

**FIRST AMENDMENT TO  
WATER LEASE AGREEMENT BETWEEN THE TOWN OF CASTLE ROCK AND  
TURNPIKE, LLC**

**DATE:** \_\_\_\_\_, 2020.

**PARTIES:** **TOWN OF CASTLE ROCK**, acting by and through the **TOWN OF CASTLE ROCK WATER ENTERPRISE**, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Castle Rock”).

**TURNPIKE, LLC**, a Colorado limited liability company, 4202 Weld County Road 65, Keenesburg, Colorado 80643 (“Turnpike”).

**RECITALS:**

- A. Castle Rock and Turnpike are parties to a Water Lease Agreement dated November 5, 2019 (“Agreement”).
- B. The Parties desire to amend the Agreement to increase the amount of Lease Water as it becomes available in accordance with Section 1 of the Agreement.

**AGREEMENT**

**Section 1. Amendment.** Section 1 of the Lease Agreement is amended in its entirety to read as follows:

**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”)
12123-FP	Not Operational	0
12124-FP	366.161	100
31526-FP	182.312	140
31527-FP	184.305	135
31643-FP	285.362	140
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 12123-FP/12124-FP, 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. Amendment.** Section 3 of the Agreement is amended in its entirety to read as follows:

**3. Term.** This Lease will be for a term commencing on July 21, 2020 and terminate on November 15, 2020 ("Term"), unless terminated sooner pursuant to this Lease. The term of the Lease can only be extended or renewed in writing signed by both parties, and there can be no implied renewal of this Lease.

**Section 3. Miscellaneous.** Except to the extent expressly modified by this First Amendment, the Agreement is in full force and effect. To the extent of any inconsistency between this First Amendment and the Agreement, the terms and conditions of this First Amendment shall control.

**LESSOR:**

**ATTEST:**

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

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

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

**Approved as to form:**

**Approved as to content:**

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

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

**State of** )  
 ) *ss.*  
**County of** )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020  
by Sally Misare as Town Clerk and Jennifer Green as Mayor of the Town of Castle Rock, Colorado.

Witness my official hand and seal.

My commission expires: \_\_\_\_\_

( S E A L )

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

**LESSEE:**

**TURNPIKE, LLC**, a  
Colorado limited liability  
company

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

Its: Authorized Member

**State of** \_\_\_\_\_ )  
 ) ss.  
**County of** \_\_\_\_\_ )

The foregoing instrument as acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020 by  
\_\_\_\_\_ as \_\_\_\_\_ and \_\_\_\_\_ as  
\_\_\_\_\_ for Turnpike, LLC.

Witness my official hand and seal.

My commission expires: \_\_\_\_\_

( S E A L )

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