF SECTION 23 EXCEPT THAT PORTION CONVEYED IN WARRANTY DEED RECORDED IN BOOK 2579 AT PAGE 861, AND EXCEPT THAT PORTION

*****CONTINUED**

LEGAL DESCRIPTION
CONTINUED

CASE NO. 173664

CONVEYED TO EL PASO COUNTY IN DEED RECORDED IN BOOK 842 AT PAGE 356, AND EXCEPT ANY PORTION FOUND TO BE LYING WITHIN THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD.

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, AND OF THE NORTHWEST QUARTER, AND OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER LYING NORTHWEST OF THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY ALL IN SECTION 27;

THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 28 AND THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 28 LYING EAST OF THE COUNTY ROAD (EASTONVILLE ROAD);

ALL IN TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.

SCHEDULE B--SECTION 1
REQUIREMENTS

CASE NO. 173664

THE FOLLOWING ARE THE REQUIREMENTS TO BE COMPLIED WITH:

- item a PAYMENT TO OR FOR THE ACCOUNT OF THE GRANTORS OR MORTGAGORS OF THE FULL CONSIDERATION FOR THE ESTATE OR INTEREST TO BE INSURED.
- item b PROPER INSTRUMENT(S) CREATING THE ESTATE OR INTEREST TO BE INSURED MUST BE EXECUTED AND FULLY FILED FOR RECORD TO WIT:
 - 1. Warranty Deed from FOUR WAY RANCH, A COLORADO GENERAL PARTNERSHIP vesting fee simple title in the purchaser. (The deed from the partnership must be executed by its general partners, who the public records indicate as being: LINDA D. JOHNSON-CONNE AND W. TRACY LEE, PARTNERS AND CO-MANAGERS.)
- item C Such further requirements as may be deemed necessary by the Company when the identity of the proposed insured has been established to the satisfaction of the Company.

RECORDING FEES: \$1.00 PER DOCUMENT; \$5.00 PER PAGE
TITLE INSURANCE CHARGES: AMOUNT:
OWNER'S POLICY (TBD)

SCHEDULE B-SECTION 1 - COMMITMENT NO. 173664 C-7 mc

This Commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664

SCHEDULE B--SECTION 2
EXCEPTIONS

THE POLICY OR POLICIES TO BE ISSUED WILL CONTAIN EXCEPTIONS TO THE FOLLOWING UNLESS THE SAME ARE DISPOSED OF TO THE SATISFACTION OF THE COMPANY.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
6. Any and all unpaid taxes, assessments and unredeemed tax sales.
7. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing issuance thereof; water rights, claims or title to water including but not limited to that certain reservation of all minerals, ores and metals of every kind and character and all coal, asphaltum, oil and other like substances in or under said land and the right of ingress and egress for the purpose of mining, together with enough of the surface of same as may be necessary for the proper and convenient working of such minerals and substances as contained in State School Patent recorded in Book 290 at Page 169 and a reservation of all coal as contained in United States Patent recorded in Book 290 at Page 277. (Sections 15 & 16).
8. Any and all ditch and ditch rights, reservoir and reservoir rights, pipelines and all easements and appurtenances thereto including, but not limited to those associated with the Carrick Ditch and pipeline, the Ford White Ditch No. 2, the Hay Creek Reservoir, the Ford White Ditch No. 1, the Railroad Ditch, the Last Chance Ditch and the First Chance Ditch as evidenced in Deeds recorded in Book 1769 at Page 195 and Book 2233 at Page 646.

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Exceptions numbered NONE are hereby omitted.

The Owner's Policy to be issued, if any, shall contain the following items in addition to the ones set forth above:

- (1) The Deed of Trust, if any, required under Schedule B-Section 1, item (b).

