COLORADO
Colorado Water
Conservation Board
Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203
303-866-3441

June 27, 2024

B.F. & M.E. Porter, LLLP
51975 Amber Road
Delta, CO 81416

Loan Compliance Confirmation - C150116

Attached for your records are the original documents relative to the agreement between the B.F. & M.E. Porter, LLLP, and the Colorado Water Conservation Board (CWCB), Loan Contract No. C150116. The documents have been stamped "PAID IN FULL" denoting that the LLLP has satisfied the terms of the agreement in full.

Should you have any questions, please contact me at by 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

Mimi Winter, Finance Manager
Finance Section

Attachments

cc: CWCB Files

Reception#: 997040
06/14/2024 11:41:27 AM Jacklyn K. Harmon
1 of 1 Rec Fee:$13.00 Doc Fee:0.00 GARFIELD COUNTY CO

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 [X] / 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

March 27, 2024	Date
Bill Porter and B.F. and M.E. Porter, LLLP	Original Grantor (Borrower)
51975 Amber Road	Current Address of Original Grantor, Assuming Party, or Current Owner
Delta, CO 81416	
[ ] Check here if current address is unknown	
Colorado Water Conservation Board	Original Beneficiary (Lender)
November 1, 2002	Date of Deed of Trust
12/23/2002	Date of Recording and/or Re-Recording of Deed of Trust
617211	Recording Information
County Rcpt. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.	

TO THE PUBLIC TRUSTEE OF
Garfield 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

Kl Rll 3/27/24
Signature/Date

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

State of Colorado, County of Denver
The foregoing Request for Release was acknowledged before me on 3.27.2024 (date) by*
Kirk Russell
Finance Section Chief
3-27-2027
Date Commission Expires
*If applicable, insert title of officer and name of current owner and holder

Jessica Gibbs
Notary Public Witness my hand and official seal

RELEASE OF DEED OF TRUST

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

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

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

(Public Trustee use only: use appropriate label)

Public Trustee's Seal

PUBLIC TRUSTEE OF GARFIELD COUNTY COLORADO SEAL

Public Trustee

Deputy Public Trustee

(If applicable: Notary Seal)

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

JESSICA GIBBS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234001689
MY COMMISSION EXPIRES MARCH 21, 2027

Reception#: 997041
06/14/2024 11:41:27 AM Jacklyn K. Harmon
1 of 1 Rec Fee:$13.00 Doc Fee:0.00 GARFIELD COUNTY CO

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 [X] / 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

March 27, 2024	Date
Porter Reservoir LLC and B.F. & M.E. Porter LLLP	Original Grantor (Borrower)
51975 Amber Road	Current Address of Original Grantor, Assuming Party, or Current Owner
Delta, CO 81416	
[ ] Check here if current address is unknown	
Colorado Water Conservation Board	Original Beneficiary (Lender)
June 14, 2010	Date of Deed of Trust
September 27, 2010	Date of Recording and/or Re-Recording of Deed of Trust
791987	Recording Information
County Rept. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.	

TO THE PUBLIC TRUSTEE OF
Garfield 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 3/27/24

State of Colorado, County of Denver
The foregoing Request for Release was acknowledged before me on 3-27-24 (date) by*
Kirk Russell
Finance Section Chief
3-27, 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's Seal)

PUBLIC TRUSTEE OF GARFIELD COUNTY COLORADO SEAL

Public Trustee

Deputy Public Trustee

(If applicable: Notary Seal)

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

 Rev. 07/08

617211 12/23/2002 03:59P B1420 P30 M ALSDORF
1 of 4 R 21.00 D 0.00 GARFIELD COUNTY CO

Deed of Trust

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DATE: November 1, 2002

GRANTOR: BILL PORTER AND B.F. AND M.E. PORTER, LLLP

BENEFICIARY: COLORADO WATER CONSERVATION BOARD

COUNTY: GARFIELD

PRINCIPAL LOAN AMOUNT: $1,000,000

LOAN CONTRACT: Loan Contract No. C150116, dated November 1, 2002

TERMS: Interest of 2.5% per annum and repayment period of 20 years

COLLATERAL: Bill Porter is conveying a 15% interest and B.F. and M.E. Porter, LLLP, is conveying an 85% interest in and to all easements and rights-of-way appurtenant thereto, all improvements thereon, and all other physical and legal features known as the Barton Porter Reservoir located in the SW/4 in Township 6 South, Range 90 West of the 6th Principal Meridian, Garfield County, Colorado, together with all dams, embankments, gates, and all other structures, appliances, fixtures, the storage, and other property of whatsoever kind used in connection with the operation of said reservoir, an access easement to provide access to the reservoir property via Garfield County Road 314, approximately two miles, across Grantor's property, and the water rights for said reservoir as described on Attachment 1.

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

1. The GRANTOR has executed a Promissory Note of even date and amount, set forth in the LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY, with terms as shown above and in accordance with the Promissory Note or until loan is paid in full.

2. The GRANTOR is desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of said Promissory Note to the BENEFICIARY.

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

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said Promissory Note, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set

Appendix 3 to Loan Contract C150116

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

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

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

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

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

Each Grantor acknowledges having read all the provisions of this deed of trust and each grantor agrees to its terms.

GRANTOR:

B.F. & M.E. Porter, LLLP

By Barton F. Porter
Baron F. Porter, General Partner of
B.F. & M. E. Porter, LLLLP

BFP Bill Porter

Barton Porter
Bill Porter, an individual

INDIVIDUAL ACKNOWLEDGEMENT

County of Garfield)
) SS
State of Colorado)

On this 4 day of Nov. 2002, before me, the undersigned Notary Public, personally appeared Bill Porter, known to me to be the individual described herein and who executed the deed of trust, and acknowledged that he signed the deed of trust as his free and voluntary act and deed for the purposes and uses herein mentioned.
Witness my hand and official seal.

Anna M Jackett Notary Public

My commission expires 12-14-04

ANNA M. JACKETT NOTARY PUBLIC STATE OF COLORADO

PARTNERSHIP ACKNOWLEDGEMENT

County of Garfield)
) SS
State of Colorado)

On this 4 day of November 2002, before me, the undersigned Notary Public, personally appeared Barton F. Porter of B. F. & M. E. Porter, LLLP, and known to me to be a partner or registered agent of the partnership that executed the deed of trust and acknowledged the deed of trust to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the purposes and uses herein mentioned and stated that he is authorized to execute this deed of trust and in fact executed the deed of trust on behalf of the partnership.
Witness my hand and official seal.

