



COLORADO

Colorado Water Conservation Board

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203

July 21, 2022

Yuma County Public Trustee
310 Ash, Suite C
Wray, CO 80758

Subject: CWCB Loan Contract C150260 -Partial Release of Deed of Trust

This refers to the attached Request for Partial Release of Deed of Trust relative to an agreement between Republican River Water Conservation District and the Colorado Water Conservation Board (CWCB). Also attached for your handling is the Deed of Trust, along with payment in the amount of \$28.00, for fees, is enclosed along with these documents. The original documents should be returned to CWCB in the enclosed self-addressed stamped envelope.

Should you have any questions, please contact me at Telephone No. (303) 866-3441 ext. 3247. Thank you for your assistance in this matter.

Sincerely,

Jessica Halvorsen
Loan & Grant Program Assistant
Finance Section
Jessica.halvorsen@state.co.us

Enclosures





COLORADO

Colorado Water Conservation Board

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203

July 11, 2022

Rod Lenz, President
410 Main Street, Ste 8
Wray, CO 80758

RE: Deed of Trust - Partial Release Request (Contract No. C150260)

Dear Mr. Lenz

We are in receipt of your letter requesting a partial release of the groundwater rights in the November 3, 2008 Deed of Trust (DOT) No. 00542504 recorded in Yuma County on June 19, 2009. This DOT represents the collateral for the District's Compact Compliance Pipeline Project CWCB loan.

We have reviewed the District's repayment history and determined that a partial release is acceptable. CWCB will release only Attachments B & C of the DOT (Dryden Rights to Designated Ground Water and the 'exception' Lease). This is more specifically identified as Well Permit Nos. 13316-FP, 13353-FP, 13317-FP, 19910-FP, and 14422-FP. This partial release is based on the fact that the District has reduced the original \$60M loan balance by nearly \$30M and the value of the 'released' wells is \$4.5M.

If you have any questions regarding this matter, feel free to contact my office at (303) 956-5653.

Sincerely,

Kirk Russell, P.E., Chief
Finance Section

Attachment: Request for Partial Release - Lenz Letter 7/7/22



Original Note and Deed of Trust Returned to:
WHEN RECORDED RETURN TO:
CWCB
1313 Sherman Street, Room 718
Denver, CO 80203

Prepared/Received by: Jessica Halvorsen

REQUEST FOR FULL ☐ / PARTIAL ☒
RELEASE OF DEED OF TRUST AND RELEASE BY OWNER OF INDEBTEDNESS WITH PRODUCTION OF EVIDENCE OF DEBT
PURSUANT TO § 38-39-102 (1) (a), COLORADO REVISED STATUTES

July 5, 2022 Date
Republican River Water Conservation District, acting by and through its Water Activity Original Grantor (Borrower)
Enterprise
410 Main Street, Suite 8 Current Address of Original Grantor,
Wray, CO 80758 Assuming Party, or Current Owner
☐ Check here if current address is unknown
Colorado Water Conservation Board Original Beneficiary (Lender)
November 3, 2008 Date of Deed of Trust
June 19, 2009 Date of Recording and/or Re-Recording of Deed of Trust
0542504 Recording Information
County Rept. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.

TO THE PUBLIC TRUSTEE OF
Yuma COUNTY (The County of the Public Trustee who is the appropriate grantee to whom the above Deed of Trust should grant
an interest in the property described in the Deed of Trust.)

PLEASE EXECUTE AND RECORD A RELEASE OF THE DEED OF TRUST DESCRIBED ABOVE. The indebtedness secured by the Deed of Trust has been
fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied in regard to the property encumbered by the Deed of Trust as described
therein as to a full release or, in the event of a partial release, only that portion of the real property described as: **(IF NO LEGAL DESCRIPTION IS LISTED
THIS WILL BE DEEMED A FULL RELEASE)**

PARTIAL RELEASE

Exhibit "B" – Dryden Rights to Designated Groundwater

Field Number	Permit #1	Permit #2	Permitted Acreage	Permitted ac/ft/yr
W-1	13353-F	16931-FP	180	450
W-2	13316-FP	16931-FB	160	400
W-3	13317-FP	16931-FB	160	400
W-4	19910-FB	16931-FB	160	400
W-5	14422-FB	16931-FB	160	400
Subtotal			820	2,050

