



COLORADO

Colorado Water Conservation Board

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203
303-866-3441

August 3, 2022

Central Colorado Water Conservancy District
3209 West 28th Street
Greeley, CO 80634

Subject: Loan Contract No. CT2015-060 (C150337)
Loan Compliance Confirmation

Attached for your records are the original documents relative to the agreement between the Central Colorado Water Conservancy District, and the Colorado Water Conservation Board (CWCB), Loan Contract No. CT2015-060 (C150337). The documents have been stamped "PAID IN FULL" denoting that the District has satisfied the terms of the agreement in full.

Should you have any questions, please contact me at Telephone No. (303) 866-3441, ext 3205 or email at wendy.cheek@state.co.us. If we can be of any further assistance to you in the near future, please let us know.

Sincerely,

Wendy Cheek

Wendy Cheek, Finance Manager
Finance Section

Attachments

cc: CWCB Files





COLORADO

Colorado Water Conservation Board

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

PAID
Weld County Public Trustee

July 13, 2022

Weld County Public Trustee
1400 N. 175 Avenue
PO Box 458
Greeley, CO 80632

Subject: Releases of Deeds of Trust
Contract No. CT2015-060 (C150337)

This refers to the attached Requests for Full Release of Deeds of Trust relative to an agreement between Well Augmentation Subdistrict of the Central Colorado Water Conservancy District and the Colorado Water Conservation Board (CWCB). Also attached for your handling are the original Deed of Trusts along with the Promissory notes stamped "PAID IN FULL". Payments in the amount of \$28.00 each (total check for \$84.00), 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. Thank you for your assistance in this matter.

Sincerely,

Jessica Halvorsen
Loan & Grant Program Assistant
Finance Section
jessica.halvorsen@state.co.us
303-866-3441 X3247

Enclosures



Deed of Trust

DATE: APRIL 24, 2013
GRANTOR: WELL AUGMENTATION SUBDISTRICT OF THE CENTRAL COLORADO
WATER CONSERVANCY DISTRICT
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: WELD
PRINCIPAL LOAN AMOUNT: 3,030,000
LOAN CONTRACT: LOAN CONTRACT No. C150337
TERMS OF REPAYMENT: 1.75% per annum for 30 years
COLLATERAL: An undivided one-hundred percent interest in eighty shares of
the capital stock of the Lupton Meadows Ditch Company
evidenced by certificate number D652. See attached legal
description (Deed of Trust, Exhibit 1).

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

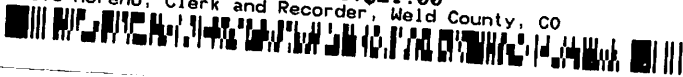
FACTUAL RECITALS

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.

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 PROMISSORY 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.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

Executed the day and date first written above.



Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District

By Gary Herman
Signature

Name: Gary Herman

Title: President

ATTEST:

By Randy W. Ray
Signature

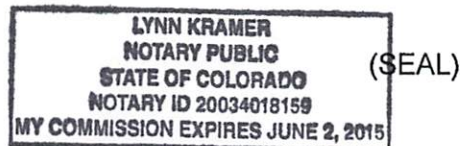
Name: Randy W. Ray

Title: Executive Director

County of Weld)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this 25th day of April 2013,
by Gary Herman and Randy W. Ray, as President and Executive Director, respectively, of
WELL AUGMENTATION SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT.
Witness my hand and official seal.

Lynn Kramer Notary Public
My commission expires June 2, 2015



Return recorded DEED OF TRUST to: CWCB Finance Section, Attn: Peg Mason, Contracts
Manager, 1313 Sherman Street, Suite 721, Denver CO 80203 (Phone Number 303-866-
3441 ext. 3227)

MY COMMISSION EXPIRES JUNE 3, 2012
NOTARY ID 50034310128
STATE OF COLORADO
CLAUDIA YVONNE
RAMIREZ



PROMISSORY NOTE

Date: February 19, 2013
Borrower: Well Augmentation Subdistrict of the Central Colorado Water Conservancy District
Principal Amount: \$3,030,000
Interest Rate: 1.75% per annum
Term of Repayment: 30 years
Loan Contract No.: C150337
Loan Payment: \$130,683.16

Payment Initiation Date*: _____

Maturity Date*: _____

* Payment Initiation Date and Maturity Date fields are filled in after the project has been substantially completed.

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this PROMISSORY NOTE.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date (the date the CWCB determines that the project is substantially complete), and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 721, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This PROMISSORY NOTE may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This PROMISSORY NOTE is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests

Appendix 2 to Loan Contract C150337

are evidenced by a Security Agreement(s), Deed(s) of Trust, and/or Assignment(s) ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and Security Instruments grant additional rights to the CWCB.

8. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this PROMISSORY NOTE.
9. The BORROWER and any co-signer or guarantor hereby agree that if this PROMISSORY NOTE or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This PROMISSORY NOTE shall be governed in all respects by the laws of the State of Colorado.



(SEAL)

BORROWER:

Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq.

By May Hume
Signature

Attest:

NAME: Gary Herman

TITLE: President

DATE: 2/19/13

By Barbara W. Ray
Signature

NAME: Barbara W. Ray

TITLE: Executive Director

DATE: 2/19/13

PAID IN FULL

Appendix 2 to Loan Contract C150337

**APPENDIX A-1, AMENDMENT NO. 2 LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO DEED OF TRUST (1)**

Date: June 22, 2017
Grantor (Borrower): Well Augmentation Subdistrict of the Central Colorado
Water Conservancy District
Beneficiary (Lender): Colorado Water Conservation Board
Address: 1313 Sherman Street, Room 718, Denver,
Colorado, 80203
Date of Deed of Trust: April 24, 2013
Recorded Date of Deed of Trust: June 14, 2013
County of Recording ("County"): Weld
Deed of Trust Recording Information: 3940199
Loan Contract Number: CT2015-060 (C150337)
Revised Promissory Note: \$1,651,904.79, 1.75%, 30 Years

This Amendment to the ORIGINAL DEED OF TRUST is between the Grantor and the Public Trustee of the County, State of Colorado.

The ORIGINAL DEED OF TRUST was recorded to secure repayment of the indebtedness evidenced by the LOAN CONTRACT and PROMISSORY NOTE between the Grantor and the Beneficiary.

The BORROWER agreed in AMENDMENT NO. 1 to the ORIGINAL CONTRACT to convey, as COLLATERAL, an undivided one hundred percent (100%) interest in eighty (80) shares of capital stock in The Lupton Meadows Ditch Company. This amendment reflects the change of the stock certificate number. The transferred stock certificate number of 0755, in the name of CWCB as Lien Holder and Well Augmentation Subdistrict of the Central Colorado Water Conservation District as Equity Owner, replaces stock certificate number 0652 in the name of Mildred Mae Sarchet, LLC.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This AMENDMENT TO DEED OF TRUST, APPENDIX A-1 to AMENDMENT 2 to the ORIGINAL CONTRACT NO. CT2015-060 *shall replace and supersede* the ORIGINAL DEED OF TRUST attached as APPENDIX A to AMENDMENT 1 to the ORIGINAL CONTRACT recorded June 14, 2013, reception number 3940199, in Weld County and incorporated herein by reference, *shall supplement and operate in conjunction with* the Amendment to Deed of Trust, attached to the Loan Contract Amendment No. 2 as Appendix A-2.
2. The Grantor has executed a revised PROMISSORY NOTE, in the amount of \$1,651,904.79 to secure the repayment of the indebtedness, evidenced by LOAN CONTRACT NO. CT2015-060 (150337) to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said PROMISSORY NOTE, or until the loan is paid in full.



3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the original deed of trust, the provisions of this amendment shall in all respects supersede, govern, and control.
4. Any provisions of the original deed of trust not expressly modified herein remain in full force and effect.
5. Executed on the date first written above.



GRANTOR: Well Augmentation Subdistrict
of the Central Colorado Water Conservancy District

By Randy Ray
Signature

Name RANDY RAY
Title EXECUTIVE DIRECTOR

Date 6/22/17

ATTEST:

By Randall C Knutson
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

NOTARY REQUIRED

State of Colorado)
County of Weld) ss.

The foregoing instrument was acknowledged before me on 6/22/17, 2016,
by Randall Knutson (Name) as President (Title) and Randy Ray
(Name) as Executive Director (Title) of the Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District.

Witness TAMMY ANDERSON official seal.
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134030345
MY COMMISSION EXPIRES MAY 13, 2021
My commission expires May 13, 2021

Tammy Anderson
Notary Public

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County)



MY COMMISSION EXPIRES MAY 13, 2021
NOTARY ID 201303042
STATE OF COLORADO
NOTARY PUBLIC
TAMMY J RUSCH

**APPENDIX B-1, AMENDMENT NO. 2 TO LOAN CONTRACT CT2015-060
AMENDMENT TO PROMISSORY NOTE**

Date: June 22, 2017
Borrower: Well Augmentation Subdistrict of the Central Colorado Water
Conservancy District
Total Loan Amount: \$1,651,904.79
Interest Rate: 1.75%
Term of Repayment: 30 years
Loan Contract No.: CT2015-060 (C150337)
Loan Payment: \$71,246.25
Payment Initiation Date: June 1, 2017
Maturity Date: June 1, 2047

PAID IN FULL

For Value Received, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this promissory note.

1. This Amendment to Promissory Note *shall replace and supersede* the Original Promissory Note attached to the Original Contract and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement ("Security Instruments") of even date and amount and cover certain

COPY

revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.
9. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

(SEAL)



Attest

By

Randall C. Knutson
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water
Conservancy District

By

Randy Ray
Signature

Name

RANDY RAY

Title EXECUTIVE DIRECTOR

Date

6/22/17

**APPENDIX A-2, AMENDMENT NO. 2 LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO DEED OF TRUST (2)**

Date: June 22, 2017
Grantor (Borrower): Well Augmentation Subdistrict of the Central Colorado
Water Conservancy District
Beneficiary (Lender): Colorado Water Conservation Board
Address: 1313 Sherman Street, Room 718, Denver,
Colorado, 80203
Date of Deed of Trust: April 24, 2013
Recorded Date of Deed of Trust: June 14, 2013
County of Recording ("County"): Weld
Deed of Trust Recording Information: 3940199
Loan Contract Number: CT2015-060 (C150337)
Revised Promissory Note: \$1,651,904.79, 1.75%, 30 Years

This Amendment to the ORIGINAL DEED OF TRUST is between the Grantor and the Public Trustee of the County, State of Colorado.

The ORIGINAL DEED OF TRUST was recorded to secure repayment of the indebtedness evidenced by the LOAN CONTRACT and PROMISSORY NOTE between the Grantor and the Beneficiary.

The BORROWER has agreed in this AMENDMENT NO. 2 to the ORIGINAL CONTRACT, to convey as COLLATERAL, an undivided one hundred percent (100%) interest in one (1) share of capital stock in The Platte Valley Irrigation Company evidenced by Stock Certificate Number 1299, in the name of CWCB as Lien Holder and Well Augmentation Subdistrict of the Central Colorado Water Conservation District as Equity Owner.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This AMENDMENT TO DEED OF TRUST, APPENDIX A-2 to AMENDMENT 2 to the ORIGINAL CONTRACT NO. CT2015-060 *shall replace and supersede* the ORIGINAL DEED OF TRUST attached as APPENDIX A to AMENDMENT 1 to the ORIGINAL CONTRACT recorded June 14, 2013, reception number 3940199, in Weld County and incorporated herein by reference, and *shall supplement and operate in conjunction with* the Amendment to Deed of Trust, attached to the Loan Contract Amendment No. 2 as Appendix A-1.
2. The Grantor has executed a PROMISSORY NOTE, in the amount of \$1,651,904.79 to secure the repayment of the indebtedness, evidenced by LOAN CONTRACT NO. CT2015-060 (150337) to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said PROMISSORY NOTE, or until the loan is paid in full.
3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the original deed of



trust, the provisions of this amendment shall in all respects supersede, govern, and control.

4. Any provisions of the original deed of trust not expressly modified herein remain in full force and effect.
5. Executed on the date first written above.



GRANTOR: Well Augmentation Subdistrict
of the Central Colorado Water Conservancy District

By [Signature]
Signature

Name Randy Roy

Title EXECUTIVE DIRECTOR

Date 6/22/17

ATTEST:

By [Signature]
Signature

Name Randall Knutson

Title Board President

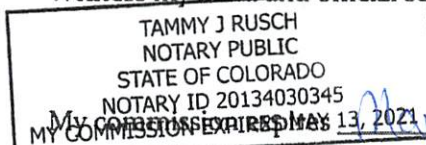
Date 6/22/17

NOTARY REQUIRED

State of Colorado)
County of Weld) ss.

The foregoing instrument was acknowledged before me on 6/22/17 ^{TR} 2016,
by Randall Knutson (Name) as President (Title) and Randy Roy
(Name) as Executive Director (Title) of the Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District.

Witness my hand and official seal.



[Signature]
Notary Public

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County)

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 10-10-2000 BY 60324/UC/BAW
EXCEPT WHERE SHOWN OTHERWISE
ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 10-10-2000 BY 60324/UC/BAW



Handwritten notes and signatures, including the name "Mett Vanguard" and the date "10/10/00".

**APPENDIX B-1, AMENDMENT NO. 2 TO LOAN CONTRACT CT2015-060
AMENDMENT TO PROMISSORY NOTE**

Date: June 22, 2017
Borrower: Well Augmentation Subdistrict of the Central Colorado Water
Conservancy District
Total Loan Amount: \$1,651,904.79
Interest Rate: 1.75%
Term of Repayment: 30 years
Loan Contract No.: CT2015-060 (C150337)
Loan Payment: \$71,246.25
Payment Initiation Date: June 1, 2017
Maturity Date: June 1, 2047

PAID IN FULL

For Value Received, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this promissory note.

1. This Amendment to Promissory Note *shall replace and supersede* the Original Promissory Note attached to the Original Contract and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement ("Security Instruments") of even date and amount and cover certain

revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.
9. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

(SEAL)



Attest:

By

Randall C. Knutson
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water
Conservancy District

By Randy Ray
Signature

Name RANDY RAY

Title EXECUTIVE DIRECTOR

Date 6/22/17

APPENDIX D-1, AMENDMENT NO.2
LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO STOCK ASSIGNMENT (1)

For value received, the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District hereby sells, assigns and transfers EIGHTY (80) shares of stock in The LUPTON MEADOWS DITCH COMPANY unto the COLORADO WATER CONSERVATION BOARD, which stock is standing in the name of the undersigned on the books and records of the company. The Borrower shall have the transfer of the certificate(s) for the shares, represented by Certificate No. 0755 issued in both the Borrower's and the CWCB's names, and shall give physical custody of the stock certificate(s) to the CWCB, which shall deposit the certificate(s) at the State Treasurer's Office for safekeeping. CWCB shall be responsible for all costs related to replacing any stock certificate lost while in custody of the CWCB or the State Treasurer's Office. The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District shall retain both the responsibility for paying assessments on and the privilege of voting said shares.



BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water Conservancy District

By [Signature]
Signature

Name RANDY RAY

Title EXECUTIVE DIRECTOR

Date 6/22/17

Attest:

By [Signature]
Signature

Name Randall Knutson

Title Board President

Date 6/22/17



STOCK ASSIGNMENT

For value received, Well Augmentation Subdistrict of the Central Colorado Water Conservancy District hereby sells, assigns and transfers Eighty (80) shares of stock of the Lupton Meadows Ditch Company unto the COLORADO WATER CONSERVATION BOARD, which stock is standing in the name of the undersigned on the books and records of the company represented by Certificate Number(s). 652, and do hereby irrevocably constitute and appoint N/A as attorney-in-fact to transfer the said stock on the books of the company with full power of substitution in the premises. This Stock Assignment shall be effective solely in the event of an issuance by a Colorado District Court of an order authorizing a foreclosure sale of said shares of stock pursuant to Rule 120 of the Colorado Rules of Civil Procedure.

Dated 4/25/13



Attest:

By Randy Ray
Signature

Name Randy Ray

Title Executive Director

Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District

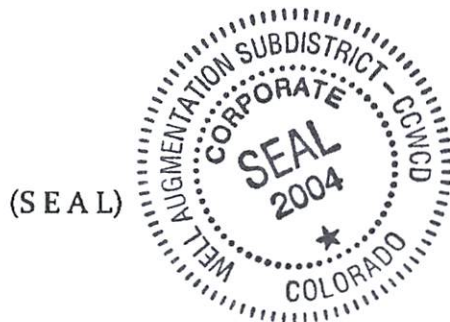
By Gary Herman
Signature

Name Gary Herman

Title President

APPENDIX D-2, AMENDMENT NO.2
LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO STOCK ASSIGNMENT (2)

For value received, the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District hereby sells, assigns and transfers ONE (1) share of stock in THE PLATTE VALLEY IRRIGATION COMPANY unto the COLORADO WATER CONSERVATION BOARD, which stock is standing in the name of the undersigned on the books and records of the company. The Borrower shall have the transfer of the certificate(s) for the shares, represented by Certificate No. 1299 issued in both the Borrower's and the CWCB's names, and shall give physical custody of the stock certificate(s) to the CWCB, which shall deposit the certificate(s) at the State Treasurer's Office for safekeeping. CWCB shall be responsible for all costs related to replacing any stock certificate lost while in custody of the CWCB or the State Treasurer's Office. The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District shall retain both the responsibility for paying assessments on and the privilege of voting said shares.



BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water Conservancy District

By RER
Signature

Name RANDY RAY
Title EXECUTIVE DIRECTOR

Date 6/22/17

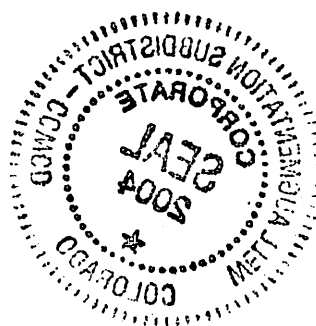
Attest:

By Randall C Knutson
Signature

Name Randall Knutson

Title Board President

Date 6/22/17



105 1944
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1. *Chrysomelidae*
 2. *Curculionidae*
 3. *Chrysomelidae*
 4. *Chrysomelidae*



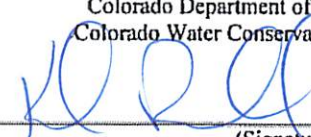
LOAN CONTRACT AMENDMENT NO. 2

THREE (3) SIGNATURE PAGES (COVER PAGE) WITH ORIGINAL SIGNATURES ARE REQUIRED

State Agency: Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Amendment No. 2 Contract Number CMS 94892 CT2015-060						
Borrower Well Augmentation Subdistrict of the Central Colorado Water Conservancy District	<table style="width: 100%;"> <tr> <td>Original Contract Number</td> <td>Amend No. 1</td> </tr> <tr> <td>CMS 53652</td> <td>CMS 56911</td> </tr> <tr> <td>C150337</td> <td>CT2015-060</td> </tr> </table>	Original Contract Number	Amend No. 1	CMS 53652	CMS 56911	C150337	CT2015-060
Original Contract Number	Amend No. 1						
CMS 53652	CMS 56911						
C150337	CT2015-060						
Current Contract Maximum Amount \$1,651,904.79	Contract Performance (Project) Beginning Date 03/22/2013						
Reason for Modification Decrease total loan amount due to substantial completion of Project, add additional stock certificates pledged as collateral, and make change to reflect transferred stock certificate number 0755, which replaces stock certificate number 0652 previously pledged as collateral.	Contract Performance (Project) End Date 03/22/2017						
Loan Contract Repayment Schedule (See Promissory Note) Payment Initiation Date: 06/17/2017 Maturity Date: 06/01/2047							

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

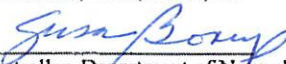
Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

<p style="text-align: center;">BORROWER</p> <p style="text-align: center;">Well Augmentation Subdistrict of the Central Colorado Water Conservancy District</p> <div style="text-align: center;">  (Signature) </div> <p>Name: <u>Randy Ray</u></p> <p>Title: <u>Executive Director</u></p> <p>Date: <u>6/22/17</u></p> <p>ATTEST:</p> <div style="text-align: center;">  (Signature) </div> <p>Name: <u>Randall Knutson</u></p> <p>Title: <u>Board President</u></p> <p>Date: <u>6/22/17</u></p>	<p style="text-align: center;">STATE OF COLORADO</p> <p style="text-align: center;">John W. Hickenlooper, Governor Colorado Department of Natural Resources Colorado Water Conservation Board (CWCB)</p> <div style="text-align: center;">  (Signature) </div> <p>Name: Kirk Russell, P.E., Section Chief CWCB Finance Section</p> <p>Date: <u>7/5/17</u></p> <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em; margin-top: 20px;"> PAID IN FULL </div>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate

STATE CONTROLLER

Robert Jaros, CPA, MBA, JD


 By: Susan Borup, Controller, Department of Natural Resources

Amendment Effective Date: 8/14/17

revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.
9. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

(S E A L)

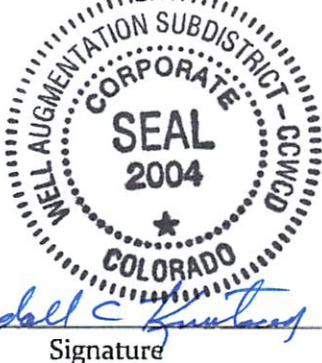
Attest:

By

Name

Title

Date



Signature

BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water
Conservancy District

By

Signature

Name

Title

Date

Randy Ray

RANDY RAY

EXECUTIVE DIRECTOR

6/22/17

Randall Knutson

Board President

6/22/17

PAID IN FULL

Walter D. Hall



**APPENDIX C-1, AMENDMENT NO.2 TO LOAN CONTRACT CT2015-060
AMENDMENT TO SECURITY AGREEMENT**

DEBTOR: Well Augmentation Subdistrict of the Central Colorado Water
Conservancy District

SECURED PARTY: Colorado Water Conservation Board

REVISED LOAN AMOUNT: \$1,651,904.79

TERM OF REPAYMENT: 30 years at the interest rate of 1.75%

LOAN CONTRACT NUMBER: CT2015-060 (C150337)

1. The Parties have amended the Original Loan Contract and Promissory Note to decrease the loan amount from \$3,030,000.00 to \$1,651,904.79, and hereby amend the Original Security Agreement to document the change of loan amount.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.
3. Revised Promissory Note for this Contract reads Total Loan Amount is **\$1,651,904.79**, with an annual loan payment of \$71,246.25 at an interest rate of 1.75%, for 30 years or until the loan is paid in full.

(SEAL)



ATTEST:

By Randall C. Kuntz
Signature/Title

Date 6/22/17

DEBTOR: Well Augmentation Subdistrict of the
Central Colorado Water Conservancy
District

By R. Kuntz EXECUTIVE DIRECTOR
Signature/Title

Date 6/22/17

PAID IN FULL



RESOLUTIONS OF THE BOARD OF DIRECTORS
OF THE WELL AUGMENTATION SUBDISTRICT
OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT

The Board of Directors of the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District (hereinafter referred to as District), at a meeting held 8-15, 2017, at Greeley, Colorado, authorized the form and execution of a loan contract amendment and the appendices thereto;

At said meeting, the Board charged that these resolutions are irrevocable during the term of the loan and, pursuant to the District's bylaws, authorized the President and Secretary, RESOLVED as follows:

1. to pledge additional collateral unto the Colorado Water Conservation Board for Loan Contract Number CT2015-060, in the form of one (1) share of stock in The Platte Valley Irrigation Company, stock certificate number 1299, and;
2. to execute all documents as required, including the Loan Contract Amendment No. 2 and all Amendment Appendices, including but not limited to, the Amended Promissory Note, Amended Security Agreement, Amended Deeds of Trust and the Amended Stock Assignments necessary to convey a security interest in said property to the CWCB.

CERTIFICATION

THE UNDERSIGNED, THE PRESIDENT AND THE SECRETARY, HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT RECITATIONS OF THE OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE DISTRICT'S BOARD OF DIRECTORS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE DISTRICT'S BYLAWS, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE DISTRICT THE 15TH DAY OF AUGUST 2017.

(SEAL)

ATTEST:

By

Randy Ray

Randy Ray, Secretary

DATE:

8-15-17

By

Randall C. Knutson

Signature

NAME: RANDALL C. KNUTSON

TITLE: President

DATE:

8/17/17

PAID IN FULL



1000 1000 1000

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
WELL AUGMENTATION SUBDISTRICT OF THE
CENTRAL COLORADO WATER CONSERVANCY DISTRICT**

WHEREAS, the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District in Weld, Adams and Morgan Counties, Colorado (the "Subdistrict"), is a quasi-municipal corporation and political subdivision of the State of Colorado (the "State"), acting pursuant to the provisions of Article 45 of Title 37, C.R.S. (the "Water Conservancy Act"), and established for the purpose of providing the beneficial use of water, conservation of water and construction of works within the Subdistrict; and

WHEREAS, Subdistrict was authorized, pursuant to a regular election of the qualified electors of the Subdistrict, duly called and held November 2, 2004, to incur indebtedness in the aggregate of \$39,000,000 and to authorize a mill levy not to exceed 9 mills, for the purchase of water rights and the construction of water storage facilities; and

WHEREAS, the Board of Directors of the Subdistrict (the "Board") resolved to seek a loan from the Colorado Water Conservation Board (the "CWCB Loan") in a principal amount not to exceed \$3,030,000.


THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WELL AUGMENTATION SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT IN THE COUNTIES OF WELD, ADAMS AND MORGAN, AND THE STATE OF COLORADO:

1. The Board hereby authorizes and directs the Board's President, Gary Herman, and Board's Secretary, Randy Ray, to execute and deliver on behalf of the Subdistrict a Loan Contract, Promissory Note, and Security Agreement and such other documents referenced in the loan commitment to obtain the CWCB Loan.
2. This resolution was authorized by all of the members of the Board at its regular meeting held at 3209 West 28th Street, Greeley, Colorado on February 19, 2013, and will remain in effect until closing of the CWCB loan.
3. This Resolution shall take effect immediately upon its passage. ADOPTED AND APPROVED this 19th day of February, 2013.



[SEAL]

ATTEST:

By 
Randy Ray, Secretary

WELL AUGMENTATION SUBDISTRICT
OF THE CENTRAL COLORADO WATER
CONSERVANCY DISTRICT IN WELD,
ADAMS AND MORGAN COUNTIES

By 
Gary Herman, President

PAID IN FULL

SECURITY AGREEMENT

(PLEDGE OF REVENUES)

DATE: FEBRUARY 19, 2013

DEBTOR: Well Augmentation Subdistrict of the Central Colorado Water Conservancy District

SECURED PARTY: COLORADO WATER CONSERVATION BOARD
1313 SHERMAN STREET, ROOM 721
DENVER, CO 80203

PROMISSORY NOTE: \$3,030,000

TERMS OF REPAYMENT: 1.75% PER ANNUM FOR 30 YEARS

LOAN CONTRACT: C150337

COLLATERAL: All revenues, from DEBTOR'S 9 mill property tax revenue are pledged to repay the loan as described in Pledge of Revenues provisions of the LOAN CONTRACT.

To secure payment of the loan evidenced by the PROMISSORY NOTE payable in accordance with the TERMS OF REPAYMENT, or until all principal, interest, and late charges, if any, are paid in full, the DEBTOR grants to SECURED PARTY a security interest in the above described COLLATERAL.

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby and any other security interests described in Section 5 of the Loan Contract Project Summary, DEBTOR is the owner of the COLLATERAL free from any adverse lien, security interest or encumbrances; and that DEBTOR will defend the COLLATERAL against all claims and demands of all persons at any time claiming the same or any interest therein.
2. That the execution and delivery of this agreement by DEBTOR will not violate any law or agreement governing DEBTOR or to which DEBTOR is a party.
3. To not permit or allow any adverse lien, security interest or encumbrance whatsoever upon the COLLATERAL and not to permit the same to be attached or replevined.
4. That by its acceptance of the loan money pursuant to the terms of the CONTRACT and by its representations herein, DEBTOR shall be estopped from asserting for any reason that it is not authorized to grant a security interest in the COLLATERAL pursuant to the terms of this agreement.

UNTIL DEFAULT DEBTOR may have possession of the COLLATERAL, provided that DEBTOR keeps the COLLATERAL in an account separate from other revenues of DEBTOR and does not use the COLLATERAL for any purpose not permitted by the CONTRACT. Upon default, SECURED PARTY shall have the immediate right to the possession of the COLLATERAL.

DEBTOR SHALL BE IN DEFAULT under this agreement upon any of the following events or conditions:

- a. default in the payment or performance of any obligation contained herein or in the Promissory Note or Loan Contract;
- b. dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of
- c. any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR; or
- d. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or

APPENDIX 4 TO LOAN CONTRACT C150337

- d. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or on behalf of DEBTOR which proves to have been false in any material respect when made or furnished.

UPON SUCH DEFAULT and at any time thereafter, SECURED PARTY shall have the remedies of a secured party under Article 9 of the Colorado Uniform Commercial Code. SECURED PARTY may require DEBTOR to deliver or make the COLLATERAL available to SECURED PARTY at a place to be designated by SECURED PARTY, which is reasonably convenient to both parties. Expenses of retaking, holding, preparing for sale, selling or the like shall include SECURED PARTY'S reasonable attorney's fees and legal expenses.

The SECURED PARTY shall give the DEBTOR written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the DEBTOR shall be considered in default for purposes of this Security Agreement. No default shall be waived by SECURED PARTY except in writing, and no waiver by SECURED PARTY of any default shall operate as a waiver of any other default or of the same default on a future occasion. The taking of this security agreement shall not waive or impair any other security SECURED PARTY may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this security agreement; but SECURED PARTY shall retain its rights of set-off against DEBTOR. In the event court action is deemed necessary to enforce the terms and conditions set forth herein, said action shall only be brought in the District Court for the City and County of Denver, State of Colorado, and DEBTOR consents to venue and personal jurisdiction in said Court.

