WATER RESOURCES REPORT

FLYING HORSE NORTH
MAJOR PUD AMENDMENT – FILING NO. 9
PROJECTED WATER DEMANDS

September 16, 2026

Prepared by:
HR Green, LLC.
1975 Research Parkway, Suite 160
Colorado Springs, CO 80920
(719) 300-4140

Prepared for:
PRI #2, LLC.

PUD FILE NO.: PUDSP263

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1.0 WATER RESOURCE REPORT

A. Summary of the Proposed Subdivision

The purpose of this report is to discuss the specific water needs of the proposed Flying Horse North development in El Paso County, Colorado.

The Flying Horse North subdivision consists of 1,479.859 acres and plans for a total of approximately 310 residential estate lots of 2.5 acres or more per lot. The subdivision is located between Black Forest Rd and Highway 83, within Section 31 of Township 11 South, Range 65 West of the 6th Principal Meridian and Section 36 of Township 11 South, Range 66 West. The Major PUD Amendment is for the amended area referred to as Filings 9 which adds 11 proposed 2.5 acre single-family residential lots in an area of the subdivision that has not been developed and has been conceptualized for future residential development in previous applications (PUDSP252 in 2026 and PUD162 in 2016).

Filing No. 9 is an eleven lot single-family residential estate lot filing of approximately 32.07 acres located along Allen Ranch Road, south of Old Stagecoach Road and adjacent to Tract K Golf Course open space area. The Filing is situated north of Filing 3 and adjacent to Filing 1.

This Water Resources Report consists of the information specific to Filing No. 9, as well as the entire subdivision including its projected water demand for the land uses anticipated at this time to demonstrate water sufficiency and an appropriate augmentation plan for the new filing areas that have expanded the subdivision's total water demand.

The full Flying Horse North subdivision consists of existing Filings 1, 3, 4, 5, 6, 7, and 8 as well as the proposed Filing 9 areas as well as a permanent Clubhouse commercial use, the golf course, and the open space park area. The figures associated with existing residential filings and amenities such as the golf clubhouse, golf course, and open space areas are directly from the previously approved 2026 PUDSP252 application. There is no formal Filing No. 2, as the single lot subdivision that was originally intended to be Filing No. 2 was ultimately included within the 51 lots of Filing No. 3.

All water uses discussed in this report are the applications that are approved or in process as of the date of this report. A summary of the existing lots per filing and the proposed projected lots within the proposed development areas are provided in the table below.

Table 1: Flying Horse North Lots by Filing

Filing No.	No. of SFR Lots
Existing Filing No. 1	81
Existing Filing No. 3	51
Existing Filing No. 4	48
Existing Filing No. 5	21
Existing Filing No. 6	1
Existing Filing No. 7	50
Existing Filing No. 8	47
Proposed Filing No. 9	11
TOTAL	***310***

The 2016 PUD (PUD162) and the 2017 PUD Preliminary Plan (SP17012) totaled 283 lots. The expanded Filing Nos. 6 and 7 areas yielded additional lots and the total subdivision lot count of 299 is an increase of 16 lots (PUDSP252). This Major PUD Amendment application expands the subdivision to a total of 310 single-family residential lots with the addition of 11 lots within Filing No. 9.

Water services for residential and commercial properties within the development will be supplied by the Flying Horse North Metro District, utilizing proposed on-site wells on each lot, as has been the case for the existing filings 1, 3, 4, 5, 6, 7, and 8 to date.

The source of the water for Filing No. 9 is the nontributary Dawson aquifer and utilizes dedicated water rights from previous case nos. 94CW023(B) and 2004CW098. Filing No. 9 will be supplied by individual on-lot wells from the Dawson aquifer that will operate in accordance with the augmentation plan in case no. 26CW3062.

Refer to Exhibit 1 for a map depicting the land plan of the proposed development.

B. Information Regarding Sufficient Quantity of Water

i. Calculation of Water Demand

Given the size of the proposed lots in the range of 2.5 acres up to 5.0 acres with an average near the minimum 2.5-acre area per lot, it is expected that each residential unit in Flying Horse North will require an average of 0.70 annual acre-ft per SFE (domestic and irrigation use). This is a standard per lot water demand for a rural subdivision of this kind. The 2026 PUDSP application utilized the same demand figure. The 2017 Water Resources Report utilized a smaller 0.600 annual acre-ft per SFE which was increased to 0.70 annual acre-ft per SFE in the previous report to be more accurate for present day observed uses in rural estate lot subdivisions.

The Table 2 below is provided for the proposed Filings 9 development. The accompanying letter from Alan Hill of Hill & Pollock, LLC. lays out the current water supply and augmentation plan for Flying Horse North and demonstrates sufficiency for the proposed development area while recounting the current uses of the subdivision, to date. Table 3 is a Water Demand Summary for the entirety of Flying Horse North as it stands today with existing filings, commercial uses, and the inclusion of the Filings 9 area to demonstrate water sufficiency for the subdivision.

A Findings and Ruling of the Water Referee and Decree of the Water Court by the District Court, Water Division 1, Colorado filed on December 22, 2025 is included within this report. The findings of fact states that “the purpose of the Application is to adjudicate nontributary and not nontributary groundwater in the Dawson, Denver, Arapahoe, and Laramie-Fox Hills aquifers underlying 99.33 acres of land owned by Applicant and described in paragraph 8 herein as the ‘Way/Crisler Parcel’, and for approval of a supplement to the ‘Plan for Augmentation for Use of Not Nontributary Groundwater’ decreed in Case No. 16CW3190, Division 1 (the ‘Augmentation Decree’). The Augmentation Decree approved a plan for augmentation for 283 Dawson not nontributary wells located in the Flying Horse North Parcels, as described in the Augmentation Decree. The 99.33 acres are contiguous to the land overlying the not nontributary and nontributary groundwater, including the Dawson

groundwater for which an augmentation plan was approved in the Augmentation Decree."

