FIRST AMENDMENT TO THE WATER RIGHTS LEASE

DATE: _____.

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, acting by and through its Town of Castle Rock Water Enterprise, 100 N. Wilcox Street, Castle Rock, Colorado 80104 ("Lessor").

TURNPIKE, LLC, a Colorado limited liability company, 4202 Weld County Road 65, Keenesburg, Colorado 80643 ("Lessee").

RECITALS:

A. Lessor and Lessee are parties to the Water Rights Lease, dated February 15, 2022 (the "Lease"), a copy of which is attached as ***Exhibit 1***.

B. Due to a lack of water from Well No. 31526, Lessor and Lessee wish to amend the Lease to allow Lessee to supplement its irrigation by using 100 AF of water from Well 31527.

C. Lessor and Lessee wish to memorialize these changes in this First Amendment to the Water Rights Lease ("First Amendment").

TERMS:

Section 1. **Amendment.** Section 1 of the Lease is amended to read as follows:

Section 1. Water Rights and Equipment Lease. Subject to the terms and conditions set forth herein, Lessor hereby leases to Lessee the water rights associated with the following well permits:

Well Permit No.	Power Consumption Coeff. [kWh/AF]	Acre Feet Leased ("Permitted Maximum")
31526-FP	182.312	190
31527-FP	184.305	280
31643-FP	285.362	115
14860-FP	Not Operational	0

The water rights associated with the above-referenced well permits shall be referred to collectively as the "Water Rights." The Water Rights together with the wells, pumping equipment, electrical equipment and other equipment and facilities associated with the Water Rights (collectively referred to as the "Equipment") are described on the attached ***Exhibit A***. Except as otherwise limited herein, Lessee shall use the wells in accordance

with each well permit and prevent degradation of the quality of the ground water. While the wells are commingled as follows 31526-FP/31527-FP, and 31643-FP/14860-FP, said commingling applies only to the area on which the water may be used. Lessee is required to use each well and neither well is to be used in excess of its Permitted Maximum (as listed above), however, in no event shall the commingled wells be permitted to act as alternate points of diversion to one another. Lessee is prohibited by this Lease from pumping more than the Permitted Maximum from the wells associated with the above-referenced permit numbers. Lessee also agrees that use of the Water Rights in excess of the Permitted Maximum shall be a default under Section 10 of this Lease, and (i) Lessee shall be liable for any and all damages caused to Lessor as a result of Lessee exceeding the Permitted Maximum; and (ii) Lessor, in its sole and absolute discretion, shall be entitled to immediately terminate this Lease. In the event that Lessee's use of the Water Rights associated with the Well Permit exceeds those quantities listed above, then Lessee shall pay to Lessor a $60 per acre foot penalty.

Section 2. **Ratification**. In all other respects, the Lease shall remain in full force and effect.

LESSOR:

ATTEST:

TOWN OF CASTLE ROCK, acting by and through the Town of Castle Rock Water Enterprise

_____
Lisa Anderson, Town Clerk

Approved as to form:

_____
Jason Gray, Mayor

_____
Michael J. Hyman, Town Attorney

Approved as to content:

_____
Mark Marlowe, Director of Castle Rock Water

LESSEE:

TURNPIKE, LLC, a Colorado limited liability company

By: Richard F. Huwa
Richard F. Huwa

Its: Authorized Member