



COLORADO

Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203
303-866-3441

June 7, 2023

South Platte Ditch Company
15099 CR 59.5
Merino, CO 80741

Loan Compliance Confirmation - C153717

Attached for your records are the original documents relative to the agreement between the South Platte Ditch Company, and the Colorado Water Conservation Board (CWCB), Loan Contract No. C153717. The documents have been stamped "PAID IN FULL" denoting that the Company 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 mimi.winter@state.co.us. If we can be of any further assistance to you in the near future, please let us know.

Sincerely,

Mimi Winter, Finance Manager
Finance Section

Attachments

cc: CWCB Files



Original Note and Deed of Trust Returned to:
WHEN RECORDED RETURN TO:
CWCB
1313 Sherman Street, Room 718
Denver, CO 80203
Prepared/Received by: Jessica Halvorsen

REQUEST FOR FULL ☒ / PARTIAL ☐

RELEASE OF DEED OF TRUST AND RELEASE BY OWNER OF INDEBTEDNESS WITH PRODUCTION OF EVIDENCE
OF DEBT PURSUANT TO § 38-39-102 (1) (a), COLORADO REVISED STATUTES

April 26, 2023
Platte Valley Irrigation Company
PO Box 336483
Greeley, CO 80633

Date
Original Grantor (Borrower)
Current Address of Original Grantor,
Assuming Party, or Current Owner

☐ Check here if current address is unknown
Colorado Water Conservation Board

Original Beneficiary (Lender)

December 16, 2014

Date of Deed of Trust
Date of Recording and/or Re-Recording of Deed
of Trust
Recording Information

February 20, 2015
4084602
County Rept. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.

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

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

Full Release

State of Colorado, Colorado Water Conservation Board, 1313 Sherman Street, Ste. 718 Denver, CO 80203
Name and Address of Current Owner, Holder of the Indebtedness and Successor in Interest from the Department of Natural Resources, Secured by Deed of Trust

Kirk Russell, Finance Section Chief, CWCB, 1313 Sherman Street, Ste. 718 Denver, CO 80203
Name, Title and Address of Officer, Agent, or Attorney of Current Owner and Holder
Signature/Date 5/3/23

State of Colorado, County of Denver
The foregoing Request for Release was acknowledged before
me on May 3, 2023 (date) by*
Kirk Russell
Finance Section Chief
March 27, 2027 Date Commission Expires
*If applicable, insert title of officer and name of current owner and holder

JESSICA GIBBS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234011689
MY COMMISSION EXPIRES MARCH 27, 2027

Notary Public Witness my hand and official seal

RELEASE OF DEED OF TRUST

WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the Deed of Trust to the Public
Trustee of the County referenced above, in the State of Colorado, to be held in trust to secure the payment of the indebtedness referred to
therein; and
WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust
has been fully or partially satisfied according to the written request of the current owner and holder of the indebtedness;
NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby acknowledged,
I, as the Public Trustee in the County named above, do hereby fully and absolutely release, cancel and forever discharge the Deed of Trust
or that portion of the real property described above in the Deed of Trust, together with all privileges and appurtenances thereto belonging.

(Public Trustee use only; use appropriate label)

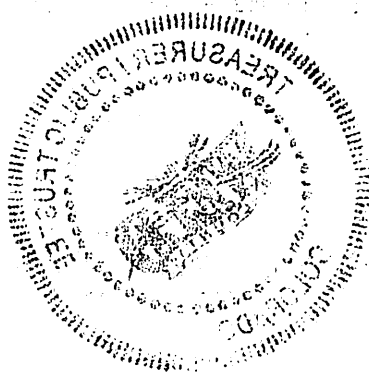


Public Trustee
Deputy Public Trustee
MAY 22 2023

(If applicable: Notary Seal)

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

MY COMMISSION EXPIRES MARCH 27, 2021
NOTARY ID 2023014989
STATE OF COLORADO
NOTARY PUBLIC
JESSICA GIBBS



AGENCY NAME: Water Conservation Board
AGENCY NUMBER: PDA
ROUTING NUMBER: 96 PDA 01021

LOAN CONTRACT & PROMISSORY NOTE

THIS CONTRACT, made this 28 day of April 1996, by and between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board (CWCB), hereinafter referred to as the STATE, and **SOUTH PLATTE DITCH COMPANY**, hereinafter referred to as the BORROWER and/or CONTRACTOR.

FACTUAL RECITALS

A. Authority exists in the law, and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment in Fund Number 424, Organization YYYY, Appropriation SPL, Program WTRC, Object Code 5120, **Contract Encumbrance Number C153717**.

B. Required approval, clearance, and coordination have been accomplished from and with appropriate agencies.

C. Pursuant to the provisions of §§ 37-60-119 and 37-60-120, 15 C.R.S. (1990) the STATE is authorized to loan money for the construction of water projects for the benefit of the people of the STATE, provided that the BORROWER assures repayment of that money.

D. The BORROWER is a duly constituted Colorado nonprofit ditch and reservoir corporation formed pursuant to §§ 7-42-101 et seq. and 7-20-101 et seq., C.R.S., located in Washington County, State of Colorado.

E. The BORROWER has applied to the STATE for a loan to be used to rehabilitate its river diversion structure, which was severely damaged during the 1995 spring runoff flooding, hereinafter referred to as the PROJECT, at a cost of \$100,000.

F. A feasibility study conducted by the BORROWER, and incorporated herein by reference, was reviewed by the STATE and, based upon this feasibility study, the STATE determined the PROJECT to be technically and financially feasible.

G. A Small Project Loan Account was established by § 37-60-122.7, C.R.S. (Supp. 1995), which authorizes the CWCB to make loans of up to \$100,000 without prior approval from the General Assembly if the CWCB determines that delay would result in undue hardship on the borrower.

H. This loan qualifies as a Small Project Loan in accordance with § 37-60-122.7, C.R.S. (Supp. 1995), since the amount of the loan does not exceed \$100,000, and the BORROWER will suffer undue hardship if the PROJECT is not completed prior to the 1996 runoff because the BORROWER cannot divert irrigation water through the PROJECT structure until it is repaired.

I. At its January 24-25, 1996, meeting, the CWCB approved a Small Project Loan to the BORROWER in an amount not to exceed \$100,000 (approximately 53% of the cost of the PROJECT) at an interest rate of 4¼ % per annum, and for a duration of 30 years.

J. The BORROWER owns and operates the Sandhill Ditch Recharge Project and sells recharge water on an annual basis to the Groundwater Appropriators of the South Platte (GASP) pursuant to an Agreement between the BORROWER and GASP entered into on March 20, 1975, hereinafter referred to as BORROWER/GASP Agreement.

K. The STATE now desires, by this contract, to loan money to the BORROWER for this PROJECT upon mutually agreeable terms and conditions.

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

A. The BORROWER agrees as follows:

1. **Construction Fund Program procedures.** The following items are procedures the BORROWER shall follow during the construction phase of the PROJECT rehabilitation.

- a. The BORROWER shall employ an engineer, registered in the State of Colorado, hereinafter referred to as the CONSULTANT, to prepare plans and specifications for the PROJECT.
- b. The agreement between the BORROWER and the CONSULTANT and the plans and specifications must be submitted to the CWCB staff for verification of compliance with the terms of this contract prior to bid opening. Any modifications to the plans and specifications must be approved in writing by the CWCB staff.
- c. CWCB staff must be present at bid opening and must approve the award of the construction contract.
- d. The BORROWER shall contract for the construction of the work with responsible and capable firms, hereinafter referred to as CONSTRUCTION FIRMS, which CONSTRUCTION FIRMS shall be selected by the BORROWER and found acceptable by the CWCB staff before work under this contract begins.
- e. The BORROWER must provide copies of executed construction contract documents consisting of the advertisement for bid, contractor's proposal, construction contract, bid bond, performance bond, payment bond, notice of award, notice to proceed, sample change order, and sample field order. After CWCB staff verifies that these documents comply with the terms of this contract, BORROWER may issue the notice to proceed to the CONSTRUCTION FIRMS.
- f. 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.
- g. 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.
- h. The BORROWER shall construct the PROJECT in accordance with the approved plans and specifications.
- i. Upon completion of the PROJECT construction, the BORROWER shall provide as-built drawings of the PROJECT to the CWCB staff.

- j. Upon completion of the PROJECT construction, the BORROWER shall arrange a final inspection for the CWCB staff, CONSTRUCTION FIRM, and the CONSULTANT.

The STATE acknowledges that the BORROWER has begun the PROJECT using its own funds, and has complied with the procedures set forth in paragraphs a. through g. above as of the effective date of this contract.

2. Time for PROJECT completion. The BORROWER recognizes that time is of the essence in the performance of all of its obligations under this contract. Therefore, the BORROWER shall commence with construction in order to complete the PROJECT no later than one (1) year from the date of this contract. The time for completion of the PROJECT may be extended subject to the approval of the STATE. The BORROWER must provide, in writing, documented justification for any request for extension sixty (60) days prior to the end of the one (1) year period for completion.

3. Indemnification by the CONSTRUCTION FIRM. The BORROWER shall require all CONSTRUCTION FIRMS and their subcontractors to indemnify the STATE and 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.

4. Liability insurance during construction. The BORROWER shall require the CONSTRUCTION FIRM and its subcontractors to maintain, during the term of their contracts for construction of the PROJECT, the following insurance with a company that is satisfactory to the STATE:

- PAID IN FULL**
- a. Worker's compensation and employer's liability insurance in the required statutory amounts.
 - b. Automobile liability insurance which 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 personal injury.
 - d. Builder's risk for construction in progress for all perils of loss including fire, wind, hail, vandalism, and flood in an amount equal to the completed value of the PROJECT.

