

INTERGOVERNMENTAL AGREEMENT
CONCERNING THE HEAVEN'S DOOR RANCH CONSERVATION PROJECT

This Intergovernmental Agreement (Agreement) is made this ___day of 11/17/2022, 2022, by and between LARIMER COUNTY, COLORADO (the "County"), the CITY OF FORT COLLINS, COLORADO ("Fort Collins"), and the CITY OF LOVELAND, COLORADO ("Loveland").

WHEREAS, part 2 of Article 1 of Title 29, C.R.S. authorizes governments to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each, including the sharing of costs; and

WHEREAS, the County has imposed a sales and use tax via the "Help Preserve Open Spaces Initiative" for the purchase and maintenance of open space, natural areas, wildlife habitat, parks and trails and a portion of the funds generated by said sales tax are distributed to municipalities located within Larimer County, including Fort Collins and Loveland; and

WHEREAS, Fort Collins has imposed a dedicated 0.25% sales and use tax known as "Open Space Yes!", portions of the revenues from which are intended and available for the purchase and maintenance of open space, natural areas, and trails; and

WHEREAS, Loveland has an Open Lands and Trails Program that uses portions of the revenues from the Help Preserve Open Spaces Initiative sales tax to purchase and maintain open space, natural areas and trails; and

WHEREAS, the parties recognize through the Larimer County Open Lands Master Plan, Fort Collins Natural Areas Master Plans, and the City of Loveland Parks & Recreation Master Plan that certain lands in the foothills and along the mountain backdrop to the cities of Fort Collins and Loveland (the "Conservation Area") are important to be conserved through various means such as fee acquisition, conservation easements, and regulatory measures; and

WHEREAS, the Larimer County Natural Resources Department, the City of Fort Collins Natural Areas Department, and the City of Loveland Parks & Recreation Department share common goals in conserving land in the Conservation Area, and by this IGA intend to form a partnership to carry out a land conservation project known as the "Heaven's Door Ranch Conservation Project" to conserve up to 1,547 acres in fee and conservation easement; and

WHEREAS, the Larimer County Natural Resources Department has prioritized encumbering the County's open space properties with conservation easements to further protect those lands' conservation values, which convey significant benefits to the public; and

WHEREAS, the County anticipates acquiring through purchase of fee interests, the real property referred to as "Heaven's Door Ranch" described in **Exhibit A**, attached hereto and incorporated herein by reference (the "Ranch Property"); and

WHEREAS, the Ranch Property possesses natural wildlife habitat and native plant communities, including wetlands, shrublands and forests, significant open space, agricultural grazing land, geologic

features and scenic and other aesthetic and ecological values (the "Conservation Values") of great importance to the parties, the people of Larimer County and the people of the State of Colorado; and

WHEREAS, the Property provides opportunities for appropriate, nature-based recreation including trails and trailhead amenities for public access, which provides an additional conservation value of great importance to the parties, the people of Larimer County and the people of the State of Colorado; and

WHEREAS, in consideration of a \$750,000 contribution from Fort Collins and a \$500,000 contribution from Loveland towards the purchase of the Ranch Property, the County intends to convey a conservation easement (the "Conservation Easement") to Fort Collins and Loveland on the Ranch Property following the acquisition to protect the Conservation Values into perpetuity; and

WHEREAS, the parties desire to cooperate and contract with one another concerning the sharing of acquisition costs and responsibilities for the conservation of the Ranch Property.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

A. Subject Property/Easement

1. The County will make reasonable efforts to acquire fee title to the Ranch Property.

2. The cost for conserving the Ranch Property, including the purchase price for the Ranch Property, conveyance of the Conservation Easement (including closing costs and title insurance), Mineral Remoteness Opinion, and Baseline Report is estimated to be approximately \$9,029,850.00 as shown in **Exhibit B**, attached hereto and incorporated herein by reference. The County, Fort Collins, and Loveland are responsible for paying the estimated costs designated to each of them in **Exhibit B**.

(a) Fort Collins will contribute \$750,000 and Loveland will contribute \$500,000 toward the cost of the acquisition of the Ranch Property in exchange for the County granting the Conservation Easement on the Ranch Property to be co-held by Fort Collins and Loveland.

(b) The County will use the full \$1,250,000 contributed by Fort Collins and Loveland to acquire the Ranch Property, which acquisition is expected to close in 2022.

(c) The County, at its sole discretion, will have the option to divest itself of approximately 150 acres of the Southeast corner of the Ranch Property, being more particularly described in **Exhibit C**, attached hereto and incorporated herein by reference (collectively, the "Excluded Parcels"). The County will receive all proceeds from the sale of the Excluded Parcels.

- (d) The County will pay all due diligence costs associated with the fee acquisition of the Ranch Property. The parties agree to share the due diligence costs associated with the conveyance of the Conservation Easement from the County to Fort Collins and Loveland. These estimated costs are shown in **Exhibit B**.
- (e) If either the County, Fort Collins, or Loveland determines it is unable to pay its share of any unanticipated costs, they agree to negotiate in good faith to reach a resolution such that the acquisition of the Ranch Property and conveyance of the Conservation Easement may be completed. Such resolution may include modifying the amount each party will pay for the unanticipated costs.
- (f) Provided the County acquires the Ranch Property, prior to December 31, 2023, the County will convey the Conservation Easement on the Ranch Property to Fort Collins and Loveland as co-holders of the Conservation Easement. Fort Collins and Loveland will prepare the Conservation Easement instrument covering the entire Ranch Property, less any portion of the Excluded Parcels the County chooses not to include, in collaboration with the County. The County may choose to exclude all or portions of the Excluded Parcels from the Conservation Easement with covenants or deed restrictions that preserve the conservation values of the area including wildlife corridors, viewsheds and native landscapes. If the Excluded Parcels are included, the Conservation Easement shall be written to allow the subdivision and subsequent sale of the Excluded Parcels at the County's discretion. The terms and conditions of the Conservation Easement will be substantially the same as the form conservation easement template attached as **Exhibit D** which the County, Fort Collins and Loveland agree must be completed and revised (including exhibits thereto) subject to approval of the the County, Fort Collins, and Loveland each in their sole and separate subjective discretion prior to the conveyance of the Conservation Easement.
- (g) Conveyance of the Conservation Easement is also subject to prior approval by the Larimer County Board of County Commissioners in its discretion by final adoption of a resolution. If the Board of County Commissioners does not pass such a resolution on or before December 31, 2023, or if the parties cannot agree on the form of the Conservation Easement, then this IGA shall terminate, all parties shall be released from their obligations hereunder and Fort Collins and Loveland shall be entitled to a full refund of their contributions towards the County's purchase of the Ranch Property.
- (h) Upon completion of the transaction the County shall submit the Conservation Easement to the Larimer County Clerk and Recorder for recording in the real property records of the County and shall provide a copy of the recorded Conservation Easement to Fort Collins and Loveland upon completion of recording.

4. Following the closing for acquisition of the Ranch Property and conveyance of the Conservation Easement, the County, Fort Collins and Loveland will prepare a summary report similar to **Exhibit B** showing the exact costs paid by each party. The costs paid by each party shall not be construed as equivalent to the value of the property interest held by such party.

5. Until such time as the closing and conveyance of the Ranch Property, the County shall remain the primary negotiator with the landowner. Additionally, the County shall have the discretion to make decisions related to the negotiations including choice of surveyor, title company, and other administrative matters, consistent with this Agreement. The parties shall promptly communicate with each other on any new developments in the negotiations and new material information related to the subject property and the Conservation Easement acquisition.

6. Until such time as the closing and conveyance of the Conservation Easement, Fort Collins and Loveland shall act to uphold the Conservation Values inherent to the Ranch Property as if the Conservation Easement is in place. No party shall take action that could impede or inhibit (i) the acquisition of the Ranch Property by the County, (ii) the divestment of the Excluded Parcels by the County to a third party, and/or (iii) the conveyance of the Conservation Easement to Fort Collins and Loveland.

B. Management of the Ranch Property

1. The County will manage the Ranch Property in accordance with management priorities for County open spaces in a similar geographic location. Within twenty-four (24) months of Conservation Easement conveyance to the cities, the County will complete an interim stewardship plan outlining management goals for the property until such time the County performs a full management plan that includes stakeholder and public input. As part of its ownership and management of the Ranch Property, the County shall have the right to assess and retain all revenues associated with user fees or other real income generated through leases, etc. on the site as deemed appropriate.

2. In the event of emergency circumstances requiring immediate response prior to the development of a management plan for the Ranch Property, the County shall be entitled to use reasonable discretion in responding to such circumstances. If possible, the County shall consult with Fort Collins and Loveland in advance of any action being taken. In the event advance consultation is not reasonably possible, the County shall limit its actions to those necessary to address the existing emergency and shall make reasonable efforts to inform Fort Collins and Loveland promptly of any such event and chosen course of action.

C. Subsequent Sale and/or Transfer of the Ranch Property or Conservation Easement Interests

1. If the County desires to sell all or any portion of its fee interest in the Ranch Property, not including the "Excluded Parcels" described in Section A.2(c), the County shall provide written notice to Fort Collins and Loveland of its intention to sell its interest ("Notice of Intent to Sell"). Fort Collins and/or Loveland shall have a right of first refusal ("Option") to purchase such interest ("Interest") for its fair market value.