The Judgement and Decree for this case (24CW3169) states that "The Application in this matter is hereby approved subject to the terms and conditions set forth in this decree."
Exhibits within the Decree Letter include water use tables and accounting forms for water use by case number for the Flying Horse North subdivision.

Open space within Flying Horse North now equates to approximately 283.4 acres which comprises of the golf course area and irrigated park area with portions of formal park area to be irrigated.

To recap previous filings and developments included in the subdivision and their water uses, information regarding the Golf Clubhouse, the Park irrigation water use, and the golf course are explained further.

There is no irrigation demand as part of the Filing 9 development. All previous filings and their water demand uses are shown and per the previous 2026 PUDSP252 report with no changes.

Table 2 below summarizes the proposed projected water demand for the Major PUD Amendment for Flying Horse North Filing No. 9.

Table 3 summarizes the overall water demand projections for the Flying Horse North subdivision with existing water uses and proposed water demand for all residential filings, commercial uses (Golf Clubhouse), and irrigated areas (Park and Golf Course). These figures are considered more comprehensive, up to date, and accurate compared to the subdivision's original 2017 report and the 2026 PUDSP252 report.

Table 2: Water Demand Summary of Proposed Filing 9

	Annual Water Demand (Ac-Ft)
Proposed Residential Filing No. 9 – 11 lots (Dawson)	7.70
TOTAL	***7.70***

Table 3: Water Demand Summary of Flying Horse North To-Date, Including Filing 9

	Annual Water Demand (Ac-Ft)
Existing Residential – 299 lots (Dawson)	209.30
Proposed Residential Filing No. 9 – 11 lots (Dawson)	7.70
Park (Irrigation of 50% of 35.0 acres) (Arapahoe)	43.15
Golf Clubhouse (Arapahoe)	5.32
Golf Course (Arapahoe)	164.70
TOTAL SUBDIVISION	***430.17***
TOTAL DAWSON	***217.00***
TOTAL ARAPHAHOE	***213.17***

- Sources are listed above and each source meets the required 300-year supply requirements. All residentials lots are sourced via individual on-lot wells.

Refer to Exhibit 2 for the Water Supply Information Sheet.

As documented in the May 31, 2022 Alan Hill memo, approximately 941.1 acre-feet of non-tributary Denver groundwater underlying Lazy H (less the annual volume of groundwater provided to Flying Horse Ranch through Denver well number 80739-Fm estimated to be approximately 80 acre-feet), and 672.2 acre-feet of non-tributary Arapahoe groundwater underlying Lazy H, are available. Case Nos. 99CW218 and 00CW079) are the two decrees entered with the State concerning groundwater underlying the Lazy H property. The memo includes information about the additional water after modification of degrees including a table that shows the total available water in each aquifer based on the assumption that the three domestic/Dawson augmentation degrees for the Flying Horse North HOA are modified to reflect the change in the number of homes (+/- 83 SFE). The modifications are also include the Flying Horse North golf course augmentation decree that was entered to use Denver water for post pumping depletion in years 111-3000 by substituting Laramie-Fox Hills non-tributary groundwater underlying Lazy H for the Arapahoe non-tributary groundwater underlying Lazy H to cover post pumping depletions. The total available groundwater after decree modifications is 1,576.6 acre-feet.

A more up to date letter issued by Alan Hill of Curtis Justus Zahedi dated January 13, 2025 describes the original three-hundred-year water supply augmentation plan for the original PUD subdivision of Flying Horse North with an allotted 283 single-family homes and irrigation of the golf course. The original water court degrees, Case No. 16CW3190 entered October 6, 2017, and Case No. 18CW3185, Water Division No. 1, entered July 30, 2020 were for the 283 SFE provided by an individual Dawson aquifer well. The domestic water rights are dedicated to the Flying Horse North Homeowners Association, and all of the irrigation water rights dedicated to the Flying Horse Country Club. The proposed Filings 6, 7, and 8 development area is included in a portion of the original PUD and 283 SFE's but expands the subdivision acreage and water demand for an additional 23 SFE's with the purchase and development of the Way and Crisler parcels, totaling approximately 99.33 acres and accounting for an additional 16.1 acre-feet of water demand for the residential uses.

A separate philanthropic Foundation Site project and its associated water use is County File No. SF256 and is not included in this report as it is an on-going application with its own Water Resources Report.

A letter from the Colorado Division of Water Resources dated November 24, 2025 speaks to a review by Colorado DWR of the applicant's water attorney, Mr. Alan Hill, concerning the PUD/SP Amendment for Filings 4-7 within the Flying Horse North PUD development that were received by Colorado DWR on November 19, 2025. The letter summarizes the source of water supply for tributary and non-tributary groundwater from the Dawson, Denver, Arapahoe, and Laramie-Fox Hills aquifers. Summary tables are provided within the letter for Case Nos. 94CW023(B) and 2004CW098. The letter describes the applicant's up to date augmentation plan decreed in Case No. 16CW3190 (amended in Case No. 18CW3185) for diversion of water between aquifers and to provide water supply for the added lots for Filings 4-7. As stated in the letter, "The Applicant obtained well permit no. 81145-F for the amount of water transferred to the Applicant in case no. 2004CW098 in the Arapahoe aquifer (239 acre-feet). The use of ground water from this well is limited to municipal, industrial, domestic, commercial, irrigation, stock watering, recreational, fish and wildlife, fire protection, and augmentation purposes. It appears that this well will be used within the development for Filings 4-7.

The State Engineer's Office Opinion states that "based upon the above and pursuant to section 30-28-136(1)(h)(I), C.R.S., it is our opinion that the proposed water supply for Filing 4-7 is adequate and can be provided without causing injury to decreed water rights, provided the total annual amount allowed to be withdrawn by the Dawson aquifer wells for the total development will not exceed the total annual amount allowed by the augmentation plan approved in case no. 16CW3190.

The DWR letter dated November 24, 2025 is included in Exhibit 3.

