

**CONDITIONS APPLYING TO THE ALLOCATION OF 2016
AGRICULTURAL PROJECT WATER**

1. An allocation will be made each year in order that Project water will be efficiently managed by the Southeastern Colorado Water Conservancy District, acting by and through its Water Activity Enterprise (“District”) and the entities. **The allocation will be approved at the May meeting of the Board of Directors.**
2. In the event additional water is made available to the District after the May allocation, eligible entities will be notified by mail or e-mail. The Allocation Committee and/or the Board of Directors will then review any written requests. Water allocated in a second allocation must be paid for in full within two weeks of notification of the amount allocated.
3. The Board has established a policy that applications received after the deadline, will **not** be considered. Failure to pay by the announced deadline automatically voids the approved allocation.
4. The District must notify the Bureau of Reclamation (Reclamation) before Project water can be released. The District will notify the Division Engineer that you will be submitting your schedule for delivery directly to his office.
5. Allocated Project water will be delivered by Reclamation according to the District’s Repayment Contract with Reclamation. Delivery of your Project water, subject to appropriate transit loss, can be made:
 - a) To your headgate on the Arkansas River; or
 - b) By means of your wells as an alternate point of diversion, providing said wells have been adjudicated by the Water Court; or
 - c) By exchange, if such exchange is decreed or approved by the Division Engineer in writing.
6. Eighty percent (80%) of any agricultural allocation of Project water must be used by November 15, 2016. The remaining twenty percent (20%) must be used by May 1, 2017. If Project water allocations are not used by the specified dates, (subject to any extensions the Board may approve) the allocations will be canceled, and monies paid will be forfeited.
7. In considering extension requests, the District will consider that water committed to augmentation plans often requires longer-term storage. Approved carryover storage past May 1 of the following year of Project water allocated for agricultural use shall be subject to appropriate evaporation and transportation charges and to financial surcharges similar to those paid for municipal carryover storage.
8. Any and all waters purchased are subject to all terms and conditions of the Contract between the Southeastern Colorado Water Conservancy District and the United States, Reclamation law, including the Reclamation Reform Act (RRA), and any applicable Reclamation policies, including any policy regarding the use of Reclamation water or facilities for activities prohibited by the Controlled Substance Act of 1970, in effect for 2016. Submission of an application for Project water constitutes acceptance of the price for Project water set forth on the previous page, and of all terms and conditions of the District’s current Water Allocation Policy. During the March 2015 Board meeting, the Board of Directors decided that the rights of first refusal for agricultural entities referenced in the policy would only be applied to requests made for use in the Fort Lyon Pilot Project. If you need to review a copy of any of these documents, please contact the District at (719) 948-2400 or go to www.secwcd.org, click on “Water Management” then “The Allocation of Fryingspan-Arkansas Project Water & Project Water Return Flows.”
9. It is the intent of the Board of Directors that entities which do not buy Project water in any single year will not be precluded from doing so in the future, and will not be subject to prejudice thereby in the Board’s review of the applications.

APPLICATIONS MUST BE RECEIVED BY 4:30 P.M. FRIDAY, APRIL 15, 2016

**SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT
AGRICULTURAL APPLICATION 2016 FRYINGPAN-ARKANSAS PROJECT WATER**

TO: Southeastern Colorado Water Conservancy District Board of Directors, acting by and through its Water Activity Enterprise (“District”):

We/I, the _____ (entity), with the following water rights _____, hereby request _____ acre-feet of Project water in the May allocation. We/I understand the Board of Directors of the District will allocate available waters equitably in its discretion, based upon the merits of each application, and water will be delivered in accordance with, and we accept the terms and conditions of the District’s Water Allocation Policy and of the District’s notice dated March 15, 2016, which accompanied this application. We understand and accept that we will pay the District \$9.00 per acre-foot, which includes \$7.00 per acre-foot for Project water, a \$0.75 per acre-foot Water Activity Enterprise (WAE) surcharge, a \$0.50 per acre-foot Safety of Dams (SOD) surcharge for agricultural water, and a \$0.75 per acre-foot Environmental Stewardship Surcharge (ESS). An allocation and delivery of water by the District does not create any right, title, entitlement, or other interest in Project water beyond the right to delivery of current Project water sold by the District.

In support of our request, and to comply with the need for information by the District to meet the terms and conditions of its contract with the United States, and the Operating Principles, we confirm that we have sufficient non-Project water rights and that we will not deliver Fryingpan-Arkansas Project water to ineligible lands or lands outside of the boundaries of Southeastern Colorado Water Conservancy District.

Please indicate your source of decreed water:

We will pay in accordance with the terms of the District’s notice dated March 22, 2016, which accompanied this application, and before use. In 2016, we will irrigate _____ *eligible* acres, for approximately _____ shareholders.

List the total shares being used for Municipal use _____.

We request to use _____% of our allocated Project water for well augmentation.

For requests of partial or all use for well augmentation a copy of your substitute water supply plan will need to be attached. Project water used for well augmentation will be surcharged an additional \$2.60 per acre-foot and/or a portion of the allocation may be assigned to the Division Engineer’s Office to make-up the return flows that would have been generated by direct use of the Project water. This is because the water is considered to be totally consumed when used for augmentation and there are no return flows.

If supplementary information, including compliance forms for the Reclamation Reform Act (RRA) is required regarding our request we agree to supply additional information as requested by the District. We acknowledge that failure to deliver Project water in accordance with the entity’s Commingling Plan may result in a requirement by the Bureau of Reclamation that the entity pay an Administrative Fee Bill and/or the Full Cost Rate for Fryingpan-Arkansas Project water delivered to ineligible lands.