All rights of SECURED PARTY hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of DEBTOR shall bind its successors or assigns.

DEBTOR:

Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq.

By *Gary Herman*
Signature

NAME: *Gary Herman*

TITLE: *President*

DATE: *2/19/13*

PAID IN FULL



(SEAL)

Attest:

By *[Signature]*
Signature

NAME: *Randy W. Ray*

TITLE: *Executive Director*

DATE: *2/19/13*

APPENDIX 4 TO LOAN CONTRACT C150337

DEED OF TRUST EXHIBIT 1

Image	DIV	W	ID	Water Right Name	Water Source	Q10	Q40	Q160	Sect	Twshp	Range	PM	County	Adj Date	Appr Date	Admin No	Use Type	Adj Type	Structure Type	Rate Amount (CFS)	Case No
<img	1	2	821	MEADOW ISLAND 1 DITCH	SOUTH PLATTE RIVER	SW	SW	SW	7	2N	66W	S	WEL	1883-04-28	1866-05-01	5965.00000	1	O	1	26.2300	CA6009
<img	1	2	821	MEADOW ISLAND 1 DITCH	SOUTH PLATTE RIVER	SW	SW	SW	7	2N	66W	S	WEL	1883-04-28	1866-05-01	5965.00000	1	O,TF	1	22.0000	CA33846

<img	1	2	812	LUPTON BOTTOM DITCH	SOUTH PLATTE RIVER	NW	NW	SW	19	1N	66W	S	WEL	1883-04-28	1873-09-15	8659.00000	1	O	1	92.8700	CA6009
<img	1	2	812	LUPTON BOTTOM DITCH	SOUTH PLATTE RIVER	NW	NW	SW	19	1N	66W	S	WEL	1883-04-28	1863-05-15	4883.00000	1	O	1	47.7000	CA6009
<img	1	2	812	LUPTON BOTTOM DITCH	SOUTH PLATTE RIVER	NW	NW	SW	19	1N	66W	S	WEL	1883-04-28	1871-03-10	7739.00000	1	O,TT	1	10.0000	CA96148

PAID IN FULL

STATE OF COLORADO

Colorado Water Conservation Board
Department of Natural Resources

1313 Sherman Street, Room 718
Denver, Colorado 80203
Phone: (303) 866-3441, ext. 3227

MEMORANDUM

To: Department of the Treasury

From: Peg Mason/Contracts Manager

Date: April 26, 2017

Subject: The Platte Valley Irrigation Company
Stock Certificate #1299
Loan Contract No. CT2015-060

Attached for deposit for safekeeping with the State of Colorado, Department of the Treasury, is The Platte Valley Irrigation Company Stock Certificate #1299, for one (1) share dated April 12, 2017.

Thank you,
Peg Mason
Contracts Manager
Water Project Loan Section
Office: 303-866-3441 ext.3227
1313 Sherman St., Room, 721, Denver, CO 80203
peg.mason@state.co.us | www.cwcb.state.co.us

STATE OF COLORADO

Colorado Water Conservation Board
Department of Natural Resources

1313 Sherman Street, Room 718
Denver, Colorado 80203
Phone: (303) 866-3441, ext. 3227

MEMORANDUM

To: Department of the Treasury

From: Peg Mason, Contracts Manager
Finance Section

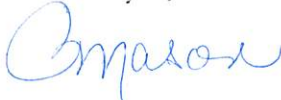
Date: November 29, 2016

Subject: Stock Certificate for the Lupton Meadows Ditch Company
Borrower: Well Augmentation Subdistrict of the Central Colorado Water
Conservation District
Stock Certificate Number 0755

Attached for deposit for safekeeping with the State of Colorado, Department of the Treasury, is Stock Certificate of No. 0755, for 80 shares of The Lupton Meadows Ditch Company in the name of CWCB as Lien Holder and the Well Augmentation Subdistrict of the Central Colorado Water Conservation District as Equity Owner.

If you have any questions, please don't hesitate to contact me.

Thank you,



Peg Mason
Peg.mason@state.co.us
303-866-3441- Ext 3227

Attachment

cc: CWCB File

INCORPORATED UNDER THE LAWS OF THE STATE OF COLORADO



The Platte Valley Irrigation Company

344 Shares of Capital Stock - Par Value \$100.00

This is to Certify that the Well Augmentation Subdistrict of the Central Colorado
Water Conservancy District, as Equity Owner and Colorado Water Conservation Board,
(is) (are) the owner(s) of One and no/100----- as Lienholder
shares of the capital stock of

The Platte Valley Irrigation Company

These shares are issued by the company and the rights and duties of the holder are as set forth in the company's Articles of Incorporation and Bylaws, including amendments made subsequent to the date hereof, and such rules and regulations as may from time to time be adopted by the Board of Directors.

Each share of stock entitles the holder to an equal pro-rata share of the available water supply of the company, subject to certain limitations on use.

The holder is liable for the payment of assessments, and unpaid assessments and obligations of the holder to the company constitute a first lien on these shares in favor of the company.

There are limitations on the transferability of these shares. All transfers must be approved by the Board of Directors of the company, and transferred on the books and records of the company by surrender of this certificate, properly endorsed, for any transfer to be effective against the company.

IN WITNESS WHEREOF, The Platte Valley Irrigation Company has caused this certificate to be signed by its duly authorized officers, and sealed with the seal of the corporation at Greeley, Colorado, this 12th day of Apri, A.D. 2017.

ATTEST:

THE PLATTE VALLEY IRRIGATION COMPANY

Secretary

By

President

\$100.00

SHARES

The shares identified on this certificate are subject to an Indemnification Agreement signed by the stockholder concerning the transfer of C-BT water from the shares. The Indemnification Agreement and Bylaws of the Company provide that the Company has a right to assess these shares for any Company Transaction Liability, as defined by the Bylaws, incurred by the Company as a result of the transfer of C-BT water from these shares. The Company may enforce this assessment through the***

The shares represented by this certificate do not entitle the shareholder to the entire beneficial use of Colorado – Big Thompson water allocated through the Northern Colorado Water Conservancy District for beneficial use upon the lands of the Company's shareholders. While the shares under this certificate were originally entitled to 30 C-BT units, some of these units are restricted as to use, encumbrances, options, and transferability pursuant to: (i) agreements executed in connection with the below referenced transactions; (ii) and the bylaws of the Company. The shares are no longer entitled to delivery of the following amounts of C-BT water:

	C-BT Units
Sale to Erie – 10/8/04	2.0
Sale to Erie – 10/14/05	5.6
Sale to Erie – 10/13/06	5.6
Sale to Erie – 10/12/07	5.6
Sale to Erie – 10/10/08	5.6
Sale to Erie – 10/9/09	5.6

Signature of President

[Handwritten signatures]

CERTIFICATE

FOR

** 1 **

SHARES

OF THE

Capital Stock

OF

The Platte Valley
Irrigation Company

ISSUED TO

Well Augmentation Subdistrict
of the Central Colorado Water
Conservancy District, as Equity
Holder

DATED

April 12, 2017

For Value Received, hereby sell, assign, and transfer

Shares

of the Capital Stock represented by the within
Certificate, and do hereby irrevocably constitute and appoint
to transfer the said Stock on the books of the within named
Corporation with full power of substitution in the premises.

Dated

the presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE
FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT
ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

***Assessment Right procedure set forth in Bylaw 4, through a lien, foreclosure of a lien, by stopping delivery of water associated with these shares, or any other remedy available by law. The Company may reject requests to transfer these shares while they are subject to the Indemnification Agreement pursuant to the Bylaws. See the Indemnification Agreement and Bylaws of the Company for a complete description of the Company's rights concerning these shares.

INCORPORATED UNDER THE LAWS OF THE STATE OF COLORADO

0755

--80-- Shares

The Lupton Meadows Ditch Company

(A MUTUAL IRRIGATION COMPANY)

This is to Certify, That CWCB AS LIEN HOLDER & WELL AUGMENTATION
SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVATION DISTRICT AS EQUITY
OWNER

is the owner of -- EIGHTY -- shares of the capital stock of THE LUPTON MEADOWS DITCH COMPANY, transferable only on the books of the Company, upon surrender of this certificate, properly endorsed. Each share of the capital stock of this Company entitles the record owner thereof to receive each year from the Company's irrigation system water for the irrigation of one acre of land, subject to the following terms and conditions:

- (1) All and singular the provisions of the articles of incorporation and by-laws of the Company, and any changes and amendments thereto which may be hereafter made.
- (2) Water shall be delivered to the several stockholders, without priority one over another, and shall be measured at the point of delivery from the Company's irrigation system.
- (3) This stock is subject to assessment to meet annual expenses and cost of maintenance, and no transfer will be recognized by the Company while any assessment is delinquent.
- (4) No water will be furnished upon this certificate while any assessment or any portion thereof may be arrears.

In Witness Whereof, THE LUPTON MEADOWS DITCH COMPANY has caused this certificate to be signed and issued by its duly authorized officers, and to be sealed with its corporate seal, this 15th day of NOVEMBER, 2016.

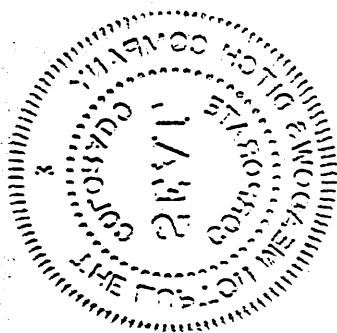


Howard Smith

Secretary.

Jack Miller

President.



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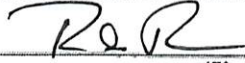
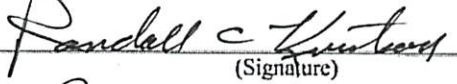
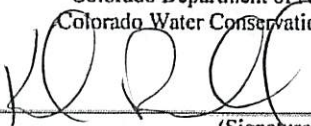
COPY

LOAN CONTRACT AMENDMENT NO. 2**THREE (3) SIGNATURE PAGES (COVER PAGE) WITH ORIGINAL SIGNATURES ARE REQUIRED**

State Agency: Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Amendment No. 2 Contract Number CMS 94892 CT2015-060
Borrower Well Augmentation Subdistrict of the Central Colorado Water Conservancy District	Original Contract Number Amend No. 1 CMS 53652 CMS 56911 C150337 CT2015-060
Current Contract Maximum Amount \$1,651,904.79	Contract Performance (Project) Beginning Date 03/22/2013
Reason for Modification Decrease total loan amount due to substantial completion of Project, add additional stock certificates pledged as collateral, and make change to reflect transferred stock certificate number 0755, which replaces stock certificate number 0652 previously pledged as collateral.	Contract Performance (Project) End Date 03/22/2017
	Loan Contract Repayment Schedule (See Promissory Note) Payment Initiation Date: 06/17/2017 Maturity Date: 06/01/2047

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

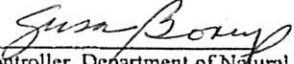
BORROWER Well Augmentation Subdistrict of the Central Colorado Water Conservancy District  (Signature) Name: <u>Randy Ray</u> Title: <u>Executive Director</u> Date: <u>6/22/17</u> ATTEST:  (Signature) Name: <u>Randall Knutson</u> Title: <u>Board President</u> Date: <u>6/22/17</u>	STATE OF COLORADO John W. Hickenlooper, Governor Colorado Department of Natural Resources Colorado Water Conservation Board (CWCB)  (Signature) Name: <u>Kirk Russell, P.E., Section Chief</u> CWCB Finance Section Date: <u>7/5/17</u>
--	---

PAID IN FULL

In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate

STATE CONTROLLER

Robert Jaros, CPA, MBA, JD

By: 
Susan Borup, Controller, Department of Natural ResourcesAmendment Effective Date: 8/14/17

1. PARTIES

This Amendment (the "Amendment") to the Original Contract shown on the Signature and Cover Page for this Amendment (the "Contract") is entered into by and between the Borrower, and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date.

The Parties' respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment.

4. PURPOSE

The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District was approved for a loan, from the CWCB, totaling \$3,030,000.00 on March 22, 2013 to finance the Water Rights and Gravel Pit Storage Project (Project). A decrease of \$1,378,095.21 will be made for funds not needed. The Project is completed and the parties agree to amend the contract to reduce the final loan amount from \$3,030,000.00 to \$1,651,904.79. The parties also agree that the Borrower shall pledge as additional collateral an undivided one hundred percent (100%) interest in one (1) share of capital stock of The Platte Valley Irrigation Company, stock certificate number 1299. This amendment also reflects the change of the stock certificate number for eighty shares of capital stock previously pledged as collateral in The Lupton Meadows Ditch Company. The transferred stock certificate number of 0755, in the name of CWCB as Lien Holder and Well Augmentation Subdistrict of the Central Colorado Water Conservancy District as Equity Owner, replaces stock certificate number 0652 in the name of Mildred Mae Sarchet, LLC.

5. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The original loan contract amount is hereby deleted and replaced with the Current Contract Maximum Amount of \$1,651,904.79, shown on the Signature and Cover Page for this Amendment.
- B. The Amendment to Deed of Trust, Appendix A-1, in the revised loan amount, and incorporated herein *shall replace and supersede* the Original Deed of Trust, attached to Loan Contract Amendment No. 1 as Appendix A. This amendment reflects the change of the stock certificate number. The transferred stock certificate number of 0755, in the name of CWCB as Lien Holder and Well Augmentation Subdistrict of the Central Colorado Water Conservation District as Equity Owner, *replaces* stock certificate number 0652 in the name of Mildred Mae Sarchet, LLC. This Amendment to Deed of Trust shall be recorded with the Weld County Clerk and Recorder.
- C. Amendment to Deed of Trust, Appendix A-2, in the revised loan amount, and incorporated herein *shall supplement and operate in conjunction with* the Amendment to Deed of Trust, attached to the Loan Contract Amendment No. 2 as Appendix A-1. This Amendment to Deed of Trust adds additional stock pledged as collateral, stock certificate number 1299. This Amendment to Deed of Trust shall be recorded with the Weld County Clerk and Recorder.
- D. Amendment to Promissory Note, Appendix B-1, in the revised loan amount, and incorporated herein *shall replace and supersede* the Original Promissory Note attached to the Original Contract as Appendix 2.
- E. Amendment to Security Agreement, Appendix C-1, in the revised loan amount, and incorporated herein *shall supplement and operate in conjunction with* the Original Security Agreement, attached to the Original Contract as Appendix 4.
- F. Amendment to Stock Assignment, Appendix D-1 and incorporated herein *shall replace and supersede* the Stock Assignment attached to Loan Contract Amendment No. 1 as Appendix B. CWCB shall be responsible for all costs related to replacing any stock certificate lost while in custody of the CWCB or the State Treasurer's Office.
- G. Amendment to Stock Assignment, Appendix D-2 and incorporated herein *shall supplement and operate in conjunction with* the Stock Assignment attached to Loan Contract Amendment No. 2 as Appendix D-1. CWCB shall be responsible for all costs related to replacing any stock certificate lost while in custody of the CWCB or the State Treasurer's Office.

