

PROSPER COORDINATING METROPOLITAN DISTRICT
PROSPER REGIONAL WATER & SANITATION SERVICE
METROPOLITAN DISTRICT
PROSPER WATER & SANITATION FINANCING METROPOLITAN
DISTRICT
PROSPER PARK & RECREATION FINANCING
METROPOLITAN DISTRICT
PROSPER METROPOLITAN DISTRICT NOS. 1-4

8390 E. Crescent Parkway, Suite 300
 Greenwood Village, Colorado 80111
 Phone: 303-779-5710
 Fax: 303-779-0348
 www.prospermds.org

NOTICE OF SPECIAL MEETING AND AGENDA

DATE: Monday, November 14, 2022

TIME: 2:00 p.m.

LOCATION: Microsoft TEAMS

ACCESS: You can attend the meeting in any of the following ways:

1. To attend via Microsoft Teams Videoconference, link as follows:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_OWVkyTQyNTYtMjM1ZS00NGM5LTlkYzAtNWM4MmlwNDgxYzk5%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

2. To attend via telephone, dial 720-547-5281 and enter the following additional information: Conference ID: 707 964 322#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Maribeth W. D’Amico	President	May 2023
Kari Wright	Secretary/Treasurer	May 2025
William Smith	Assistant Secretary	May 2025
Don Sullivan	Assistant Secretary	May 2025
Vacancy	N/A	May 2023

I. ADMINISTRATIVE MATTERS

- A. Call to order and approval of agenda.
- B. Present disclosures of potential conflicts of interest.
- C. Confirm quorum, location of meeting and posting of meeting notices.
- D. Public Comment.

Members of the public may express their views to the Boards on matters that affect the Districts that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

- E. Discuss and authorize renewal of Districts' insurance coverage and Special District Association membership for 2023 (enclosure).
- F. Discuss status of establishment of District website.

II. CONSENT AGENDA

- A. **[All Districts]** Review and consider approval of minutes of August 22, 2022 Regular Meeting (enclosures).
- B. **[All Districts]** Discuss Transparency Notice and Mode of Eligible Elector Notification for 2023 (post on SDA website)
- C. **[All Districts]** Discuss business to be conducted in 2023 and location (virtual and/or physical) of meetings. Schedule regular meeting dates and consider adoption of Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices (enclosure).
- D. Discuss requirements of Section 32-1-306, C.R.S. and direct staff regarding compliance for 2022 (Annual Map Filing).

III. LEGAL MATTERS

- A. Discuss May 2, 2023 Regular Directors' Election and consider adoption of Resolution No. 2022-11-____, Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election (enclosed). Self-Nomination and Acceptance Forms are due by February 24, 2023. Discuss need for ballot issues and/or questions.
- B. **[Coordinating MD]** Discuss and consider approval of Third Amendment to 2018-2019 Facilities Funding and Acquisition Agreement between the District and VREI, Inc. (enclosure).

- C. **[Coordinating MD]** Review and discuss Well Proposal (for various Prosper Farm wells) from Civitas Resources, Inc. as parent company of Crestone Peak Resources Operating, LLC (“Crestone”), and proposed Oil and Gas Lease between the District and Crestone (enclosures). Authorize any necessary actions in connection therewith.

IV. FINANCIAL MATTERS

- A. **[Coordinating MD]** Ratify approval of Paid Claims/New Claims (enclosure).
- B. **[Coordinating MD]** Review and accept August 31, 2022 Unaudited Financial Statements and October 2022 Schedule of Cash Position (enclosures).
- C. **[All Districts]** Conduct Public Hearing to consider amendment to 2022 Budget; If necessary, consider adoption of Resolution No. 2022-11-____ to Amend 2022 Budget.
- D. **[All Districts]** Conduct Public Hearing to Consider 2023 Proposed Budget; Consider Adoption of Resolution 2022-11-____ to Adopt 2023 Budget and Appropriate Sums of Money, and Resolution to Set Mill Levies, as appropriate (enclosures). Authorize District Accountant to prepare, and consider appointment of Board Member to sign, the DLG-70 Certification(s) of Tax Levies.
- E. **[Prosper Coordinating MD, MD No. 4]** Consider engagement of auditor to prepare 2022 Audit (to be distributed).
- F. **[Prosper MD No. 1, No. 2, No. 3, Regional W&S, W&S Financing, and P&R Financing]** Consider appointment of District Accountant to prepare Application for Exemption from Audit for 2022.
- G. **[All Districts]** Consider appointment of District Accountant to prepare 2024 Budget.

V. CONSTRUCTION MATTERS

- A. **[Coordinating MD]** Presentation of Construction Status Report by Independent District Engineering Services, LLC (if available, to be distributed at meeting).
- B. **[Coordinating MD]** Consider approval of contracts, change orders, work orders, and LAPs, if any.

VI. MANAGER MATTERS

- A. **[Coordinating, MD #1, #2, #3, MD#4, RW&SS, W&SF P&RF]** Consider Approval of CliftonLarsonAllen LLP statements of work (enclosure).
- B. Other.

VII. OTHER BUSINESS

- A. Other.

VIII. ADJOURNMENT

The next regular meeting is scheduled for Monday, November 28, 2022 at 2:00 p.m.

Renewal Documents and Invoice 1/1/2023 to EOD 12/31/2023

Acceptance of this coverage is evidenced only by payment of the enclosed invoice by January 1, 2023.

The following renewal documents are attached where applicable:

1. Invoice: Payment is due upon receipt. Please return a copy of the invoice with your payment to ensure that it is applied correctly. We have attached a Coverage Contribution instructions sheet which provides details about your payment.
2. Comparison of Annual Contributions.
3. Deductible Options:
 - Provides the difference in cost by coverage line if you were to increase or decrease the deductible for that specific coverage.
4. Quote for Excess Liability limits for your consideration:
 - Limits of up to \$8 million, in excess of the primary \$2 million Liability limit, are available. Although the primary \$2 million Liability limit is sufficient to cover the CGIA tort cap, we do recommend you consider purchasing higher limits primarily due to special districts' unlimited liability to federal civil rights, discrimination, harassment, whistle blowing, and other employment-related practices claims.
5. Coverage Declaration Pages: Informational page summarizing the key points about the coverage provided including limits and deductible descriptions for all coverage provided. Full coverage forms will be available at csdpool.org/documents by January 1, 2023.
6. Schedules: Lists of exposures and values.
7. Certificates of coverage: Originals are mailed directly to the Certificate Holders.
8. Automobile identification cards: Hard copies will be mailed.



Payment Instructions

The annual contribution for coverage with the Pool is due upon receipt of this invoice.

We accept the following payment methods:

1. Online using **E-Bill Express** (www.e-billexpress.com/ebpp/CSDPool). For detailed instructions, please click [here](#) or go to csdpool.org/documents. You can also find an FAQ [here](#) or go to the E-Bill Express logon screen.
2. Mail your check to:
Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, Inc.
PO Box 1539
Portland, OR 97207

For express or overnight mail services, please use the address below:

Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, Inc.
1800 SW 1st Ave, Suite 400
Portland, OR 97201

To ensure that your payment is accurately applied, please always include a copy of the invoice.

3. Wire or ACH transfer from your own bank account. Please let us know if you wish to use this method and we will be happy to provide you with these instructions.

Please be advised that in accordance with the Intergovernmental Agreement (IGA), automatic expulsion will occur on the 60th day should your account not be current. If you wish to reinstate your district's coverage after cancellation has occurred, a \$100 reinstatement fee will apply.

If your district requires a payment extension, please submit a written request within ten (10) business days from the date of the invoice, for consideration by the CSD Pool Board of Directors.

Finally, all members of the Pool must be members in good standing with the Special District Association of Colorado (SDA). Please visit the SDA website at sdaco.org for member information.

Please contact us at billing@csdpool.org or 800-318-8870 ext. 3 for billing questions.

Property and Liability Coverage Invoice

Named Member:

Prosper Coordinating Metropolitan District
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Broker of Record:

TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Coverage No.	Entity ID	Effective Date	Expiration Date	Invoice Date
23PL-61461-1274	61461	1/1/2023	EOD 12/31/2023	9/6/2022

Coverage	Contribution
General Liability	\$ 847.00
Crime	\$ 196.00
Non-Owned Auto Liability	\$ 132.00
Hired Auto Physical Damage	\$ 65.00
No-Fault Water Intrusion & Sewer Backup	\$ 69.00
Public Officials Liability	\$1,163.00
Pollution	\$ 0.00

Total Contribution	\$2,472
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Please note: where included above, Hired Auto Physical Damage, Non-Owned Auto Liability, and No-Fault Water Intrusion & Sewer Backup are mandatory coverages and may not be removed.

The following discounts are applied (Not applicable to minimum contributions):

3.00% Continuity Credit Discount

10% Direct Discount

8% Multi Program Discount for WC Program Participation

Payment Due Upon Receipt

Payment evidences "acceptance" of this coverage. The terms of the Intergovernmental Agreement (IGA) require timely payment to prevent automatic cancellation of coverage. Please return this invoice and reference the coverage number on your check to help us apply your payment correctly. Only prior notice to the board of directors of the Colorado Special Districts Property and Liability Pool and subsequent approval may extend cancellation provision.

Remit checks to: Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, Inc.
PO Box 1539
Portland, OR 97207-1539

We accept online payments at [E-Bill Express](#)
Refer to Payment Instructions page for additional options
billing@csdpool.org
800-318-8870 ext. 3



Public Entity Liability and Auto Physical Damage Certificate Holder Declaration

Master Coverage Document Number: CSD Pool CTC 01 01 22 and CSD Pool PEL 01 01 23

Certificate Number: 23PL-61461-1274

Named Member:

Prosper Coordinating Metropolitan District
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Coverage Period: 1/1/2023 to EOD 12/31/2023

Broker of Record:

TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Coverage is provided only for those coverages indicated below for which a contribution is shown.

Coverage	Per Occurrence Limit	Annual Aggregate Limit	Deductible	Contribution
Public Entity Liability Coverage including:	\$2,000,000	None		
General Liability	Included	None	None	\$847
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$1,163
Employment Practices Liability	Included	None	*\$100,000	Included
Pre Loss Legal Assistance	\$3,500	\$7,000	None	Included
No-Fault Water Intrusion & Sewer Backup	\$200,000 limited to \$10,000 Any One Premises	***\$1,000,000	\$500	\$69
Cyber	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liability - Coverage agreements	No Coverage	No Coverage	N/A	No
Auto Liability	No Coverage	No Coverage	N/A	No
Medical Payments – Auto	No Coverage	No Coverage	N/A	No
Non-Owned and Hired Auto Liability	Included	None	None	\$132
Uninsured/Underinsured Motorists Liability	No Coverage	No Coverage	N/A	No
Auto Physical Damage	No Coverage	No Coverage	N/A	No
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65
Auto Physical Damage - Employee Deductible	\$2,500	N/A	None	Included
Total Contribution				\$2,276

*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

**A \$5,000,000 All Member Annual Aggregate Limit shall apply to Cyber.

**A \$1,000,000 All Member Annual Aggregate Limit shall apply to Fiduciary Liability.

***No-Fault Water Intrusion & Sewer Backup has \$1,000,000 All Member Annual Aggregate Limit.

Additional Endorsements applicable to Member:

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Public Entity Liability Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.

Countersigned by: _____

Authorized Representative

Crime Certificate Holder Declaration

Master Coverage Document Number: J05931794
Certificate Number: 23PL-61461-1274

Insurer: Federal Insurance Company (Chubb)
Coverage Period: 1/1/2023 to EOD 12/31/2023

Named Member:

Prosper Coordinating Metropolitan District
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Broker of Record:

TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Covered Designated Agent(s):

Coverages and Limits:

Employee Theft:	\$15,000
<ul style="list-style-type: none"> · Limit is maximum for each loss · Employee includes executives, full-time, part-time, seasonal, leased and temporary employee(s), interns or non-compensated volunteer. · Includes funds from a sponsored benefit plan. 	
Public Official Faithful Performance of Duty:	\$15,000
Client Theft:	\$15,000
Forgery or Alteration:	\$15,000
On Premises:	\$15,000
In Transit:	\$15,000
Computer System Fraud:	\$15,000
Funds Transfer Fraud:	\$15,000
Debit, Credit or Charge Card Fraud:	\$15,000
Money Orders and Counterfeit Paper Currency Fraud:	\$15,000
Social Engineering Fraud:	\$15,000

Deductible(s):

All Crime except Social Engineer Fraud:	\$250
Social Engineering Fraud:	20% of Social Engineering Fraud Limit

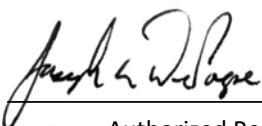
Contribution:

\$196

Policy Forms:

PF-52815 (04/20)	The Chubb Primary SM Commercial Crime Insurance
PF-52853 (04/20)	Governmental Entity (Colorado Special Districts Pool) Endorsement
PF-53127 (04/20)	Colorado Amendatory Endorsement
PF-52851 (04/20)	Add Corporate Credit Card Coverage

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Master Crime Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Policy Documents for actual coverage, terms, conditions, and exclusions.

Countersigned by:  _____
Authorized Representative



Identity Recovery Certificate Holder Declaration

Master Coverage Policy Number:

CSD 2009 CP IDR Form 01 01 21

Insurer:

The Hartford Steam Boiler Inspection
and Insurance Company

Certificate Number: 23PL-61461-1274

Coverage Period: 1/1/2023 to EOD 12/31/2023

Named Member:

Prosper Coordinating Metropolitan District
c/o CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Broker of Record:

TCW Risk Management
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Member:

All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.

Coverage:

Reimbursement coverage for expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgements and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.

This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the member's fraudulent, dishonest or criminal act.

Annual Aggregate Limit per Member: \$35,000

Case Management Service Expenses - does not reduce the limit available

Legal Costs - reduces the limit available

Sub Limits:

\$5,000	Lost Wages and Child/Elder Care
\$1,000	Mental Health Counseling
\$1,000	Miscellaneous Expenses

Coverage Trigger: Coverage is provided on a discovery basis with a 60-day reporting requirement

Claims: For Recovery Assistance and Counseling, please call 1-800-945-4617

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Identity Recovery Coverage Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage document for actual coverage, terms, conditions, and exclusions.

Countersigned by:

A handwritten signature in black ink, appearing to read "Joseph L. W. Page", is written over a horizontal line.

Authorized Representative

**General Liability Schedule
Metropolitan District**

Policy Number: 23PL-61461-1274
Named Member: Prosper Coordinating Metropolitan District

Coverage Period: 1/1/2023 – EOD 12/31/2023
Broker: TCW Risk Management

Code	Description	Unit	Amount	Effective Date	Expiration Date
1	1-Number of Skate Board Parks	Total	0.00	1/1/2023	12/31/2023
2	2-Number of Diving Boards	Total	0.00	1/1/2023	12/31/2023
3	3-Number of Water Slides	Total	0.00	1/1/2023	12/31/2023
4	4-Maximum Bond Issued	Dollars	0.00	1/1/2023	12/31/2023
5	5-Number of Bonds Issued	Total	0.00	1/1/2023	12/31/2023
20	20-Day Care Operations - Total Annual Payroll	Dollars	0.00	1/1/2023	12/31/2023
30	30-Number of EMT Personnel	Total	0.00	1/1/2023	12/31/2023
32	32-Paid Firefighters - Non-EMT	Total	0.00	1/1/2023	12/31/2023
37	37-Pipe Line - Under Drain	Miles	0.00	1/1/2023	12/31/2023
39	39-Pipe Line	Miles	0.00	1/1/2023	12/31/2023
42	42-Pipe Line - Sewer	Miles	0.00	1/1/2023	12/31/2023
43	43-Pipe Line - Sewer / Storm Drainage Combined	Miles	0.00	1/1/2023	12/31/2023
50	50-Number of Teachers	Total	0.00	1/1/2023	12/31/2023
70	70-Number of Golf Courses	Total	0.00	1/1/2023	12/31/2023
80	80-Number of Go Cart Tracks	Total	0.00	1/1/2023	12/31/2023
98	98-Additional First Named Members	Total	0.00	1/1/2023	12/31/2023
105	105-Total Operating Expenses - Any other	Dollars	210,400.00	1/1/2023	12/31/2023
130	130-Total Operating Expenses - Park & Recreation	Dollars	0.00	1/1/2023	12/31/2023
131	131-Total Operating Expenses - Cemetery	Dollars	0.00	1/1/2023	12/31/2023

132	132-Total Operating Expenses - Soil & Water Conservation	Dollars	0.00	1/1/2023	12/31/2023
133	133-Total Operating Expenses - Pest Control	Dollars	0.00	1/1/2023	12/31/2023
134	134-Total Operating Expenses - Hospital / Health	Dollars	0.00	1/1/2023	12/31/2023
135	135-Total Operating Expenses - Drainage	Dollars	0.00	1/1/2023	12/31/2023
136	136-Total Operating Expenses - Library	Dollars	0.00	1/1/2023	12/31/2023
137	137-Total Operating Expenses - Water Control	Dollars	0.00	1/1/2023	12/31/2023
138	138-Total Operating Expenses - Fire / Ambulance	Dollars	0.00	1/1/2023	12/31/2023
139	139-Total Operating Expenses - Water	Dollars	0.00	1/1/2023	12/31/2023
140	140-Total Operating Expenses - Irrigation	Dollars	0.00	1/1/2023	12/31/2023
141	141-Total Operating Expenses - Sanitation	Dollars	0.00	1/1/2023	12/31/2023
142	142-Total Operating Expenses - Transit	Dollars	0.00	1/1/2023	12/31/2023
143	143-Total Operating Expenses - Improvement	Dollars	0.00	1/1/2023	12/31/2023
151	151-Total Operating Expenses - Sanitation MW Discounted	Dollars	0.00	1/1/2023	12/31/2023
215	215-Buildings & Premises Occupied by District	Sq. Ft.	0.00	1/1/2023	12/31/2023
250	250-Number of Homes – Covenant Enforcement/Design Review Services under District Authority	Total	0.00	1/1/2023	12/31/2023
270	270-Number of Aboveground Storage Tanks (excluding water tanks)	Total	0.00	1/1/2023	12/31/2023
331	331-Number of Paid Firefighters - Full-Time	Total	0.00	1/1/2023	12/31/2023
332	332-Number of Paid Firefighters - Part-Time	Total	0.00	1/1/2023	12/31/2023
333	333-Number of Volunteer Firefighters	Total	0.00	1/1/2023	12/31/2023
334	334-Number of Paid EMT - Full-Time	Total	0.00	1/1/2023	12/31/2023
335	335-Number of Paid EMT - Part-Time	Total	0.00	1/1/2023	12/31/2023
341	341-Time Spent by Club/Recreation/Camp Volunteers	Hours	0.00	1/1/2023	12/31/2023
342	342-Time Spent by Day Care Volunteers	Hours	0.00	1/1/2023	12/31/2023
344	344-Time Spent by Event Organizer Volunteers	Hours	0.00	1/1/2023	12/31/2023

345	345-Time Spent by General Volunteers	Hours	0.00	1/1/2023	12/31/2023
348	348-Number of Board Members	Total	5.00	1/1/2023	12/31/2023
350	350-Number of Permanent Employees - Full-Time	Total	0.00	1/1/2023	12/31/2023
351	351-Number of Permanent Employees - Part-Time	Total	0.00	1/1/2023	12/31/2023
366	366-Total Payroll	Dollars	0.00	1/1/2023	12/31/2023
400	400-Number of Boats - Under 26'	Total	0.00	1/1/2023	12/31/2023
411	411-Total Water Delivered Annually - Millions of Gallons (MGAL)	MGAL	0.00	1/1/2023	12/31/2023
414	414-Playground/parks (Area)	Acres	0.00	1/1/2023	12/31/2023
415	415-Number of Grandstands/Stadiums	Total	0.00	1/1/2023	12/31/2023
420	420-Vacant Land	Acres	0.00	1/1/2023	12/31/2023
450	450-Miles of Road Maintained	Miles	0.00	1/1/2023	12/31/2023
522	522-Number of Ponds, Lakes & Reservoirs	Total	0.00	1/1/2023	12/31/2023
550	550-Fire Department Area Served	Sq Miles	0.00	1/1/2023	12/31/2023
671	671-Number of Parks	Total	0.00	1/1/2023	12/31/2023
710	710-Dams - Class 1 - Low Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2023	12/31/2023
712	712-Dams - Class 1 - Low Hazard - Number of Dams	Count	0.00	1/1/2023	12/31/2023
720	720-Dams - Class 2 - Med Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2023	12/31/2023
722	722-Dams - Class 2 - Med Hazard - Number of Dams	Count	0.00	1/1/2023	12/31/2023
730	730-Dams - Class 3 - High Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2023	12/31/2023
732	732-Dams - Class 3 - High Hazard - Number of Dams	Count	0.00	1/1/2023	12/31/2023
811	811-Number of Spillways	Total	0.00	1/1/2023	12/31/2023
900	900-Services Contracted out to Others	Dollars	109,000.00	1/1/2023	12/31/2023
924	924-Revenue from use of Swimming Pools	Dollars	0.00	1/1/2023	12/31/2023
925	925-Number of Swimming Pools	Total	0.00	1/1/2023	12/31/2023
945	945-Number of Sewage Taps	Total	0.00	1/1/2023	12/31/2023

946	946-Number of Water Mains or Connections	Total	0.00	1/1/2023	12/31/2023
947	947-Sewer and/or Sanitation Line Maintenance (budget)	Dollars	0.00	1/1/2023	12/31/2023
948	948-Water Line Maintenance (budget)	Dollars	0.00	1/1/2023	12/31/2023
997	997-Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0.00	1/1/2023	12/31/2023
998	998-Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0.00	1/1/2023	12/31/2023
999	999-Prior Acts Coverage Under a Previous “Claims Made” Policy	Premium	0.00	1/1/2023	12/31/2023

If your district has exposures not listed on the General Liability schedule above, such as airplanes, security staff, bridges, drones, etc., please furnish details. Certain activities may be excluded or restricted.