SCHEDULE B-SECTION 2 - COMMITMENT NO. 173664 C-7 mc

This commitment is invalid unless the Insuring Provisions and schedules A & B are attached

SCHEDULE B
EXCEPTIONS CONTINUED

CASE NO. 173664

9. Rights of others in and to the continued and uninterrupted flow of Black Squirrel Creek and its tributaries as the same may be found to be coursing through the subject premises.
10. Any right, title, claim or interest of the public in and to any roadway or highway including, but not limited to claims associated with the "Road Order" recorded in Book A at Page 78 and with the right of way of West Scott Road as described in instruments recorded in Book 1810 at Page 396 and recorded November 29, 1997 at Reception No. 97136695.
11. Reservation of 3/4 interest of all oil, gas and other minerals as evidenced in Deed recorded in Book 1688 at Page 500 and in Book 1781 at Page 328. (Section 23)
12. Reservation to the Federal Land Bank of Wichita an undivided one-half interest in and to all oil, gas and mineral rights as contained in Book 1128 at Page 83. Mineral Deed to Lee A. Adams conveying one-fourth interest in and to said minerals recorded in Book 1474 at Page 564 and Mineral Deed to Malco Refineries, Inc. conveying three-sixteenths interest in and to said minerals recorded in Book 1475 at Page 438. Notice of Proper Address and Claim of Interest to perpetuate mineral ownership recorded September 28, 1993 in Book 6269 at Page 1094. Conveyance Assignment and Bill of Sale from Atlantic Richfield Company to Morgan Capital Group recorded in Book 6465 at Page 1485. Quit Claim Deed recorded in connection to said reservation on June 23, 1995 in Book 6671 at Page 147, and Personal Representative's Deed recorded May 29, 1998 at Reception No. 98072480. (N 1/2, N 1/2 S 1/2 Section 23)
13. Reservation of all oil, including the right to enter said land to prospect or drill for oil and the right to remove the same. It is understood that if oil should be found, the grantee (Elisha Baker) herein shall receive 1% royalty as evidenced in Book 598 at Page 239. (Section 1)
14. Reservation of oil, including the right to enter said land to prospect or drill for oil and the right to remove the same. It is understood that if oil should be found, the grantee (R. S. Robinson) herein shall receive 1% royalty as evidenced in Book 658 at Page 202. (Sections 1 and 2)

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SCHEDULE B
EXCEPTIONS CONTINUED

CASE NO. 173664

15. Right of way 50 feet in width for Fidelity Ditch, together with the right to build a headgate or dam across the Black Squirrel Creek recorded in Book 402 at Page 544. (Section 13)
16. Reservation to Arthur H. Norden and Eva Norden an undivided one-half interest in and to all mineral, oil rights in or under said land and the right of ingress and egress contained in Book 1286 at Page 355. Mineral Deed to John E. Stanford recorded in Book 2084 at Page 628. Mineral Deed to Harry Goltz recorded in Book 1996 at Page 707. Quit Claim Deed to Claro Royalty, Inc. recorded in Book 2238 at Page 949. (SW 1/4 Section 11, NW 1/4 Section 14)
17. Conveyance of undivided one-half interest in and to all oil, gas, casinghead gas, gasoline Royalty and Royalty in other minerals that may be mined from subject premises, together with the right of ingress and egress for the purpose of mining, drilling and exploring for a period of 35 years or as long thereafter as oil, gas or other minerals is produced or mined from said lands as evidenced in Deed recorded in Book 1265 at Page 294.
18. Inclusion of the subject property within the Black Squirrel Soil Conservation District as evidenced by Certificate recorded August 13, 1945, in Book 957 at Page 277.
19. Right of Way and/or Easement, given to Mountain View Electric, for electrical purposes, as described in instrument, recorded December 21, 1964 in Book 2049 at Page 890.
20. Right of Way and/or Easement, given to the Mountain States Telephone and Telegraph Company, for communication purposes, as described in instrument, recorded April 2, 1973 in Book 2574 at Page 302. (Section 23)
21. Right of Way and/or Easement, given to Mountain View Electric Association, for electrical purposes, as described in instrument, recorded March 29, 1964 in Book 1852 at Pages 370, 374 and 377, recorded June 24, 1968 in Book 2240 at Page 442 and recorded November 8, 1996 at Reception No. 96142336. (Sections 12, 14, 16, 17 and 23)

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SCHEDULE B
EXCEPTIONS CONTINUED