The December 22, 2025 Water Decree by the Water Court, Division 1, Colorado is also included in Exhibit 3. The Decree includes the Findings of Fact, a review of the augmentation plan and previous plans and court cases, Conclusions of Law, and the Judgement and Decree.

ii. Calculation of Quantity of Water Available

Flying Horse North Metropolitan District (Exhibit 3) will provide water for the development. Flying Horse North Metro District and Flying Horse Country Club have sufficient water available to supply the projected annual water demand for the additional Filing No. 9 shown in Table 2 and for the subdivision as a whole (Table 3), per the augmentation plan and Water Decree dated December 22, 2025.

The total available water supply for the Flying Horse North Subdivision is 1,576.6 acre-feet. Table 3 totals a water demand of 430.17 acre-feet for the subdivision as it exists today with Filings 1, 3, 4, 5, 6, 7, and 8 and the proposed Filing No. 9.

iii. Groundwater Source Information

Flying Horse North subdivision water supply for the 310 lots (299 previously

approved with PUDSP252, plus 11 new lots with this application) is from Dawson not nontributary groundwater pursuant to water court approved augmentation plans. A total of 217.6 acre-feet of Dawson groundwater (300-year-supply) is dedicated (and has been conveyed to the HOA) for the single-family lots. Nontributary Arapahoe groundwater is dedicated to golf course irrigation, and golf course club house. All these uses are currently served by the Arapahoe nontributary groundwater owned by the applicant (years 111 through 300 of these uses is provided by Denver not nontributary groundwater pursuant to an augmentation plan approved in Case No. 18CW3043, Water Division No. 1).

Nontributary Denver and nontributary Laramie-Fox Hills groundwater is dedicated to post-pumping depletions in the respective augmentation plans.

The 11 proposed Filing No. 9 single-family residential lots are supplied by the dedicated Dawson nontributary groundwater (300-year supply) and on-site individual lot wells are to be utilized.

iv. Production Wells Information

The FHN Metro District will provide water services to residential properties within the development by using existing and proposed on-site wells on each lot. The exact location of these sites is to be determined at building permit to demonstrate compliance with setbacks from other wells, buildings, and septic infrastructure.

v. Surface Water Sources [N/A]

C. Information Regarding Sufficient Dependability of Water Supply

i. Proof of Ownership

All water sources to be used to serve Flying Horse North will be owned by the Flying Horse North Homeowners Association. When the exact source of water to be used is identified, proof of ownership will be supplied.

ii. Financial Plan

Discussions are ongoing with Flying Horse North regarding the water infrastructure necessary to serve the proposed development and how those improvements will be financed. It is anticipated to be financed via the Flying Horse North Metropolitan District.

iii. Description of Water Supply

Treatment Facility/Storage Facility: The Flying Horse North development will not include any provisions for treatment or storage facilities at this time.

Distribution/Transmission: Distribution lines will likely be PVC, adequately sized to convey fire-flows throughout the subdivision. They will be constructed by the Flying Horse North Metro District. No other districts are planned to provide water or infrastructure for the Flying Horse North water system.

iv. Calculation Demonstrating Quantity

Quantity calculations will be provided once specific water rights/sources have been identified and committed to the project.

v. Evidence of Water System Source

The water collection and distribution system will be constructed as part of the Flying Horse North development. The FHN will manage the water supply utilizing existing wells and extending service lines to each lot. Refer to Exhibit 3 for the FHN's plan to provide water services for the proposed development.

vi. Evidence of Short-Term Supply for Fire

A transmission line, owned and maintained by Cherokee Metro District, extends across the Flying Horse North subdivision. Fire hydrants are installed along this line and are authorized for use in fire suppression activities within the subdivision. Within the Filing No. 5 Park area, a specific hydrant (Hydrant #20) will be equipped with a constructed access roadway, including a firetruck turnaround. A new fire hydrant is to be installed from the Cherokee transmission line in the area of Old Stagecoach Road and Sandbagger Drive for fire suppression. Additionally, a 100,000 gallon vault with pump and dry hydrant for emergency services is to be located along a pull-off near the intersection of Black Forest Road and Hodgen Road.

The Fire Protection Report, prepared by Peregrine Fire, outlines the fire protection strategy for the subdivision, leveraging the existing Cherokee Metro District infrastructure, addresses the accessibility and routing considerations for emergency vehicles. Hydrant #17 along Black Forest Road is to be improved for access with a shoulder access and hydrant extension (CDR257). Additionally, the existing on-site Irrigation reservoir located west of Filing No. 5 in the Filing No. 1 area was designed and constructed with a pump house and fire department connection for fire suppression activities. Black Forest Fire Protection District is aware of the fire protection plan including this irrigation pond and the Cherokee Metro District Sundance water transmission line system with available hydrants for water hauling, and planned cistern and dry hydrant installations.

D. Information Regarding Sufficient Quality

i. Chemical Analysis of Proposed Water from Each Proposed Source

If new water sources are used for the proposed development, water quality analysis shall be made available to EPC.

ii. Evidence of Compliance with County and State Water Quality Standard

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

iii. Discussion of Potential for Water Quality Degradation from On-site and Off-site Sources

All water supplied to the proposed development by Flying Horse North will be a mixture of multiple sources including alluvial and deep wells.

E. Public and Private Commercial Water Providers

i. Information From Commercial Water Providers

Water services for residential and commercial properties within the Flying Horse North development will be provided by the FHN Metro District, using existing wells and extending service lines to each lot. No other public or private water providers have service areas encompassing the proposed development.

ii. Water Providers Report

Please see Exhibit 3.

F. State Engineer Summary Narrative

Flying Horse North is located in El Paso County, northeast of Colorado Springs, Colorado. The property is proposed to be a multi-use residential subdivision with a commercial golf course and residential properties. There is one well that is located on the property under permit 81145-F, that was permitted 07/24/2017. That well supplies irrigation water for the existing golf course. The proposed development will receive its water supply from the FHN Metropolitan District, which will utilize existing wells and extend service lines, as detailed in Exhibit 3.