Tiffany D. Gonzales Notary Public

My commission expires My Commission Expires 08/10/2003

NOTARY PUBLIC TIFFANY D. GONZALES STATE OF COLORADO


ANNA M. MONETT
NOTARY
PUBLIC
STATE OF COLORADO


NOTARY PUBLIC
TIFFANY D.
GONZALES
STATE OF COLORADO

617211 12/23/2002 03:59P B1420 P33 M ALSDORF
4 of 4 R 21.00 D 0.00 GARFIELD COUNTY CO

Attachment 1

Deed of Trust dated November 1, 2002

between Bill Porter and B.F. and M.E. Porter, LLLP, Grantors

and Colorado Water Conservation Board , Beneficiary

1. The Sykes & Alvord Ditch, located in Garfield County, decreed for 1.90 cfs from Garfield Creek in Case No. 3896 on April 5, 1909 with an appropriation date of May 1, 1906.
2. The Sykes & Alvord Ditch, located in Garfield County, decreed for 3.20 cfs from Garfield Creek on November 24, 1914, with an appropriation date of September 30, 1910.
3. The Grantors' interest in the Roderick Ditch, located in Garfield County, decreed for 12.63 cfs from Garfield Creek in Case No. 3395 on July 23, 1941, with an appropriation date of May 1, 1938.
4. The West Three Mile Ditch, located in Garfield County, decreed for 7.80 cfs from Garfield Creek in Case No. 4613 on June 20, 1958, with an appropriation date of July 24, 1953.
5. The West Three Mile Ditch, located in Garfield County, decreed for 6.60 cfs from Garfield Creek in Case Nos. 4613 and W2724 on June 20, 1958, with an appropriation date of September 20, 1955.

Colorado Water Conservation Board
Department of Natural Resources
1313 Sherman Street, Room 721
Denver, Colorado 80203

PROMISSORY NOTE

Date:	November 1, 2002
Borrower:	Bill Porter
Principal Amount:	$1,000,000
Interest Rate:	2.5% per annum
Term of Repayment:	20 years
Loan Contract No. :	C150116, dated November 1, 2002
Loan Payment:	$64,147.13
Payment Initiation Date*:	January 1, 2004
Maturity Date*:	January 1, 2024

* These two fields are filled in after the project has been substantially completed.

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT.

2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from the date the CWCB determines that the project is substantially complete (Payment Initiation Date), and annually thereafter until all principal, interest, and late charges, if any, have been paid in full, with all such principal, interest, and late charges, required to be paid on or before the Maturity Date.

3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 721, Denver, Colorado 80203.

4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.

5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.

PAID IN FULL

6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.

7. This Note is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement, and/or Deed of Trust of even date and amount and cover certain revenues, and/or real property of the BORROWER. The LOAN CONTRACT, Security Agreement, and/or Deed of Trust grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security

Agreement, or Deed of Trust securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.

9. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.

10. This Note shall be governed in all respects by the laws of the State of Colorado.

BORROWER: Bill Porter, an individual

Bill Porter

County of Garfield)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this 4 day of Nov. 2002, by Bill Porter. Witness my hand and official seal.

Anna M Jackett Notary Public

My commission expires 12-14-04

ANNA M. JACKETT NOTARY PUBLIC STATE OF COLORADO

PAID IN FULL

NOTARY
PUBLIC
STATE OF COLORADO

AMENDMENT NO. 1 TO DEED OF TRUST

Date:	June 14, 2010
Grantor:	Porter Reservoir LLC and B.F.& M.E. Porter LLLP
Borrower/Assignee:	B.F. & M.E. Porter LLLP
Beneficiary (Lender):	Colorado Water Conservation Board
Date of Deed of Trust:	November 1, 2002
Recording Date of Deed of Trust:	December 23, 2002
County of Recording ("County"):	Garfield
Deed of Trust Recording Information:	617211(4 pages)
Loan Contract:	C150116, dated November 2, 2002, amended October 20, 2008
Promissory Note:	$794,229.82, 2.5%, 15 Years, dated June 14, 2010.

This Amendment to the Deed of Trust is between the Grantor and the Public Trustee of the County, State of Colorado.

The Original Deed of Trust was recorded to secure repayment of the indebtedness evidenced by Loan Contract and Promissory Note between Bill Porter, as original borrower, and the Beneficiary.

The property and collateral subject to the Deed of Trust was conveyed to Grantor on January 14, 2008 by Deeds recorded as Reception Nos. 741133, 741134 and 741136 of the Garfield County, Colorado records.

Based upon the death of Bill Porter and the Estate of Bill Porter's financial difficulties, the CWCB deferred the annual loan payment for the year 2008, which deferral resulted in a new repayment schedule of 21 years.

Borrower/Assignee has assumed all Loan Contract obligations from the Estate of Bill Porter by Loan Contract C150116 Amendment No. 1 dated June 14, 2010, and Borrower/Assignee executed a new promissory note dated June 14, 2010 reflecting the remaining principal balance of $794,229.82 and repayment term of 15 years.

Grantor and Beneficiary have agreed to amend the Original Deed of Trust to reflect the revised repayment term and loan amount.

NOW THEREFORE, the CWCB and Grantor agree that:

1. The second full paragraph of the Original Deed of Trust is hereby amended to read as follows:

   The Borrower/Assignee has executed a Promissory Note dated June 14, 2010, to secure the repayment of the indebtedness evidenced by Contract No. C150116, dated November 1, 2002, as amended on June 14, 2010, for the total principal sum of $794,229.82, to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 721, Denver, CO 80203, payable in 15 annual installments, in accordance with said Promissory Note, or until the loan is paid in full.

Appendix B to Loan Contract C150116 Amendment No. 1

2. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the original deed of trust, the provisions of this amendment shall in all respects supersede, govern, and control.

3. Any provisions of the original deed of trust not expressly modified herein remain in full force and effect.

Executed on the date first written above.

GRANTORS:

B.F & M.E. PORTER LLLP

By: Martha E. Porter
Martha E. Porter, General Partner

PORTER RESERVOIR LLC

By Martha E. Porter
Martha E. Porter, General Partner of B.F. & M.E. Porter LLLP, as Manager and Member of Porter Reservoir LLC

MARTHA A. SMITH NOTARY PUBLIC STATE OF COLORADO

State of Colorado)
) ss.
County of Garfield)

The foregoing instrument was acknowledged before me on July 14th, 2010, by Martha E. Porter, General Partner of B.F. & M.E. Porter LLLP, and as Manager and Member of Porter Reservoir LLC.

Witness my hand and official seal.

Martha A Smith
Notary Public

My commission expires 9. 17. 2010

Return recorded document to: CWCB Finance Section, Attn: Contract Manager, 1580 Logan Street, Suite 600, Denver CO 80203 (Phone Number 303-866-3441)

ERE

STATEMENT OF AUTHORITY

NAME OF ENTITY: The name of the entity to which this Statement relates is the **B.F. & M.E. Porter LLLP**.

TYPE OF ENTITY: The entity is a limited liability limited partnership formed under the laws of the State of Colorado.

MAILING ADDRESS: The mailing address for the entity is 2571 County Road 314, New Castle, Colorado 81647.

