



COLORADO

Colorado Water Conservation Board

Department of Natural Resources

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

February 13, 2025

Buffalo Farms Water Development, LLC
5638 Ridgeway Drive
Fort Collins, CO 80528

Loan Compliance Confirmation - C150191

Attached for your records are the original documents related to the agreement between the Buffalo Farms Water Development, LLC and the Colorado Water Conservation Board (CWCB), Loan Contract No. C150191. The documents have been stamped "PAID IN FULL" denoting that the LLC 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 future, please let us know.

Sincerely,

Mimi Winter

Mimi Winter, Finance Manager
Finance Section

Attachments

cc: CWCB Files





678735 09/18/2006 09:45A B966 P791 DT
1 of 5 R 26.00 D 0.00 N 0.00 Logan County CO

Deed of Trust

DATE: January 6, 2006

GRANTORS: (1) BCK Heath Property, LLC
(2) AP Springer Farms, LLC
(3) Jack L. Cox Trust
(4) Mark A. Kross
(5) Stephanie A. Mokler
(6) June I. Kross
(7) Robert V. Sanderson
all on behalf of
Buffalo Farms Water Development, LLC

BENEFICIARY: COLORADO WATER CONSERVATION BOARD

COUNTY: LOGAN

PRINCIPAL LOAN AMOUNT: \$277,245

LOAN CONTRACT: Loan Contract No. C150191, dated January 1, 2005,
and amended January 6, 2006

TERMS OF REPAYMENT: 2.25% per annum for 20 years

COLLATERAL: An undivided one-hundred percent interest in a parcel
known as 10678 U.S. Highway 6, Merino, Colorado,
covering approximately five acres, located in the NE $\frac{1}{4}$
of Section 26, Township 6 North, Range 54 West of the
6th P.M., Logan County, Colorado; more particularly
described as follows: commence at NW corner of NE $\frac{1}{4}$
of Section 26; thence N88D45'36"E 162.44'; thence
S7D14'15"W 704.96'; thence S1D56'15"E 81.80' to the
point of beginning; then S89D17'20"E 655.75'; thence
S0D42'40"W 336.20'; thence N89D17'20"W 640.19';
thence N1D56'15"W 336.56' to point of beginning 26-
06-54.

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

FACTUAL RECITALS

1. The GRANTORS, except for Jack L. Cox Trust, are members of Buffalo Farms Water Development, LLC ("BORROWER"). Grantor Jack L. Cox Trust is not a Borrower or Guarantor of the Loan Contract No. C150191. The BORROWER has executed a Promissory Note of even date and amount, set forth in the LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY, with TERMS OF REPAYMENT and in accordance with the Promissory Note or until loan is paid in full.
2. The GRANTORS are desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of said Promissory Note to the BENEFICIARY.

Appendix F

Loan Contract C150191 Amendment No. 1



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

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said Promissory Note, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set forth or in said Promissory Note or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less than four weeks in some newspaper of general circulation in said COUNTY, shall sell said COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand, at public auction for cash, at any proper place designated in the notice of sale. Out of the proceeds of said sale, the PUBLIC TRUSTEE shall retain or pay first all fees, charges and costs and all moneys advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon and pay the principal and interest due on said Promissory Note, rendering the overplus, if any, unto the GRANTORS; 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 GRANTORS covenant that at the time of the delivery of these presents, they are well seized of the COLLATERAL in fee simple, and have full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTORS fully waive and release all rights and claims they may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTORS further covenant that the collateral is free and clear of all liens and encumbrances whatever and that the GRANTORS 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 GRANTORS 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

Appendix F

Loan Contract C150191 Amendment No. 1



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thereof; that all the covenants and agreements contained herein and in the Promissory Note and LOAN CONTRACT shall extend to and be binding upon the successors or assigns of the respective parties hereto; and that the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Executed the day and date first written above.

GRANTOR: Mark A. Kross

By Mark A. Kross
Mark A. Kross

GRANTOR: Stephanie A. Mokler

By Stephanie A. Mokler
Stephanie A. Mokler

GRANTOR: June I. Kross

By June I. Kross
June I. Kross

GRANTOR: Robert V. Sanderson

By Robert V. Sanderson
Robert V. Sanderson

GRANTOR: Jack L. Cox Trust

By Jack L. Cox, Trustee
Jack L. Cox, Trustee

GRANTOR: BCK Heath Property, LLC, a Colorado limited liability company

By Burton C. Kross
Burton C. Kross, Manager and Sole
Member



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GRANTOR: AP Springer Farms LLC, a Colorado limited liability company

By

Adam Springer, Manager
Adam Springer, Manager

County of Larimer

)

) ss

State of Colorado

)

The foregoing instrument was acknowledged before me this 31 day of January, 2006, by Mark A. Kross, Stephanie A. Mokler, June I. Kross, Robert V. Sanderson, Jack L. Cox, and Burton C. Kross. Witness my hand and official seal.

Melissa Unter Notary Public

My commission expires 8/6/2006

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My Commission Expires 8/6/2006

FEB - 3 2025

FINANCIAL GROUP
LLC - Gering, CO

Appendix F Loan Contract C150191 Amendment No. 1

Page 4 of 5



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5 of 5 R 26.00 D 0.00 N 0.00 Logan County CO

GRANTOR: AP Springer Farms LLC, a Colorado limited liability company

Attest:

By

Phillip Springer
Phillip Springer, Member

County of BRAZOS

)

) ss

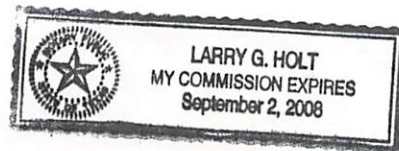
State of Texas

)

The foregoing signature was acknowledged before me this 31 day of JANUARY, 2006, by Phillip Springer as Member of AP Springer Farms, LLC. Witness my hand and official seal.

Larry G. Holt Notary Public

My commission expires _____



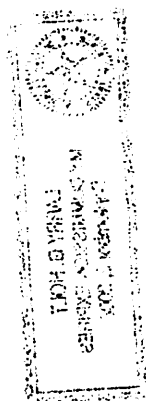
FEB - 3 2025

Public Trusting
LLC, Inc. CO

Appendix F
Loan Contract C150191 Amendment No. 1

#3

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Rebn Enns.

#26 SCANNED, INDEXED
AND COMPARED

9:45

Colorado Water Conservation Board
1580 Larimer Street Suite 250
Denver CO 80202

PROMISSORY NOTE

Date: January 6, 2006
Borrower: Buffalo Farms Water Development, LLC
Principal Amount: \$277,245
Interest Rate: 2.25% per annum
Term of Repayment: 20 years
Loan Contract No.: C150191, dated January 1, 2005
Loan Payment: \$17,367.20
Payment Initiation Date*: August 1, 2006
Maturity Date*: August 1, 2026

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

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this promissory note.
2. This Promissory Note replaces and supersedes the Promissory Note dated January 1, 2005, in the principal amount of \$195,435.
3. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation (the date the CWCB determines that the project is substantially complete), and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
4. Payments shall be made to the Colorado Water Conservation Board at 1580 Logan Street, Suite 750, 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.

PAID IN FULL

Appendix B Loan Contract C150191 Amendment No. 1

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

(SEAL)

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

Attest:

By Michael Goss
Michael Goss, Manager

PAID IN FULL

Appendix B
Loan Contract C150191 Amendment No. 1



678734 09/18/2006 09:43A B966 P790 DT

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AMENDMENT NO. 1 TO DEED OF TRUST

Date: January 6, 2006
Grantor (Borrower): Buffalo Farms Water Development, LLC
Beneficiary (Lender): Colorado Water Conservation Board
Date of Deed of Trust: January 1, 2005
County of Recording ("County"): Logan
Loan Contract: C150191, dated January 1, 2005,
amended January 6, 2006
Promissory Note: \$277,245, 2.25%, 20 Years, dated
January 6, 2006

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, Appendix 5b to Contract No. 150191 dated January 1, 2005, secured repayment of the indebtedness evidenced by Loan Contract and Promissory Note between the Grantor and the Beneficiary.

Based upon increases in construction costs, Grantor and Beneficiary have agreed to amend the Original Deed of Trust to reflect the revised loan payment amount.

NOW THEREFORE, the CWCB and Grantor agree that:

1. Paragraph 3 of the Original Deed of Trust is hereby amended to read as follows:

The Grantor has executed a Promissory Note dated January 6, 2006, to secure the repayment of the indebtedness evidenced by Contract No. C150191, dated January 6, 2006, as amended on January 6, 2006 for the total principal sum of \$277,245, 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 1580 Logan Street, Suite 750, Denver, CO 80203, payable in 20 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.



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Executed on the date first written above.



By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

County of ~~Logan~~ MORGAN)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this 23 day of JAN. 2006, by D. Kevin Vollmer and Michael Goss, as Managers. Witness my hand and official seal.

Patricia A. Garver Notary Public

My commission expires 02-16-06

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

9:45

Retn Encl
#26
SCANNED, INDEXED
AND COMPARED

#2.



Colo Colo Wto Convention Board
1580 Logan Street Suite 450
Denver CO 80203



678733 09/18/2006 09:45A B966 P789 DT
5 of 6 R 31.00 D 0.00 N 0.00 Logan County CO

AMENDMENT NO. 1 TO DEED OF TRUST

Date: January 6, 2006
Grantor (Borrower): Michael J. and Tamara R. Goss
Beneficiary (Lender): Colorado Water Conservation Board
Date of Deed of Trust: January 1, 2005
County of Recording ("County"): Logan
Loan Contract: C150191, dated January 1, 2005,
amended January 6, 2006
Promissory Note: \$277,245, 2.25%, 20 Years, dated
January 6, 2006

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, Appendix 5a to Contract No. 150191 dated January 1, 2005, secured repayment of the indebtedness evidenced by Loan Contract and Promissory Note between the Grantor and the Beneficiary.

Based upon increases in construction costs, Grantor and Beneficiary have agreed to amend the Original Deed of Trust to reflect the revised loan payment amount.

NOW THEREFORE, the CWCB and Grantor agree that:

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

The Grantor, through the Buffalo Farms Water Development, LLC, an entity of which the Grantor is a member, has executed a Promissory Note dated January 6, 2006, to secure the repayment of the indebtedness evidenced by Contract No. C150191, dated January 6, 2006, as amended on January 6, 2006 for the total principal sum of \$277,245, 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 1580 Logan Street, Suite 750, Denver, CO 80203, payable in 20 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.

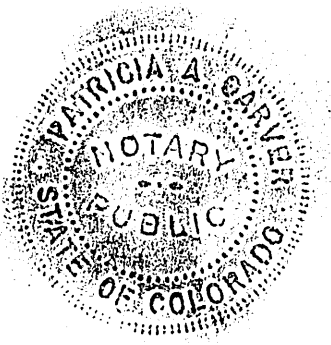
Appendix D

Loan Contract C150191 Amendment No. 1



678733 09/18/2006 09:45A B966 P789 DT
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Executed on the date first written above.



