

**ORDER BY BOARD OF DIRECTORS OF THE
LA PLATA ARCHULETA WATER DISTRICT
FOR EXCLUSION OF REAL PROPERTY**

WHEREAS, there was filed with the Board of Directors of the La Plata Archuleta Water District (the "District") thirteen (13) duly acknowledged Petitions, copies of which are attached hereto as Group Exhibit A and incorporated herein by this reference, signed by or on behalf of one hundred percent (100%) of the fee owners of the real properties described in the Petitions, requesting that the Board of Directors exclude such properties from the District; and

WHEREAS, such Petitions were heard at a public meeting of the Board of Directors of the District on September 9, 2010, at the hour of 9:00 a.m. at 255 Ute Street, Ignacio, Colorado, after publication of notice of the filing of such Petitions, the place, time and date of such meeting, the names and addresses of the Petitioners, and a general description of the properties to be excluded, in the Pine River Times on September 3, 2010, a copy of which proof of publication is attached hereto as Exhibit B and incorporated herein by this reference; and

WHEREAS, no written objection to the exclusion was filed by any person; and

WHEREAS, the Board of Directors, having reviewed such Petitions and all relevant information related thereto, hereby determines that:

- A. The exclusion of such properties will be in the best interests of all of the following: (i) the property itself; (ii) the District; and (iii) La Plata County, in which the District is located;
- B. The relative costs and benefits to such properties justify exclusion from the District's services;
- C. The ability of the District to provide economical and sufficient service to both the properties to be excluded and all of the properties within the District's boundaries will not be adversely affected;
- D. The District will be able to provide services at a reasonable cost, but the costs that would be imposed by other entities in the surrounding area to provide similar services are also reasonable;
- E. There will be no effect from either granting or denying the Petitions on employment and other economic conditions in the District and surrounding area;

- F. There will be no economic impact on the region, District, surrounding area, or State as a whole if the Petitions are granted or denied;
- G. There are economically feasible alternative services available from other entities in the surrounding area;
- H. The additional cost to be levied on other property within the District as a consequence of the exclusion is nominal; and
- I. The District currently has no outstanding bonded indebtedness.

WHEREAS, it is deemed to be in the best interest of the District and the Petitioners that such properties be excluded from the District.

IT IS THEREFORE ORDERED that such Petitions be granted as to the real properties described herein; and that the boundaries of the District shall be altered by the exclusion of the real properties described herein; and that the District Court of La Plata County, Colorado, in which Court an Order was entered establishing this District, be requested to enter an Order that such real properties be excluded from the District.

I certify that the foregoing Order was unanimously passed at a meeting of the Board of Directors of the La Plata Archuleta Water District, duly called and held on September 9, 2010, at the hour of 9:00 a.m., and that the undersigned is the duly acting and authorized Chairman of the District.

Richard Lunceford

Richard Lunceford, Chairman