AUTHORIZED PERSON: The name and position of the person authorized to execute instruments conveying, encumbering or otherwise affecting title to real property on behalf of the entity is as follows:

Name	Position
Martha E. Porter	General Partner

LIMITATIONS: None

Dated this 14 day of July, 2010.

Martha E. Porter

Martha E. Porter, General Partner

STATE OF COLORADO)
) ss.
COUNTY OF GARFIELD)

The foregoing instrument was subscribed, sworn to and acknowledged before me this 14th day of July, 2010, by Martha E. Porter as General Partner of B.F. & M.E. Porter LLLP.

WITNESS my hand and official seal.
My Commission expires: 9.17.2010

Martha A Smith

Notary Public

MARTHA A. SMITH NOTARY PUBLIC

O:\DK\PORTER-B\STMT-AUTH-LLLP2010.DOCX

After recording return to: Dan Kerst, P.C.
823 Blake Ave., #202, Glenwood Springs, CO 81601

PROMISSORY NOTE

Date:	June 14, 2010
Borrower:	B.F. & M.E. PORTER LLLP
Principal Amount:	$794,229.82
Interest Rate:	2.50% per annum
Term of Repayment:	15 years
Loan Contract No.:	C150116, as amended June 14, 2010
Loan Payment:	$64,147.13
Payment Initiation Date:	January 1, 2004
Maturity Date:	January 1, 2025

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this promissory note.
2. This Promissory Note replaces and supersedes the Promissory Note dated November 1, 2002, in the principal amount of $1,000,000.
3. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
4. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 721, Denver, Colorado 80203.
5. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.

PAID IN FULL

6. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
7. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
8. This Note is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Deed of Trust ("Security Instruments") of even

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

9. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.

10. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.

11. This Note shall be governed in all respects by the laws of the State of Colorado.

BORROWER: B.F. & M.E. PORTER LLLP

(SEAL)

By Martha E Porter
Martha E. Porter, General Partner

State of Colorado)
) ss.
County of Garfield)

The foregoing instrument was acknowledged before me on 7.14., 2010, by Martha E. Porter, as General Partner of B.F. & M.E. Porter LLLP.

Witness my hand and official seal.

Notary Public Martha A Smith

My commission expires 9.17.2010

PAID IN FULL

BORROWER: BILL PORTER
Contract No. C150116
Loan Amount $1,000,000

Agency Name: Water Conservation Board
Agency Number PDA
Routing Number: 03 PDA 00037

LOAN CONTRACT

THIS CONTRACT, made this November 1, 2002, is by and between the State of Colorado for the use and benefit of The Department of Natural Resources, Colorado Water Conservation Board ("CWCB" and/or "STATE"), and Bill Porter, an individual, 857 County Road 314, New Castle, CO 81647, ("BORROWER" and/or "CONTRACTOR").

FACTUAL RECITALS

1. Authority exists in the law, and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for encumbering and subsequent payment of this contract under: Contract Encumbrance No. C150116, Fund Number 424, Appropriation Code MC3, Organization YYYY, GBL P116, Program WTRC, Object Code 5891, Reporting Category 0116.
2. Required approval, clearance, and coordination have been accomplished from and with appropriate agencies.
3. The **PROJECT Summary**, attached as **Appendix 1** and incorporated herein, contains BORROWER Information (Section 1), the PROJECT Description (Section 2), CWCB's authority for making this loan (Section 3), and CWCB Approval and Legislative Authorization which defines the amount of the loan and the terms of repayment (Section 4).
4. The CWCB now desires, by this contract, to loan money to the BORROWER for this PROJECT upon mutually agreeable terms and conditions.

PAID IN FULL

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

A. LOAN PROVISIONS

1. **Promissory Note Provisions.** The CWCB agrees to loan to the BORROWER an amount not to exceed the LOAN AMOUNT and the BORROWER agrees to repay the loan in accordance with the terms as set forth in the Promissory Note, in the form attached hereto as **Appendix 2** and incorporated herein. The initial Promissory Note shall identify the LOAN AMOUNT. If the amount of loan funds disbursed by the CWCB to the BORROWER differs from the LOAN AMOUNT, the parties agree to amend this contract to revise the LOAN AMOUNT.
2. **Interest Prior to PROJECT Completion.** As the loan funds are disbursed by the CWCB to the BORROWER, interest shall accrue at the rate set by the CWCB for this loan. The CWCB shall calculate the amount of the interest that accrued prior to substantial completion of the PROJECT and notify BORROWER of such amount. The BORROWER shall repay that amount to the CWCB either within ten (10) days from the date of notification from the CWCB, or, at the CWCB's discretion, said interest shall be deducted from the

final disbursement of loan funds that the CWCB makes to the BORROWER.

3. **Return of Unused Loan Funds.** Any loan funds disbursed but not expended for the PROJECT in accordance with the terms of this contract shall be remitted to the CWCB within 30 calendar days from notification from the CWCB of either (1) completion of the PROJECT or (2) upon the determination by the CWCB that the PROJECT will not be completed.

4. **Collateral.** The collateral for this loan is described in Section 5 (Collateral) of the **Project Summary**, and secured by the deed of trust attached hereto as **Appendix 3** and incorporated herein.

   a. The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the collateral for this loan, including the Pledged Property, so long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the CWCB. In the event of any such sale, transfer or encumbrance without the CWCB's written concurrence, the CWCB may at any time thereafter declare all outstanding principal, interest, and late charges, if any, on this loan immediately due and payable.

5. **Release After Loan Is Repaid.** Upon complete repayment to the CWCB of the entire principal, all accrued interest, and late charges, if any, as specified in the Promissory Note, the CWCB agrees to release and terminate any and all of the CWCB's right, title, and interest in and to the collateral and the property pledged to repay this loan.

PAID IN FULL

6. **Warranties.**

   a. The BORROWER warrants that, by acceptance of the loan under this contract and by its representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan to the CWCB as required by this contract.

   b. The BORROWER warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the BORROWER, to solicit or secure this contract and has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or the making of this contract.

   c. The BORROWER warrants that the collateral for this loan is not encumbered by any other deeds of trust or liens of any party other than the CWCB or in any other manner, except for any existing lien(s) identified in Section 6 (Schedule of Existing Debt) of the **Project Summary**, which sets forth the position of the lien created by this contract in relation to any pre-existing lien(s). Documentation establishing the relative priorities of said liens, if necessary, is attached to the **Project Summary** and incorporated herein.

7. **Change of Ownership of Water Shares During Term of Contract.** If the interest rate for this loan is based on the CWCB's agricultural or blended agricultural and municipal and/or commercial and/or industrial rates, the BORROWER agrees to notify

the CWCB of any change of the ownership of the water rights represented by its shares from irrigation to municipal or commercial or industrial use. The interest rate shall be revised when said change in ownership would increase the original interest rate by 0.5% or more. The parties shall amend this contract, including a revised promissory note, to effect said change in interest rate.