Said general liability insurance shall name the BORROWER and the STATE as additional insured. An additional insured endorsement and a current copy of a certificate of said liability insurance must be provided to the STATE prior to beginning of construction and maintained until construction is complete. No payments shall be made to the BORROWER unless all insurance certificates are current. Notices of renewals of said policies shall also be filed with the STATE as they occur.

During the time of construction, the STATE reserves the right to increase the above amount of insurance so that said amounts at a minimum correspond to the amounts established by the Colorado Governmental Immunity Act, now and as hereafter amended.

5. BORROWER's indemnification of the STATE. The BORROWER shall, without expense or legal liability to the STATE, manage, operate, and maintain the PROJECT continuously in an efficient and

economical manner. The BORROWER agrees to indemnify and hold the STATE harmless from any liability incurred by the STATE as a result of the STATE'S interest in the PROJECT facilities.

6. BORROWER'S liability insurance. Upon execution of this contract and continuing until complete repayment of the loan is made to the STATE, the BORROWER shall maintain commercial general liability insurance with a company that is satisfactory to the STATE covering the management, operation, and maintenance of the PROJECT with minimum limits of \$1,000,000 combined single limit for each occurrence and \$2,000,000 general aggregate, including products/completed operations and personal injury.

Said general liability insurance shall name the STATE as additional insured. A copy of a certificate of said insurance and an additional insured endorsement must be filed with the STATE. Evidence of current insurance coverage is to be provided as renewals occur. No loan funds shall be advanced by the STATE without evidence of said current coverage. Throughout the life of this contract, the STATE reserves the right to increase the above amount of insurance so that said amounts at a minimum correspond to the amounts established by the Colorado Governmental Immunity Act, now and as hereafter amended.

7. BORROWER'S authority to contract. The BORROWER shall, pursuant to its statutory authority, articles of incorporation, and by-laws, have its shareholders and board of directors adopt resolutions, irrevocable during the life of this loan, authorizing the President and Secretary, on behalf of the BORROWER, to do the following:

- a. Contract for this loan with the STATE, and to pay the indebtedness, and
- b. Execute the Conditional Assignment of Contract Proceeds as required by the STATE to provide the security specified in the Collateral Provisions of this contract, and
- c. Levy annual assessments sufficient to repay the annual amounts due under this contract and establish a reserve debt service fund by making an annual deposit equivalent to one-tenth of an annual payment every year for 10 years, and to replenish that fund anytime it is depleted, and
- d. Place money collected from assessments and from the sale of recharge water to GASP each year in a special fund separate and apart from other BORROWER revenues in an amount sufficient to assure repayment of this loan to the STATE, and
- e. Execute Uniform Commercial Code Security Agreements and Financing Statements in accordance with the Pledge of Revenues Provisions of this contract to secure the revenues pledged herein in favor of the STATE.

Such resolutions are attached hereto as **APPENDIX A** and incorporated herein.

8. Promissory note provisions. The BORROWER understands that this contract is also a promissory note for the repayment of funds loaned according to the terms set forth herein.

- a. **Principal amount.** The principal amount of the loan shall be the total amount of funds advanced by the STATE to the BORROWER under the terms of this contract, not to exceed \$100,000.
- b. **Interest rate.** The interest on the principal shall accrue at the rate of four and one-quarter percent (4 ¼ %) per annum on all funds advanced to BORROWER.

c. **Duration.** The repayment period of this loan shall be thirty (30) years.

d. **Loan payment.** The payments shall be 30 annual installments of \$5,959.82, which amount includes principal and interest. The first installment shall be due and payable one year after the STATE determines that the PROJECT has been substantially completed, and annually thereafter until the entire principal sum and any accrued interest shall have been paid. Installment payments are to be made payable to the CWCB at the address given below.

e. **Interest during construction.** The BORROWER shall repay to the STATE interest which will be calculated at the rate of four and one-quarter percent (4 ¼ %) per annum on each loan advance disbursed to the BORROWER during construction. Said accumulated interest shall be paid to the STATE as a single lump sum ten (10) days after the STATE determines that the PROJECT has been substantially completed.

f. **Prepayment conditions.** The BORROWER may prepay all or any of the loan at any time, without penalty. These payments will be applied first to any accrued interest and then to reduce the principal amount.

g. **Collection costs.** If the principal or accrued interest under this contract is not paid when due, the BORROWER agrees to 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.

9. **Warranties.**

PAID IN FULL

a. The BORROWER warrants that, by acceptance of the loan money pursuant to the terms of this contract and by the BORROWER'S representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan money to the STATE as required by this contract.

b. 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.

c. 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.

d. The BORROWER warrants that the security identified in the Pledge of Revenues and Collateral Provisions of this contract is not encumbered by any liens of any party other than the STATE or in any other manner.

10. **Pledge of revenues.** The BORROWER agrees that the specific revenues to be pledged to repay the STATE shall include, but not be limited to, assessments levied for that purpose as authorized by resolutions of the BORROWER, revenues from the sale of recharge water from the Sandhill Ditch Recharge Project to GASP and/or any other purchasers, and any other funds legally available to BORROWER to repay the STATE. Furthermore, BORROWER agrees that

a. **Revenues for this loan are to be kept separate.** The BORROWER hereby pledges such revenues to repay the STATE loan, agrees that these revenues shall be set aside and kept in an account separate from other BORROWER revenues, warrants that these revenues shall not be used for any other purpose, and agrees to provide the STATE a perfected security interest such that the STATE has priority over all other competing claims for such secured revenues.

b. **Establish security interest in the revenues.** The BORROWER agrees that, in order to provide a security interest to the STATE irrevocably pledging such revenues, it shall provide completed and properly executed Uniform Commercial Code Security Agreement and Financing Statements, hereinafter referred to as UCC DOCUMENTS, attached as **APPENDIX B** and incorporated herein.

c. **UCC document renewal.** The BORROWER shall, within sixty (60) days prior to the end of the fifth year that this contract is in effect and every five (5) years thereafter, deliver to the STATE fully and properly executed Continuation Statements (Form UCC-3) of the UCC DOCUMENTS required by this contract.

d. **Assessments for repayment of the loan.** The BORROWER shall, pursuant to its statutory authority, articles of incorporation and by-laws, and as authorized by its resolutions, annually seek from its shareholders sufficient assessments, and take all other necessary actions consistent therewith to levy assessments sufficient to pay this contract loan in a timely manner and as required by the terms and conditions of this contract. Should the shareholders fail to set any such assessments, the BORROWER shall make adequate assessments for the purpose of repaying its obligations under this contract pursuant to § 7-42-104(2), C.R.S. (1986). In addition, in the event the assessments levied by the BORROWER become insufficient to assure repayment to the STATE as required by the terms and conditions of this contract, then the BORROWER shall immediately take all necessary action consistent with its statutory authority, its articles of incorporation, by-laws and resolutions, including, but not limited to, levying additional assessments to raise sufficient revenue to assure repayment of the loan to the STATE.

PAID IN FULL

e. **Assessments for operations, maintenance and reserves.** The BORROWER shall, pursuant to its statutory authority, articles of incorporation, by-laws, and resolutions, levy assessments from time to time as necessary to provide sufficient funds for adequate operation and maintenance, emergency repair services, obsolescence reserves and debt reserves. BORROWER shall deposit an amount equal to one-tenth of an annual payment into its reserve debt service fund on an annual basis for the first ten years of this loan.

11. **Collateral.** Part of the security provided for this loan shall be a security interest in an undivided one hundred percent interest in the following, hereinafter referred to as COLLATERAL: all revenues derived from the BORROWER'S sale of recharge water from the Sandhill Ditch Recharge Project to the Groundwater Appropriators of the South Platte River and/or to any other purchasers. The BORROWER has executed a Conditional Assignment of Contract Proceeds, attached as **APPENDIX C** and incorporated herein, assigning the STATE its right, title and interest in and to the income from the sales of recharge water to GASP pursuant to the BORROWER/GASP Agreement in the event of default by the BORROWER under this contract, and has executed a UCC DOCUMENT, referenced above, to convey to the STATE a security interest in all the revenues derived from sales of recharge water to GASP and/or to any other purchaser.

12. **Collateral during repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of any collateral for this loan, including the assessments and water sales revenues pledged to repay the loan herein, so long as any of the

principal and any accrued interest required by the Promissory Note Provisions of the contract remain unpaid, without the prior written concurrence of the STATE.

13. **Remedies for default.** Upon default in the payments herein set forth to be made by the BORROWER, or default in the performance of any covenant or agreement contained herein, the STATE, at its option, may:

- a. declare the entire principal amount and accrued interest then outstanding immediately due and payable;
- b. incur and pay reasonable expenses for repair, maintenance, and operation of the PROJECT facilities herein described and such expenses as may be necessary to cure the cause of default, and add the amount of such expenditures to the principal of the loan amount;
- c. act upon the UCC DOCUMENTS, Conditional Assignment of Contract Proceeds, and promissory note;
- d. take any other appropriate action.

All remedies described herein may be simultaneously or selectively and successively enforced. The provisions of this contract may be enforced by the STATE 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 STATE to ensure compliance with provisions of this contract and the laws and regulations under which this contract is executed. The STATE'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.

14. **In event of a conflict.** In the event of conflict between the terms of this contract and conditions as set forth in any of the appendices, the provisions of this contract shall control.

15. **Progress reports.** The BORROWER shall, with the assistance of the CONSULTANT, prepare a periodic progress report which contains a statement of the PROJECT construction costs expended for that period and shall forward said statement to the STATE.

16. **Periodic inspections.** Throughout the term of this contract, the BORROWER shall permit a designated representative of the STATE to make periodic inspections of the PROJECT. Such inspections are solely for the purpose of verifying compliance with the terms and conditions of this contract. Furthermore, such inspections shall cover the condition of the PROJECT, operating records, maintenance records, and financial records, and shall not be construed nor interpreted as an approval of the actual design and/or construction of any element of the PROJECT facilities.