Annual Comparison of 2023 and 2022 contributions.
Loss Ratios based on participation years from 2015 to 2022

Prosper Coordinating Metropolitan District

Year	Contribution
2023	\$2,472.00
2022	\$2,480.00
Difference	-\$8.00
% Difference	-0.32%

General Liability	Contribution	TOE
Yr. 2023	\$847.00	\$210,400.00
Yr. 2022	\$857.00	\$210,400.00
Difference	-\$10.00	\$0.00
% Difference	-1.17%	0.00%
Loss Ratio	0.00%	

Equipment Breakdown	Contribution
Yr. 2023	\$0.00
Yr. 2022	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Auto Liability	Contribution	Auto Count
Yr. 2023	\$132.00	0
Yr. 2022	\$132.00	0
Difference		0
% Difference	NaN	0.00%
Loss Ratio	0.00%	

Crime	Contribution
Yr. 2023	\$196.00
Yr. 2022	\$194.00
Difference	\$2.00
% Difference	1.03%
Loss Ratio	0.00%

Auto Physical Damage	Contribution	TIV
Yr. 2023	\$65.00	\$0.00
Yr. 2022	\$65.00	\$0.00
Difference		\$0.00
% Difference	NaN	0.00%
Loss Ratio	0.00%	

Public Officials Liability	Contribution	EE Count
Yr. 2023	\$1,163.00	0
Yr. 2022	\$1,163.00	0
Difference	\$0.00	0
% Difference	0.00%	0.00%
Loss Ratio	0.00%	

Property/Inland Marine	Contribution	TIV
Yr. 2023	\$0.00	\$0.00
Yr. 2022	\$0.00	\$0.00
Difference	\$0.00	\$0.00
% Difference	0.00%	0.00%
Loss Ratio	0.00%	

Excess Liability	Contribution
Yr. 2023	\$0.00
Yr. 2022	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Earthquake	Contribution
Yr. 2023	\$0.00
Yr. 2022	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Flood	Contribution
Yr. 2023	\$0.00
Yr. 2022	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

No Fault	Contribution
Yr. 2023	\$69.00
Yr. 2022	\$69.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%



2023 Excess Liability Options Proposal

This Proposal Does Not Bind Coverage

This report demonstrates what it would cost your district to increase coverage from your current limit of liability to a higher limit.

Named Member: Prosper Coordinating Metropolitan District

Certificate Number: 23PL-61461-1274

<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000	\$330	\$330
\$2,000,000	\$570	\$570
\$3,000,000	\$810	\$810
\$4,000,000	\$1,020	\$1,020
\$5,000,000	\$1,250	\$1,250
\$6,000,000	\$1,500	\$1,500
\$7,000,000	\$1,750	\$1,750
\$8,000,000	\$2,000	\$2,000

Note: This is not your Coverage Document. It was created solely for informational purposes.

9/6/2022

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER COORDINATING METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Coordinating Metropolitan District, (referred to hereafter as the "Board") was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting.

Following discussion, and upon motion duly made by Director Sullivan, seconded by Director Smith and, upon vote unanimously carried, the Board

RECORD OF PROCEEDINGS

determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of February 28, 2022 Regular Meeting and May 23, 2022 Special Meeting

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the

RECORD OF PROCEEDINGS

establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL MATTERS

Claims: Mr. Carroll reviewed the claims list with the Board. Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board ratified the approval of paid claims (processed through bill.com) in the amount of \$110,206.79.

June 30, 2022 Financial Statements and August 15, 2022 Schedule of Cash

Position: Mr. Carroll reviewed with the Board the June 30, 2022 Unaudited Financial Statements and August 15, 2022 Schedule of Cash Position. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board accepted the June 30, 2022 Unaudited Financial Statements and the August 15, 2022 Schedule of Cash Position.

2021 Audit: Mr. Carroll reviewed the 2021 Audit with the Board. Following review, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon a vote, unanimously carried, the Board approved the 2021 Audit, subject to receiving a clean and unmodified opinion from the auditor.

CONSTRUCTION MATTERS

Presentation of Construction Status Report by Independent District

Engineering Services, LLC: Ms. Fiore informed the Board that no Construction Status Report was available, and that IDES is awaiting information from VREI, Inc. in order to complete the cost certification. Director D'Amico informed the Board that VREI, Inc. is still compiling the required information and documents.

Approval of contracts, change orders, work orders, and LAP's, if any:

There were no contracts, change orders, work orders or LAP's presented.

Status of Prosper Water Treatment Plant and Wastewater Treatment Plan

Project (the "Project"): Director D'Amico informed the Board that the value engineering has been completed for the Wastewater Treatment Plant, and that construction will be moving forward soon.

1. **Acknowledge execution of Agreement between Owner and Contractor for Construction Contract (Cost-Plus-Fee) between Prosper Coordinating Metropolitan District and J.R. Filanc Construction Company, Inc.:** Upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board acknowledged execution of the Agreement between Owner and Contractor for Construction Contract (Cost-Plus-Fee) between Prosper Coordinating Metropolitan District and J.R. Filanc Construction Company, Inc.

RECORD OF PROCEEDINGS

MANAGER
MATTERS

There were no Manager Matters.

OTHER
BUSINESS

There was no other business

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 1
(THE "DISTRICT")
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Metropolitan District No. 1, (referred to hereafter as the "Board") was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting.

Following discussion, and upon motion duly made by Director Sullivan, seconded by Director Smith and, upon vote unanimously carried, the Board

RECORD OF PROCEEDINGS

determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxing electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting:

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL MATTERS

2021 Audit Exemption: Mr. Carroll informed the Board that the Application for Exemption from Audit for 2021 was signed and filed with the State Auditor before March 30, 2022.

Upon a motion duly made by Director Wright, seconded by Director Smith and, upon a vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2021.

CONSTRUCTION MATTERS

None.

MANAGER MATTERS

There were no Manager Matters.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 2
(THE "DISTRICT")
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Metropolitan District No. 2, (referred to hereafter as the "Board") was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting.

Following discussion, and upon motion duly made by Director Sullivan, seconded by Director Smith and, upon vote unanimously carried, the Board

RECORD OF PROCEEDINGS

determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting:

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL MATTERS

2021 Audit Exemption: Mr. Carroll informed the Board that the Application for Exemption from Audit for 2021 was signed and filed with the State Auditor before March 30, 2022.

Upon a motion duly made by Director Wright, seconded by Director Smith and, upon a vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2021.

CONSTRUCTION MATTERS

None.

MANAGER MATTERS

There were no Manager Matters.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 3
(THE "DISTRICT")
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Metropolitan District No. 3, (referred to hereafter as the "Board") was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting.

Following discussion, and upon motion duly made by Director Sullivan, seconded by Director Smith and, upon vote unanimously carried, the Board

RECORD OF PROCEEDINGS

determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting:

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL MATTERS

2021 Audit Exemption: Mr. Carroll informed the Board that the Application for Exemption from Audit for 2021 was signed and filed with the State Auditor before March 30, 2022.

Upon a motion duly made by Director Wright, seconded by Director Smith and, upon a vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2021.

CONSTRUCTION MATTERS

None.

MANAGER MATTERS

There were no Manager Matters.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER METROPOLITAN DISTRICT NO. 4
(THE "DISTRICT")
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Metropolitan District No. 4, (referred to hereafter as the "Board") was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC ("IDES")

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting.

Following discussion, and upon motion duly made by Director Sullivan, seconded by Director Smith and, upon vote unanimously carried, the Board

RECORD OF PROCEEDINGS

determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting: Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a

RECORD OF PROCEEDINGS

committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL
MATTERS

2021 Audit: Mr. Carroll reviewed the 2021 Audit with the Board. Following review, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon a vote, unanimously carried, the Board approved the 2021 Audit, subject to receiving a clean and unmodified opinion from the auditor.

CONSTRUCTION
MATTERS

None.

MANAGER
MATTERS

There were no Manager Matters.

OTHER
BUSINESS

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER WATER & SANITATION FINANCING METROPOLITAN
DISTRICT
(THE “DISTRICT”)
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Water & Sanitation Financing Metropolitan District , (referred to hereafter as the “Board”) was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D’Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District’s board meeting.

Following discussion, and upon motion duly made by Director Sullivan,

RECORD OF PROCEEDINGS

seconded by Director Smith and, upon vote unanimously carried, the Board determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Follow discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting:

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

**FINANCIAL
MATTERS**

2021 Audit Exemption: Mr. Carroll informed the Board that the Application for Exemption from Audit for 2021 was signed and filed with the State Auditor before March 30, 2022.

Upon a motion duly made by Director Wright, seconded by Director Smith and, upon a vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2021.

**CONSTRUCTION
MATTERS**

None.

**MANAGER
MATTERS**

There were no Manager Matters.

**OTHER
BUSINESS**

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER REGIONAL WATER & SANITATION SERVICE
METROPOLITAN DISTRICT
(THE “DISTRICT”)
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Regional Water & Sanitation Service Metropolitan District, (referred to hereafter as the “Board”) was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D’Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District’s board meeting.

Following discussion, and upon motion duly made by Director Sullivan,

RECORD OF PROCEEDINGS

seconded by Director Smith and, upon vote unanimously carried, the Board determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Follow discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting:

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL MATTERS

2021 Audit Exemption: Mr. Carroll informed the Board that the Application for Exemption from Audit for 2021 was signed and filed with the State Auditor before March 30, 2022.

Upon a motion duly made by Director Wright, seconded by Director Smith and, upon a vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2021.

CONSTRUCTION MATTERS

None.

MANAGER MATTERS

There were no Manager Matters.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER PARK & RECREATION FINANCING METROPOLITAN
DISTRICT
(THE “DISTRICT”)
HELD
AUGUST 22, 2022

A regular meeting of the Board of Directors of the Prosper Park & Recreation Financing Metropolitan District, (referred to hereafter as the “Board”) was convened on Monday, August 22, 2022 at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D’Amico, President
Kari Wright, Treasurer
William Smith, Assistant Secretary
Don Sullivan, Assistant Secretary

Also In Attendance Were:

Denise Denslow and Jason Carroll; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Ali Renes, Esq.; VREI, Inc.
Kim Fiore; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Call to Order: The meeting was called to order at 2:12 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location/Manner of Meeting, Agenda: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District’s board meeting.

Following discussion, and upon motion duly made by Director Sullivan,

RECORD OF PROCEEDINGS

seconded by Director Smith and, upon vote unanimously carried, the Board determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Denslow reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received by taxpaying electors within the District's boundaries.

The Board designated the location for posting of 24-hour meeting notices as on a posting stake within the District boundaries.

Follow discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Results of cancelled May 3, 2022 Regular Directors' Election: Mr. Sorensen informed the Board that the regular elections for the 8 active districts and the 6 inactive districts were cancelled, as permitted by statute, as there were not more candidates than seats available. For the 8 active districts, Directors Smith, Sullivan & Wright were each deemed elected to 3-year terms ending in May 2025. For the 6 inactive districts, Directors D'Amico and Fore were each deemed elected to 3-year terms ending in May 2025. Director Fore's seats on all of the districts became vacant upon his passing.

Board Vacancy due to the passing of Larry Fore: It was noted that there is now a vacancy on each of the 14 Prosper District boards due to the passing of Director Larry Fore. Director D'Amico indicated there are no plans to fill the vacancies at this time.

Appointment of Officers: Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board appointed Director Wright as Secretary/Treasurer.

Public Comment: There were no public comments.

CONSENT AGENDA

Approval of Minutes of October 25, 2021 Special Meeting:

Upon a motion duly made by Director Sullivan, seconded by Director Smith and upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate), the Consent Agenda item/action listed above.

LEGAL MATTERS

Statutory requirement for establishment of a District website by January 1, 2023: Mr. Sorensen informed the Board of the statutory requirement for all special districts to have operational websites by January 1, 2023, and to post certain required documents and information thereon. Ms. Denslow and Mr. Sorensen discussed potential options with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board established a committee consisting of Director D'Amico to review proposals for the establishment of a website, select a provider, and execute any necessary documents in connection therewith.

FINANCIAL MATTERS

2021 Audit Exemption: Mr. Carroll informed the Board that the Application for Exemption from Audit for 2021 was signed and filed with the State Auditor before March 30, 2022.

Upon a motion duly made by Director Wright, seconded by Director Smith and, upon a vote, unanimously carried, the Board ratified the approval, execution and filing of the Application for Exemption from Audit for 2021.

CONSTRUCTION MATTERS

None.

MANAGER MATTERS

There were no Manager Matters.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

Upon a motion duly made, seconded, and, upon vote, unanimously carried, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,

Secretary for the Meeting

RESOLUTION NO. 2022-11-__**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE PROSPER COORDINATING METROPOLITAN DISTRICT
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

- A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.
- B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.
- C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.
- E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.
- G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Prosper Coordinating Metropolitan District (the “**District**”), Arapahoe County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.
2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.
3. That regular meetings of the District Board for the year 2023 shall be held on the fourth Monday of each month at 2:00 p.m. virtually via Microsoft Teams or at McGeady Becher, 450 E. 17th Avenue, Suite 400, Denver, Colorado 80203.
4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.
5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.
6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) physical location(s), and any such objections shall be considered by the District Board in setting future meetings.
7. That the District has established the following District Website, <https://www.prospermds.org> , and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.
8. That, if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:
 - (a) On posting stake No. 1 in area circled on map attached.
9. The District Manager, or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND DESIGNATING LOCATION FOR 24-HOUR NOTICES]

RESOLUTION APPROVED AND ADOPTED on November 14, 2022.

**PROSPER COORDINATING
METROPOLITAN DISTRICT**

By: _____
President

Attest:

Secretary

RESOLUTION NO. 2022-11-____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
PROSPER COORDINATING METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
ON MAY 2, 2023**

A. The term of the office of Director Maribeth W. D'Amico shall expire upon the election of her successor at the regular election, to be held on May 2, 2023 (“**Election**”), and upon such successor taking office.

B. One (1) vacancy currently exists on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the second regular election, to occur May 4, 2027.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Prosper Coordinating Metropolitan District (the “**District**”) of the County of Arapahoe, Colorado:

1. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the second regular election, to occur May 4, 2027.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Craig Sorensen shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with Craig Sorensen, the Designated Election Official of the District, c/o McGeady Becher P.C.,

450 E. 17th Avenue, Suite 400, Denver, Colorado 80203, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from Craig Sorensen, the Designated Election Official of the District, c/o McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado 80203, (303) 592-4380, and on the District’s website at prospermds.org.

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on February 28, 2023, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director’s intention that the various provisions hereof are severable.

10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

RESOLUTION APPROVED AND ADOPTED on November 14, 2022.

**PROSPER COORDINATING
METROPOLITAN DISTRICT**

By: _____
President

Attest:

Secretary

**THIRD AMENDMENT TO
2018-2019 FACILITIES FUNDING AND ACQUISITION AGREEMENT**

THIS THIRD AMENDMENT TO 2018-2019 FACILITIES FUNDING AND ACQUISITION AGREEMENT (this “**Amendment**”) is made and entered into this 14th day of November, 2022, with an effective date of January 1, 2023, by and between **PROSPER COORDINATING METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **VREI, INC.**, a Colorado corporation (the “**Developer**”) (each a “**Party**”, and collectively, the “**Parties**”).

RECITALS

A. The District and the Developer previously entered into that certain 2018-2019 Facilities Funding and Acquisition Agreement dated November 26, 2018, with an effective date of January 1, 2018, as amended by that certain First Amendment to 2018-2019 Facilities Funding and Acquisition Agreement, dated November 15, 2019, and that certain Second Amendment to 2018-2019 Facilities Funding and Acquisition Agreement, dated November 23, 2020, with an effective date of January 1, 2018 (the “**FFAA**”).

B. Pursuant to the FFAA, the Owner may construct and transfer Improvements, and the District may acquire and reimburse the District for the same.

C. The Parties desire to amend the FFAA to revise certain dates and deadlines, all as more particularly set forth below.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the Parties agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the FFAA.

2. Amendment to Section 2.2 of the Agreement. Section 2.2 of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

2.2 Acknowledgement of Anticipated Shortfall. The Developer acknowledges that in connection with the construction of the Improvements, the District will incur Construction Related Expenses in reliance upon the Developer’s commitments herein to provide funding. The total estimated cost to complete construction of the Improvements, including contingencies, is Twenty One Million One Hundred Fifty Thousand Dollars (\$21,150,000) (the “**Shortfall Amount**”).

3. Amendment to Section 2.3. Section 2.3 of the FFAA is hereby deleted in its entirety and replaced with the following:

“2.3 Payment of Shortfall. The Developer shall advance funds necessary to fund the Construction Related Expenses incurred by the District on a periodic basis as needed for the fiscal years 2018 through 2023 of the District, up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required (“**Developer Advance**”).”

4. All references in the Agreement, to the phrase “fiscal years 2018 through 2021” shall be deleted in their entirety and substituted in lieu thereof shall be the phrase: “fiscal years 2018 through 2023.”

5. Effect of Amendment. Except as expressly set forth in this Amendment, all provisions of the FFAA remain unchanged and in full force and effect, valid and binding on the Parties thereto.

6. Conflict. In the event of any express conflict or inconsistency between the terms of the FFAA and this Amendment, this Amendment shall control and govern.

7. Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO THIRD AMENDMENT TO 2018-2019 FACILITIES FUNDING AND ACQUISITION AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to 2018-2019 Facilities Funding and Acquisition Agreement as of the day and year first set forth above.