Exhibit "C" – Lease of Farm and Rights to Designated Ground Water

June 19, 2009 Lease by and between Cure Land, LLC and Cure Land II, LLC

State of Colorado, Colorado Water Conservation Board, 1313 Sherman Street, Ste. 718 Denver, CO 80203

Name and Address of Current Owner, Holder of the Indebtedness and Successor in Interest from the Department of Natural Resources, Secured by Deed of Trust

Kirk Russell, Finance Section Chief, CWCB, 1313 Sherman Street, Ste. 718 Denver, CO 80203

Name, Title and Address of Officer, Agent, or Attorney of Current Owner and Holder

State of Colorado, County of Denver

The foregoing Request for Release was acknowledged before

me on 7/20/2022 (date) by*

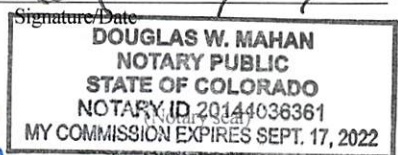
Kirk Russell

Finance Section Chief

9/17/2022

Date Commission Expires

*If applicable, insert title of officer and name of current owner and holder



Notary Public

Witness my hand and official seal

RELEASE OF DEED OF TRUST

WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the Deed of Trust to the Public Trustee of the County referenced
above, in the State of Colorado, to be held in trust to secure the payment of the indebtedness referred to therein; and

WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied
according to the written request of the current owner and holder of the indebtedness;

NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby acknowledged, I, as the Public Trustee in the
County named above, do hereby fully and absolutely release, cancel and forever discharge the Deed of Trust or that portion of the real property described above in the
Deed of Trust, together with all privileges and appurtenances thereto belonging.

(Public Trustee use only; use appropriate label)

(Public Trustee's Seal)

Public Trustee

Deputy Public Trustee

(If applicable: Notary Seal)

(If applicable, Name and Address of Person Creating New Legal Description as Required by § 38-35-106.5, Colorado Revised Statutes.)



Republican River Water Conservation District Water Activity Enterprise

410 Main Street, Ste 8, Wray, Colorado 80758
Office phone 970-332-3552 ~ Cell phone: 970-630-3525

July 7, 2022

Mr. Kirk G. Russell, P.E.
Finance Section Chief
Colorado Water Conservation Board
1313 Sherman St., Rm. 718
Denver, Colorado 80203

Re: Partial Release of Deed of Trust for the RRWCD

Dear Kirk,

The purpose of this letter is to request a partial release of certain groundwater rights from the deed of trust that secures the loan from the Colorado Water Conservation Board (CWCB) to the Republican River Water Conservation Board (RRWCD) for the Compact Compliance Pipeline. Specifically, the RRWCD requests that the CWCB release Attachments B & C (Dryden Rights to Designated Ground Water and the 'exception' Lease) from the Deed of Trust recorded in Yuma County, Colorado, dated November 3, 2008, and recorded on June 19, 2009, at Reception No. 00542504 as part of CWCB Loan Contract No. C150260. The Dryden Rights to Designated Ground Water are identified as Well Permit Nos. 13316-FP, 13353-FP, 13317-FP, 19910-FP, and 14422-FP.

The reason for this request is that the RRWCD is finalizing a contract with Bledsoe Ranch Company, LLLP (Bledsoe), under which the RRWCD will exchange the Dryden Rights to Designated Ground Water (and certain land) for other groundwater rights of equal value owned by Bledsoe for the purpose of obtaining groundwater rights that are better suited for the Compact Compliance Pipeline. The parties have mutually valued the Dryden Rights to Designated Ground Water (and certain land) at \$4,496,500.00, of which the Dryden Rights to Designated Ground Water constitute the main value. Please see the enclosed Fair Market Value Agreement between the RRWCD and Bledsoe.

We believe that this partial release of security from the deed of trust is appropriate because the RRWCD has paid down more than half of the original loan amount from the CWCB. The original loan amount was \$60,600,000.00 (at 2.0% for 20 years). The balance at the next due payment (September 1, 2022) will be \$28,661,834.46 (\$28,099,837.71 principal plus \$561,996.75 interest). Based on the enclosed Fair Market Value Agreement, this partial release has a value of approximately \$4.5 million. The RRWCD has paid nearly \$32 million in loan repayments.

