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Greg Hunt

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**June 30, 2008**

**Mancos Resources, Inc.  
C/O Greg Hunt  
16577 Columbine Lane  
Cedaredge, Colorado 81413**

**DELIVERED BY FAX**

**Re: Protest of Water Right  
91-5150 (F77918)**

**Dear Greg,**

As per your request, I have made a brief review of the protest filed by Living Rivers, the Moab Green Party and Red Rock Forests on the above captioned water right. This application is requesting the right to divert up to 800 acre-feet of water from the Green River for use at the proposed uranium mill in eastern Emery County.

Paragraph one of the protest is factual according to the cited code, "Any person interested may file a protest with the State Engineer"; however they must be timely. The protest period ended June 4, 2008, which is the date the faxed copy of the protest was received by the Division. Therefore, these protestant's have legal standing on this matter.

Paragraph 4 states that the application does not meet the criteria of Section 73-3-8 of the code they spend a great deal of time in succeeding paragraphs outlining the code and making for the most part allegations and generalizations about how to interpret the statute which in most cases is incorrect and very biased. The State Engineer will obviously make a full investigation and complete review of the application in light of the statutory requirements.

The State Engineer will determine if there is sufficient flow in the river for your use without adversely affecting prior water right holders. The 800 acre-feet of water can be produced by diverting 1.105 cfs of water every day during the year. This is not how you will use the water but I make the point that the application is requesting a very small volume of water from the river. He may also request information to substantiate the financial ability of the applicant to bring the project to fruition, 73-3-11. The protestants have also spent some time addressing the over appropriation of water in the State. This is a fact. However, this application is requesting an approval for a fixed period of time. As I have addressed in prior correspondence, extensions of time may also be granted beyond the original approval period on this type of application. This statute was instituted to address relatively short term projects while the larger, approved water projects are being developed, 73-3-8(2)(a-f). You should be prepared to address the issue raised about the 800 acre-feet of water that has been requested in the application. The protestant's seem to feel that it far exceeds your needs and water use at other similar facilities. When you file proof on the water right, after it has been placed to full beneficial use, the exact water