(a) Fort Collins and/or Loveland shall have thirty (30) days from the date of the Notice of Intent to Sell to notify the County if it is interested in purchasing the Interest. The parties shall then jointly select an appraiser to determine the fair market value of the Interest. The cost of such appraisal shall be split equally between the parties.

(b) Fort Collins and/or Loveland shall notify the County within thirty (30) days following the completion of the appraisal whether it intends to purchase the Interest. The parties

shall then work in good faith to negotiate a purchase and sale agreement and any necessary documents for completion of the sale. The Option shall expire if Fort Collins and/or Loveland do not, within thirty (30) days of the completion of the appraisal, notify the County that it intends to purchase the Interest.

- (c) If Fort Collins and/or Loveland timely notify the County of its intent to purchase, the Option shall nonetheless expire two years after the date of the Notice of Intent to Purchase if the parties, acting in good faith, have not closed on the conveyance of the Interest by that time.
- (d) If Fort Collins and/or Loveland decline to purchase the Interest, either before or after having the Interest appraised, the County may then convey the Interest to a third-party as it chooses without compensation to Fort Collins or Loveland, as long as such sale of the Interest is subject to the terms of the Conservation Easement and any other existing encumbrances, restrictions, or conditions applicable to the conveyed property.

2. After the conveyance of the Conservation Easement to Fort Collins and Loveland, if the County desires to sell all or any portion of its fee interest in the Ranch Property that is subject to the Conservation Easement, including easements or rights of way, and Fort Collins or Loveland notifies the County of a potential adverse impact of the proposed sale on the remaining interests in the Ranch Property or the Conservation Easement, the parties agree to negotiate in good faith to resolve the issue prior to the conveyance of such interests, as described in the Conservation Easement.

3. If all or any portion of the Ranch Property is taken by eminent domain prior to the County's conveyance of the Conservation Easement to Fort Collins and Loveland, the net proceeds from such disposition shall be divided between the County, Fort Collins, and Loveland in the same percentage as their respective contributions to the initial purchase payments for acquiring the property interests taken as defined in **Exhibit B**. Proceeds from such conveyance shall be subject to the provisions of each party's respective applicable policies, ordinances, resolutions, and plans. If all or any portion of the Ranch Property is taken by eminent domain after conveyance of the Conservation Easement, the compensation received for the taking shall be divided between the parties as described in the Conservation Easement.

4. If either Fort Collins or Loveland wishes to assign its interest in the Conservation Easement (including any form of transfer or conveyance) to a third party, it shall provide written notice to the County of its intention to do so and the identity of the proposed assignee ("Notice"). The County shall have thirty (30) days from receipt of the Notice to notify Fort Collins and/or Loveland of any reasonable objection the County has to the proposed assignment and the basis for such objection. If the County raises such an objection, the parties agree to negotiate in good faith to resolve the issue prior to the assignment of the Conservation Easement. Per the terms of the Conservation Easement, Fort Collins and/or Loveland shall have the authority to assign the Conservation Easement despite objection by the County provided that Fort Collins and/or Loveland has negotiated in good faith with the County to resolve the objection. The parties understand and acknowledge that if Fort Collins and/or Loveland assigns the Conservation Easement to a third-party, said party may not receive any payment for such transfer, and neither Fort Collins, Loveland nor the County would be entitled to recover any portion of its initial contribution to the value of the Conservation Easement.

5. Nothing in this Section C shall be construed to affect the sale of the Excluded Parcels. The County may divest itself of the Excluded Parcels to a third party at its sole discretion as if the Excluded Parcels are not part of this Intergovernmental Agreement.

D. General Provisions.

1. Each party agrees to execute all additional instruments and documents necessary to effectuate the transactions and purposes described herein, subject to any necessary approvals.

2. This Agreement shall be binding upon and inure to the benefit of the parties' respective successors and permitted assigns.

3. Financial obligations of the parties payable after the current fiscal year are contingent upon the governing bodies of the parties, in their discretion, appropriating funds sufficient and intended for such purposes.

4. Each party is responsible for its own negligence and that of its officers, employees, and volunteers. Nothing in this Agreement waives the immunities, limits of liability, or other terms and conditions of the Colorado Governmental Immunity Act as now in force or hereafter amended.

5. Any notices required or permitted to be given shall be in writing and personally delivered to the office of the parties hereof, or sent by first class mail, postage prepaid, or by overnight commercial courier, addressed as follows:

Katie Donahue	Marilyn Hilgenberg	Daylan Figgs
Natural Areas Director	Open Lands & Trails Manager	Natural Resources Director
City of Fort Collins – Natural Areas Department	City of Loveland Parks & Recreation Department	Larimer County Natural Resources Department
PO Box 580 Fort Collins, CO 80522	500 E Third St, Suite 200 Loveland, CO 80537	1800 S County Rd 31 Loveland, CO 80537
kdonahue@fcgov.com	Marilyn.hilgenberg@cityofloveland.org	dfiggs@larimer.org

Any such notice shall be effective (i) in the case of personal delivery or by overnight commercial courier, when the notice is actually received, or (ii) in the case of first-class mail, the third day following deposit in the United States mail, postage prepaid, addressed as set forth above. Any party may change these persons or addresses by giving notice as required above.

6. If any party should fail or refuse to perform according to the terms of this Agreement, such party may be declared in default thereof. If a party has been declared in default, such defaulting party shall be allowed a period of ten (10) days within which to cure said default. In the event the default remains uncorrected, the party declaring default may elect to (a) terminate the Agreement and seek damages; (b) treat the Agreement as continuing and require specific performance; or (c) avail itself of any other remedy at law or equity. If a non-defaulting party commences legal or equitable actions against the defaulting party, the defaulting party shall be liable to the non-defaulting party for the non-defaulting party's reasonable attorney fees and costs incurred because of the default.

7. Nothing in this Agreement shall imply any partnership, joint venture, or other association between the County, Fort Collins, and Loveland. Each party shall have sole responsibility for the content and the conduct of its activities. No party shall use another's name or logo to suggest co-sponsorship or endorsement of any activity without the other's prior written approval.

IN WITNESS WHEREOF, the parties hereto have executed this Intergovernmental Agreement concerning the Heaven's Door Ranch Conservation Project, on the day and year first above written.

THE CITY OF FORT COLLINS, COLORADO,
A Municipal Corporation

DocuSigned by:
Jeni Arndt
By: _____
20F788A88621436
Jeni Arndt, Mayor

ATTEST:

DocuSigned by:
Anissa Hollingshead

9245243B639E429...
City Clerk

Anissa Hollingshead

(print name)

APPROVED AS TO FORM:

DocuSigned by:
Ingrid Decker

D7E943F6E3E244B...
Senior Assistant City Attorney

Ingrid Decker

(print name)



THE CITY OF LOVELAND, COLORADO,
A Municipal Corporation

By: Stephen C Adams
Stephen C. Adams, City Manager

ATTEST:

[Signature]
Assistant City Clerk

APPROVED AS TO FORM:

[Signature]
Assistant City Attorney, Noah Cecil



BOARD OF COUNTY COMMISSIONERS
LARIMER COUNTY, COLORADO

By: Justin Stephens
Chair

ATTEST:

W. Bryant
Deputy Clerk

APPROVED AS TO FORM:

W. R. Wierker
County Attorney

EXHIBIT "A"
Legal Description

"Heaven's Door LLC Property"

That portion of Sections 9, 10, 11, 14, 15, and 22, Township 5 North, Range 70 West of the 6th P.M., LARIMER COUNTY, COLORADO, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Beginning at the Southeast corner of said Section 15; thence along the South line of the Southeast 1/4 of said Section 15 South 87°34'44" West 2776.97 feet to the East line of the West 1/2 of said Section 22; thence along said East line South 00°06'55" East 3958.23 feet to the South line of the Northeast 1/4 of the Southwest 1/4 of said Section 22; thence along said South line North 89°51'05" West 1312.60 feet to the West line of said Northeast 1/4 of the Southwest 1/4; thence along said West line and along the West line of the Southeast 1/4 of the Northwest 1/4 of said Section 22 North 00°01'18" West 2605.05 feet to the South line of the Northwest 1/4 of the Northwest 1/4 of said Section 22; thence along said South line South 89°37'07" West 1308.28 feet to the West line of said Northwest 1/4 of Section 212; thence along said West line North 00°04'33" East 1296.47 feet to the Southwest corner of said Section 15; thence along the West line of said Section 15 North 01°58'15" West 5183.00 feet to the South line of the Southeast 1/4 of said Section 9; thence along said South line North 85°42'29" West 2495.14 feet to the South 1/4 corner of said Section 9; thence along the South line of the Southwest 1/4 of said Section 9 North 89°32'42" West 1264.97 feet to the West line of the East 1/2 of said Southwest 1/4 of Section 9; thence along said West line North 00°38'50" West 2451.39 feet to the North line of said East 1/2 of the Southwest 1/4 of Section 9; thence along said North line South 88°51'38" East 1191.37 feet to the West line of the Northeast 1/4 of said Section 9; thence along said West line North 02°26'47" West 1307.86 feet to the North line of the South 1/2 of said Northeast 1/4 of Section 9; thence along said North line South 88°18'50" East 2555.81 feet to the West line of said Section 10; thence along the North line of the South 1/2 of the Northwest 1/4 of said Section 10 North 85°59'28" East 2787.97 feet to the East line of said Northwest 1/4 of Section 10; thence along the North line of the Southwest 1/4 of the Northeast 1/4 of said Section 10 North 85°59'02" East 402.77 feet to the Southwesterly right-of-line of U.S. Highway 34; thence along said right-of-way line South 29°34'54" East 2575.00 feet and again North 62°18'01" East 10.00 feet to a point of intersection with a non-tangent curve concave Northeasterly, having a radius of 995.00 feet and a central angle of 57°57'08"; thence Southeasterly along the arc of said curve to the left from which the local tangent at the beginning point bears South 29°34'53" East, a distance of 1008.40 feet, said arc subtended by a chord which bears South 58°33'27" East a distance of 964.05 feet to the point of intersection with a non-tangent line. Thence North 88°50'41" East a distance of 66.83 feet; thence South 01°14'34" West 20.00 feet; thence North 83°36'48" East 174.83 feet; thence North 78°40'25" East 171.32 feet to the Westerly line of Rock Ridge Ranch the following four courses and distances:
South 02°13'55" East 397.38 feet;
South 02°28'53" East 1052.42 feet;
South 03°08'01" East 1812.59 feet;
South 05°10'40" East 467.05 feet
to the South line of the Northwest 1/4 of said Section 14; thence along said South line North 89°58'54" West 235.66 feet to the East line of the Southeast 1/4 of said Section 15; thence along said East line South 00°05'57" West 2652.93 feet to the POINT OF BEGINNING.