Sincerely,

Rod Lenz
President

Cc: Deb Daniel
David Robbins
Matthew Montgomery

Fair Market Value Agreement
Contract for Real Property Exchange

Between

Republican River Water Conservation District

and

Bledsoe Ranch Company, LLLP

This Agreement ("FMV Agreement") is entered into this 15th day of June, 2022, by and between the Republican River Water Conservation District ("RRWCD") and the Bledsoe Ranch Company, LLLP ("Bledsoe"), collectively "the Parties". The Parties intend to complete a Contract for Real Property Exchange by which the RRWCD will transfer to Bledsoe certain farmland, wells and associated improvements owned by the RRWCD in Yuma County, Colorado, in exchange for the transfer of certain wells and water rights owned by Bledsoe, also in Yuma County, Colorado, together with an associated dry-up covenant, to the RRWCD. For purposes associated with the Contract for Real Property Exchange, including the establishment of a value for the properties to be exchanged, in order to secure a Title Policy, it is necessary for the Parties to agree upon the actual value of the transaction. In arriving at the value of the transaction the Parties have engaged in good faith negotiations concerning the separate values of the various components proposed to be exchanged. To achieve true parity in the values of the properties being exchanged, the RRWCD will simultaneously grant a lease back to Bledsoe, of the wells and water rights being contributed to the exchange by Bledsoe, at no charge, for a term of four (4) years.

The value stated hereafter is based on the undersigned representatives of the Parties extensive knowledge of local and regional agricultural real estate transactions, and based on their personal participation in numerous other, independent, real estate transactions, as well as consultation with local real estate agents whose statements of value are deemed by the Parties to be reliable. In addition, the undersigned rely on their personal knowledge of the ancillary values associated with the exchange for both Parties.

Based on the foregoing understandings the undersigned, on behalf of the Parties, attest that the value of the properties being exchanged by Bledsoe pursuant to the Contract for Real Property Exchange is four million, four hundred ninety-six thousand, five hundred dollars (\$4,496,500.00) and that a comparable value is assigned to the properties being exchanged and leased by RRWCD.



Gregory Larson

For the Republican River Water Conservation
District



Grant Bledsoe

For the Bledsoe Ranch Company, LLLP



Deed of Trust

DATE: November 3, 2008
GRANTOR: REPUBLICAN RIVER WATER CONSERVATION DISTRICT, ACTING BY AND
THROUGH ITS WATER ACTIVITY ENTERPRISE
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: YUMA
PRINCIPAL LOAN AMOUNT: \$60,600,000
LOAN CONTRACT: Loan Contract No. C150260, dated November 3, 2008
TERMS OF REPAYMENT: 2.0% per annum for 20 years
COLLATERAL: An undivided one-hundred percent interest in the water rights
described in Attachments A and B, attached hereto and
incorporated herein, except for the Lease which is attached
hereto and incorporated herein as Attachment C.

This indenture is between the Grantor, and the Public Trustee of the above referenced
COUNTY, State of Colorado ("PUBLIC TRUSTEE"),

FACTUAL RECITALS

1. The GRANTOR has executed a Promissory Note of even date and amount, set forth in the
LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY,
with TERMS OF REPAYMENT and in accordance with the Promissory Note or until loan is paid
in full.
2. The GRANTOR is desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of
said Promissory Note to the BENEFICIARY.

The GRANTOR, in consideration of the premises and for the purpose aforesaid, does
hereby grant, bargain, sell and convey unto the said PUBLIC TRUSTEE in trust forever, the above
described COLLATERAL.