Included within Exhibit 3 is the Findings and Ruling of the Water Referee and Decree of the Water court from the District Court, Water Division 1, Colorado (Case No. 24CW3169), filed dated of December 22, 2025. This Water Decree approves the proposed augmentation plan that demonstrates water sufficiency as proposed for the Major PUD Amendment and the entirety of the Flying Horse North subdivision.

HRGreen®

Exhibit 1

FLYING HORSE NORTH FILING NO. 9
PUD & PRELIMINARY PLAN MAJOR AMENDMENT

A PORTION OF SECTIONS 34 (NE 1/4), 35 (NW 1/4, & NE 1/4) AND 36 TOWNSHIP 11 SOUTH, RANGE 66 WEST AND A PORTION OF SECTIONS 30 (SW 1/4, SE 1/4, & NE 1/4) AND 31 (SW 1/4, NW 1/4, & NE 1/4), TOWNSHIP 11 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO

LINEWORK LEGEND

- *PR PROPERTY LINE*
- *EX PROPERTY LINE*
- *PR EASEMENT LINE*
- *EX EASEMENT LINE*
- *PR RIGHT OF WAY*
- *EX RIGHT OF WAY*
- *PR LOT LINE*
- *EX LOT LINE*
- *EX SWALE*
- *PR SWALE*
- *PR TRAIL*
- *PR MONUMENT SIGN (represents 10'x10' area)*
- *PR POND RIM*
- *PR INDEX CONTOUR*
- *EX INDEX CONTOUR*
- *PR INTER. CONTOUR*
- *EX INTER. CONTOUR*
- *EX FEMA FLOODPLAIN*

EX. FIL. NO. 1 = 81 LOTS (PUD162)

EX. FIL. NO. 3 = 51 LOTS (PUD162)

EX. FIL. NO. 4 = 48 LOTS (PUDSP244)

EX. FIL. NO. 5 = 21 LOTS (PUDSP245)

EX. FIL. NO. 6 = 1 LOT (PUDSP252)

EX. FIL. NO. 7 = 47 LOTS (PUDSP252)

EX. FIL. NO. 8 = 50 LOTS (PUDSP252)

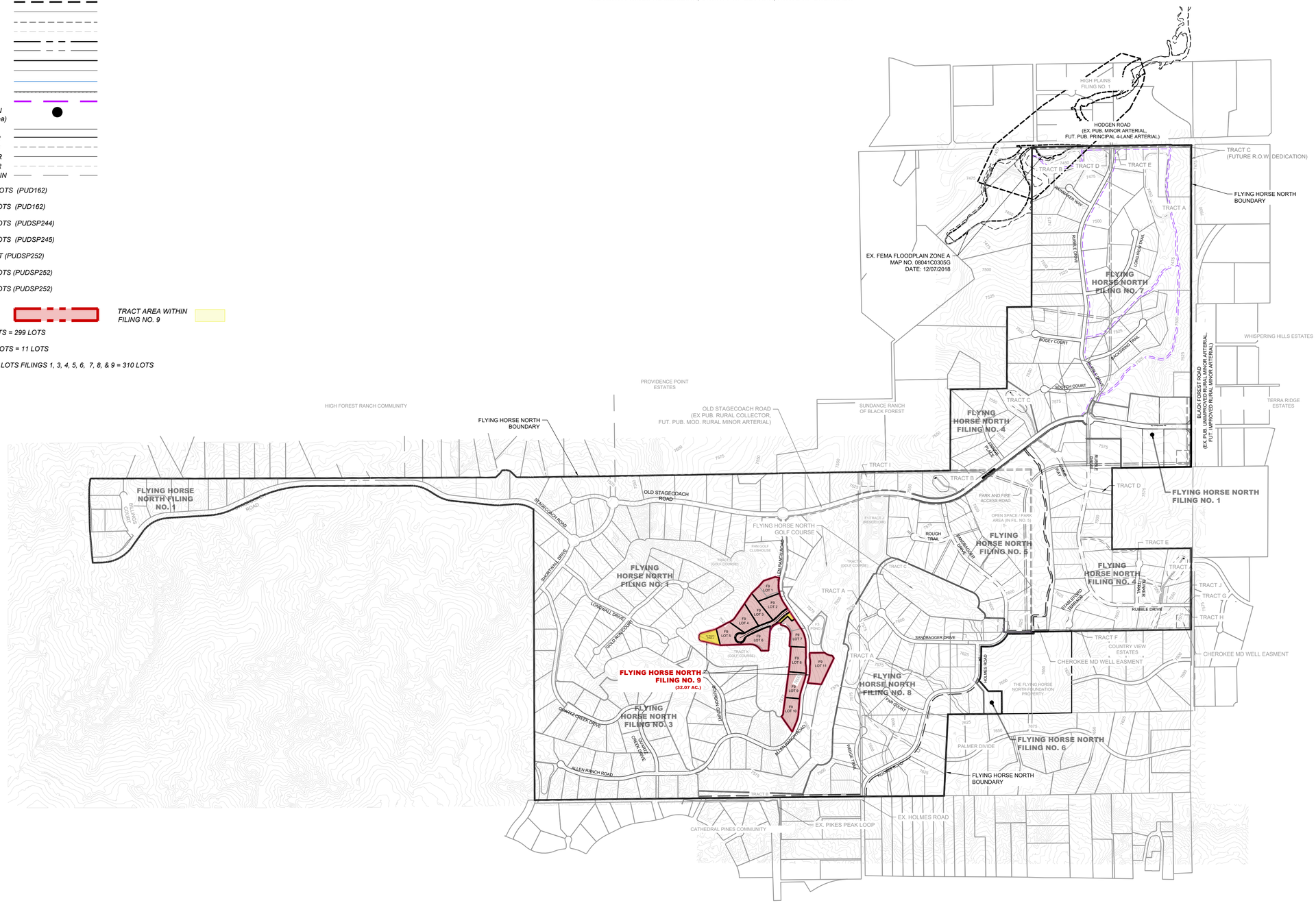
PROP. FILING 9 (11 LOTS)