Michael Goss, a Colorado individual

By *Michael J. Goss*
Michael J. Goss

Tamara R. Goss, a Colorado individual

By *Tamara R. Goss*
Tamara R. Goss

County of ~~Logan~~ MORGAN)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this 23 day of Jan.
2006, by Michael Goss and Tamara R. Goss. Witness my hand and official seal.

Patricia A. Carver Notary Public

My commission expires 02-16-06

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

9:45

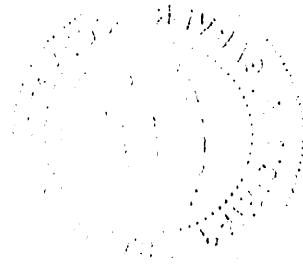
#31. ✓
SCANNED, INDEXED
AND COMPARED

John Enns

6p

#1

Colorado Water Conservation Board
1580 Hogan Street, Suite 750
Denver CO 80203.



PROMISSORY NOTE

Partial Release

Executed on this Note and

Deed of Trust on 3-17-2021

Antonia Bartlett

Public Trustee/Deputy

Logan County, Co.

Date: January 1, 2005

Borrower: Buffalo Farms Water Development, LLC

Principal Amount: \$195,435

Interest Rate: 2.25% per annum

Term of Repayment: 20 years

Loan Contract No.: C150191, dated January 1, 2005

Loan Payment: \$12,242.45

Payment Initiation Date*: _____

Maturity Date*: _____

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

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

Appendix 2 to Loan Contract C15X

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: Buffalo Farms Water
Development, LLC, a Colorado limited liability
company

(SEAL)

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

Attest:

By Michael Goss
Michael Goss, Manager

PAID IN FULL



678734 09/18/2006 09:45A B966 P790 DT
1 of 5 R 26.00 D 0.00 N 0.00 Logan County CO

Deed of Trust

DATE: January 1, 2005
GRANTOR: BUFFALO FARMS WATER DEVELOPMENT, LLC
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: LOGAN
PRINCIPAL LOAN AMOUNT: \$195,435
LOAN CONTRACT: Loan Contract No. C150191, dated January 1, 2005
TERMS OF REPAYMENT: 2.25% per annum for 20 years
COLLATERAL: TWO ITEMS OF PLEDGED PROPERTY:

- 1) A 14% interest in those augmentation water benefits that are generated by the Buffalo Farms Water Development, LLC Recharge Project, the subject of this Loan Contract, except that the annual augmentation water benefits conveyed shall not exceed the actual the amount of augmentation water needed to fully cover the depletions of the well located on the property consisting of approximately 128 acres and more particularly described in the DEED OF TRUST, APPENDIX 5A to the LOAN CONTRACT. All operation and maintenance expenses for the Buffalo Farms Water Development, LLC Recharge Project shall be the responsibility of Buffalo Farms Water Development, LLC; and
- 2) A 14% interest in the PROJECT, the subject of this Loan Contract, including the recharge well, pipe, pipeline appurtenances, and related easements and rights-of-way.

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

FACTUAL RECITALS

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

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

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said Promissory Note, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set forth or in said Promissory Note or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less than four weeks in some newspaper of general circulation in said COUNTY, shall sell said COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand, at public auction for cash, at any proper place designated in the notice of sale. Out of the



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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.

Executed the day and date first written above.

DEBTOR: Buffalo Farms Water Development,
LLC, a Colorado limited liability
company

SEAL

By D. Kevin Vollmer
D. Kevin Vollmer, Manager



678734 09/18/2006 09:45A B966 P790 DT
3 of 5 R 26.00 D 0.00 N 0.00 Logan County CO

ATTEST:

By


Michael Goss, Manager

County of Logan

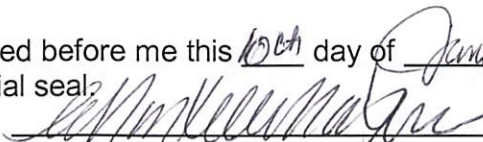
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) SS

State of Colorado

)

The foregoing instrument was acknowledged before me this 10th day of January 2005, by Michael Goss. Witness my hand and official seal:

 Notary Public

My commission expires

12-19-06

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

FEB - 3 2025

Public Trustee
Logan County, CO



678733 09/18/2006 09:45A B966 P789 DT
1 of 6 R 31.00 D 0.00 N 0.00 Logan County CO

Deed of Trust

DATE: January 1, 2005
GRANTOR: MICHAEL J. AND TAMARA R. GOSS
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: LOGAN
PRINCIPAL LOAN AMOUNT: \$195,435
LOAN CONTRACT: Loan Contract No. C150191, dated January 1, 2005
TERMS OF REPAYMENT: 2.25% per annum for 20 years
COLLATERAL: An undivided one-hundred percent interest in certain real property comprising approximately 134 acres of sprinkler-irrigated farmland located in W1/2SW1/4 Section 13, E1/2NE1/4SE1/4 of Section 14, and W1/2NW1/4 of Section 24, T6N, R54W, 6th P.M., Logan County, Colorado, as more particularly described in Attachment 1.

Partial Release

Executed on this Note and

Deed of Trust on

3-17-2021
Patricia Bartlett
Public Trustee/Deputy
Logan County, Co.

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

FACTUAL RECITALS

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

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

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

The GRANTOR covenants that at the time of the delivery of these presents, it is well seized of the COLLATERAL in fee simple, and has full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTOR fully waives and releases all



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rights and claims it may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTOR further covenants that the collateral is free and clear of all liens and encumbrances whatever and that the GRANTOR shall warrant and forever defend the COLLATERAL in the quiet and peaceable possession of the PUBLIC TRUSTEE, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof.

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

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

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

Executed the day and date first written above.

Michael Goss, a Colorado individual

By Michael J. Goss
Michael J. Goss

Tamara R. Goss, a Colorado individual

By Tamara R. Goss
Tamara R. Goss

(SEAL)

County of Logan

)
) SS
)

State of Colorado

The foregoing instrument was acknowledged before me this 10th day of January 2005, by Michael Goss and Tamara R. Goss. Witness my hand and official seal.

Michael J. Goss Notary Public

My commission expires 12-19-06

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

FEB - 3 2025

Attachment 1

Deed of Trust dated January 1, 2005

Grantor: Michael J. and Tamara R. Goss

Beneficiary: Colorado Water Conservation Board

DESCRIPTION OF COLLATERAL

The tract of land located in the Southwest $\frac{1}{4}$ of Section 13, the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 14, and in the Northwest $\frac{1}{4}$ of Section 24, all in Township 6 North, Range 54 West, of the 6th Principal Meridian, Logan County, Colorado and being more particularly described as follows:

Beginning at the Northwest corner of said Section 24 and considering the West line of the Northwest $\frac{1}{4}$ of Section 24 to bear North $00^{\circ}42'40''$ West with all bearings herein relative thereto:

Thence North $01^{\circ}09'22''$ West, 509.91 Feet;

Thence North $43^{\circ}15'23''$ West, 487.39 Feet;

Thence North $10^{\circ}01'47''$ West, 761.90 Feet;

Thence North $00^{\circ}02'15''$ West, 1016.87 Feet;

Thence North $89^{\circ}58'21''$ East, 465.48 Feet;

Thence South $71^{\circ}28'13''$ East, 158.22 Feet;

Thence North $89^{\circ}53'58''$ East, 923.67 Feet;

Thence South $06^{\circ}07'35''$ East, 2578.61 Feet;

Thence South $88^{\circ}45'08''$ East, 205.97 Feet;

Thence South $24^{\circ}49'30''$ West, 435.81 Feet;

Thence South $28^{\circ}19'50''$ West, 220.09 Feet;

Thence South $35^{\circ}08'37''$ West, 703.22 Feet;

Thence South $35^{\circ}10'46''$ West, 1096.33 Feet;

Thence North $88^{\circ}16'03''$ West, 193.54 Feet to a point on the West line of the Northwest $\frac{1}{4}$ of said Section 24;

Thence along said West line of the Northwest $\frac{1}{4}$ of Section 24, North $00^{\circ}42'40''$ West, 2039.61 Feet to the point of beginning.

The above described tract contains 133.776 acres, more or less.

Note: The above described survey is taken from an Area Survey dated January 13, 2005 by Robert D. Thomas, P.L.S. 11399, and incorporated by reference into the Colorado Water Conservation Board Loan Contract No. C150191, dated January 1, 2005

FEB - 3 2025

AMENDMENT NO. 1 TO SECURITY AGREEMENT

DEBTOR: Buffalo Farms Water Development, LLC

SECURED PARTY: COLORADO WATER CONSERVATION BOARD

DATE OF ORIGINAL SECURITY AGREEMENT: JANUARY 1, 2005

Original Promissory Note: \$195,435, dated January 1, 2005, interest at the rate of 2.25% per annum with annual payment for a period of 20 years or until paid in full.

ORIGINAL LOAN CONTRACT: C150191, DATED JANUARY 1, 2005

9. The Parties have amended the ORIGINAL LOAN CONTRACT and Promissory Note to increase the loan amount from \$195,435 to \$277,245 and hereby amend the original Security Agreement to document the change of loan amount.
10. The Parties expressly agree that this Amendment is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment as though they were expressly rewritten, incorporated, and included herein.

Amended Loan Contract: C150191, dated January 6, 2006

Replacement Promissory Note: \$277,245, dated January 6, 2006, interest at the rate of 2.25% per annum with annual payments for a period of 20 years or until paid in full

Date of Amended Security Agreement: January 6, 2006

DEBTOR: Buffalo Farms Water Development,
LLC

SEAL

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

PAID IN FULL

Appendix C
Loan Contract C150191 Amendment No. 1

Page 1 of 1

AMENDMENT NO. 1 TO DEED OF TRUST

Date: January 6, 2006
Grantor (Borrower): Michael J. and Tamara R. Goss
Beneficiary (Lender): Colorado Water Conservation Board
Date of Deed of Trust: January 1, 2005
County of Recording ("County"): Logan
Loan Contract: C150191, dated January 1, 2005,
amended January 6, 2006
Promissory Note: \$277,245, 2.25%, 20 Years, dated
January 6, 2006

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, Appendix 5a to Contract No. 150191 dated January 1, 2005, secured repayment of the indebtedness evidenced by Loan Contract and Promissory Note between the Grantor and the Beneficiary.

Based upon increases in construction costs, Grantor and Beneficiary have agreed to amend the Original Deed of Trust to reflect the revised loan payment amount.

NOW THEREFORE, the CWCB and Grantor agree that:

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

The Grantor, through the Buffalo Farms Water Development, LLC, an entity of which the Grantor is a member, has executed a Promissory Note dated January 6, 2006, to secure the repayment of the indebtedness evidenced by Contract No. C150191, dated January 6, 2006, as amended on January 6, 2006 for the total principal sum of \$277,245, 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 1580 Logan Street, Suite 750, Denver, CO 80203, payable in 20 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.

PAID IN FULL

Appendix D
Loan Contract C150191 Amendment No. 1

Executed on the date first written above.



