



NOTICE

CONCERNING NEW OR INCREASED WATER SERVICE
WITHIN THE ST. CHARLES MESA WATER DISTRICT
AND THE PROVISION OF BESSEMER DITCH SHARES

PLEASE TAKE NOTICE that the Board of Directors of the St. Charles Mesa Water District ("District") has adopted a new regulation governing the provision of new or increased water service within the District ("Regulation"). A copy of the Regulation is attached hereto. The Regulation modifies the District's previous requirements concerning the provision of shares of stock in the Bessemer Irrigating Ditch Company ("Ditch Company") to the District. The Board of Directors ("Board") has also established a Water Bank from which shares of stock in the Ditch Company may be purchased by District landowners who desire to receive new or increased water service, but who do not have Ditch Company stock available to them. As stated in the Regulation, the Board reserves the right to refuse to provide Ditch Company shares from the Water Bank to any applicant the Board determines, in its discretion, to have available Ditch Company shares from other sources, if Ditch Company shares formerly associated with the area for which new or increased service is requested have been sold or severed after May 10, 2006, or if the number of shares requested exceeds twenty (20) shares. Please refer to the text of the Regulation for other relevant provisions.

PLEASE NOTE that Section 19.01 (H) of the District's regulations, which has not been modified, provides that the District may withdraw its commitment for water service to any property for which the subdivision plan was not finally approved by the Pueblo County Commissioners within two (2) years of submission of an application for water service to the District.

ST. CHARLES MESA WATER DISTRICT

By *Charles E. Norton*
Charles E. Norton

President of the District and Chairman
of the Board of Directors

ATTEST:

David K. Simpson

David K. Simpson, Assistant Secretary