PROSPER COORDINATING METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
President

Attest:

Secretary

VREI, INC., a Colorado corporation

By: _____

Name: _____

Title: _____

PRODUCERS 88-PAID UP

OIL AND GAS LEASE

THIS AGREEMENT is made and entered into on the _____ day of _____ 2022, by **Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado** 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, 80111, hereinafter called Lessor, (whether one or more), and **Crestone Peak Resources Operating, LLC.**, whose address is 555 17th Street, Suite 3700, Denver, CO 80202, hereinafter called Lessee;

WITNESSETH, That the Lessor, for and in consideration of TEN AND MORE DOLLARS cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of drilling, mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind, specifically including helium, carbon dioxide, and coalbed methane and any and all substances produced in association therewith from coal-bearing formations, dewatering of coalbed methane, using methods and techniques which are not restricted to current technology, including the right to conduct exclusive geophysical and other exploratory tests; with ingress and egress for rights of way and easements to construct and maintain pipelines, roads, water wells, disposal wells, injection wells, pits, tanks, ponds, electric and telephone lines, and erection of structures and other facilities thereon, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata, and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, and the injection of air, gas, water, brine, and other fluids into the subsurface strata, to produce, save and take care of said products, all upon that certain tract of land situated in the County of Arapahoe, State of Colorado, described as follows, to-wit:

Township 4 South, Range 64 West
Section 6: Part of E2NE4, containing 38.385 acres

Containing 38.3850 acres, more or less (the "Premises");

In addition to the lands described above, Lessor hereby grants, leases and lets exclusively unto Lessee, to the same extent as if specifically described, lands which are owned or claimed by Lessor by one of the following reasons: (1) all lands and rights acquired or retained by avulsion, accretion, reliction or otherwise as the result of a change in the boundaries or centerline of any river or stream traversing or adjoining the lands described above; (2) all riparian lands and rights which are or may be incident, appurtenant, related or attributed to Lessor in any lake, stream or river traversing or adjoining the lands described above by virtue of Lessor's ownership of the lands described above; (3) all lands included in any road, easement or right-of-way traversing or adjoining the lands described above which are or may be incident, appurtenant, related or attributed to Lessor by virtue of Lessor's ownership of the lands described above; and (4) all strips or tracts of land adjacent or contiguous to the lands described above owned or acquired by Lessor through adverse possession or other similar statutes of the state in which the lands are located.

1. It is agreed that this Lease shall remain in force for a primary term of three (3) years from this date and as long thereafter as oil or gas of whatsoever nature or kind is produced from the Premises or on acreage pooled, communitized or unitized therewith, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this Lease, oil or gas is not being produced on the Premises or on acreage pooled, communitized or unitized therewith but Lessee is then engaged in drilling, re-working, or dewatering operations thereon, then this Lease shall continue in force so long as such operations are being continuously prosecuted on the Premises or on acreage pooled, communitized or unitized therewith; and such operations shall be considered to be continuously prosecuted if not more than one hundred twenty (120) consecutive days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of oil or gas on said land or on acreage pooled, communitized or unitized therewith, the production thereof should cease from any cause after the primary term, this Lease shall not terminate if Lessee commences additional drilling, or re-working operations within one hundred twenty (120) days from the date of cessation of production, or from the date of completion of a dry hole. If oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this Lease, this Lease shall continue in force so long as oil or gas is produced from the Premises or on acreage pooled, communitized or unitized therewith.

2. This is a PAID-UP LEASE. In consideration of the cash down payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this Lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligations thereafter accruing as to the acreage surrendered.

3. In consideration of the Premises, Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells on the Premises, the equal 17% part of all oil produced and saved from the Premises.

2nd. To pay Lessor as royalty, on gas and the constituents thereof produced from the Premises and sold or used off the Premises or in the manufacture of products therefrom, the market value at the wellhead of 17% of the product sold or used. All royalties paid on gas sold by Lessee or used off the Premises or used in the manufacture of products therefrom will be paid after deducting from such royalty Lessor's proportionate amount of all post-production costs, including but not limited to excise, production, and severance taxes, gathering and transportation costs from the wellhead to the point of sale, treating, compression, and processing costs. On product sold at the well, the royalty

shall be 17% of the net proceeds realized from such sale, after deducting from such royalty Lessor's proportionate amount of all of the above post-production costs and expenses, if any.

3rd. In calculating royalties on production hereunder, Lessee may deduct Lessor's proportionate part of any ad valorem, production and excise taxes, as well as other post-production costs, as described above.

4. If at any time, either before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, or on other lands with which lands covered by this lease are pooled or unitized, but the well is shut-in, whether before or after production therefrom, and this lease is not being maintained otherwise as provided herein, this lease shall not terminate (unless released by lessee) and it shall nevertheless be considered that oil or gas is being produced from lands covered by this lease during all times while the well is so shut-in. Lessee shall use reasonable diligence to market the oil or gas capable of being produced from such shut-in well but shall be under no obligation to market the oil or gas under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. When the lease is continued in force in this manner, lessee shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to \$1.00 per year per net mineral acre covered by the lease. Such payments shall be made on or before the shut-in royalty payment date, as defined below, next occurring after the expiration of one hundred twenty (120) days from the date the well was shut-in, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise maintained as provided herein. In like manner, on or before each succeeding shut-in royalty payment date while such well remains shut-in, lessee shall make payment of shut-in royalty in the same amount and manner. The term "shut-in royalty payment date" shall mean the anniversary date of this lease. Any shut-in royalty payment may be made by cash, draft or check, mailed or tendered on or before the shut-in royalty date. Lessee's failure to pay or tender, or properly pay or tender, any such sum shall render lessee liable for the amount due, but it shall not operate to terminate the lease.

5. If said Lessor owns a less interest in the Leased Premises than the entire and undivided fee simple estate therein, then the royalties (including any shut-in royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil, and water produced on the Leased Premises for Lessee's operation thereon.

7. The rights of Lessor and Lessee hereunder may be assigned in whole or part, by area or depth or zone and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in ownership of Lessor's interest (by assignment or otherwise) shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until sixty (60) days after Lessee has been furnished with notice from Lessor and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of the Premises shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. In the event of death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of the decedent or the decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons either jointly, or separately in proportion to the interest which each owns. If Lessee transfers a full or undivided interest in all or any portion of the Premises, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and transferee in proportion to the net acreage interest in this Lease then held by each. If Lessee transfers or assigns its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of the Lessee with respect to any interest not so transferred. If all or any part of this Lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

8. Lessee at its option is hereby given the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Premises and as to anyone or more of the formations hereunder to pool, communitize or unitize the leasehold estate and the mineral estate covered by this Lease with other land, lease or leases in the immediate vicinity for the production of oil and gas, or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or gas, may be reformed to exclude such non-producing formation. The forming or reforming of any unit, pooled area or communitized area shall be accomplished by Lessee executing and filing of record a declaration of such unitization, pooling or communitization or reformation, which declaration shall describe the unit, pooled area or communitized area. Any unit, pooled area, or communitized area may include land upon which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling, dewatering or reworking operations or a well shut in for want of a market anywhere on a unit, pooled area or communitized area which includes all or a part of this Lease shall be treated as if it were production, drilling, dewatering or reworking operations or a well shut in for want of a market under this Lease. In lieu of the royalties elsewhere herein specified, including shut-in gas royalties, Lessor shall receive on production from the unit, area or communitized area, royalties only on the portion of such production allocated to this Lease; such allocation shall be that proportion of the unit, pooled area or communitized area production that the total number of surface acres covered by this Lease and included in the unit, pooled area, or communitized area bears to the total number of surface acres in such unit, pooled area, or communitized area. In addition to the foregoing, Lessee shall have the right to unitize, communitize, pool, or combine all or any part of the Leased Premises as to one or more of the formations hereunder with other lands in the same general area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time, with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this Lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of

development or operation and particularly, all drilling and development requirements of this Lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this Lease shall not terminate or expire during the life of such plan or agreement. Lessor shall formally express Lessor's consent to any cooperative or unit plan of development or operation adopted by Lessee and approved by any governmental agency by executing the same upon request of Lessee.

9. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this Lease.

10. Lessee's obligations under this Lease shall be subject to all applicable laws, rules, regulations and orders of any government authority having jurisdiction, including restrictions on the drilling and production of wells, and regulation of the price or transportation of oil, gas or other substance covered hereby. This Lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation.

11. When drilling, reworking, production or other operations or obligations under this Lease are prevented or delayed by laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services material, water, electricity, fuel, access or easements, or by an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightening, fire, storm, flood or other act of nature, explosion, fracking bans, governmental action, governmental delay, restraint or inaction, or by inability to obtain a satisfactory market for production in Lessee's opinion, or failure of purchasers or carriers to take or transport such production, or by any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within control of the Lessee, this Lease shall not terminate because of such prevention or delay and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any provision or implied covenants of this Lease when drilling, production, or other operations are so prevented or delayed.

12. No litigation shall be initiated by Lessor for damages, forfeiture or cancellation with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default within such time period. In the event the matter is litigated and there is final judicial determination that a breach or default has occurred, this Lease shall not be forfeited or cancelled in whole or in part unless Lessee is given reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

13. In the event that this Lessor, during the primary term of this Lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this Lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this Lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered, and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

14. Lessee is hereby given the option of extending the primary term of this Lease for an additional term of two (2) years from the expiration of the original primary term. This option may be exercised in relation to all of the land covered by this Lease by Lessee, its successors or assigns, on or before the expiration of the primary term, by tendering an amount equal to the original bonus paid to Lessor, its successors or assigns.

15. Should any one or more of the parties hereinabove named as Lessor fail to execute this Lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor," as used in this Lease shall mean any one or more or all of the parties who execute this Lease as Lessor. All the provisions of this Lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

16. Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this Lease is made, as recited herein. If Lessee redeems any such lien, Lessee may recover any amount expended out of Lessor royalties or shut-in royalties.

17. Notwithstanding anything herein contained, this Lease is a "No Surface Occupancy" Oil and Gas Lease. It is agreed and understood that Lessee, its successors or assigns shall not conduct any drilling or completion operations or locate any facilities on the surface of the leased lands. It is understood that the Lessee, its successors or assigns shall not be allowed any access to the surface of the leased lands without the prior written consent of Lessor. Lessee is granted the right to drill and operate directional or horizontal wells through and under said lands. Lessee shall be liable for any and all damages to the leased lands due to subsidence, collapse or settlement caused by Lessee's operations hereunder.

18. All operations conducted off the leased premises that are intended to result in the completion of, or restoration of production from, a producing interval on the leased premises or lands pooled or unitized therewith shall be considered

operations conducted on the leased premises for purposes of extending and/or maintaining this lease in effect under any other paragraph or provision hereof as used herein.

IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

Prosper Coordinating Metropolitan District, a quasi-municipal and political subdivision of the State of Colorado

October 26, 2022

Sent Via UPS

Prosper Coordinating Metropolitan District
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111

RE: Well Proposal for: **PROSPER FARMS 4-65 2-1-6 1AH, PROSPER FARMS 4-65 2-1-6 1BH, PROSPER FARMS 4-65 2-1-6 2AH, PROSPER FARMS 4-65-2-1-6 2BH, PROSPER FARMS 4-65 2-1-6 3AH, PROSPER FARMS 4-65 2-1-6 3BH, PROSPER FARMS 4-65 2-1-6 3CH**

Surfaced Location: See attached well survey plat(s)

Spacing Unit: Township 4 South Range 65 West
Section 1: All
Section 2: All
Township 4 South Range 64 West
Section 6: All
Arapahoe County, Colorado

Ladies and Gentleman:

Civitas Resources, Inc. is the parent company of Crestone Peak Resources Operating, LLC ("Operator"). Crestone Peak Resources Operating, LLC will be the Operator of the above referenced wells ("Well(s)"). Operator owns certain Oil and Gas Leases in the above-described spacing unit established under Colorado Oil and Gas Conservation Commission ("COGCC") Order No. 535-1092. Under the terms of these Oil and Gas Leases, Operator plans to drill the captioned horizontal Well(s) to test the Niobrara formation. Operator plans to spud the Well(s) in Q1 2023 pursuant to the rules and regulations of the COGCC.

Our title review of the Arapahoe County real property records indicates that you own an unleased **0.5330 acres** in the above-described spacing unit. Under this letter, Operator is providing you with the following options with respect to your mineral interest in the spacing unit:

75. Lease your mineral interest and receive your proportionate royalty share of the oil and/or gas production from the Well(s) under the oil and gas lease proposed by Operator, or
76. Join Operator as a working interest owner and participate in the drilling and development of the Well(s) by paying your proportionate share of the costs to drill, complete and operate the proposed Well(s) and receive your proportionate working interest share of the oil and/or gas production from such Well(s).

If you elect to Lease your mineral interest:

This letter constitutes Operator's offer to lease your **0.5330** net mineral acres located in **part of the E/2NE of Section 6, 4S-64W** (see lease for full description) for a three (3) year term, a proportionate royalty interest of **17%**, for total bonus consideration of **\$799.50 (\$1,500.00/NMA)**, with an option to extend lease for an additional \$1,500/NMA at the end of the lease primary term.. A proposed Oil and Gas Lease is enclosed with this letter for your review and execution. This Lease contains terms and conditions that are no less favorable than those currently prevailing in this immediate area. If you have questions regarding how to determine whether this offer is fair and contains terms and conditions similar to those currently prevailing in this area, please contact me at the number below and I can provide you with contact information for independent land professionals and/or royalty associations. Should you elect to lease your mineral interest, please execute the enclosed lease form in the

presence of a Notary Public, complete and sign the W9 with your Tax ID Number, and return the executed Oil and Gas Lease, the completed W9 and one signed copy of this Letter to the undersigned.

Upon receipt of the executed Oil and Gas Lease, Operator will prepare and forward a check to your favor for the bonus consideration within two (2) weeks of receipt. Under the terms of this Lease, you will receive a proportionate royalty interest in any new well located on the lease premises or on lands pooled with your lease. Your leased mineral interest would not be subject to any drilling, completion and/or operating costs, except those transportation, gathering and processing costs attributed to your royalty share allowed under the terms of your lease.

If you elect to participate as a Working Interest Owner:

If you elect to participate in the Well(s) as a working interest owner you will be responsible for your proportionate share of the costs of drilling, completing and operating the Well(s) in the spacing unit. Enclosed is a separate Authority For Expenditure ("AFE") for each of the above identified Well(s). Also enclosed is a Well Information Exhibit which sets forth the estimated drilling and completion costs, including your estimated working interest and proportionate share, as well as the location and objective depth of the proposed wells (estimated Measured Depth, True Vertical Depth, and Lateral Length). Please review this document carefully and execute it only if you are willing to bear your proportionate share of the well costs. The executed AFE must be forwarded to Operator along with an executed copy of this Letter indicating your election to participate in the proposed Well(s) as a working interest owner. Upon receipt of the executed AFE and election Letter, Operator will send you a Joint Operating Agreement for your review and execution.

Please note that you may elect to either lease your mineral interest under the terms of the enclosed Oil and Gas Lease or you may participate in the cost of drilling, completing and operating the Well(s) as a working interest owner. **You may not do both.** If you fail to make an election within 60-days of receipt of this proposal, your unleased mineral interest may be subject to statutory pooling pursuant to C.R.S. §34-60-116 and COGCC regulations.

In the event that we do not receive your election within sixty (60) days, we will assume that you do not desire to lease your mineral interest. Further, failure to respond within sixty (60) days of receipt shall be deemed as an election NOT to participate in the proposed Well(s) and your interest will be subject to a non-consent penalty pursuant to C.R.S. §34-60-116(7).

Enclosed herewith is the COGCC's brochure describing its pooling procedures and a mineral owner's options related to pooling. Should you have any questions regarding our offer to lease or any other information set forth in this letter, please contact Lesley Sachen at 303-312-8176 or via email at lsachen@civiresources.com.

Crestone Peak Resources Operating, LLC

Lesley Sachen

Lesley Sachen
Landman

ELECTION TO PARTICIPATE IN HORIZONTAL WELL(S)

Well Proposal dated October 26, 2022

Please make your election for each well below: (check box)

<i>Well</i>	<i>Consent</i>	<i>Consent and acquire proportionate share</i>	<i>Non-Consent</i>	<i>Statutory Pooling</i>
PROSPER FARMS 4-65 2-1-6 1AH				
PROSPER FARMS 4-65 2-1-6 1BH				
PROSPER FARMS 4-65 2-1-6 2AH				
PROSPER FARMS 4-65 2-1-6 2BH				
PROSPER FARMS 4-65 2-1-6 3AH				
PROSPER FARMS 4-65 2-1-6 3BH				
PROSPER FARMS 4-65 2-1-6 3CH				

If you are participating in the well, well control insurance covering your interest is required. Please indicate your well control insurance election below:

Working Interest Owner, having elected to participate in the drilling and completion of the above referenced wells, **does** / **does not** elect to utilize Operator's Insurance Policy for blowout and well control coverage. If the election is to not use Operator's Insurance Policy, participant must furnish satisfactory proof of coverage prior to spud date.

Your election is contractually binding. If you elect to participate in one or more of the Well(s), you hereby (i) grant a lien on all of your interest in the Well(s), whether now owned or hereafter acquired (including without limitation, all leasehold interests, working interests, mineral, royalty and overriding royalty interests, production from the Well(s) and the proceeds thereof, and all fixtures, equipment and other personal property associated with the Well(s)), to secure your performance of all obligations in connection with the Well(s), including the payment of all joint interest billings and lease operating expenses, and (ii) authorize Operator to perfect the foregoing lien by filing instruments in the county records where the Well(s) are located and in the applicable filing office under the Uniform Commercial Code. In the event you fail to pay any expenses attributable to the Well(s) within 30 days of the receipt of an invoice therefor, and such expenses remain unpaid following written notice from Operator and following a 15 day opportunity to cure, you further authorize Operator to offset the amount owed by you against the proceeds from the sale of your share of oil and gas and/or against any amounts owed by Operator to you in connection with any other wells in which you own an interest.

The provided spud dates are estimates only. Once a Well is spud, there may be a delay between rig release and commencement of completion operations on the Well. Operator may extend such estimated spud dates or delay the commencement of completion operations as necessary in its discretion as a reasonably prudent operator.

All Working Interest Owners shall be accounted for pursuant to the terms of the industry standard 2005 COPAS Accounting Procedure.

Please note that if you decide to sign the Joint Operating Agreement (to be provided), the terms of that agreement and all exhibits thereto shall control over the terms of this proposal to the extent of any conflict.

Please sign and return the election whether you elect to participate or not.