6. RESOLUTION

The Borrower has adopted a Board of Director's Resolution (Required) and a Shareholder's Resolution (If not required, must be stated in Borrower's bylaws), irrevocable for the term of this loan, authorizing the Borrower to pledge the additional collateral for the Loan, and to execute documents necessary to convey a security interest in said collateral to the CWCB, and attached as Appendix E.

**APPENDIX A-1, AMENDMENT NO. 2 LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO DEED OF TRUST (1)**

Date: June 22, 2017
Grantor (Borrower): Well Augmentation Subdistrict of the Central Colorado
Water Conservancy District
Beneficiary (Lender): Colorado Water Conservation Board
Address: 1313 Sherman Street, Room 718, Denver,
Colorado, 80203
Date of Deed of Trust: April 24, 2013
Recorded Date of Deed of Trust: June 14, 2013
County of Recording ("County"): Weld
Deed of Trust Recording Information: 3940199
Loan Contract Number: CT2015-060 (C150337)
Revised Promissory Note: \$1,651,904.79, 1.75%, 30 Years

This Amendment to the ORIGINAL DEED OF TRUST is between the Grantor and the Public Trustee of the County, State of Colorado.

The ORIGINAL DEED OF TRUST was recorded to secure repayment of the indebtedness evidenced by the LOAN CONTRACT and PROMISSORY NOTE between the Grantor and the Beneficiary.

The BORROWER agreed in AMENDMENT NO. 1 to the ORIGINAL CONTRACT to convey, as COLLATERAL, an undivided one hundred percent (100%) interest in eighty (80) shares of capital stock in The Lupton Meadows Ditch Company. This amendment reflects the change of the stock certificate number. The transferred stock certificate number of 0755, in the name of CWCB as Lien Holder and Well Augmentation Subdistrict of the Central Colorado Water Conservation District as Equity Owner, replaces stock certificate number 0652 in the name of Mildred Mae Sarchet, LLC.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This AMENDMENT TO DEED OF TRUST, APPENDIX A-1 to AMENDMENT 2 to the ORIGINAL CONTRACT NO. CT2015-060 *shall replace and supersede* the ORIGINAL DEED OF TRUST attached as APPENDIX A to AMENDMENT 1 to the ORIGINAL CONTRACT recorded June 14, 2013, reception number 3940199, in Weld County and incorporated herein by reference, *shall supplement and operate in conjunction with* the Amendment to Deed of Trust, attached to the Loan Contract Amendment No. 2 as Appendix A-2.
2. The Grantor has executed a revised PROMISSORY NOTE, in the amount of \$1,651,904.79 to secure the repayment of the indebtedness, evidenced by LOAN CONTRACT NO. CT2015-060 (150337) to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said PROMISSORY NOTE, or until the loan is paid in full.

3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the original deed of trust, the provisions of this amendment shall in all respects supersede, govern, and control.
4. Any provisions of the original deed of trust not expressly modified herein remain in full force and effect.
5. Executed on the date first written above.



GRANTOR: Well Augmentation Subdistrict
of the Central Colorado Water Conservancy District

By 
Signature

Name Randy Ray

Title EXECUTIVE DIRECTOR

Date 6/22/17

ATTEST:

By 
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

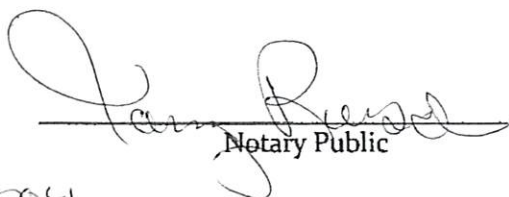
NOTARY REQUIRED

State of Colorado

County of Weld) ss.

The foregoing instrument was acknowledged before me on 6/22/17, 2016, by Randall Knutson (Name) as President (Title) and Randy Ray (Name) as Executive Director (Title) of the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District.

Witness TAMARA LUSCH official seal.
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134030345
MY COMMISSION EXPIRES MAY 13, 2021
My commission expires May 13, 2021


Notary Public

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County)

APPENDIX A-2, AMENDMENT NO. 2 LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO DEED OF TRUST (2)

Date: June 22, 2017
Grantor (Borrower): Well Augmentation Subdistrict of the Central Colorado
Water Conservancy District
Beneficiary (Lender): Colorado Water Conservation Board
Address: 1313 Sherman Street, Room 718, Denver,
Colorado, 80203
Date of Deed of Trust: April 24, 2013
Recorded Date of Deed of Trust: June 14, 2013
County of Recording ("County"): Weld
Deed of Trust Recording Information: 3940199
Loan Contract Number: CT2015-060 (C150337)
Revised Promissory Note: \$1,651,904.79, 1.75%, 30 Years

This Amendment to the ORIGINAL DEED OF TRUST is between the Grantor and the Public Trustee of the County, State of Colorado.

The ORIGINAL DEED OF TRUST was recorded to secure repayment of the indebtedness evidenced by the LOAN CONTRACT and PROMISSORY NOTE between the Grantor and the Beneficiary.

The BORROWER has agreed in this AMENDMENT NO. 2 to the ORIGINAL CONTRACT, to convey as COLLATERAL, an undivided one hundred percent (100%) interest in one (1) share of capital stock in The Platte Valley Irrigation Company evidenced by Stock Certificate Number 1299, in the name of CWCB as Lien Holder and Well Augmentation Subdistrict of the Central Colorado Water Conservation District as Equity Owner.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This AMENDMENT TO DEED OF TRUST, APPENDIX A-2 to AMENDMENT 2 to the ORIGINAL CONTRACT NO. CT2015-060 *shall replace and supersede* the ORIGINAL DEED OF TRUST attached as APPENDIX A to AMENDMENT 1 to the ORIGINAL CONTRACT recorded June 14, 2013, reception number 3940199, in Weld County and incorporated herein by reference, and *shall supplement and operate in conjunction with* the Amendment to Deed of Trust, attached to the Loan Contract Amendment No. 2 as Appendix A-1.
2. The Grantor has executed a PROMISSORY NOTE, in the amount of \$1,651,904.79 to secure the repayment of the indebtedness, evidenced by LOAN CONTRACT NO. CT2015-060 (150337) to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said PROMISSORY NOTE, or until the loan is paid in full.
3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the original deed of

trust, the provisions of this amendment shall in all respects supersede, govern, and control.

4. Any provisions of the original deed of trust not expressly modified herein remain in full force and effect.
5. Executed on the date first written above.

GRANTOR: Well Augmentation Subdistrict
of the Central Colorado Water Conservancy District



By [Signature]
Signature

Name Randy Ray

Title EXECUTIVE DIRECTOR

Date 6/22/17

ATTEST:

By [Signature]
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

PAID IN FULL

NOTARY REQUIRED

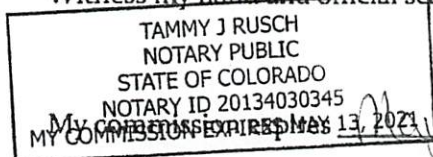
State of Colorado

County of Weld)

) ss.

The foregoing instrument was acknowledged before me on 6/22/17 ^{TR} 2016
by Randall Knutson (Name) as President (Title) and Randy Ray
(Name) as Executive Director (Title) of the Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District.

Witness my hand and official seal.



[Signature]
Notary Public

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County)

COPY

APPENDIX C-1, AMENDMENT NO.2 TO LOAN CONTRACT CT2015-060
AMENDMENT TO SECURITY AGREEMENT

DEBTOR: Well Augmentation Subdistrict of the Central Colorado Water
Conservancy District

SECURED PARTY: Colorado Water Conservation Board

REVISED LOAN AMOUNT: \$1,651,904.79

TERM OF REPAYMENT: 30 years at the interest rate of 1.75%

LOAN CONTRACT NUMBER: CT2015-060 (C150337)

1. The Parties have amended the Original Loan Contract and Promissory Note to decrease the loan amount from \$3,030,000.00 to \$1,651,904.79, and hereby amend the Original Security Agreement to document the change of loan amount.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.
3. Revised Promissory Note for this Contract reads Total Loan Amount is **\$1,651,904.79**, with an annual loan payment of \$71,246.25 at an interest rate of 1.75%, for 30 years or until the loan is paid in full.

(SEAL)



ATTEST:

By

Randall C. Kuntz
Signature/Title

Date

6/22/17

DEBTOR: Well Augmentation Subdistrict of the
Central Colorado Water Conservancy
District

By Rela EXECUTIVE DIRECTOR
Signature/Title

Date

6/22/17

PAID IN FULL

COPY

APPENDIX D-1, AMENDMENT NO.2
LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO STOCK ASSIGNMENT (1)

For value received, the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District hereby sells, assigns and transfers EIGHTY (80) shares of stock in The LUPTON MEADOWS DITCH COMPANY unto the COLORADO WATER CONSERVATION BOARD, which stock is standing in the name of the undersigned on the books and records of the company. The Borrower shall have the transfer of the certificate(s) for the shares, represented by Certificate No. 0755 issued in both the Borrower's and the CWCB's names, and shall give physical custody of the stock certificate(s) to the CWCB, which shall deposit the certificate(s) at the State Treasurer's Office for safekeeping. CWCB shall be responsible for all costs related to replacing any stock certificate lost while in custody of the CWCB or the State Treasurer's Office. The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District shall retain both the responsibility for paying assessments on and the privilege of voting said shares.



BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water Conservancy District

By [Signature]
Signature

Name Randy Ray

Title EXECUTIVE DIRECTOR

Date 6/22/17

Attest:

By [Signature]
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

PAID IN FULL

COPY

APPENDIX D-2, AMENDMENT NO.2
LOAN CONTRACT CT2015-060 (C150337)
AMENDMENT TO STOCK ASSIGNMENT (2)

For value received, the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District hereby sells, assigns and transfers ONE (1) share of stock in THE PLATTE VALLEY IRRIGATION COMPANY unto the COLORADO WATER CONSERVATION BOARD, which stock is standing in the name of the undersigned on the books and records of the company. The Borrower shall have the transfer of the certificate(s) for the shares, represented by Certificate No. 1299 issued in both the Borrower's and the CWCB's names, and shall give physical custody of the stock certificate(s) to the CWCB, which shall deposit the certificate(s) at the State Treasurer's Office for safekeeping. CWCB shall be responsible for all costs related to replacing any stock certificate lost while in custody of the CWCB or the State Treasurer's Office. The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District shall retain both the responsibility for paying assessments on and the privilege of voting said shares.



BORROWER: Well Augmentation Subdistrict of
the Central Colorado Water Conservancy District

By R.R.
Signature

Name RANDY RAY
Title EXECUTIVE DIRECTOR

Date 6/22/17

Attest:

By Randall C. Knutson
Signature

Name Randall Knutson

Title Board President

Date 6/22/17

PAID IN FULL

COPY

RESOLUTIONS OF THE BOARD OF DIRECTORS
OF THE WELL AUGMENTATION SUBDISTRICT
OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT

The Board of Directors of the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District (hereinafter referred to as District), at a meeting held 8-15, 2017, at Greeley, Colorado, authorized the form and execution of a loan contract amendment and the appendices thereto;

At said meeting, the Board charged that these resolutions are irrevocable during the term of the loan and, pursuant to the District's bylaws, authorized the President and Secretary, RESOLVED as follows:

1. to pledge additional collateral unto the Colorado Water Conservation Board for Loan Contract Number CT2015-060, in the form of one (1) share of stock in The Platte Valley Irrigation Company, stock certificate number 1299, and;
2. to execute all documents as required, including the Loan Contract Amendment No. 2 and all Amendment Appendices, including but not limited to, the Amended Promissory Note, Amended Security Agreement, Amended Deeds of Trust and the Amended Stock Assignments necessary to convey a security interest in said property to the CWCB.

CERTIFICATION

THE UNDERSIGNED, THE PRESIDENT AND THE SECRETARY, HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT RECITATIONS OF THE OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE DISTRICT'S BOARD OF DIRECTORS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE DISTRICT'S BYLAWS, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE DISTRICT THE 15TH DAY OF AUGUST 2017.

(SEAL)

ATTEST:

By

Randy Ray, Secretary

DATE:

8-15-17

By

Randall C. Knutson
Signature

NAME: RANDALL C. KNUTSON

TITLE: President

DATE:

8/17/17

PAID IN FULL



CENTRAL COLORADO WATER CONSERVANCY DISTRICT
3209 W 28 STREET GREELEY, CO 80634 | WWW.CCWCD.ORG
LOCAL: 970.330.5180 METRO: 303.225.0174 FAX: 970.330.4546

**MINUTES OF THE
WELL AUGMENTATION SUBDISTRICT OF THE
CENTRAL COLORADO WATER CONSERVANCY DISTRICT
February 21, 2017**

The regular monthly meeting of the Central Colorado Water Conservancy District was held on Tuesday, February 21, 2017, at the office of the Central Colorado Water Conservancy District located at 3209 W 28 St, Greeley Colorado. The meeting was called to order at 10:02 A.M. and the following Directors were present: Randy Knutson, President; Everett Kissler, Jim Reasoner by teleconference, Dave Bernhardt, Doug Dill, Ralph Anders, Don Rosenbrock, Tom Brown, Vern Kammerzell, Steve Bruntz, Alan Axton, Bret Schmidt, Chad Schafer, and Frank Eckhardt. Gary Herman was absent.

Others present were: Randy Ray, Executive Director; Lynn Kramer, Contracts Manager; Ruthanne Schaffer, Senior Water Accountant; Kim Lawrence of Lawrence, Jones, Custer and Grasmick, Zach Wengrovius of Brown and Caldwell; Andy Moore of CWCB; Mary Halstead of DNR; Don Diones and Robyn Moore with George K Baum; Willem Schreuder, Principia Mathematica; Aaron Million, Billy Mihelich with White Sands Water Engineers, and Bill Ray with WR Communications.

President Randy Knutson opened the meeting.

President Randy Knutson offered his condolences to Kathy Parker and her family for the loss of her husband last week.

ACCEPT INTO THE RECORD THE CONSENT CALENDAR, FINANCIALS, AND MINUTES OF NOVEMBER, DECEMBER AND JANUARY AS PRESENTED.

Motion: Ralph Anders

Second: Everett Kissler

MOTION CARRIED

PUBLIC DISCUSSION

Don Diones and Robyn Moore from George K Baum & Company spoke to the Board about the possibility of putting a bond issue on the ballot in 2018 for GMS. Property values are possibly going up for 25% for residential and will go down only 5% for oil and gas.

Bill Ray addressed the Board about our public relations. He has been working with Randy Ray and Kathy Parker about who Central is and the importance of water supply and water projects in the District. They are working on increasing our social media presence among other public outreach efforts.

Andy Moore, Mary Halstead, and Zach gave a presentation on the SPDSS Groundwater Model. They reviewed the objectives of the model, history, updates, recent model calibrations, effects of

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well pumping, lined gravel pits, and comparing it to Glover. The model currently goes from 1950 to 2012.

