ASSIGNMENT AND ASSUMPTION AGREEMENT Cottonwood – Lafarge Water Contracts and Water Permits

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is effective as of the 9th day of December, 2011, by and between Lafarge West, Inc., a Delaware corporation, f/k/a Western Mobile, Inc., a Delaware corporation, as successor by merger to Western Paving Construction Co., a Colorado corporation (together, "Assignor"), and Martin Marietta Materials, Inc., a North Carolina corporation ("Assignee"). Capitalized terms used but not otherwise defined in this Agreement shall have the meanings given to such terms in the Asset Exchange Agreement (as defined below).

WHEREAS, pursuant to that certain Asset Exchange Agreement, dated September 30, 2011, by and among Assignor and the entities affiliated with Assignor named therein (Lafarge and each of the entities named therein are sometimes individually referred to as a "Lafarge Party" and collectively as the "Lafarge Parties") and Assignee, the entities affiliated with Assignee named therein (Assignee and each of the entities named therein are sometimes individually referred to as an "MLM Party" and collectively as the "MLM Parties") (as amended, the "Asset Exchange Agreement"), the MLM Parties are (i) acquiring the Lafarge Water Contracts identified on Exhibit A to this Agreement (the "Lafarge Water Contracts") and (ii) the Lafarge Water Permits identified on Exhibit B to this Agreement ("Lafarge Water Permits").

WHEREAS, Assignor controls and has interests in the Lafarge Water Contracts and Lafarge Water Permits and desires to transfer and convey the Lafarge Water Contracts and Lafarge Water Permits to Assignee, and Assignee, desires to acquire all of the Assignor's right, title and interest in and to such Lafarge Water Contracts and Lafarge Water Permits; and

NOW, THEREFORE, in consideration of the mutual covenants set forth in the Asset Exchange Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor and Assignee hereby covenant and agree as follows:

- 1. <u>Assignment of Lafarge Water Contracts and Lafarge Water Permits</u>. Effective as of the Effective Time, the Assignor hereby assigns, grants, transfers and conveys to Assignee, all of Assignor's right, title and interest in and to the Lafarge Water Contracts and Lafarge Water Permits, and Assignee hereby accepts the assignment, grant, transfer and conveyance of all of the Assignor's right, title and interest in and to the Lafarge Water Contracts and Lafarge Water Permits, all in accordance with and subject to the terms of the Asset Exchange Agreement.
- 2. <u>Assumption of the Liabilities</u>. As of the Effective Time, Assignee hereby assumes and agrees to pay, perform and discharge, in accordance with their respective terms, all of the Assume Liabilities in accordance with and subject to the terms and conditions of the Asset Exchange Agreement.
- 3. <u>Limitation</u>. Notwithstanding anything in this Agreement to the contrary, to the extent that the assignment to, and assumption by, Assignee of the Lafarge Water Contracts and Lafarge Water Permits requires the consent or approval of any other party thereto, this Page 1 of 5

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ASSIGNMENT AND ASSUMPTION AGREEMENT Cottonwood – Lafarge Water Contracts and Water Permits

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is effective as of the 9th day of December, 2011, by and between Lafarge West, Inc., a Delaware corporation, f/k/a Western Mobile, Inc., a Delaware corporation, as successor by merger to Western Paving Construction Co., a Colorado corporation (together, "Assignor"), and Martin Marietta Materials, Inc., a North Carolina corporation ("Assignee"). Capitalized terms used but not otherwise defined in this Agreement shall have the meanings given to such terms in the Asset Exchange Agreement (as defined below).

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WHEREAS, Assignor controls and has interests in the Lafarge Water Contracts and Lafarge Water Permits and desires to transfer and convey the Lafarge Water Contracts and Lafarge Water Permits to Assignee, and Assignee, desires to acquire all of the Assignor's right, title and interest in and to such Lafarge Water Contracts and Lafarge Water Permits; and

NOW, THEREFORE, in consideration of the mutual covenants set forth in the Asset Exchange Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor and Assignee hereby covenant and agree as follows:

- 1. <u>Assignment of Lafarge Water Contracts and Lafarge Water Permits</u>. Effective as of the Effective Time, the Assignor hereby assigns, grants, transfers and conveys to Assignee, all of Assignor's right, title and interest in and to the Lafarge Water Contracts and Lafarge Water Permits, and Assignee hereby accepts the assignment, grant, transfer and conveyance of all of the Assignor's right, title and interest in and to the Lafarge Water Contracts and Lafarge Water Permits, all in accordance with and subject to the terms of the Asset Exchange Agreement.
- 2. <u>Assumption of the Liabilities</u>. As of the Effective Time, Assignee hereby assumes and agrees to pay, perform and discharge, in accordance with their respective terms, all of the Assume Liabilities in accordance with and subject to the terms and conditions of the Asset Exchange Agreement.
- 3. <u>Limitation</u>. Notwithstanding anything in this Agreement to the contrary, to the extent that the assignment to, and assumption by, Assignee of the Lafarge Water Contracts and Lafarge Water Permits requires the consent or approval of any other party thereto, this

Agreement shall not constitute an agreement to assign and assume the same if such consent or approval is not obtained.

- 4. <u>Asset Exchange Agreement Controls</u>. Nothing in this Agreement shall be deemed to supersede, enlarge or modify any of the provisions of the Asset Exchange Agreement, all of which survive the execution and delivery of this Agreement as provided and subject to the limitations set forth in the Asset Exchange Agreement. If any conflict exists between the terms of this Agreement and the terms of the Asset Exchange Agreement, the terms of the Asset Exchange Agreement shall govern and control.
- 5. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts and all such counterparts taken together shall constitute one and the same agreement.
- 6. <u>Governing Law</u>. The laws of the State of Colorado will govern all questions concerning the construction, validity and interpretation of this Agreement, without giving effect to any of the conflict of law rules thereof to the extent such rules would require or permit the application of the laws of another jurisdiction to this Agreement.

IN WITNESS WHEREOF, the Assignor and Assignee have caused this Agreement to be executed as of the day and year first above written.

ASSIGNOR:



Lafarge West, Inc., a Delaware corporation, f/k/a Western Mobile, Inc., a Delaware corporation, as successor by merger to Western Paving Construction Co., a Colorado corporation

By:

Name: Marty McGuirk

Title: Vice President, Business Development

ASSIGNEE:

[CORPORATE SEAL]

Martin Marietta Materials, Inc. By:

Name: Jay M. Moreau Vice President - Operations Title:

[Acknowledgment to follow on next page]

ACKNOWLEDGEMENT

STATE OF GEORGIA)) ss. COUNTY OF FULTON)

Witness my hand and official seal.

las Notary Public My commission expires:

STATE OF COLORADO)) ss. COUNTY OF DENVER)

The foregoing instrument was acknowledged before me on this 6th day of December 2011, by Marty McGuirk, as Vice President, Business Development of Lafarge West, Inc., a Delaware corporation.

Witness my hand and official seal.

00000 MARY A. ROMINE NOTARY PUBLIC STATE OF COLORADO

Notary Public

My commission expires: February 18, 2013

511 16 + Street Danvel (080202

Page 3 of 5

EXHIBIT A Cottonwood – Lafarge Water Contracts

- 1. Agreement Regarding Sand and Gravel Mining and Augmentation Plan Pertaining Thereto, between Western Paving Construction Company, a Colorado corporation, The Water Users Association of District No. 6, a Colorado nonprofit corporation, The Rural Ditch Company, a Colorado mutual ditch company, The Godding Ditch Company, a Colorado mutual ditch company, and The Smith and Emmons Ditch Company, a Colorado mutual ditch company, dated December 20, 1982 and recorded January 26, 1983 in the records of the Weld County Clerk and Recorder's office at Book 0987, Page 1307, and Reception No. 01915579, and all amendments and addendums thereto.
 - 2. Assignor's interest, if any, in an Agreement Regarding Sand and Gravel Mining and Augmentation Plan Pertaining Thereto between Lee Ervin Olson and Florence M. Olson and the Water Users Association of District No. 6, dated June 2, 1980 and recorded September 28, 1981 in the records of the Weld County Clerk and Recorder's office at Book 948 and Reception No. 1870265, and all amendments and addendums thereto.