Michael Goss, a Colorado individual

By Michael J. Goss
Michael J. Goss

Tamara R. Goss, a Colorado individual

By Tamara R. Goss
Tamara R. Goss

County of ~~Logan~~ MORGAN)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this 23 day of Jan.
2006, by Michael Goss and Tamara R. Goss. Witness my hand and official seal.

Patricia A. Carver Notary Public

My commission expires 02-16-06

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

PAID IN FULL

Appendix D
Loan Contract C150191 Amendment No. 1

AMENDMENT NO. 1 TO DEED OF TRUST

Date: January 6, 2006
Grantor (Borrower): Buffalo Farms Water Development, LLC
Beneficiary (Lender): Colorado Water Conservation Board
Date of Deed of Trust: January 1, 2005
County of Recording ("County"): Logan
Loan Contract: C150191, dated January 1, 2005,
amended January 6, 2006
Promissory Note: \$277,245, 2.25%, 20 Years, dated
January 6, 2006

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, Appendix 5b to Contract No. 150191 dated January 1, 2005, secured repayment of the indebtedness evidenced by Loan Contract and Promissory Note between the Grantor and the Beneficiary.

Based upon increases in construction costs, Grantor and Beneficiary have agreed to amend the Original Deed of Trust to reflect the revised loan payment amount.

NOW THEREFORE, the CWCB and Grantor agree that:

1. Paragraph 3 of the Original Deed of Trust is hereby amended to read as follows:

The Grantor has executed a Promissory Note dated January 6, 2006, to secure the repayment of the indebtedness evidenced by Contract No. C150191, dated January 6, 2006, as amended on January 6, 2006 for the total principal sum of \$277,245, 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 1580 Logan Street, Suite 750, Denver, CO 80203, payable in 20 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.

PAID IN FULL

Executed on the date first written above.



By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

County of ~~Logan~~ MORGAN)
) SS
State of Colorado)

The foregoing instrument was acknowledged before me this 23 day of JAN. 2006, by D. Kevin Vollmer and Michael Goss, as Managers. Witness my hand and official seal.

Patricia A. Garrow Notary Public

My commission expires 02-16-06

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

PAID IN FULL



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Deed of Trust

DATE: January 6, 2006

GRANTORS: (1) BCK Heath Property, LLC
(2) AP Springer Farms, LLC
(3) Jack L. Cox Trust
(4) Mark A. Kross
(5) Stephanie A. Mokler
(6) June I. Kross
(7) Robert V. Sanderson
all on behalf of
Buffalo Farms Water Development, LLC

BENEFICIARY: COLORADO WATER CONSERVATION BOARD

COUNTY: LOGAN

PRINCIPAL LOAN AMOUNT: \$277,245

LOAN CONTRACT: Loan Contract No. C150191, dated January 1, 2005,
and amended January 6, 2006

TERMS OF REPAYMENT: 2.25% per annum for 20 years

COLLATERAL: An undivided one-hundred percent interest in a parcel
known as 10678 U.S. Highway 6, Merino, Colorado,
covering approximately five acres, located in the NE $\frac{1}{4}$
of Section 26, Township 6 North, Range 54 West of the
6th P.M., Logan County, Colorado; more particularly
described as follows: commence at NW corner of NE $\frac{1}{4}$
of Section 26; thence N88D45'36"E 162.44'; thence
S7D14'15"W 704.96'; thence S1D56'15"E 81.80' to the
point of beginning; then S89D17'20"E 655.75'; thence
S0D42'40"W 336.20'; thence N89D17'20"W 640.19';
thence N1D56'15"W 336.56' to point of beginning 26-
06-54.

PAID IN FULL

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

FACTUAL RECITALS

1. The GRANTORS, except for Jack L. Cox Trust, are members of Buffalo Farms Water Development, LLC ("BORROWER"). Grantor Jack L. Cox Trust is not a Borrower or Guarantor of the Loan Contract No. C150191. The BORROWER has executed a Promissory Note of even date and amount, set forth in the LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY, with TERMS OF REPAYMENT and in accordance with the Promissory Note or until loan is paid in full.
2. The GRANTORS are desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of said Promissory Note to the BENEFICIARY.

Appendix F

Loan Contract C150191 Amendment No. 1



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

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said Promissory Note, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set forth or in said Promissory Note or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less than four weeks in some newspaper of general circulation in said COUNTY, shall sell said COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand, at public auction for cash, at any proper place designated in the notice of sale. Out of the proceeds of said sale, the PUBLIC TRUSTEE shall retain or pay first all fees, charges and costs and all moneys advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon and pay the principal and interest due on said Promissory Note, rendering the overplus, if any, unto the GRANTORS; 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 GRANTORS covenant that at the time of the delivery of these presents, they are well seized of the COLLATERAL in fee simple, and have full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTORS fully waive and release all rights and claims they may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTORS further covenant that the collateral is free and clear of all liens and encumbrances whatever and that the GRANTORS 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 GRANTORS 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

Appendix F

Loan Contract C150191 Amendment No. 1 **PAID IN FULL**

thereof; that all the covenants and agreements contained herein and in the Promissory Note and LOAN CONTRACT shall extend to and be binding upon the successors or assigns of the respective parties hereto; and that the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Executed the day and date first written above.

GRANTOR: Mark A. Kross

By Mark A. Kross
Mark A. Kross

GRANTOR: Stephanie A. Mokler

By Stephanie A. Mokler
Stephanie A. Mokler

GRANTOR: June I. Kross

By June I. Kross
June I. Kross

GRANTOR: Robert V. Sanderson

By Robert V. Sanderson
Robert V. Sanderson

GRANTOR: Jack L. Cox Trust

By Jack L. Cox, Trustee
Jack L. Cox, Trustee

GRANTOR: BCK Heath Property, LLC, a Colorado limited liability company

By Burton C. Kross
Burton C. Kross, Manager and Sole
Member

PAID IN FULL



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GRANTOR: AP Springer Farms LLC, a Colorado limited liability company

By

Adam Springer
Adam Springer, Manager

County of Larimer

)

) ss

State of Colorado

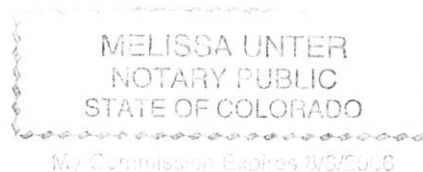
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The foregoing instrument was acknowledged before me this 31 day of January, 2006, by Mark A. Kross, Stephanie A. Mokler, June I. Kross, Robert V. Sanderson, Jack L. Cox, and Burton C. Kross. Witness my hand and official seal.

Melissa Unter Notary Public

My commission expires 8/10/2006

[remainder of page left blank]



PAID IN FULL

GRANTOR: AP Springer Farms LLC, a Colorado limited liability company

Attest:

By

Phillip Springer, Member

County of BRAZOS

)

) ss

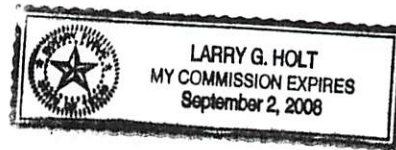
State of Texas

)

The foregoing signature was acknowledged before me this 31 day of JANUARY, 2006, by Phillip Springer as Member of AP Springer Farms, LLC. Witness my hand and official seal.

Larry G. Holt Notary Public

My commission expires _____



PAID IN FULL

AMENDMENT NO. 1 TO LIMITED PERSONAL GUARANTEE

Date: January 6, 2006

Loan Contract: C150191, dated January 1, 2005 ("ORIGINAL LOAN CONTRACT"), amended January 6, 2006 ("AMENDED LOAN CONTRACT").

Date of Limited Personal Guarantee: January 1, 2005 ("ORIGINAL LIMITED PERSONAL GUARANTEE")

Note: Promissory Note, dated January 6, 2006, attached as Appendix B to the AMENDED LOAN CONTRACT.

Collateral: Borrower's revenues and real property described in Deeds of Trust, attached as appendices to the ORIGINAL LOAN CONTRACT and the AMENDED LOAN CONTRACT.

Guarantors: Each of the following is a joint and several Guarantor:
D. Kevin Vollmer
Michael Goss
BCK Heath Property, LLC
June I. Kross
AP Springer Farms, LLC
Mark A. Kross
Stephanie A. Mokler
Robert V. Sanderson

Borrower: Buffalo Farms Water Development, LLC

Lender: Colorado Water Conservation Board ("CWCB")

Principal Amount: \$277,245

Interest Rate: 2.25% per annum

Term of Repayment: 20 years

Loan Payment: \$17,367.20

PAID IN FULL

1. The Lender agrees to release the Guarantors under the ORIGINAL LIMITED PERSONAL GUARANTEE from any and all obligations established pursuant to the ORIGINAL LIMITED PERSONAL GUARANTEE.

Appendix G Loan Contract C150191 Amendment No. 1

2. This Amendment No. 1 to the ORIGINAL LIMITED PERSONAL GUARANTEE replaces and supercedes the ORIGINAL LIMITED PERSONAL GUARANTEE in all respects.
3. **GUARANTEE.** Upon default of the Borrower, as defined in the Note, each Guarantor unconditionally, personally, jointly, and severally guarantees payment to Lender of all amounts owing under the Note, as limited below. Each Guarantor must pay all amounts owing under this Guarantee when Lender makes written demand upon the Guarantor. Lender is not required to seek payment from any other source before demanding payment from Guarantor.
4. **PAYMENT LIMITATION.** The guarantee is limited to Guarantor's payment of \$277,245, plus interest and fees accrued pursuant to the Note.
5. **LENDER'S GENERAL POWERS.** Lender may take any of the following actions at any time, without notice, without Guarantor's consent, and without making demand upon Guarantor: (1) modify the terms of the Note or any other loan document except to increase the amounts due under the Note; (2) refrain from taking any action on the Note, the Collateral or any guarantee; (3) release any borrower or any guarantor of the Note; (4) compromise or settle with the Borrower or any guarantor of the Note; and (5) exercise any rights it has, including those in the Note and other loan documents.
6. **GUARANTOR'S WAIVERS.** Guarantor waives all rights to require presentment, protest or demand upon Borrower. Guarantor waives defenses based upon any claim that (1) Lender failed to obtain any guarantee; (2) the financial condition of the Borrower or any guarantor was overstated or has adversely changed; and (3) Lender modified the Note, other than to increase amounts due under the Note, in which case, without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for other amounts.
7. **SUCCESSORS AND ASSIGNS.** Under this Guarantee, Guarantor includes successors, and Lender includes successors and assigns.
8. **SEVERABILITY.** If any part of this Guarantee is found to be unenforceable, all other parts will remain in effect.
9. **CONSIDERATION.** The consideration for this Guarantee is the loan as evidenced by the Note, or any accommodation by Lender as to the loan.

PAID IN FULL

Appendix G
Loan Contract C150191 Amendment No. 1

10. COUNTERPARTS. This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of said counterparts shall constitute one Guarantee.

