

EXHIBIT 3

E-FILED

<p>DISTRICT COURT, WATER DIVISION NO. 3, STATE OF COLORADO Alamosa County Courthouse 702 4th St., Alamosa, CO 81101</p>	<p><i>Filed in the Combined Court Alamosa County, Colorado</i></p>
<p>CONCERNING THE RULES GOVERNING THE MEASUREMENT OF GROUND WATER DIVERSIONS LOCATED IN WATER DIVISION NO. 3, THE RIO GRANDE BASIN</p>	<p>AUG - 1 2006</p> <p><i>Shirley Skinner Clerk of the Combined Court</i></p> <p>▲ COURT USE ONLY ▲</p> <hr/> <p>Case No. 05CW12</p> <p>Division: Ctrm:</p>
<p>ORDER APPROVING RULES GOVERNING THE MEASUREMENT OF GROUND WATER DIVERSIONS LOCATED IN WATER DIVISION NO. 3, THE RIO GRANDE BASIN</p>	

THIS MATTER came before the Court upon the Rules Governing the Measurement of Ground Water Diversions Located in Water Division No. 3, the Rio Grande Basin ("Rules") promulgated by the State Engineer and filed with this Court, and the Court having reviewed the Rules, the Stipulation Between the State Engineer and the Rio Grande Water Users Association (July 25, 2006) and the other pleadings in this case, and now being fully advised with respect to this matter, enters the following findings and ruling:

I. FINDINGS

1. The State Engineer properly filed the Rules this Court on June 30, 2005.
2. Notice was provided by publication in the Counties of Alamosa, Archuleta, Conejos, Costilla, Hinsdale, Mineral, Rio Grande, Saguache and San Juan.
3. The Rio Grande Water Users Association timely filed a Statement of Opposition in this matter.
4. The Rio Grande Water Conservation District and the Conejos Water Conservancy District timely filed Statements of Opposition supporting the Rules.
5. All protests to the Rules must be heard and resolved before the Rules can take effect.

6. Promulgation of the Rules is within the authority granted to the State Engineer in sections 37-80-102(g), 37-80-104, 37-92-501, 37-92-502(5)(a) and 37-92-502(5)(b), C.R.S. (2005).
7. The Court has jurisdiction over the subject matter of this proceeding and over all persons and owners of property affected thereby, irrespective of whether or not those persons and owners of property have appeared. *See*, sections 37-92-203 and 37-92-501(2)(g), C.R.S. (2005).
8. The State Engineer and the Rio Grande Water Users have entered into the Stipulation Between the State Engineer and the Rio Grande Water Users Association (July 25, 2006) to resolve the Statement of Opposition filed by the Rio Grande Water Users Association.
9. The Rio Grande Water Conservation District and the Conejos Water Conservancy District have consented to the Stipulation.
10. The Rules will assist the State Engineer in the administration, distribution and regulation of the waters of the state in accordance with the constitution of the state of Colorado and other applicable laws and to enable the state of Colorado to meet its obligations under the Rio Grande Compact, codified at section 37-66-101, C.R.S. (2005). Further, the information obtained by the measurements required by these Rules will be useful to the State Engineering for, among other things, regulating use of the confined and unconfined aquifer systems to maintain a sustainable ground water supply in each aquifer system, with due regard for the daily, seasonal and long-term demands for underground water, and the prevention of injury to senior surface water rights.

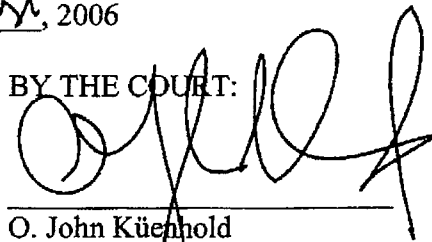
II. RULING OF THE COURT

IT IS, THEREFORE, THE RULING OF THE COURT:

11. The Court approves the Stipulation Between the State Engineer and the Rio Grande Water Users Association (July 25, 2006). That Stipulation is incorporated herein as if set forth in full.
12. All protests to the Rules being resolved, the Court hereby approves, confirms and decrees the Rules as filed with the Court on June 30, 2005, without modification. A copy of the Rules as decreed is attached hereto as Exhibit A.
13. Each of the foregoing Findings is incorporated into this Ruling by reference and are to be considered a part of the decretal portion of this decree as though set forth in full, and is hereby modified to the extent necessary to make it a Ruling of the Court.

DONE AND SIGNED this 1st day of August, 2006

BY THE COURT:



O. John Kuenhold
Water Judge
Water Division 3