EXCEPTING Tracts A, B, D and F as described in Deed recorded in Book 899 Page 438, and also EXCEPTING therefrom any portion of the above described land lying in the tracts of land as described in deeds recorded in Book 426 page 393, and Book 426 Page 399, records of said county. County of Larimer, State of Colorado

ALSO EXCEPTING those portions contained in Deeds recorded May 8, 1996 at Reception Number 96032350 and Reception Number 96032352.

EXHIBIT "A"
Legal Description

"Rose Trust Property"

DESCRIPTION – PARCEL 3:

That portion of the Southeast 1/4 of Section 10, and the Southwest 1/4 of Section 11, all in Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Commencing at the West 1/4 corner of Section 14, Township 5 North, Range 70 West of the 6th P.M.; thence along the South line of the Northwest 1/4 of said Section 14, South 89°58'54" East, a distance of 235.66 feet to the West line of Rock Ridge Ranch; thence along said West line North 05°10'40" West, a distance of 467.05 feet; thence North 03°08'01" West, a distance of 1812.59 feet; thence North 02°28'53" West, a distance of 624.78 feet to the TRUE POINT OF BEGINNING; thence leaving said West line, West a distance of 2152.74 feet to the Easterly right-of-way line of the Horsetooth Feeder Canal; thence along said Easterly right-of-way line North 02°20'06" West, a distance of 20.32 feet to a point of intersection with a non-tangent curve, concave Westerly, having a radius of 507.00 feet and a central angle of 22°25'02"; thence Northerly along the arc of said curve to the left, from which the local tangent at the beginning point bears North 01°33'33" East, a distance of 198.37 feet, said arc subtended by a chord which bears North 09°38'59" West, a distance of 197.10 feet to the point of intersection with a non-tangent line; thence North 24°38'03" West, a distance of 56.94 feet to a point of intersection with a non-tangent curve, concave Easterly, having a radius of 448.00 feet and a central angle of 16°08'44"; thence Northwesterly along the arc of said curve to the right, from which the local tangent at the beginning point bears North 23°31'40" West, a distance of 126.24 feet, said arc subtended by a chord which bears North 15°27'18" West, a distance of 125.83 feet to the point of intersection with a non-tangent line; thence North 08°35'39" West, a distance of 286.11 feet; thence leaving said Easterly right-of-way line North 81°24'01" East, a distance of 1469.37 feet to the Southwesterly right-of-way line of U.S. Highway 34 and a point of intersection with a non-tangent curve, concave Northerly, having a radius of 995.00 feet and a central angle of 23°26'53"; thence along said right-of-way Southeasterly along the arc of said curve to the left, from which the local tangent at the beginning point bears South 63°54'06" East, a distance of 407.20 feet, said arc subtended by a chord which bears South 75°37'33" East, a distance of 404.36 feet to the point of intersection with a non-tangent line; thence North 88°50'41" East, a distance of 66.83 feet; thence South 01°14'34" West, a distance of 20.00 feet; thence North 83°36'48" East, a distance of 174.83 feet; thence North 78°40'25" East, a distance of 171.32 feet to said Westerly line of Rock Ridge Ranch; thence along said Westerly line South 02°13'55" East, a distance of 397.38 feet; thence South 02°28'53" East, a distance of 427.65 feet to the TRUE POINT OF BEGINNING, County of Larimer, State of Colorado.

DESCRIPTION – PARCEL 6:

That portion of the Northeast 1/4 of Section 15, and the Northwest 1/4 of Section 14, all in Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Commencing at the West 1/4 corner of said Section 14; thence along the South line of the Northwest 1/4 of said Section 14 South 89°58'54" East, a distance of 235.66 feet to the West line of Rock Ridge Ranch; thence along said West line North 05°10'40" West, a distance of 467.05 feet to the TRUE POINT OF BEGINNING; thence leaving said West line South 88°25'58" West, a distance of 2032.58 feet to the Easterly right-of-way line of the Horsetooth Feeder Canal; thence along said Easterly right-of-way line North 06°32'03" East, a distance of 161.47 feet to a point of intersection with a non-tangent curve, concave Westerly, having a radius of 697.96 feet and a central angle of 16°42'36"; thence Northerly

EXHIBIT "A"

Legal Description

along the arc of said curve to the left, from which the local tangent at the beginning point bears North 03°56'59" East, a distance of 203.56 feet, said arc subtended by a chord which bears North 04°24'19" West, a distance of 202.84 feet to the point of intersection with a non-tangent line; thence North 16°14'10" West, a distance of 63.58 feet to the beginning of a curve, concave Easterly, having a radius of 447.96 feet and a central angle of 15°11'00"; thence Northerly along the arc of said curve to the right, a distance of 118.71 feet, said arc subtended by a chord which bears North 08°38'40" West, a distance of 118.36 feet to the point of intersection with a non-tangent line; thence North 01°02'03" West, a distance of 282.25 feet; thence North 00°01'22" West, a distance of 44.66 feet; thence leaving said Easterly right-of-way line East, a distance of 2025.25 feet to said West line of Rock Ridge Ranch; thence along said West line South 03°08'01" East, a distance of 813.22 feet to the TRUE POINT OF BEGINNING, County of Larimer, State of Colorado.

DESCRIPTION – PARCEL 9:

That portion of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Beginning at the Southeast corner of said Section 15; thence along the South line of the Southeast 1/4 of said Section 15 South 87°34'44" West, a distance of 1157.92 feet to the Easterly line of Tract F of the Horsetooth Feeder Canal; thence along said Easterly line North 01°19'35" East, a distance of 823.78 feet; thence North 35°16'00" West, a distance of 484.20 feet; thence North 54°44'00" East, a distance of 119.10 feet; thence leaving said Easterly line North 89°13'36" East, a distance of 1322.44 feet to the East line of the Southeast 1/4 of said Section 15; thence along said East line South 00°05'57" West, a distance of 1256.60 feet to the POINT OF BEGINNING, County of Larimer, State of Colorado.

EXHIBIT "A"
Legal Description

" Eagle Trust Property"

DESCRIPTION – PARCEL 1:

That portion of Section 10, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Beginning at the Northwest corner of the Southwest 1/4 of the Northeast 1/4 of said Section 10; thence along the North line of said Southwest 1/4 of the Northeast 1/4 North 85°59'02" East, a distance of 402.77 feet to the Southwesterly right-of-way of U.S. Highway 34; thence along said Southwesterly right-of-way line South 29°34'54" East, a distance of 1564.25 feet; thence leaving said right-of-way line South 60°25'06" West, a distance of 269.62 feet; thence South 79°06'30" West, a distance of 389.02 feet; thence South 57°27'01" West, a distance of 460.18 feet to the Easterly right-of-way line of the Horsetooth Feeder Canal; thence along said Easterly right-of-way line North 32°42'37" West, a distance of 486.71 feet to a point of intersection with a non-tangent curve, concave Easterly, having a radius of 257.00 feet and a central angle of 31°02'17"; thence Northwesterly along the arc of said curve to the right, from which the local tangent at the beginning point bears North 32°29'22" West, a distance of 139.22 feet, said arc subtended by a chord which bears North 16°58'13" West, a distance of 137.53 feet to the point of intersection with a non-tangent line; thence North 01°54'11" West, a distance of 22.31 feet to a point of intersection with a non-tangent curve, concave Southwesterly, having a radius of 411.50 feet and a central angle of 46°18'03"; thence Northerly along the arc of said curve to the left, from which the local tangent at the beginning point bears North 01°13'44" West, a distance of 332.53 feet, said arc subtended by a chord which bears North 24°22'45" West, a distance of 323.56 feet to the point of intersection with a non-tangent line; thence North 47°58'04" West, a distance of 358.55 feet; thence North 41°56'26" East, a distance of 646.90 feet; thence North 04°00'34" West, a distance of 199.60 feet to the North line of the South 1/2 of the Northwest 1/4 of said Section 10; thence along said North line 85°59'26" East, a distance of 116.40 feet to the TRUE POINT OF BEGINNING, County of Larimer, State of Colorado.