By D. Kevin Vollmer
D. Kevin Vollmer, a Colorado individual
Guarantor

By Michael Goss
Michael Goss, a Colorado individual
Guarantor

By June I. Kross
June I. Kross, an Ohio individual
Guarantor

By Mark A. Kross
Mark A. Kross, a Colorado individual
Guarantor

By Stephanie A. Mokler
Stephanie A. Mokler, a Colorado individual
Guarantor

By Robert V. Sanderson
Robert V. Sanderson, a Colorado individual
Guarantor

PAID IN FULL

(SEAL)

GUARANTOR: BCK Heath Property,
LLC, a Colorado limited liability
company

By Burton C. Kross
Burton C. Kross, Manager

Attest:

By Burton C. Kross
Burton C. Kross, Sole Member

(SEAL)

GUARANTOR: AP Springer Farms LLC,
a Colorado limited liability company

By Adam Springer
Adam Springer, Manager

Attest:

By Phillip Springer
Phillip Springer, Member

PAID IN FULL

BORROWER: BUFFALO FARMS WATER
DEVELOPMENT, LLC

Contract No. C150191
Project Amount \$193,500
Loan Service Fee \$1,935
Loan Amount \$195,435

Agency Name: Water Conservation Board
Agency Number PDA
Routing Number 05 PDA 00056

LOAN CONTRACT

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

THIS CONTRACT, made this January 1, 2005, is by and between the State of Colorado for the use and benefit of The Department of Natural Resources, Colorado Water Conservation Board ("CWCB" or "STATE"), and Buffalo Farms Water Development, LLC, a Colorado limited liability company, 1743 CR 25, Merino, Colorado 80741 ("BORROWER").

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. C150191, Fund Number 424, Appropriation Code MS5, Organization YYYY, GBL B191, Program WTRC, Object Code 5882, Reporting Category 0191.
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 identifies 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.

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

PAID IN FULL

A. LOAN PROVISIONS

1. **Loan Service Fee.** The amount of the loan (LOAN AMOUNT) shall include (1) the amount of the funds loaned by the CWCB to the BORROWER for the PROJECT and (2) a service fee of one percent (1%) of the PROJECT amount. In the event that the BORROWER does not use the LOAN AMOUNT authorized, the parties shall amend this contract to revise the LOAN AMOUNT including adjustment of the service fee to reflect 1% of the actual LOAN AMOUNT disbursed to the BORROWER.
2. **Contract Amendment Service Fees.** Under certain circumstances, the BORROWER shall be assessed a fee for amending the contract.

- a. A service fee shall be imposed on the BORROWER for amendments processed for the benefit of the BORROWER and necessary for the BORROWER's course of business but not necessary for the CWCB, including, but not limited to, a change in borrower name (novation), assignment of contract, substitution of collateral, loan payment deferments in excess of 3 per loan, and loan consolidation. Amendments in the course of CWCB business, including, but not limited to, loan payment deferments (up to 3 per loan), changes in terms of loan repayment and amendments to adjust the interest rate pursuant to Paragraph A.14 herein, will be processed at no additional charge to the borrower.
 - b. The amount charged shall be in accordance with the fee rate structure set forth in the CWCB Loan Service Charge Policy in effect at the time the BORROWER shall request an amendment. The current fee for an amendment is \$1,000.
 - c. The BORROWER shall remit the service fee to the CWCB prior to initiation of the amendment. Any service fee remitted to the CWCB cannot be refunded
3. **Promissory Note Provisions.** The CWCB agrees to loan to the BORROWER an amount not to exceed the LOAN AMOUNT and the BORROWER agrees to repay the loan in accordance with the terms as set forth in the Promissory Note, attached hereto as **Appendix 2** and incorporated herein. The Promissory Note shall identify the LOAN AMOUNT. If the amount of loan funds disbursed by the CWCB to the BORROWER differs from the LOAN AMOUNT, the parties agree to amend this contract, including its appendices where necessary, to revise the LOAN AMOUNT.
4. **Interest Prior to PROJECT Completion.** As the loan funds are disbursed by the CWCB to the BORROWER, interest shall accrue at the rate set by the CWCB for this loan. The CWCB shall calculate the amount of the interest that accrued prior to PROJECT's substantial completion (as determined by the CWCB) and notify BORROWER of such amount. The BORROWER shall repay that amount to the CWCB either within ten (10) days from the date of notification from the CWCB, or, at the CWCB's discretion, said interest shall be deducted from the final disbursement of loan funds that the CWCB makes to the BORROWER.
5. **Return of Unused Loan Funds.** Any loan funds disbursed but not expended for the PROJECT in accordance with the terms of this contract shall be remitted to the CWCB within 30 calendar days from notification from the CWCB of either (1) completion of the PROJECT or (2) determination by the CWCB that the PROJECT will not be completed.
6. **BORROWER's Authority To Contract.** The BORROWER warrants that it has full power and authority to enter into this contract. The execution and delivery of this contract and the performance and observation of its terms, conditions and obligations have been duly authorized by all necessary actions of the BORROWER. The BORROWER's authorizing resolution(s) are attached as **Appendix 3** and incorporated herein.
7. **Attorney's Opinion Letter.** Prior to the execution of this contract by the CWCB, the BORROWER shall submit to the CWCB a letter from its attorney stating that it is the attorney's opinion that
 - a. the contract has been duly executed by officers of the BORROWER who are duly

elected or appointed and are authorized to execute the contract and to bind the BORROWER;

- b. the resolutions of the BORROWER authorizing the execution and delivery of the contract were duly adopted by the BORROWER's board of directors and/or stockholders
 - c. there are no provisions in the BORROWER's articles of incorporation or bylaws or any state or local law that prevent this contract from binding the BORROWER; and
 - d. the contract will be valid and binding against the BORROWER if entered into by the CWCB.
8. **Pledge Of Property.** The BORROWER irrevocably pledges to the CWCB for purposes of repayment of this loan: (1) a 14% interest in augmentation benefits generated by the PROJECT; and (2) a 14% interest in the PROJECT, including the recharge well, pipe, pipeline appurtenances, and related easements and rights-of-way. These two pledges are more particularly described and limited in the Security Agreement, attached hereto as **Appendix 4**, and are hereinafter collectively referred to as the "Pledged Property."
9. **Establish Security Interest.** The BORROWER has duly executed a Security Agreement, attached hereto as **Appendix 4** and incorporated herein, to provide a security interest to the CWCB in the Pledged Property. The CWCB shall have priority over all other competing claims for said Pledged Property, except for the liens of the BORROWER's existing loans as listed in Section 5 (Schedule of Existing Debt) of the **Project Summary**, which sets forth the position of the lien created by this contract in relation to any existing lien(s).
10. **Collateral.** The collateral for this loan is described in Section 6 (Collateral) of the **Project Summary**, and secured by the instrument(s) attached hereto as **Appendix 5** and incorporated herein.
11. **Collateral During Loan Repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the Collateral or the Pledged Property so long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the CWCB. In the event of any such sale, transfer or encumbrance without the CWCB's written concurrence, the CWCB may at any time thereafter declare all outstanding principal, interest, and late charges, if any, on this loan immediately due and payable.
12. **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 Pledged Property.
13. **Warranties.**
- a. The BORROWER warrants that, by acceptance of the loan under this contract and by its representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan to the CWCB as

required by this contract.

- b. The BORROWER warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the BORROWER, to solicit or secure this contract and has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or the making of this contract.
- c. The BORROWER warrants that the Pledged Property and Collateral for this loan are not encumbered by any other deeds of trust or liens of any party other than the CWCB or in any other manner, except for any existing lien(s) identified in Section 5 (Schedule of Existing Debt) of the **Project Summary**, which sets forth the position of the lien created by this contract in relation to any existing lien(s). Documentation establishing the relative priorities of said liens, if necessary, is attached to the **Project Summary** and incorporated herein.

14. **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.

15. **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 any instrument securing collateral; and/or
- d. take any other appropriate action.

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.

16. **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.

17. **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 Accord Form 27 evidencing said insurance and shall provide the CWCB with documentation of renewals of said insurance.

18. **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 STATE and the BORROWER against all liability and loss, and against all claims and actions based upon or arising out of damage or injury, including death, to persons or property, caused by any acts or omissions of those parties or sustained in connection with the performance of any contract related to the PROJECT or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation, and the defense of any such claims or

actions.

6. **Liability Insurance During Construction.** During construction of the PROJECT, the BORROWER shall require the construction firm(s) and any subcontractors to maintain the following insurance coverage in the limits shown during the term of their contracts for the construction of the PROJECT. The BORROWER shall provide the CWCB with an Acord Form 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

PAID IN FULL

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. **Casualty and Eminent Domain.** If, at any time, during the term of this contract, (a) the BORROWER'S PROJECT facilities, including buildings or any portion thereof, are damaged or destroyed, in whole or in part, by fire or other casualty, or (b) title to or use of the PROJECT facilities or any part thereof shall be taken under the exercise of the power of eminent domain, the BORROWER shall cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair and restoration of the PROJECT facilities or any portion thereof, or to repayment of this loan. Any net proceeds remaining after such work has been completed or this loan has been repaid, shall be retained by the BORROWER. If the net insurance proceeds are insufficient to pay the full cost of the replacement, repair and restoration, the BORROWER shall complete the work and pay any cost in excess of the net proceeds. In the event BORROWER chooses to repay the loan, BORROWER shall remain responsible for the full loan amount outstanding regardless of the amount of such insurance proceeds or condemnation award.
9. **Captions.** The captions and headings contained in this contract are for convenience and reference only and shall not be construed so as to define or limit the terms or provisions contracted herein.
10. **CWCB's Approval.** This contract requires review and approval of plans, specifications, and various other technical and legal documents. The CWCB's review of these documents is only for the purpose of verifying BORROWER'S compliance with this contract and shall not be construed or interpreted as a technical review or approval of the actual design or construction of the PROJECT. Notwithstanding any consents or approvals given to the BORROWER by the CWCB on any such documents, BORROWER and any of its consultants, by preparing any such documents, shall be solely responsible for the accuracy and completeness of any of said documents.
11. **Waiver.** The waiver of any breach of a term of this contract shall not be construed as a

waiver of any other term, or of any subsequent breach of the same term.

12. **Addresses for mailing.** All notices, correspondence, or other documents required by this contract shall be delivered or mailed to the addresses shown in the 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

PAID IN FULL

SPECIAL PROVISIONS (4/1/04 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 BORROWER 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 BORROWER, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract, or as a result of the CWCB's interest in the PROJECT facilities and any other property identified in Section 6 (Collateral) of the **Project Summary**.

4. **NON-DISCRIMINATION.**

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

5. **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 Borrower shall strictly adhere to

all applicable federal and State laws, rules, and regulations that have been or may hereafter be established.

6. 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.

7. SOFTWARE PIRACY PROHIBITION Governor's Executive Order D 002 00

No State or other public funds payable under this Contract shall be used for the acquisition, operation, or maintenance of computer software in violation of United States copyright laws or applicable licensing restrictions. The Borrower hereby certifies that, for the term of this Contract and any extensions, the Borrower has in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that the Borrower is in violation of this paragraph, the State may exercise any remedy available at law or equity or under this Contract, including, without limitation, immediate termination of the Contract and any remedy consistent with United States copyright laws or applicable licensing restrictions.