To have and to hold the same, together with all appurtenances, in trust nevertheless,
that in case of default in the payment of said Promissory Note, or any part thereof, or the
interest thereon, or in the performance of any covenants hereinafter set forth or in said
Promissory Note or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and
demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less
than four weeks in some newspaper of general circulation in said COUNTY, shall sell said
COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand,
at public auction for cash, at any proper place designated in the notice of sale. Out of the
proceeds of said sale, the PUBLIC TRUSTEE shall retain or pay first all fees, charges and costs
and all moneys advanced for taxes, insurance and assessments, or on any prior encumbrance,
with interest thereon and pay the principal and interest due on said Promissory Note, rendering
the overplus, if any, unto the GRANTOR; and after the expiration of the time of redemption, the
PUBLIC TRUSTEE shall execute and deliver to the purchaser a deed to the COLLATERAL sold. The
BENEFICIARY may purchase said COLLATERAL or any part thereof at such sale.

Appendix 5 to Loan Contract C150260



The GRANTOR covenants that at the time of the delivery of these presents, it is well seized of the COLLATERAL in fee simple, and has full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTOR fully waives and releases all rights and claims it may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTOR further covenants that the collateral is free and clear of all liens and encumbrances whatever and that the GRANTOR shall warrant and forever defend the COLLATERAL in the quiet and peaceable possession of the PUBLIC TRUSTEE, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof.

Until payment in full of the indebtedness, the GRANTOR shall timely pay all taxes and assessments levied on the COLLATERAL; any and all amounts due on account of the principal and interest or other sums on any senior encumbrances, if any; and will keep the COLLATERAL insured in accordance with the requirements of the LOAN CONTRACT. In the event of the sale or transfer of the COLLATERAL, the BENEFICIARY, at its option, may declare the entire balance of the note immediately due and payable.

In case of default in any of said payments of the principal or interest, according to the terms of said Promissory Note or LOAN CONTRACT, by the GRANTOR, its successors or assigns, then said principal sum hereby secured, and interest thereon, may at once, at the option of the BENEFICIARY, become due and payable, and the said COLLATERAL be sold in the manner and with the same effect as if said indebtedness had matured, and that if foreclosure be made by the PUBLIC TRUSTEE, an attorney's fee in a reasonable amount for services in the supervision of said foreclosure proceedings shall be allowed by the PUBLIC TRUSTEE as a part of the cost of foreclosure, and if foreclosure be made through the courts a reasonable attorney's fee shall be taxed by the court as a part of the cost of such foreclosure proceedings.

It is further understood and agreed, that if a release or a partial release of this Deed of Trust is required, the GRANTOR, its successors or assigns will pay the expense thereof; that all the covenants and agreements contained herein and in the Promissory Note and LOAN CONTRACT shall extend to and be binding upon the successors or assigns of the respective parties hereto; and that the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Executed the day and date first written above.

Republican River Water Conservation District,
acting by and through its Water Activity Enterprise

(SEAL)

By 
Dennis Coryell, President

ATTEST:

By 
Timothy Pautler, Secretary

County of Yuma)
) SS
State of Colorado)

Appendix 5 to Loan Contract C150260



The foregoing instrument was acknowledged before me this 19th day of June 2008, by Dennis Coryell and Timothy Pautler, as President and Secretary, respectively, of the Republican River Water Conservation District. Witness my hand and official seal.

Curtis D. Fix Notary Public

My commission expires 1-21-2012

Return recorded deed of trust to: CWCB Finance Section, Attn: Contract Manager, 1580 Logan Street, Suite 750, Denver CO 80203 (Phone Number 303-866-3462)

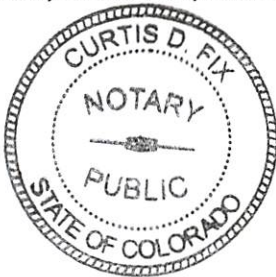




Exhibit B - Dryden Rights to Designated Groundwater

Field Number (1)	Permit #1 (2)	Permit #2 (3)	Permitted Acreage (4)	Permitted ac-ft/yr (5)
W-1	13353-F	16931-FP	180	450
W-2	13316-FP		160	400
W-3	13317-FP		160	400
W-4	19910-FP		160	400
W-5	14422-FP		160	400
Subtotal			820	2,050

Explanation of Columns

- (1) Field Number.
- (2) Permit number – Northern High Plains Designated Ground Water Basin. See permit for well location, priority date, and other information, including any allowable commingling with other permits.
- (3) Second permit associated with the permit shown in column 2. Typically, these are permits for additional acreage, but see permit for details.
- (4) Reported permitted acreage.
- (5) Reported permitted amount.