DESCRIPTION – PARCEL 4:

That portion of the Southeast 1/4 of Section 10, and the Southwest 1/4 of Section 11, and the Northeast 1/4 of Section 15, and the Northwest 1/4 of Section 14, all in Township 5 North, Range 70 West of the 6 th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Commencing at the W 1/4 corner of said Section 14; thence along the South line of the Northwest 1/4 of said Section 14, South 89°58'54" East, a distance of 235.66 feet to the West line of Rock Ridge Ranch; thence along said West line North 05°10'40" West, a distance of 467.05 feet; thence North 03°08'01" West, a distance of 1633.84 feet to the TRUE POINT OF BEGINNING; thence leaving said West line, West a distance of 2122.47 feet to the Easterly right-of-way of the Horsetooth Feeder Canal; thence along said Easterly right-of-way line North 08°34'59" West, a distance of 93.34 feet to a point of intersection with a non-tangent curve, concave Easterly, having a radius of 66.00 feet and a central angle of 25°58'39"; thence Northerly along the arc of said curve to the right, from which the local tangent at the beginning point bears North 06°38'19" West a distance of 29.92 feet, said arc subtended by a chord which bears North 06°21'00" East, a distance of 29.67 feet to the point of intersection with a non-tangent line; thence North 17°08'39" East, a distance of 97.68 feet to a point of intersection with a non-tangent curve, concave Westerly, having a radius of 411.50 feet and a central angle of 38°29'53"; thence Northerly along the arc of said curve to the left, from which the local tangent at the beginning

EXHIBIT "A"

Legal Description

point bears North 14°03'19" East, a distance of 276.50 feet, said arc subtended by a chord which bears North 05°11'39" West, a distance of 271.32 feet to the point of intersection with a non-tangent line; thence North 21°09'41" West, a distance of 86.23 feet to a point of intersection with a non-tangent curve, concave Easterly, having a radius of 448.00 feet and a central angle of 18°57'22"; thence Northerly along the arc of said curve to the right, from which the local tangent at the beginning point bears North 19°33'13" West, a distance of 148.22 feet, said arc subtended by a chord which bears North 10°04'32" West, a distance of 147.54 feet to the point of intersection with a non-tangent line; thence Northerly 02°20'06" West, a distance of 91.75 feet; thence leaving said Easterly right-of-way line, East, a distance of 2152.74 feet to said West line of Rock Ridge Ranch; thence along said West line South 02°28'53" East, a distance of 803.53 feet to the TRUE POINT OF BEGINNING, County of Larimer, State of Colorado.

DESCRIPTION – PARCEL 7:

That portion of the East 1/2 of Section 15, and the West 1/2 of Section 14, all in Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Commencing at the Southeast corner of said Section 15; thence along the East line of said Southeast 1/4 of said Section 15 North 00°05'57" East, a distance of 2229.83 feet to the TRUE POINT OF BEGINNING; thence West, a distance of 1685.71 feet to the Easterly right-of-way line of Horsetooth Feeder Canal; thence along said Easterly right-of-way line North 07°05'55" West, a distance of 235.69 feet to a point of intersection with a non-tangent curve, concave Westerly, having a radius of 945.90 feet and a central angle of 06°56'40"; thence Northerly along the arc of said curve to the left, from which the local tangent at the beginning point bears North 07°43'43" West, a distance of 114.65 feet, said arc subtended by a chord which bears North 11°12'03" West, a distance of 114.58 feet to a point of intersection with a non-tangent curve, concave Westerly, having a radius of 1195.90 feet and a central angle of 03°25'31"; thence Northerly along the arc of said curve to the left, from which point the local tangent at the beginning point bears North 11°26'22" West, a distance of 71.49 feet, said arc subtended by a chord which bears North 13°09'07" West, a distance of 71.48 feet to the point of intersection with a non-tangent line; thence North 15°00'46" West, a distance of 309.38 feet to the beginning of a curve, concave Easterly, having a radius of 250.00 feet and a central angle of 21°32'49"; thence Northerly along the arc of said curve to the right, a distance of 94.02 feet, said arc subtended by a chord which bears North 04°14'24" West, a distance of 93.46 feet to the point of intersection with a non-tangent line; thence North 06°32'03" East, a distance of 24.84 feet; thence leaving said Easterly right-of-way line North 88°25'58" East, a distance of 2032.58 feet to the West line of Rock Ridge Ranch; thence along said West line South 05°10'40" East, a distance of 467.05 feet to the South line of the Northwest 1/4 of said Section 14; thence along said South line North 89°58'54" West, a distance of 235.66 feet to said East line of the Southeast 1/4 of Section 15; thence along said East line South 00°05'57" West, a distance of 423.10 feet to the TRUE POINT OF BEGINNING, County of Larimer, State of Colorado.

EXHIBIT "A"
Legal Description

" KSL Real Estate LLC Property"

Parcel I:

The SW ¼ of the SW ¼ of Section 14, Township 5 North, Range 70 West of the 6th P.M., together with a tract of land situate in the SW ¼ of Section 14, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, being more particularly described as follows:

Considering the South line of the SW ¼ of said Section 14 as bearing South 89°10'40" East and with all bearings contained herein relative thereto:

Beginning at the SW corner of said Section 14, thence along the West line of the SW ¼ of said Section 14, North 00°46'27" East 1325.52 feet to the SW corner of the NW ¼ of the SW ¼ of said Section 14 as monumented in the field, thence along the South line of the NW ¼ of the SW ¼ of said Section 14, South 89°15'21" East 792.70 feet to the true point of beginning, thence continuing along said South line South 89°15'21" East 569.59 feet to the SW corner of the NW ¼ of the SW ¼ of said Section 14 as monumented in the field, thence along the East line of the NW ¼ of the SW ¼ of said Section 14, North 00°11'57" East 120.00 feet, thence North 89°15'21" West 200.00 feet, thence South 74°06'50" West 384.34 feet, thence South 01°46'15" West 10.00 feet to the true point of beginning, County of Larimer, State of Colorado.

Together with access to the SW1/4 of SW ¼ and NW ¼ of SW ¼ in accordance with the following described easement:
ROAD EASEMENT A

A 60.00 feet ingress, egress easement being 30.00 feet on each side of the following described centerline: Considering the North line of the NW ¼ of Section 23, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado as bearing South 89°10'40" East and with all bearings contained herein relative thereto: Beginning at the North ¼ corner of said Section 23; thence along the North line of said NW ¼ North 89°10'40" West 30.00 feet to the true point of beginning of said centerline of said easement; thence along said centerline the thirteen (13) following courses and distances: North 00°22'26" West 95.20 feet; North 21°50'20" West 56.40 feet; North 69°38'13" West 62.90 feet; South 82°53'28" West 57.70 feet; South 60°29'23" West 101.20 feet; South 54°07'20" West 396.20 feet; South 41°43'26" West 381.40 feet; South 65°59'53" West 195.80 feet; North 88°44'22" West 191.40 feet; North 66°37'11" West 220.71 feet; North 56°06'01" West 275.00 feet; North 40°06'39" West 347.50 feet; North 89°10'40" West 899.60 feet to the end of said centerline of said easement, County of Larimer, State of Colorado.

Parcel II:

The NW ¼ of the SW ¼ of Section 14, Township 5 North, Range 70 West of the 6th P.M., County of Larimer, State of Colorado, except that portion of the above described land as conveyed in Warranty Deed recorded November 20, 1990 at Reception No. 90053166, County of Larimer, State of Colorado.

EXHIBIT B

Heaven's Door Ranch Conservation Project**Draft IGA Cost Data***Costs are Estimates and are subject to change*

Property	Acres	Larimer County	Fort Collins	Loveland	Total
Heaven's Door Ranch Fee Purchase					
Land Acquisition	1,547	\$7,750,000	\$750,000	\$500,000	\$9,000,000
Closing Costs		\$8,080			\$8,080
Environmental Assessment		\$4,000			\$4,000
Inspection		\$2,270			\$2,270
Subtotal					\$9,014,350
Heaven's Door Ranch Conservation Easement					
Easement Acquisition			\$750,000	\$500,000	
Baseline Report			\$6,000	\$6,000	\$12,000
Mineral Remoteness Report			\$1,250	\$1,250	\$2,500
CE Closing Costs			\$500	\$500	\$1,000
Subtotal					\$15,500
Grand TOTALS	1547	\$7,764,350	\$757,750	\$507,750	\$9,029,850

EXHIBIT "C"
Excluded Parcels

DESCRIPTION – PARCEL 8:

That portion of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Commencing at the Southeast corner of said Section 15; thence along the East line of the Southeast 1/4 of said Section 15 North 00°05'57" East, a distance of 1256.60 feet to the TRUE POINT OF BEGINNING; thence South 89°13'36" West, a distance of 1322.44 feet to the Easterly right-of-way line of the Horsetooth Feeder Canal; thence along said Easterly right-of-way line North 00°52'01" West, a distance of 150.10 feet; thence South 89°08'00" West, a distance of 205.00 feet; thence North 00°52'00" West, a distance of 137.30 feet; to the beginning of a curve, concave Westerly, having a radius of 799.10 feet and a central angle of 15°49'22", thence Northerly along the arc of said curve to the left, a distance of 220.68 feet, said arc subtended by a chord which bears North 08°46'41" West, a distance of 219.98 feet to the point of intersection with a non-tangent line; thence North 17°19'22" West, a distance of 250.42 feet; to a point of intersection with a non-tangent curve, concave Easterly, having a radius of 1020.90 feet and a central angle of 09°02'59", thence Northerly along the arc of said curve to the right, from which the local tangent at the beginning point bears North 16°14'27" West, a distance of 161.25 feet, said arc subtended by a chord which bears North 11°42'57" West, a distance of 161.08 feet to the point of intersection with a non-tangent line; thence North 07°05'56" West, a distance of 93.33 feet; thence leaving said Easterly right-of-way line East, a distance of 1685.71 feet to said East line of the Southeast 1/4 of Section 15; thence along said East line, South 00°05'57" West, a distance of 973.23 feet, to the TRUE POINT OF BEGINNING, County of Larimer, State of Colorado.

