MEMORANDUM

TO: Tim Luke & Muldoon Creek Water District (37-O) File

FROM: Corey Skinner

DATE: August 12, 2008

SUBJECT: July 29, 2008 Field Visit

On July 29th, Jeff Cooper and I visited the Muldoon Creek area as a follow up to visits that were conducted on September 5th and 6th of last year (see memos in Muldoon Creek Water District (37-O) File). On July 29th, Jeff and I visited the Guy Peterson property, Muldoon Grazing Association property, Muldoon Ranch Company (Crouch) property, and Jim Peterson Property. The observations at these properties are as follows...

The visit to Guy Peterson's property revealed conditions similar to what was observed during visits to the property last September. Jeff and I observed that approximately 2.46 cfs of water (0.39 feet of head over 3.0 foot Cipolletti weir) was flowing over the measuring device at Guy Peterson's diversion from Muldoon Creek (site tag #A0011848). We also observed that the diversion gate was open to a position that would allow additional flow to be diverted (the gate was not regulating the amount of flow). Several items of concern noted in the September 20, 2007 Guy Peterson memo still appear to be items of concern. Jeff and I observed additional water from Muldoon Creek flowing towards his ditch below his Muldoon Creek diversion (see "photo A" on following pages). Note that during last year's September 5th visit, significantly more water was flowing in Guy Peterson's main diversion ditch(es) than what was observed at his diversion from Muldoon Creek. Jeff and I also observed water flowing in the "East Ditch" (see "photo B" on following pages) on the Guy Peterson property.

The visit to the Muldoon Creek Grazing Association property revealed conditions similar to what was observed during last year's September 5th and 6th visits to the property. Several items of concern noted in the September 26, 2007 Muldoon Grazing Association memo still appear to be items of concern. Jeff and I observed that water was flowing in the ditch on the west side of Copper Creek (see "photo C" on following pages), a tributary of Muldoon Creek, and that areas in Sections 23 and 24 may be irrigated not in accordance with water rights.

The visit to the Muldoon Ranch Company (Crouch) property revealed that significant improvements have been made to the "Muldoon Ranch Co. Upper Diversion" (site tag # A0011841). These improvements now allow for all of the water diverted into the "Muldoon Ranch Co. Upper Diversion Ditch" to be delivered through a single controlled (gated) diversion (see "photo D" on following pages). However, the "Muldoon Ranch Co. Middle Diversion" still does not have adequate control works to

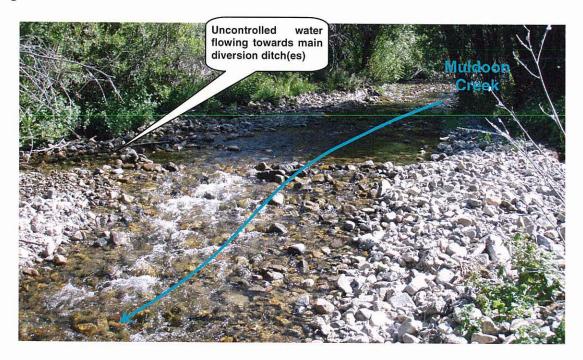
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regulate the diversion (see "photo E" on following pages). In addition, it was observed that a pond (at least ½ acre in size) is under construction near the home near the ditch fed from the "Muldoon Ranch Co. Middle Diversion". Apparently this is some sort of aesthetic feature for the nearby house. It was observed that water was not running into the pond. Since the July 29th visit to the area, Arlon Crouch of Muldoon Ranch Company called on another matter. Mr. Crouch and I discussed the need to have some sort of water right to allow for use of water in the pond that is under construction.

The visit to the Jim Peterson property revealed that water was actually being diverted from the "Muldoon Ranch Co. Upper Diversion Ditch" as alleged by Muldoon Ranch Company representatives last year (see "photo F" on following pages). The September 27, 2007 Jim Peterson memo provides more detail relating to this particular item of concern.

During our July 29th visit to the area, Jeff and I met Bruce Price who was appointed assistant water master for 2008 in the Muldoon Creek Water District (37-O). Mr. Price actually accompanied us to a couple of our diversion visits. During our conversation(s) with Mr. Price he indicated that he needed more up to date water master list information (rights, priorities, amounts, locations, etc.). In addition, Mr. Price indicated that he would welcome any further guidance, direction, and/or assistance.

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ABOVE: "PHOTO A" looking up Muldoon Creek downstream of Guy Peterson's diversion (site tag #A0011848) showing uncontrolled water running towards Guy Peterson's main diversion ditch(es) west of Muldoon Creek. Photo taken July 29, 2008.

BELOW: "PHOTO B" showing water in ditch east of Muldoon Creek on Guy Peterson's property. Note plastic dam in ditch showing efforts to direct water in ditch. Photo taken July 29, 2008.

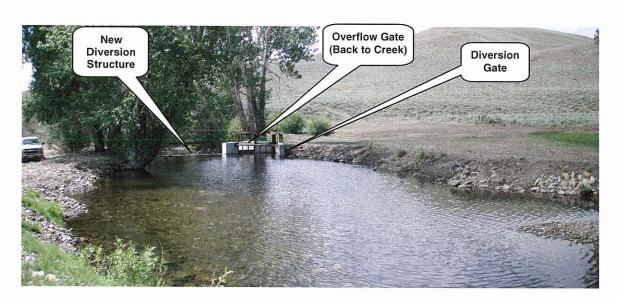


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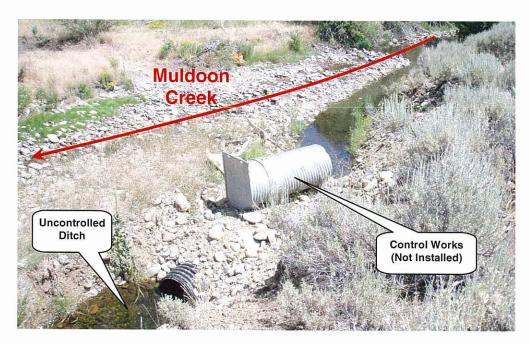


ABOVE: "PHOTO C" looking up the ditch on the west side of Copper Creek on land owned by the Muldoon Creek Grazing Association. Photo taken July 29, 2008.

BELOW: "PHOTO D" looking down Muldoon Creek at the new "Muldoon Ranch Co. Upper Diversion" (site tag # A0011841) showing that all the water at this particular diversion is now diverted through a single controlled diversion. Photo taken July 29, 2008.



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ABOVE: "PHOTO E" looking at the "Muldoon Ranch Co. Middle Diversion" showing the uncontrolled diversion of water from Muldoon Creek. Photo taken July 29, 2008.

BELOW: "PHOTO F" showing diversion of water from the "Muldoon Ranch Co. Upper Diversion Ditch" via a 14" diameter pipe that empties into a ditch that leads to Jim Peterson's irrigated pasture. **Photo taken July 29, 2008.**