17. **Adhere to 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.

18. **No discrimination of services.** The services of said PROJECT shall be made available within its capacity and in accordance with all pertinent statutes, rules and regulations, and operational guidelines to all persons in the BORROWER's service area without discrimination as to race, color, religion, or national origin at reasonable charges (including assessments or fees), whether for one or more classes of service, in accordance with a schedule of such charges formally adopted by the BORROWER, as may be modified from time to time.

B. The STATE agrees as follows:

1. **Agreement to loan money.** The STATE agrees to loan to the BORROWER an amount not to exceed that specified in the Promissory Note Provisions of this contract.

2. **Disbursements.** 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 STATE will pay to the BORROWER the amount set forth in the report or such portion that has been approved by the STATE. Such payment shall be made within thirty (30) days from the STATE'S approval of each progress report.

3. **Release after loan is repaid.** Upon complete repayment to the STATE of the entire principal and any accrued interest as specified in the promissory note provisions of this contract, the STATE agrees to execute UCC-3 forms to terminate all of the STATE'S rights in and to the revenues pledged to repay this loan, and to release, in writing, the Conditional Assignment of Contract Proceeds.

C. The STATE and the BORROWER mutually agree as follows:

1. **Designated agent of the STATE.** The CWCB, which includes its agents and employees, is hereby designated as the agent of the STATE for the purpose of this contract.

2. **Contract is not assignable.** This contract is not assignable by the BORROWER except with the prior written approval of the STATE.

3. **Contract relationship.** The parties to this contract intend that the relationship between them contemplated by 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 STATE. 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 performance of this contract.

4. **Integration of all understandings.** This agreement 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 effect 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.

5. **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.

6. **Eligible expenses.** PROJECT construction costs eligible for financing by the STATE shall be limited to the cost of:

- a. Preparing final designs and specifications for the PROJECT.
- b. Preparing bid and construction contract documents.
- c. Preparing environmental assessment or environmental impact statements, and otherwise complying with the Federal National Environmental Policy Act.

d. Complying with all federal, state, and local regulatory requirements, including the obtaining of all required permits.

e. Fish and wildlife mitigation measures required by federal, state, or local laws and regulations.

f. Actual construction as called for in the design documents and in change orders approved by the STATE, the BORROWER, the CONSULTANT and the CONSTRUCTION FIRM.

g. Engineering services for construction management, including design and construction management for STATE-approved change orders.

h. Legal services for reviewing engineering services contracts, reviewing this contract, reviewing construction contract documents, acquiring the land and water rights needed for the PROJECT, and for complying with all federal, state, and local regulatory requirements. Legal services must be approved by the STATE in writing to be eligible for payment by the STATE.

7. **STATE may release contract at its option.** In its sole discretion, the STATE may at any time give any consent, deferment, subordination, release, satisfaction, or termination of any or all of the BORROWER'S obligations under this contract, with valuable consideration, upon such terms and conditions as the STATE may determine to be:

a. advisable to further the purposes of this contract or to protect the STATE'S financial interest therein, and

b. consistent with both the statutory purposes of this contract and the limitations of the statutory authority under which it is made.

8. **Casualty and eminent domain.** If, at any time during the term of this contract, (a) the BORROWER'S PROJECT facilities and/or property pledged as security for this loan, 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. Any net proceeds remaining after such work has been completed shall be paid to the BORROWER. If the net 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.

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. **STATE'S approval.** This contract requires review and approval of plans, specifications, and various other technical and legal documents. The STATE'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 rehabilitation. Notwithstanding any consents or approvals given the BORROWER by the STATE on any such documents, BORROWER and its CONSULTANT preparing any such documents shall be solely responsible for the accuracy and completeness of any of the construction documents.

11. **Addresses for mailing.** All notices, correspondence, or other documents required by this contract shall be delivered or mailed to the following addresses:

For the STATE:

Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

For the BORROWER:

South Platte Ditch Company
Route 1, Box 106
Merino, CO 80741

D. **Special provisions (1993 version)**

1. **Controller's approval.** This contract shall not be deemed valid until it shall have been approved by the Controller of the State of Colorado or such assistant as he may designate. This provision is applicable to any contract involving the payment of money by the STATE.

2. **Fund availability.** Financial obligations of the State of Colorado payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

3. **Bond requirement.** If this contract involves the payment of more than fifty thousand dollars for the construction, erection, repair, maintenance, or improvement of any building, road, bridge, viaduct, tunnel, excavation or other public work for this STATE, the CONTRACTOR shall, before entering upon the performance of any such work included in this contract, duly execute and deliver to the STATE official who will sign the contract, a good and sufficient bond or other acceptable surety to be approved by said official in a penal sum not less than one-half of the total amount payable by the terms of this contract. Such bond shall be duly executed by a qualified corporate surety conditioned upon the faithful performance of the contract and in addition, shall provide that if the CONTRACTOR or his subcontractors fail to duly pay for any labor, materials, team hire, sustenance, provisions, provender or other supplies used or consumed by such CONTRACTOR or his subcontractor in performance of the work contracted to be done or fails to pay any person who supplies rental machinery, tools, or equipment in the prosecution of the work the surety will pay the same in an amount not exceeding the sum specified in the bond, together with interest at the rate of eight per cent per annum. Unless such bond is executed, delivered and filed, no claim in favor of the CONTRACTOR arising under such contract shall be audited, allowed or paid. A certified or cashier's check or a bank money order payable to the Treasurer of the State of Colorado may be accepted in lieu of a bond. This provision is in compliance with C.R.S. 38-26-106.

4. **Indemnification.** To the extent authorized by law, the CONTRACTOR shall indemnify, save, and hold harmless the STATE, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the CONTRACTOR, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract.

5. **Discrimination and affirmative action.** The CONTRACTOR agrees to comply with the letter and spirit of the Colorado Antidiscrimination Act of 1957, as amended, and other applicable law respecting discrimination and unfair employment practices (C.R.S. 24-34-402), and as required by Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975. Pursuant thereto, the following provisions shall be contained in all STATE contracts or sub-contracts.

During the performance of this contract, the CONTRACTOR agrees as follows:

a. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, martial status, religion, ancestry, mental or physical handicap, or age. The CONTRACTOR will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to the above mentioned characteristics. Such action shall include, but not be limited to the following: employment upgrading, demotion, or transfer, recruitment or recruitment advertisings; lay-offs or terminations; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth provisions of this non-discrimination clause.

b. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, martial status, religion, ancestry, mental or physical handicap, or age.

c. The CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, notice to be provided by the contracting officer, advising the labor union or workers' representative of the CONTRACTOR'S commitment under the Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975, and of the rules, regulations, and relevant Orders of the Governor.

d. The CONTRACTOR and labor unions will furnish all information and reports required by Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, and by the rules, regulations and Orders of the Governor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the office of the Governor or his designee for purposes of investigation to ascertain compliance with such rules, regulations and orders.

e. A labor organization will not exclude any individual otherwise qualified from full membership rights in such labor organization, or expel any such individual from membership in such labor organization or discriminate against any of its members in the full enjoyment of work opportunity because of race, creed, color, sex, national origin, or ancestry.

f. A labor organization, or the employees or members thereof will not aid, abet, incite, compel or coerce the doing of any act defined in this contract to be discriminatory or obstruct or prevent any person from complying with the provisions of this contract or any order issued thereunder; or attempt, either directly or indirectly, to commit any act defined in this contract to be discriminatory.

g. In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further STATE

contracts in accordance with procedures, authorized in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975 and the rules, regulations, or orders promulgated in accordance therewith, and such other sanctions as may be imposed and remedies as may be invoked as provided in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, or by rules, regulations, or orders promulgated in accordance therewith, or as otherwise provided by law.

h. The CONTRACTOR will include the provisions of paragraphs (a) through (h) in every sub-contract and subcontractor purchase order unless exempted by rules, regulations, or orders issued pursuant to Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any sub-contracting or purchase order as the contracting agency may direct, as a means of enforcing such provisions, including sanctions for non-compliance; provided, however, that in the event the CONTRACTOR becomes involved in, or is threatened with, litigation, with the subcontractor or vendor as a result of such direction by the contracting agency, the CONTRACTOR may request the State of Colorado to enter into such litigation to protect the interest of the State of Colorado.

6. **Colorado labor preference**

a. Provisions of C.R.S. 8-17-101 & 102 for preference of Colorado labor are applicable to this contract if public works within the STATE are undertaken hereunder and are financed in whole or in part by STATE funds.

b. When construction contract for a public project is to be awarded to a bidder, a resident bidder shall be allowed a preference against a non-resident bidder from a state or foreign country equal to the preference given or required by the state or foreign country in which the non-resident bidder is a resident. If it is determined by the officer responsible for awarding the bid that compliance with this subsection .06 may cause denial of federal funds which would otherwise be available or would otherwise be inconsistent with requirements of federal law, this subsection shall be suspended, but only to the extent necessary to prevent denial of the moneys or to eliminate the inconsistency with federal requirements (C.R.S. 8-19-101 and 102).

7. **General.** The laws of the State of Colorado and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution, and enforcement of this contract. Any provision of this contract whether or not incorporated herein by reference which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules, and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defence or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this contract to the extent that the contract is capable of execution.

8. At all times during the performance of this contract, the CONTRACTOR shall strictly adhere to all applicable federal and state laws, rules, and regulations that have been or may hereafter be established.

9. The signatories aver that they are familiar with C.R.S. 18-8-301, et seq., (Bribery and Corrupt Influences) and 18-8-401, et seq., (Abuse of Public Office), and that no violation of such provisions is present.

10. The signatories aver that to their knowledge, no state employee has any personal or beneficial interest whatsoever in the service or property described herein:

IN WITNESS WHEREOF, the parties hereto have executed this contract on the day first above written.