EXHIBIT B Cottonwood – Lafarge Water Permits

1. State Engineer Well Permit Nos.

a.	37632-F
b.	251453
с.	251454
1	0 5 1 1 5 5

- d. 251455
- e. 251456
- f. 251457
- g. 251458
- h. 251459
- i. 63541-F
- j. 251460
- k. 251461
- l. 251462

ASSIGNMENT AND ASSUMPTION AGREEMENT Cottonwood – Lafarge Water Contracts and Water Permits

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WHEREAS, Assignor controls and has interests in the Lafarge Water Contracts and Lafarge Water Permits and desires to transfer and convey the Lafarge Water Contracts and Lafarge Water Permits to Assignee, and Assignee, desires to acquire all of the Assignor's right, title and interest in and to such Lafarge Water Contracts and Lafarge Water Permits; and

NOW, THEREFORE, in consideration of the mutual covenants set forth in the Asset Exchange Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor and Assignee hereby covenant and agree as follows:

- 1. <u>Assignment of Lafarge Water Contracts and Lafarge Water Permits</u>. Effective as of the Effective Time, the Assignor hereby assigns, grants, transfers and conveys to Assignee, all of Assignor's right, title and interest in and to the Lafarge Water Contracts and Lafarge Water Permits, and Assignee hereby accepts the assignment, grant, transfer and conveyance of all of the Assignor's right, title and interest in and to the Lafarge Water Contracts and Lafarge Water Permits, all in accordance with and subject to the terms of the Asset Exchange Agreement.
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IN WITNESS WHEREOF, the Assignor and Assignee have caused this Agreement to be executed as of the day and year first above written.

ASSIGNOR:



[CORPORATE SEAL]

Lafarge West, Inc., a Delaware corporation, f/k/a Western Mobile, Inc., a Delaware corporation, as successor by merger to Western Paving Construction Co., a Colorado corporation

By:

Name: Marty McGuirk

Title: Vice President, Business Development

Martin Marietta Materials, Inc.

By:

Name: <u>Jay M. Moreau</u> Vice President - Operations Title:

[Acknowledgment to follow on next page]

Page 2 of 5

ACKNOWLEDGEMENT

STATE OF GEORGIA)) ss. COUNTY OF FULTON)

The foregoing instrument was acknowledged before me on this 8^{4-} day of December 2011, by <u>Tapping</u>, as <u>Vice-President</u>. <u>Operations</u> of Martin Marietta Materials, Inc., a North Carolina corporation.

Witness my hand and official seal.

Notary Public

My commission expires

STATE OF COLORADO)) ss. COUNTY OF DENVER)

The foregoing instrument was acknowledged before me on this 6th day of December 2011, by Marty McGuirk, as Vice President, Business Development of Lafarge West, Inc., a Delaware corporation.

Witness my hand and official seal.

000 MARY A. ROMINE NOTARY PUBLIC STATE OF COLORADO e,

Notary Public

My commission expires: February 18, 2013

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Page 3 of 5

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2. Assignor's interest, if any, in an Agreement Regarding Sand and Gravel Mining and Augmentation Plan Pertaining Thereto between Lee Ervin Olson and Florence M. Olson and the Water Users Association of District No. 6, dated June 2, 1980 and recorded September 28, 1981 in the records of the Weld County Clerk and Recorder's office at Book 948 and Reception No. 1870265, and all amendments and addendums thereto.

Page 4 of 5

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а.	37632-F
b.	251453
с.	251454
d.	251455
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h.	251459
i.	63541-F
j.	251460
k.	251461
1.	251462



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AR1915579

AGREEMENT REGARDING SAND AND GRAVEL MINING

AND AUGMENTATION PLAN PERTAINING THERETO

1. PARTIES. The parties to this Agreement are WESTERN PAVING CON-STRUCTION COMPANY, a Colorado corporation ("Western Paving"), THE WATER USERS ASSOCIATION OF DISTRICT NO. 6, a Colorado nonprofit corporation ("Water Users"), THE RURAL DITCH COMPANY, a Colorado mutual ditch company ("Rural"), THE GODDING DITCH COMPANY, a Colorado mutual ditch company ("Godding"), and THE SMITH AND EMMONS DITCH COMPANY, a Colorado mutual ditch company ("Smith and Emmons"). The reference to "Water Users" as used in this Agreement shall be interpreted to include the Water Users, member ditches of the Water Users, and the Rural, Godding and Smith and Emmons ditch companies, unless the context indicates otherwise.