PROSPER COORDINATING METROPOLITAN DISTRICT, A QUASI-MUNICIPAL AND POLITICAL SUBDIVISION OF THE STATE OF COLORADO

By: _____

Printed Name: _____

Title: _____

Dated: _____

WELL INFORMATION EXHIBIT
Well Proposal dated October 26, 2022

Well Name	Target Formation	Spacing Unit	TMD	TVD	TLL	Est WI	AFE Total (Est)	Share of AFE Total (Est)
PROSPER FARMS 4-65 2-1-6 1AH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	24,225.31'	7,780.00'	15,456.46'	0.00027604	\$7,031,956.00	\$1,941.10
PROSPER FARMS 4-65 2-1-6 1BH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	24,092.23'	7,850.00'	15,458.82'	0.00027604	\$7,031,956.00	\$1,941.10
PROSPER FARMS 4-65 2-1-6 2AH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	23,860.23'	7,780.00'	16,080.23'	0.00027604	\$7,031,956.00	\$1,941.10
PROSPER FARMS 4-65 2-1-6 2BH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	23,805.89'	7,850.00'	15,955.89'	0.00027604	\$7,031,956.00	\$1,941.10
PROSPER FARMS 4-65 2-1-6 3AH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	23,675.42'	7,780.00	15,895.42'	0.00027604	\$7,031,956.00	\$1,941.10
PROSPER FARMS 4-65 2-1-6 3BH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	23,715.94'	7,850.00'	15,865.94'	0.00027604	\$7,031,956.00	\$1,941.10
PROSPER FARMS 4-65 2-1-6 3CH	Niobrara	<u>T4S-R65W</u> Section 1: All Section 2: All <u>T4S-R64W</u> Section 6: All	23,669.75'	7,780.00	15,889.75'	0.00027604	\$7,031,956.00	\$1,941.10
							\$49,223,692.00	\$13,587.70

WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 1AH	AFE Number	22653
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 1AH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, B Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17036
API NUMBER		CLASSIFICATION	Capital
START DATE	February 5, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 1AH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22653	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 1AH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	February 5, 2023
		End Date:	July 15, 2024

Account	Description	Total Estimate
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912

Sub-Total: \$3,954,291.00

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
8311..549	Structural Steel Material	\$7,000
8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
8311..552	Pressure Vessels / Filters / Heat Exchangers	\$24,167
8311..553	Separators / Heater Treaters / Fired Equipment	\$150,833
8311..507	Tanks	\$24,000
8311..556	Compressors	\$3,750
8311..557	Pumps	\$417
8311..558	ECD's / Flares	\$22,917
8311..559	Pipe, Valves & Fittings	\$41,667
8311..563	Instrumentation / Automation	\$95,833
8311..565	Electrical / Power Equipment	\$10,833
8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309.407	Artificial Lift	\$16,000
8309.402	Tubing	\$65,000
8309.405	Xmas Tree Upper Section	\$18,000
8309.407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..306	Casinghead Drilling Spool	\$11,000
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
		Sub-Total: \$934,605.00
		<hr/>
		Grand Total: \$7,031,956.00



WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 1BH	AFE Number	22654
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 1BH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, C Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17037
API NUMBER		CLASSIFICATION	Capital
START DATE	February 13, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 1BH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22654	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 1BH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	February 13, 2023
		End Date:	July 15, 2024

Account	Description	Total Estimate
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912

Sub-Total: \$3,954,291.00

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
8311..549	Structural Steel Material	\$7,000
8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
8311..552	Pressure Vessels / Filters / Heat Exchangers	\$24,167
8311..553	Separators / Heater Treaters / Fired Equipment	\$150,833
8311..507	Tanks	\$24,000
8311..556	Compressors	\$3,750
8311..557	Pumps	\$417
8311..558	ECD's / Flares	\$22,917
8311..559	Pipe, Valves & Fittings	\$41,667
8311..563	Instrumentation / Automation	\$95,833
8311..565	Electrical / Power Equipment	\$10,833
8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309..407	Artificial Lift	\$16,000
8309..402	Tubing	\$65,000
8309..405	Xmas Tree Upper Section	\$18,000
8309..407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..306	Casinghead Drilling Spool	\$11,000
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
		Sub-Total: \$934,605.00
		Grand Total: \$7,031,956.00



WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 2AH	AFE Number	22655
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 2AH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, B Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17038
API NUMBER		CLASSIFICATION	Capital
START DATE	February 21, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 2AH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22655	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 2AH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	February 21, 2023
		End Date:	July 15, 2024

Account	Description	Total Estimate
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912

Sub-Total: \$3,954,291.00

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
8311..549	Structural Steel Material	\$7,000
8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
8311..552	Pressure Vessels / Filters / Heat Exchangers	\$24,167
8311..553	Separators / Heater Treaters / Fired Equipment	\$150,833
8311..507	Tanks	\$24,000
8311..556	Compressors	\$3,750
8311..557	Pumps	\$417
8311..558	ECD's / Flares	\$22,917
8311..559	Pipe, Valves & Fittings	\$41,667
8311..563	Instrumentation / Automation	\$95,833
8311..565	Electrical / Power Equipment	\$10,833
8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309..407	Artificial Lift	\$16,000
8309..402	Tubing	\$65,000
8309..405	Xmas Tree Upper Section	\$18,000
8309..407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..306	Casinghead Drilling Spool	\$11,000
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505



WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 2BH	AFE Number	22656
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 2BH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, C Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17039
API NUMBER		CLASSIFICATION	Capital
START DATE	March 1, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 2BH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22656	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 2BH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	March 1, 2023
		End Date:	July 15, 2024

Account	Description	Total Estimate
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912

Sub-Total: \$3,954,291.00

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
8311..549	Structural Steel Material	\$7,000
8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
8311..552	Pressure Vessels / Filters / Heat Exchangers	\$24,167
8311..553	Separators / Heater Treaters / Fired Equipment	\$150,833
8311..507	Tanks	\$24,000
8311..556	Compressors	\$3,750
8311..557	Pumps	\$417
8311..558	ECD's / Flares	\$22,917
8311..559	Pipe, Valves & Fittings	\$41,667
8311..563	Instrumentation / Automation	\$95,833
8311..565	Electrical / Power Equipment	\$10,833
8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309..407	Artificial Lift	\$16,000
8309..402	Tubing	\$65,000
8309..405	Xmas Tree Upper Section	\$18,000
8309..407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..306	Casinghead Drilling Spool	\$11,000
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505

WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 3AH	AFE Number	22657
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 3AH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, B Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17040
API NUMBER		CLASSIFICATION	Capital
START DATE	March 9, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 3AH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22657	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 3AH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	March 9, 2023
		End Date:	July 15, 2024

<u>Account</u>	<u>Description</u>	<u>Total Estimate</u>
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912

Sub-Total: \$3,954,291.00

<u>Account</u>	<u>Description</u>	<u>Total Estimate</u>
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Srvs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Srvs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
8311..549	Structural Steel Material	\$7,000
8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
8311..552	Pressure Vessels / Filters / Heat Exchangers	\$24,167
8311..553	Separators / Heater Treaters / Fired Equipment	\$150,833
8311..507	Tanks	\$24,000
8311..556	Compressors	\$3,750
8311..557	Pumps	\$417
8311..558	ECD's / Flares	\$22,917
8311..559	Pipe, Valves & Fittings	\$41,667
8311..563	Instrumentation / Automation	\$95,833
8311..565	Electrical / Power Equipment	\$10,833
8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309..407	Artificial Lift	\$16,000
8309..402	Tubing	\$65,000
8309..405	Xmas Tree Upper Section	\$18,000
8309..407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..306	Casinghead Drilling Spool	\$11,000
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
		Sub-Total: \$934,605.00
		<hr/>
		Grand Total: \$7,031,956.00



WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 3BH	AFE Number	22658
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 3BH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, C Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17041
API NUMBER		CLASSIFICATION	Capital
START DATE	March 17, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 3BH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22658	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 3BH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	March 17, 2023
		End Date:	July 15, 2024

<u>Account</u>	<u>Description</u>	<u>Total Estimate</u>
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912

Sub-Total: \$3,954,291.00

<u>Account</u>	<u>Description</u>	<u>Total Estimate</u>
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
8311..549	Structural Steel Material	\$7,000
8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
8311..552	Pressure Vessels / Filters / Heat Exchangers	\$24,167
8311..553	Separators / Heater Treaters / Fired Equipment	\$150,833
8311..507	Tanks	\$24,000
8311..556	Compressors	\$3,750
8311..557	Pumps	\$417
8311..558	ECD's / Flares	\$22,917
8311..559	Pipe, Valves & Fittings	\$41,667
8311..563	Instrumentation / Automation	\$95,833
8311..565	Electrical / Power Equipment	\$10,833
8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309..407	Artificial Lift	\$16,000
8309..402	Tubing	\$65,000
8309..405	Xmas Tree Upper Section	\$18,000
8309..407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..306	Casinghead Drilling Spool	\$11,000
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505



WELL/FACILITY	PROSPER FARMS 4-65 2-1-6 3CH	AFE Number	22659
DESCRIPTION	PROSPER FARMS 4-65 2-1-6 3CH	AFE TYPE	DRILL & COMPLETE
OBJECTIVE	Niobrara, B Chalk	FIELD	Wattenberg
COUNTY/STATE	ARAPAHOE / CO	COST CENTER	COC17042
API NUMBER		CLASSIFICATION	Capital
START DATE	March 25, 2023	OUTSIDE AFE#	
END DATE	July 15, 2024	AFE CATEGORY	DEV
DEPARTMENT	Rocky Mountain	OPERATOR	Crestone Peak Resources Operating LLC

DESCRIPTION AND PURPOSE OF PROPOSED EXPENDITURE

The PROSPER FARMS 4-65 2-1-6 3CH is a Crestone Peak Resources Operating LLC operated horizontal well on the Prosper Farms 4-65 2-1 4AH pad, scheduled to complete in July 2023.

PARTNER APPROVAL

Gross Grand Total	\$7,031,956.00
Partner	
Signature	
Date	

This AFE was electronically approved in a secure system

AFE Number:	22659	Budget Category:	Wattenberg
Description:	PROSPER FARMS 4-65 2-1-6 3CH	AFE TYPE:	DRILL & COMPLETE
Budget Year:	2022	UWI:	UNAPROVED
Operator:	Crestone Peak Resources Operating LLC	Start Date:	March 25, 2023
		End Date:	July 15, 2024

Account	Description	Total Estimate
WIP - Intangible Completion 8/8's		
8306..202	Power & Fuel	\$589,351
8306..203	Compl Fluids & Chemicals	\$95,000
8306..205	Cement & Cementing Svcs	\$38,000
8306..206	Logging & Perforation Svcs	\$282,125
8306..209	Formation Stimulatn Acid Frac	\$1,867,133
8306..210	Formation Evaluation	\$41,342
8306..211	Tubular Inspection	\$8,000
8306..212	Equipment Rentals	\$178,800
8306..213	Contract Labor & Services	\$2,500
8306..214	Wellsite Consultant	\$55,000
8306..216	Transportation	\$7,500
8306..217	Mud Cuttings & Water Disposal	\$7,500
8306..220	Water & Water Well	\$639,128
8306..228	Completion Rig	\$142,912
	Sub-Total:	\$3,954,291.00

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..101	Location Cleanup & Damages	\$82,500
8305..102	Rig Move - MIRU, RDMO	\$42,000
8305..103	Rig Contractor-Daywork/FT	\$234,900
8305..104	Rig Contractor-Turnkey	\$85,000
8305..105	Power & Fuel	\$71,558
8305..106	Drill Fluids & Chemicals	\$210,000
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..108	Cement & Cementing Services	\$135,000
8305..109	Mud Logging	\$12,500
8305..110	Open Hole Logging	\$9,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..112	Directional Tools & Service	\$93,800
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..118	Wellsite Consultants	\$37,000
8305..119	Company Supervision & Labor	\$250
8305..120	Transportation	\$9,000
8305..121	Mud,Cuttings & Water Disposal	\$100,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..126	Land, Legal and Curative	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..129	Environmental & Safety	\$52,592
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..105	Power & Fuel	\$71,558
8305..107	Bits, Reamer, Stabilizers	\$24,000
8305..111	Csg Crews & Tools-Drive Hammer	\$17,500
8305..115	Tubular Inspection	\$6,000
8305..116	Equipment Rentals	\$51,000
8305..117	Contract Labor & Services	\$12,500
8305..120	Transportation	\$9,000
8305..123	Overhead	\$3,500
8305..124	Water & Water Well	\$10,000
8305..128	Regulatory Permits	\$5,000
8305..132	Other Specialized Svcs	\$2,500
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917

Account	Description	Total Estimate
WIP - Intangible Drilling 8/8's		
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
8305..129	Environmental & Safety	\$52,592
8305..190	Miscellaneous	\$1,250
8305..199	Contingency	\$65,917
Sub-Total:		\$1,384,267.00

Account	Description	Total Estimate
WIP - PEC 8/8's		
8311..507	Tanks	\$24,000
8311..540	Permits / ROW / SUA / USR	\$708
8311..542	Consultants (Eng, Env, Safety, Power, etc.)	\$4,167
8311..547	Concrete & Foundation Materials	\$917
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8311..550	Buildings (Gas Lift, Compressor, Power Distribution, etc.)	\$20,417
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8311..566	Instrument Air Systems	\$10,000
8311..567	LACT Systems	\$60,000
8311..569	Heat Trace	\$7,500
8311..571	SCADA Software / Systems	\$5,000
8311..577	Civil Labor & Contracts	\$500
8311..579	Mechanical Labor & Contracts	\$77,500
8311..580	Automation & Electrical Labor & Contracts	\$51,667
8311..582	Shop & Skid Fabrication Labor & Contracts	\$23,333
8311..583	Insulation Labor & Contracts	\$9,167
8311..586	3rd Party Construction Inspection (Civil, Mechanical, Automation)	\$7,083
8311..594	EHSRC Compliance Systems	\$417
Sub-Total:		\$659,793.00

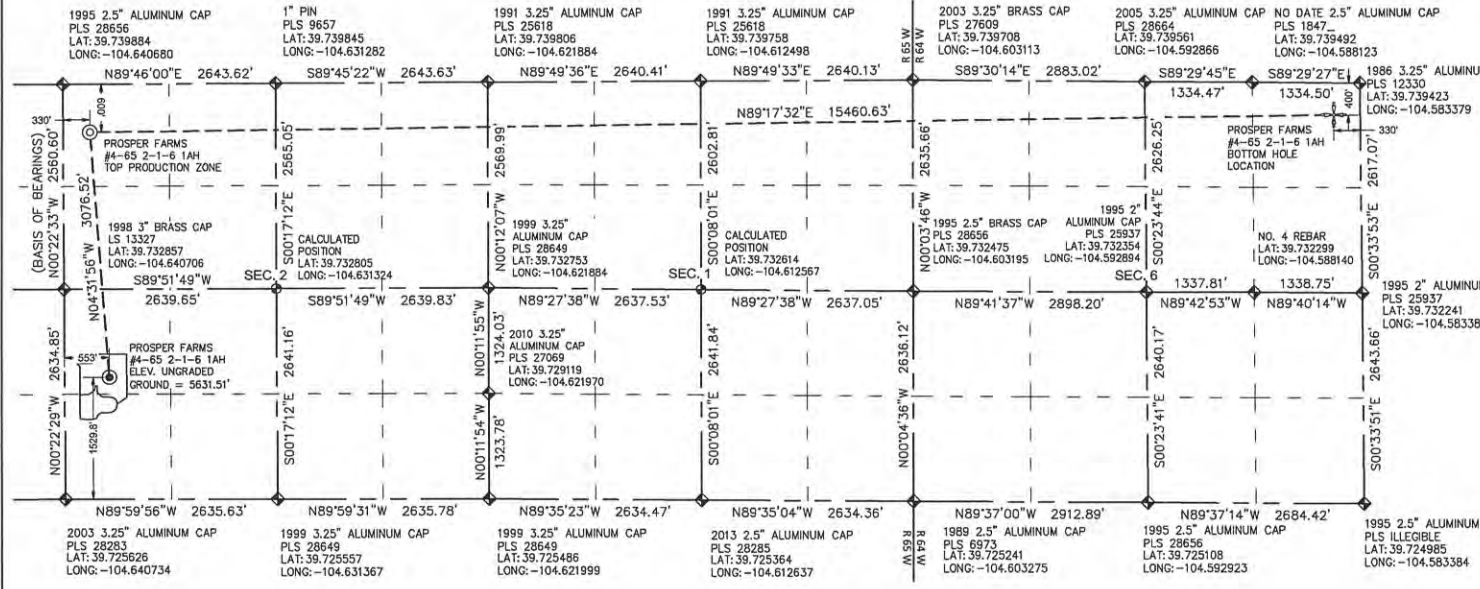
Account	Description	Total Estimate
WIP - Tangible Completion 8/8's		
8309..407	Artificial Lift	\$16,000
8309..402	Tubing	\$65,000
8309..405	Xmas Tree Upper Section	\$18,000
8309..407	Artificial Lift	\$16,000
Sub-Total:		\$99,000.00

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505
8308..301	Drive Pipe Conductor Casing	\$15,000
8308..302	Surface Casing	\$197,600
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
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8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..304	Production Casing	\$622,500
8308..305	Subs Flt Eqpt Centralizers Etc	\$15,500
8308..307	Sub Surface Equipment	\$28,500
8308..390	Miscellaneous	\$44,505
8308..390	Miscellaneous	\$44,505

Account	Description	Total Estimate
WIP - Tangible Drilling 8/8's		
	Sub-Total:	\$934,605.00
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	Grand Total:	\$7,031,956.00

CRESTONE PEAK RESOURCES

PROSPER FARMS #4-65 2-1-6 1AH
NW¼ SW¼ SECTION 2, T4S, R65W, 6TH P.M.
ARAPAHOE COUNTY, STATE OF COLORADO



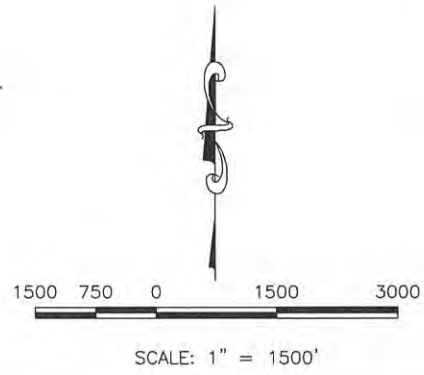
- NOTES**
- DISTANCES ARE MEASURED PERPENDICULARLY TO THE NEAREST SECTION LINE.
 - THIS MAP DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY. SIXTEENTH CORNER LOCATIONS ARE CALCULATED ONLY, UNLESS OTHERWISE NOTED.
 - BOTTOM HOLE AND HORIZONTAL COMPLETION ZONE LOCATIONS HAVE BEEN PROVIDED BY OTHERS.

BASIS OF BEARINGS
BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS ON THE WEST LINE OF THE NW¼ OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST, SIXTH PRINCIPAL MERIDIAN, MONUMENTED AS SHOWN.

BASIS OF ELEVATION
ELEVATIONS SHOWN HEREON ARE NAVD88 AND ARE BASED ON GPS OBSERVATIONS

- LEGEND**
- ◆ ALIQUOT CORNER AS DESCRIBED
 - ⊕ ALIQUOT CORNER, CALCULATED
 - ⊙ WELL HEAD SURFACE LOCATION
 - ⊕ TOP PRODUCTION ZONE
 - ⊕ BOTTOM HOLE LOCATION

CERTIFICATE
WESTWOOD PROFESSIONAL SERVICES HAS DETERMINED THAT THE SURFACE LOCATION OF THE PROPOSED WELL IDENTIFIED AS THE PROSPER FARMS #4-65 2-1-6 1AH TO BE 553 FEET FROM THE WEST LINE AND 1529.8 FEET FROM THE SOUTH LINE OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ARAPAHOE COUNTY, STATE OF COLORADO.