Willem Schreuder spoke the Board regarding his role with Central and the Walker Recharge Project. Willem explained modeling efforts, the SPDSS model, incorporating additional local specific data to optimize wellfields. Willem reviewed his resume with the Board.

Aaron Million presented an update to the Flaming Gorge pipeline proposal that he has worked on since mid-2000's. The project plan is to start at the Green River, going through Flaming Gorge and down terminating initially around Denver. Aaron is looking for Central's support both financially and advisory. The Flaming Gorge Project Advisory Board meeting is next Tuesday and he would like the Board to consider his draft Letter of Interest.

ACTION ITEMS

Legal Action

Legal Reports

Kim Lawrence reviewed the December 2016 Resume. Case 16CW3178 is the Town of Castle Rock's filing for a 30cfs direct flow right and 2,000AF storage and refill right in Chatfield Reservoir.

FILE STATEMENT OF OPPOSITION TO TOWN OF CASTLE ROCK'S CASE #16CW3178

Motion: Dave Bernhardt

Second: Everett Kissler

MOTION CARRIED WITH ALAN AXTON VOTING NAY

Legal Counsel recommends opposing Westminster's case 16CW3186

FILE STATEMENT OF OPPOSITION TO CITY OF WESTMINSTER'S CASE 16CW3186.

Motion: Frank Eckhardt

Second: Don Rosenbrock

MOTION CARRIED

PAID IN FULL

Kim recommends filing a statement of opposition to ACWWA's and ECCV's case number 16CW3195 and 16CW3196 and ACWWA's, ECCV's, and United's 16CW3200. 16CW3195 consists of an application for water rights, exchange, appropriation of historical return flow, and change of water rights in Adams, Arapahoe, Denver, Larimer, Morgan and Weld Counties. ACWWA has claimed a water demand of 10,275-acre feet. Case number 16CW3200 is to change 99.5 shares of the Western Mutual Ditch Company.

FILE STATEMENT OF OPPOSITION TO ACWWA'S AND ECCV'S CASE NUMBERS #16CW3195 and #16CW3196

Motion: Everett Kissler

Second: Bret Schmidt

MOTION CARRIED

FILE STATEMENT OF OPPOSITION TO ACWWA'S, ECCV'S AND UNITED'S CASE
NUMBER 16CW3200.

Motion: Chad Schafer

Carried: Bret Schmidt

MOTION CARRIED WITH FRANK ECKHARDT AND RANDY KNUTSON ABSTAINING

Kim gave an update to the WAS Supreme Court hearing for adding Weldon Valley Ditch
recharge credits. Central's response was filed today.

Kim presented the 2015-2016 legal report.

I MOVE TO ADJOURN THE OPEN MEETING AND GO INTO EXECUTIVE SESSION TO
FOR A CONFERENCE WITH THE ATTORNEY FOR THE PURPOSE OF RECEIVING
LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS UNDER SECTION 24-6-402(4)(B)
CRS.

Motion: Everett Kissler

Second: Frank Eckhardt

MOTION CARRIED

ADJOURN THE EXECUTIVE SESSION AND RETURN TO THE OPEN MEETING AT 1:28
PM.

SETTLE WITH ALE AS COUNSEL HAS PRESENTED.

Motion: Vern Kammerzell

Second: Steve Bruntz

MOTION CARRIED

Staff was directed to review and present a revision to the policy regarding meter tampering and
take it to the Committees.

Action/Discussion

Lynn Kramer presented one Petition for Class D Irrigation Water Allotment Contract in WAS for
deletion.

APPROVE THE DELETION OF MILTON AND MILLICENT SANDIN CONTRACT #406.

Motion: Ralph Anders

Second: Doug Dill

MOTION CARRIED

ADJOURN FOR LUNCH AND RECONVENE.

Subdistrict Action

PAID IN FULL

The Board discussed the Flaming Gorge Project that Aaron Million presented this morning.

APPROVE JOINING THE FLAMING GORGE PROJECT AND HAVE RANDY RAY TAKE AN ADVISORY POSITION ON THE BOARD CONTINGENT UPON THE FEE BEING WAIVED, WITH BOARD MEMBERS WILLING TO ASSIST RANDY UPON REPRESENTATION.

Motion: Vern Kammerzell

Second: Everett Kammerzell

MOTION CARRIED WITH ALAN AXTON VOTING NAY

Randy Ray presented and reviewed a draft resolution for the USBR Drought Resiliency Grant to be applied towards the Walker Recharge Project. Danyelle McCannon submitted the application with assistance from staff and consultants. Central will know around May of this year if we will be awarded the Grant.

APPROVE THE RESOLUTION FOR THE USBR DROUGHT RESILIENCY GRANT FOR THE WALKER RECHARGE PROJECT.

Motion: Alan Axton

Second: Chad Schafer

MOTION CARRIED

APPROVE THE FIRST AMENDMENT TO THE SPECIFIC PERFORMANCE CONTRACT WITH DAVID W AND KAYLEEN J HUNT FOR ONE SHARE OF PVIC KNOWN AS THE CECIL SHARE STOCK CERTIFICATE #1284.

Motion: Dave Bernhardt

Second: Bret Schmidt

MOTION CARRIED

Committee Action

APPROVE TO HIRE DEERE AND AULT TO DESIGN PLANS FOR THE GRAVITY RELEASE INFRASTRUCTURE FROM SHORES RESERVOIR.

Motion: Dave Bernhardt

Second: Bret Schmidt

MOTION CARRIED

APPROVE TO AMEND THE A&W WATER SERVICE RECHARGE EASEMENTS REGARDING THE USE OF THEIR CREDITS FROM THEIR RECHARGE SITES AS PRESENTED.

Motion: Vern Kammerzell

Second: Chad Schafer

MOTION CARRIED

APPROVE TO DEDICATE INCOME FROM THE OIL AND GAS LEASES TOWARDS THE WALKER RECHARGE PROJECT.

Motion: Everett Kissler

Second: Dave Bernhardt
MOTION CARRIED

APPROVE ACWWA'S APPLICATION TO USE CENTRAL'S AUGMENTATIO STATION
ON THE FULTON DITCH FOR \$2,000 PLUS \$50 PER ACRE FOOT RUNNING FEE.

Motion: Alan Axton
Second: Steve Bruntz
MOTION CARRIED

APPROVE THE HIRING OF WILLEM SCHEUDER FROM PRINCIPIA MATHEMATICA
TO WORK ON THE WALKER RECHARGE PROJECT.

Motion: Dave Bernhardt
Second: Steve Bruntz
MOTION CARRIED

APPROVE TO CLOSE OUT THE CWCBC LOAN WAS HAS OPEN AND TO APPLY THE
MONEY TOWARDS THE PURCHASE OF THE CECIL SHARE OF PVC THAT WAS
PURCHASED FROM HUNT FEED LOT FROM CASE 08CW0071 WITH AN AVERAGE
CONSUTIVE USE OF 43.7 ACRE FEET FOR \$655,500, KNOWS AS THE CECIL SHARE.

Motion: Dave Bernhardt
Second: Everett Kissler
MOTION CARRIED

Action Request from Staff

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APPROVE THE 6TH ADDENDUM TO THE WSSC LEASE.

Motion: Bret Schmidt
Second: Dave Bernhardt
MOTION CARRIED

Discussion was held on how to handle quota trading between oil and gas contract holders. The decision was made to have staff work on an agreement.

Billy Mihelich presented to the Board several scenarios that he has been running to set a preliminary quotas for GMS and WAS.

SET THE PRELIMINARY QUOTA FOR WAS AT 55% FOR THE 2017-2018 IRRIGATION SEASON.

Motion: Dave Bernhardt
Second: Bret Schmidt
MOTION CARRIED

President's Report

Randy Knutson attended the CWCBC winter conference in Denver last month. The Conference this winter focused a lot on social media. The summer conference will be in Vail this year.

Randy provided the Board a report on the Chatfield Storage Reallocation Project. The general manager of the group will now be sending out a newsletter electronically, contact Randy Ray if anyone is interested in having their email added to the list.

An FAQ sheet was included in the packet, published by the Greenway Foundation.

The CRMC had a Board meeting this morning. The mitigation company now has an office at Chatfield Reservoir through a lease agreement with Colorado Parks and Wildlife. Central has spent about \$1.7 million of funds to date and the Mitigation Company has spent about \$9 million. There will be a meeting about the marina to discuss design, ownership, etc.

Secretary's Report

The Gilcrest high ground water pilot project is entering into year two of the pilot project. The water supply for year two of the pilot project will hopefully come from the City of Greeley. The Groundwater Committee is going to continue looking at having local irrigators pump additional groundwater and reducing surface diversions. Data will continue to be collected in the effort.

The Board reviewed a map of a potential pipeline the town of Gilcrest may build to discharge storm water and high groundwater. One idea is to coordinate with Gilcrest and connect some of Central's augmentation wells to the Gilcrest pipeline.

Christi Bode has interviewed Randy Ray and Randy Knutson and will be interviewing Tom Cech to begin creating Central's video library.

Randy spoke on upcoming water demands and needs for dairies, feedlots, and industrial uses. These industries have been using very large amounts of C-BT and distributed by area rural domestic suppliers. Central could be a solution to assist with the growing water needs.

Staff was directed to pursue discussion with CWCBC regarding their space they have available at Chatfield.

Randy spoke to the Board regarding a lease he is working on with Great Western for this coming fall and winter. All income would be dedicated towards the Walker Recharge Project.

Randy and Steve Bruntz gave an update on the Kiowa Creek flood damage to the Kiowa recharge project. A third party called a dam inspector and the repairs to the spillways and over-flow tubes are underway.

The Board reviewed the March NOAA Forecast; Northern Colorado has equal changes for moisture in 2017.

Staff reminded the Board of the GMS and WAS Member Meeting, to be held on March 23, 2017 from 10am to 1pm at Island Grove in the 4-H building.

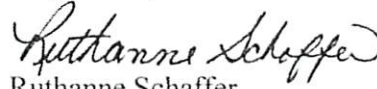
Doug Dill was asked to speak to the Board about joining the South Platte CO-OP. The Board suggested a representative from the CO-OP to come and speak to the Board at the next meeting, March 21.

New Business

None

The regular meeting was adjourned at 3:45 P.M.

Respectfully submitted,



Ruthanne Schaffer
Senior Water Accountant



Randy Ray, Executive Director

PAID IN FULL

CONTRACT AMENDMENT

Amendment No.1	Original Loan Contract CMS 53652 Contract #C150337	Amendment CMS Number (to be filled in by CWCB) #56911 CT 2015-060
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1) PARTIES

This Amendment No. 1 (AMENDMENT) to the above-referenced ORIGINAL LOAN CONTRACT (hereinafter called the ORIGINAL CONTRACT) is entered into by and between the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, 3209 W. 28th St., Greeley, Colorado 80634-7554 (hereinafter called "BORROWER" or "COMPANY"), and the STATE OF COLORADO (hereinafter called the "STATE") acting by and through the Department of Natural Resources, Colorado Water Conservation Board, (hereinafter called "CWCB").

2) EFFECTIVE DATE AND ENFORCEABILITY

This AMENDMENT shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "EFFECTIVE DATE"), but shall be effective and enforceable thereafter in accordance with its provisions.

3) FACTUAL RECITALS

The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District was approved for a loan, from the CWCB, totaling \$3,030,000 on March 22, 2013 to finance the "Water Rights and Gravel Pit Storage Project (PROJECT)". The BORROWER agreed in the ORIGINAL CONTRACT, to convey as COLLATERAL, an undivided one hundred percent (100%) interest in all WATER RIGHTS purchased with CWCB LOAN CONTRACT NO. C150337 funds.

4) CONSIDERATION

Consideration for this AMENDMENT to the ORIGINAL CONTRACT consists of the payments that shall be made pursuant to this AMENDMENT and ORIGINAL CONTRACT and the promises and agreements herein set forth.

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this AMENDMENT.

5) LIMITS OF EFFECT

This AMENDMENT is incorporated by reference into the ORIGINAL CONTRACT, and the ORIGINAL CONTRACT and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

6) MODIFICATIONS.

The ORIGINAL CONTRACT NO. **C150337** and all prior amendments thereto, if any, are modified as follows:

- a) BORROWER agrees to convey, as COLLATERAL, an undivided one hundred percent (100%) interest in eighty (80) shares of the capital stock of the Lupton Meadows Ditch Company. The Lupton Meadows WATER RIGHTS are diverted and delivered to the Sarchet Farm via both the Lupton Bottoms, forty (40) shares and Meadow Island #1 Ditch Companies, forty (40) shares. The Lupton Meadows Ditch Company WATER RIGHTS purchase is funded by CWCB LOAN CONTRACT NO. C150337.
- b) BORROWER shall have the stock certificate(s) for the shares issued in both the Borrower's and the CWCB's name. CWCB's name shall appear as "Mortgagee" on the stock certificate(s).
- c) BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the COLLATERAL or the PLEDGED PROPERTY so long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the

prior written concurrence of the CWCB. In the event of any such sale, transfer or encumbrance without the CWCB's written concurrence, the CWCB may at any time thereafter declare all outstanding principal, interest, and late charges, if any, on this loan immediately due and payable.

- d) The BORROWER agrees that it shall execute the following documents, all of which shall set forth the revision of the ORIGINAL CONTRACT, to include the addition of WATER RIGHTS purchased with CWCB LOAN CONTRACT NO. C150337 funds as COLLATERAL:
- I. Prior to disbursement of funds, the BORROWER shall provide CWCB an appraisal or written opinion of the value of WATER RIGHTS proposed for purchase, from a qualified water rights appraiser, supporting the purchase price and an engineering analysis identifying how the water will be put to beneficial use.
 - II. BORROWER shall execute a DEED OF TRUST, attached hereto as APPENDIX A and incorporated herein, providing an undivided one hundred percent (100%) interest in eighty (80) shares of the Lupton Meadows Ditch Company; WATER RIGHTS purchased with CWCB LOAN CONTRACT NO. C150337 funds, as more particularly described in the attached DEED OF TRUST.
 - III. BORROWER shall execute a STOCK ASSIGNMENT(S), attached hereto as APPENDIX B and incorporated herein, evidencing the Stock Certificate Number(s) encumbering all the shares.
 - IV. Prior to the execution of this Amendment by the CWCB, the BORROWER shall submit to the CWCB a letter from its attorney stating that it is the attorney's opinion that (1) the person(s) signing for the BORROWER was duly elected or appointed and has authority to sign such documents on behalf of the BORROWER and to bind the BORROWER; (2) the BORROWER's governing body has validly adopted a resolution approving this Amendment (which will become APPENDIX E to this amendment); (3) there are no provisions in the any state or local law that prevent this Amendment from binding the BORROWER; and (4) this Amendment will be valid and binding against the BORROWER if entered into by the CWCB.

7) EFFECTIVE DATE OF AMENDMENT

The effective date hereof is upon approval of the State Controller or their delegate.