RECITALS. Western Paving owns the property described on Exhibit A 2. (the "Cottonwood Farm") and has applied to Weld County for a special use permit and the Colorado Mined Land Reclamation Board for a mining permit, to permit it to conduct sand and gravel mining activities on the Cottonwood Farm property. The mining operations as contemplated by Western Paving will necessitate the relocation of the Rural and Smith and Emmons ditches which presently cross the Cottonwood Farm property. It is also anticipated by the Water Users that the mining operations contemplated by Western Paving may have an impact on historical surface and ground water patterns on and in the vicinity of the Cottonwood Farm property, may affect the flow water in the Rural and Smith and Emmons ditches as relocated and may increase the risk of ditch washout from flooding. Furthermore, the parties acknowledge that the construction of lakes, which are part of Western Paving's reclamation plan, will result in additional evaporation from open water surfaces which will adversely affect Water Users unless augmented.

The Water Users have no objection to Western Paving's mining operations and reclamation of the Cottonwood Farm property if the concerns expressed above are addressed and the interests of the Water Users are satisfactorily protected. Western Paving has agreed to protect those interests and the purpose of this Agreement is to set forth the specific agreements of the parties.

3. WESTERN PAVING'S AGREEMENTS. Western Paving agrees as follows:

a. To conduct its mining operations on the Cottonwood Farm in accordance with the Mining and Reclamation Plan as finally approved by Weld County and the Colorado Mined Land Reclamation Board.

b. That it will file an Application for Water Rights, including storage rights, claiming that it has an appropriation of water by virtue of the contemplated mining operation and reclamation plan, subject, however, to this Agreement.

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c. To construct those lakes which it constructs pursuant to the approved mining and reclamation plan in a good and workmanlike manner and to equip the lakes with such structures as are required by law.

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To relocate and reconstruct the Rural and Smith and Emd. mons ditches, as well as any historical wasteways crossing the Cottonwood Farm property, in such a manner as to assure that no ditch users or persons affected by such ditch or ditches (including Godding and its shareholders) shall be injured and in such a manner that the water and waste water flowing in such ditches will flow in the same manner and at the same time, and that such ditches and wasteways shall have the same capacity as they have historically had. The Rural and Smith and Emmons ditches shall be relocated and reconstructed according to plans and specifications approved in advance by the respective ditch companies prior to the commencement of mining activities east of a line 200 feet west of the Smith and Emmons Ditch serving Duckworth, Grooms and Englehard. The original ditches shall not be removed until the new ditches have been used for one irrigating season to show that they operate properly. Acceptance of the new ditches and abandonment of the old ditches shall not relieve Western Paving of any of its obligations under this Agreement. If any ditches or laterals are eliminated as the result of Western Paving's mining operations or reclamation (for example, the plan contemplates elimination of two laterals of the Smith and Emmons Ditch), Western Paving shall obtain written consents from those water users affected by such elimination and/or relocation, or, in the alternative, a court decree permitting such elimination, and shall furnish copies of those consents and/or decrees to the Water Users.

e. To specifically guarantee to Rural and Smith and Emmons that they will receive water at the point at which their ditches flow from the Cottonwood Farm's property in the same amount, at the same rates, and at the same times as they historically received water prior to Western Paving's mining operations. Western Paving affirmatively assumes the responsibility for delivering water to those ditches in accordance with the foregoing and agrees that if, because of Western Paving's mining operations and reclamation, water cannot or is not delivered to the Rural and Smith and Emmons ditches in accordance with historical flows, Western Paving shall obtain and deliver such additional water to the headgate of those ditches as is necessary to duplicate historic patterns or compensate users of those ditches for any losses resulting from Western Paving's failure to do so.

f. To guarantee to Rural, Smith and Emmons, and Godding that carrying losses from seepage and evaporation of the Rural and Smith and Emmons ditches as they pass through or around the Cottonwood Farm property will not be greater than historical carrying losses or if so, that such losses shall be replaced immediately by Western Paving. Western Paving agrees to install, within 90 days after mining permits are issued by the Colorado Mined Land Reclamation Board and at least 12 months prior to the commencement of mining operations, measuring devices on the

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Rural, Smith and Emmons, and Godding ditches, approved in advance by the Water Users, which devices shall be above and below the Cottonwood Farm property so that a historical flow pattern before mining operations are commenced can be established. During and after mining operations and reclamation, Western Paving agrees to take such action as is necessary to prevent increased carrying losses, including lining those ditches, if necessary.