8. **Remedies For Default.** Upon default in the payments to be made by the BORROWER under this contract, or default in the performance of any covenant or agreement contained herein, the CWCB, at its option, may:

   a. suspend this contract and withhold further loan disbursements pending corrective action by the BORROWER, and if the BORROWER does not cure the default as provided for below, permanently cease loan disbursements and deem the PROJECT substantially complete;

   b. declare the entire principal amount, accrued interest, and late charges, if any, then outstanding immediately due and payable;

   c. exercise its rights under any appendices to this contract, including, but not limited to, the Promissory Note, Security Agreement, and/or the deed of trust securing collateral; and/or

   d. take any other appropriate action.

   PAID IN FULL

   The CWCB shall provide written notice to the BORROWER of any such default and shall give the BORROWER an opportunity to cure within thirty (30) days of receipt of such notice. All remedies described herein may be simultaneously or selectively and successively enforced. The CWCB may enforce the provisions of this contract at its option without regard to prior waivers of previous defaults by the BORROWER, through judicial proceedings to require specific performance of this contract, or by such other proceedings in law or equity as may be deemed necessary by the CWCB to ensure compliance with provisions of this contract and the laws and regulations under which this contract is executed. The CWCB's exercise of any or all of the remedies described herein shall not relieve the BORROWER of any of its duties and obligations under this contract.

11. **BORROWER'S Indemnification Of The CWCB.** The BORROWER agrees to indemnify and hold the CWCB harmless from any liability incurred by the CWCB as a result of the CWCB's interest in the PROJECT facilities and any other property identified in Section 5 (Collateral) of the **Project Summary**.

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

13. **BORROWER'S Liability Insurance.**

   a. Upon execution of this contract and continuing until complete repayment of the loan is made to the CWCB, the BORROWER shall maintain commercial general liability insurance, with a company that is satisfactory to the CWCB, 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.

b. Prior to the disbursement of any loan funds, the BORROWER shall provide the CWCB with an Acord Form 27 evidencing said insurance and shall provide the CWCB with documentation of renewals of said insurance.

14. **Additional Contract Requirements**. Any additional contract requirements are set forth in Additional Contract Requirement (Section 7) of the **Project Summary**.

B. PROJECT PROVISIONS

1. **Construction Fund Program Procedures.** During the completion of the PROJECT, the BORROWER shall adhere to the CWCB Construction Fund Program Procedures (Section 8), of the **Project Summary**.

2. **Eligible Expenses.** The PROJECT expenses for which the BORROWER is eligible for loan disbursements are listed in Eligible Expenses (Section 9) of the **Project Summary**.

3. **Loan Disbursements.** The CWCB shall disburse loan funds in accordance with the Disbursement Schedule (Section 10) of the **Project Summary**.

4. **Time for Performance.** The BORROWER recognizes that time is of the essence in the performance of all of its obligations under this contract. Therefore, the BORROWER shall complete the PROJECT within the time specified in Time for Performance (Section 11) of the **Project Summary**.

5. **Indemnification By The Construction Firm.** The BORROWER shall require all Construction Firms and their subcontractors to indemnify the CWCB and the BORROWER against all liability and loss, and against all claims and actions based upon or arising out of damage or injury, including death, to persons or property, caused by any acts or omissions of those parties or sustained in connection with the performance of any contract related to the PROJECT or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation, and the defense of any such claims or actions.

6. **Liability Insurance During Construction**. During construction of the PROJECT, the BORROWER shall require the construction firm(s) and any subcontractors to maintain the following insurance coverage in the limits shown during the term of their contracts for the construction of the PROJECT. The BORROWER shall provide the CWCB with an Acord Form 27 evidencing said insurance prior to commencement of construction, maintained until construction is complete, and shall provide the CWCB with documentation of renewals of said insurance. No payments shall be made to the BORROWER unless all insurance certificates are current.

   a. Builder's risk insurance for construction in progress for all perils of loss including fire, wind, hail, and vandalism in an amount equal to the completed value of the PROJECT.

   b. Worker's compensation and employer's liability insurance in the required statutory amounts.

   c. Automobile liability insurance that includes coverage for all owned, non-owned and hired vehicles with minimum limits of $1,000,000 combined single limit for bodily

injury and property damage.

d. Commercial general liability insurance with minimum limits of $1,000,000 combined single limit for each occurrence and $2,000,000 general aggregate. This insurance coverage shall include products/completed operations and bodily injury/property damage.

C. GENERAL PROVISIONS

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

2. **Applicable Laws.** The BORROWER shall strictly adhere to all applicable federal, state, and local laws and regulations that are in effect or may hereafter be established throughout the term of this contract.

3. **Designated Agent Of The CWCB.** The CWCB's employees are designated as the agents of the CWCB for the purpose of this contract.

4. **Assignment.** The BORROWER may not assign this contract except with the prior written approval of the CWCB.

5. **Contract Relationship.** The parties to this contract intend that the relationship between them under this contract is that of lender-borrower, not employer-employee. No agent, employee, or servant of the BORROWER shall be, or shall be deemed to be, an employee, agent, or servant of the CWCB. The BORROWER shall be solely and entirely responsible for its acts and the acts of its agents, employees, servants, engineering firms, construction firms, and subcontractors during the term of this contract.

6. **Integration of Terms.** This contract is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or 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, unless expressly provided for herein.

7. **Controlling Terms.** In the event of conflicts or inconsistencies between the terms of this contract and conditions as set forth in any of the appendices, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority: (1) Colorado Special Provisions, (2) the remainder of this contract, and (3) the Appendices.

8. **CWCB May Release Contract.** In its sole discretion, the CWCB 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 CWCB may determine to be advisable to further the purposes of this contract or to protect the CWCB's financial interest therein, and consistent with both the statutory purposes of this contract and the limitations of the statutory authority under which it is made.

9. **Casualty and Eminent Domain.** If, at any time, during the term of this contract, (a) the BORROWER'S PROJECT facilities, including buildings or any portion thereof, are damaged or destroyed, in whole or in part, by fire or other casualty, or (b) title to or use of the PROJECT facilities or any part thereof shall be taken under the exercise of the power of eminent domain, the BORROWER shall cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair and restoration of the PROJECT facilities or any portion thereof, or to repayment of this loan. Any net proceeds remaining after such work has been completed or this loan has been repaid, shall be retained by the BORROWER. If the net insurance proceeds are insufficient to pay the full cost of the replacement, repair and restoration, the BORROWER shall complete the work and pay any cost in excess of the net proceeds. In the event BORROWER chooses to repay the loan, BORROWER shall remain responsible for the full loan amount outstanding regardless of the amount of such insurance proceeds or condemnation award.

10. **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.