CONTRACTOR: South Platte Ditch Company

By Edward Dermer
Edward Dermer, President
Federal ID Number: 84-0425471

Attest (Seal)

By Charles Bartlett
Charles Bartlett, Secretary

State of Colorado
Roy Romer, Governor

By [Signature]
For the Executive Director
DEPARTMENT OF NATURAL RESOURCES
COLORADO WATER CONSERVATION BOARD
Daries C. Lile, P.E., Director

APPROVALS

ATTORNEY GENERAL
By Gale A. Norton
Attorney General
C. Richard Pennington
Assistant Attorney General
State Services Section
South Platte Ditch Company

APPROVALS:
STATE CONTROLLER
By [Signature]
BY [Signature]
C:\WP51\DOC\CONTRACT\SPLATTE2.con(April 17, 1996)

1. The first part of the document is a letter from the President of the United States to the Congress, dated January 1, 1863. It is a very important document, as it contains the President's annual message to Congress, which is a key part of the executive branch's communication with the legislative branch.

2. The second part of the document is a letter from the Secretary of the Navy to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Navy, which is a key part of the executive branch's communication with the President.

3. The third part of the document is a letter from the Secretary of the Treasury to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Treasury, which is a key part of the executive branch's communication with the President.

4. The fourth part of the document is a letter from the Secretary of the Interior to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Interior, which is a key part of the executive branch's communication with the President.

5. The fifth part of the document is a letter from the Secretary of the War to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the War, which is a key part of the executive branch's communication with the President.

6. The sixth part of the document is a letter from the Secretary of the State to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the State, which is a key part of the executive branch's communication with the President.

7. The seventh part of the document is a letter from the Secretary of the Navy to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Navy, which is a key part of the executive branch's communication with the President.

8. The eighth part of the document is a letter from the Secretary of the Treasury to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Treasury, which is a key part of the executive branch's communication with the President.

9. The ninth part of the document is a letter from the Secretary of the Interior to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Interior, which is a key part of the executive branch's communication with the President.

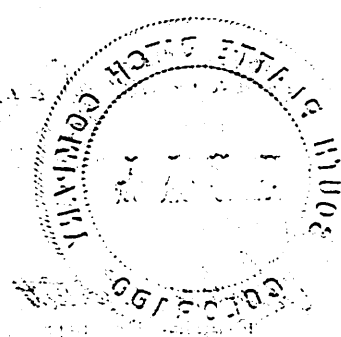
10. The tenth part of the document is a letter from the Secretary of the War to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the War, which is a key part of the executive branch's communication with the President.

11. The eleventh part of the document is a letter from the Secretary of the State to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the State, which is a key part of the executive branch's communication with the President.

12. The twelfth part of the document is a letter from the Secretary of the Navy to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Navy, which is a key part of the executive branch's communication with the President.

13. The thirteenth part of the document is a letter from the Secretary of the Treasury to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Treasury, which is a key part of the executive branch's communication with the President.

14. The fourteenth part of the document is a letter from the Secretary of the Interior to the President, dated January 1, 1863. It is a very important document, as it contains the Secretary's report on the state of the Interior, which is a key part of the executive branch's communication with the President.



RESOLUTION

BE IT RESOLVED by the South Platte Ditch Company ("Company") that the proposed Bylaws of the Company which were presented to the shareholders of the Company for their consideration at the Annual Meeting of Shareholders on February 6, 1978, a copy of which are attached, are hereby approved, and the directors of the Company are hereby authorized to adopt such Bylaws substantially in the form presented at the aforesaid Annual Meeting.

I, Charles Bartlett, Secretary of the South Platte Ditch Company, hereby certify that the foregoing Resolution was adopted by a majority of the shareholders of the South Platte Ditch Company at the Annual Meeting of Shareholders held on February 6, 1978, after notice duly mailed on the 20th day of January, 1978 to all shareholders of record on that day.

Charles Bartlett, Secy
Charles Bartlett, Secretary

PAID IN FULL

APPENDIX A

RESOLUTION

RESOLVED, the Directors of the South Platte Ditch Company (the "Company") hereby authorize the President and the Secretary of the Company, on behalf of the Company, to take the following actions to obtain a loan to the Company from the Colorado Water Conservation Board (the "CWCB") for the purpose of rehabilitating the Company's river diversion structure:

1. Contract with the CWCB for a loan in the amount of \$100,000 and comply with all the terms of such contract (the "Loan Contract");
2. Pay the monies owing under the Loan Contract on behalf of the Company;
3. Levy annual assessments in an amount sufficient, along with any other Company income, to repay the annual amounts due under the Loan Contract;
4. Establish a reserve debt service fund by making an annual deposit equivalent to one-tenth of the annual payment required under the Loan Contract every year for the first 10 years of the Loan Contract, and replenish that reserve fund any time it is depleted or diminished as a result of the Company using such fund to make any payment required under the Loan Contract on an emergency or temporary basis;
5. Place monies collected from the sale of recharge water to the Groundwater Appropriators of the South Platte River ("GASP") and, if necessary, from annual Company assessments in a special fund separate and apart from the Company's other revenues, in an amount sufficient to assure payment of the Company's annual obligation under the Loan Contract, provided that the reserve fund noted in paragraph 4 above and the annual payment fund described in this paragraph may be kept and accounted for in a single, separate bank account;


PAID IN FULL

APPENDIX A

6. Execute Uniform Commercial Code Security Agreements and Financing Statements in accordance with the requirements of the Loan Contract to secure the revenues pledged in favor of the CWCB under the Loan Contract;
7. Execute the Conditional Assignment of Contract Proceeds required under the Loan Contract to provide the security specified in the Loan Contract relating to revenues from the sale of recharge water to GASP; and
8. Take any other action required or called for under the Loan Contract.

This Resolution shall be irrevocable during the term of the Loan Contract.

I, Charles Bartlett, Secretary of the South Platte Ditch Company (the "Company"), hereby certify that the foregoing Resolution was duly adopted by a majority of the Directors of the Company without a meeting, in accordance with the requirements of the Company's Bylaws, on April 28, 1996.



Charles Bartlett, Secretary

C-15377

STATE OF COLORADO

UNIFORM COMMERCIAL CODE - SECURITY AGREEMENT & FINANCING STATEMENT

COLORADO SECRETARY OF STATE

1560 Broadway, Suite 200 - Denver, CO 80202-5169

DEBTOR: SOUTH PLATTE DITCH COMPANY
Route 1, Box 106
Merino, CO 80741

FED TAX ID# 84-0425471

962043210 C \$16.00
SECRETARY OF STATE
07-05-96 11:45

SECURED PARTY: STATE OF COLORADO for the use and benefit of the
Department of Natural Resources, Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

COLLATERAL
CLASSIFICATION: ☒ CONTRACT RIGHTS ☒ OTHER

DEBTOR, for consideration, hereby grants to SECURED PARTY a security interest in the following property and any and all additions, accessions and substitutions thereto or therefor, hereinafter called the COLLATERAL: *ALL REVENUES DERIVED FROM ASSESSMENTS ON STOCK TO REPAY THE INDEBTEDNESS ON THE AMOUNT LOANED TO DEBTOR BY SECURED PARTY, AS DESCRIBED IN PLEDGE OF REVENUES PROVISIONS IN CONTRACT #C153717.*

To secure payment of the indebtedness evidenced by certain Promissory Note Provisions of Loan Contract referenced above between the above named parties herewith, payable to the SECURED PARTY, or order, as follows: *\$100,000 with interest at the rate of 4% per annum payable in 30 annual installments of \$5,959.82, or until all principal and interest are paid in full.*

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby DEBTOR is, or to the extent that this agreement states that the COLLATERAL is to be acquired after the date hereof, will be, 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 anytime claiming the same or any interest therein.

2. The COLLATERAL is used or bought primarily for:
- ☐ Personal, family or household purposes;
 - ☐ Use in farming operations;
 - ☐ Use in business;
 - ☒ Other.

3. That DEBTOR's address is as stated above, and the COLLATERAL will be kept at *SAME ADDRESS*

4. If any of the COLLATERAL is crops, oil, gas or minerals to be extracted or timber to be cut, or goods which are or are to become fixtures, said COLLATERAL concerns the following described real estate situate in the County of *N/A* and State of Colorado, to-wit: *N/A*

5. Promptly to notify SECURED PARTY of any changes in the location of the COLLATERAL.

6. To pay all taxes and assessments of every nature which may be levied or assessed against the COLLATERAL.

7. 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.

8. That the COLLATERAL is in good condition, and that the DEBTOR will, at its own expense, keep the same in good condition and from time to time, forthwith, replace and repair all such parts of the collateral as may be broken, worn out, or damaged without

PAID IN FULL

APPENDIX B

allowing any lien to be created upon the COLLATERAL on account of such replacement or repairs, and that the SECURED PARTY may examine and inspect the COLLATERAL at any time, wherever located.

9. That the DEBTOR will not use the COLLATERAL in violation of any applicable statutes, regulations or ordinances.

10. The DEBTOR will keep the COLLATERAL at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as the SECURED PARTY may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods, and written by such companies or underwriters as the SECURED PARTY may approve, losses in all cases to be payable to the SECURED PARTY and the DEBTOR as their interest may appear. All policies of insurance shall provide for at least ten days' prior written notice of cancellation to the SECURED PARTY; and the DEBTOR shall furnish the SECURED PARTY with certificates of such insurance or other evidence satisfactory to the SECURED PARTY as to compliance with the provisions of this paragraph. The SECURED PARTY may act as attorney for the DEBTOR in making, adjusting and settling claims under or canceling such insurance and endorsing the DEBTOR'S name on any drafts drawn by insurers of the COLLATERAL.