DESCRIPTION – PARCEL 9:

That portion of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, described as follows:

Considering the East line of the Southeast 1/4 of Section 15, Township 5 North, Range 70 West of the 6th P.M., Larimer County Colorado as monumented at the East 1/4 corner with an obliterated cap on a 1" pipe, and at the Southeast corner with a 2" iron pipe, as bearing North 00°05'57" East and with all bearings contained herein relative thereto.

Beginning at the Southeast corner of said Section 15; thence along the South line of the Southeast 1/4 of said Section 15 South 87°34'44" West, a distance of 1157.92 feet to the Easterly line of Tract F of the Horsetooth Feeder Canal; thence along said Easterly line North 01°19'35" East, a distance of 823.78 feet; thence North 35°16'00" West, a distance of 484.20 feet; thence North 54°44'00" East, a distance of 119.10 feet; thence leaving said Easterly line North 89°13'36" East, a distance of 1322.44 feet to the East line of the Southeast 1/4 of said Section 15; thence along said East line South 00°05'57" West, a distance of 1256.60 feet to the POINT OF BEGINNING, County of Larimer, State of Colorado.

EXHIBIT "C"
Excluded Parcels

Parcel I:

The SW ¼ of the SW ¼ of Section 14, Township 5 North, Range 70 West of the 6th P.M., together with a tract of land situate in the SW ¼ of Section 14, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado, being more particularly described as follows:

Considering the South line of the SW ¼ of said Section 14 as bearing South 89°10'40" East and with all bearings contained herein relative thereto:

Beginning at the SW corner of said Section 14, thence along the West line of the SW ¼ of said Section 14, North 00°46'27" East 1325.52 feet to the SW corner of the NW ¼ of the SW ¼ of said Section 14 as monumented in the field, thence along the South line of the NW ¼ of the SW ¼ of said Section 14, South 89°15'21" East 792.70 feet to the true point of beginning, thence continuing along said South line South 89°15'21" East 569.59 feet to the SW corner of the NW ¼ of the SW ¼ of said Section 14 as monumented in the field, thence along the East line of the NW ¼ of the SW ¼ of said Section 14, North 00°11'57" East 120.00 feet, thence North 89°15'21" West 200.00 feet, thence South 74°06'50" West 384.34 feet, thence South 01°46'15" West 10.00 feet to the true point of beginning, County of Larimer, State of Colorado.

Together with access to the SW1/4 of SW ¼ and NW ¼ of SW ¼ in accordance with the following described easement:
ROAD EASEMENT A

A 60.00 feet ingress, egress easement being 30.00 feet on each side of the following described centerline: Considering the North line of the NW ¼ of Section 23, Township 5 North, Range 70 West of the 6th P.M., Larimer County, Colorado as bearing South 89°10'40" East and with all bearings contained herein relative thereto: Beginning at the North ¼ corner of said Section 23; thence along the North line of said NW ¼ North 89°10'40" West 30.00 feet to the true point of beginning of said centerline of said easement; thence along said centerline the thirteen (13) following courses and distances: North 00°22'26" West 95.20 feet; North 21°50'20" West 56.40 feet; North 69°38'13" West 62.90 feet; South 82°53'28" West 57.70 feet; South 60°29'23" West 101.20 feet; South 54°07'20" West 396.20 feet; South 41°43'26" West 381.40 feet; South 65°59'53" West 195.80 feet; North 88°44'22" West 191.40 feet; North 66°37'11" West 220.71 feet; North 56°06'01" West 275.00 feet; North 40°06'39" West 347.50 feet; North 89°10'40" West 899.60 feet to the end of said centerline of said easement, County of Larimer, State of Colorado.

Parcel II:

The NW ¼ of the SW ¼ of Section 14, Township 5 North, Range 70 West of the 6th P.M., County of Larimer, State of Colorado, except that portion of the above described land as conveyed in Warranty Deed recorded November 20, 1990 at Reception No 90053166, County of Larimer, State of Colorado.

EXHIBIT "D"

Conservation Easement Template

DEED OF CONSERVATION EASEMENT

FROM

LARIMER COUNTY, GRANTOR

TO

CITY OF FORT COLLINS AND CITY OF LOVELAND, GRANTEE

This DEED OF CONSERVATION EASEMENT (“**Deed**” or “**Conservation Easement**” or “**Easement**”) is granted this ____ day of _____, 20__ by the Board of County Commissioners of Larimer County, Colorado, a governmental subdivision of the state of Colorado, having its principal address at 200 West Oak Street, Fort Collins, CO 80521, (hereinafter referred to as “**Grantor**”), to and for the benefit of City of Fort Collins, Colorado, a Colorado municipal corporation, having its principal address at P.O. Box 580, Fort Collins, CO 80522 and the City of Loveland, Colorado, a Colorado municipal corporation, having its principal address at 500 E. 3rd Street, Loveland, CO 80537 (jointly hereinafter referred to as “**Grantee**”). (Grantor and Grantee may be individually referred to herein as a “**Party**” and collectively referred to herein as “**Parties.**”) The following exhibits are attached hereto and are incorporated by reference:¹

- Exhibit A - Legal Description of Property
- Exhibit B - Survey Map of Property [including Surveyed Building Envelope(s), trails, roads, and other features designated herein].
- Exhibit C - Baseline Acknowledgement
- Exhibit D - Water Rights
- [Exhibit X - XYZ]

RECITALS:

A. **Property.** Grantor is the sole owner in fee simple of approximately ___ acres of real property located in Larimer County, Colorado more particularly described in **Exhibit A²** attached hereto and generally depicted on the map attached hereto as **Exhibit B** (the “**Property**”). Hereinafter, “**Grantor**” means the Grantor described above and successors to, and transferees and assigns of, Grantor’s interest in the Property.

B. **Conservation Values.** The Property possesses **relatively natural wildlife and plant habitat, significant open space, agricultural land, water or cultural resources, educational, recreational and scenic and other aesthetic and ecological values** (the “**Conservation Values**”) of great importance to Grantor, Grantee, the people of Larimer County and the people of the State of Colorado.

In particular, the Property contains the following characteristics which are also included within the definition of Conservation Values.

- i. The property is in a natural state with the exception of _____.
- ii. Other important habitat features include _____.
- iii. The Property is highly visible from _____.

¹ The names of the Parties should appear in identical form listed in the title commitment (including proper corporate form, as determined by the Colorado Secretary of State’s website, a.k.a., d.b.a., etc. as applicable).

² Check the attached legal description against the title commitment and the vesting deed for the Property.

EXHIBIT "D"

Conservation Easement Template

- iv. The Property provides habitat and migration corridors for a broad range of wildlife species, including bighorn sheep, elk, deer, turkeys, black bears, mountain lions, bobcats, coyotes, foxes, and numerous small mammals and birds.

v. ³

C. Conservation of this property is consistent with the following federal, state and local governmental policies:

- i. C.R.S. § 33-1-101, et seq., provides in relevant part that "it is the declared policy of the State of Colorado that the wildlife and their environment are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and its visitors."
- ii. C.R.S. § 38-30.5-101, et seq., provides for the establishment of conservation easements to maintain land "in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural, horticultural, wetlands, recreational, forest, or other use or condition consistent with the protection of open land, environmental quality or life-sustaining ecological diversity, or appropriate to the conservation and preservation of buildings, sites, or structures having historical, architectural, or cultural interest or value."
- iii. ...

D. Baseline Documentation Report. The Conservation Values are further documented in a written description of the property's condition as of the Effective Date, dated _____, prepared by _____, reviewed, approved, and signed by the Parties, kept on file with both Parties, and incorporated into this Conservation Easement by this reference (the "**Baseline Documentation**"). The Baseline Documentation consists of reports, maps, photographs and other documentation that Grantor and Grantee acknowledge provide, collectively, an accurate representation of the Property at the time of the Effective Date, and the Parties have acknowledged the same in a signed statement, a copy of which is attached as **Exhibit C**, and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this Conservation Easement and assuring that any future changes to the Property are consistent with the Purpose as described in **Section 1** below. The Parties agree that the existence of the Baseline Report shall in no way limit the Parties' ability to use other pertinent information in resolving any controversy that may arise with respect to the condition of the Property as of the Effective Date.