PAID IN FULL

11. **CWCB's Approval.** This contract requires review and approval of plans, specifications, and various other technical and legal documents. The CWCB'S review of these documents is only for the purpose of verifying BORROWER'S compliance with this contract and shall not be construed or interpreted as a technical review or approval of the actual design or construction of the PROJECT. Notwithstanding any consents or approvals given to the BORROWER by the CWCB on any such documents, BORROWER and any of its consultants, by preparing any such documents, shall be solely responsible for the accuracy and completeness of any of said documents.

12. **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.

13. **Addresses for mailing.** All notices, correspondence, or other documents required by this contract shall be delivered or mailed to the addresses shown in the Section 1 (BORROWER Information) of the **Project Summary**, for the BORROWER and to the address below for the CWCB:

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

SPECIAL PROVISIONS (12/01 version). State Fiscal Rule 3-1 requires the inclusion of these Special Provisions in every STATE contract, including grants.

1. **CONTROLLER'S APPROVAL. CRS 24-30-202 (1)**

This contract shall not be deemed valid until it has been approved by the Controller of the State of Colorado or such assistant as he may designate.

2. **FUND AVAILABILITY. CRS 24-30-202 (5.5)**

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. **INDEMNIFICATION.**

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.

4. **INDEPENDENT CONTRACTOR. 4 CCR 801-2**

The contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither the contractor nor any agent or employee of the contractor shall be or shall be deemed to be an agent or employee of the state. Contractor shall pay when due all required employment taxes and income tax and local head tax on any monies paid by the State pursuant to this contract. Contractor acknowledges that the contractor and its employees are not entitled to unemployment insurance benefits unless the contractor or third party provides such coverage and that the state does not pay for or otherwise provide such coverage. Contractor shall have no authorization, express or implied, to bind the state to any agreements, liability, or understanding except as expressly set forth herein. Contractor shall provide and keep in force Workers' Compensation (and provide proof of such insurance when requested by the State) and unemployment compensation insurance in the amounts required by law, and shall be solely responsible for the acts of the contractor, its employees and agents.

PAID IN FULL

5. **NON-DISCRIMINATION.**

The contractor agrees to comply with the letter and the spirit of all applicable state and federal laws respecting discrimination and unfair employment practices.

6. **CHOICE OF LAW.**

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, defense, 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.

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.

7. **VENDOR OFFSET. CRS 24-30-202 (1) &CRS 24-30-202.4**

Pursuant to CRS 24-30-202.4 (as amended), the State Controller may withhold debts owed to State agencies under the vendor offset intercept system for: (a) unpaid child support debt or child support arrearages; (b) unpaid balance of tax, accrued interest, or other charges specified in Article 21, Title 39, CRS; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) owed amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State or any agency thereof, the amount of which is found to be owing as a result of final agency

determination or reduced to judgment as certified by the controller.

8. **EMPLOYEE FINANCIAL INTEREST. CRS 24-18-201 & CRS 24-50-507**

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

Revised: 12/1/01

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

CONTRACTOR: Bill Porter, an individual

Bill Porter

Federal ID Number: 522-78-0674

County of Garfield)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this November 4 2002, by Bill Porter. Witness my hand and official seal.

Anna M Jackett
Notary Public

My commission expire 12-14-04

ANNA M. JACKETT NOTARY PUBLIC STATE OF COLORADO

State of Colorado
Bill Owens, Governor

By

For the Executive Director
Department of Natural Resources
Colorado Water Conservation Board
Rod Kuharich, Director

Legal Review:
KEN SALAZAR, ATTORNEY GENERAL

By

ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

CRS 24-30-202 requires that the State Controller approve all state contracts. This contract is not valid until the State Controller, or such assistant as he may delegate, has signed it. The contractor is not authorized to begin performance until the contract is signed and dated below. If performance begins prior to the date below, the State of Colorado may not be obligated to pay for the goods and/or services provided.

Arthur L. Barnhart, State Controller

By Yvonne Anderson

Effective Date 11/26/02

Revised: 12/1/01

PROJECT SUMMARY – BILL PORTER – CONTRACT NO. C150116

SECTION 1 –BORROWER INFORMATION

Name:	Bill Porter
Address:	857 County Road 314 New Castle, CO 81647
Phone & Fax Number:	970-984-2845
E-mail address:	marlaporter@aol.com
Type of Entity:	individual

Section 2 – Project Description

A. Description of PROJECT: The BORROWER owns Barton Porter Reservoir, located in Garfield County, six miles west of Glenwood Springs, which is used for storage of irrigation water. The reservoir is filled through ditch diversions from South Canyon, Three Mile, and Garfield Creeks, tributaries to the Colorado River. The reservoir was constructed in 1958 and is a Class 3 structure with a maximum dam height of 43 feet impounding a reservoir of 206 acre-feet. The BORROWER has conditional water rights to store an additional 1000 acre-feet in the reservoir. The BORROWER applied for a loan from the CWCB to enlarge the reservoir so that it will store approximately 1,100 acre-feet to provide water for farming/ranching operation during drought periods, hereinafter referred to as the PROJECT, at an estimated total cost of $2,000,000.

B. Description of Feasibility Study: The CWCB has reviewed a feasibility study report on the PROJECT prepared by Golder Associates dated August 29, 2002, which is incorporated herein by reference, and, based upon the feasibility report, the CWCB determined the PROJECT to be technically and financially feasible.

SECTION 3 – CWCB'S AUTHORITY

Small Project Loan: This loan is made pursuant to the provisions of Sections 37-60-119 and 37-60-120, C.R.S., which authorizes the CWCB to loan money for water projects for the benefit of the people of the State, provided that the borrower assures repayment of that money.

PAID IN FULL

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

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

A. At its September 2002 meeting, the CWCB approved a Small Project Loan to the BORROWER in an amount up to $1,000,000 at an interest rate of 2.5% per annum for a repayment term of 20 years.

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

SECTION 5 - COLLATERAL

The collateral for this loan shall be the Barton Porter Reservoir, as evidenced by

the Deed of Trust, attached as Appendix 3 and incorporated herein. The Owners of Record of said property, namely Bill Porter and the B.F. and M.E. Porter, LLLP, agreed to pledge this property as collateral and have executed the deed of trust. The description of the collateral is an undivided one hundred percent (100%) interest in (1) the Barton Porter Reservoir located in the SW/4 of Section 15, Township 6 South, Range 90 West of the 6th Principal Meridian, Garfield County, Colorado, (2) the water rights to fill the reservoir, and (3) an access easement to the reservoir, all more particularly described in the attached Deed of Trust ("Collateral"). The deed of trust shall identify the LOAN AMOUNT. If the amount of loan funds disbursed by the CWCB to the BORROWER differs from the LOAN AMOUNT, the Deed of Trust shall be amended.