UNTIL DEFAULT DEBTOR may have possession of the COLLATERAL and use it in any lawful manner, and upon default SECURED PARTY shall have the immediate right to the possession of the COLLATERAL.

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

- (a) default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;
- (b) 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;
- (c) loss, theft, damage, destruction, sale or encumbrance to or of any of the COLLATERAL, or the making of any levy seizure or attachment thereof or thereon;
- (d) death, dissolution, termination or 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 any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR or any guarantor or surety for DEBTOR.

UPON SUCH DEFAULT and at any time thereafter, or if it deems itself insecure, SECURED PARTY may declare all Obligations secured hereby immediately due and payable and shall have the remedies of a secured party under Article 9 of the Colorado Uniform Commercial Code. SECURED PARTY may require DEBTOR to assemble the collateral and deliver or make it 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.

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 said 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 said SECURED PARTY shall retain its rights of set-off against DEBTOR.

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 heirs, executors or administrators or its successors or assigns. If there be more than one DEBTOR, their liabilities hereunder shall be joint and several.

Date this 28 day of April, 1996.

DEBTOR: SOUTH PLATTE DITCH COMPANY

By: Edward Dermer
Edward Dermer, President

(SEAL)

ATTEST Charles Bartlett
Charles Bartlett, Secretary

SECURED PARTY: STATE OF COLORADO for
the use and benefit of the Department of
Natural Resources, Colorado Water
Conservation Board

By: Daries C. Lile
Daries C. Lile, Director

C-153717

STATE OF COLORADO

UNIFORM COMMERCIAL CODE - SECURITY AGREEMENT & FINANCING STATEMENT
COLORADO SECRETARY OF STATE

1560 Broadway, Suite 200 - Denver, CO 80202-5169

DEBTOR: SOUTH PLATTE DITCH COMPANY
Route 1, Box 106
Merino, CO 80741

FED TAX ID# 84-0425471

962043211 C \$16.00
SECRETARY OF STATE
06-05-96 11:45

COPY

SECURED PARTY: STATE OF COLORADO for the use and benefit of the
Department of Natural Resources, Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

COLLATERAL
CLASSIFICATION: ☒ CONTRACT RIGHTS ☒ OTHER

DEBTOR, for consideration, hereby grants to SECURED PARTY a security interest in the following property and any and all additions, accessions and substitutions thereto or therefor, hereinafter called the COLLATERAL: *ALL REVENUES DERIVED FROM THE SALE BY THE DEBTOR OF RECHARGE WATER FROM THE SANDHILL DITCH RECHARGE PROJECT TO THE GROUNDWATER APPROPRIATORS OF THE SOUTH PLATTE RIVER AND/OR TO ANY OTHER PURCHASERS.*

To secure payment of the indebtedness evidenced by certain Promissory Note Provisions of Loan Contract #C153717 between the above named parties herewith, payable to the SECURED PARTY, or order, as follows: *\$100,000 with interest at the rate of 4 1/4 % per annum payable in 30 annual installments of \$5,959.82, or until all principal and interest are paid in full.*

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby DEBTOR is, or to the extent that this agreement states that the COLLATERAL is to be acquired after the date hereof, will be, 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 anytime claiming the same or any interest therein.

2. The COLLATERAL is used or bought primarily for:
- ☐ Personal, family or household purposes;
 - ☐ Use in farming operations;
 - ☐ Use in business;
 - ☒ Other.

PAID IN FULL

3. That DEBTOR'S address is as stated above, and the COLLATERAL will be kept at *SAME ADDRESS*

4. If any of the COLLATERAL is crops, oil, gas or minerals to be extracted or timber to be cut, or goods which are or are to become fixtures, said COLLATERAL concerns the following described real estate situate in the County of *N/A* and State of Colorado, to-wit: *N/A*

5. Promptly to notify SECURED PARTY of any changes in the location of the COLLATERAL.

6. To pay all taxes and assessments of every nature which may be levied or assessed against the COLLATERAL.

7. 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.

8. That the COLLATERAL is in good condition, and that the DEBTOR will, at its own expense, keep the same in good condition and from time to time, forthwith, replace and repair all such parts of the collateral as may be broken, worn out, or damaged without allowing any lien to be created upon the COLLATERAL on account of such replacement or repairs, and that the SECURED PARTY may examine and inspect the COLLATERAL at any time, wherever located.

9. That the DEBTOR will not use the COLLATERAL in violation of any applicable statutes, regulations or ordinances.

APPENDIX B

10. The DEBTOR will keep the COLLATERAL at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as the SECURED PARTY may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods, and written by such companies or underwriters as the SECURED PARTY may approve, losses in all cases to be payable to the SECURED PARTY and the DEBTOR as their interest may appear. All policies of insurance shall provide for at least ten days' prior written notice of cancellation to the SECURED PARTY; and the DEBTOR shall furnish the SECURED PARTY with certificates of such insurance or other evidence satisfactory to the SECURED PARTY as to compliance with the provisions of this paragraph. The SECURED PARTY may act as attorney for the DEBTOR in making, adjusting and settling claims under or canceling such insurance and endorsing the DEBTOR'S name on any drafts drawn by insurers of the COLLATERAL.

UNTIL DEFAULT DEBTOR may have possession of the COLLATERAL and use it in any lawful manner, and upon default SECURED PARTY shall have the immediate right to the possession of the COLLATERAL.

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

- (a) default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;
- (b) 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;
- (c) loss, theft, damage, destruction, sale or encumbrance to or of any of the COLLATERAL, or the making of any levy seizure or attachment thereof or thereon;
- (d) death, dissolution, termination or 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 any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR or any guarantor or surety for DEBTOR.

UPON SUCH DEFAULT and at any time thereafter, or if it deems itself insecure, SECURED PARTY may declare all Obligations secured hereby immediately due and payable and shall have the remedies of a secured party under Article 9 of the Colorado Uniform Commercial Code. SECURED PARTY may require DEBTOR to assemble the collateral and deliver or make it 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.

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 said 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 said SECURED PARTY shall retain its rights of set-off against DEBTOR.

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 heirs, executors or administrators or its successors or assigns. If there be more than one DEBTOR, their liabilities hereunder shall be joint and several.

Date this 28 day of April, 1996.

DEBTOR: SOUTH PLATTE DITCH COMPANY

By: Edward Dermer
Edward Dermer, President

SECURED PARTY: STATE OF COLORADO for
the use and benefit of the Department of
Natural Resources, Colorado Water
Conservation Board

By: Daries C. Lile
Daries C. Lile, Director

(SEAL)

ATTEST Charles Bartlett
Charles Bartlett, Secretary

CONDITIONAL ASSIGNMENT OF CONTRACT PROCEEDS

In consideration of and as security for reimbursement for monies owing under a loan from the Colorado Water Conservation Board ("Assignee") in the amount of \$100,000 ("Loan") pursuant to Contract Encumbrance Number C153717, ("Loan Contract"), the South Platte Ditch Company ("Assignor") hereby conditionally assigns and transfers to the Assignee, for its use and benefit, all of the Assignor's right, title and interest in and to any and all monies due, or which may become due, on the sale of recharge water to the Groundwater Appropriators of the South Platte River ("GASP") pursuant to an Agreement between the Company and GASP executed March 20, 1975 ("GASP Agreement"), attached hereto and incorporated herein (such monies hereinafter referred to as "GASP monies"). This Assignment shall take effect only if and when the Assignor is considered in default under the Loan Contract as provided below. This Assignment is made solely to secure payment of the Loan and is made subject to the following terms, covenants and conditions:

1. This Assignment shall take effect only if and when the Assignor is considered in default under the Loan Contract, and in that event the Assignment will remain in full force and effect until the Assignee releases it in writing. In the event the Assignment becomes effective, the Assignee shall release this Assignment when the Loan is paid in full.
2. The Assignor shall be considered in default under the Loan Contract for purposes of this Assignment upon the occurrence of any of the following events or conditions: (a) failure or omission to make any payment under the Loan Contract when due; (b) default in the payment or performance of any obligation, covenant, or agreement contained in the Loan Contract; (c) the making of any levy, seizure, or attachment on the GASP monies by any third party; (d) the Assignor becoming insolvent or unable to pay debts as they mature. The Assignee shall give the Assignor written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before Assignor shall be considered in default for purposes of this Assignment.
3. So long as there shall exist no default by the Assignor in the payment of the principal sum and interest secured hereby, or in the performance of any obligation, covenant or agreement contained in the Loan Contract, this Assignment shall not take effect and the Assignor shall retain the sole right to collect all GASP monies.
4. Upon or at any time after default in the payment of the principal sum and interest secured hereby, or in the performance of any obligation, covenant or agreement contained in the Loan Contract, the Assignee, without in any way waiving such default, may, upon notice in writing to GASP and the Assignor, demand, collect and receive all GASP monies to the extent required to satisfy the Assignor's obligations under the loan contract. Upon receipt of such notice, the Assignor shall notify GASP of the Assignee's exercise of this right. The Assignee shall apply such monies first to costs associated with collection, including reasonable attorney's fees, next to outstanding interest, and then to the principal sum of the Loan.

APPENDIX C

5. The rights and remedies of the Assignee stated in this Assignment are in addition to any other rights the Assignee may have under the Loan Contract or any law.

6. This Assignment shall be construed in accordance with the laws of the State of Colorado.

7. The Assignor and Assignee specifically request GASP to honor and accept this Assignment and its terms.

Executed this 28 day of April, 1996.

SOUTH PLATTE DITCH COMPANY

By Edward Herman - President

ATTEST:

By Charles Bartlett

ACKNOWLEDGEMENT BY GASP

The Groundwater Appropriators of the South Platte River ("GASP") has received a copy of the foregoing Assignment, and agrees that, upon notice from the South Platte Ditch Company ("Company") and from the Colorado Water Conservation Board ("CWCB") that the Company is in default under its Loan Contract with the CWCB and that the CWCB is exercising its right under the Assignment to collect monies due from GASP on its purchase(s) of recharge water from the Sandhill Ditch Recharge Project, GASP shall pay such monies directly to the CWCB until advised otherwise.

