



December 4, 2006

Office of the Routt County Assessor  
Agricultural Appraiser  
PO Box 773210  
Steamboat Springs, CO 80477

Attn: Anita Hawkins

I am writing this letter on behalf of all Owners at Sidney Peak Ranch (ranch sites one through 32, the Bunkhouse Parcel and the Equestrian Center Parcel). As President and CEO of Sidney Peak Ranch LLC, I represent the owner and the Sidney Peak Ranch Owners Association, Inc.

During 2006, the Association entered into a grazing and hay harvest lease with Tim Jenkins of Three State Cattle Feeders to graze approximately 400 head of his yearling cattle during the summer and 39 cows and calves during the fall, as well as use the agricultural lands for winter feeding. We also put up 371 tons of hay from our irrigated hay meadows in summer 2006 on shares with Three State Feeders. Attached are summary sheets for both of these activities.

Each ranch site at Sidney Peak Ranch has a 6-10 acre building envelope that is controlled by recorded covenants, with the remainder of each owner's 40-50 acre parcel subject to a Deed of Conservation Easement with the Yampa Valley Land Trust dated September 6, 2000. The association operates approximately 1,500 acres as a working ranch.

We are sharing this information with you to show the continued agricultural use of the available acreage at Sidney Peak Ranch.

Sincerely,

Rod Hanna, President & CEO

CC: Sidney Peak Ranch Owners Association, Inc.  
Ward Van Scoyk, attorney for SPROA