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: 4/1/04

PAID IN FULL

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

BORROWER: Buffalo Farms Water
Development, LLC, a Colorado limited
liability company

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

State of Colorado
Bill Owens, Governor

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

(SEAL)

Attest

By Michael Goss
Michael Goss, Manager

Pre-Approved Form

By Michael Goss
CWCB Contract Manager

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 no loan funds are available until the State Controller, or such assistant as he may delegate, has signed it.

Leslie M. Shenefelt, State Controller

By Dianna C Stump

Effective Date 2-8-05

PAID IN FULL

Project Summary – Borrower – Contract No. C150191

SECTION 1 –BORROWER INFORMATION

Name: Buffalo Farms Water Development, LLC
Address: 1743 CR 25, Merino, CO 80741
Federal Identification No.: 02-0731746
Contact: D. Kevin Vollmer
Phone Number: (970) 520-2100 Fax Number: (970) 867-5108
E-mail address: dkvollmer@westernsugar.com
Type of Entity: a Colorado limited liability company

Section 2 – Project Description

- A. Description of PROJECT: The BORROWER applied to the CWCB for a loan to be used to enhance and expand an existing recharge project for well augmentation, located in Logan County, hereinafter referred to as the PROJECT, at an estimated total cost of \$215,000.
- B. Description of Feasibility Study: The CWCB has reviewed a feasibility study report on the PROJECT entitled "Feasibility of Construction of the Buffalo Farms Water Development, LLC Augmentation Project," dated August 2004, compiled by Brent M. Nation, P.E., 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

Severance Tax Trust Fund Perpetual Base Account: This loan is made pursuant to the provisions of §§ 39-29-109(1)(a)(I), 37-60-119 and 37-60-120, C.R.S., which authorize the CWCB to loan money for water projects from the CWCB Severance Tax Trust Fund Perpetual Base Account for the benefit of the people of the state, provided that the borrower assures repayment of that money.

Section 37-60-122(1)(b) C.R.S., authorizes the CWCB to make loans of up to \$5,000,000 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

At its November 17, 2004 meeting, the CWCB approved a loan from the Severance Tax Trust Fund Perpetual Base Account to the BORROWER in an amount up to \$193,500 for PROJECT costs plus \$1,935 for the 1% loan service charge for a total loan amount of \$195,435, with repayment terms of 2.25% per annum for 20 years.

PAID IN FULL

SECTION 5 – SCHEDULE OF EXISTING DEBT

No existing debt.

SECTION 6 - COLLATERAL

The collateral provided for this loan, as evidenced and more particularly described by the executed Security Agreement and Deed of Trust, in the form attached as **Appendices 4 and 5** and incorporated herein, shall be (1) an undivided one hundred percent (100%) interest in approximately 128 contiguous acres (122 acres irrigated) owned by Michael J. and Tamara R. Goss; (2) a 14% interest in augmentation benefits generated by the PROJECT, and (3) a 14% interest in the PROJECT, including the recharge well, pipe, pipeline appurtenances, and related easements and rights-of-way.

SECTION 7 – ADDITIONAL CONDITIONS & CONTRACT REQUIREMENTS

- A. The value of the collateral will be equal or greater in value than the CWCB loan amount as established by a Colorado Certified General Appraiser in compliance with CWCB Loan Policy No. 5. BORROWER submitted an appraisal dated December 6, 2004, by Lee W. O'Neil, Certified General Appraiser (Colo. Lic. No. CG40032644), Donna L. Shaver, Licensed Appraiser (Colo. Lic. No. AL40032644), and Shelly Ponce, Registered Appraiser (Colo. Lic. No. AR40038901), O'Neil & Co., Brush, Colorado, for the property pledged as collateral for this loan, establishing the value of the collateral at \$231,000.
- B. The principals of the Borrower shall personally, jointly, and severally guarantee repayment of the loan, as evidenced by the Limited Personal Guarantee, attached as Appendix 6.

SECTION 8 – CONSTRUCTION FUND PROGRAM PROCEDURES

- 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 bid opening 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.4 of the Contract.
- 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.

10 – DISBURSEMENT SCHEDULE

For Project costs: The BORROWER shall prepare a periodic progress report which

Appendix 1 to Loan Contract C150191

PAID IN FULL

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 (the date this contract is signed by the State Controller or his designee).

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

PAID IN FULL

**RESOLUTIONS OF THE MANAGERS
OF BUFFALO FARMS WATER DEVELOPMENT, LLC**

The Managers of the Buffalo Farms Water Development, LLC (Company), a meeting held Jan. 7, 2005, at Merino, Colorado, adopted the following resolutions concerning a secured loan from the State of Colorado Water Conservation Board (CWCB), for the purpose of enhancing and expanding an existing recharge project for well augmentation in the amount of \$195,435 or such actual amount, more or less, as may be needed by the Company and available from the CWCB including the CWCB loan origination fee of 1% of the loan amount.

At said meeting, the Managers charged that these resolutions are irrevocable during the term of the loan and, pursuant to the Company's operating agreement, authorized the Managers, RESOLVED as follows.

1. to enter into and comply with the terms of a contract with the Colorado Water Conservation Board for a loan in the amount of \$195,435, or such actual amount, more or less, as needed to finance the project costs, including the CWCB loan origination fee of 1%, and
2. to make the annual payments required by the promissory note, and
3. to pledge an interest in the project sufficient to satisfy the augmentation requirements of the pledged real estate as collateral for the loan and execute all documents, including a security agreement and deed of trust, necessary to convey a security interest in said property to the CWCB, and
4. to execute all documents as required by the loan contract, including, but not limited to, a Security Agreement and a Promissory Note, and
5. to take such other actions and to execute such other documents as may be necessary to consummate and implement the loan.

CERTIFICATION

THE UNDERSIGNED MANAGERS HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE COMPANY'S MANAGERS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE COMPANY'S OPERATING AGREEMENT, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE COMPANY THE 7th DAY OF January 2005.

(S E A L)

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

PAID IN FULL

**RESOLUTIONS OF THE MEMBERS
OF BUFFALO FARMS WATER DEVELOPMENT, LLC**

The Members of Buffalo Farms Water Development LLC (Company), at a Members meeting held Jan 7, 2005, at Merino, Colorado, adopted the following resolutions concerning a secured loan from the State of Colorado Water Conservation Board (CWCB), for the purpose of enhancing and expanding an existing recharge project for well augmentation in the amount of \$195,435 or such actual amount, more or less, as may be needed by the Company and available from the CWCB including the CWCB loan origination fee of 1% of the loan amount.

At said meeting, the Members charged that these resolutions are irrevocable during the term of the loan and, pursuant to the Company's operating agreement, authorized the Managers, RESOLVED as follows:

1. to enter into and comply with the terms of a contract with the Colorado Water Conservation Board for a loan in the amount of \$195,435, or such actual amount, more or less, as needed to finance the project costs, including the CWCB loan origination fee of 1%, and
2. to make the annual payments required by the promissory note, and
3. to pledge an interest in the project sufficient to satisfy the augmentation requirements of the pledged real estate as collateral for the loan and execute all documents, including a security agreement and deed of trust, necessary to convey a security interest in said property to the CWCB, and
4. to execute all documents as required by the loan contract, including, but not limited to, a Security Agreement and a Promissory Note, and
5. to take such other actions and to execute such other documents as may be necessary to consummate and implement the loan.

CERTIFICATION

THE UNDERSIGNED MANAGERS OF THE COMPANY HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE COMPANY'S MEMBERS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE COMPANY'S OPERATING AGREEMENT, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE COMPANY THE 7th DAY OF January 2005.

(SEAL)

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

PAID IN FULL

SECURITY AGREEMENT

(PLEDGE OF PROPERTY)

DATE: JANUARY 1, 2005

DEBTOR: BUFFALO FARMS WATER DEVELOPMENT, LLC

SECURED PARTY: COLORADO WATER CONSERVATION BOARD

PROMISSORY NOTE: \$195,435, DATED JANUARY 15, 2005

TERMS OF REPAYMENT: 2.25% PER ANNUM FOR 20 YEARS

LOAN CONTRACT: C150191, DATED JANUARY 15, 2005

COLLATERAL: A 14% interest in augmentation benefits generated by the PROJECT, and a 14% interest in the PROJECT, including the recharge well, pipe, pipeline appurtenances, and related easements and rights-of-way.

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

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

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

UNTIL DEFAULT DEBTOR may have possession of the COLLATERAL, provided the DEBTOR does not use the COLLATERAL for any purpose not permitted by the CONTRACT. Upon default, SECURED PARTY shall have the immediate right to the possession of the COLLATERAL.

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

- a. default in the payment or performance of any obligation contained herein or in the Promissory Note or Loan Contract;

PAID IN FULL

Appendix 4 to Loan Contract C150191

- b. dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR; or
- c. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or on behalf of DEBTOR which proves to have been false in any material respect when made or furnished.

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

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

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

DEBTOR: Buffalo Farms Water Development, LLC, a
Colorado limited liability company

S E A L

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

PAID IN FULL

Deed of Trust

DATE: January 1, 2005
GRANTOR: MICHAEL J. AND TAMARA R. GOSS
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: LOGAN
PRINCIPAL LOAN AMOUNT: \$195,435
LOAN CONTRACT: Loan Contract No. C150191, dated January 1, 2005
TERMS OF REPAYMENT: 2.25% per annum for 20 years
COLLATERAL: An undivided one-hundred percent interest in certain real property comprising approximately 134 acres of sprinkler-irrigated farmland located in W1/2SW1/4 Section 13, E1/2NE1/4SE1/4 of Section 14, and W1/2NW1/4 of Section 24, T6N, R54W, 6th P.M., Logan County, Colorado, as more particularly described in Attachment 1.

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

FACTUAL RECITALS

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

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

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

The GRANTOR covenants that at the time of the delivery of these presents, it is well seized of the COLLATERAL in fee simple, and has full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTOR fully waives and releases all

rights and claims it may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTOR further covenants that the collateral is free and clear of all liens and encumbrances whatever and that the GRANTOR shall warrant and forever defend the COLLATERAL in the quiet and peaceable possession of the PUBLIC TRUSTEE, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof.

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

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

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

PAID IN FULL

Executed the day and date first written above.

Michael Goss, a Colorado individual

By


Michael J. Goss

Tamara R. Goss, a Colorado individual

By


Tamara R. Goss

(SEAL)

County of Logan

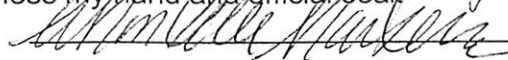
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State of Colorado

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The foregoing instrument was acknowledged before me this 10th day of January 2005, by Michael Goss and Tamara R. Goss. Witness my hand and official seal.