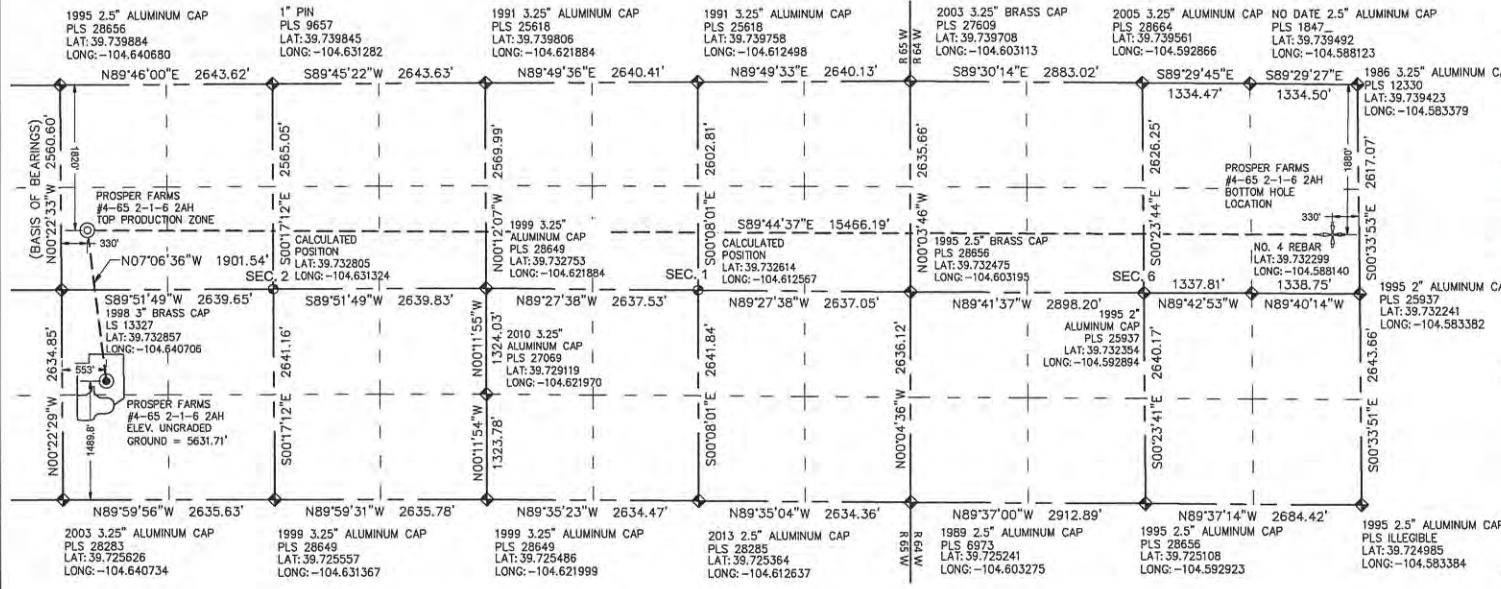
PATRICK M. STEENBURG, COLORADO PLS 38004
FOR AND ON BEHALF OF
WESTWOOD PROFESSIONAL SERVICES.

PDOP: 1.4		
WELL HEAD SURFACE LOCATION	TOP PRODUCTION ZONE	BOTTOM HOLE LOCATION
NAD 83 LATITUDE = 39.729810 LONGITUDE = -104.638752	NAD 83 LATITUDE = 39.738233 LONGITUDE = -104.639513	NAD 83 LATITUDE = 39.738342 LONGITUDE = -104.584553
STATE PLANE NAD 83 (Co. Central) N: 1,691,861.00 E: 3,242,233.48	STATE PLANE NAD 83 (Co. Central) N: 1,694,927.09 E: 3,241,990.47	STATE PLANE NAD 83 (Co. Central) N: 1,695,118.03 E: 3,257,445.73

<p>Westwood WESTWOOD PROFESSIONAL SERVICES, LLC 10318 E. QUINCY AVE., BUILDING 1 WATKINS, CO 80137 ATTN: (720) 410-8519</p>	<p>CRESTONE PEAK RESOURCES OPERATING LLC ATTN: PATRICK M. STEENBURG 34501 E. QUINCY AVE., BUILDING 1 WATKINS, CO 80137 ATTN: (720) 410-8519</p>
<p>SCALE AS SHOWN DATE: JULY, 2022</p>	<p>1 OF 11</p>
<p>NO. 1 WELL RELOCATION NO. 2 WELL RELOCATION</p>	<p>No. 1 No. 2</p>
<p>DATE: 08.15.22 10.25.22</p>	<p>Date</p>

CRESTONE PEAK RESOURCES

PROSPER FARMS #4-65 2-1-6 2AH
 NW¼ SW¼ SECTION 2, T4S, R65W, 6TH P.M.
 ARAPAHOE COUNTY, STATE OF COLORADO



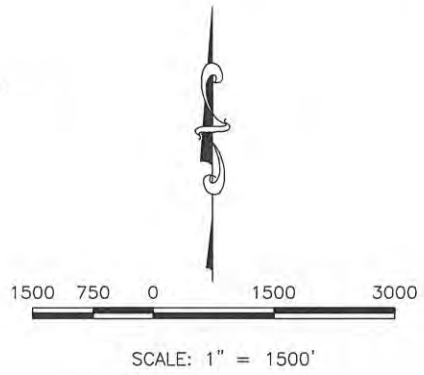
- NOTES**
- DISTANCES ARE MEASURED PERPENDICULARLY TO THE NEAREST SECTION LINE.
 - THIS MAP DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY. SIXTEENTH CORNER LOCATIONS ARE CALCULATED ONLY, UNLESS OTHERWISE NOTED.
 - BOTTOM HOLE AND HORIZONTAL COMPLETION ZONE LOCATIONS HAVE BEEN PROVIDED BY OTHERS.

BASIS OF BEARINGS
 BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS ON THE WEST LINE OF THE NW¼ OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST, SIXTH PRINCIPAL MERIDIAN, MONUMENTED AS SHOWN.

BASIS OF ELEVATION
 ELEVATIONS SHOWN HEREON ARE NAVD88 AND ARE BASED ON GPS OBSERVATIONS

- LEGEND**
- ALIIQUOT CORNER AS DESCRIBED
 - ALIIQUOT CORNER, CALCULATED
 - WELL HEAD SURFACE LOCATION
 - TOP PRODUCTION ZONE
 - BOTTOM HOLE LOCATION

CERTIFICATE
 WESTWOOD PROFESSIONAL SERVICES HAS DETERMINED THAT THE SURFACE LOCATION OF THE PROPOSED WELL IDENTIFIED AS THE PROSPER FARMS #4-65 2-1-6 2AH TO BE 553 FEET FROM THE WEST LINE AND 1489.8 FEET FROM THE SOUTH LINE OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ARAPAHOE COUNTY, STATE OF COLORADO.



PATRICK M. STEENBURG, COLORADO PLS 38004
 FOR AND ON BEHALF OF
 WESTWOOD PROFESSIONAL SERVICES.

WELL HEAD SURFACE LOCATION	TOP PRODUCTION ZONE	BOTTOM HOLE LOCATION
NAD 83 LATITUDE = 39.729700 LONGITUDE = -104.638753	NAD 83 LATITUDE = 39.734885 LONGITUDE = -104.639526	NAD 83 LATITUDE = 39.734280 LONGITUDE = -104.584554
STATE PLANE NAD 83 (Co. Central) N: 1,691,821.01 E: 3,242,233.75	STATE PLANE NAD 83 (Co. Central) N: 1,693,707.44 E: 3,241,998.47	STATE PLANE NAD 83 (Co. Central) N: 1,693,638.24 E: 3,257,460.32

05-13-22	REVISIONS	DATE
1	WELL RELOCATION	10-28-19
2	WELL RELOCATION	10-28-19
No.	Revisions	

Westwood
 WESTWOOD PROFESSIONAL SERVICES, INC.
 10311 COMMERCE SUITE 200
 ENGLEWOOD, CO 80112
 TEL: 720.600.0104

CRESTONE PEAK RESOURCES
 ATTN: KATHY DENZER
 34501 E. QUINCY AVE., BUILDING 1
 WATKINS, CO 80157
 ATTN: (203) 410-8519

SCALE AS SHOWN
 FILE NO. PDOP: 1.4
 F0031976.00
 JULY, 2022

DRAWN BY: MJP
 CHECKED BY: PMS
 DATE: JULY 2022

SHEET NUMBER:
 3 OF 11

CRESTONE PEAK RESOURCES

PROSPER FARMS #4-65 2-1-6 3AH
 NW $\frac{1}{4}$ SW $\frac{1}{4}$ SECTION 2, T4S, R65W, 6TH P.M.
 ARAPAHOE COUNTY, STATE OF COLORADO

NOTES

1. DISTANCES ARE MEASURED PERPENDICULARLY TO THE NEAREST SECTION LINE.
2. THIS MAP DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY. SIXTEENTH CORNER LOCATIONS ARE CALCULATED ONLY, UNLESS OTHERWISE NOTED.
3. BOTTOM HOLE AND HORIZONTAL COMPLETION ZONE LOCATIONS HAVE BEEN PROVIDED BY OTHERS.

BASIS OF BEARINGS

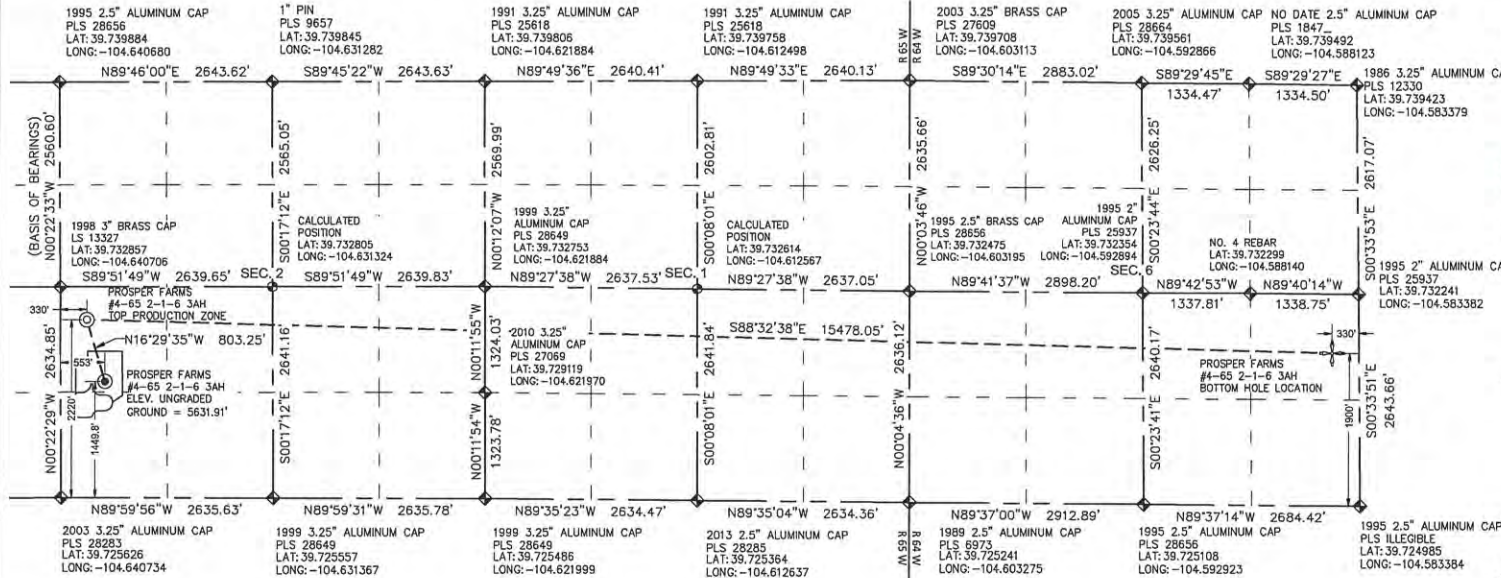
BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS ON THE WEST LINE OF THE NW $\frac{1}{4}$ OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST, SIXTH PRINCIPAL MERIDIAN, MONUMENTED AS SHOWN.

BASIS OF ELEVATION

ELEVATIONS SHOWN HEREON ARE NAVD88 AND ARE BASED ON GPS OBSERVATIONS

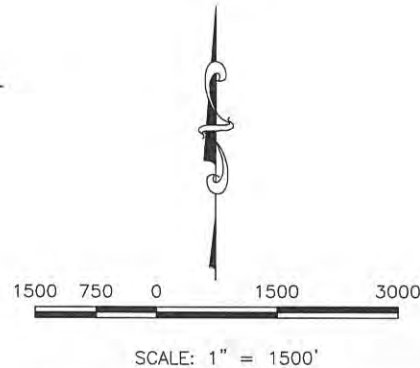
LEGEND

- ◆ ALIQUOT CORNER AS DESCRIBED
- ⊕ ALIQUOT CORNER, CALCULATED
- ⊙ WELL HEAD SURFACE LOCATION
- ⊙ TOP PRODUCTION ZONE
- + BOTTOM HOLE LOCATION



CERTIFICATE

WESTWOOD PROFESSIONAL SERVICES HAS DETERMINED THAT THE SURFACE LOCATION OF THE PROPOSED WELL IDENTIFIED AS THE PROSPER FARMS #4-65 2-1-6 3AH TO BE 553 FEET FROM THE WEST LINE AND 1449.8 FEET FROM THE SOUTH LINE OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ARAPAHOE COUNTY, STATE OF COLORADO.



PATRICK M. STEENBURG, COLORADO PLS 38004
 FOR AND ON BEHALF OF
 WESTWOOD PROFESSIONAL SERVICES.

WELL HEAD SURFACE LOCATION	TOP PRODUCTION ZONE	BOTTOM HOLE LOCATION
NAD 83 LATITUDE = 39.729590 LONGITUDE = -104.638753	NAD 83 LATITUDE = 39.731710 LONGITUDE = -104.639538	NAD 83 LATITUDE = 39.730215 LONGITUDE = -104.584555
STATE PLANE NAD 83 (Co. Central) N: 1,691,781.03 E: 3,242,234.01	STATE PLANE NAD 83 (Co. Central) N: 1,692,551.03 E: 3,242,006.04	STATE PLANE NAD 83 (Co. Central) N: 1,692,157.83 E: 3,257,474.91

<p>CRESTONE PEAK RESOURCES ATTN: KATHY DENZER 3400 E. QUINCY AVE., BUILDING 1 WATKINS, CO. 80137 ATTN: (720) 410-8519</p>	<p>Westwood Westwood Professional Services, Inc. 10331 E. WATKINS AVE. SUITE 400 WATKINS, CO. 80137 PHONE: (720) 410-8519</p>
<p>SCALE: AS SHOWN FILE NO. R003197E00 DATE: JULY 2022</p>	<p>PDOP: 1.4</p>
<p>SHEET NUMBER: 5 OF 11</p>	<p>Revision No. 1 1 WELL RELOCATION 2 WELL RELOCATION Date: 07-13-22 10-28-16</p>

CRESTONE PEAK RESOURCES

PROSPER FARMS #4-65 2-1-6 3BH
 NW $\frac{1}{4}$ SW $\frac{1}{4}$ SECTION 2, T4S, R65W, 6TH P.M.
 ARAPAHOE COUNTY, STATE OF COLORADO

NOTES

1. DISTANCES ARE MEASURED PERPENDICULARLY TO THE NEAREST SECTION LINE.
2. THIS MAP DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY. SIXTEENTH CORNER LOCATIONS ARE CALCULATED ONLY, UNLESS OTHERWISE NOTED.
3. BOTTOM HOLE AND HORIZONTAL COMPLETION ZONE LOCATIONS HAVE BEEN PROVIDED BY OTHERS.

BASIS OF BEARINGS

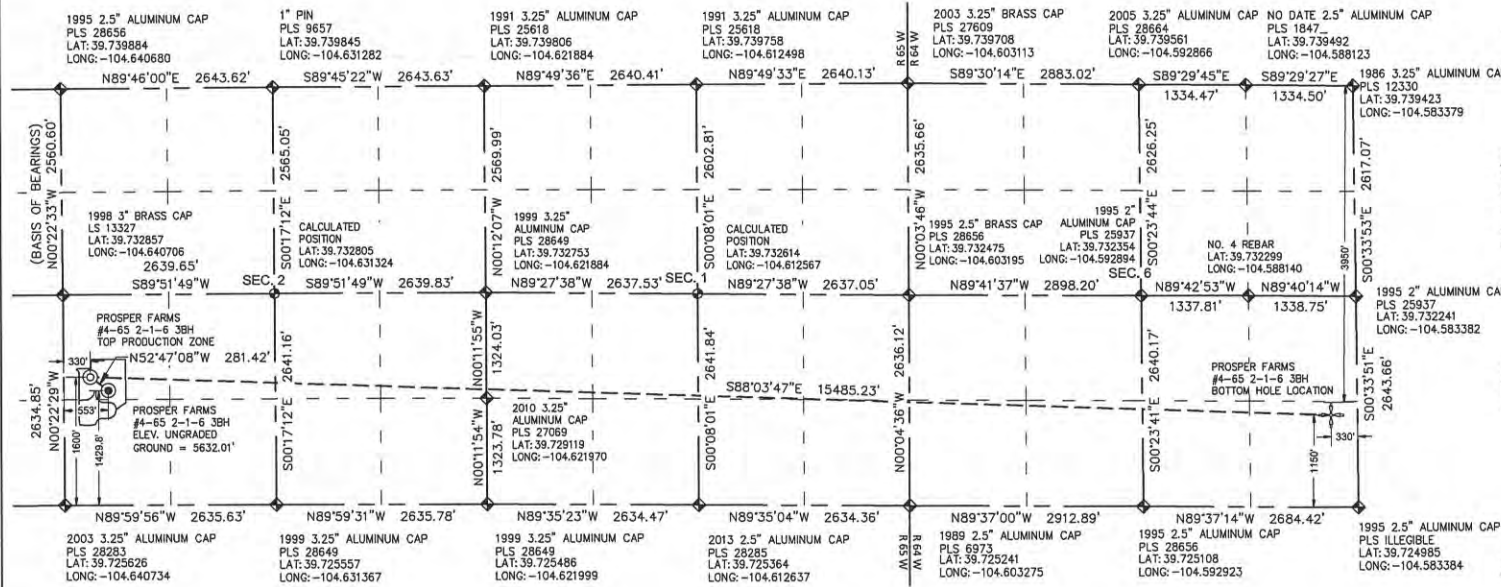
BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS ON THE WEST LINE OF THE NW $\frac{1}{4}$ OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST, SIXTH PRINCIPAL MERIDIAN, MONUMENTED AS SHOWN.

BASIS OF ELEVATION

ELEVATIONS SHOWN HEREON ARE NAVD88 AND ARE BASED ON GPS OBSERVATIONS

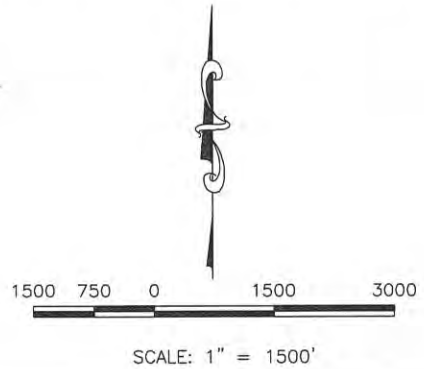
LEGEND

- ALIQUOT CORNER AS DESCRIBED
- ALIQUOT CORNER, CALCULATED
- WELL HEAD SURFACE LOCATION
- TOP PRODUCTION ZONE
- BOTTOM HOLE LOCATION



CERTIFICATE

WESTWOOD PROFESSIONAL SERVICES HAS DETERMINED THAT THE SURFACE LOCATION OF THE PROPOSED WELL IDENTIFIED AS THE PROSPER FARMS #4-65 2-1-6 3BH TO BE 553 FEET FROM THE WEST LINE AND 1429.8 FEET FROM THE SOUTH LINE OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ARAPAHOE COUNTY, STATE OF COLORADO.



PATRICK M. STEENBURG, COLORADO PLS 38004
 FOR AND ON BEHALF OF
 WESTWOOD PROFESSIONAL SERVICES.