CASE NO. 173664

22. Right of Way and/or Easement, given to American Telephone and Telegraph Company, for communication purposes, the exact location of which is not specified, recorded October 14, 1963 in Book 1980 at Page 448 and recorded November 18, 1963 in Book 1986 at Page 795. Rule and Order recorded in conjunction therewith on April 24, 1997 at Reception No. 97046029.
23. Right of Way and/or Easement, given to Colorado Telephone Company, for communication purposes, as described in instrument, recorded January 9, 1905 in Book 358 at Page 542. Conveyance to the Mountain States Telephone and Telegraph Company recorded in Book 482 at Page 190.
24. Right of Way for pipeline purposes for the benefit of Diamond Shamrock Pipeline Company the existence of which is evidenced by Rule and Order recorded April 24, 1997 at Reception No. 97046029. (Sections 21 and 28)
25. Terms, conditions, provisions, obligations and easements as contained in and created by Temporary Construction Easement Agreements recorded October 4, 2001 at Reception Nos. 201145336, 201145337 and 201145338. (Sections 10 and 11)
26. Right of Way and/or Easement, given to American Telephone and Telegraph Company, for communication purposes, the exact location of which is not specified, recorded May 7, 1956 in Book 1568 at Pages 568 and 570. (Sections 3 and 4)

Informational Note:

The subject premises appears to be affected by Zoning Resolution recorded in Book 1921 at Page 323.

Colorado Revised Statutes S10-11-122 requires that "every title insurance agent or title insurance company" shall provide, along with each title commitment issued, the following statement:

- (a) That the subject real property may be located in a special taxing district;
- (b) That a certificate of taxes due listing each taxing jurisdiction may be obtained from the county treasurer or the county treasurer's authorized agent;
- (c) That information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder or the County Assessor.

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

1. EFFECTIVE DATE: August 11, 2003 at 7:30 a.m. CASE NO. 173664A

2. POLICY OR POLICIES TO BE ISSUED:

(a) X ALTA OWNER'S POLICY 1992	AMOUNT \$
ALTA RESIDENTIAL TITLE INSURANCE POLICY-1987	PURCHASE PRICE
PROPOSED INSURED:	

A PURCHASER TO BE DETERMINED

(b) ALTA LOAN POLICY, (10-17-92)	AMOUNT \$
PROPOSED INSURED:	

(c)	AMOUNT \$
PROPOSED INSURED:	

3. TITLE TO THE FEE SIMPLE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED TO IN THIS COMMITMENT IS AT THE EFFECTIVE DATE HEREOF VESTED IN :

SPRING CREEK, LLC, A COLORADO LIMITED LIABILITY COMPANY, AS TO PARCEL A;
MERIDIAN MEADOWS, A COLORADO LIMITED PARTNERSHIP, AS TO PARCEL B

4. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED ON SCHEDULE A-4 ATTACHED

For title questions, please call Clark Hollis at (719) 475-8850.
For closing questions, please call

This Commitment supersedes Commitment No. 173664A C-6, which is hereby canceled.

Schedule A-Page 1

Commitment No. 173664A C-7 mc

This commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664A

SCHEDULE A-4 (DESCRIPTION PAGE)

PARCEL A:

THE SOUTH HALF OF THE NORTHEAST QUARTER AND THE SOUTHWEST QUARTER AND THAT PORTION OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 28 LYING EAST OF THE COUNTY ROAD (EASTONVILLE ROAD); THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 29 LYING EAST OF SAID COUNTY ROAD; THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 32 LYING EAST OF SAID COUNTY ROAD, AND THAT PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 33, LYING NORTH AND WEST OF THE RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY, ALL IN TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.

PARCEL B:

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 29 IN TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, LYING EAST OF THE COUNTY ROAD (EASTONVILLE ROAD).