 Notary Public

My commission expires 12-19-06

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

PAID IN FULL

Attachment 1

Deed of Trust dated January 1, 2005

Grantor: Michael J. and Tamara R. Goss

Beneficiary: Colorado Water Conservation Board

DESCRIPTION OF COLLATERAL

The tract of land located in the Southwest $\frac{1}{4}$ of Section 13, the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 14, and in the Northwest $\frac{1}{4}$ of Section 24, all in Township 6 North, Range 54 West, of the 6th Principal Meridian, Logan County, Colorado and being more particularly described as follows:

Beginning at the Northwest corner of said Section 24 and considering the West line of the Northwest $\frac{1}{4}$ of Section 24 to bear North $00^{\circ}42'40''$ West with all bearings herein relative thereto:

Thence North $01^{\circ}09'22''$ West, 509.91 Feet;
Thence North $43^{\circ}15'23''$ West, 487.39 Feet;
Thence North $10^{\circ}01'47''$ West, 761.90 Feet;
Thence North $00^{\circ}02'15''$ West, 1016.87 Feet;
Thence North $89^{\circ}58'21''$ East, 465.48 Feet;
Thence South $71^{\circ}28'13''$ East, 158.22 Feet;
Thence North $89^{\circ}53'58''$ East, 923.67 Feet;
Thence South $06^{\circ}07'35''$ East, 2578.61 Feet;
Thence South $88^{\circ}45'08''$ East, 205.97 Feet;
Thence South $24^{\circ}49'30''$ West, 435.81 Feet;
Thence South $28^{\circ}19'50''$ West, 220.09 Feet;
Thence South $35^{\circ}08'37''$ West, 703.22 Feet;
Thence South $35^{\circ}10'46''$ West, 1096.33 Feet;
Thence North $88^{\circ}16'03''$ West, 193.54 Feet to a point on the West line of the Northwest $\frac{1}{4}$ of said Section 24;
Thence along said West line of the Northwest $\frac{1}{4}$ of Section 24, North $00^{\circ}42'40''$ West, 2039.61 Feet to the point of beginning.

The above described tract contains 133.776 acres, more or less.

Note: The above described survey is taken from an Area Survey dated January 13, 2005 by Robert D. Thomas, P.L.S. 11399, and incorporated by reference into the Colorado Water Conservation Board Loan Contract No. C150191, dated January 1, 2005

PAID IN FULL

Deed of Trust

DATE: January 1, 2005
GRANTOR: BUFFALO FARMS WATER DEVELOPMENT, LLC
BENEFICIARY: COLORADO WATER CONSERVATION BOARD
COUNTY: LOGAN
PRINCIPAL LOAN AMOUNT: \$195,435
LOAN CONTRACT: Loan Contract No. C150191, dated January 1, 2005
TERMS OF REPAYMENT: 2.25% per annum for 20 years
COLLATERAL: TWO ITEMS OF PLEDGED PROPERTY:

- 1) A 14% interest in those augmentation water benefits that are generated by the Buffalo Farms Water Development, LLC Recharge Project, the subject of this Loan Contract, except that the annual augmentation water benefits conveyed shall not exceed the actual the amount of augmentation water needed to fully cover the depletions of the well located on the property consisting of approximately 128 acres and more particularly described in the DEED OF TRUST, APPENDIX 5A to the LOAN CONTRACT. All operation and maintenance expenses for the Buffalo Farms Water Development, LLC Recharge Project shall be the responsibility of Buffalo Farms Water Development, LLC; and
- 2) A 14% interest in the PROJECT, the subject of this Loan Contract, including the recharge well, pipe, pipeline appurtenances, and related easements and rights-of-way.

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

FACTUAL RECITALS

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

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

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said Promissory Note, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set forth or in said Promissory Note or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less than four weeks in some newspaper of general circulation in said COUNTY, shall sell said COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand, at public auction for cash, at any proper place designated in the notice of sale. Out of the

proceeds of said sale, the PUBLIC TRUSTEE shall retain or pay first all fees, charges and costs and all moneys advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon and pay the principal and interest due on said Promissory Note, rendering the overplus, if any, unto the GRANTOR; and after the expiration of the time of redemption, the PUBLIC TRUSTEE shall execute and deliver to the purchaser a deed to the COLLATERAL sold. The BENEFICIARY may purchase said COLLATERAL or any part thereof at such sale.

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

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

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

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

Executed the day and date first written above.

DEBTOR: Buffalo Farms Water Development,
LLC, a Colorado limited liability
company

S E A L

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By


Michael Goss, Manager

County of Logan

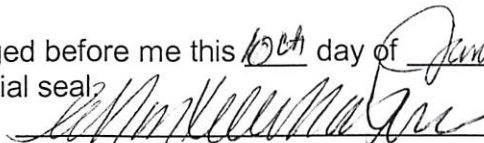
)

) SS

State of Colorado

)

The foregoing instrument was acknowledged before me this 10th day of January 2005, by Michael Goss. Witness my hand and official seal.

 Notary Public

My commission expires

12-19-06

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

PAID IN FULL

LIMITED PERSONAL GUARANTEE

Date: January 1, 2005

Loan Contract: C150191, dated January 1, 2005

Note: Promissory Note, attached as Appendix 2 to the Loan Contract

Collateral: Borrower's revenues and real property described in Deed of Trust, attached as Appendix 5 to the Loan Contract

Guarantors: Each of the following is a joint and several Guarantor:
D. Kevin Vollmer
Michael Goss
BCK Heath Property, LLC
AP Springer Farms LLC
JGMAC Investments Group LLC
Burton C. Kross
Stephanie Mokler
June I. Kross

Borrower: Buffalo Farms Water Development, LLC

Lender: Colorado Water Conservation Board

Principal Amount: \$195,435

Interest Rate: 2.25% per annum

Term of Repayment: 20 years

Loan Payment: \$12,242.45

PAID IN FULL

1. **GUARANTEE.** Upon default of the Borrower, as defined in the Note, each Guarantor unconditionally, personally, jointly, and severally guarantees payment to Lender of all amounts owing under the Note, as limited below. Each Guarantor must pay all amounts owing under this Guarantee when Lender makes written demand upon the Guarantor. Lender is not required to seek payment from any other source before demanding payment from Guarantor.
2. **PAYMENT LIMITATION.** The guarantee is limited to Guarantor's payment of \$195,435, plus interest and fees accrued pursuant to the Note.
3. **LENDER'S GENERAL POWERS.** Lender may take any of the following actions at any time, without notice, without Guarantor's consent, and without making demand upon Guarantor: (1) modify the terms of the Note or any other loan document except to increase the amounts due under the Note; (2) refrain from taking any action on the Note, the Collateral or any guarantee; (3) release any borrower or any guarantor of the Note; (4) compromise or settle with the Borrower or any guarantor of the Note; and (5) exercise any rights it has, including those in the Note and other loan documents.

4. **GUARANTOR'S WAIVERS.** Guarantor waives all rights to require presentment, protest or demand upon Borrower. Guarantor waives defenses based upon any claim that (1) Lender failed to obtain any guarantee; (2) the financial condition of the Borrower or any guarantor was overstated or has adversely changed; and (3) Lender modified the Note, other than to increase amounts due under the Note, in which case, without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for other amounts.
5. **SUCCESSORS AND ASSIGNS.** Under this Guarantee, Guarantor includes successors, and Lender includes successors and assigns.
6. **SEVERABILITY.** If any part of this Guarantee is found to be unenforceable, all other parts will remain in effect.
7. **CONSIDERATION.** The consideration for this Guarantee is the loan as evidenced by the Note, or any accommodation by Lender as to the loan.
8. **COUNTERPARTS.** This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of said counterparts shall constitute one Guarantee.

By D. Kevin Vollmer
D. Kevin Vollmer, a Colorado individual
Guarantor

By Michael Goss
Michael Goss, a Colorado individual
Guarantor

By _____
Mark A. Kross, a Colorado individual
Guarantor

By _____
Stephanie Mokler, a Colorado individual
Guarantor


By _____
June I. Kross, an Ohio individual
Guarantor

PAID IN FULL

4. **GUARANTOR'S WAIVERS.** Guarantor waives all rights to require presentment, protest or demand upon Borrower. Guarantor waives defenses based upon any claim that (1) Lender failed to obtain any guarantee; (2) the financial condition of the Borrower or any guarantor was overstated or has adversely changed; and (3) Lender modified the Note, other than to increase amounts due under the Note, in which case, without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for other amounts.
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8. **COUNTERPARTS.** This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of said counterparts shall constitute one Guarantee.

By _____
D. Kevin Vollmer, a Colorado individual
Guarantor

By _____
Michael Goss, a Colorado individual
Guarantor

By 
Mark A. Kross, a Colorado individual
Guarantor

By _____
Stephanie Mokler, a Colorado individual
Guarantor

By _____
June I. Kross, an Ohio individual
Guarantor

PAID IN FULL

4. **GUARANTOR'S WAIVERS.** Guarantor waives all rights to require presentment, protest or demand upon Borrower. Guarantor waives defenses based upon any claim that (1) Lender failed to obtain any guarantee; (2) the financial condition of the Borrower or any guarantor was overstated or has adversely changed; and (3) Lender modified the Note, other than to increase amounts due under the Note, in which case, without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for other amounts.
5. **SUCCESSORS AND ASSIGNS.** Under this Guarantee, Guarantor includes successors, and Lender includes successors and assigns.
6. **SEVERABILITY.** If any part of this Guarantee is found to be unenforceable, all other parts will remain in effect.
7. **CONSIDERATION.** The consideration for this Guarantee is the loan as evidenced by the Note, or any accommodation by Lender as to the loan.
8. **COUNTERPARTS.** This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of said counterparts shall constitute one Guarantee.

By _____
D. Kevin Vollmer, a Colorado individual
Guarantor

By _____
Michael Goss, a Colorado individual
Guarantor

By _____
Mark A. Kross, a Colorado individual
Guarantor

By Stephanie Mokler
Stephanie Mokler, a Colorado individual
Guarantor

By June I. Kross
June I. Kross, an Ohio individual
Guarantor

PAID IN FULL

(SEAL)

GUARANTOR: BCK Heath Property, LLC, a Colorado limited liability company

By Burton C. Kross
Burton C. Kross, Manager

Attest:

By Burton C. Kross
Burton C. Kross, Sole Member

(SEAL)

GUARANTOR: AP Springer Farms LLC, a Colorado limited liability company

By Adam Springer
Adam Springer, Manager

Attest:

By Phillip Springer
Phillip Springer, Member

(SEAL)

GUARANTOR: JGMAC Investments Group LLC, a Colorado limited liability company

By James McCarthy
James McCarthy, Manager

Attest:

By James McCarthy
James McCarthy, Sole Member

PAID IN FULL

UCC Financing Statement Amendment

Colorado Secretary of State

Date and Time: 08/04/2016 03:08:09 PM

Master ID: 20062095836

Validation Number: 20162070988

Amount: \$8.00

Initial Financing Statement

File #: 20062095836

File Date: 10/02/2006 04:01:19 PM Filing office: Secretary of State

This amendment is a continuation.

