

MEMORANDUM OF UNDERSTANDING

This Memorandum is between the Overland Ditch and Reservoir Company, (Overland) a Colorado mutual ditch company, and Redlands Mesa Water Users, Inc., (Redlands MWU) a Colorado mutual ditch company, for the purpose of specifying the responsibility for the distribution, monitoring and billing of irrigation water on Redlands Mesa, Delta County, Colorado. For that purpose, the parties agree as follows:

1. Overland irrigation water is delivered via the Overland Canal, to head gates on Redlands Mesa. This water may be combined with other waters, and the combined water is distributed to users across Redlands Mesa. The amount to be delivered to each user depends upon their share ownership and the percentage of Overland water and other water being delivered.

2. Redlands MWU is hereby authorized by Overland to have full authority and responsibility over all head gates and ditches on Redlands Mesa, including those head gates up-ditch of the Moore Box. Redlands MWU shall monitor and distribute the water fairly to all its shareholders and those users who are only shareholders of Overland. Overland hereby designates Redlands MWU as its agent to monitor and administer the distribution of Overland water through all the various head gates.

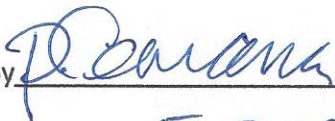
3. For those shareholders of Overland who are not also members of Redlands MWU, Redlands MWU will assess a water delivery charge in the same manner as it does members of Redlands MWU. This charge will be passed thru to Overland, who will add the charge to its other assessment of those Overland only shareholders located on Redlands Mesa. Overland will pay Redlands MWU monthly, in the form of a check, for the water delivery charges collected. Overland will notify Redlands MWU, when appropriate and in writing, not to deliver water to any Overland shareholder receiving water being managed by Redland MWU who has not paid their assessment.

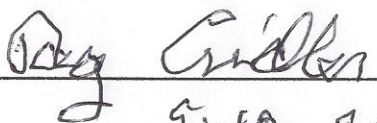
4. This agreement may be terminated by either party upon written notice prior to ~~February~~ ^{March} 1 of the year in which the termination is to be effective.

Signed this ___ day of May, 2016.

Overland Ditch and Reservoir Company

Redlands Mesa Water Users, Inc.

By 
5.12.2016

By 
5-12-2016