E. Grantee is a governmental subdivision of the State of Colorado, with an open space program dedicated to land conservation, and a "qualified organization" under I.R.C. § 170(h) and Treas. Reg. § 1.170A-14(c), whose primary purpose is to preserve and protect significant open space, natural areas, wildlife habitat, and develop parks and trails for present and future generations.

F. Grantee is qualified to hold conservation easements as a governmental entity under C.R.S. § 38-30.5-104. Grantee is certified as license number CE0035 by the State of Colorado's Division of Real Estate pursuant to C.R.S. § 12-61-724 and 4 C.C.R. 725-4, Chapter 2, to hold conservation easements for which a tax credit is claimed.

G. Grantor intends to create a conservation easement under C.R.S. § 38-30.5-101, et seq., and Grantee agrees, by accepting this Deed, to preserve and protect in perpetuity the Conservation Values for the benefit of this and future generations.

EXHIBIT "D"

Conservation Easement Template

NOW, THEREFORE, in consideration of the recitals set forth above, and the mutual promises, covenants, terms, conditions, and restrictions contained herein, and for Grantor's charitable donation of a portion of the fair market value of the Deed for which Grantee did not provide goods or services to Grantor, and for Grantee's payment of _____ Dollars (\$____), and pursuant to the laws of the State of Colorado and, in particular, C.R.S. § 38-30.5-101, et seq., Grantor hereby voluntarily grants and conveys to Grantee, its successors and assigns, and Grantee hereby voluntarily accepts, a perpetual conservation easement in gross, an immediately vested interest in real property, over the Property, of the nature and character and to the extent hereinafter set forth.

1. **PURPOSE.** The purpose of this Conservation Easement is to preserve and protect in perpetuity the Conservation Values of the Property as they exist on the Effective Date and as they may evolve in the future, in accordance with I.R.C. § 170(h), Treas. Reg. § 1.170A-14 and C.R.S. § 38-30.5-101 et seq. ("**Purpose**"). To effectuate the Purpose, Grantor and Grantee agree: (i) to allow those uses of the Property that are expressly permitted by this Deed, subject to any limitations or restrictions stated herein, and those uses of the Property that do not materially adversely affect the Conservation Values; and (ii) to prevent any use of the Property that is expressly prohibited by this Deed or will materially adversely affect the Conservation Values.

2. **RIGHTS OF GRANTEE.** To accomplish the Purpose of this Conservation Easement, in addition to the rights described in C.R.S. § 38-30.5-101, et seq., and the rights of Grantee described elsewhere in this Deed, the following rights are granted to Grantee by this Deed:

A. The right to preserve and protect the Conservation Values of the Property in perpetuity;

B. The right to enter upon the Property at reasonable times in order to monitor Grantor's compliance with, and if necessary to enforce, the terms of this Deed, provided that Grantee shall provide reasonable prior notice to Grantor, except that such notice shall not be required in the event Grantee reasonably determines that immediate entry upon the Property is necessary to prevent or mitigate a violation of this Deed, in which case a reasonable attempt will be made by Grantee to notify Grantor prior to entry. Grantee shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property when exercising any such rights; and

C. The right to prevent any activity on or use of the Property that is inconsistent with the Purpose or the express terms of this Conservation Easement and to require or undertake the restoration of such areas or features of the Property as may be damaged by any inconsistent activity or use; and

D. The right to require Grantor to consult with Grantee regarding the negotiations of any and all agreements between Grantor and third parties that may impact or disturb any portion of the surface of the Property, including, but not limited to, easement agreements, utility easements, right-of-way agreements, surface use agreements, and lease agreements (other than those specifically related to the agricultural and recreational operations of the Property), and to have the right to approve any such agreement prior to such agreement being executed. Nothing herein is intended to require Grantee to approve any action or agreement that is inconsistent with the terms of this Deed.

EXHIBIT "D"

Conservation Easement Template

3. **RESERVED RIGHTS AND PERMITTED USES.**⁴ Subject to the terms of this Deed, Grantor reserves all rights accruing from Grantor's ownership of the Property, including (i) the right to engage in or permit or invite others to engage in all uses of the Property that are expressly permitted by this Deed, subject to any limitations or restrictions stated herein, and those uses of the Property that do not materially adversely affect the Conservation Values; and (ii) to retain the economic viability of the Property and retain income derived from the Property from all sources that are consistent with the terms of this Deed. Grantor may not, however, exercise these retained rights in a manner that is expressly prohibited by this Deed or that materially adversely affects the Conservation Values. Without limiting the generality of the foregoing, Grantor reserves the specific rights set forth below.

A. The right to exclude any member of the public from trespassing on the Property;

B. Right to Convey. The right to sell, give, lease, bequeath, devise, mortgage, or otherwise encumber or convey the Property to anyone Grantor may choose subject to the following: (i) any lease, deed, or other conveyance or encumbrance is subject to this Deed, and any such document shall specifically incorporate the terms and conditions of this Deed by reference to this Deed; (ii) any lease or deed or other conveyance document shall specifically state which reserved rights have been exercised, if at all, and which reserved rights are specifically allocated to the new owner; and (iii) notice of any proposed conveyance or encumbrance as set forth in this **Section 3B** shall be subject to the provisions of **Section 15 (Transfer of the Property)** of this Deed.

C. Land Stewardship. To accomplish the preservation and protection of the Conservation Values in perpetuity, Grantor shall operate, manage and maintain the Property in a manner that promotes the continued viability of the conservation values on the Property while maintaining any permissible productive uses of the Property, subject to the provisions of **Section 5 (Land Stewardship Plan)** of this Deed. Specifically, Grantor agrees to conduct the activities listed below in a manner consistent with the Purpose. Notwithstanding the foregoing, Grantor and Grantee recognize that changes in economic conditions, in agricultural technologies, in accepted farm, ranch and forest management practices, and in the situation of Grantor may result in an evolution of agricultural, silvicultural, and other uses of the Property, and such uses are permitted if they are consistent with the Purpose.

(1) Habitat Management. Grantor may conduct any activities to create, maintain, restore, or enhance wildlife habitat and native biological communities on the Property, provided that such activities do not have more than a limited, short term adverse effect on the Conservation Values. Prior to any such activities, Grantor must first notify Grantee and obtain Grantee's approval in accordance with **Section 6 (Grantor Notice and Grantee Approval)** of this Deed.

(2) Agriculture. Grantor reserves the right to [list all permitted agricultural uses such as irrigating and fertilizing forage crops, raising and cultivating forage crops and grazing cattle, sheep and other livestock in reasonably numbers, provided that such activity does not result in overgrazing or material environmental degradation of the Property]. Grantor shall conduct all agricultural activities using stewardship and management methods that preserve the natural

4

EXHIBIT "D"

Conservation Easement Template

resources upon which agriculture is based. Long-term stewardship and management goals include preserving soil productivity, maintaining natural stream channels, preventing soil erosion, minimizing invasive species, avoiding unsustainable livestock grazing practices, and minimizing loss of vegetative cover.

(3) Timber Management. Grantor may plant non-invasive trees on the Property. Trees may be cut to control insects and disease, to control invasive non-native species, to prevent personal injury and property damage, to promote forest health, and for fire mitigation purposes including limited and localized tree and vegetation thinning and the creation of defensible space for permitted improvements. Dead trees may also be cut for firewood and other uses on the Property. Any large scale fire mitigation activities or commercial timber harvesting on the Property shall be conducted on a sustainable yield basis and in substantial accordance with a forest management plan prepared by a competent professional forester. Any large-scale fire mitigation activities or timber harvesting shall be conducted in a manner that is consistent with the Purpose. A copy of the forest management plan shall be approved by Grantee.

(4) Recreational Activities. Grantor reserved the right to engage in non-commercial, non-motorized passive recreational activities, such as horseback riding, hiking, cross-country skiing, snowshoeing, and other similar low-impact recreational uses, to be enjoyed solely by Grantor, and Grantor's family and guests. Fishing and hunting are also permitted, so long as they are undertaken in compliance with applicable state and federal laws and regulations and pursued in a manner that is consistent with the Purpose. Trails are permitted only in accordance with **Section 3C(6) (Roads and Trails)** of this Deed.

(5) Residential and Non-Residential Improvements. Improvements existing as of the Effective Date, specifically _____ within a _____ () acre Surveyed Building Envelope are permitted, and Grantor may maintain, repair, replace and reasonably enlarge such improvements in their current locations without Grantee's approval. Grantor reserves the right to construct or place Residential Improvements and Non-Residential Improvements, as defined below, subject to **Section 3C(5)(a) (Surveyed Building Envelope)** below. For any such improvements, Grantor shall provide prior notice to Grantee in accordance with **Section 6** of this deed, including confirmation that all construction and placement will be wholly contained within the Surveyed Building Envelope. Once constructed, Grantor may maintain, repair, replace, and reasonably enlarge such new improvements in their initially-constructed locations without Grantee's approval.

"Residential Improvements" shall mean those covered improvements containing habitable space intended for full or part-time human habitation, including but not limited to, homes, cabins, guest houses, mobile homes, yurts, tepees, and any space attached to any such improvement such as a garage or covered porch.