8) ORDER OF PRECEDENCE

Except for the Special Provisions, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this AMENDMENT and any of the provisions of the ORIGINAL CONTRACT, the provisions of this AMENDMENT shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the ORIGINAL CONTRACT or any amendment shall always control other provisions in the ORIGINAL CONTRACT or any amendments.

9) AVAILABLE FUNDS

Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available.

PAID IN FULL

[REST OF PAGE INTENTIONALLY LEFT BLANK]

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

* Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

BORROWER

Well Augmentation Subdistrict of the
Central Colorado Water Conservancy District

By: Gary Herman

Title: President

Gary Herman
Signature

Date: 4-25-13

ATTEST

By: Randy W. Ray

Title: Executive Director

Randy W. Ray
Signature

Date: 4/25/13

**STATE OF COLORADO**

John W. Hickenlooper, Governor
Department of Natural Resources
Mike King, Executive Director

By: [Signature]
For Jennifer L. Gimbel, Director
Colorado Water Conservation Board

Kirk Russell, P.E., Chief
Finance & Administration Section
Colorado Water Conservation Board

Date: 5/20/13

LEGAL REVIEW

John W. Suthers, Attorney General

By: N/A
Signature - Assistant Attorney General

Date: _____

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

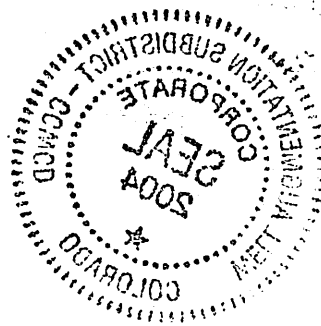
CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER
David J. McDermott, CPA

By: [Signature]
Susan Borup, Controller
Department of Natural Resources

Effective Date: 4/6/13

1943 March
7853819



[Handwritten signature]
1/1/44

Deed of Trust

DATE: APRIL 24, 2013
GRANTOR: WELL AUGMENTATION SUBDISTRICT OF THE CENTRAL COLORADO
WATER CONSERVANCY DISTRICT
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: WELD
PRINCIPAL LOAN AMOUNT: 3,030,000
LOAN CONTRACT: LOAN CONTRACT No. C150337
TERMS OF REPAYMENT: 1.75% per annum for 30 years
COLLATERAL: An undivided one-hundred percent interest in eighty shares of
the capital stock of the Lupton Meadows Ditch Company
evidenced by certificate number D652. See attached legal
description (Deed of Trust, Exhibit 1).

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.

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

APPENDIX A

AMENDMENT NO. 1 to LOAN CONTRACT C150337

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 PROMISSORY 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.

PAID IN FULL

[REST OF PAGE INTENTIONALLY LEFT BLANK]

Executed the day and date first written above.



Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District

By *Gary Herman*
Signature

Name: Gary Herman

Title: President

ATTEST:

By *Randy W. Ray*
Signature

Name: Randy W. Ray

Title: Executive Director

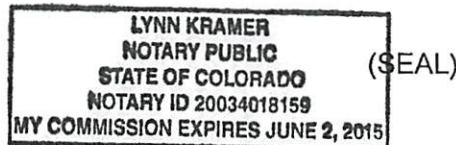
PAID IN FULL

County of Weld)
State of Colorado) SS

The foregoing instrument was acknowledged before me this 25th day of April, 2013,
by Gary Herman and Randy W. Ray, as President and Executive Director, respectively, of
WELL AUGMENTATION SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT.
Witness my hand and official seal.

Lynn Kramer Notary Public

My commission expires June 2, 2015



Return recorded DEED OF TRUST to: CWCB Finance Section, Attn: Peg Mason, Contracts
Manager, 1313 Sherman Street, Suite 721, Denver CO 80203 (Phone Number 303-866-
3441 ext. 3227)

DEED OF TRUST EXHIBIT 1

Image	DIV	W	ID	Water Right Name	Water Source	Q10	Q40	Q160	Sect	Twshp	Range	PM	County	Adj Date	Appr Date	Admin No	Use Type	Adj Type	Structure Type	Rate Amount (CFS)	Case No
<img	1	2	821	MEADOW ISLAND 1 DITCH	SOUTH PLATTE RIVER	SW	SW	SW	7	2N	66W	S	WEL	1883-04-28	1866-05-01	5965.00000	1	O	1	26.2300	CA6009
<img	1	2	821	MEADOW ISLAND 1 DITCH	SOUTH PLATTE RIVER	SW	SW	SW	7	2N	66W	S	WEL	1883-04-28	1866-05-01	5965.00000	1	O,TF	1	22.0000	CA33846

<img	1	2	812	LUPTON BOTTOM DITCH	SOUTH PLATTE RIVER	NW	NW	SW	19	1N	66W	S	WEL	1883-04-28	1873-09-15	8659.00000	1	O	1	92.8700	CA6009
<img	1	2	812	LUPTON BOTTOM DITCH	SOUTH PLATTE RIVER	NW	NW	SW	19	1N	66W	S	WEL	1883-04-28	1863-05-15	4883.00000	1	O	1	47.7000	CA6009
<img	1	2	812	LUPTON BOTTOM DITCH	SOUTH PLATTE RIVER	NW	NW	SW	19	1N	66W	S	WEL	1883-04-28	1871-03-10	7739.00000	1	O,TT	1	10.0000	CA96148

PAID IN FULL

STOCK ASSIGNMENT

For value received, Well Augmentation Subdistrict of the Central Colorado Water Conservancy District hereby sells, assigns and transfers Eighty (80) shares of stock of the Lupton Meadows Ditch Company unto the COLORADO WATER CONSERVATION BOARD, which stock is standing in the name of the undersigned on the books and records of the company represented by Certificate Number(s). 0652, and do hereby irrevocably constitute and appoint N/A as attorney-in-fact to transfer the said stock on the books of the company with full power of substitution in the premises. This Stock Assignment shall be effective solely in the event of an issuance by a Colorado District Court of an order authorizing a foreclosure sale of said shares of stock pursuant to Rule 120 of the Colorado Rules of Civil Procedure.

Dated 4/25/13



Attest:

By [Signature]
Signature

Name Randy Ray

Title Executive Director

Well Augmentation Subdistrict of the Central
Colorado Water Conservancy District

By [Signature]
Signature

Name Gary Herman

Title President

PAID IN FULL

BORROWER: WELL AUGMENTATION
SUBDISTRICT of the CENTRAL COLORADO
WATER CONSERVANCY DISTRICT
Contract No. C150337
Project Amount \$3,000,000
Loan Service Fee \$30,000
Loan Amount \$3,030,000

Agency Name: Water Conservation Board
Agency Number PDA
CWCB CMS #53652

CT 2015-060

LOAN CONTRACT

(STANDARD CONTRACT – WAIVER #160 – APPROVED NOVEMBER 10, 2003)

THIS CONTRACT, made between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB" or "STATE"), and the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, 3209 W. 28th St., Greeley, Colorado 80634-7554, a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq. ("BORROWER" OR "WAS").

FACTUAL RECITALS

1. Authority exists in the law, and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for encumbering and subsequent payment of this contract under: Contract Encumbrance No. C150337, Fund Number 424, Appropriation Code M13, Organization YYYY, GBL C337, Program WTRC, Object Code 5560, Reporting Category 0337.
2. Required approval, clearance, and coordination have been accomplished from and with appropriate agencies.
3. On September 28, 2012, the CWCB Board approved a loan request, from the BORROWER for the Water Rights Purchase and Gravel Pit Storage Project ("PROJECT"), to acquire additional water rights and storage capacity to use as augmentation supplies for wells in the WAS decree, enabling a pumping quota to be issued for contract holders.
4. The **PROJECT Summary**, attached as **Appendix 1** and incorporated herein, contains BORROWER Information (Section 1), the Project Description (Section 2), CWCB's authority for making this loan (Section 3), and CWCB Approval and Legislative Authorization which identifies the amount of the loan and the terms of repayment (Section 4).
5. The CWCB now desires, by this contract, to loan money to the BORROWER for this PROJECT upon mutually agreeable terms and conditions.

Loan Contract No. C150337

THEREFORE, in consideration of the mutual and dependent covenants contained herein, the parties agree as follows:

A. LOAN PROVISIONS

1. **Loan Service Fee.** The amount of the loan (LOAN AMOUNT) shall include (1) the amount of the funds loaned by the CWCB to the BORROWER for the PROJECT and (2) a service fee of one percent (1%) of the PROJECT amount. In the event that the BORROWER does not use the LOAN AMOUNT authorized, the parties shall amend this contract to revise the LOAN AMOUNT including adjustment of the service fee to reflect 1% of the actual LOAN AMOUNT disbursed to the BORROWER.
2. **Contract Amendment Service Fees.** Under certain circumstances, the BORROWER shall be assessed a fee for amending the contract.
 - a. A service fee shall be imposed on the BORROWER for amendments processed for the benefit of the BORROWER and necessary for the BORROWER's course of business but not necessary for the CWCB, including, but not limited to, a change in BORROWER name, assignment of CONTRACT, substitution of collateral, loan payment deferrals in excess of 3 per loan, and loan consolidation. Amendments in the course of CWCB business, including, but not limited to, loan payment deferrals (up to 3 per loan), and changes in terms of loan repayment will be processed at no additional charge to the BORROWER.
 - b. The amount charged shall be in accordance with the fee rate structure set forth in the CWCB Loan Service Charge Policy in effect at the time the BORROWER shall request an amendment. The current fee for an amendment is \$1,000.
 - c. The BORROWER shall remit the service fee to the CWCB prior to initiation of the amendment. Any service fee remitted to the CWCB cannot be refunded
3. **Promissory Note Provisions.** The CWCB agrees to loan to the BORROWER an amount not to exceed the LOAN AMOUNT and the BORROWER agrees to repay the loan in accordance with the terms as set forth in the **PROMISSORY NOTE**, attached hereto as **APPENDIX 2** and incorporated herein. The PROMISSORY NOTE shall identify the LOAN AMOUNT. If the amount of loan funds disbursed by the CWCB to the BORROWER differs from the LOAN AMOUNT, the parties agree to amend this CONTRACT, including its appendices where necessary, to revise the LOAN AMOUNT.
4. **Interest Prior to PROJECT Completion.** As the loan funds are disbursed by the CWCB to the BORROWER, interest shall accrue at the rate set by the CWCB for this loan. The CWCB shall calculate the amount of the interest that accrued prior to PROJECT's substantial completion (as determined by the CWCB) and notify BORROWER of such amount. The BORROWER shall repay that amount to the CWCB either within ten (10) days from the date of notification from the CWCB, or, at the CWCB's discretion, said interest shall be deducted from the final disbursement of loan funds that the CWCB makes to the BORROWER.

5. **Return of Unused Loan Funds.** Any loan funds disbursed but not expended for the PROJECT in accordance with the terms of this CONTRACT shall be remitted to the CWCB within 30 calendar days from notification from the CWCB of either (1) completion of the PROJECT or (2) determination by the CWCB that the PROJECT will not be completed.
6. **BORROWER's Authority to Contract.** The BORROWER warrants that it has full power and authority to enter into this CONTRACT. The execution and delivery of this CONTRACT and the performance and observation of its terms, conditions and obligations have been duly authorized by all necessary actions of the BORROWER. The BORROWER's AUTHORIZING RESOLUTION(s) or ORDINANCE(s) are attached as APPENDIX 3 and incorporated herein.
7. **Attorney's Opinion Letter.** Prior to the execution of this CONTRACT by the CWCB, the BORROWER shall submit to the CWCB a letter from its bond counsel stating that it is the attorney's opinion that:
- the CONTRACT has been duly executed by officers of the BORROWER who are duly elected or appointed and are authorized to execute the contract and to bind the BORROWER;
 - the resolutions or ordinances of the BORROWER authorizing the execution and delivery of the CONTRACT were duly adopted by the governing bodies of the BORROWER; and
 - there are no provisions in the Colorado Constitution or any other state or local law that prevent this CONTRACT from binding the BORROWER; and
 - the CONTRACT will be valid and binding against the BORROWER if entered into by the CWCB
 - the election held by the BORROWER to obtain voter approval of this loan met all requirements of the Colorado Constitution or any other state or local law.
8. **Pledge of revenues.** The BORROWER irrevocably pledges to the CWCB, for purposes of repayment of this loan, revenues levied for that purpose as authorized in APPENDIX 3 and any other funds legally available to the BORROWER, in an amount sufficient to pay the annual payment due under this CONTRACT ("PLEDGED REVENUES"). Further, the BORROWER agrees to:
- Segregation of Pledged Revenues.** The BORROWER shall set aside and keep the PLEDGED REVENUES in an account separate from other BORROWER revenues and warrants that these revenues will not be used for any other purpose.
 - Establish Security Interest.** The BORROWER has duly executed a SECURITY AGREEMENT, attached hereto as APPENDIX 4 and incorporated herein, to provide a security interest to the CWCB in the PLEDGED REVENUES. The CWCB shall have priority over all other competing claims for said revenues, except for the liens of the BORROWER's existing loans as listed in Section 5 (Schedule of Existing Debt), of the PROJECT SUMMARY, which sets forth the position of the lien created by this CONTRACT in relation to any existing lien(s).

- c. **Rate Covenant.** Pursuant to its statutory authority and as permitted by law, the BORROWER shall take all necessary actions consistent therewith during the term of this CONTRACT to establish, levy and collect rates, charges and fees as described in APPENDIX 3, in amounts sufficient to pay this loan as required by the terms of this CONTRACT and the PROMISSORY NOTE, to cover all expenditures for operation and maintenance and emergency repair services, and to maintain adequate debt service reserves, including obtaining voter approval, if necessary, of increases in the BORROWER'S rate schedule or taxes, if applicable.
- d. **Debt Service Reserve Account.** To establish and maintain the debt service reserve account, the BORROWER shall deposit an amount equal to one-tenth of an annual payment into its debt service reserve fund on the due date of its first annual loan payment and annually thereafter for the first ten years of repayment of this loan. In the event that the BORROWER applies funds from this account to repayment of the loan, the BORROWER shall replenish the account within ninety (90) days of withdrawal of the funds.
- e. **Additional Debts or Bonds.** The BORROWER shall not issue any indebtedness payable from the pledged revenues and having a lien thereon which is superior to the lien of this loan. The BORROWER may issue parity debt only with the prior written approval of the CWCB, provided that:
- i. The BORROWER is currently and at the time of the issuance of the parity debt in substantial compliance with all of the obligations of this CONTRACT, including, but not limited to, being current on the annual payments due under this CONTRACT and in the accumulation of all amounts then required to be accumulated in the BORROWER'S debt service reserve fund;
 - ii. The BORROWER provides to the CWCB a Parity Certificate from an independent certified public accountant certifying that, based on an analysis of the BORROWER'S revenues, for 12 consecutive months out of the 18 months immediately preceding the date of issuance of such parity debt, the BORROWER'S revenues are sufficient to pay its annual operating and maintenance expenses, annual debt service on all outstanding indebtedness having a lien on the pledged revenues, including this loan, the annual debt service on the proposed indebtedness to be issued, and all required deposits to any reserve funds required by this CONTRACT or by the lender(s) of any indebtedness having a lien on the pledged revenues. The analysis of revenues shall be based on the BORROWER'S current rate structure or the rate structure most recently adopted. No more than 10% of total revenues may originate from tap and/or connection fees.