Collateral

This amendment restates collateral

Description:

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$277,245 IN ACCORDANCE WITH LOAN CONTRACT NO. C150191 AND AMENDED PROMISSORY NOTE, DATED JANUARY 6, 2006.

Authorizing Party (Debtor): (Organization)

Name: BUFFALO FARMS WATER DEVELOPMENT, LLC

Address1: 1743 CR 25

Address2:

City: MERINO

State: CO

ZIP/Postal Code: 80741

Province:

Country: United States

Authorizing Party (Secured Party): (Organization)

Name: STATE OF COLORADO - COLORADO WATER CONSERVATION BOARD

Address1:

Address2:

City:

State:

ZIP/Postal Code:

Province:

Country:

UCC FINANCING STATEMENT AMENDMENT

Filing Fee: \$18

Follow Instructions Carefully

A. NAME & PHONE OF CONTACT (optional)	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
[Colorado Water Conservation Board] Finance Section 1580 Logan Street, Suite 600 Denver, CO 80203	
[]	

20112033991
\$18.00
SECRETARY OF STATE
08/30/2011 13:18:45

ABOVE SPACE FOR FILING OFFICE USE ONLY

1. Initial Financing Statement Information (Required)

1a. Original Filing Number: 20062095836 C 1b. Original Filing Date: 10-02-06 1c. If filed prior to January 1, 2000, indicate Original Filing Office:

2. ☐ Termination: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☒ Continuation: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement
is continued for the additional period provided by applicable law.

4. ☐ Assignment: Give name of assignee in item 7a or 7b and address of assignee in item 7c; also give name of assignor in item 9.

5. Amendment (Party Information): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c.

☐ DELETE name: Give record name to be deleted in 6a or 6b.

☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7e-7g (if applicable)

6. CURRENT RECORD INFORMATION:

OR	6a. ORGANIZATION'S NAME BUFFALO FARMS WATER DEVELOPMENT, LLC			
	6b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

OR	7a. ORGANIZATION'S NAME			
	7b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

7c. MAILING ADDRESS 608 EAST HARMONY ROAD, SUITE 203	CITY FORT COLLINS	STATE CO	POSTAL CODE 80525	COUNTRY USA
ADD'L INFO RE ORGANIZATION DEBTOR	7e. TYPE OF ORGANIZATION DLLC	7f. JURISDICTION OF ORGANIZATION CO	7g. ORGANIZATION ID#, if any CO20041335565 <input type="checkbox"/> NONE	

8. AMENDMENT (COLLATERAL CHANGE): check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire ☒ restated collateral description, or describe collateral ☐ assigned

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$277,245.00 IN ACCORDANCE WITH LOAN CONTRACT NO. C150191, AS AMENDED, AND PROMISSORY NOTE, DATED JANUARY 6, 2006.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment

OR	9a. ORGANIZATION'S NAME State of Colorado - Colorado Water Conservation Board			
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

10. OPTIONAL FILER REFERENCE DATA

Loan Contract No. C150191

UCC FINANCING STATEMENT AMENDMENT

Filing Fee: \$18

Follow Instructions Carefully

A. NAME & PHONE OF CONTACT (optional)	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
[Colorado Water Conservation Board] Finance Section 1580 Logan Street, Suite 600 Denver, CO 80203	
[]	

20112033993
\$18.00
SECRETARY OF STATE
09/30/2011 13:18:45

ABOVE SPACE FOR FILING OFFICE USE ONLY

1. Initial Financing Statement Information (Required)

1a. Original Filing Number: 20062095837 C 1b. Original Filing Date: 10-02-06 1c. If filed prior to January 1, 2000, indicate Original Filing Office:

2. ☐ Termination: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☒ Continuation: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☐ Assignment: Give name of assignee in item 7a or 7b and address of assignee in item 7c; also give name of assignor in item 9.

5. Amendment (Party Information): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c.

☐ DELETE name: Give record name to be deleted in 6a or 6b.

☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7e-7g (if applicable)

6. CURRENT RECORD INFORMATION:

OR	6a. ORGANIZATION'S NAME			
	6b. INDIVIDUAL'S LAST NAME GOSS			
	FIRST NAME MICHAEL	MIDDLE NAME J.	SUFFIX	

7. CHANGED (NEW) OR ADDED INFORMATION:

OR	7a. ORGANIZATION'S NAME			
	7b. INDIVIDUAL'S LAST NAME			
	FIRST NAME	MIDDLE NAME	SUFFIX	

7c. MAILING ADDRESS 10983 HWY 6	CITY MERINO	STATE CO	POSTAL CODE 80741	COUNTRY USA
ADD'L INFO RE ORGANIZATION DEBTOR	7e. TYPE OF ORGANIZATION	7f. JURISDICTION OF ORGANIZATION		7g. ORGANIZATION ID#, if any <input type="checkbox"/> NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire ☒ restated collateral description, or describe collateral ☐ assigned

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$277,245.00 IN ACCORDANCE WITH LOAN CONTRACT NO. C150191, AS AMENDED, AND PROMISSORY NOTE, DATED JANUARY 6, 2006.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment

OR	9a. ORGANIZATION'S NAME State of Colorado - Colorado Water Conservation Board			
	9b. INDIVIDUAL'S LAST NAME			
	FIRST NAME	MIDDLE NAME	SUFFIX	

10. OPTIONAL FILER REFERENCE DATA

Loan Contract No. C150191

COLORADO UCC FINANCING STATEMENT

Filing Fee: \$15

Follow Instructions (front and back) Carefully

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

20062095836 C
\$ 18.00
SECRETARY OF STATE
10-02-2006 16:01:19

ABOVE SPACE FOR FILING OFFICE USE ONLY

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

OR	1a. ORGANIZATION'S NAME Buffalo Farms Water Development, LLC				
	1b. INDIVIDUAL'S LAST NAME				
1c. MAILING ADDRESS 1743 CR 25		CITY MERINO	STATE CO	POSTAL CODE 80741	COUNTRY USA
ADD'L INFO RE ORGANIZATION DEBTOR		1e. TYPE OF ORGANIZATION DLLC	1f. JURISDICTION OF ORGANIZATION CO		1g. ORGANIZATIONAL ID#, if any CO20041335565 <input type="checkbox"/> NONE

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

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

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

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

4. This FINANCING STATEMENT covers the following collateral:

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$277,245.00 IN ACCORDANCE WITH LOAN CONTRACT NO. C150191, AS AMENDED, AND PROMISSORY NOTE DATED JANUARY 9, 2006.

5. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG LIEN <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) in the REAL ESTATE RECORDS	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (Optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA LOAN CONTRACT NO. C150191	

COLORADO UCC FINANCING STATEMENT

Filing Fee: \$15

Follow Instructions (front and back) Carefully

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

20062095837 C
\$ 18.00
SECRETARY OF STATE
10-02-2006 16:01:19

ABOVE SPACE FOR FILING OFFICE USE ONLY

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

1a. ORGANIZATION'S NAME				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY
ADD'L INFO RE ORGANIZATION DEBTOR		1e. TYPE OF ORGANIZATION		1f. JURISDICTION OF ORGANIZATION
				1g. ORGANIZATIONAL ID#, if any <input type="checkbox"/> NONE

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

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME GOSS		FIRST NAME MICHAEL	MIDDLE NAME J.	SUFFIX
2c. MAILING ADDRESS 10983 HWY 6		CITY MERINO	STATE CO	POSTAL CODE COUNTRY 80741
ADD'L INFO RE ORGANIZATION DEBTOR		2e. TYPE OF ORGANIZATION		2f. JURISDICTION OF ORGANIZATION
				2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

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

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

4. This FINANCING STATEMENT covers the following collateral:

SECURED PARTY'S REVENUES PLEDGED TO REPAY LOAN OF \$277,245.00 IN ACCORDANCE WITH LOAN CONTRACT NO. C150191, AS AMENDED, AND PROMISSORY NOTE DATED JANUARY 9, 2006.

5. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG LIEN <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) in the REAL ESTATE RECORDS	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (Optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA LOAN CONTRACT NO. C150191	

UCC Financing Statement Amendment

Initial Financing Statement

File #: 20062095836

File Date: 10/02/2006 04:01:19 PM

Filing office: Secretary of State

This amendment is a termination.

Optional Information

Optional filer reference data/miscellaneous information:

paid in full on C150191 1/7/25.

UCC Financing Statement Amendment

Colorado Secretary of State

Date and Time: 08/09/2021 02:42:12 PM

Master ID: 20062095836

Validation Number: 20212076874

Amount: \$8.00

Buffalo Farms C150191

Initial Financing Statement

File #: 20062095836

File Date: 10/02/2006 04:01:19 PM

Filing office: Secretary of State

This amendment is a continuation.

Authorizing Party (Secured Party): (Organization)

Name: STATE OF COLORADO - COLORADO WATER CONSERVATION BOARD

Address1:

Address2:

City:

State: CO

ZIP/Postal Code:

Province:

Country: United States



COLORADO

Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

March 4, 2021

Mr. Mike Goss, Manager & Mr. Kevin Vollmer, Manager
Buffalo Farms Water Development LLC
1743 CR 25, Merino, CO 80741
trimntime@msn.com

Re: Partial Release of Goss Property, CWCB Loan Contract No. C150191
Logan County - Deed of Trust #678733, Recorded 09/18/2006

Dear Mr. Goss & Mr. Vollmer:

Staff received a letter from you dated February 22, 2021, requesting the partial release of the property listed in the subject DOT. It is our understanding that the property is still owned by Mike Goss and his wife Tamara and is free and clear of any additional encumbrances. As you are aware, the CWCB has additional collateral for the same loan recorded in Logan County. This includes: DOT #678734 recorded 09/18/2006 and DOT #678735 recorded 09/18/2006.

Staff has reviewed the loan documents including: repayment history, remaining balance, the recorded Deeds of Trust, and a recent appraisal dated April 20, 2020, prepared by US Appraisal Service of Colorado, LLC in making its determination.

The request is for the release of approximately 2/3 of the property used as the Goss' prorated portion of the loan collateral. The loan has 5 years of payments remaining of the original 20 years. The current loan balance is approximately \$97,000. The Goss' portion of the remaining balance is approximately \$32,000. A general description of the Goss' collateral is three quarter-quarter sections of irrigated land totaling approx. 134 acres and is currently valued at over \$1,000,000. It is located in Section 13, 14, and 24, T6N, R54W, 6th PM, in Logan County. The irrigated land is appraised at \$6,000/ac so if the CWCB retains the 36 acres of irrigated land in Section 24 as collateral as defined by section lines and the Farmers Pawnee Ditch, it will remain adequate to protect the CWCB. (36ac x \$6,000 = \$216,000).

The CWCB will request Logan County to provide a partial release of real property located in the Southwest 1/4 of Section 13 and the real property located in the East 1/2 of the Southeast 1/4 of Section 14, in the Township 6 North Range 54 West, of the 6th P.M., Logan County, Colorado.

If you have any questions don't hesitate to contact our office.