SECTION 6 – SCHEDULE OF EXISTING DEBT

The BORROWER has a line of credit in the amount of $400,000 and a construction loan in the amount of $200,000 with the Alpine Bank ("Bank"), with the Barton Porter Reservoir as collateral. The Bank has agreed to release the collateral upon repayment of the outstanding loan amount, and the BORROWER will repay the Bank's loan upon completion of the PROJECT.

SECTION 7 – ADDITIONAL CONTRACT REQUIREMENTS

No additional Board requirements.

SECTION 8 – CONSTRUCTION FUND PROGRAM PROCEDURES

PAID IN FULL

A. The BORROWER shall employ an engineer, registered in the state of Colorado to prepare plans and specifications for the PROJECT.

B. The BORROWER'S and the Engineering Consultant's Agreements and the plans and specifications must be submitted to the CWCB staff for verification of compliance with the terms of this Contract when available prior to bidding. Any modifications to the plans and specifications must be approved in writing by the CWCB staff.

C. For plans and specifications for all jurisdictional dams and reservoirs, as defined by § 37-87-105 C.R.S., the BORROWER shall provide a letter of approval from the State Engineer's Office prior to construction.

D. CWCB staff must be present at bidding and must approve the award of the construction contract.

E. The BORROWER shall contract for the construction of the work with responsible and capable Construction Firms, which said Construction Firms shall be selected by the BORROWER and found acceptable by the CWCB staff.

F. The BORROWER must provide a copy of the executed construction contract documents consisting of the contractor's proposal, construction contract, performance bond, payment bond, notice of award, notice to proceed, sample change order, and sample field order, as well as the advertisement for bid and bid bond at bidding. After the CWCB staff verifies that these documents comply with the terms of this contract, the BORROWER may issue the notice to proceed to the Construction Firms.

G. 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.

H. 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.

I. The BORROWER shall construct the PROJECT in accordance with the approved plans and specifications.

J. Upon completion of the PROJECT construction, the BORROWER shall provide as-built drawings of the PROJECT to the CWCB staff, or, if required by § 37-87-105, C.R.S., the BORROWER shall provide the as-built drawings to the State Engineer's Office for approval and filing.

K. Upon completion of the PROJECT construction, the BORROWER shall arrange a final inspection for the CWCB staff.

L. The BORROWER shall pay all of the expenses related to the PROJECT when such bills are due.

SECTION 9 – ELIGIBLE EXPENSES. The following items are eligible for loan disbursements.

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 CWCB and the BORROWER .

G. Engineering services for construction management, including design and construction management for CWCB-approved change orders.

H. Interest during completion of the PROJECT pursuant to Paragraph A.2 herein.

I. Legal services for reviewing engineering services contracts, reviewing this Contract, reviewing construction contract documents, and for complying with all federal, state, and local regulatory requirements.

SECTION 10 – DISBURSEMENT SCHEDULE

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

SECTION 11 – TIME FOR PERFORMANCE

PROJECT Beginning: Upon Effective Date of this Contract

PROJECT Finish: Two (2) years from the Effective Date of this Contract

617211 12/23/2002 03:59P B1420 P30 M ALSDORF
1 of 4 R 21.00 D 0.00 GARFIELD COUNTY CO

Deed of Trust

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DATE:	November 1, 2002
GRANTOR:	BILL PORTER AND B.F. AND M.E. PORTER, LLLP
BENEFICIARY:	COLORADO WATER CONSERVATION BOARD
COUNTY:	GARFIELD
PRINCIPAL LOAN AMOUNT:	$1,000,000
LOAN CONTRACT:	Loan Contract No. C150116, dated November 1, 2002
TERMS:	Interest of 2.5% per annum and repayment period of 20 years
COLLATERAL:	Bill Porter is conveying a 15% interest and B.F. and M.E. Porter, LLLP, is conveying an 85% interest in and to all easements and rights-of-way appurtenant thereto, all improvements thereon, and all other physical and legal features known as the Barton Porter Reservoir located in the SW/4 in Township 6 South, Range 90 West of the 6th Principal Meridian, Garfield County, Colorado, together with all dams, embankments, gates, and all other structures, appliances, fixtures, the storage, and other property of whatsoever kind used in connection with the operation of said reservoir, an access easement to provide access to the reservoir property via Garfield County Road 314, approximately two miles, across Grantor's property, and the water rights for said reservoir as described on Attachment 1.

PAID IN FULL

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

1. The GRANTOR has executed a Promissory Note of even date and amount, set forth in the LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY, with terms as shown above and in accordance with the Promissory Note or until loan is paid in full.

2. The GRANTOR is desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of said Promissory Note to the BENEFICIARY.

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

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said Promissory Note, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set

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

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

PAID IN FULL

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

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

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

Each Grantor acknowledges having read all the provisions of this deed of trust and each grantor agrees to its terms.

GRANTOR:

B.F. & M.E. Porter, LLLP

By Barton F. Porter
Baron F. Porter, General Partner of
B.F. & M. E. Porter, LLLLP
BFP Bill Porter
Barton Porter
Bill Porter, an individual

INDIVIDUAL ACKNOWLEDGEMENT

County of Garfield)
) SS
State of Colorado)

PAID IN FULL

On this 4 day of Nov. 2002, before me, the undersigned Notary Public, personally appeared Bill Porter, known to me to be the individual described herein and who executed the deed of trust, and acknowledged that he signed the deed of trust as his free and voluntary act and deed for the purposes and uses herein mentioned.
Witness my hand and official seal.

Anna M Jackett Notary Public

My commission expires 12-14-04

ANNA M. JACKETT NOTARY PUBLIC STATE OF COLORADO

PARTNERSHIP ACKNOWLEDGEMENT

County of Garfield)
) SS
State of Colorado)

On this 4 day of November 2002, before me, the undersigned Notary Public, personally appeared Barton F. Porter of B. F. & M. E. Porter, LLLP, and known to me to be a partner or registered agent of the partnership that executed the deed of trust and acknowledged the deed of trust to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the purposes and uses herein mentioned and stated that he is authorized to execute this deed of trust and in fact executed the deed of trust on behalf of the partnership.
Witness my hand and official seal.

Tiffany D. Gonzales Notary Public

My commission expires My Commission Expires 08/10/2003

NOTARY PUBLIC TIFFANY D. GONZALES STATE OF COLORADO

617211 12/23/2002 03:59P B1420 P33 M ALSDORF
4 of 4 R 21.00 D 0.00 GARFIELD COUNTY CO

Attachment 1

Deed of Trust dated November 1, 2002

between Bill Porter and B.F. and M.E. Porter, LLLP, Grantors

and Colorado Water Conservation Board , Beneficiary

1. The Sykes & Alvord Ditch, located in Garfield County, decreed for 1.90 cfs from Garfield Creek in Case No. 3896 on April 5, 1909 with an appropriation date of May 1, 1906.
2. The Sykes & Alvord Ditch, located in Garfield County, decreed for 3.20 cfs from Garfield Creek on November 24, 1914, with an appropriation date of September 30, 1910.
3. The Grantors' interest in the Roderick Ditch, located in Garfield County, decreed for 12.63 cfs from Garfield Creek in Case No. 3395 on July 23, 1941, with an appropriation date of May 1, 1938.
4. The West Three Mile Ditch, located in Garfield County, decreed for 7.80 cfs from Garfield Creek in Case No. 4613 on June 20, 1958, with an appropriation date of July 24, 1953.
5. The West Three Mile Ditch, located in Garfield County, decreed for 6.60 cfs from Garfield Creek in Case Nos. 4613 and W2724 on June 20, 1958, with an appropriation date of September 20, 1955.