WELL HEAD SURFACE LOCATION	TOP PRODUCTION ZONE	BOTTOM HOLE LOCATION
NAD 83 LATITUDE = 39.729535 LONGITUDE = -104.638753	NAD 83 LATITUDE = 39.730008 LONGITUDE = -104.639544	NAD 83 LATITUDE = 39.728157 LONGITUDE = -104.584556
STATE PLANE NAD 83 (Co. Central) N: 1,691,761.03 E: 3,242,234.14	STATE PLANE NAD 83 (Co. Central) N: 1,691,931.20 E: 3,242,010.10	STATE PLANE NAD 83 (Co. Central) N: 1,691,407.96 E: 3,257,482.29

07-15-22	10-28-18								
DATE	DATE								
WELL RELOCATION	WELL RELOCATION								
NO.	NO.								
2	1								
DATE	DATE								
WESTWOOD PROFESSIONAL SERVICES, INC. 10311 CANYON BLVD. BOULDER, CO 80504 TEL: 720.442.9316									
CRESTONE PEAK RESOURCES OPERATING LLC ATTN: KATHY DENZER 34901 E. QUINCY AVE., BUILDING 1 BOULDER, CO 80504 ATTN: (720) 414-9319									
WELL LOCATION PLAT CRESTONE PEAK RESOURCES PROSPER FARMS #4-65 2-1-6 3BH									
SCALE	MAP	AS SHOWN							
FILE NO.	DATE	DATE							
PDOP: 1.4	JULY 2022								
SHEET NUMBER	6 OF 11								

CRESTONE PEAK RESOURCES

PROSPER FARMS #4-65 2-1-6 3CH
 NW $\frac{1}{4}$ SW $\frac{1}{4}$ SECTION 2, T4S, R65W, 6TH P.M.
 ARAPAHOE COUNTY, STATE OF COLORADO

NOTES

1. DISTANCES ARE MEASURED PERPENDICULARLY TO THE NEAREST SECTION LINE.
2. THIS MAP DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY. SIXTEENTH CORNER LOCATIONS ARE CALCULATED ONLY, UNLESS OTHERWISE NOTED.
3. BOTTOM HOLE AND HORIZONTAL COMPLETION ZONE LOCATIONS HAVE BEEN PROVIDED BY OTHERS.

BASIS OF BEARINGS

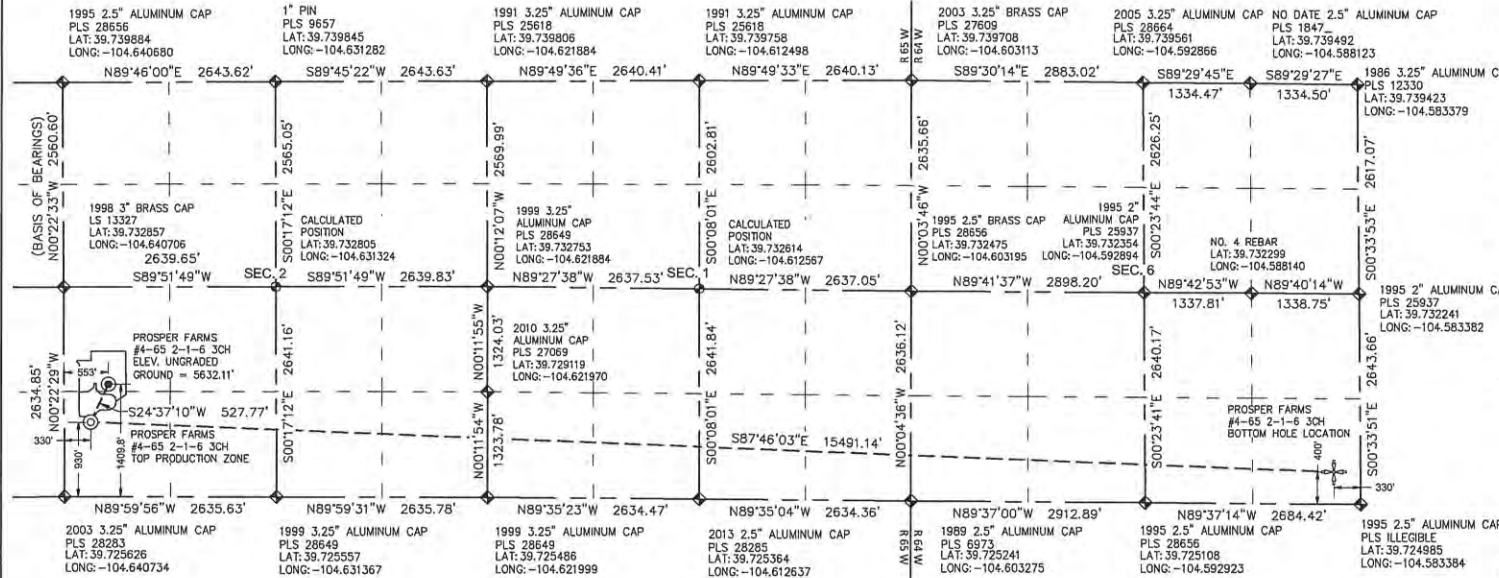
BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS ON THE WEST LINE OF THE NW $\frac{1}{4}$ OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST, SIXTH PRINCIPAL MERIDIAN, MONUMENTED AS SHOWN.

BASIS OF ELEVATION

ELEVATIONS SHOWN HEREON ARE NAVD88 AND ARE BASED ON GPS OBSERVATIONS

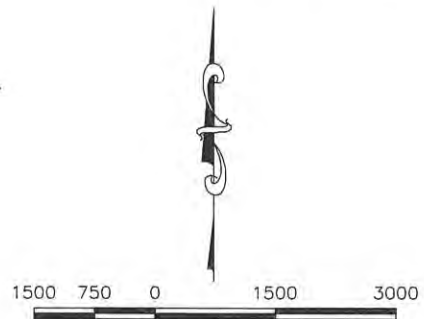
LEGEND

- ALIQUOT CORNER AS DESCRIBED
- ALIQUOT CORNER, CALCULATED
- WELL HEAD SURFACE LOCATION
- TOP PRODUCTION ZONE
- BOTTOM HOLE LOCATION



CERTIFICATE

WESTWOOD PROFESSIONAL SERVICES HAS DETERMINED THAT THE SURFACE LOCATION OF THE PROPOSED WELL IDENTIFIED AS THE PROSPER FARMS #4-65 2-1-6 3CH TO BE 553 FEET FROM THE WEST LINE AND 1409.8 FEET FROM THE SOUTH LINE OF SECTION 2, TOWNSHIP 4 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ARAPAHOE COUNTY, STATE OF COLORADO.



SCALE: 1" = 1500'

PATRICK M. STEENBURG, COLORADO PLS 38004
 FOR AND ON BEHALF OF
 WESTWOOD PROFESSIONAL SERVICES.

WELL HEAD SURFACE LOCATION	TOP PRODUCTION ZONE	BOTTOM HOLE LOCATION
NAD 83 LATITUDE = 39.729480 LONGITUDE = -104.638754	NAD 83 LATITUDE = 39.728169 LONGITUDE = -104.639551	NAD 83 LATITUDE = 39.726098 LONGITUDE = -104.584556
STATE PLANE NAD 83 (Co. Central) N: 1,691,741.04 E: 3,242,234.27	STATE PLANE NAD 83 (Co. Central) N: 1,691,261.38 E: 3,242,014.48	STATE PLANE NAD 83 (Co. Central) N: 1,690,658.10 E: 3,257,489.68

PDOP: 1.4

DRAWN BY: MAP SCALE: AS SHOWN
 CHECKED BY: PMS FILE NO.: R0031970.00
 DATE: JULY 2022

7 OF 11

CRESTONE PEAK RESOURCES
 WESTWOOD PROFESSIONAL SERVICES, INC.
 34601 E. QUINCY AVE., BUILDING 1
 WATKINS, CO. 80157
 ATTN: (720) 210-5519

CRESTONE PEAK RESOURCES
 WESTWOOD PROFESSIONAL SERVICES, INC.
 34601 E. QUINCY AVE., BUILDING 1
 WATKINS, CO. 80157
 ATTN: (720) 210-5519

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COLORADO
Oil & Gas Conservation
Commission
 Department of Natural Resources

INFORMATION SHEET: POOLING MINERAL INTERESTS

Why am I receiving this information?

A review of public property records indicates you may own unleased minerals that an oil and gas operator has asked the Colorado Oil & Gas Conservation Commission (“COGCC”) to “pool.” The COGCC prepared this brochure to help inform mineral owners about “pooling” of mineral interests in Colorado and the State’s administrative process.

What is pooling, why pool minerals, and why does Colorado have a pooling law?

Pooling is the joining together of various mineral interests into one large “drilling and spacing unit” in order to drill a single well to drain a large area of oil and gas, with each person who owns a mineral interest (“mineral owner”) in the unit receiving a share of the proceeds.

In the early days of oil and gas production, before pooling laws, mineral owners were required to each drill a well to receive proceeds from the minerals they owned. Owners competed with their neighbors to pump as much oil as possible, as quickly as possible. Consequently, oil and gas operators drilled as many wells as they could on the properties they owned or leased to maximize production, which led to some areas with numerous wells scattered across neighborhoods. This resulted in unnecessary development of the surface land, many more wells than necessary, and wasted oil and gas resources.

Pooling provides controlled and far less disruptive drilling. Limiting the number of wells within a resource area reduces impacts on the environment, lowers costs, and boosts efficiency. Pooling allows each owner to proportionately

share in the costs and proceeds from oil and gas development from a pooled unit, without requiring each mineral owner to drill their own well. Pooling also ensures that a mineral owner who refuses to enter into a lease does not prevent the development and production of oil and gas minerals owned by others.

Colorado adopted its “pooling law” over fifty years ago in order to ensure each mineral interest owner pays his or her proportionate share of the costs of oil and gas development and receives a proportionate share of the revenues once production is established. The COGCC establishes “drilling and spacing units” determining the number of oil and gas wells that may be drilled in the unit to efficiently and effectively capture all available mineral resources. After a drilling and spacing unit is established, any mineral owner in the unit that owns, or has secured the consent of, more than 45% of the mineral interests to be pooled, can begin pooling the interests of the remaining mineral owners within the unit. The pooling process can be done voluntarily through private contract by those who own or lease minerals. Pooling can also be accomplished through a COGCC administrative hearing process, often called “statutory pooling” or “forced pooling.”

What is the process to pool minerals in Colorado?

At least 90 days before the COGCC hearing to pool the minerals, an owner (who has secured 45% of the minerals in the unit) takes two steps:

(1) submit an application to the COGCC requesting to pool the unit’s mineral owners; and,

(2) send all unleased mineral owners the pooling application, an offer to lease, an offer to participate in the drilling, completion, and operation of the proposed wells, and this brochure.

Each unleased mineral owner has 60 days to decide whether to lease, participate, or take no action. Regardless of your choice, you are not required to participate in the pooling hearing before the COGCC. As an unleased mineral owner, you may engage in the COGCC's pooling process by filing a formal petition prior to the hearing (see Commission Rule 507), or by submitting a public comment, which COGCC refers to as a "512 statement."

What are my options?

With this brochure, you also should have received information from the oil and gas operator regarding leasing your minerals or participating in the well. You have several options:

1. Lease your minerals, pursuant to an Offer to Lease, which is a private agreement between you and the operator that entitles you to reasonable royalties on oil and gas production from the unit. You may lease your minerals to any person, not just the operator that sent you this information.
2. Elect to participate in the drilling, completion, and operation of the wells proposed by the operator. In this case, you will be expected to pay your proportionate share of the costs of drilling, completion, and operation, and will receive a greater proportionate share of the proceeds.
3. Take no action. Your minerals will be pooled and you will be deemed a "nonconsenting party" through COGCC process and rules. The proceed percentages differ slightly depending on whether the well produces primarily gas or oil. As a

nonconsenting party, Colorado statute dictates you will receive 13% of your proportionate proceeds from the unit for a gas well, and the remaining 87% of your proceeds will be applied to offset your share of 200% of the drilling costs and 100% of the surface costs. As a nonconsenting party, Colorado statute dictates you will receive 16% of your proportionate proceeds from the unit for an oil well, and the remaining 84% of your proceeds will be applied to offset your share of 200% of the drilling costs and 100% of the surface costs. Once these costs are paid, you will receive 100% of your proceeds.

What if I don't consent to the development of my minerals?

If you do not sign a lease offer and do not elect to participate, the operator will ask the COGCC to deem you a "nonconsenting party" as part of the pooling process. As a nonconsenting party, you will be unable to participate as an owner in the drilling of the well and will not have an opportunity to negotiate a lease. Your minerals will then be pooled.

As a nonconsenting owner, Colorado statute provides that you will receive 13% of your proportionate proceeds from the unit for a gas well, based on your mineral acres compared to all mineral acres in the drilling unit. The remaining 87% of your proceeds will reimburse those mineral owners who opted to participate in the well - providing 200% of drilling costs and 100% of surface equipment costs attributable to your mineral interest. In the case of an oil well, Colorado statute provides that you will receive 16% of your proportionate proceeds from the unit, based on your mineral acres compared to all mineral acres in the drilling unit. The remaining 84% of your proceeds will reimburse those mineral owners who opted to participate in the well - providing 200% of drilling costs and 100% of

surface equipment costs attributable to your mineral interest. You reimburse participating mineral owners 200% of your proportionate drilling costs, instead of 100%, as a “risk penalty” to compensate participating mineral owners for the risk they accepted as part of the agreement for drilling a well. Once your 87% (for gas) or 84% (for oil) of production revenue covers 200% of drilling costs and 100% of surface equipment costs, the well “pays out” and you will then receive 100% of your proportionate share of proceeds and also be responsible for your share of costs going forward.

If the operator files an application with the COGCC to deem you a nonconsenting party, you have the opportunity to petition that application. You must file that petition directly with the COGCC as required under COGCC Rule 507.

By law, nonconsenting parties are immune from liability for costs arising from spills, releases, damage, or injury resulting from oil and gas operations on a unit.

Where can I get additional information?

For more information about the COGCC administrative hearing process and deadlines, please refer to the COGCC website at <http://cogcc.state.co.us>. You may also contact the COGCC at dnr.ogcc@state.co.us or 303-894-2100. Please note, COGCC staff are not available to provide legal advice. COGCC recommends that you engage an attorney with knowledge of oil and gas matters to assist you with reviewing any offers you receive from an oil and gas operator or other person.

Prosper Coordinating Metropolitan District

Check List

All Bank Accounts

August 18, 2022 - October 20, 2022

Check Number	Check Date	Payee	Amount
Vendor Checks			
ACH	09/29/22	Xcel Energy	66.06
Bill.com Checks	09/29/22	CliftonLarsonAllen, LLP	11,522.97
Bill.com Checks	09/29/22	CO Special Dist. Prop & Liab. Pool	2,250.00
Bill.com Checks	09/29/22	Dewberry Engineers Inc.	19,630.50
Bill.com Checks	09/29/22	HRS Water Consultants, Inc.	2,152.94
Bill.com Checks	09/29/22	IDES,LLC	360.00
Bill.com Checks	09/29/22	McGeady Becher P.C.	5,215.70
Bill.com Checks	09/29/22	Otten Johnson Robinson Neff & Ragonetti, P.C.	1,249.50
Bill.com Checks	09/29/22	Vogel & Associates, LLC	870.00
Vendor Check Total			<u>43,317.67</u>
Check List Total			<u><u>43,317.67</u></u>

Check count = 9

PROSPER COORDINATING METROPOLITAN DISTRICT
FINANCIAL STATEMENTS
AUGUST 31, 2022

**PROSPER COORDINATING METROPOLITAN DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
AUGUST 31, 2022**

	General	Capital Projects	Total
ASSETS			
Cash - Checking	\$ 755,291	\$ 20,663	\$ 775,954
Due from other districts	5,338	-	5,338
Prepaid insurance	2,250	-	2,250
TOTAL ASSETS	\$ 762,879	\$ 20,663	\$ 783,542
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 21,737	\$ 20,663	\$ 42,400
Total Liabilities	21,737	20,663	42,400
FUND BALANCES			
Total Fund Balances	741,142	-	741,142
TOTAL LIABILITIES AND FUND BALANCES	\$ 762,879	\$ 20,663	\$ 783,542

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

**PROSPER COORDINATING METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2022**

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GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 50	\$ 10	\$ (40)
Other revenue	520	-	(520)
TOTAL REVENUES	<u>570</u>	<u>10</u>	<u>(560)</u>
EXPENDITURES			
Accounting	64,000	21,465	42,535
Auditing	11,500	-	11,500
Contingency	7,400	-	7,400
District management	35,000	11,825	23,175
Dues and licenses	3,100	3,157	(57)
Election expense	3,000	3,506	(506)
Insurance and bonds	25,000	20,540	4,460
Legal services	65,000	18,996	46,004
Miscellaneous	1,000	457	543
Repay developer advance	621,000	-	621,000
Utilities	5,000	358	4,642
TOTAL EXPENDITURES	<u>841,000</u>	<u>80,304</u>	<u>760,696</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(840,430)	(80,294)	760,136
OTHER FINANCING SOURCES (USES)			
Transfers from Prosper Metro No. 3	1,888	1,839	(49)
Transfers from Prosper Metro No. 4	673,123	655,335	(17,788)
Transfers from Prosper W&SFD	200,419	195,124	(5,295)
Transfers to other fund	(35,000)	(90,963)	(55,963)
TOTAL OTHER FINANCING SOURCES (USES)	<u>840,430</u>	<u>761,335</u>	<u>(79,095)</u>
NET CHANGE IN FUND BALANCES	-	681,041	681,041
FUND BALANCES - BEGINNING	<u>100,000</u>	<u>60,101</u>	<u>(39,899)</u>
FUND BALANCES - ENDING	<u>\$ 100,000</u>	<u>\$ 741,142</u>	<u>\$ 641,142</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

**PROSPER COORDINATING METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2022**

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
TOTAL REVENUES			
EXPENDITURES			
Consulting	-	9,901	(9,901)
Contingency	260,000	-	260,000
Design Costs WWTP	245,000	42,333	202,667
Engineering	-	16,085	(16,085)
Legal services	-	7,644	(7,644)
Storage	30,000	15,000	15,000
TOTAL EXPENDITURES	<u>535,000</u>	<u>90,963</u>	<u>444,037</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(535,000)	(90,963)	444,037
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	535,000	90,963	(444,037)
TOTAL OTHER FINANCING SOURCES (USES)	<u>535,000</u>	<u>90,963</u>	<u>(444,037)</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

**PROSPER COORDINATING METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Coordinating Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 18, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3 and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical information.

Developer Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Intergovernmental Revenue - Transfers from Other Districts

The District anticipates the collection of taxes in Districts Nos. 3, 4, and the Water & Sanitation Financing District, which will be transferred to fund operations expenditures of the District. The District will coordinate the payment of operations and administrative expenditures for these three districts, as well as the District's own administrative expenditures.

**PROSPER COORDINATING METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Capital Outlay

Anticipated capital expenditures for 2022 are displayed on the Capital Projects Fund page of the budget.