To install a system adjacent to the perimeter of Cottonq. wood Farm to monitor ground water tables to determine the impact of Western Paving's mining operations and reclamation on ground water levels on adjacent property. The system shall be approved in writing by the Water Users prior to installation. Installation shall be completed within 90 days after mining permits are issued by the Colorado Mined Land Reclamation Board and at least 12 months prior to the commencement of mining operations so that an accurate historical ground water pattern can be established. If the monitoring system indicates a change in the water table caused by Western Paving's mining operations or reclamation, Western Paying shall install a system for recharging ground water levels and/or an alternative method for protecting property owners from injury as the result of changes in ground water levels. Western Paving affirmatively agrees to recharge ground water levels or furnish alternate water supplies to property owners whose ground water table falls as the result of Western Paving's mining operations and reclamation; and to provide means of reducing ground water levels where ground water tables are raised as the result of Western Paving's mining operations or reclamation.

h. To pay the cost of repairing or replacing any portion of the Rural or Smith and Emmons ditches, as relocated, which are damaged or washed out as a result of Western Paving's negligence or the inadequate design or construction of those ditches by Western Paving.

To augment Boulder Creek, and the Rural, Smith and Emi . mons, and Godding ditches, in accordance with the water augmentation policy for gravel pits of the Water Users Association of District No. 6, thereby preventing injury to other water users, by conveying to the Water Users Association of District No. 6 an amount equal to two acre feet of augmentation for each surface acre of lake constructed. Western Paving's current plans call for the construction of approximately 314 surface acres of lake. If, at the end of its mining operations on the property, Western paving had constructed lakes having more or less than this number of surface acres, Water Users shall convey to Western Paving all water which has been conveyed to the Water Users by Western Paving over and above an amount determined by multiplying the number of surface acres of lakes by two acre feet or, if necessary, Western Paving shall convey to the Water Users additional water in order to equal the amount of two acre feet for each surface acre of lakes constructed.

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Western Paving further agrees that the water rights which shall be used for augmentation in compliance with the foregoing provisions and in compliance with the water augmentation policy for gravel pits of the Water Users Association of District No. 6 shall be the water rights described on Exhibit B, or comparable water rights. Western Paving further agrees that the water rights described on Exhibit B shall be, as between the parties to this Agreement, considered to be appurtenant to the property described on Exhibit A and shall not be sold, transferred or used on grounds other than the property described on Exhibit A until after Western Paving has given the parties to this Agreement at least 90 days' prior written notice of its desire to use or transfer all or any part of said water rights elsewhere and Western Paving's negotiation, in good faith, with the parties to this Agreement for their consent to such transfer or use, and in the absence of such agreement, Western Paving shall not transfer or use all or any part of said water rights elsewhere unless it has first obtained a decree of the Water Court authorizing such use or transfer.

j. In order to implement the provisions of this Agreement, the water rights described above (with the exception of the Colorado Big Thompson Project Water which is provided for in the preceding paragraph) shall be conveyed to the Water Users Association of District 6 by deed or by appropriate stock transfer and, the deed of conveyance shall recite or the stock certificate issued to the Water Users shall bear, the following notation:

> "These water rights (shares) and the uses of water attributable thereto are restricted by an Agreement dated <u>Seconda</u> 20,192entered into between Western Paving Construction Company, a Colorado corporation, the Water Users Association of District No. 6, a Colorado nonprofit corporation, the Rural Ditch Company, a Colorado mutual ditch company, the Smith and Emmons Ditch Company, a Colorado mutual ditch company, and the Godding Ditch Company, a Colorado mutual ditch company, and are subject to the terms of that Agreement. Said Agreement is recorded in the office of the Clerk and Recorder of Weld County, Colorado, and affects parts of Sections 16 and 17, and all of Section 21, Township 2 North, Range 68 West of the 6th P.M., Weld County, Colorado."

Conveyance of water rights pursuant to this provision shall be accomplished prior to the commencement of mining. Western Paving shall be entitled to use the water represented by the foregoing water rights until the same are required for augmentation pursuant to the provisions of this Agreement.

k. With respect to the water rights transferred and/or restricted pursuant to this Agreement, pay all ditch assessments until such rights are required for augmentation at and from which time the B 0987 REC 01915579 01/26/83 11:05 \$27.00 5/009 F 1311 MARY ANN FEUERSTEIN CLERK & RECORDER WELD CD, CD

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Water Users shall pay all ditch assessments. Voting of the shares transferred pursuant to this Agreement shall be determined by the Board of Directors of the Water Users Association of District No. 6.

1. To reimburse the water users for its necessary and reasonable expenses incurred in connection with its review of the mining and reclamation plan and the preparation of this Agreement.

