

March 28, 2024

Huerfano County Planning and Zoning 401 Main Street Walsenburg, CO 81089

Re: REVISION - Marijuana Grow Operations Proof of Legal Water Source - Blue Sky Farms dba Focus Buds LLC

Dear sir/madam,

In response to Amendment 64, Article 18, Section 16 of the Colorado Constitution regarding the regulation of marijuana we are providing a courtesy comment on behalf of Pharouk Hussein representing Focus Buds LLC, to indicate that we have reviewed the source of water that Focus Buds LLC has proposed as it relates to water rights. The comments provided herein cannot be used to guarantee a viable water supply plan or infrastructure, the issuance of a well permit, or physical availability of water but is intended to relate to you any concerns we may have as well as our recommendation to either approve or deny an application based on its proposed water source.

The applicant is seeking confirmation of a legal water source for use in a marijuana cultivation facility located at 303 County Road 504, Walsenburg, CO 81089, also being designated as Huerfano County PID 395593, an approximately 117± acre parcel, owned by Blue Sky Farms LLP. This operation must have a source of water for commercial use.

History:

According to our records, there is one well registered under State Engineer's Permit No. 294839, registered to Blue Sky Farms LLP. <u>Uses of groundwater from this well are limited to ordinary household purposes inside up to 3 single family dwellings</u>, fire protections, and the watering of poultry, domestic animals, and livestock on a farm or ranch, and the irrigation of not over one (1) acre of home gardens and lawns. This permit does not allow for commercial uses in any capacity. There are no municipal or independent water district(s) servicing the proposed location.

Compliance:

In order to rely on hauled water as primary sources of water for this facility, a cistern must be installed and operated in accordance will all local rules and guidelines. The DWR identification assigned to this operation is WDID 1670001. Applicant intends to cover 100% of the water supply via hauled water from Ojo Springs Drilling and Well Service, Inc., as confirmed by applicant's submitted letter from Ojo Springs dated March 15th, 2024 which references Case #15CW3048 as a legal source of water eligible to support this cultivation operation.

The facility owner shall keep receipt records reflecting all bulk water purchases in quantity and time for all uses and is required to install and certify-test an in-line meter from the cistern to the facility in accordance with the Amended Use and Measurement Rules for the Arkansas River. These diversions are to be reported monthly to the Division of Water Resources in a format acceptable to the Division Engineer. These diversions and a copy of periodic receipts from Ojo Springs Drilling and Well Service, Inc. need to be emailed by the 10th of each month to dnr_div2ground.water@state.co.us and include the WDID assigned above, business name,



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meter serial number and corresponding meter reading in addition to any other information deemed necessary by the Division Engineer.

Upon full compliance with the requirements stated in this letter it is my opinion that the applicant would be operating legally for the proposed uses of both the irrigation of crops as well as the drinking and sanitation requirements of the facility.

Therefore, I do not recommend disapproval of this application based solely on its ability to operate using a legal source of water.

However, it is the responsibility of the company providing the water to account for their water in such a way as to demonstrate that they have water available for this use that is not in conflict with the Bureau of Reclamations rules for Federal projects and facilities. For further information regarding limitations on the use of water from reclamation facilities for marijuana related operations, please contact the Bureau of Reclamation. The Bureau of Reclamation homepage is http://www.usbr.gov/

Please feel free to contact the Division 2 Office by email at dnr_div2ground.water@state.co.us should you have any questions.

Sincerely,

Ivan G. Valles
Digitally signed by Ivan G. Valles
Date: 2024.03.28 09:06:35
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Ivan Valles Data Analyst - GIS Specialist, Division 2

EC: Monica Long, GIS Specialist / Data & Compliance Team Lead
 Kody DiRezza, Groundwater Commissioner, District 16
 Groundwater Enforcement Lead, Division 2
 Division 2 Groundwater Information Team