Debts and Leases

The District has no debt nor any capital and operating lease.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

**PROSPER METROPOLITAN DISTRICT NO. 3
Property Taxes Reconciliation
2022**

	Current Year									Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
Beg Balance													
January	\$ -	\$ -	\$ 8.85	\$ -	\$ -	\$ -	\$ 8.85	0.00%	0.00%	10.33	0.00%	0.00%	
February	1,467.13	-	10.19	-	(22.01)	-	1,455.31	81.96%	81.96%	7.68	0.00%	0.00%	
March	-	-	10.10	-	-	-	10.10	0.00%	81.96%	10.93	0.00%	0.00%	
April	323.12	-	8.69	-	(4.85)	-	326.96	18.05%	100.01%	1,621.32	91.43%	91.43%	
May	-	-	8.33	-	-	-	8.33	0.00%	100.01%	8.34	0.00%	91.43%	
June	-	-	8.94	-	-	-	8.94	0.00%	100.01%	9.52	0.00%	91.43%	
July	-	-	8.78	-	-	-	8.78	0.00%	100.01%	10.07	0.00%	91.43%	
August	-	-	11.52	-	-	-	11.52	0.00%	100.01%	9.04	0.00%	91.43%	
September							-	0.00%	100.01%	10.25	0.00%	91.43%	
October							-	0.00%	100.01%	9.00	0.00%	91.43%	
November							-	0.00%	100.01%	9.23	0.00%	91.43%	
December							-	0.00%	100.01%	9.21	0.00%	91.43%	
	\$ 1,790.25	\$ -	\$ 75.40	\$ -	\$ (26.86)	\$ -	\$ 1,838.79	100.01%	100.01%	\$ 1,724.92	91.43%	91.43%	

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	\$ 1,790.00	100.00%	\$ 1,790.25	100.01%
	\$ 1,790.00	100.00%	\$ 1,790.25	100.01%

Specific Ownership Tax

General Fund	\$ 125.00	100.00%	\$ 75.40	60.32%
	\$ 125.00	100.00%	\$ 75.40	60.32%

Treasurer's Fees

General Fund	\$ 27.00	100.00%	\$ 26.86	99.48%
	\$ 27.00	100.00%	\$ 26.86	99.48%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

**PROSPER METROPOLITAN DISTRICT NO. 4
Property Taxes Reconciliation
2022**

	Current Year								Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
Beg Balance													
January	\$ -	\$ -	\$ 3,155.27	\$ -	\$ -	\$ -	\$ 3,155.27	0.00%	0.00%	5,504.99	0.00%	0.00%	
February	3,761.31	-	3,630.69	-	(56.42)	-	7,335.58	0.59%	0.59%	4,092.61	0.00%	0.00%	
March	316,239.01	-	3,599.49	-	(4,743.59)	-	315,094.91	49.56%	50.15%	432,205.61	49.61%	49.61%	
April	-	-	3,096.67	-	-	-	3,096.67	0.00%	50.15%	11,556.63	0.77%	50.39%	
May	1,802.43	-	2,970.33	-	(27.04)	-	4,745.72	0.28%	50.44%	4,446.01	0.00%	50.39%	
June	316,228.14	-	3,187.68	-	(4,743.42)	-	314,672.40	49.56%	100.00%	431,446.03	49.62%	100.01%	
July	-	-	3,130.20	-	-	-	3,130.20	0.00%	100.00%	5,366.65	0.00%	100.01%	
August	-	-	4,104.72	-	-	-	4,104.72	0.00%	100.00%	4,818.57	0.00%	100.01%	
September							-	0.00%	100.00%	5,466.69	0.00%	100.01%	
October							-	0.00%	100.00%	4,800.04	0.00%	100.01%	
November							-	0.00%	100.00%	4,921.41	0.00%	100.01%	
December							-	0.00%	100.00%	4,907.73	0.00%	100.01%	
	\$ 638,030.89	\$ -	\$ 26,875.05	\$ -	\$ (9,570.47)	\$ -	\$ 655,335.47	100.00%	100.00%	\$ 919,532.97	100.00%	100.00%	

Taxes Levied	% of Levied	Property Taxes Collected	
--------------	-------------	--------------------------	--

Property Tax

General Fund	\$ 638,031.00	100.00%	\$ 638,030.89	100.00%
	\$ 638,031.00	100.00%	\$ 638,030.89	100.00%

Specific Ownership Tax

General Fund	\$ 44,662.00	100.00%	\$ 26,875.05	60.17%
	\$ 44,662.00	100.00%	\$ 26,875.05	60.17%

Treasurer's Fees

General Fund	\$ 9,570.00	100.00%	\$ 9,570.47	100.00%
	\$ 9,570.00	100.00%	\$ 9,570.47	100.00%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
Property Taxes Reconciliation
2022

	Current Year							Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
Beg Balance												
January	\$ -	\$ -	\$ 939.47	\$ -	\$ -	\$ -	\$ 939.47	0.00%	0.00%	1,621.46	0.00%	0.00%
February	8,507.48	-	1,081.02	-	(127.61)	-	9,460.89	4.48%	4.48%	1,205.46	0.00%	0.00%
March	90,354.00	-	1,071.73	-	(1,355.31)	-	90,070.42	47.56%	52.04%	123,538.75	48.13%	48.13%
April	166.42	-	922.02	-	(2.50)	-	1,085.94	0.09%	52.13%	10,857.30	3.72%	51.85%
May	592.38	-	884.40	-	(8.89)	-	1,467.89	0.31%	52.44%	1,309.55	0.00%	51.85%
June	90,350.90	-	949.12	-	(1,355.26)	-	89,944.76	47.56%	100.00%	123,391.56	48.16%	100.00%
July	-	-	932.01	-	-	-	932.01	0.00%	100.00%	1,580.72	0.00%	100.00%
August	-	-	1,222.16	-	-	-	1,222.16	0.00%	100.00%	1,419.28	0.00%	100.00%
September							-	0.00%	100.00%	1,610.18	0.00%	100.00%
October							-	0.00%	100.00%	1,413.83	0.00%	100.00%
November							-	0.00%	100.00%	1,449.57	0.00%	100.00%
December							-	0.00%	100.00%	1,445.54	0.00%	100.00%
	\$ 189,971.18	\$ -	\$ 8,001.93	\$ -	\$ (2,849.57)	\$ -	\$ 195,123.54	100.00%	100.00%	\$ 270,843.20	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	
--------------	-------------	--------------------------	--

Property Tax

General Fund	\$ 189,971.00	100.00%	\$ 189,971.18	100.00%
	\$ 189,971.00	100.00%	\$ 189,971.18	100.00%

Specific Ownership Tax

General Fund	\$ 13,298.00	100.00%	\$ 8,001.93	60.17%
	\$ 13,298.00	100.00%	\$ 8,001.93	60.17%

Treasurer's Fees

General Fund	\$ 2,850.00	100.00%	\$ 2,849.57	99.98%
	\$ 2,850.00	100.00%	\$ 2,849.57	99.98%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

PROSPER COORDINATING METROPOLITAN DISTRICT
Schedule of Cash Position
August 31, 2022
Updated as of October 20, 2022

	General Fund	Capital Projects Fund	Total
<u>US Bank - checking</u>			
Balance as of 08/31/22	\$ 755,290.81	\$ 20,663.00	\$ 775,953.81
Subsequent activities:			
09/09/22 - Prosper No. 3 August ptax	11.52	-	11.52
09/09/22 - Prosper No. 4 August ptax	4,104.72	-	4,104.72
09/09/22 - Prosper W&SFD August ptax	1,222.16	-	1,222.16
09/15/22 - Bank service charge	(62.14)	-	(62.14)
09/29/22 - Bill.com payment	(18,988.67)	(24,262.94)	(43,251.61)
09/29/22 - Transfer between funds	(3,599.94)	3,599.94	-
09/29/22 - Vouchers paid - Xcel	(66.06)	-	(66.06)
09/30/22 - Interest income	3.19	-	3.19
10/10/22 - Prosper No. 3 September ptax	9.69	-	9.69
10/10/22 - Prosper No. 4 September ptax	3,452.12	-	3,452.12
10/10/22 - Prosper W&SFD September ptax	1,027.86	-	1,027.86
Anticipated Bank Balance	742,405.26	-	742,405.26
<i>Anticipated activities:</i>			
<i>Anticipated Vouchers Payable - bill.com</i>	(27,439.89)	(7,092.50)	(34,532.39)
<i>Anticipated transfer between funds</i>	(7,092.50)	7,092.50	-
<i>Anticipated balance</i>	707,872.87	-	707,872.87
<i>Total Anticipated Balance</i>	\$ 707,872.87	-	\$ 707,872.87

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances - governmental funds have been omitted.

PROSPER COORDINATING METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER COORDINATING METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 5,921	\$ 100,000	\$ 60,101	\$ 60,101	\$ 100,000
REVENUE					
Developer advance	50,000	-	-	-	13,627,000
Net investment income	31	50	6	12	50
Other revenue	-	520	-	-	620
Transfers from Prosper Metro No. 3	1,725	1,888	1,818	1,873	5,441
Transfers from Prosper Metro No. 4	919,533	673,123	648,101	673,123	879,524
Transfers from Prosper W&SFD	270,843	200,419	192,969	200,419	260,865
Total revenue	1,242,132	876,000	842,894	875,427	14,773,500
TRANSFERS IN	86,772	535,000	67,571	157,800	928,000
Total funds available	1,334,825	1,511,000	970,566	1,093,328	15,801,500
EXPENDITURES					
General Fund	1,091,795	841,000	63,420	677,728	218,500
Capital Projects Fund	96,157	535,000	67,571	157,800	14,555,000
Total expenditures	1,187,952	1,376,000	130,991	835,528	14,773,500
TRANSFERS OUT	86,772	35,000	67,571	157,800	928,000
Total expenditures and transfers out requiring appropriation	1,274,724	1,411,000	198,562	993,328	15,701,500
ENDING FUND BALANCES	\$ 60,101	\$ 100,000	\$ 772,004	\$ 100,000	\$ 100,000
EMERGENCY RESERVE	\$ 35,800	\$ 26,300	\$ 25,300	\$ 26,300	\$ 34,400
TOTAL RESERVE	\$ 35,800	\$ 26,300	\$ 25,300	\$ 26,300	\$ 34,400

No assurance provided. See summary of significant assumptions.

**PROSPER COORDINATING METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Agricultural	\$ 46	\$ 39	\$ 39	\$ 39	\$ 36
Certified Assessed Value	\$ 46	\$ 39	\$ 39	\$ 39	\$ 36
MILL LEVY					
Total mill levy	0.000	0.000	0.000	0.000	0.000
PROPERTY TAXES					
Budgeted property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER COORDINATING METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 5,921	\$ 100,000	\$ 60,101	\$ 60,101	\$ 100,000
REVENUE					
Developer advance	40,615	-	-	-	-
Interest income	31	50	6	12	50
Other revenue	-	520	-	-	620
Transfers from Prosper Metro No. 3	1,725	1,888	1,818	1,873	5,441
Transfers from Prosper Metro No. 4	919,533	673,123	648,101	673,123	879,524
Transfers from Prosper W&SFD	270,843	200,419	192,969	200,419	260,865
Total revenue	<u>1,232,747</u>	<u>876,000</u>	<u>842,894</u>	<u>875,427</u>	<u>1,146,500</u>
Total funds available	<u>1,238,668</u>	<u>976,000</u>	<u>902,995</u>	<u>935,528</u>	<u>1,246,500</u>
EXPENDITURES					
General and administrative					
Accounting	26,612	64,000	13,699	40,000	64,000
Auditing	10,400	11,500	-	10,400	11,500
Contingency	-	7,400	-	-	8,600
District management	20,096	35,000	8,068	25,000	35,000
Dues and licenses	2,933	3,100	3,157	3,157	3,400
Election expense	-	3,000	3,506	4,000	-
Insurance and bonds	22,528	25,000	20,540	20,540	25,000
Legal services	33,912	65,000	13,781	28,000	65,000
Miscellaneous	523	1,000	380	831	1,000
Utilities	791	5,000	289	600	5,000
Repay developer advance	974,000	621,000	-	545,200	-
Total expenditures	<u>1,091,795</u>	<u>841,000</u>	<u>63,420</u>	<u>677,728</u>	<u>218,500</u>
TRANSFERS OUT					
Transfers to other fund	<u>86,772</u>	<u>35,000</u>	<u>67,571</u>	<u>157,800</u>	<u>928,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,178,567</u>	<u>876,000</u>	<u>130,991</u>	<u>835,528</u>	<u>1,146,500</u>
ENDING FUND BALANCE	<u>\$ 60,101</u>	<u>\$ 100,000</u>	<u>\$ 772,004</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>
EMERGENCY RESERVE	<u>\$ 35,800</u>	<u>\$ 26,300</u>	<u>\$ 25,300</u>	<u>\$ 26,300</u>	<u>\$ 34,400</u>
TOTAL RESERVE	<u>\$ 35,800</u>	<u>\$ 26,300</u>	<u>\$ 25,300</u>	<u>\$ 100,000</u>	<u>\$ 34,400</u>

No assurance provided. See summary of significant assumptions.

**PROSPER COORDINATING METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Developer advance	9,385	-	-	-	13,627,000
Total revenue	9,385	-	-	-	13,627,000
TRANSFERS IN					
Transfers from other funds	86,772	535,000	67,571	157,800	928,000
Total funds available	96,157	535,000	67,571	157,800	14,555,000
EXPENDITURES					
Capital Projects					
Capital outlay	10,500	-	-	-	-
Consulting	7,889	-	7,748	20,000	-
Contingency	-	5,000	-	-	-
Design Costs WWTP	-	500,000	22,703	65,000	-
Engineering	42,212	-	15,725	30,000	-
Legal services	5,556	-	6,395	12,800	-
Miscellaneous	30,000	-	-	-	-
Storage	-	30,000	15,000	30,000	30,000
WWTP Construction	-	-	-	-	14,375,000
WWTP Planning and Engineering	-	-	-	-	150,000
Total expenditures	96,157	535,000	67,571	157,800	14,555,000
Total expenditures and transfers out requiring appropriation	96,157	535,000	67,571	157,800	14,555,000
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER COORDINATING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Coordinating Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 18, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3 and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical information.

Developer Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Intergovernmental Revenue - Transfers from Other Districts

The District anticipates the collection of taxes in Districts Nos. 3, 4, and the Water & Sanitation Financing District, which will be transferred to fund operations expenditures of the District. The District will coordinate the payment of operations and administrative expenditures for these three districts, as well as the District's own administrative expenditures.

**PROSPER COORDINATING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Capital Outlay

Anticipated capital expenditures for 2023 are displayed on the Capital Projects Fund page of the budget.

Debts and Leases

The District has no debt nor any capital and operating lease.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

**PROSPER COORDINATING METROPOLITAN DISTRICT
SCHEDULE OF OUTSTANDING DEVELOPER ADVANCE**

Summary of Developer Advances

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Due Within One Year
Developer Advances - Capital	\$ 3,686,563	-	(a) \$ 486,317	\$ 3,200,246	-
Developer Advance - Interest - Capital	689,502	293,220	(a) 58,883	923,839	-
Total	<u>\$ 4,376,065</u>	<u>\$ 293,220</u>	<u>\$ 545,200</u>	<u>\$ 4,124,085</u>	<u>-</u>
	Balance - December 31, 2022	Additions	Reductions	Balance - December 31, 2023	Due Within One Year
Developer Advances - Capital	\$ 3,200,246	13,627,000	(b) -	\$ 16,827,246	-
Developer Advance - Interest - Capital	923,839	1,166,975	(b) -	2,090,814	-
Total	<u>\$ 4,124,085</u>	<u>\$ 14,793,975</u>	<u>-</u>	<u>\$ 18,918,060</u>	<u>-</u>

(a) Estimated for the year ending December 31, 2022

(b) Estimated for the year ending December 31, 2023

PROSPER METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Residential	\$ 27,608	\$ 28,286	\$ 28,286	\$ 28,286	\$ 27,495
Agricultural	229,432	228,111	228,111	228,111	207,659
State assessed	1,920	1,930	1,930	1,930	19,530
Natural Resources	1,379	1,379	1,379	1,379	1,379
Certified Assessed Value	<u>\$ 260,339</u>	<u>\$ 259,706</u>	<u>\$ 259,706</u>	<u>\$ 259,706</u>	<u>\$ 256,063</u>
MILL LEVY					
General	0.000	0.000	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PROSPER METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Other income	-	-	-	-	-
Total revenue	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
General and administrative					
Transfer to Prosper Coordinating MD	-	-	-	-	-
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Metropolitan District No. 1 (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 23, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 2, 3, and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues & Expenditures

The District does not anticipate any financial activity in 2023.

Capital Outlay

The District does not anticipate infrastructure improvements during 2023.

Debts and Leases

The District has no debt nor any capital and operating lease.

This information is an integral part of the accompanying budget.

PROSPER METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER METRO DISTRICT NO. 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Other income	-	-	-	-	-
Total revenue	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
General and administrative					
Transfer to Prosper Coordinating MD	-	-	-	-	-
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER METRO DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Agricultural	\$ 504	\$ 1,169	\$ 1,169	\$ 1,169	\$ 1,064
Natural Resources	2,476	2,476	2,476	2,476	2,476
Certified Assessed Value	<u>\$ 2,980</u>	<u>\$ 3,645</u>	<u>\$ 3,645</u>	<u>\$ 3,645</u>	<u>\$ 3,540</u>
 MILL LEVY					
General	0.000	0.000	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
 PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 BUDGETED PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROSPER METRO DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Metropolitan District No. 2 (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 23, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 3, and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues & Expenditures

The District does not anticipate any financial activity in 2023.

Capital Outlay

The District does not anticipate infrastructure improvements during 2023.

Debts and Leases

The District has no debt nor any capital and operating lease.

This information is an integral part of the accompanying budget.

PROSPER METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property taxes	1,637	1,790	1,790	1,790	5,207
Specific ownership taxes	113	125	55	110	312
Other income	-	585	-	-	481
Total revenue	<u>1,750</u>	<u>2,500</u>	<u>1,845</u>	<u>1,900</u>	<u>6,000</u>
Total funds available	<u>1,750</u>	<u>2,500</u>	<u>1,845</u>	<u>1,900</u>	<u>6,000</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	25	27	27	27	78
Contingency	-	585	-	-	481
Transfer to Prosper Coordinating MD	1,725	1,888	1,818	1,873	5,441
Total expenditures	<u>1,750</u>	<u>2,500</u>	<u>1,845</u>	<u>1,900</u>	<u>6,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,750</u>	<u>2,500</u>	<u>1,845</u>	<u>1,900</u>	<u>6,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROSPER METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Commercial	\$ -	\$ 3,326	\$ 3,326	\$ 3,326	\$ 2,957
Agricultural	22,091	20,959	20,959	20,959	22,315
State assessed	-	-	-	-	47,820
Natural resources	1,290	1,290	1,290	1,290	1,290
	<u>23,381</u>	<u>25,575</u>	<u>25,575</u>	<u>25,575</u>	<u>74,382</u>
Certified Assessed Value	<u>\$ 23,381</u>	<u>\$ 25,575</u>	<u>\$ 25,575</u>	<u>\$ 25,575</u>	<u>\$ 74,382</u>
MILL LEVY					
General	70.000	70.000	70.000	70.000	70.000
Total mill levy	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>
PROPERTY TAXES					
General	\$ 1,637	\$ 1,790	\$ 1,790	\$ 1,790	\$ 5,207
Budgeted property taxes	<u>\$ 1,637</u>	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 5,207</u>
BUDGETED PROPERTY TAXES					
General	<u>\$ 1,637</u>	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 5,207</u>
	<u>\$ 1,637</u>	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 1,790</u>	<u>\$ 5,207</u>

No assurance provided. See summary of significant assumptions.

**PROSPER METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Metropolitan District No. 3 (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 23, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determine by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification of the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November of December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levies is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**PROSPER METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Intergovernmental Expenditures – Transfer to Other Districts

The District has an agreement with Prosper Coordinating Metropolitan District (PCMD) whereby the net revenues generated by the District's operating mill levies are transferred to PCMD. The operating and administrative expenditures for the District are incurred by PCMD including the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Capital Outlay

The District does not anticipate infrastructure improvements during 2023.

