

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE BATTLEMENT MESA
METROPOLITAN DISTRICT REGARDING CERTAIN WATER RIGHTS**

WHEREAS, the Battlement Mesa Metropolitan District, County of Garfield, is a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"); and

WHEREAS, the District, by and through its counsel, Grimshaw & Harring, P.C., filed an application for finding of reasonable diligence on March 29, 2010, amended April 26, 2010 (the "Application"), to continue as conditional those certain water rights known as Monument Reservoir No. 3 and Huntley Ditch – Monument Reservoir Enlargement, in Case No. 2010CW69, Water Division 5 (the "Water Rights"); and

WHEREAS, the District, being fully advised in the matter, has determined that the Water Rights are no longer a necessary part of the District's integrated water system and that it is no longer in the District's best interests to maintain the Water Rights as either conditional or absolute water rights; and

WHEREAS, the District desires to withdraw the Application with the understanding that withdrawal of the Application will cause the District to permanently abandon the Water Rights.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District, that:

1. The District hereby authorizes and directs its counsel, Grimshaw & Harring, P.C., to take any and all actions necessary to complete the withdrawal of the Application and to abandon the Water Rights.

RESOLVED this 26 day of AUGUST, 2010.

(SEAL)

BATTLEMENT MESA METROPOLITAN
DISTRICT

President

ATTEST:

Secretary