4. INDEMNIFICATION. Western Paving hereby agrees to at all times indemnify and keep indemnified the Water Users Association of District No. 6, the Rural Ditch Company, the Smith and Emmons Ditch Company, the Godding Ditch Company, and their respective officers and directors, and hold and save them harmless from and against all liability for damages, loss, costs, charges and expenses of whatever kind and nature, including attorneys' fees, which they or any of them shall or may, at any time, sustain or incur by reason or in consequence of Western Paving's mining operations or reclamation of the Connonwood Farm or the relocation and reconstruction of the Rural and the Smith and Emmons Ditch, as contemplated hereby.

5. COVENANT RUNNING WITH THE LAND AND WATER RIGHTS AND EASEMENT. This Agreement shall be a covenant which runs with the land described on Exhibit A, and the water rights described above, and shall continue in effect and be binding upon the parties, their successors and assigns, unless or until the Water Users waive the terms hereof in writing or until entry of a judicial determination modifying this Agreement or determining that the provisions hereof are no longer required. The Water Users, Rural and Smith and Emmons shall have an easement for conveying water and for operation, maintenance and repair of the ditches, as relocated, which easement shall be limited to reasonable access for the aforementioned purposes. The rights of the Water Users, Rural and Smith and Emmons to use the original ditches shall terminate after the new ditches have been in operation, and operated properly for one full irrigating season.

6. WATER USERS' AGREEMENT. In consideration of the covenants and agreements of Western Paving, the Water Users, Rural, Godding, and Smith and Emmons hereby:

a. Withdraw any and all objections to the special use application which Western Paving has filed with Weld County and consent that the same may be issued at the discretion of Weld County.

b. Withdraw any and all objections to the granting of the mining permit which Western Paving has applied to the Colorado Mined Land Reclamation Board for and consent that the same may be issued at the discretion of the Colorado Mined Land Reclamation Board.

c. Covenant that they will not raise any objection to the mining or reclamation conducted in accordance with the provisions hereof

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and the approved mining and reclamation plans, or commence any litigation seeking injunctive or compensatory relief arising therefrom except for violation of the covenants and agreements set forth herein.

7. TERMINATION OF AGREEMENT. In the event that no Mining and Reclamation Plan is finally approved by Weld County and the Colorado Mined Land Reclamation Board, that mining permits are not granted, or that Western Paving does not mine the property, this Agreement, at the written request of Western Paving, shall be null and void, and all water rights which have been conveyed or assigned to the Water Users pursuant hereto shall be return to Western Paving, its successors or assigns.

8. <u>ENFORCEMENT</u>. This Agreement may be enforced by the Water Users, or any of its members who are adversely affected by any violation of any term hereof, by seeking any appropriate equitable and legal remedies, including injunctive relief, specific performance and damages. In the event that litigation is commenced by the Water Users or any of its members to obtain such enforcement, and the Water Users or any member prevails, Western Paving and/or its successors and assigns agree to pay for any reasonable attorneys' fees and court costs expended by the Water Users or the member in obtaining such enforcement. However, if Western Paving prevails, the Water Users, or the member instituting the litigation, shall pay such fees and court costs expended by Western Paving.

9. EXHIBITS. All exhibits referred to in this Agreement are, by reference, incorporated herein for all purposes.

10. <u>BINDING EFFECT</u>. This Agreement shall be binding upon the parties, and their respective successors and assigns.

DATED: Discon 20, 1982.

WESTERN PAVING CONSTUCTION COMPANY, a Colorado corporation

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THE RURAL DITCH COMPANY a Colorado mutual ditch company

THE SMITH AND EMMONS DITCH COMPANY, a Colorado mutual ditch company

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THE WATER USERS ASSOCIATION OF DISTRICT NO. 6, a Colorado nonprofit corporation

By Kent P. Nelson

THE GODDING DITCH COMPANY, a Colorado mutual ditch company

By Francis D. Phegerson Bress.