Debts and Leases

The District has no debt nor any capital and operating lease.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Prosper Coordinating Metropolitan District, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

PROSPER METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/29/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property taxes	872,489	638,031	638,031	638,031	841,650
Specific ownership taxes	60,131	44,662	19,640	44,662	50,499
Other income	-	17,307	-	-	17,851
Total revenue	<u>932,620</u>	<u>700,000</u>	<u>657,671</u>	<u>682,693</u>	<u>910,000</u>
Total funds available	<u>932,620</u>	<u>700,000</u>	<u>657,671</u>	<u>682,693</u>	<u>910,000</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	13,087	9,570	9,570	9,570	12,625
Contingency	-	17,307	-	-	17,851
Transfer to Prosper Coordinating MD	919,533	673,123	648,101	673,123	879,524
Total expenditures	<u>932,620</u>	<u>700,000</u>	<u>657,671</u>	<u>682,693</u>	<u>910,000</u>
Total expenditures and transfers out requiring appropriation	<u>932,620</u>	<u>700,000</u>	<u>657,671</u>	<u>682,693</u>	<u>910,000</u>
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/29/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Agricultural	\$ 70,136	\$ 53,380	\$ 53,380	\$ 53,380	\$ 48,597
State assessed	-	-	-	-	8,300
Oil & gas	12,393,483	9,060,839	9,060,839	9,060,839	11,966,166
Natural resources	508	508	508	508	508
	<u>12,464,127</u>	<u>9,114,727</u>	<u>9,114,727</u>	<u>9,114,727</u>	<u>12,023,571</u>
Certified Assessed Value	<u>\$ 12,464,127</u>	<u>\$ 9,114,727</u>	<u>\$ 9,114,727</u>	<u>\$ 9,114,727</u>	<u>\$ 12,023,571</u>
MILL LEVY					
General	70.000	70.000	70.000	70.000	70.000
Total mill levy	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>
PROPERTY TAXES					
General	\$ 872,489	\$ 638,031	\$ 638,031	\$ 638,031	\$ 841,650
Budgeted property taxes	<u>\$ 872,489</u>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 841,650</u>
BUDGETED PROPERTY TAXES					
General	<u>\$ 872,489</u>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 841,650</u>
	<u>\$ 872,489</u>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 841,650</u>

No assurance provided. See summary of significant assumptions.

**PROSPER METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Metropolitan District No. 4 (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 23, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, and 3. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determine by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification of the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November of December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

**PROSPER METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Fees

County Treasurer's fee have been computed at 1.5% of property tax collections.

Intergovernmental Expenditures - Transfer to Other Districts

The District has an agreement with Prosper Coordinating Metropolitan District (PCMD) whereby the net revenues generated by the District's operating mill levies are transferred to PCMD. The operating and administrative expenditures for the District are incurred by PCMD including the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Capital Outlay

The District does not anticipate infrastructure improvements during 2023.

Debts and Leases

The District has no debt nor any capital and operating lease.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Prosper Coordinating Metropolitan District, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/29/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Residential	\$ 27,608	\$ 28,286	\$ 28,286	\$ 28,286	\$ 27,495
Commercial	-	3,326	3,326	3,326	2,957
Agricultural	418,707	396,585	396,585	396,585	364,266
State assessed	3,880	3,870	3,870	3,870	115,060
Oil and Gas	12,393,483	9,060,839	9,060,839	9,060,839	11,966,166
Natural Resources	5,653	5,653	5,653	5,653	5,653
Certified Assessed Value	<u>\$ 12,849,331</u>	<u>\$ 9,498,559</u>	<u>\$ 9,498,559</u>	<u>\$ 9,498,559</u>	<u>\$ 12,481,597</u>
MILL LEVY					
General	0.000	0.000	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

9/29/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Total revenue	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
General and administrative					
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

**PROSPER PARK & RECREATION FINANCING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Park & Recreation Financing Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 23, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Water & Sanitation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3, and 4. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, streets, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues & Expenditures

The District does not anticipate any financial activity in 2023.

Capital Outlay

The District does not anticipate infrastructure improvements during 2023.

Debts and Leases

The District has no debt nor any capital and operating lease.

This information is an integral part of the accompanying budget.

PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property taxes	256,987	189,971	189,971	189,971	249,632
Specific ownership taxes	17,711	13,298	5,848	13,298	14,978
Other revenue	-	6,731	-	-	5,390
Total revenue	<u>274,698</u>	<u>210,000</u>	<u>195,819</u>	<u>203,269</u>	<u>270,000</u>
Total funds available	<u>274,698</u>	<u>210,000</u>	<u>195,819</u>	<u>203,269</u>	<u>270,000</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	-	2,850	2,850	2,850	3,745
Contingency	3,855	6,731	-	-	5,390
Operations and maintenance					
Transfer to Prosper Coordinating MD	270,843	200,419	192,969	200,419	260,865
Total expenditures	<u>274,698</u>	<u>210,000</u>	<u>195,819</u>	<u>203,269</u>	<u>270,000</u>
Total expenditures and transfers out requiring appropriation	<u>274,698</u>	<u>210,000</u>	<u>195,819</u>	<u>203,269</u>	<u>270,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/30/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Residential	\$ 27,608	\$ 28,286	\$ 28,286	\$ 28,286	\$ 27,495
Commercial	-	3,326	3,326	3,326	2,957
Agricultural	418,707	396,585	396,585	396,585	364,266
State assessed	3,880	3,870	3,870	3,870	115,060
Natural resources	5,653	5,653	5,653	5,653	5,653
Oil and gas	12,393,483	9,060,839	9,060,839	9,060,839	11,966,166
Certified Assessed Value	<u>\$ 12,849,331</u>	<u>\$ 9,498,559</u>	<u>\$ 9,498,559</u>	<u>\$ 9,498,559</u>	<u>\$ 12,481,597</u>
MILL LEVY					
General	20.000	20.000	20.000	20.000	20.000
Total mill levy	<u>20.000</u>	<u>20.000</u>	<u>20.000</u>	<u>20.000</u>	<u>20.000</u>
PROPERTY TAXES					
General	\$ 256,987	\$ 189,971	\$ 189,971	\$ 189,971	\$ 249,632
Levied property taxes	<u>256,987</u>	<u>189,971</u>	<u>189,971</u>	<u>189,971</u>	<u>249,632</u>
Budgeted property taxes	<u>\$ 256,987</u>	<u>\$ 189,971</u>	<u>\$ 189,971</u>	<u>\$ 189,971</u>	<u>\$ 249,632</u>
BUDGETED PROPERTY TAXES					
General	<u>\$ 256,987</u>	<u>\$ 189,971</u>	<u>\$ 189,971</u>	<u>\$ 189,971</u>	<u>\$ 249,632</u>
	<u>\$ 256,987</u>	<u>\$ 189,971</u>	<u>\$ 189,971</u>	<u>\$ 189,971</u>	<u>\$ 249,632</u>

No assurance provided. See summary of significant assumptions.

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Water & Sanitation Financing Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 18, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Regional Water & Sanitation Service Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1, 2, 3 and 4. The District was established to finance the design, acquisition, installation, construction and completion of public improvements for the operation of water, sewer, drainage and sanitation services.

In the future, the District may issue a portion or all of the authorized general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determine by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification of the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November of December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

**PROSPER WATER & SANITATION FINANCING METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Operating and Capital Leases

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Prosper Coordinating Metropolitan District, which pays for all Districts' operations cost, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

**PROSPER REGIONAL WATER & SANITATION SERVICE
METROPOLITAN DISTRICT**

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**PROSPERR REGIONAL WATER & SANITATION SERVICE METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Total revenue	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
General Fund	-	-	-	-	-
Enterprise Fund	-	-	-	-	-
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER REGIONAL WATER & SANITATION SERVICE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Agricultural	\$ 25	\$ 19	\$ 19	\$ 19	\$ 17
	25	19	19	19	17
Certified Assessed Value	\$ 25	\$ 19	\$ 19	\$ 19	\$ 17
MILL LEVY					
Total mill levy	0.000	0.000	0.000	0.000	0.000
PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES					
General	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER REGIONAL WATER & SANITATION SERVICE METROPOLITANDISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Total revenue	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER REGIONAL WATER & SANITATION SERVICE METROPOLITAN DISTRICT
 WATER AND WASTEWATER ENTERPRISE FUND
 2023 BUDGET
 WITH 2021 ACTUAL AND 2022 ESTIMATED
 For the Years Ended and Ending December 31,**

9/28/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Total revenue	-	-	-	-	-
Total funds available	-	-	-	-	-
EXPENDITURES					
Total expenditures	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**PROSPER REGIONAL WATER & SANITATION SERVICE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prosper Regional Water & Sanitation Service Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on June 18, 2015 and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Arapahoe County. The District was organized in conjunction with Prosper Water & Sanitation Financing Metropolitan District, Prosper Park & Recreation Financing Metropolitan District, Prosper Coordinating Metropolitan District and Prosper Metropolitan Districts Nos. 1 - 10. The District was established to provide the design, acquisition, installation, construction and completion of public improvements and the operation of water, sewer, drainage and sanitation services.

In the future, the District may issue a portion or all of the authorized general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues & Expenditures

The District does not anticipate any revenues or expenditures for the 2023 calendar year.

Operating and Capital Leases

The District has no debt nor any operating or capital leases.

This information is an integral part of the accompanying budget.

RESOLUTION NO. 2022-11-____

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF
PROSPER COORDINATING METROPOLITAN DISTRICT, ARAPAHOE COUNTY,
COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING
EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND
APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2023**

- A. The Board of Directors of the Prosper Coordinating Metropolitan District (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.
- B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body on October 15, 2022 for its consideration.
- C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 14, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.
- D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.
- E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.
- F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.
- G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PROSPER COORDINATING METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.
2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 14, 2022.

**PROSPER COORDINATING
METROPOLITAN DISTRICT**

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT A

Budget

I, Kari Wright, hereby certify that I am the duly appointed Secretary of the Prosper Coordinating Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Prosper Coordinating Metropolitan District held on November 14, 2022.

Secretary

RESOLUTION NO. 2022-11-__**RESOLUTION TO SET MILL LEVIES****RESOLUTION OF THE PROSPER METROPOLITAN DISTRICT NO. 3 LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE YEAR 2022, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2023 BUDGET YEAR**

A. The Board of Directors of the Prosper Metropolitan District No. 3 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 14, 2022.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general operating expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Prosper Metropolitan District No. 3, Arapahoe County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Arapahoe County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 14, 2022.

**PROSPER METROPOLITAN DISTRICT
NO. 3**

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT 1

Certification of Tax Levies

I, Kari Wright, hereby certify that I am the duly appointed Secretary of the Prosper Metropolitan District No. 3, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Prosper Metropolitan District No. 3 held on November 14, 2022.

Secretary



CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Special Districts Preparation SOW

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and PROSPER COORDINATING METROPOLITAN DISTRICT AND PROSPER METROPOLITAN DISTRICT NOS. 1-4 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Jason Carroll, CPA is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Ongoing normal accounting services:

- Outsourced accounting activities
 - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
 - Cash receipts journal
 - Cash disbursements journal
 - General ledger
 - Accounts receivable journals and ledgers
 - Deposits with banks and financial institutions
 - Schedule of disbursements
 - Bank account reconciliations
 - Investment records
 - Detailed development fee records
 - Process accounts payable including the preparation and issuance of checks for approval by the Board of Directors.
 - Prepare billings, record billings, enter cash receipts, and track revenues
 - Reconcile certain accounts regularly and prepare journal entries
 - Prepare depreciation schedules

- Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.
- Prepare a schedule of cash position to manage the district’s cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district’s board of directors.
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.
- Oversee investment of district funds based on investment policies established by the board of directors, but in any case, in accordance with State law.
- Research and make recommendations to the board of directors on financial investments and cash management matters, as requested.
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district’s auditors.
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.
- Review claims for reimbursement from related parties prior to the board of directors’ review and approval.
- Read supporting documentation related to the district’s acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements’ requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.
- Attend board meetings as requested.
- Be available during the year to consult with you on any accounting matters related to the district.
- Review and approve monthly reconciliations and journal entries prepared by staff
- Reconcile complex accounts monthly and prepare journal entries
- Analyze financial statements and present to management and the board of directors.
- Develop and track key business metrics as requested and review periodically with the board of directors.

- Document accounting processes and procedures
- Continue process and procedure improvement implementation
- Report and manage cash flows
- Assist with bank communications.
- Perform other non-attest services.

Compilation services

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

Preparation services – financial statements

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

Preparation services – annual

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district’s auditors.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management’s knowledge and belief, the entity’s expected financial position, results of operations, and cash flows for the forecast period. It is based on management’s assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement procedures and limitations

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any

wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

Our report

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

No assurance statements

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

Management responsibilities

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed

by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
 - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
 - ii. Additional information that may be requested for the purpose of the engagement.
 - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Fees, time estimates, and terms

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

Use of financial statements, the annual budget, the Application for Exemption from Audit

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP

A handwritten signature in black ink that reads "Jason Carroll". The signature is written in a cursive, flowing style.

Jason Carroll, CPA
Principal
Jason.Carroll@CLAconnect.com

APPROVED:

Signature

Title

Date



CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Special Districts Payroll Services SOW

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and PROSPER COORDINATING METROPOLITAN DISTRICT AND PROSPER METROPOLITAN DISTRICT NOS. 1-4 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of payroll preparation services

We will provide the following payroll preparation services from information you provide:

- For each pay period:
 - Perform payroll calculations
 - Prepare payroll checks or pay-stubs in the case of direct deposit of employee net pay
 - Initiate electronic transfer of funds for employee net pay and payroll tax deposit liabilities
 - Processing retirement plan contribution payments
 - Preparation of information needed for the retirement plan and other census information
- Prepare the following government forms annually for each calendar year-end (may be filed electronically):
 - All copies of required forms W-2 and W-3
 - Form 940 – Employers Annual Federal Unemployment Tax Return, if applicable
 - Form 943 – Employers Annual Tax Return for Agricultural Employees
 - All necessary state forms, if applicable
- If applicable, prepare the following government reporting forms for each calendar quarter-end (may be filed electronically):
 - Form 941 – Employers Quarterly Tax Return
 - State Employers Quarterly Withholding Return
 - State Employers Quarterly Unemployment Tax Return (SUTA)
 - Initiate electronic funds transfer for quarterly Federal Unemployment Tax (FUTA) liability
- Cash access services related to payroll services
 - Obtain one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts on your behalf.

- Obtain access to electronic signatures or signatures embedded into cloud-based software for the purpose of drafting payments on your behalf.
- Prepare checks to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).
- Initiate the direct deposit of employee net pay from funds drawn upon your bank account(s).
- The following services would impair independence
 - Accept responsibility to authorize payment of client funds, electronically or otherwise, except as specifically provided for with respect to electronic payroll tax payments.
 - Accept responsibility to sign or cosign client checks, even if only in emergency situations.
 - Maintain a client's bank account or otherwise have custody of a client's funds or make credit for banking decisions for the client.

Our responsibility to you and limitations of the payroll services

We will prepare your federal and state (if applicable) payroll forms and tax returns in accordance with the applicable payroll tax laws.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the board of directors of the district of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify deficiencies in your internal control as part of this engagement but will promptly report them to the board of directors of the district if identified. You agree that we shall not be responsible for any misstatements in your payroll that we may not identify as a result of misrepresentations made to us by you.

Our payroll preparation services will include electronically transmitting information to taxing authorities and your financial institution to facilitate the electronic transfer of funds. Authorizations for us to provide these services will be made in separate communications.

Our payroll preparation services will include transmitting federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf. Authorizations for us to provide these services will be made in separate communications.

Your responsibilities

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and returns. We will have no obligations with regard to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us. All necessary information should be provided to us within two days of the close of each payroll period or no later than two days prior to your payroll check date. A list of information we will require and the dates required will be provided in a separate communication.

For all nonattest services we may provide to you, including these payroll services, management agrees to assume all management responsibilities; oversee the services; by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls.
- Careful review of paychecks or pay-stubs, and payroll journals for each periodic payroll.
- Accuracy of information used in the preparation and filing of all government forms.
- Review and pre-approval of each electronic funds transfer initiated on your behalf for employee net pay amounts, payroll tax and withholding liabilities, and related benefit amounts.

You are responsible to carefully review the paper returns that we prepare on your behalf before signing and submitting them to tax authorities. You are responsible to review the paper copies of payroll forms and tax returns that were filed electronically on your behalf. We will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

You are also responsible for the payment of payroll tax and withholding liabilities. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at www.eftps.gov, or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/statelocal-wider/>.

Your responsibilities relevant to CLA's access to your cash

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually:

- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all payroll runs prior to cash being committed.

Fees

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Other than annual adjustments reflecting inflation, our professional fees will not fluctuate unless there is a significant change in the number of employees, taxing jurisdictions, or in the services you wish for us to provide. If such changes should occur, we will discuss any fee adjustments with you prior to making any changes to your billing. Lastly, any additional forms that you would like us to complete will be charged at an hourly fee.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

Tax examinations

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs.

Record retention

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

Tax consulting services

This SOW also covers tax consulting services that may arise for which you seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for your information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

Communications and confidentiality

CLA will hold the information supplied by you to us in confidence and CLA will not disclose it to any other person or party, unless you authorizes us to do so, it is published or released by you, or it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

Consent to send you publications and other materials

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this SOW, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the SOW.

Legal compliance

You agree to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to you or your business, including the accuracy and lawfulness of any reports you submit to any government regulator, authority, or agency. You also agree to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by you to any governmental or regulatory body, or for any insurance reimbursement in the event that you is requested to do so by any lawful authority. Except as outlined in this SOW, CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP



Jason Carroll, CPA

Principal

Jason.Carroll@CLAconnect.com

APPROVED:

Signature

Title

Date



CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Special Districts Public Administration Services SOW

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and PROSPER COORDINATING METROPOLITAN DISTRICT AND PROSPER METROPOLITAN DISTRICT NOS. 1-4 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Denise Denslow is responsible for the performance of the engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the engagement.

Scope of Public Management Services

CLA will perform the following services for the District:

District Board of Directors (“Board”) Meetings

- Coordination of Board meetings
- Meeting Attendance: District Manager and/or designee will attend Board meetings
- Preparation and distribution of agenda and informational materials as requested by the District
- Drafting of meeting minutes as assigned for approval by the Board of Directors.
- Preparation and posting of notices required in conjunction with the meetings

Recordkeeping

- Maintain directory-of persons and organizations for correspondence
- Repository of District records and act as Custodian of records for purposes of CORA (as that term is defined in the District’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 *et seq.*, C.R.S.).

Communications

- 24/7 answering services
- Website administration. CLA will oversee maintenance of the District’s website as needed or requested by the District
- Assist with or lead the coordination of communication with municipal, county, or state governmental agencies as requested by the District.

General Administration

- Coordination with district's insurance provider including insurance administration, comparison of coverage, processing claims, and completion of applications..
- Coordination of insurance policy renewals and updates for approval by the district's board of directors.
- In collaboration with District counsel, ensure contractors and sub-contractors maintain the required insurance coverage as required by the district.
- At the direction of the Board of directors, supervise project processes and vendors as assigned by the Board
- Coordinate with legal, accounting, engineering, auditing and other consultants retained by the District as directed by the Board (CLA itself will not and cannot provide legal services);
- Assist with or lead the coordination efforts with municipal, county, or state governmental agencies as requested by the District.
- Coordinate the administration of the District's Rules and Regulations as requested by the Board.
- At the direction of District legal counsel, coordinate election processes for the District. CLA will not serve as the Designated Election Official ("DEO");

Accounts Payable Services to be Provided:

- Coordinate review and approval of invoices with District Accountant and Board to ensure timely payment to vendors.

In addition to these services, when, in the professional opinion of the District Manager, other services are necessary, the District Manager shall recommend the same to the Board or perform such services and report to the Board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000.00, the District Manager shall discuss such costs with the Board and receive prior authorization to perform such services.

Fees, time estimates, and terms

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

CLA'S 2022-2023 STANDARD HOURLY RATES FOR PUBLIC MANAGEMENT SERVICES:

Principals	\$300 – \$425
Public managers	\$190 - \$265
Assistant public managers	\$145 - \$175
Public management analysts	\$135 - \$155
District administrators	\$135 - \$165
Records retention professionals	\$110 - \$140

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

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Sincerely,

CliftonLarsonAllen LLP



Denise Denslow
Principal
Denise.Denslow@CLAconnect.com

APPROVED:

Signature

Title

Date