The BORROWER acknowledges and understands that any request for approval of the issuance of additional debt must be reviewed and approved by the CWCB Director prior to the issuance of any additional debt.

- f. **Annual Statement of Debt Coverage.** Each year during the term of this CONTRACT, the BORROWER shall submit to the CWCB an annual audit report and a certificate of debt service coverage from a Certified Public Accountant.

9. **Pledged Revenues During Loan Repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the PLEDGED REVENUES, so long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the CWCB.
10. **Release After Loan Is Repaid.** Upon complete repayment to the CWCB of the entire principal, all accrued interest, and late charges, if any, as specified in the PROMISSORY NOTE, the CWCB agrees to release and terminate any and all of the CWCB's right, title, and interest in and to the PLEDGED REVENUES.
11. **Warranties.**
- a. The BORROWER warrants that, by acceptance of the loan under this CONTRACT and by its representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan to the CWCB as required by this CONTRACT.
 - b. The BORROWER warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the BORROWER, to solicit or secure this CONTRACT and has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or the making of this CONTRACT.
 - c. The BORROWER warrants that the PLEDGED REVENUES and COLLATERAL for this loan are not encumbered by any other deeds of trust or liens of any party other than the CWCB or in any other manner, except for any existing lien(s) identified in Section 5 (Schedule of Existing Debt) of the PROJECT SUMMARY, which sets forth the position of the lien created by this CONTRACT in relation to any existing lien(s).
12. **Remedies for Default.** Upon default in the payments to be made by the BORROWER under this CONTRACT, or default in the performance of any covenant or agreement contained herein, the CWCB, at its option, may:
- a. suspend this CONTRACT and withhold further loan disbursements pending corrective action by the BORROWER, and if the BORROWER does not cure the default as provided for below, permanently cease loan disbursements and deem the PROJECT substantially complete;
 - b. exercise its rights under any appendices to this CONTRACT, including, but not limited to, the PROMISSORY NOTE and SECURITY AGREEMENT; and/or
 - c. take any other appropriate action.

PAID IN FULL

The CWCB shall provide written notice to the BORROWER of any such default and shall give the BORROWER an opportunity to cure within thirty (30) days of receipt of such notice. All remedies described herein may be simultaneously or selectively and successively enforced. The CWCB may enforce the provisions of this CONTRACT at its

option without regard to prior waivers of previous defaults by the BORROWER, through judicial proceedings to require specific performance of this CONTRACT, or by such other proceedings in law or equity as may be deemed necessary by the CWCB to ensure compliance with provisions of this CONTRACT and the laws and regulations under which this CONTRACT is executed. The CWCB's exercise of any or all of the remedies described herein shall not relieve the BORROWER of any of its duties and obligations under this CONTRACT.

13. **Operation of Project.** The BORROWER shall, without expense or legal liability to the CWCB, manage, operate and maintain the PROJECT continuously in an efficient and economical manner.

14. **BORROWER's Liability Insurance.**

- a. Because the BORROWER is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS 24-10-101, et seq., as amended ("Act"), the BORROWER shall at all times maintain such liability insurance, by commercial policy or self-insurance as is necessary to meet its liabilities under the Act.
- b. Prior to the disbursement of any loan funds, the BORROWER shall provide the CWCB with an Acord Form 25 or other form satisfactory to the CWCB evidencing said insurance and shall provide the CWCB with documentation of renewals of said insurance.

15. **Additional Contract Requirements.** Any additional CONTRACT requirements are set forth in Additional Contract Requirement (Section 6) of the PROJECT SUMMARY.

B. PROJECT PROVISIONS

1. **Construction Fund Program Procedures.** During the completion of the PROJECT, the BORROWER shall adhere to the CWCB PROCEDURES FOR WATER PURCHASE PROJECTS AND CONSTRUCTION PROJECTS (Section 7) of the PROJECT SUMMARY.
2. **Eligible Expenses.** The PROJECT expenses for which the BORROWER is eligible for loan disbursements are listed in Eligible Expenses (Section 8) of the PROJECT SUMMARY.
3. **Loan Disbursements.** The CWCB shall disburse loan funds in accordance with the Disbursement Schedule (Section 9) of the PROJECT SUMMARY.
4. **Time for Performance.** The BORROWER recognizes that time is of the essence in the performance of all of its obligations under this CONTRACT. Therefore, the BORROWER shall complete the PROJECT within the time specified in Time for Performance (Section 10) of the PROJECT SUMMARY.
5. **Indemnification by the Construction Firm.** The BORROWER shall require all construction firms and their subcontractors to indemnify the STATE and the BORROWER against all liability and loss, and against all claims and actions based upon or arising out of damage or injury, including death, to persons or property, caused by any acts or omissions of those parties or sustained in connection with the performance of any

contract related to the PROJECT or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation, and the defense of any such claims or actions.

6. **Liability Insurance during Construction.** During construction of the PROJECT, the BORROWER shall require the construction firm(s) and any subcontractors to maintain the following insurance coverage in the limits shown during the term of their contracts for the construction of the PROJECT. The BORROWER shall provide the CWCB with an Acord Form 25 evidencing said insurance prior to commencement of construction, maintained until construction is complete, and shall provide the CWCB with documentation of renewals of said insurance. No payments shall be made to the BORROWER unless all insurance certificates are current.
 - a. Worker's compensation and employer's liability insurance in the required statutory amounts.
 - b. Automobile liability insurance that includes coverage for all owned, non-owned and hired vehicles with minimum limits of \$1,000,000 combined single limit for bodily injury and property damage.
 - c. Commercial general liability insurance with minimum limits of \$1,000,000 combined single limit for each occurrence and \$2,000,000 general aggregate. This insurance coverage shall include products/completed operations and bodily injury/property damage.

C. GENERAL PROVISIONS

1. **Periodic Inspections.** Throughout the term of this CONTRACT, the BORROWER shall permit a designated representative of the CWCB to make periodic inspections of the PROJECT. Such inspections shall cover the condition of the PROJECT, operating records, maintenance records, and financial records. These inspections are solely for the purpose of verifying compliance with the terms and conditions of this CONTRACT and shall not be construed nor interpreted as an approval of the actual design, construction or operation of any element of the PROJECT facilities.
2. **Applicable Laws.** The BORROWER shall strictly adhere to all applicable federal, state, and local laws and regulations that are in effect or may hereafter be established throughout the term of this CONTRACT.
3. **Designated Agent Of The CWCB.** The CWCB's employees are designated as the agents of the CWCB for the purpose of this CONTRACT.
4. **Assignment.** The BORROWER may not assign this CONTRACT except with the prior written approval of the CWCB.
5. **Contract Relationship.** The parties to this CONTRACT intend that the relationship between them under this CONTRACT is that of lender-borrower, not employer-employee. No agent, employee, or servant of the BORROWER shall be, or shall be deemed to be, an employee, agent, or servant of the CWCB. The BORROWER shall be solely and

entirely responsible for its acts and the acts of its agents, employees, servants, engineering firms, construction firms, and subcontractors during the term of this CONTRACT.

6. **Integration of Terms.** This CONTRACT is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or affect whatsoever unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to State fiscal rules, unless expressly provided for herein.
7. **Controlling Terms.** In the event of conflicts or inconsistencies between the terms of this CONTRACT and conditions as set forth in any of the appendices, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority: (1) Colorado Special Provisions, provided that the parties hereby agree that, for the purposes of such Special Provisions, (a) "Contractor" shall mean BORROWER (2) the remainder of this CONTRACT, and (3) the Appendices.
8. **Casualty and Eminent Domain.** If, at any time, during the term of this CONTRACT, (a) the BORROWER'S PROJECT facilities including buildings or any portion thereof, are damaged or destroyed, in whole or in part, by fire or other casualty, or (b) title to or use of the PROJECT facilities or any part thereof shall be taken under the exercise of the power of eminent domain, the BORROWER shall cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair and restoration of the PROJECT facilities or any portion thereof, or to repayment of this loan. Any net proceeds remaining after such work has been completed or this loan has been repaid, shall be retained by the BORROWER. If the net insurance proceeds are insufficient to pay the full cost of the replacement, repair and restoration, the BORROWER shall complete the work and pay any cost in excess of the net proceeds. In the event BORROWER chooses to repay the loan, BORROWER shall remain responsible for the full LOAN AMOUNT outstanding regardless of the amount of such insurance proceeds or condemnation award.
9. **Captions.** The captions and headings contained in this CONTRACT are for convenience and reference only and shall not be construed so as to define or limit the terms or provisions contracted herein.
10. **CWCB's Approval.** This CONTRACT requires review and approval of plans, specifications, and various other technical and legal documents. The CWCB's review of these documents is only for the purpose of verifying BORROWER'S compliance with this CONTRACT and shall not be construed or interpreted as a technical review or approval of the actual design or construction of the PROJECT. Notwithstanding any consents or approvals given to the BORROWER by the CWCB on any such documents, BORROWER and any of its consultants, by preparing any such documents, shall be solely responsible for the accuracy and completeness of any of said documents.

11. **Waiver.** The waiver of any breach of a term of this CONTRACT shall not be construed as a waiver of any other term or of any subsequent breach of the same term.
12. **Addresses for mailing.** All notices, correspondence, or other documents required by this CONTRACT shall be delivered or mailed to the addresses shown in the PROJECT SUMMARY, Section 1 for the BORROWER and to the address below for the CWCB:

Colorado Water Conservation Board
Attn: Construction Fund Section
1313 Sherman Street, Room 721
Denver, CO 80203

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK

PAID IN FULL

Special Provisions

The Special Provisions apply to all contracts except where noted in *italics*.

1. **CONTROLLER'S APPROVAL. CRS §24-30-202(1).** This contract shall not be valid until it has been approved by the Colorado State Controller or designee.
2. **FUND AVAILABILITY. CRS §24-30-202(5.5).** Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
3. **GOVERNMENTAL IMMUNITY.** No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.
4. **INDEPENDENT CONTRACTOR.** Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.
5. **COMPLIANCE WITH LAW.** Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.
6. **CHOICE OF LAW.** Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.
7. **BINDING ARBITRATION PROHIBITED.** The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contract or incorporated herein by reference shall be null and void.
8. **SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.** State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.
9. **EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507.** The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

- 10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. [Not Applicable to intergovernmental agreements]**
Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.
- 11. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. [Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services]** Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor (a) shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed, (b) shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, (c) shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.
- 12. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101.** Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.

SPs Effective 1/1/09

END OF SPECIAL PROVISIONS

PAID IN FULL

Loan Contract C150337

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CMS 53652
C150337

IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT.

* Persons signing for BORROWER hereby swear and affirm that they are authorized to act on BORROWER's behalf and acknowledge that the State is relying on their representations to that effect.

BORROWER:

Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq.

BY: [Signature]
Signature

NAME: Gary Herman

TITLE: President

DATE: 2/19/13

(SEAL)

Attest (Seal)

BY: [Signature]
Signature

NAME: Randy W. Ray

TITLE: Executive Director

DATE: 2/19/13



STATE OF COLORADO

John W. Hickenlooper, Governor
Department of Natural Resources
Mike King, Executive Director

BY: [Signature]
For Jennifer L. Gimbel, Director
Colorado Water Conservation Board

Name: Kirk Russell, P.E., Chief
Finance & Administration Section
Colorado Water Conservation Board

DATE: 3/12/13

Pre-Approved Form Contract Reviewer

BY: [Signature]
Linda Bassi, CWCB Contracts Manager

DATE: 3/6/2013

PAID IN FULL

ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

CRS 24-30-202 requires that the State Controller approve all state contracts. This contract is not valid and there are no loan funds available until the State Controller, or such assistant as he may delegate, has signed it.

David J. McDermott, CPA, State Controller

By [Signature]
Susan Borup, Controller, Department of Natural Resources

Effective Date 3/22/13

Loan Contract C150337

**Project Summary – Well Augmentation Subdistrict of the Central
Colorado CENTRAL COLORADO WATER CONSERVANCY DISTRICT**

Contract No. C150337

SECTION 1 –BORROWER INFORMATION

Name: Well Augmentation Subdistrict of the Central Colorado Water Conservancy District
Address: 3209 W. 28th Street, Greeley, Colorado 80634-7554
Contact: Danyelle McCannon, Financial Analyst
Phone Number: (970) 330-4540
E-mail address: dmccannon@ccwcd.org
Type of Entity: The Well Augmentation Subdistrict of the Central Colorado Water Conservancy District (WAS), located in Weld, Adams, and Morgan counties, is a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq.

Section 2 – Project Description

- A. Description of PROJECT: The BORROWER applied to the CWCB for a loan for the Water Rights Purchase and Gravel Pit Storage Project ("PROJECT"), to acquire additional water rights and storage capacity to use as augmentation supplies for wells in the WAS decree, enabling a pumping quota to be issued for contract holders at an estimated total PROJECT cost of \$3,333,400.
- B. Description of Feasibility Study: The loan feasibility study titled "*Feasibility of Developing Additional Augmentation Supplies Well Augmentation Subdistrict*," dated July 31, 2012, was prepared by Ed Armbruster, P.E., from Leonard Rice Engineers, Inc. The study was prepared in accordance with CWCB guidelines and is incorporated herein by reference. Based upon the feasibility report, the CWCB determined the PROJECT to be technically and financially feasible.
- C. The BORROWER held an election on November 2, 2004, whereby voters approved increasing the BORROWER's debt by up to approximately \$39,000,000 based on assessed valuation, to acquire water storage and water rights, as shown on the BORROWER's Official Ballot and Official Election Results, which are incorporated herein by reference.

PAID IN FULL

SECTION 3 – CWCB'S AUTHORITY

Construction Fund: This loan is made pursuant to the provisions of §§ 37-60-119 and 37-60-120, C.R.S., which authorize the CWCB to loan money for water projects from the CWCB Construction Fund for the benefit of the people of the state, provided that the BORROWER assures repayment of that money.

Appendix 1 to Loan Contract C150337

Section 37-60-122(1)(b), C.R.S., authorizes the CWCB to make loans of up to \$10,000,000 from the CWCB's Construction Fund and the State Severance Tax Trust Fund Perpetual Base Account Fund without prior approval from the General Assembly.

SECTION 4 - BOARD APPROVAL AND LEGISLATIVE AUTHORIZATION (IF NEEDED)

At its September, 2012 meeting, the CWCB approved a Small Project Loan from the Construction Fund to the BORROWER in an amount up to \$3,030,000 for PROJECT costs, not to exceed 90% of the cost of the PROJECT, with a loan origination fee of 1% in accordance with CWCB Policy No. 16, at an interest rate of 1.75% per annum for a repayment term of 30 years.