SCHEDULE B--SECTION 1
REQUIREMENTS

CASE NO. 173664A

THE FOLLOWING ARE THE REQUIREMENTS TO BE COMPLIED WITH:

- item a PAYMENT TO OR FOR THE ACCOUNT OF THE GRANTORS OR MORTGAGORS OF THE FULL CONSIDERATION FOR THE ESTATE OR INTEREST TO BE INSURED.
- item b PROPER INSTRUMENT(S) CREATING THE ESTATE OR INTEREST TO BE INSURED MUST BE EXECUTED AND FULLY FILED FOR RECORD TO WIT:
 - 1. Warranty Deed from SPRING CREEK, LLC, A COLORADO LIMITED LIABILITY COMPANY vesting fee simple title in the purchaser. (The deed from the company must be executed by its co-managers, who the public records indicate as being: LINDA D. JOHNSON-CONNE AND W. TRACY LEE, CO-MANAGERS.)
- item c Recordation of a Deed from MERIDIAN MEADOWS, A COLORADO LIMITED PARTNERSHIP, to SPRING CREEK, LLC, A COLORADO LIMITED LIABILITY COMPANY. (As to Parcel B)
NOTE: Said Deed must be executed by: see item "d" below.
- item d Recordation of Statement of Authority for MERIDIAN MEADOWS, A COLORADO LIMITED PARTNERSHIP evidencing the existence of the entity and authority of the person authorized to execute and deliver instruments affecting title to real property on behalf of the entity, and containing other information required by CRS 38-30-172.
- item e Such further requirements as may be deemed necessary by the Company when the identity of the proposed insured has been established to the satisfaction of the Company.

RECORDING FEES: \$1.00 PER DOCUMENT; \$5.00 PER PAGE
TITLE INSURANCE CHARGES: AMOUNT:
OWNER'S POLICY (TBD)

SCHEDULE B-SECTION 1 - COMMITMENT NO. 173664A C-7 mc

This Commitment is invalid unless the Insuring Provisions and Schedules A & B are attached.

CASE NO. 173664A

SCHEDULE B--SECTION 2
EXCEPTIONS

THE POLICY OR POLICIES TO BE ISSUED WILL CONTAIN EXCEPTIONS TO THE FOLLOWING UNLESS THE SAME ARE DISPOSED OF TO THE SATISFACTION OF THE COMPANY.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public record.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
6. Road Order by the Board of Commissioners of El Paso County, Colorado, which provides for public roads, 30 feet in width, adjacent to all exterior section lines recorded in Book A at Page 78.
7. Inclusion of the subject property within the Black Squirrel Soil Conservation District as evidenced by Certificate recorded August 13, 1945, in Book 957 at Page 277.
8. Right of Way and/or Easement, given to Mountain View Electric, for electrical purposes, as described in instrument, recorded December 21, 1964 in Book 2049 at Page 890.
9. Right of Way and/or Easement, given to American Telephone and Telegraph Company, for communication purposes, as described in instrument, recorded November 18, 1963 in Book 1986 at Page 795.
10. Right of Way and/or Easement, given to Colorado Telephone Company, for communication purposes, as described in instrument, recorded January 9, 1905 in Book 358 at Page 542.

*****CONTINUED**

Exceptions numbered NONE are hereby omitted.

The Owner's Policy to be issued, if any, shall contain the following items in addition to the ones set forth above:

- (1) The Deed of Trust, if any, required under Schedule B-Section 1, item (b).
- (2) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing issuance thereof; water rights, claims or title to water.
- (3) Any and all unpaid taxes, assessments and unredeemed tax sales.

SCHEDULE B-SECTION 2 - COMMITMENT NO. 173664A C-7 mc

This commitment is invalid unless the Insuring Provisions and Schedules A & B are attached

SCHEDULE B
EXCEPTIONS CONTINUED

CASE NO. 173664A

11. Right of Way for pipeline purposes for the benefit of Diamond Shamrock Pipeline Company the existence of which is evidenced by Lis Pendens recorded October 15, 1996 at Reception No. 96131560.
12. Any right, title or interest in favor of Falcon Properties & Investments for property being assessed under El Paso County Schedule No. 42000-00-232.

INFORMATIONAL NOTE:

The subject premises appears to be affected by Zoning Resolution recorded in Book 1921 at Page 323.