"Non-Residential Improvements" shall mean all other covered or uncovered agricultural or non-residential improvements that are not intended for human habitation, including but not limited to, barns, hay storage areas, machine shops, sheds, free-standing garages, well houses, outhouses, gazebos, picnic areas, sport courts, pools, outdoor kitchens, parking areas, and indoor and outdoor riding arenas. Grantor reserves the right to construct Minor Non-Residential

EXHIBIT "D"

Conservation Easement Template

Improvements, defined below, without Grantee's approval. "**Minor Non-Residential Improvements**" shall mean minor agricultural or non-residential improvements, including but not limited to, fences (subject to the terms of **Section 3C(7) (Fences)**), corrals, hayracks, cisterns, stock tanks, stock ponds, troughs, fenced hay stacks, livestock feeding stations, hunting blinds, wildlife viewing platforms, sprinklers, water lines, water wells, ditches, information kiosks, trail markers and trash receptacles.

(a) Surveyed Building Envelope. Grantor has designated a building envelope that has been surveyed and consists of ___ acres in size, in the location depicted on **Exhibit B** (the "**Surveyed Building Envelope**"). Following notice to the Grantee pursuant to **Section 6** of this deed and confirmation that all construction will be wholly within the Surveyed Building Envelope, Grantor may construct, place, replace or enlarge Residential and Non-Residential Improvements within the Surveyed Building Envelope subject to the following limitations:

- (i) ___ maximum number of improvements
- (ii) ___ maximum square footage for each improvement and cumulative
- (iii) ___ maximum height of improvements
- (iv) Other

(b) Outside of the Surveyed Building Envelope. No construction or placement of Residential Improvements is allowed outside the Surveyed Building Envelope. Following notice to the Grantee pursuant to **Section 6** of this deed and confirmation that all construction and placement will meet the following limitations, Grantor may construct or place Non-Residential Improvements in the portion of the Property outside of the Surveyed Building Envelope subject to the following limitations:

- (i) [Type of improvements permitted]
- (ii) ___ maximum number of improvements
- (iii) ___ maximum square footage for each improvement and cumulative
- (iv) ___ maximum height of improvements
- (v) Other [placement]

(6) Roads and Trails. Maintenance of existing Roads and Trails (in existence at the time this deed is executed) is permitted. "**Roads**" shall mean any road that is graded, improved or maintained, including seasonal unimproved roads and two-track roads. "**Trails**" shall mean any unimproved or improved path, or paved or unpaved trail constructed or established by human use, but shall not include game trails established and solely utilized by wildlife.

Construction or establishment of any new Road or Trail (one that does not exist at the time this Deed is executed) is subject to the following provisions and notice to Grantee pursuant to **Section 6 (Grantor Notice and Grantee Approval)** of this Deed:

(a) New Roads Within the Surveyed Building Envelope. Grantor may construct Roads and parking areas within the Surveyed Building Envelope (which Roads and parking areas may be paved) to

EXHIBIT "D"

Conservation Easement Template

access Residential and Non-Residential Improvements expressly permitted within the Surveyed Building Envelope by **Section 3C(5)** of this Deed. Grantor shall not construct or establish any Road wider than necessary to provide access for all permitted uses or to meet County codes and other applicable local codes for width of access to improvements permitted by this Deed.

(b) New Roads Outside the Surveyed Building Envelope. Grantor shall not construct or establish new Roads outside the Surveyed Building Envelope except the new Road depicted on **Exhibit B** to access the Surveyed Building Envelope; or, with notice and pre-approval from Grantee, such other Roads that Grantee determines are consistent with the Purpose. Grantor shall not construct or establish any Road wider than necessary to provide access for all permitted uses or to meet County codes and other applicable local codes for width of access to improvements permitted by this Deed.

(c) New Trails. Grantor shall not construct or establish any new Trail on the Property except for the new Trail to be constructed in the location depicted on **Exhibit B**, or unless Grantee pre-approves a new Trail and determines it is consistent with the Purpose.

Except for the new road depicted on Exhibit B, Grantor shall not pave or otherwise surface any existing or new Road or Trail with any impervious surface without pre-approval from Grantee and a determination by Grantee that such improvement is consistent with the Purpose.

(7) Fences. Existing fences may be maintained, repaired and replaced and new fences may be built anywhere on the Property, provided that the location and design of said fences located outside the Surveyed Building Envelope shall be compliant with then current State of Colorado wildlife standards for fencing⁵ to permit movement of wildlife across the Property and are otherwise consistent with the Purpose, including but not limited to, low profile fencing that is designed to blend with or complement the natural and scenic features of the landscape where viewed from public vantage points, and fencing that is not inconsistent with the preservation and protection of the Conservation Values of the Property.

(8) Utility Improvements.

(a) Existing Utilities. If otherwise permitted in an instrument recorded as of the Effective Date, or after notice to Grantee in accordance with **Section 6** of this Deed and subject to provisions (c) and (d) of this section, existing energy generation or transmission infrastructure and other existing utility improvements, if any, including but not limited to: (i) natural gas distribution pipelines, electric power poles, transformers, and lines; (ii) telephone and communications towers, poles, and lines; (iii) septic systems; (iv) water wells, domestic water storage and delivery systems; and (v) renewable energy generation systems including, but not limited to, wind, solar, geothermal, or hydroelectric for use on the Property

⁵ Exceptions may be made for sheep and goats, with Grantee's written approval.

EXHIBIT "D"

Conservation Easement Template

("Utility Improvements"), may be repaired or replaced with an improvement of similar size and type at their current locations on the Property.

(b) New Utilities. New Utility Improvements may be constructed on the Property, subject to the restrictions in (c) and (d) below. Prior to the enlargement or construction of any Utility Improvements on the Property, Grantor shall provide notice of such enlargement or construction to Grantee in accordance with **Section 6** of this Deed.

(c) Within the Surveyed Building Envelope. Grantor may enlarge or construct Existing and New Utility Improvements within the Surveyed Building Envelope for the uses permitted on the Property as determined by this Deed without permission of Grantee, provided that no Utility Improvement exceeds thirty-five (35) feet in height.

(d) Outside of the Surveyed Building Envelope. Grantor shall not enlarge or construct any Existing or New Utility Improvements outside of the Surveyed Building Envelope without Grantee's pre-approval; except that Grantor reserves the right to construct Utility Improvements outside the Surveyed Building Envelope solely to provide utility services to the improvements permitted by this Deed subject to the following conditions: (1) Grantor must give Grantee notice pursuant to **Section 6** of this deed; (2) if Grantee determines that the proposed Utility Improvement is inconsistent with the Purpose of this deed, such improvement shall not be constructed; (3) no such Utility Improvement can exceed thirty-five (35) feet in height; and (4) any such Utility Improvements shall be located underground to the extent practicable.

(e) Following the repair, replacement, enlargement or construction of any Utility Improvements, Grantor shall promptly restore any disturbed area to a condition consistent with the Purpose.

(f) Alternative Energy.

(i) Wind, solar, and hydroelectric generation facilities that are primarily for the generation of energy for use on the Property in conjunction with those activities permitted by this Deed (collectively "**alternative energy generation facilities**") may be constructed in accordance with this Section. Notwithstanding the foregoing, no approval of Grantee shall be required if the alternative energy generation facility permitted by this Section is located within a Surveyed Building Envelope or if the facility is installed in conjunction with the operation of an agricultural improvement as allowed in this Deed. Any other alternative energy generation facility may only be constructed with the prior written approval of Grantee. Without limiting Grantee's right to withhold such approval in its sole discretion, factors which Grantee may consider in determining whether to grant such approval shall include, but are not be limited to, (a) whether the installation and siting would substantially diminish or impair the Conservation values, (b) the physical impact of the proposed facility on the Conservation Values, (c) the feasibility of less impactful alternatives, and (d) such other factors as

EXHIBIT "D"

Conservation Easement Template

Grantee may determine are relevant to the decision. The construction of alternative energy generation facilities that are not for use primarily in conjunction with those activities permitted by this Easement are prohibited anywhere on the Property. Nothing in this Section shall be construed as permitting the construction or establishment of a wind farm or commercial solar energy production facility.

(ii) Any energy generated by an alternative energy generation facility constructed in accordance with this Section that is incidentally in excess of Grantor's consumption may be sold, conveyed, or credited to a provider of retail electric service to the extent permitted by Colorado law.

(iii) In the event of technological changes or legal changes that make "expanded" alternative energy generation facilities more compatible with I.R.C. Section 170(h) or any applicable successor law, Grantee in its sole discretion may approve expanded alternative energy generation facilities that would not substantially diminish or impair the Conservation Values. Prior to approving any expanded alternative energy generation facility, Grantor shall submit an Alternative Energy Development Plan to the Grantee for its review. If the Grantee deems that the facilities proposed in the Alternative Energy Development Plan are inconsistent with the Purpose, or that the Alternative Energy Development plan does not contain sufficient information, Grantee shall not permit any expanded alternative energy generation facilities on the Property. For the purposes of this Section, the term "expanded" shall mean the development of alternative energy generation facilities to an extent that is greater than the level permitted by this **Section 3C(8)(c)**.