SECTION 5 – SCHEDULE OF EXISTING DEBT

BORROWER's existing debt consists of a CWCB loan, Loan Number C150194, issued in 2010 for acquisition of water rights and gravel pit storage. The initial balance was \$14,934,612 at 2.50% over a 30-year term, resulting in an annual payment of \$713,541. The current principal balance is \$14,245,757 and collateral for the loan is a pledge of the 9 mill property tax revenues.

SECTION 6 – ADDITIONAL CONDITIONS & CONTRACT REQUIREMENTS

The Borrower agrees to convey, as COLLATERAL, an undivided one hundred percent (100%) interest in all WATER RIGHTS purchased with LOAN CONTRACT funds. Prior to disbursement of funds, the BORROWER shall provide CWCB an appraisal or written opinion of the value of WATER RIGHTS proposed for purchase and an engineering analysis identifying how the water will be put to beneficial use. Any modification to the original contract, to include Water Rights as Collateral, shall require a properly executed amendment which shall include a **DEED OF TRUST** in the form of an attachment to the amendment and where applicable, a **STOCK ASSIGNMENT** in the form of an attachment to the amendment. Each executed appendix shall automatically be incorporated into and be part of this LOAN CONTRACT on the date of such change as if fully set forth herein.

SECTION 7 –PROCEDURES FOR WATER PURCHASE PROJECTS AND CONSTRUCTION PROJECTS

- A. The BORROWER must submit a written appraisal or opinion of value from a qualified water rights appraiser supporting the purchase price, prior to disbursal of loan funds for the purchase of water rights.
- B. The BORROWER shall pay all of the expenses related to the PROJECT when such bills are due.
- C. The BORROWER shall employ an engineer, registered in the state of Colorado to prepare plans and specifications for the PROJECT.
- D. Engineering contracts, plans and specifications must be submitted to the CWCB staff for verification of compliance with the terms of this CONTRACT when available

Appendix 1 to Loan Contract C150337

prior to bidding. Any modifications to the plans and specifications must be approved in writing by the CWCB staff.

- E. For plans and specifications for all jurisdictional dams and reservoirs, as defined by § 37-87-105 C.R.S., the BORROWER shall provide a letter of approval from the State Engineer's Office prior to construction.
- F. CWCB staff must be present at bid opening and must approve the award of the construction contract.
- G. The BORROWER shall contract for the construction of the work with responsible and capable Construction Firms, which said Construction Firms shall be selected by the BORROWER and found acceptable by the CWCB staff.
- H. The BORROWER must provide a copy of the executed construction contract documents consisting of the contractor's proposal, construction contract, performance bond, payment bond, notice of award, notice to proceed, sample change order, and sample field order, as well as the advertisement for bid and bid bond at bidding. After the CWCB staff verifies that these documents comply with the terms of this contract, the BORROWER may issue the notice to proceed to the Construction Firms.
- I. The BORROWER shall conduct a pre-construction conference at which time the CWCB staff shall have the opportunity to review and approve the construction schedule.
- J. If the CWCB staff determines that the PROJECT requires a resident inspector during construction, the BORROWER shall employ an inspector who has been approved by the CWCB staff.
- K. The BORROWER shall construct the PROJECT in accordance with the approved plans and specifications.
- L. Upon completion of the PROJECT construction, the BORROWER shall provide as-built drawings of the PROJECT to the CWCB staff, or, if required by § 37-87-105, C.R.S., the BORROWER shall provide the as-built drawings to the State Engineer's Office for approval and filing.
- M. Upon completion of the PROJECT construction, the BORROWER shall arrange a final inspection for the CWCB staff.

SECTION 8 – ELIGIBLE EXPENSES. The following items are eligible for loan disbursements.

- A. Engineering associated with the feasibility report prepared as a requirement for this loan and associated with evaluating the suitability of the water rights for purchase by the BORROWER.
- B. Interest during completion of the PROJECT pursuant to Paragraph A.4 herein.
- C. Legal services for reviewing engineering services contracts and this Contract.

Appendix 1 to Loan Contract C150337

- D. Purchase of the water rights.
- E. Preparing final designs and specifications for the PROJECT.
- F. Preparing bid and construction contract documents.
- G. Preparing environmental assessment or environmental impact statements, and otherwise complying with the Federal National Environmental Policy Act.
- H. Complying with all federal, state, and local regulatory requirements, including the obtaining of all required permits.
- I. Fish and wildlife mitigation measures required by federal, state, or local laws and regulations.
- J. Actual construction as called for in the design documents and in change orders approved by the CWCB and the BORROWER.
- K. Engineering services for construction management, including design and construction management for CWCB-approved change orders.
- L. Interest during completion of the PROJECT pursuant to Paragraph A.4 of the Contract.
- M. Legal services for reviewing engineering services contracts, reviewing this Contract, reviewing construction contract documents, and for complying with all federal, state, and local regulatory requirements.

SECTION 9 – DISBURSEMENT SCHEDULE

For Project costs, the BORROWER shall prepare a periodic progress report which contains a statement of the PROJECT costs expended for that period and shall forward said statement to the CWCB. After receipt of the periodic progress report from the BORROWER, and review and acceptance of the items therein as eligible expenses as described below, the CWCB will pay to the BORROWER the amount set forth in the report or such portion that has been approved by the CWCB. Such payment shall be made within thirty (30) days from the CWCB's approval of each progress report.

For a water rights purchase, the BORROWER shall prepare a written request for funds that shall describe the upcoming closing on water rights purchase including, but not limited to, the name of the seller, cost, closing date, and appraisal value and support documentation in the form of copies of the sales agreement and the appraisal pursuant to Section 7(a) above. After receipt of the written request from the BORROWER, and review and acceptance of the items therein as eligible expenses as described above, the CWCB will pay to the BORROWER the amount set forth in the request or such portion that has been approved by the CWCB. Such payment shall be made within thirty (30) days from the CWCB's approval of each request.

SECTION 10 – TIME FOR PERFORMANCE

PROJECT Beginning: Upon Effective Date of this Contract (the date this contract is signed by the State Controller or his designee).

PROJECT Finish: Four years from the Effective Date of this Contract

Appendix 1 to Loan Contract C150337

PROMISSORY NOTE

Date: February 19, 2013
Borrower: Well Augmentation Subdistrict of the Central Colorado Water Conservancy District
Principal Amount: \$3,030,000
Interest Rate: 1.75% per annum
Term of Repayment: 30 years
Loan Contract No.: C150337
Loan Payment: \$130,683.16

Payment Initiation Date*: _____

Maturity Date*: _____

* Payment Initiation Date and Maturity Date fields are filled in after the project has been substantially completed.

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this PROMISSORY NOTE.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date (the date the CWCB determines that the project is substantially complete), and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 721, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This PROMISSORY NOTE may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This PROMISSORY NOTE is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests

Appendix 2 to Loan Contract C150337

are evidenced by a Security Agreement(s), Deed(s) of Trust, and/or Assignment(s) ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and Security Instruments grant additional rights to the CWCB.

8. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this PROMISSORY NOTE.
9. The BORROWER and any co-signer or guarantor hereby agree that if this PROMISSORY NOTE or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This PROMISSORY NOTE shall be governed in all respects by the laws of the State of Colorado.

BORROWER:

Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq.



(SEAL)

By May Klemm
Signature

Attest:

NAME: Gary Herman

TITLE: President

DATE: 2/19/13

By Barry W. Roy
Signature

NAME: Barry W. Roy

TITLE: Executive Director

DATE: 2/19/13

PAID IN FULL

Appendix 2 to Loan Contract C150337

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
WELL AUGMENTATION SUBDISTRICT OF THE
CENTRAL COLORADO WATER CONSERVANCY DISTRICT**

WHEREAS, the Well Augmentation Subdistrict of the Central Colorado Water Conservancy District in Weld, Adams and Morgan Counties, Colorado (the "Subdistrict"), is a quasi-municipal corporation and political subdivision of the State of Colorado (the "State"), acting pursuant to the provisions of Article 45 of Title 37, C.R.S. (the "Water Conservancy Act"), and established for the purpose of providing the beneficial use of water, conservation of water and construction of works within the Subdistrict; and

WHEREAS, Subdistrict was authorized, pursuant to a regular election of the qualified electors of the Subdistrict, duly called and held November 2, 2004, to incur indebtedness in the aggregate of \$39,000,000 and to authorize a mill levy not to exceed 9 mills, for the purchase of water rights and the construction of water storage facilities; and

WHEREAS, the Board of Directors of the Subdistrict (the "Board") resolved to seek a loan from the Colorado Water Conservation Board (the "CWCB Loan") in a principal amount not to exceed \$3,030,000.


THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WELL AUGMENTATION SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT IN THE COUNTIES OF WELD, ADAMS AND MORGAN, AND THE STATE OF COLORADO:

1. The Board hereby authorizes and directs the Board's President, Gary Herman, and Board's Secretary, Randy Ray, to execute and deliver on behalf of the Subdistrict a Loan Contract, Promissory Note, and Security Agreement and such other documents referenced in the loan commitment to obtain the CWCB Loan.
2. This resolution was authorized by all of the members of the Board at its regular meeting held at 3209 West 28th Street, Greeley, Colorado on February 19, 2013, and will remain in effect until closing of the CWCB loan.
3. This Resolution shall take effect immediately upon its passage. ADOPTED AND APPROVED this 19th day of February, 2013.



[SEAL]

ATTEST:

By 
Randy Ray, Secretary

WELL AUGMENTATION SUBDISTRICT
OF THE CENTRAL COLORADO WATER
CONSERVANCY DISTRICT IN WELD,
ADAMS AND MORGAN COUNTIES

By 
Gary Herman, President

SECURITY AGREEMENT

(PLEDGE OF REVENUES)

DATE: FEBRUARY 19, 2013

DEBTOR: Well Augmentation Subdistrict of the Central Colorado Water Conservancy District

SECURED PARTY: COLORADO WATER CONSERVATION BOARD
1313 SHERMAN STREET, ROOM 721
DENVER, CO 80203

PROMISSORY NOTE: \$3,030,000

TERMS OF REPAYMENT: 1.75% PER ANNUM FOR 30 YEARS

LOAN CONTRACT: C150337

COLLATERAL: All revenues, from DEBTOR's 9 mill property tax revenue are pledged to repay the loan as described in Pledge of Revenues provisions of the LOAN CONTRACT.

To secure payment of the loan evidenced by the PROMISSORY NOTE payable in accordance with the TERMS OF REPAYMENT, or until all principal, interest, and late charges, if any, are paid in full, the DEBTOR grants to SECURED PARTY a security interest in the above described COLLATERAL.

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby and any other security interests described in Section 5 of the Loan Contract Project Summary, DEBTOR is the owner of the COLLATERAL free from any adverse lien, security interest or encumbrances; and that DEBTOR will defend the COLLATERAL against all claims and demands of all persons at any time claiming the same or any interest therein.
2. That the execution and delivery of this agreement by DEBTOR will not violate any law or agreement governing DEBTOR or to which DEBTOR is a party.
3. To not permit or allow any adverse lien, security interest or encumbrance whatsoever upon the COLLATERAL and not to permit the same to be attached or replevined.
4. That by its acceptance of the loan money pursuant to the terms of the CONTRACT and by its representations herein, DEBTOR shall be estopped from asserting for any reason that it is not authorized to grant a security interest in the COLLATERAL pursuant to the terms of this agreement.

UNTIL DEFAULT DEBTOR may have possession of the COLLATERAL, provided that DEBTOR keeps the COLLATERAL in an account separate from other revenues of DEBTOR and does not use the COLLATERAL for any purpose not permitted by the CONTRACT. Upon default, SECURED PARTY shall have the immediate right to the possession of the COLLATERAL.

DEBTOR SHALL BE IN DEFAULT under this agreement upon any of the following events or conditions:

- a. default in the payment or performance of any obligation contained herein or in the Promissory Note or Loan Contract;
- b. dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of
- c. any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR; or
- d. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or

APPENDIX 4 TO LOAN CONTRACT C150337

- d. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or on behalf of DEBTOR which proves to have been false in any material respect when made or furnished.

UPON SUCH DEFAULT and at any time thereafter, SECURED PARTY shall have the remedies of a secured party under Article 9 of the Colorado Uniform Commercial Code. SECURED PARTY may require DEBTOR to deliver or make the COLLATERAL available to SECURED PARTY at a place to be designated by SECURED PARTY, which is reasonably convenient to both parties. Expenses of retaking, holding, preparing for sale, selling or the like shall include SECURED PARTY's reasonable attorney's fees and legal expenses.

The SECURED PARTY shall give the DEBTOR written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the DEBTOR shall be considered in default for purposes of this Security Agreement. No default shall be waived by SECURED PARTY except in writing, and no waiver by SECURED PARTY of any default shall operate as a waiver of any other default or of the same default on a future occasion. The taking of this security agreement shall not waive or impair any other security SECURED PARTY may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this security agreement; but SECURED PARTY shall retain its rights of set-off against DEBTOR. In the event court action is deemed necessary to enforce the terms and conditions set forth herein, said action shall only be brought in the District Court for the City and County of Denver, State of Colorado, and DEBTOR consents to venue and personal jurisdiction in said Court.

All rights of SECURED PARTY hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of DEBTOR shall bind its successors or assigns.

DEBTOR:

Well Augmentation Subdistrict of the Central Colorado Water Conservancy District, a quasi-municipal corporation and political subdivision of the State of Colorado organized and existing as a water conservancy district pursuant to C.R.S. §37-45-101, et.seq.



(SEAL)

Attest:

By [Signature]
Signature

NAME: Randy W. Ray

TITLE: Executive Director

DATE: 2/19/13

By [Signature]
Signature

NAME: Gary Herman

TITLE: President

DATE: 2/19/13

PAID IN FULL

APPENDIX 4 TO LOAN CONTRACT C150337

0652

INCORPORATED UNDER THE LAWS OF THE STATE OF COLORADO

COPY

--80-- Shares

The Lupton Meadows Ditch Company

(A MUTUAL IRRIGATION COMPANY)

This is to Certify, That Mildred Mae Sarchet, LLC

is the owner of --eighty-- shares of the capital stock of THE LUPTON MEADOWS DITCH COMPANY, transferable only on the books of the Company, upon surrender of this certificate, properly endorsed. Each share of the capital stock of this Company entitles the record owner thereof to receive each year from the Company's irrigation system water for the irrigation of one acre of land, subject to the following terms and conditions:

- (1) All and singular the provisions of the articles of incorporation and by-laws of the Company, and any changes and amendments thereto which may be hereafter made.
- (2) Water shall be delivered to the several stockholders, without priority one over another, and shall be measured at the point of delivery from the Company's irrigation system;
- (3) This stock is subject to assessment to meet annual expenses and cost of maintenance, and no transfer will be recognized by the Company while any assessment is delinquent;
- (4) No water will be furnished upon this certificate while any assessment or any portion thereof may be in arrears.

In Witness Whereof, THE LUPTON MEADOWS DITCH COMPANY has caused this certificate to be signed and issued by its duly authorized officers, and to be sealed with its corporate seal, this 6th day of February 2001

Howard W. Cantrell Secretary.
Gene Wagner President.

PAID IN FULL