Groundwater Appropriators of the South
Platte River

By: Bert Woodward President

Date: 4/29/96

PAID IN FULL

Repayment Schedule

Borrower South Platte Ditch Company

Project: Rehab Div. Structure & Headgate

Principal \$100,000

Annual Payment: \$5,959.82

Interest: 4%

Term: 30 years

Period	Loan Balance	Annual Payment	Amount to Interest	Amount to Principal
1	\$100,000.00	\$5,959.82	\$4,250.00	\$1,709.82
2	98,290.18	5,959.82	4,177.33	1,782.49
3	96,507.68	5,959.82	4,101.58	1,858.25
4	94,649.44	5,959.82	4,022.60	1,937.22
5	92,712.21	5,959.82	3,940.27	2,019.56
6	90,692.66	5,959.82	3,854.44	2,105.39
7	88,587.27	5,959.82	3,764.96	2,194.87
8	86,392.40	5,959.82	3,671.68	2,288.15
9	84,104.26	5,959.82	3,574.43	2,385.39
10	81,718.86	5,959.82	3,473.05	2,486.77
11	79,232.09	5,959.82	3,367.36	2,592.46
12	76,639.63	5,959.82	3,257.18	2,702.64
13	73,936.99	5,959.82	3,142.32	2,817.50
14	71,119.48	5,959.82	3,022.58	2,937.25
15	68,182.24	5,959.82	2,897.75	3,062.08
16	65,120.16	5,959.82	2,767.61	3,192.22
17	61,927.94	5,959.82	2,631.94	3,327.89
18	58,600.05	5,959.82	2,490.50	3,469.32
19	55,130.73	5,959.82	2,343.06	3,616.77
20	51,513.96	5,959.82	2,189.34	3,770.48
21	47,743.48	5,959.82	2,029.10	3,930.73
22	43,812.76	5,959.82	1,862.04	4,097.78
23	39,714.97	5,959.82	1,687.89	4,271.94
24	35,443.03	5,959.82	1,506.33	4,453.50
25	30,989.54	5,959.82	1,317.06	4,642.77
26	26,346.77	5,959.82	1,119.74	4,840.09
27	21,506.68	5,959.82	914.03	5,045.79
28	16,460.89	5,959.82	699.59	5,260.24
29	11,200.65	5,959.82	476.03	5,483.80
30	5,716.86	5,959.82	242.97	5,716.86
Totals		\$178,794.74	\$78,794.74	\$100,000.00

PAID IN FULL

CONDITIONAL ASSIGNMENT OF CONTRACT PROCEEDS

In consideration of and as security for reimbursement for monies owing under a loan from the Colorado Water Conservation Board ("Assignee") in the amount of \$100,000 ("Loan") pursuant to Contract Encumbrance Number C153717, ("Loan Contract"), the South Platte Ditch Company ("Assignor") hereby conditionally assigns and transfers to the Assignee, for its use and benefit, all of the Assignor's right, title and interest in and to any and all monies due, or which may become due, on the sale of recharge water to the Groundwater Appropriators of the South Platte River ("GASP") pursuant to an Agreement between the Company and GASP executed March 20, 1975 ("GASP Agreement"), attached hereto and incorporated herein (such monies hereinafter referred to as "GASP monies"). This Assignment shall take effect only if and when the Assignor is considered in default under the Loan Contract as provided below. This Assignment is made solely to secure payment of the Loan and is made subject to the following terms, covenants and conditions:

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2. The Assignor shall be considered in default under the Loan Contract for purposes of this Assignment upon the occurrence of any of the following events or conditions: (a) failure or omission to make any payment under the Loan Contract when due; (b) default in the payment or performance of any obligation, covenant, or agreement contained in the Loan Contract; (c) the making of any levy, seizure, or attachment on the GASP monies by any third party; (d) the Assignor becoming insolvent or unable to pay debts as they mature. The Assignee shall give the Assignor written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before Assignor shall be considered in default for purposes of this Assignment.
3. So long as there shall exist no default by the Assignor in the payment of the principal sum and interest secured hereby, or in the performance of any obligation, covenant or agreement contained in the Loan Contract, this Assignment shall not take effect and the Assignor shall retain the sole right to collect all GASP monies.
4. Upon or at any time after default in the payment of the principal sum and interest secured hereby, or in the performance of any obligation, covenant or agreement contained in the Loan Contract, the Assignee, without in any way waiving such default, may, upon notice in writing to GASP and the Assignor, demand, collect and receive all GASP monies to the extent required to satisfy the Assignor's obligations under the loan contract. Upon receipt of such notice, the Assignor shall notify GASP of the Assignee's exercise of this right. The Assignee shall apply such monies first to costs associated with collection, including reasonable attorney's fees, next to outstanding interest, and then to the principal sum of the Loan.

APPENDIX C

5. The rights and remedies of the Assignee stated in this Assignment are in addition to any other rights the Assignee may have under the Loan Contract or any law.

6. This Assignment shall be construed in accordance with the laws of the State of Colorado.

7. The Assignor and Assignee specifically request GASP to honor and accept this Assignment and its terms.

Executed this 28 day of April, 1996.

SOUTH PLATTE DITCH COMPANY

By Edward Kerner - President

ATTEST:

By Charles Bartlett



ACKNOWLEDGEMENT BY GASP

The Groundwater Appropriators of the South Platte River ("GASP") has received a copy of the foregoing Assignment, and agrees that, upon notice from the South Platte Ditch Company ("Company") and from the Colorado Water Conservation Board ("CWCB") that the Company is in default under its Loan Contract with the CWCB and that the CWCB is exercising its right under the Assignment to collect monies due from GASP on its purchase(s) of recharge water from the Sandhill Ditch Recharge Project, GASP shall pay such monies directly to the CWCB until advised otherwise.

Groundwater Appropriators of the South
Platte River

By: Burt Woodward President

Date: 4/29/96

REQUEST FOR TAXPAYER IDENTIFICATION NUMBER (TIN) VERIFICATION

W-9

Do NOT send to IRS

PRINT OR TYPE

RETURN TO ADDRESS BELOW

Legal Name

SOUTH PLATE DITCH CO.

DO NOT ENTER THE BUSINESS NAME OF A SOLE PROPRIETORSHIP ON THIS LINE - See Reverse for Important Information

Trade Name

STATE OF COLORADO
DEPARTMENT OF NATURAL RESOURCES1313 SHERMAN ST. ROOM
DENVER, CO 80203

FAX (303)866-3415

COMPLETE ONLY IF DOING BUSINESS AS (D/B/A)

Mailing Address
City, State, Zip,RT 1, BOX 106
MERINO, CO 80741Remit Address - Optional
City, State, Zip,Order Address - Optional
City, State, Zip,Check legal entity type and enter 9 digit Taxpayer Identification Number (TIN) below:
(SSN = Social Security Number EIN = Employer Identification Number)Do Not enter an SSN or EIN that was not
assigned to the legal name entered above.☐ Individual

(Individual's SSN)

NOTE: If no name is circled on a Joint Account when there is more than one name, the number will be considered to belong to the first name listed.

☐ Sole Proprietorship (Owner's SSN or Business FEIN)

SSN

NOTE: Enter both the owner's SSN and the business EIN (if you are required to have one)

☐ Partnership ☐ General ☐ Limited

(Partnership's EIN)

☐ Estate / Trust

(Legal Entity's EIN)

NOTE: Do not furnish the identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title. List and circle the name of the legal trust, estate, or pension trust.

☐ Other Groups of Individuals
(Limited Liability Company, Joint Venture, Association, Club)

(Entity's EIN)

☒ Corporation Do you provide medical services? ☐ Yes ☒ No

(Corp.'s EIN)

(Includes corporations providing medical billing services)

☐ Government (or Government Operated) Entity

(Entity's EIN)

☐ Organization Exempt from Tax under Section 501(a)

(Org's EIN)

Do you provide medical services? ☐ Yes ☒ No☐ Check Here if you do not have a SSN or EIN, but have applied for one. See reverse for information on How to Obtain A TIN.Licensed Real Estate Broker? ☐ Yes ☐ No

Under Penalties of perjury, I certify that:

- The number listed on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me) AND
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, the acquisition of abandonment of secured property, contribution to an individual retirement arrangement (IRA), and payments other than interest and dividends).

CERTIFICATION INSTRUCTIONS - You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because or under reporting interest or dividends on your tax return. (See Signing the Certification on the reverse of this form.)

NAME (Print or Type) CHARLES BARTLETT

TITLE (Print or Type) ROBERT J. SECY

AUTHORIZED SIGNATURE Charles Bartlett

DATE 4/29/96 PHONE (770) 522-9302

DO NOT WRITE BELOW THIS LINE

RETURN

TO ADDRESS ABOVE

AGENCY USE ONLY

Agency P D A
1099 Y N
VEND Addition ChangeApproved By _____ Date _____
Action Completed By _____ Date _____

NAME AND TAX IDENTIFICATION NUMBER (TIN)

INDIVIDUALS: Enter First and Last name EXACTLY as it appears on your Social Security Card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, please enter your first name and both the last name shown on your social security card and your new last name (IN THAT ORDER). For your TIN, enter your Social Security Number (SSN).

SOLE PROPRIETORSHIPS: Enter the owner's name on the first line; on the second name line you may enter the business name. YOU MAY NOT ENTER ONLY THE BUSINESS NAME. For the TIN, enter both the owner's Social Security Number and the Employer Tax Identification Number (EIN) if you are required to have one.

ALL OTHER ENTITY'S: Enter the name exactly as originally registered with the IRS. The correct TIN is the Employer Identification Number (EIN).