Sincerely,

Kirk Russell, P.E., Chief
Finance Section



FINAL CONCLUSION TO VALUE

272 acres M/L total

Township 6 North, Range 54 West of the 6th P.M.**Parcel #**

Section 13: W1/2SW1/4

Section 24: NW1/4 N & W of Pawnee Canal

aka 10893 Hwy 6, Merino

114 acres M/L

38078113300132

Section 14: SE1/4 Ex a 5 acre parcel of land in

SE1/4 aka 3219 CR 23, Merino

158 acres M/L

38078114400320

For a total of 272 acres M/L Logan County, State of Colorado

Improvement Value: "A"**Contributory
Value**

1. 1,443 sf Manufactured residence	@	\$40/sf	=	\$	57,720.00
2. 200 sf enclosed porch/breezeway	@	\$10/sf	=	\$	2,000.00
3. 624 sf attached garage	@	\$10/sf	=	\$	6,240.00
4. 9,480 sf steel building	@	\$8/sf	=	\$	76,500.00
5. 2,112 sf open lean-to calving barn	@	\$5/sf	=	\$	10,560.00
6. 840 sf enclosed calving barn	@	\$10/sf	=	\$	8,400.00

Sub-total Improvement Value "A"**\$ 161,420.00****Land Value: "B"**

7. 158 acres M/L sprinkler irrigated	@	\$6,000/acre	=	\$	948,000.00
8. 92 acres M/L dryland pasture	@	\$800/acre	=	\$	73,600.00
9. 15 acres M/L ponds	@	\$1,500/acre	=	\$	22,500.00
10. 7 acres M/L improvements	@	\$800/acre	=	\$	5,600.00

Sub-total Land Value "B"**\$1,049,700.00****Total:****\$1,211,120.00****Rounded to:****\$1,211,000.00****INDICATED VALUE OF SUBJECT BY THE SALES
COMPARISON APPROACH AS OF APRIL 20, 2020 IS****\$1,211,000.00**

BORROWER: BUFFALO FARMS WATER
DEVELOPMENT, LLC
Contract No. C150191
Original Loan Amount \$195,435
Adjustment (Increase): \$81,000
Add'l Loan Service Fee \$810
Adjusted Loan Amount \$277,245

Agency Name: Water Conservation Board
Agency Number PDA
Routing Number: 06 PDA 00058

LOAN CONTRACT AMENDMENT NO. 1

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

This Amendment, made this January 6, 2006, by and between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB"), and Buffalo Farms Water Development, LLC, a Colorado limited liability company, 1743 CR 25, Merino, Colorado 80741 ("BORROWER" or "CONTRACTOR").

FACTUAL RECITALS

- A. Authority exists in the law, and funds have been budgeted, appropriated, and otherwise made available for payment in Contract Encumbrance Number C150191.
- 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 C150191, dated January 1, 2005 ("ORIGINAL CONTRACT"), incorporated herein by reference, wherein the CWCB agreed to loan money in the total amount up to \$195,435, and the BORROWER agreed to repay the loan in accordance with the terms of the ORIGINAL CONTRACT.
- D. During construction of the Project, the BORROWER encountered unforeseen site conditions, design modifications, and unforeseen cost increases for specific items during construction. These items increased the cost of the PROJECT by \$90,000. To meet the increased costs, the BORROWER requested an additional \$81,000 for a total loan amount of \$277,245.
- E. Robert V. Sanderson, a Colorado individual, replaced JGMAC Investments Group, LLC, as a member of the BORROWER.
- F. At its November 16, 2005 meeting, the CWCB approved increasing this loan by \$81,810 for a total loan amount of up to \$277,245 to finance up to 90% of the total Project costs. The terms for the additional loan amount are an interest rate of 2.25% per annum and a repayment period of 20 years. A loan service fee of 1% shall be imposed on the additional loan amount in accordance with CWCB Policy No. 16.
- G. The CWCB and the BORROWER have agreed to amend this contract to increase the amount of the loan by \$81,000 plus the 1% loan service fee for a total loan amount of up to \$277,245 which may be used to finance up to 90% of the total Project cost.

NOW THEREFORE, it is hereby agreed that

Loan Contract C150191 Amendment No. 1

1. Consideration for this Amendment to the ORIGINAL CONTRACT consists of the payments that shall be made pursuant to this Amendment and the 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 CWCB agrees that it shall loan the BORROWER an additional loan amount of \$81,000 plus the 1% loan service fee for a loan amount of \$277,245 to finance up to 90% of Project costs (ADDITIONAL LOAN AMOUNT). The terms for the ADDITIONAL LOAN AMOUNT are an interest rate of 2.25% per annum for a term of 20 years. The BORROWER hereby agrees to repay the loan in accordance with the terms of the ORIGINAL CONTRACT as herein amended and the attached Promissory Note.
4. The BORROWER has adopted a resolution, irrevocable for the term of this loan, authorizing the BORROWER to enter into this contract amendment to borrow the ADDITIONAL LOAN AMOUNT, to establish and collect assessments sufficient to pay the annual loan payments and to execute documents necessary to convey a security interest in collateral, if necessary, to the CWCB. Said resolution is attached as **Appendix A**.
5. Prior to the execution of this Amendment by the CWCB, the BORROWER shall submit to the CWCB a letter from its attorney stating that it is the attorney's opinion that (1) the person(s) signing for the BORROWER was duly elected or appointed and has authority to sign such documents on behalf of the BORROWER and to bind the BORROWER; (2) the BORROWER's governing body has validly adopted a resolution approving this Amendment; (3) there are no provisions in the any state or local law that prevent this Amendment from binding the BORROWER; and (4) this Amendment will be valid and binding against the BORROWER if entered into by the CWCB.
6. The BORROWER agrees that it, or its members on behalf of the BORROWER, shall execute the following documents, all of which shall set forth the loan amount of \$277,245 which includes the 1% loan service fee:
 - a. Promissory Note, attached as **Appendix B** and incorporated herein, which shall replace and supersede the Promissory Note in the amount of \$195,435 dated January 1, 2005, attached to the ORIGINAL CONTRACT as Appendix 2.
 - b. Amended Security Agreement, attached hereto as **Appendix C** and incorporated herein, which shall supplement and operate in conjunction with the Security Agreement dated January 1, 2005, attached to the ORIGINAL CONTRACT as Appendix 4.
 - c. Amended Deed of Trust, attached hereto as **Appendix D** and incorporated herein, which shall supplement and operate in conjunction with the Deed of Trust dated January 1, 2005, attached to the ORIGINAL CONTRACT as Appendix 5a.
 - d. Amended Deed of Trust, attached hereto as **Appendix E** and incorporated herein, which shall supplement and operate in conjunction with the Deed of Trust dated January 1, 2005, attached to the ORIGINAL CONTRACT as Appendix 5b.
 - e. A new Deed of Trust, attached hereto as **Appendix F** and incorporated herein, which shall supplement and operate in conjunction with the Deeds of Trust dated January 1, 2005, attached to the ORIGINAL CONTRACT as Appendices 5a and 5b.

- f. Amended Limited Personal Guarantee, attached hereto as **Appendix G** and incorporated herein, which shall supplement and operate in conjunction with the Limited Personal Guarantee dated January 1, 2005, attached to the ORIGINAL CONTRACT as Appendix 6.
7. The CWCB agrees that it shall release JGMAC Investments Group, LLC, a Colorado limited liability company, from any and all obligations established pursuant to the Limited Personal Guarantee, Appendix 6 to the ORIGINAL CONTRACT.
8. Robert V. Sanderson, a Colorado individual, henceforth assumes all obligations previously held by JGMAC Investments Group, LLC under the ORIGINAL CONTRACT by execution of the Amended Limited Personal Guarantee attached as **Appendix G** to this amendment.
7. The parties agree that the ORIGINAL CONTRACT, is and shall be modified, altered, and changed in the following respects only:

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.

SPECIAL PROVISIONS (8/1/05 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.

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. SOFTWARE PIRACY PROHIBITION Governor's Executive Order D 002 00

No State or other public funds payable under this Contract shall be used for the acquisition, operation, or maintenance of computer software in violation of United States copyright laws or applicable licensing restrictions. The Contractor hereby certifies that, for the term of this Contract and any extensions, the Contractor has in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that the Contractor is in violation of this paragraph, the State may exercise any remedy available at law or equity or under this Contract, including, without limitation, immediate termination of the Contract and any remedy consistent with United States copyright laws or applicable licensing restrictions.

9. 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: 8/1/05

PAID IN FULL

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

BORROWER: Buffalo Farms Water Development, LLC, a Colorado limited liability company

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

02-0731746
Social Security Number or FEIN

State of Colorado
Bill Owens, Governor

By [Signature]
For the Executive Director
Department of Natural Resources
Colorado Water Conservation Board
Rod Kuharich, Director

(SEAL)

Pre-Approved Form

By [Signature]
CWCB Contract Manager

Attest

By [Signature]
Michael Goss, Manager

PAID IN FULL

ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

CRS 24-30-202 requires that the State Controller approve all state contracts. This contract is not valid 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.

Leslie M. Shenefelt, State Controller

By [Signature]
Effective Date 2-07-06

Loan Contract C150191 Amendment No. 1

**RESOLUTIONS OF THE MANAGERS
OF BUFFALO FARMS WATER DEVELOPMENT, LLC**

The Managers of the Buffalo Farms Water Development, LLC (Company), a meeting held Jan 23, 2006, at Merino, Colorado, adopted the following resolutions concerning an amendment to a secured loan from the State of Colorado Water Conservation Board (CWCB), for the purpose of enhancing and expanding an existing recharge project for well augmentation in the additional amount of \$81,810 or such actual amount, more or less, as may be needed by the Company and available from the CWCB including the CWCB loan origination fee of 1% of the loan amount.

At said meeting, the Managers charged that these resolutions are irrevocable during the term of the loan and, pursuant to the Company's operating agreement, authorized the Managers, RESOLVED as follows:

1. to enter into and comply with the terms of a contract with the Colorado Water Conservation Board for an amendment to Loan No. 150191 in the amount of \$81,810, for a total loan amount of \$277,245, or such actual amount, more or less, as needed to finance the project costs, including the CWCB loan origination fee of 1%;
2. to make the annual payments required by the promissory note;
3. to acknowledge the pledge of an additional interest in real estate, including execution of a security agreement and deed of trust, necessary to convey a security interest in said property to the CWCB;
4. to execute all documents as required by the loan contract amendment, including, but not limited to, a Security Agreement and a Promissory Note; and
5. to take such other actions and to execute such other documents as may be necessary to consummate and implement the loan.

CERTIFICATION

THE UNDERSIGNED MANAGERS HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE COMPANY'S MANAGERS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE COMPANY'S OPERATING AGREEMENT, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE COMPANY THE 23 DAY OF JAN 2006.

(SEAL)

By D. Kevin Vollmer
D. Kevin Vollmer, Manager

ATTEST:

By Michael Goss
Michael Goss, Manager

**Appendix A
Loan Contract C150191 Amendment No. 1**