PAID IN FULL

Colorado Water Conservation Board
Department of Natural Resources
1313 Sherman Street, Room 721
Denver, Colorado 80203

BORROWER/ASSIGNOR: ESTATE OF BILL PORTER
ASSIGNEE: B.F. & M.E. PORTER, LLLP
Contract No. C150116

Agency Name: Water Conservation Board
Agency Number PDA

LOAN CONTRACT AMENDMENT NO. 1

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

This Amendment, made this June 14, 2010, by and between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB"), Estate of Bill Porter ("BORROWER" or "ASSIGNOR"), and B.F. & M.E. Porter, LLLP ("B.F. & M.E.").

FACTUAL RECITALS

A. Authority exists in the law, and funds have been budgeted, appropriated, and otherwise made available for payment in Contract Encumbrance Number C150116.

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

C. The CWCB and the BORROWER entered into Contract Encumbrance Number C150116, dated November 1, 2002 ("ORIGINAL CONTRACT"), incorporated herein by reference, wherein the CWCB agreed to loan money in the total amount up to $1,000,000, and the BORROWER agreed to repay the loan in accordance with the terms of the ORIGINAL CONTRACT.

D. The Project was substantially complete as of January 1, 2004.

E. Bill Porter died in June 2006 and his estate continued to make the loan payments pending final disposition of the estate.

F. The attorney for the BORROWER submitted a letter dated December 28, 2007, requesting that the principal portion of the January 2008 loan payment be deferred due to unexpected financial difficulties incurred by Bill Porter's death.

G. The Borrower and B.F. & M.E. have entered into an Agreement, dated June 7, 2010, whereby the Borrower will sell its interest in its ranch real property and the reservoir to B.F. & M.E., and B.F. & M.E. will assume the duties, functions and liabilities of the Borrower under the ORIGINAL CONTRACT and to execute all necessary documents herewith.

PAID IN FULL

H. Of the $1,000,000 loan amount ("Loan Amount") due under the ORIGINAL CONTRACT, the BORROWER has made principal payments totaling $205,790.18, leaving a principal balance due at the time of this agreement of $794,229.82.

I. The parties agree to amend the contract to name B.F. & M.E. as the borrower, to adjust the loan amount to reflect the current principal balance due and stated in the attached Promissory Note, and to revise the loan term to the 15 years remaining after the principal payment deferral.

J. The parties further agree that B.F. & M.E. is assuming all of the duties and obligations under the ORIGINAL CONTRACT.

NOW THEREFORE, it is hereby agreed that

1. Consideration for this Amendment to the ORIGINAL CONTRACT consists of the payments that shall be made pursuant to this Amendment and ORIGINAL CONTRACT and the promises and agreements herein set forth.
2. It is expressly agreed by the parties that this Amendment is supplemental to the ORIGINAL CONTRACT, and all terms, conditions, and provisions thereof, unless specifically modified herein, are to apply to this Amendment as though they were expressly rewritten, incorporated, and included herein.
3. The parties agree that all references to Borrower in the ORIGINAL CONTRACT shall refer and apply to B.F. & M.E. PORTER LLLP.
4. B.F. & M.E. agrees to assume all of the duties and obligations under the ORIGINAL CONTRACT.
5. B.F. & M.E. agrees that it shall execute the following documents, all of which shall set forth the revised loan amount of $794,229.82 and the revised loan term of 15 years;
   a. Promissory Note, attached as **Appendix A** and incorporated herein, which shall replace and supersede the Promissory Note in the amount of $1,000,000 dated November 1, 2002, attached to the ORIGINAL CONTRACT as Appendix 2.
   b. Amendment to Deed of Trust, attached hereto as **Appendix B** and incorporated herein, which shall supplement and operate in conjunction with the Deed of Trust dated November 1, 2002, attached to the ORIGINAL CONTRACT as Appendix 3.
6. Except for the SPECIAL PROVISIONS, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the ORIGINAL CONTRACT, the provisions of this Amendment shall in all respects supersede, govern, and control. The SPECIAL PROVISIONS shall always be controlling over other provisions in the contract or amendments. The representations in the SPECIAL PROVISIONS concerning the absence of bribery or corrupt influences and personal interest of STATE employees are presently reaffirmed.
7. Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
8. This amendment shall not be deemed valid or effective until it shall have been approved by the controller of the State of Colorado or such assistant as he may designate.
9. INDEMNIFICATION. To the extent allowed by law, 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 and related costs, incurred as a result of any act or omission by Contractor, or its employees, agents, subcontractors, or assignees pursuant to the terms of this Contract.

   [Applicable Only to Intergovernmental Contracts] No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act,

CRS 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

SPECIAL PROVISIONS

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

1. CONTROLLER'S APPROVAL. CRS §24-30-202(1). This contract shall not be valid until it has been approved by the Colorado State Controller or designee.

2. FUND AVAILABILITY. CRS §24-30-202(5.5). Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

3. GOVERNMENTAL IMMUNITY. No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

4. INDEPENDENT CONTRACTOR. Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall **(a)** provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, **(b)** provide proof thereof when requested by the State, and **(c)** be solely responsible for its acts and those of its employees and agents.

5. COMPLIANCE WITH LAW. Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

6. CHOICE OF LAW. Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.

7. BINDING ARBITRATION PROHIBITED. The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contact or incorporated herein by reference shall be null and void.

8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00. State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If

the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

9. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507. The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. [***Not Applicable to intergovernmental agreements***] Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: **(a)** unpaid child support debts or child support arrearages; **(b)** unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; **(c)** unpaid loans due to the Student Loan Division of the Department of Higher Education; **(d)** amounts required to be paid to the Unemployment Compensation Fund; and **(e)** other unpaid debts owing to the State as a result of final agency determination or judicial action.

11. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. [***Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services***] Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor **(a)** shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed, **(b)** shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, **(c)** shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and **(d)** shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.

12. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101. Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she **(a)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(b)** shall comply with the provisions of CRS §24-76.5-101 et seq., and **(c)** has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.