TRACT AREA WITHIN FILING NO. 9

TOTAL EXISTING LOTS = 299 LOTS

TOTAL PROPOSED LOTS = 11 LOTS

TOTAL SUBDIVISION LOTS FILINGS 1, 3, 4, 5, 6, 7, 8, & 9 = 310 LOTS



PCD FILE NO.: PUDSP___

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APPROVED: KMH	JOB NUMBER: 2502599	IF NOT ONE INCH, ADJUST SCALE ACCORDINGLY.	
CAD DATE: 10/14/2024			
CAD FILE: J:\2025\2502599\CAD\Dwgs\C\F9 Major PUD Amendment\Overall_Site			

NO.	DATE	BY	REVISION DESCRIPTION

HRGreen

HR GREEN - COLORADO SPRINGS
1975 RESEARCH PARKWAY SUITE 160
COLORADO SPRINGS, CO 80920
PHONE: 719.300.4140
FAX: 713.965.0044

FLYING HORSE

FLYING HORSE NORTH FILING NO. 9
PUD & PRELIMINARY PLAN MAJOR AMENDMENT
PRI #2, LLC.
EL PASO COUNTY, CO

PUD & PRELIMINARY PLAN MAJOR AMENDMENT

OVERALL SITE

SHEET OV

5

LYON, RICHIE, 4/2/2026 9:07 AM

HR GREEN Xrefs: xc-row-030;202; xc-row-1030; Parcel_Boundary; xgl-1-dh01-1030; EX-Parcels; Site_Map_Legend; xv-dsgn-1030; xc-row-030;250; xc-row-030;240; xc-row-030;260-Trisha; xc-row-030;270; xc-row-030;280; XC-ROW-F9; TB_HRG_FHN-F9-PUD

Exhibit 2

WATER SUPPLY INFORMATION SUMMARY

PROPOSED FILING NO. 9 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 *Flying Horse North PUD Major Amendment (Filing 9)*

2. LAND USE ACTION *PUD*

3. NAME OF EXISTING PARCEL AS RECORDED *N/A*

SUBDIVISION *See Above* **FILING** *9* **BLOCK** *N/A* **Lot** *N/A*

4. TOTAL ACREAGE *32.07* | **5. NUMBER OF LOTS PROPOSED** *11* | **PLAT MAPS ENCLOSED** ☑ NO

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? ☐ YES ☑ NO

B. Has the parcel ever been part of a division of land action since June 1, 1972? ☐ YES ☑ 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** *36* **TOWNSHIP** *11S* **RANGE** *66* ☐ N ☐ S ☐ E ☒ W

PRINCIPAL MERIDIAN: ☑ 6TH ☐ N.M. ☐ UTE ☐ COSTILLA

8. PLAT - Location of all wells on property must be plotted and permit numbers provided.

Surveyors Plat ☐ YES ☑ NO If not, scaled hand -drawn sketch ☐ YES ☐ NO N/A

9. ESTIMATED WATER REQUIREMENTS - Gallons per Day or Acre Foot per Year

HOUSEHOLD USE # *(Dawson)*	*11*	**of units**	*6,874*	**GPD**	*7.70*	**AF**
COMMERCIAL USE #		**SF**		**GPD**		**AF**
IRRIGATION #		**acres**		**GPD**		**AF**
STOCK WATERING #		**of head**		**GPD**		**AF**
OTHER		**Multi-fam**		**GPD**		**AF**
TOTAL			*6,874*	**GPD**	*7.70*	**AF**

7.70 AF/yr (Dawson)

10. WATER SUPPLY SOURCE

☑ EXISTING ☑ DEVELOPED

WELLS SPRING

WELL PERMIT NUMBERS

TBD

☑ NEW WELLS

Proposed Aquifers - (Check One)

☐ Alluvial ☐ Upper Arapahoe
☐ Upper Dawson ☐ Lower Arapahoe
☒ Lower Dawson ☐ Laramie Fox Hills
☐ Denver ☐ Dakota
☐ Other

☐ MUNICIPAL
☐ ASSOCIATION
☑ COMPANY
DISTRICT

NAME Flying Horse North Metro District

LETTER OF COMMITMENT FOR SERVICE ☑ YES ☐ NO

WATER COURT DECREE CASE NUMBERS

Determinations:
24CW3169
(DECEMBER 22, 2025)

11. ENGINEER'S WATER SUPPLY REPORT ☑ YES ☐ NO If yes, please forward with this form. (This may be required before our review is completed)

12. TYPE OF SEWAGE DISPOSAL SYSTEM *SEPTIC TANK/LEACH FIELD* ☑

☒ SEPTIC TANK/LEACH FIELD *PRIVATE OWTS ON LOTS*

CENTRAL SYSTEM - DISTRICT NAME:

☐ LAGOON

☐ VAULT - LOCATION SEWAGE HAULED TO:

☐ ENGINEERED SYSTEM (Attach a copy of engineering design)

☐ OTHER:

WATER SUPPLY INFORMATION SUMMARY

TOTAL FHN SUBDIVISION WATER SUPPLY INFORMATION

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 *Flying Horse North Subdivision - Summary of All Filings Existing and Proposed*

2. LAND USE ACTION *PUD*

3. NAME OF EXISTING PARCEL AS RECORDED *N/A*

SUBDIVISION *See Above* **FILING** *1, 3-8 , 9* **BLOCK** *N/A* **Lot** *N/A*

4. TOTAL ACREAGE *1,499.72* | **5. NUMBER OF LOTS PROPOSED** *311* | **PLAT MAPS ENCLOSED** ☑ NO

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? ☐ YES ☑ NO

B. Has the parcel ever been part of a division of land action since June 1, 1972? ☐ YES ☑ 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** 31,36 **TOWNSHIP** 11 **RANGE** 65.66 ☐ N ☐ S ☐ E ☒ W