DO NOT ENTER AN SSN OR EIN THAT WAS NOT ASSIGNED TO THE LEGAL NAME ON THIS FORM.

HOW TO OBTAIN A TIN

If you do not have a TIN, you should apply for one immediately. To apply for the number, obtain Form SS-05, Application for a Social Security Number Card (for individuals), or Form SS-4, Application of Employer Identification Number (for businesses and all other entities), at your local office of the Social Security Administration or the Internal Revenue Service. Complete and file the appropriate form according to its instructions.

To complete Form W-9 if you do not have a TIN, check "Applied For" box in the space indicated on the front, sign and date the form, and give it to the requester. For payments that could be subject to backup withholding, you will then have 60 days to obtain a TIN and furnish it to the requester. During the 60-day period, the payments you receive will not be subject to the 31% backup withholding, unless you make a withdrawal. However if the requester does not receive your TIN from you within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN to the requester.

Note: Writing "Applied For" on the form means that you have already applied for a TIN OR that you intend to apply for one in the near future.

As soon as you receive your TIN, complete another Form W-9, include your new TIN, sign and date the form, and give it to the requester.

SIGNING THE CERTIFICATION

(1) Interest, Dividend, and Barter Exchange Accounts Opened Before 1984 and Broker Accounts That Were Considered Active During 1983. - You are not required to sign the certification; however, you may do so. You are required to provide your correct TIN.

(2) Interest, Dividend, Broker and Barter Exchange Accounts Opened After 1983 and Broker Accounts That Were Considered Inactive During 1983. - You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item (2) in the certification before signing the form.

(3) Real Estate Transactions - You must sign the certification. You may cross out item (2) of the certification if you wish.

(4) Other Payments - You are required to furnish your correct TIN, but you are not required to sign the certification unless you have been notified of an incorrect TIN. Other payments include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services, payments to a nonemployee for services (including attorney and accounting fees), and payments to certain fishing boat crew members.

(5) Mortgage Interest Paid by You, Acquisition or Abandonment of secured Property, or IRA Contributions. - You are required to furnish your correct TIN, but you are not required to sign the certification.

OTHER

Exempt Payees and Payments. - If you are exempt from backup withholding, you should complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in LEGAL BUSINESS DESIGNATION section, and write "EXEMPT" above your signature, sign and date the form. If you are a nonresident alien or foreign entity not subject to backup withholding, give the requester a completed Form W-8, Certificate of Foreign Status.

Signature. - The signature should be an authorized signature, generally the persons whose name is on the top line of the form, a partner in the partnership, or an officer of the corporation. For a joint account, only the person whose TIN is shown in LEGAL BUSINESS DESIGNATION should sign the form.

Privacy Act Notice. - Section 6109 requires you to furnish your correct taxpayer identification number (TIN) to persons who must file information returns with IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, or contributions you made to an individual retirement arrangement (IRA). IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not furnish a TIN to a payer. Certain other penalties may also apply.

UCC Financing Statement

Colorado Secretary of State

Date and Time: 02/28/2019 02:30:47 PM

Master ID: 20192016964

Validation Number: 20192016964

Amount: \$8.00

Debtor: (Organization)

Name: THE SOUTH PLATTE DITCH COMPANY

Address1: 13244 COUNTY ROAD 6

Address2:

City: Merino

State: DC

ZIP/Postal Code: 80741

Province:

Country: United States

Secured Party: (Organization)

Name: STATE OF COLORADO - COLORADO WATER CONSERVATION BOARD

Address1: 1313 SHERMAN ST ROOM 718

Address2:

City: DENVER

State: CO

ZIP/Postal Code: 80203

Province:

Country: United States

Collateral**Description:**

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$100,000.00 IN ACCORDANCE WITH LOAN CONTRACT NO. C153717 AND PROMISSORY NOTE, DATED APRIL 28, 1996.

Optional Information**Optional filer reference data/miscellaneous information:**

RENEWAL OF LAPSED FILING #20132067392

UCC Financing Statement

Colorado Secretary of State

Date and Time: 08/01/2013 08:37:21 AM

Master ID: 20132067392

Validation Number: 20132067392

Amount: \$8.00

Debtor: (Organization)

Name: THE SOUTH PLATTE DITCH COMPANY

Organizational ID: 19871003826

Address1: Rt 1

Address2: Box 106

City: Merino

State: CO

ZIP/Postal Code: 80741

Province:

Country: United States

Type of organization: Nonprofit Corporation

Jurisdiction of organization: CO

Secured Party: (Organization)

Name: State of Colorado - Colorado Water Conservation Board

Address1: 1580 Logan St

Address2: Ste 600

City: Denver

State: CO

ZIP/Postal Code: 80203

Province:

Country: United States

Collateral**Description:**

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$100,000.00 IN ACCORDANCE WITH LOAN CONTRACT NO. C153717 AND PROMISSORY NOTE, DATED APRIL 28, 1996.

FILED COPY

COLORADO UCC-2 CONTINUATION

Approved by Central Indexing System Board

Total Fee \$6 (\$5 Filing + \$1 Surcharge)

Use only this form for continuations between 7/1/96 & 12/31/97

ORIGINAL UCC FILING NUMBER

Original Filing Number: 962043210 C

Date & Time of Filing: 6/5/96 11:45

Filing Officer of Original Document:

County Page Number:

**DEBTOR NAME ON
ORIGINAL DOCUMENT**

(Put additional debtor(s) on
attachment)

SSN/FED Tax ID:

NAME:

STREET:

CITY, STATE, ZIP:

Check one: ☒ Business ☐ Personal

84-0425471

SOUTH PLATTE DITCH COMPANY

ROUTE 1, BOX 106

MERINO, COLORADO 80741

**SECURED PARTY OF
RECORD**

(Put additional secured
parties on attachment)

NAME:

STREET:

CITY, STATE, ZIP:

STATE OF COLORADO

COLORADO WATER CONSERVATION BOARD

1313 SHERMAN STREET, ROOM 721

DENVER, COLORADO 80203

RETURN COPY TO:

NAME:

ATTN:

STREET

CITY, STATE, ZIP:

STATE OF COLORADO

COLORADO WATER CONSERVATION BOARD

1313 SHERMAN STREET, ROOM 721

DENVER, COLORADO 80203

19972120500 C

\$ 6.00

SECRETARY OF STATE

12-23-97 11:25:19

For Filing Officer Use Only

County Where 1st Debtor Resides

(Use 2 Digit Code from Instruction Page)

13 LOGAN

EFS Filing? ☐ Yes ☐ N

(If non EFS filing, fill in collateral codes

(If EFS filing, enter County Code and eff

(If EFS filing and all years covered, leav

Collateral Code	County Code	From Date
--------------------	----------------	--------------

030

COMPLETE DESCRIPTION OF COLLATERAL

Fold Here

CONTRACT ENCUMBRANCE NUMBER

C-153717

Dated

4/28/96

Di 7/10/96

FILED COPY

COLORADO UCC-2 CONTINUATION

Approved by Central Indexing System Board

Total Fee \$6 (\$5 Filing + \$1 Surcharge)

Use only this form for continuations between 7/1/96 & 12/31/97

ORIGINAL UCC FILING NUMBER

Original Filing Number: 962043211 C

Date & Time of Filing: 6/5/96 11:45

Filing Officer of Original Document:

County Page Number:

**DEBTOR NAME ON
ORIGINAL DOCUMENT**

(Put additional debtor(s) on
attachment)

Check one: ☒ Business ☐ Personal

SSN/FED Tax ID:

84-0425471

NAME:

SOUTH PLATTE DITCH COMPANY

STREET:

ROUTE 1, BOX 106

CITY, STATE, ZIP:

MERINO, COLORADO 80741

**SECURED PARTY OF
RECORD**

(Put additional secured
parties on attachment)

NAME:

STATE OF COLORADO

STREET:

COLORADO WATER CONSERVATION BOARD

CITY, STATE, ZIP:

1313 SHERMAN STREET, ROOM 721

DENVER, COLORADO 80203

RETURN COPY TO:

NAME:

STATE OF COLORADO

ATTN:

COLORADO WATER CONSERVATION BOARD

STREET

1313 SHERMAN STREET, ROOM 721

CITY, STATE, ZIP:

DENVER, COLORADO 80203

19972120501 C

\$ 6.00

SECRETARY OF STATE

12-23-97 11:25:19

For Filing Officer Use Only

County Where 1st Debtor Resides

(Use 2 Digit Code from Instruction Page)

13 LOGAN

EFS Filing? ☐ Yes ☐ N

(If non EFS filing, fill in collateral codes

(If EFS filing, enter County Code and eff

(If EFS filing and all years covered, leav

Collateral Code	County Code	From Date
--------------------	----------------	--------------

030

COMPLETE DESCRIPTION OF COLLATERAL

Fold Here

CONTRACT ENCUMBRANCE NUMBER

C-153717

Dated

4/28/96

180/198

C-153717

STATE OF COLORADO

UNIFORM COMMERCIAL CODE - SECURITY AGREEMENT & FINANCING STATEMENT
COLORADO SECRETARY OF STATE

1560 Broadway, Suite 200 - Denver, CO 80202-5169

DEBTOR: SOUTH PLATTE DITCH COMPANY
Route 1, Box 106
Merino, CO 80741

FED TAX ID# 84-0425471

962043211 C \$16.00
SECRETARY OF STATE
06-05-96 11:45

SECURED PARTY: STATE OF COLORADO for the use and benefit of the
Department of Natural Resources, Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

COLLATERAL
CLASSIFICATION: ☒ CONTRACT RIGHTS ☒ OTHER

DEBTOR, for consideration, hereby grants to SECURED PARTY a security interest in the following property and any and all additions, accessions and substitutions thereto or therefor, hereinafter called the COLLATERAL: *ALL REVENUES DERIVED FROM THE SALE BY THE DEBTOR OF RECHARGE WATER FROM THE SANDHILL DITCH RECHARGE PROJECT TO THE GROUNDWATER APPROPRIATORS OF THE SOUTH PLATTE RIVER AND/OR TO ANY OTHER PURCHASERS.*

To secure payment of the indebtedness evidenced by certain Promissory Note Provisions of Loan Contract #C153717 between the above named parties herewith, payable to the SECURED PARTY, or order, as follows: *\$100,000 with interest at the rate of 4 1/4 % per annum payable in 30 annual installments of \$5,959.82, or until all principal and interest are paid in full.*

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby DEBTOR is, or to the extent that this agreement states that the COLLATERAL is to be acquired after the date hereof, will be, 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 anytime claiming the same or any interest therein.

