

ARTICLES OF INCORPORATION
OF
THE FIRE MOUNTAIN CANAL AND RESERVOIR COMPANY
(as amended through February 3, 1983)

KNOWALL MEN BY THESE PRESENTS: That the undersigned, J. M. Compton, C. C. Griffin, W. M. Bemis, C. A. Brinton and J. J. Blackwell, of the County of Delta and State of Colorado, have associated and do hereby associate themselves together for the purpose of incorporation under the laws of the State of Colorado for the mutual benefit of the stockholders of said named Company only and not for pecuniary profit and in pursuance thereof do hereby make, sign and acknowledge in triplicate this certificate in writing which shall be and constitute the Articles of Incorporation of said Company.

ARTICLE I:

The corporate name of said Company shall be, " THE FIRE MOUNTAIN CANAL AND RESERVOIR COMPANY".

ARTICLE II, as amended June 5, 1948: The objects for which said Company shall be and is hereby created are:

To purchase, or otherwise acquire, possess, occupy, and maintain and operate that certain irrigation ditch known as the Fire Mountain Canal, situated in the Counties of Gunnison and Delta and said State of Colorado, and to enlarge and extend the same and convey waters therein and there through and distribute the same to lands of the stockholders of said Company for irrigation and domestic purposes, which said Fire Mountain Canal has its headgate and place of beginning on the North Fork of the Gunnison River in said Gunnison County, Colorado, at a point described as follows:

At the base of Fire Mountain and at a point whence the common corner to Sections Seven (7), Eight (8), Seventeen (17), and Eighteen (18) in Township Thirteen (13) South of Range Ninety (90) West of the Sixth Principal Meridian bears approximately North 25 degrees, 0 (zero) minutes West, 150 feet distant, from which said point said Canal extends in a general Southwesterly direction a distance of Thirty-one (31) miles, more or less, to its point of intersection with Leroux Creek near the headgate of the Leroux Ditch and Enlargement Company's ditch in Delta County, Colorado.

Said Company shall likewise have authority and is incorporated for the purpose of purchasing, constructing or otherwise acquiring reservoirs and reservoir sites for the storage of water for domestic and irrigation uses to be carried through and distributed by means of said Fire Mountain Canal; to locate, build and enlarge any and all of such reservoirs by it acquired and incidental thereto to acquire reservoir sites upon private or publicly owned land on the watershed of said North Fork of the Gunnison River, to impound waters in such reservoirs and distribute the same to stockholders of this Company as may be determined.

Also to acquire, own, use, sell or otherwise dispose of real estate; also to acquire, own, hold and use water and water rights and any rights or interests in ditches or canals other than those owned exclusively by this Company and capital stock in any irrigation company. To contract with the United States of America, water conservancy districts, irrigation districts, water users' associations, corporations, or others, for the purchase, lease, or exchange of water and water rights, lands and easements, and for the construction, extension, and acquisition of dams, reservoirs, canals, irrigation works, and other property and property rights incidental to the business of this corporation.

To levy and collect such assessments as may from time to time be necessary for the building, enlargement, extension, repair, maintenance and superintendence of the reservoirs and ditches of said Company and for all other corporate purposes.

To mortgage, pledge or otherwise encumber its property, real or personal, to secure the payment of its debts or obligation and to acquire, own, sell or otherwise dispose of or exchange its own stock or stock of other corporations. Also to do all things usual or lawful to be done by a mutual irrigation company and to have all implied and incidental right and authority for carrying out the main Objects of this Company hereinbefore set forth, whether such rights and authority be herein specified or not.

ARTICLE III, as amended January 31, 1967: The aggregate number of shares which the corporation shall have authority to issue is 225,000 shares of common stock without par value. Said shares shall be classed and divided as follows:

160,000 shares of Class 2 stock, fully assessable not only for operation and maintenance of corporation facilities, but also for annual payments due the United States of America for the Paonia Federal Reclamation Project as required under and by virtue of that certain contract entered into on June 11, 1948 between the United States and the North Fork Water Conservancy District

65,000 shares of Class 3 (Exchange water) stock, assessable only for the operation and maintenance of corporation facilities. The said Class 3 stock shall be issued pursuant To the provisions of a certain contract designated as "RSO Draft 8/19/66 Revised GJPO 9/16/66" between the United States of America, the North Fork Water Conservancy District, The Fire Mountain Canal and Reservoir Company and the Leroux Creek Water Users Association,

The 95,000 shares of "exchange" Class 2 stock authorized in the amendment of Article III of these Articles dated the 5th day of June, 1948, excepting as used for the conversion of Class 1 stock, is replaced and superceded by the 65,000 shares of Class 3 stock authorized hereby.

Such shares of stock, both Class 2 and Class 3 shall represent identical rights in voting power therein and all the incidents to stock ownership and shall be assessable for all corporate purposes, except as hereinabove set forth.

6,935 shares of Class 1 stock, heretofore authorized, having prior to the adoption of these Articles have been converted into Class 2 stock, are hereby declared to be abolished and no further issuance of said Class 1 stock is authorized.

ARTICLE IV, as amended January 30, 1945: The term of existence of said Company shall be in Perpetuity.

ARTICLE V: The number of directors of said Company shall be Five (5) and the names of those who manage the affairs of said Company for the first year of its existence and until their successors are elected and Qualified are, J. M. Compton, C. C. Griffin, W. M. Bemis, C. A. Brinton and J. J. Blackwell.

ARTICLE VI: The principal office of said Company shall be kept in Hotchkiss, Delta County, Colorado and its principal business shall be carried on in said Counties of Delta and Gunnison in said State.

ARTICLE VII: The Board of Directors of said Company shall have the power to make such prudential by-laws as they may deem proper for the management of the affairs of the Company not inconsistent with the laws of the State of Colorado or of these Articles of Incorporation.

ARTICLE VIII. In the election of the Board of Directors of said Company, cumulative voting shall be allowed.

IN WITNESS WHEREOF, the said incorporators have hereunto set their hands and seals this 29th day of January, A. D. 1924.

J. M. Compton

C. C. Griffin

W. M. Bemis

C. A. Brinton

J. J. Blackwell