PRINCIPAL MERIDIAN: ☑ 6TH ☐ N.M. ☐ UTE ☐ COSTILLA

8. PLAT - Location of all wells on property must be plotted and permit numbers provided.

Surveyors Plat ☐ YES ☑ NO If not, scaled hand -drawn sketch ☐ YES ☐ NO N/A

9. ESTIMATED WATER REQUIREMENTS - Gallons per Day or Acre Foot per Year

HOUSEHOLD USE # *(Dawson)*	*310*	**of units**	*193,726*	**GPD**	*217.00*	**AF**
COMMERCIAL USE #		**SF**		**GPD**		**AF**
IRRIGATION # ** *(Araphaoe)*	*17.5*	**acres**	*38,522*	**GPD**	*43.15*	**AF**
STOCK WATERING #		**of head**		**GPD**		**AF**
OTHER Golf Clubhouse Golf Course *(Araphaoe)*		**Multi-fam**	*4,749* *147,036*	**GPD**	*5.32* *164.70*	**AF**
TOTAL			*384,033*	**GPD**	*430.17*	**AF**

217.00 AF/yr (Dawson)
213.17 AF/yr (Arapahoe)

**Irrigation of Residential / Commercial Uses is included in their respective rows.

10. WATER SUPPLY SOURCE

☑ EXISTING ☑ DEVELOPED

WELLS SPRING

WELL PERMIT NUMBERS

TBD

☑ NEW WELLS

Proposed Aquifers - (Check One)

☐ Alluvial ☑ Upper Arapahoe
☐ Upper Dawson ☑ Lower Arapahoe
☑ Lower Dawson ☐ Laramie Fox Hills
☐ Denver ☐ Dakota
☐ Other

☐ MUNICIPAL
☐ ASSOCIATION
☑ COMPANY
DISTRICT

NAME Flying Horse North Metro District

LETTER OF COMMITMENT FOR SERVICE ☑ YES ☐ NO

WATER COURT DECREE CASE NUMBERS

Determinations:
24CW3169
(December 22, 2025)

11. ENGINEER'S WATER SUPPLY REPORT ☑ YES ☐ NO If yes, please forward with this form. (This may be required before our review is completed)

12. TYPE OF SEWAGE DISPOSAL SYSTEM *SEPTIC TANK/LEACH FIELD* ☑

☒ SEPTIC TANK/LEACH FIELD *Private OWTS on lots*

CENTRAL SYSTEM - DISTRICT NAME:

☐ LAGOON

☐ VAULT - LOCATION SEWAGE HAULED TO:

☐ ENGINEERED SYSTEM (Attach a copy of engineering design)

☐ OTHER:

Exhibit 3

Hill&Pollock llc
Attorneys at Law

Alan Hill, ahill@hillpollock.com • Ashley Pollock-Zahedi, apollock@hillpollock.com

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MEMO

To: Jeff Smith

From: Alan Hill

Date: May 31, 2022

Re: Flying Horse Ranch/Lazy H Water Rights

EXECUTIVE SUMMARY

We believe that after modification/amendment of the three domestic Dawson augmentation decrees, and modification/amendment of the years 111-300 golf course Denver augmentation decree, ***approximately 941.1 acre-feet of nontributary Denver groundwater*** *underlying Lazy H (less the annual volume of groundwater provided to Flying Horse Ranch through Denver well number 80739-F, estimated to be approximately 80 acre-feet), and* ***672.2 acre-feet of nontributary Arapahoe groundwater*** *underlying Lazy H, are available.*

DECREED NOT NONTRIBUTARY AND NONTRIBUTARY GROUNDWATER UNDER LAZY H

The table below shows all the decreed not nontributary (NNT) and nontributary (NT) groundwater underlying the Lazy H property. There were two decrees entered concerning the groundwater underlying the Lazy H property (Case Nos. 99CW218 and 00CW079). The table also shows the amount of water available in each aquifer after taking into consideration additional offsets, such as the conservation easement limitation on the use of Dawson groundwater, the water demands of the Flying Horse Ranch from the Denver aquifer well, and the various augmentation decrees previously entered by the Water Court for the Flying Horse North development and the Flying Horse North golf course ("Total Available Today").

	Acre-Feet Decreed							
	Case No. 99CW218	Case No. 00CW079	Total Decreed	Conservation Easement	Reserved for Flying Horse Ranch	Case No. 18CW3043, and conveyed to Golf Course for post-pumping depletions	Case Nos. 16CW3190, 17CW3209 and 18CW3185, and conveyed to the HOA for post-pumping depletions	**Total Available Today**
NNT Dawson	1,070.6	128.7	1,199.3	-1,199.3[1]				**0.0**
NT Denver	834.8	106.3	941.1		-80.0[2]			**861.1**
NT Arapahoe	592.3	79.9	672.2			-164.7[3]		**507.5**
NT Laramie-Fox Hills	375.7	49.5	425.2			-217.2[4]	-208.0[5]	**0.0**
								1,368.6

[1] The not nontributary groundwater in the Dawson aquifer is encumbered by a conservation easement and would require an augmentation plan prior to use.

[2] The nontributary groundwater in the Denver aquifer has one permit issued (80739-F) pursuant to 99CW218. This well currently serves the Flying Horse Ranch venue. Flying Horse will need to determine the current (and future) demands for water from this well, and reserve that amount of water. The current estimate of the water demand is 80 ac-ft/yr. to be reserved and used for the venue, irrigation, and livestock.

[3] Currently, 164.7 AF of this entitlement to Arapahoe nontributary groundwater is reserved in the golf course decree (18CW3043) and was conveyed to the golf course for post-pumping golf course irrigation depletions.

