

**TOWN OF CASTLE ROCK AND SUBLETTE, INC.  
2022 WATER LEASE AGREEMENT**

THIS WATER LEASE AGREEMENT (“Agreement”) is entered into \_\_\_\_\_, 2022, by and between the Town of Castle Rock, a home rule municipal corporation, acting by and through the Town the Castle Rock Water Enterprise (“Town”), as Lessor, whose address is 100 N. Wilcox Street, Castle Rock, Colorado 80104 and Sublette, Inc. (“Sublette”), as Lessee, whose address is PO Box 21, Orchard, Colorado 80649, collectively referred to as the Parties.

**RECITALS**

**WHEREAS**, pursuant to Case No. 89CW27, the Town and other owners operate the Rothe-Sublette Recharge Project (“Project”), which diverts water from the South Platte River at the Riverside Canal into recharge ponds that accrete water to the South Platte River to generate recharge credits (“Recharge Credits”); and

**WHEREAS**, the Town owns 60.4 percent of the first 1,275 acre-feet (AF), up to 770 AF annually, of recharge credits decreed in Case No. 89CW27, District Court, Water Division No. 1, (“Town Recharge Credits”); and

**WHEREAS**, the Town is currently leasing 325.4 AF of Town Recharge Credits to the Town of Wiggins for augmentation of Wiggins’ tributary well pumping pursuant to Case No. 11CW131; and

**WHEREAS**, Case No. 89CW27 authorizes the lease of excess Recharge Credits to other parties; and

**WHEREAS**, Sublette seeks to lease from the Town excess Town Recharge Credits.

**AGREEMENT**

**NOW THEREFORE**, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Sublette agree as follows:

1. Lease of Town Recharge Credits. The Town hereby leases to Sublette four hundred (400) AF in excess Town Recharge Credits in 2022 with projections of 65 AF in July, 122 AF in August, 114 AF in September, and 67 AF in September (“Leased Credits”).
2. Lease Price. Sublette shall pay to the Town fourteen thousand six hundred dollars (\$14,600), which is thirty-six dollars and fifty cents (\$36.50) per AF of Leased Credits. Sublette’s lease payment shall be due thirty (30) days following the execution of this Agreement.
3. Lease Term. The term of this Agreement shall commence upon its execution and expire December 31, 2022. By mutual written agreement of the Parties, this Agreement may be renewed on the same or on different terms.



10. Controlling Law. This Agreement shall be governed under, and construed pursuant to the laws of the State of Colorado.

**(signature page to follow)**

**LESSOR:**

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director Castle Rock  
Water

**LESSEE:**

Sublette, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

**STATE OF COLORADO**            )

**COUNTY OF WELD**            ) ss.

)

The foregoing instrument as acknowledged before me this \_\_\_ day of \_\_\_\_\_,  
2022 by \_\_\_\_\_ as \_\_\_\_\_ of the Sublette, Inc.

Witness my official hand and seal.  
My commission expires:

\_\_\_\_\_  
Notary Public