2. The COLLATERAL is used or bought primarily for:
- ☐ Personal, family or household purposes;
 - ☐ Use in farming operations;
 - ☐ Use in business;
 - ☒ Other.

3. That DEBTOR'S address is as stated above, and the COLLATERAL will be kept at *SAME ADDRESS*

4. If any of the COLLATERAL is crops, oil, gas or minerals to be extracted or timber to be cut, or goods which are or are to become fixtures, said COLLATERAL concerns the following described real estate situate in the County of *N/A* and State of Colorado, to-wit: *N/A*

5. Promptly to notify SECURED PARTY of any changes in the location of the COLLATERAL.

6. To pay all taxes and assessments of every nature which may be levied or assessed against the COLLATERAL.

7. 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.

8. That the COLLATERAL is in good condition, and that the DEBTOR will, at its own expense, keep the same in good condition and from time to time, forthwith, replace and repair all such parts of the collateral as may be broken, worn out, or damaged without allowing any lien to be created upon the COLLATERAL on account of such replacement or repairs, and that the SECURED PARTY may examine and inspect the COLLATERAL at any time, wherever located.

9. That the DEBTOR will not use the COLLATERAL in violation of any applicable statutes, regulations or ordinances.

APPENDIX B

10. The DEBTOR will keep the COLLATERAL at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as the SECURED PARTY may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods, and written by such companies or underwriters as the SECURED PARTY may approve, losses in all cases to be payable to the SECURED PARTY and the DEBTOR as their interest may appear. All policies of insurance shall provide for at least ten days' prior written notice of cancellation to the SECURED PARTY; and the DEBTOR shall furnish the SECURED PARTY with certificates of such insurance or other evidence satisfactory to the SECURED PARTY as to compliance with the provisions of this paragraph. The SECURED PARTY may act as attorney for the DEBTOR in making, adjusting and settling claims under or canceling such insurance and endorsing the DEBTOR'S name on any drafts drawn by insurers of the COLLATERAL.

UNTIL DEFAULT DEBTOR may have possession of the COLLATERAL and use it in any lawful manner, and upon default SECURED PARTY shall have the immediate right to the possession of the COLLATERAL.

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

- (a) default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;
- (b) 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;
- (c) loss, theft, damage, destruction, sale or encumbrance to or of any of the COLLATERAL, or the making of any levy seizure or attachment thereof or thereon;
- (d) death, dissolution, termination or 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 any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR or any guarantor or surety for DEBTOR.

UPON SUCH DEFAULT and at any time thereafter, or if it deems itself insecure, SECURED PARTY may declare all Obligations secured hereby immediately due and payable and shall have the remedies of a secured party under Article 9 of the Colorado Uniform Commercial Code. SECURED PARTY may require DEBTOR to assemble the collateral and deliver or make it 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.

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 said 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 said SECURED PARTY shall retain its rights of set-off against DEBTOR.

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 heirs, executors or administrators or its successors or assigns. If there be more than one DEBTOR, their liabilities hereunder shall be joint and several.

Date this 28 day of April, 1996.

DEBTOR: SOUTH PLATTE DITCH COMPANY

By: Edward Dermer
Edward Dermer, President

SECURED PARTY: STATE OF COLORADO for
the use and benefit of the Department of
Natural Resources, Colorado Water
Conservation Board

By: Daries C. Lile
Daries C. Lile, Director

(SEAL)

ATTEST Charles Bartlett
Charles Bartlett, Secretary

COLORADO UCC FINANCING STATEMENT

Filing Fee: \$15

Follow Instructions (front and back) Carefully

A. NAME & PHONE OF CONTACT (optional)	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
[]
COLORADO WATER CONSERVATION BOARD ATTN: WATER SUPPLY PLANNING & FINANCE 1580 LOGAN STREET, SUITE 750 DENVER, COLOARDO 80203	
[]

20072025911 C
\$ 18.00
SECRETARY OF STATE
03-14-2007 14:21:56

ABOVE SPACE FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

OR	1a. ORGANIZATION'S NAME THE SOUTH PLATTE DITCH COMPANY			
	1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS RT 1 BOX 106		CITY MERINO	STATE CO	POSTAL CODE 80741 COUNTRY USA
	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION DNC	1f. JURISDICTION OF ORGANIZATION CO	1g. ORGANIZATIONAL ID#, if any CO19871003826 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

OR	2a. ORGANIZATION'S NAME			
	2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY
	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME COLORADO WATER CONSERVATION BOARD			
	3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 1580 LOGAN STREET, SUITE 750		CITY DENVER	STATE CO	POSTAL CODE 80203 COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$100,000.00. IN ACCORDANCE WITH LOAN CONTRACT NO. C153717 AND PROMISSORY NOTE DATED APRIL 28, 1996.

5. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAIOLR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG LIEN <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) in the REAL ESTATE RECORDS	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (Optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA LOAN CONTRACT NO. C153717	

C-153717

STATE OF COLORADO

UNIFORM COMMERCIAL CODE - SECURITY AGREEMENT & FINANCING STATEMENT

COLORADO SECRETARY OF STATE

1560 Broadway, Suite 200 - Denver, CO 80202-5169

DEBTOR: SOUTH PLATTE DITCH COMPANY
Route 1, Box 106
Merino, CO 80741

FED TAX ID# 84-0425471

962043210 C \$16.00
SECRETARY OF STATE
06-05-96 11:45

SECURED PARTY: STATE OF COLORADO for the use and benefit of the
Department of Natural Resources, Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

COLLATERAL
CLASSIFICATION: X CONTRACT RIGHTS X OTHER

DEBTOR, for consideration, hereby grants to SECURED PARTY a security interest in the following property and any and all additions, accessions and substitutions thereto or therefor, hereinafter called the COLLATERAL: *ALL REVENUES DERIVED FROM ASSESSMENTS ON STOCK TO REPAY THE INDEBTEDNESS ON THE AMOUNT LOANED TO DEBTOR BY SECURED PARTY, AS DESCRIBED IN PLEDGE OF REVENUES PROVISIONS IN CONTRACT #C153717.*

To secure payment of the indebtedness evidenced by certain Promissory Note Provisions of Loan Contract referenced above between the above named parties herewith, payable to the SECURED PARTY, or order, as follows: *\$100,000 with interest at the rate of 4 1/4 % per annum payable in 30 annual installments of \$5,959.82, or until all principal and interest are paid in full.*

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby DEBTOR is, or to the extent that this agreement states that the COLLATERAL is to be acquired after the date hereof, will be, 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 anytime claiming the same or any interest therein.

2. The COLLATERAL is used or bought primarily for:
- Personal, family or household purposes;
 - Use in farming operations;
 - Use in business;
 - X Other.

3. That DEBTOR'S address is as stated above, and the COLLATERAL will be kept at *SAME ADDRESS*

4. If any of the COLLATERAL is crops, oil, gas or minerals to be extracted or timber to be cut, or goods which are or are to become fixtures, said COLLATERAL concerns the following described real estate situate in the County of *N/A* and State of Colorado, to-wit: *N/A*

5. Promptly to notify SECURED PARTY of any changes in the location of the COLLATERAL.

6. To pay all taxes and assessments of every nature which may be levied or assessed against the COLLATERAL.

7. 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.

8. That the COLLATERAL is in good condition, and that the DEBTOR will, at its own expense, keep the same in good condition and from time to time, forthwith, replace and repair all such parts of the collateral as may be broken, worn out, or damaged without

APPENDIX B

allowing any lien to be created upon the COLLATERAL on account of such replacement or repairs, and that the SECURED PARTY may examine and inspect the COLLATERAL at any time, wherever located.

9. That the DEBTOR will not use the COLLATERAL in violation of any applicable statutes, regulations or ordinances.

10. The DEBTOR will keep the COLLATERAL at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as the SECURED PARTY may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods, and written by such companies or underwriters as the SECURED PARTY may approve, losses in all cases to be payable to the SECURED PARTY and the DEBTOR as their interest may appear. All policies of insurance shall provide for at least ten days' prior written notice of cancellation to the SECURED PARTY; and the DEBTOR shall furnish the SECURED PARTY with certificates of such insurance or other evidence satisfactory to the SECURED PARTY as to compliance with the provisions of this paragraph. The SECURED PARTY may act as attorney for the DEBTOR in making, adjusting and settling claims under or canceling such insurance and endorsing the DEBTOR'S name on any drafts drawn by insurers of the COLLATERAL.

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- (d) death, dissolution, termination or 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 any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR or any guarantor or surety for DEBTOR.

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Date this 28 day of April, 1996.

DEBTOR: SOUTH PLATTE DITCH COMPANY

By: Edward Dermer
Edward Dermer, President

(SEAL)

ATTEST Charles Bartlett
Charles Bartlett, Secretary

SECURED PARTY: STATE OF COLORADO for
the use and benefit of the Department of
Natural Resources, Colorado Water
Conservation Board

By: Daries C. Lile
Daries C. Lile, Director