[4] Currently, 217.2 AF of Laramie-Fox Hills ("LFH") nontributary groundwater is reserved in the golf course decree and was conveyed to the golf course for post-pumping Denver well golf course irrigation depletions.

[5] 208.0 AF of LFH nontributary groundwater is reserved in the domestic well/Dawson augmentation decrees (16CW3190, 17CW3209 and 18CW3185), and was conveyed to the HOA for post-pumping Dawson well depletions.

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ADDITIONAL WATER AFTER MODIFICATION OF DECREES

The table below shows the Total Available in each aquifer based on the assumption that the three domestic/Dawson augmentation decrees for the Flying Horse North HOA are modified to reflect the change in the number of homes (83+/- SFE, rather than 283 SFE). It also assumes modification of the Flying Horse North golf course augmentation decree that was entered to use Denver water for post pumping depletions in years 111-300 by substituting Laramie-Fox Hills nontributary groundwater underlying Lazy H for the Arapahoe nontributary groundwater underlying Lazy H to cover post pumping depletions.

	Change in Acre-Feet			
	Total Available Today	**Modification of Decree entered in Case No. 18CW3043**	**Modification of Decrees entered in Case Nos. 16CW3190, 17CW3209 and 18CW3185**	**Total Available After Decree Modifications**
NNT Dawson	**0.0**			0.0
NT Denver	**861.1**			861.1
NT Arapahoe	**507.5**	164.7[6]		672.2
NT Laramie-Fox Hills	**0.0**	-164.7[6]	208.0[7]	43.3
				1,576.6

[6] Instead of the Flying Horse North golf course reserving this 164.7 AF of Arapahoe nontributary groundwater for the golf course post-pumping irrigation depletions, we believe the decree entered in Case No. 18CW3043 can be modified so that LFH water can be substituted for this purpose.

[7] Instead of the Flying Horse North HOA reserving 208.0 AF of LFH nontributary groundwater to augment Dawson domestic well post-pumping depletions for 283 SFE, we believe the decrees entered in Case Nos. 16CW3190, 17CW3209 and 18CW3185 can be modified so that this 208.0 acre-feet can be applied to other uses. If 164.7 AF of this LFH water is substituted and applied to the post-pumping Denver well golf course irrigation depletions, a total of 43.3 AF of LFH nontributary groundwater will be available.

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DESCRIPTION OF DECREES

There are two decrees for not nontributary and nontributary groundwater underlying the Hindery/Lazy H property, which is now Flying Horse Ranch.

The nontributary and not nontributary groundwater underlying 1,240 acres was decreed in Case No. 99CW218, a copy of which is attached. The nontributary and not nontributary groundwater underlying an additional 165 acres was decreed in Case No. 00CW079, a copy of which is also attached.

Combining both decrees, a total of 1,199.3 acre-feet was decreed in the Dawson not nontributary aquifer, 941.1 acre-feet was decreed in the Denver nontributary aquifer, 672.2 acre-feet was decreed from the Arapahoe nontributary aquifer, and 425.2 acre-feet from the Laramie-Fox Hills aquifer. All of these quantities are based on a per year entitlement, calculated over a one-hundred-year aquifer life. **There are at least two limitations on use: 1) the December 15, 2000, Conservation Easement, a copy of which is attached** (I believe this may have been amended; I have not reviewed any amendments)**, and 2) portions of the nontributary Arapahoe and Laramie-Fox Hills groundwater were dedicated to post-pumping augmentation for the Flying Horse North domestic wells and golf course irrigation.**

In Case No. 99CW218, 1,070.6 acre-feet per year was decreed from the Dawson not nontributary aquifer, 834.8 acre-feet per year was decreed from the Denver nontributary aquifer, 592.3 acre-feet per year was decreed from the nontributary Arapahoe aquifer, and 375.7 acre-feet per year was decreed from the nontributary Laramie-Fox Hills aquifer. The Dawson aquifer water (with some exceptions for what appears to be 28 acre-feet per year provided for in the decree) **cannot** be pumped without a court approved augmentation plan. There is no court approved plan for this water. A Denver nontributary well was drilled to supply the venue, Well Permit No. 80739-F.

In Case No. 00CW079, 128.7 acre-feet per year was decreed from the Dawson not nontributary aquifer, 106.3 acre-feet per year was decreed from the Denver nontributary aquifer, 79.9 acre-feet per year was decreed from the nontributary Arapahoe aquifer, and 49.5 acre-feet per year was decreed from the

nontributary Laramie-Fox Hills aquifer. Again, the Dawson aquifer water **cannot** be pumped without a court approved augmentation plan. There is no court approved plan for this water.

CONSERVATION EASEMENT

Pursuant to a December 15, 2000, conservation easement agreement, all tributary and surface water rights are encumbered by the easement, along with the Dawson not nontributary groundwater (Protected Water). The nontributary groundwater in the Denver, Arapahoe, and Laramie-Fox Hills aquifers (Severable Water) is not encumbered. The nontributary groundwater would have to be pumped from wells on the property, and there are some restrictions on the facilities (height, vegetation, etc.) set out in Section 4.8 of the conservation easement agreement.

NONTRIBUTARY GROUNDWATER RESERVED FOR FHN

A portion of the nontributary groundwater in the Laramie-Fox Hills nontributary aquifer (208 acre-feet out of 425.2 acre-feet) is currently dedicated to augment the post-pumping depletions from the Dawson wells decreed to serve individual lots in FHN. If the new FHN plan moves forward, 208 acre-feet per year in the Laramie-Fox Hills nontributary aquifer would be conveyed back to Flying Horse Ranch. The remaining 217.2 acre-feet per year in the Laramie-Fox Hills aquifer would remain dedicated to augmentation of post-pumping depletions associated with using Denver aquifer water to irrigate the golf course in years 111 through 300. An additional 164.7 acre-feet is required to augment post-pumping depletions associated with the Denver nontributary groundwater irrigating the golf course in years 111-300, for a total of 381.9 acre-feet.