- 6 -

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EXHIBIT A to Agreement Regarding Sand and Gravel Mining and Augmentation Plan Pertaining Thereto

PARTIES: Watern Paving Construction Company, The Water Users Association of District No. 6, The Rural Ditch Company, The Godding Ditch Company and The Smith and Emmons Ditch Company

A PORTION OF SECTIONS 16, 17, and 21, T 2 N. R 68 W OF THE 6th P.M., WELD COUNTY, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Beginning at the Southeast Corner of said Section 16, that being the true point of beginning, thence North 00⁰05'21" East a distance of 2,009.46'; thence South 34⁰30'21" West a distance of 645.00'; thence North 48⁰14'39" West a distance of 25.00'; thence North 00⁰40'06" East a distance of 114.22'; thence North 89⁰01'15" West a distance of 366.66'; thence North 00⁰58'45" East a distance of 377.68'; thence South 89⁰45'33" West a distance of 331.00'; thence North 00⁰58'33" East a distance of 652.32'; thence South 89⁰45'33" West a distance of 4242.56'; thence North 89⁰55'00" West a distance of 469.70'; thence South 34⁰31'00" East a distance of 336.60' thence South 23⁰23'24" East a distance of 701.77'; thence South 00⁰06'06" East a distance 7,724.02'; thence South 00⁰21'42" West a distance of 1,328.54'; thence North 89⁰48'37" East a distance of 3,094.74'; thence North 33⁰24'41" East a distance of 1,595.15'; thence North 89⁰54'04" East a distance of 1,321.57' to the true point of beginning, containing net acres of 400.344, more or less.

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EXHIBIT B to: AGREEMENT REGARDING SAND AND GRAVEL MINING AND AUGMENTATION PLAN PERTAINING THERETO

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PARTIES: WESTERN PAVING CONSTRUCTION COMPANY, THE WATER USERS ASSOCIATION OF DISTRICT NO. 6, THE RURAL DITCH COMPANY, THE GODDING DITCH COMPANY, and THE SMITH AND EMMONS DITCH COMPANY

WATER RIGHTS

The following water rights are "attached and appurtenant" to the property described on Exhibit A and are to be used for purposes of augmentation pursuant to the foregoing Agreement:

Dittel	Number of Shares	Total Outstanding Shares	Average Annu Per Share(ac Direct Flow Acre feet/year	al Yield re feet/share) Reservoir Storage	Total Averag Yield (acre Direct Flow Acre feet/year	feet) Reservoir
Ditch	31181 65					
Smith and Emmons Ditch	2.5	8	149.39	20.05	373.47	50.13
Godding (Highland) South Side) Ditch	3.0	183	20.17	1.67	60.50	5.02
Carr and Tyler Ditch	40% Ownership	-	244		97.67	
N.K. Smith and Tyler Ditch	100% Ownership	-	203.73	-	223.73	-
Colorado Big Thompson	100 Units	-	.75	-	82.5	-
Total					837.87 Acre Feet Per Year	55.15 Acre Fe Per Yea

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GRAVEL PIT AUGMENTATION POLICY

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The Water Users Association of District No. 6

The Policy of District No. 6 with respect to augmentation for gravel pits is as follows:

1. Require two acre feet of augmentation water for each acre of open water surface created by mining.

2. Augmentation water must be first adjudication (1882) or Colorado Big Thompson Project water. Where C.B.T. water is proposed, it is subject to the approval of the Board of Directors of the Northern Colorado Water Conservancy District.

3. Quanity of augmentation water is to be determined by engineers for District No. 6 based upon total average diversions.

4. No credit is to be given for historic consumption because: historic consumption is out of priority; this policy is based on total diversions rather than consumptive use; and the two acre foot per surface acre requirement has been adjusted to reflect other conditions.

5. Augmentation water rights are to be conveyed to District No. 6, provided however, that C.B.T. water shall remain allocated to the land and titled in the name of the landowner, but shall be subject to a covenant tying it to the Augmentation Agreement.

6. District No. 6 shall own all augmentation water (other than C.B.T.) and shall exercise all rights and responsibilities of ownership of rights transferred to District No. 6, subject to the provisions of the Augmentation Agreement.

7. The landowner shall file for conditional and absolute water rights on water stored in gravel pit ponds, filing to be undertaken as soon as possible after execution of the Augmentation Agreement and pursue diligently to final decrees.

8. The applicant shall pay to District No. 6 a reasonable amount to reimburse for legal and engineering expenses incurred in reviewing the mining proposal and preparing the Augmentation Agreement.

9. In the future, if required by Colorado statutes, Colorado State Engineer or other water users, the applicant agrees to file a formal Plan of Augmentation with the Water Court. Both District No. 6 and the applicant agree that the standards set forth in this policy shall govern their positions with respect to any formal plan of augmentation, in other words, District No. 6 agrees not to request additional augmentation water and the applicant agrees to waive any claims it might have to furnish less augmentation water.