Revised 1-1-09

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

BORROWER: Estate of Bill Porter

By Rita Marlene Porter
Rita Marlene Porter, as Personal Representative of the Estate of Bill Porter

State of Colorado

Bill Ritter, Jr., Governor

By Jennifer L Smith
For the Executive Director
Department of Natural Resources
Colorado Water Conservation Board

ASSIGNEE: B.F. & M.E. Porter LLLP

By Martha E. Porter
Martha E. Porter, General Partner

Pre-Approved Form

By
CWCB Contract Manager

State of Colorado)
) ss.
County of Garfield)

The foregoing instrument was acknowledged before me on July 14, 2010, by Rita Marlene Porter, as Personal Representative of the Estate of Bill Porter, and Martha E. Porter, as General Partner of B.F. & M.E. Porter LLLP. Witness my hand and official seal.

Notary Public Martha A Simah

My commission expires 9-17-2010

ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

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

David J. mc Dermott, CPA
~~Leslie M. Shenefelt,~~ State Controller

By Diane C Stump

Effective Date 9-3-10

PROMISSORY NOTE

Date:	June 14, 2010
Borrower:	B.F. & M.E. PORTER LLLP
Principal Amount:	$794,229.82
Interest Rate:	2.50% per annum
Term of Repayment:	15 years
Loan Contract No.:	C150116, as amended June 14, 2010
Loan Payment:	$64,147.13
Payment Initiation Date:	January 1, 2004
Maturity Date:	January 1, 2025

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this promissory note.
2. This Promissory Note replaces and supersedes the Promissory Note dated November 1, 2002, in the principal amount of $1,000,000.
3. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
4. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 721, Denver, Colorado 80203.
5. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
6. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
7. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
8. This Note is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Deed of Trust ("Security Instruments") of even

PAID IN FULL

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

9. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.

10. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.

11. This Note shall be governed in all respects by the laws of the State of Colorado.

BORROWER: B.F. & M.E. PORTER LLLP

(SEAL)

By Martha E Porter
Martha E. Porter, General Partner

PAID IN FULL

State of Colorado)
) ss.
County of Garfield)

The foregoing instrument was acknowledged before me on 7.14., 2010, by Martha E. Porter, as General Partner of B.F. & M.E. Porter LLLP.

Witness my hand and official seal.

Notary Public Martha A Smith

My commission expires 9.17.2010

Reception#: 791987
09/27/2010 01:49:43 PM Jean Alberico
1 of 3 Rec Fee:$21.00 Doc Fee:0.00 GARFIELD COUNTY CO

AMENDMENT NO. 1 TO DEED OF TRUST

Date:	June 14, 2010
Grantor:	Porter Reservoir LLC and B.F.& M.E. Porter LLLP
Borrower/Assignee:	B.F. & M.E. Porter LLLP
Beneficiary (Lender):	Colorado Water Conservation Board
Date of Deed of Trust:	November 1, 2002
Recording Date of Deed of Trust:	December 23, 2002
County of Recording ("County"):	Garfield
Deed of Trust Recording Information:	617211(4 pages)
Loan Contract:	C150116, dated November 2, 2002, amended October 20, 2008
Promissory Note:	$794,229.82, 2.5%, 15 Years, dated June 14, 2010.

This Amendment to the Deed of Trust is between the Grantor and the Public Trustee of the County, State of Colorado.

The Original Deed of Trust was recorded to secure repayment of the indebtedness evidenced by Loan Contract and Promissory Note between Bill Porter, as original borrower, and the Beneficiary.

The property and collateral subject to the Deed of Trust was conveyed to Grantor on January 14, 2008 by Deeds recorded as Reception Nos. 741133, 741134 and 741136 of the Garfield County, Colorado records.

PAID IN FULL

Based upon the death of Bill Porter and the Estate of Bill Porter's financial difficulties, the CWCB deferred the annual loan payment for the year 2008, which deferral resulted in a new repayment schedule of 21 years.

Borrower/Assignee has assumed all Loan Contract obligations from the Estate of Bill Porter by Loan Contract C150116 Amendment No. 1 dated June 14, 2010, and Borrower/Assignee executed a new promissory note dated June 14, 2010 reflecting the remaining principal balance of $794,229.82 and repayment term of 15 years.

Grantor and Beneficiary have agreed to amend the Original Deed of Trust to reflect the revised repayment term and loan amount.

NOW THEREFORE, the CWCB and Grantor agree that:

1. The second full paragraph of the Original Deed of Trust is hereby amended to read as follows:

   The Borrower/Assignee has executed a Promissory Note dated June 14, 2010, to secure the repayment of the indebtedness evidenced by Contract No. C150116, dated November 1, 2002, as amended on June 14, 2010, for the total principal sum of $794,229.82, to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 721, Denver, CO 80203, payable in 15 annual installments, in accordance with said Promissory Note, or until the loan is paid in full.

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

Executed on the date first written above.

GRANTORS:

B.F & M.E. PORTER LLLP

By: Martha E Porter
Martha E. Porter, General Partner

PORTER RESERVOIR LLC

By Martha E Porter
Martha E. Porter, General Partner of B.F. & M.E. Porter LLLP, as Manager and Member of Porter Reservoir LLC

PAID IN FULL

State of Colorado)
) ss.
County of Garfield)

The foregoing instrument was acknowledged before me on July 14th, 2010, by Martha E. Porter, General Partner of B.F. & M.E. Porter LLLP, and as Manager and Member of Porter Reservoir LLC.

Witness my hand and official seal.

Martha L Smith
Notary Public

My commission expires 9.17.2010

Return recorded document to: CWCB Finance Section, Attn: Contract Manager, 1580 Logan Street, Suite 600, Denver CO 80203 (Phone Number 303-866-3441)

Reception#: 791987
09/27/2010 01:49:43 PM Jean Alberico
3 of 3 Rec Fee:$21.00 Doc Fee:0.00 GARFIELD COUNTY CO

ERE

STATEMENT OF AUTHORITY

NAME OF ENTITY: The name of the entity to which this Statement relates is the **B.F. & M.E. Porter LLLP**.

TYPE OF ENTITY: The entity is a limited liability limited partnership formed under the laws of the State of Colorado.

MAILING ADDRESS: The mailing address for the entity is 2571 County Road 314, New Castle, Colorado 81647.

AUTHORIZED PERSON: The name and position of the person authorized to execute instruments conveying, encumbering or otherwise affecting title to real property on behalf of the entity is as follows:

Name	Position
Martha E. Porter	General Partner

PAID IN FULL

LIMITATIONS: None

Dated this 14 day of July, 2010.

Martha E. Porter
Martha E. Porter, General Partner

STATE OF COLORADO)
) ss.
COUNTY OF GARFIELD)

The foregoing instrument was subscribed, sworn to and acknowledged before me this 14th day of July, 2010, by Martha E. Porter as General Partner of B.F. & M.E. Porter LLLP.

WITNESS my hand and official seal.
My Commission expires: 9.17.2010

Martha A Smith
Notary Public