Currently, a portion of the Arapahoe aquifer nontributary groundwater (164.7 acre-feet per year) is also dedicated to augmentation of post-pumping depletions associated with golf course Denver groundwater golf course irrigation use. We recommend replacing the 164.7 acre-feet of Arapahoe groundwater currently dedicated with 164.7 acre-feet of nontributary Laramie-Fox Hills aquifer (this is possible because the 208 acre-feet of Laramie-Fox Hills water previously dedicated for post-pumping

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augmentation of the domestic use is no longer required). The 164.7 acre-feet of Arapahoe nontributary groundwater would then be available to Flying Horse.

GROUNDWATER LEASED FROM THE STATE LAND BOARD

The State Land Board lease includes 515 acre-feet from the not nontributary Dawson aquifer, 577 acre-feet from the not nontributary Denver aquifer, 239 acre-feet from the nontributary Arapahoe aquifer, and 182 acre-feet from the nontributary Laramie-Fox Hills aquifer, all decreed in Case No. 04CW098. The lease term runs through February 27, 2048, at which time the ownership of the groundwater will revert to Flying Horse.

Currently, the 515 acre-feet of not nontributary Dawson aquifer water is dedicated to the 283 SFE domestic augmentation plan for Flying Horse North. To the extent the development is reconfigured so that only 83 SFE are to be served by Dawson wells, the 515 acre-feet of Dawson groundwater would be available for other uses (after amendment of the decrees). However, a new augmentation plan would need to be approved by the water court prior to any other use of the leased Dawson groundwater.

A total of 381.9 acre-feet of not nontributary Denver aquifer water is dedicated to irrigation of the golf course, years 111-300. The remaining 195.1 acre-feet is available. However, a new augmentation plan would need to be approved by the water court prior to any other use of the leased Denver groundwater.

All 239 acre-feet of the nontributary Arapahoe aquifer water is dedicated to irrigation of the golf course, years 1-110.

Currently, the 182 acre-feet of nontributary Laramie-Fox Hills aquifer water is dedicated to augment post-pumping depletions associated with the 283 SFE domestic augmentation plan for Flying Horse North. To the extent the development is reconfigured so that only 83 SFE are to be served by Dawson wells, the 182 acre-feet of Laramie-Fox Hills groundwater would be available for other uses (after amendment of the decrees).

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CJ&Z

CURTIS | JUSTUS | ZAHEDI

January 13, 2025

Drew Balsick
Flying Horse Development, LLC
PRI #2, LLC
2138 Flying Horse Club Drive
Colorado Springs, CO 80921

Re: Flying Horse North Additional Lots (Way/Crisler)

Dear Drew:

This letter will serve as a summary of the three-hundred-year water supply plan for the original Flying Horse North development, including 283 single-family homes and irrigation of the golf course. It will also summarize the pending three-hundred-year water supply plan for twenty-five additional single-family homes, and horse facility, on approximately one-hundred acres (Way/Crisler Parcel).

Flying Horse North

Flying Horse North was approved for 283 single-family homes. Water for each single-family home is provided by an individual Dawson aquifer well. The Dawson wells are augmented pursuant to the water court decree in Case No.16CW3190, Water Division No. 1, entered October 6, 2017, and the water court decree in Case No. 18CW3185, Water Division No. 1, entered July 30, 2020. These two water court decrees were approved by El Paso County as the domestic water supply to the 283 single-family homes, including findings that the water court decrees provided for a three-hundred-year supply. Copies of both decrees are in the drop box link: https://www.dropbox.com/scl/fo/0f9mybox7846shbhub3mh/ALZedHMBOXgkXNnsFD51USI?rlkey=qd4f9o7k7e8a6rle4aql4u0kc&st=0ajv2qi7&dl=0.

In addition to the three-hundred-year domestic supply for Flying Horse North, the developer was also required to provide a three-hundred-year irrigation supply for the Flying Horse North golf course. This was accomplished by the dedication of Arapahoe groundwater decreed in Cas No. 04CW098, Water Division No. 2, entered June 15, 2005, for years 1-110. For years 111-300, Denver aquifer groundwater will be used pursuant to an augmentation plan approved in Case No. 18CW3043, Water Division No. 2, entered October 7, 2019, a copy of which is in the drop box (a copy of the decree entered in 04CW098 is attached to the Denver aquifer decree as Exhibit E).

Accordingly, the three-hundred-year water supply for the 283 single-family homes and golf course irrigation approved in the prior El Paso County process have been previously decreed, with all the

domestic water rights dedicated to the Flying Horse North Homeowners Association, and all the irrigation water rights dedicated to Flying Horse Country Club.

Flying Horse North (Way/Crisler)

The Way and Crisler parcels, with a total of approximately 99.33 acres, are now owned by the developer. These parcels are contiguous to the existing Flying Horse North development. The developer is seeking approval for additional single-family homes, together with a horse facility. The single-family homes and horse facility would be served with individual Dawson not nontributary wells. In addition, Arapahoe groundwater would be available for supplemental purposes in Flying Horse North.

Water court applications were filed in December 2024, seeking to quantify the not nontributary and nontributary groundwater underlying the Way/Crisler Parcel, to allow Arapahoe and Laramie-Fox Hills groundwater to be pumped from the current Flying Horse North property, and for approval of a plan for augmentation. Pursuant to the pending water court applications, up to 28 single-family homes would be supported, along with the horse facility, with 25 acre-feet of Dawson pumping sought to be augmented. The applications were filed in both Division No. 1 (24CW3169) and Division No. 2 (24CW3050) (copies of each are in the drop box); the applications will be consolidated into Division No. 1 this spring. We anticipate obtaining a decree in 2025.

The groundwater quantified and the plan for augmentation approved in the pending applications will be integrated into the accounting for Flying Horse North, which is currently the responsibility of the Flying Horse North Homeowners Association.

We welcome the opportunity to discuss this further, at your convenience.

Sincerely,

Alan Hill