(9) Water Rights Included. The Parties agree that it is appropriate to encumber certain water rights beneficially used on the Property with this Deed pursuant to C.R.S. § 38-30.5-102, including all of Grantor's right, title, and interest in and to the water and water rights described in **Exhibit D**, attached hereto and incorporated herein by this reference together with all associated canals, ditches, laterals, headgates, springs, wells, ponds, reservoirs, water shares and stock certificates, water allotments, contracts, units, permits, easements and rights of way, and irrigation equipment affixed to the land (collectively, the "**Water Rights**").

(a) Permitted Water Uses. The Parties agree that the Water Rights will be used according to their decreed terms. The Parties further agree that the Water Rights are hereby dedicated and restricted exclusively for conservation purposes, including, but not limited to, the Conservation Values of the Property, agricultural, wildlife habitat, horticultural, wetlands, recreational, forest, or other uses consistent with the protection and restoration of open land, environmental quality, or life-sustaining ecological diversity (the "**Permitted Water Uses**").

The Permitted Water Uses specifically include:

EXHIBIT "D"

Conservation Easement Template

(i) Historical Use. The Parties agree that Grantor shall have the paramount right to use and enjoy the Water Rights on the Property consistent with recent historical practices;

(ii) Instream Flow Use. The Parties agree that Grantor may enter into temporary legally enforceable water leases, contracts, emergency water loans, or similar agreements for conservation purposes, to increase instream flows and/or water levels in streams, rivers, lakes, and reservoirs to preserve or improve the natural environment of such water body(s), provided that: (1) Grantee has given its prior written consent to such arrangements; (2) that such use, in the opinion of Grantee, would not jeopardize the long-term Conservation Values of the Property; (3) that such arrangements do not permanently separate the Water Rights from the Property; (4) that such arrangements comply with current law; and

(iii) Restoration/Enhancement Use. Grantor may propose projects on the Property, including the riverbed of the Property, that prevent the degradation of, restore, and/or enhance and improve the quality of the watershed, wildlife habitat, and ecological health of the Property. These may include a change of Water Rights pursuant to C.R.S. § 37-92-302 or any successor statute (a "Change") or water infrastructure construction. Such Change or construction shall be undertaken only after creation of a site specific plan for restoration/enhancement, which has been submitted to and approved by Grantee.

(iv) Grantor shall have the paramount right to use and enjoy the Water Rights on the Property consistent with recent historical practices pursuant to **Section 3C(9)(a)(i)** above to use the Water Rights to benefit instream flows pursuant to **Section 3C(9)(a)(ii)** above, and to use the Water Rights for restoration or enhancement according to the terms and conditions of an approved restoration or enhancement plan pursuant to **Section 3C(9)(a)(iii)** above. In the event that Grantor can no longer use the Water Rights in accordance with recent historical practices, the Water Rights shall be used for other Permitted Water Uses. Grantor shall have the right to install, construct, maintain, repair, and if destroyed, reconstruct any facilities related to the Water Rights (such as gages, ditches, wells, reservoirs, recharge ponds, etc.), unless the Conservation Values of the Property would be unreasonably damaged thereby, as determined by Grantee in its reasonable discretion.

(10) Environmental Attributes. Unless otherwise provided herein, Grantor hereby reserves all Environmental Attributes associated with the Property. "Environmental Attributes" shall mean any and all tax or other credits, benefits, renewable energy certificates, emissions reductions, offsets, and allowances (including but not limited to water, riparian, greenhouse gas, beneficial use, and renewable energy), generated from or attributable to the conservation, preservation and management of

EXHIBIT "D"

Conservation Easement Template

the Property in accordance with this Deed. Nothing in this Section shall modify the restrictions imposed by this Deed or otherwise be inconsistent with the Purpose.

4. **PROHIBITED USES.** Any activity on or use of the Property inconsistent with the Purpose of this Conservation Easement or that would materially adversely affect the Conservation Values is prohibited, and Grantor acknowledges and agrees that it will not conduct, engage in or permit any such use or activity. Without limiting the generality of the foregoing, the following uses of, or activities on, the Property, though not an exhaustive list, are inconsistent with the Purpose and are expressly prohibited:

A. Development Rights. To fulfill the Purpose, Grantor hereby conveys to Grantee all development rights, except those expressly reserved by Grantor herein, deriving from, based upon, or attributable to the Property in any way, including but not limited to, all present and future rights to divide the Property for the purpose of development into residential, commercial, or industrial lots or units or to receive density or development credits for the same for use off of the Property ("**Grantee's Development Rights**"). The parties agree that Grantee's Development Rights shall be held by Grantee in perpetuity in order to fulfill the Purpose, and to ensure that such rights are forever released, terminated and extinguished as to Grantor, and may not be used on or transferred off of the Property to any other property or used for the purpose of calculating density credits or permissible lot yield of the Property or any other property.

B. Improvements.

(1) Residential, Non-Residential, and Minor Non-Residential Improvements. Grantor shall not construct or place any Residential Improvements, Non-Residential Improvements, or Minor Non-Residential Improvements on the Property except in accordance with **Section 3C(5)** of this Deed.

(2) Recreational and Commercial Improvements. Grantor shall not construct or place any new recreational improvements on the Property, including but not limited to, athletic fields, golf courses or ranges, race tracks, airstrips, helicopter pads, zip lines, or shooting ranges, except as specifically reserved in **Section 3C(4) (Recreational Activities)** above. Grantor shall not construct or place any new commercial improvements on the Property.

(3) Construction of Buildings or Other Structures. The construction, reconstruction, location, placement or installation of any buildings, camping accommodations, mobile homes, or other structure, paved surface, or improvement of any kind, temporary or permanent, is prohibited, except as provided by **Section 3C(5)** above.

C. Subdivision. Division or subdivision of the Property, physically or by legal process, including partition, is strictly prohibited. At all times the Property shall be owned, conveyed and transferred subject to the terms of this Conservation Easement, and any such transfer shall convey the Property in its entirety, regardless of whether the Property now consists of separate parcels, was acquired as separate parcels, or is treated as separate parcels for property tax or other purposes.

EXHIBIT "D"

Conservation Easement Template

D. Timber Harvesting and Removal of Vegetation. Except as otherwise set forth in this Deed, Grantor may not remove any vegetation, including shrubs and trees, or harvest any timber from the Property.

E. Mineral and Hydrocarbon Extraction. As of the Effective Date, Grantor owns all of the coal, oil, gas, hydrocarbons, sand, soil, gravel, rock and other minerals of any kind of description (the "Minerals") located on, under, or in the Property or otherwise associated with the Property. This Deed expressly prohibits the mining or extraction of Minerals using any surface mining method. Notwithstanding the foregoing, Grantor and Grantee may permit mineral extraction utilizing methods other than surface mining if the method of extraction has a limited, localized impact on the Property that is not irretrievably destructive of the Conservation Values; provided, however, that Grantor and Grantee agree that the following provisions shall apply to any such proposed mineral extraction by Grantor or any third party, as applicable:

OR if minerals are severed:

As of the Effective Date, Grantor does not own all of the coal, oil, gas, hydrocarbons and other minerals (the "Minerals") located on, under, or in the Property or otherwise associated with the Property. For this reason, a minerals assessment report has been completed by _____, dated _____, in compliance with I.R.C. § 170(h)(5)(B)(ii) and Treas. Reg. § 1.170A-14(g)(4). The report concludes that, as of the Effective Date, the probability of extraction or removal of Minerals from the Property by any surface mining method is so remote as to be negligible. This Deed expressly prohibits the mining or extraction of Minerals using any surface mining method. Grantor may permit subsurface access to Minerals from locations off the Property, provided that Grantor shall not permit such subsurface access to disturb the subjacent and lateral support of the Property or to materially adversely affect the Conservation Values. Notwithstanding the foregoing, Grantor and Grantee may permit mineral extraction utilizing methods other than surface mining if the method of extraction has a limited, localized impact on the Property that is not irretrievably destructive of the Conservation Values; provided, however, that Grantor and Grantee agree that the following provisions shall apply to any such proposed mineral extraction by Grantor or any third party, as applicable.⁶

(1) Soil, Sand, Gravel and Rock. Grantor may extract soil, sand, gravel or rock, including moss rock, without further permission from Grantee so long as such extraction: (i) is solely for use on the Property for non-commercial purposes; (ii) is in conjunction with activities permitted herein, such as graveling roads and creating stock ponds; (iii) is accomplished in a manner which is consistent with the preservation and protection of the Conservation Values; (iv) does not involve disturbing by such extraction more than one half-acre (0.5 acres)⁷ of the Property at one time, and uses methods of mining that may have a limited and localized impact on the Property but are not irretrievably destructive of the Conservation Values; and (v) is reclaimed within a reasonable time by refilling or some other reasonable reclamation method for all areas disturbed including revegetation with appropriate seed mix to match the vegetation that w⁸

⁶ If Grantor owns some but not all of the mineral rights associated with the property, a combination of these two paragraphs is appropriate.

⁷ A smaller area may be appropriate for smaller properties.

⁸ This paragraph is only appropriate where Grantor has reserved limited development and/or road construction rights. It should be deleted if there is no reserved development on the Property.

EXHIBIT "D"

Conservation Easement Template

as on-site prior to the disturbance. Reseeding should take place and plant cover established and approved by Grantor prior to additional surface mining occurring. This provision shall be interpreted in a manner consistent with I.R.C. § 170(h), as amended, and the Treasury Regulations adopted pursuant thereto.¹¹

(2) Oil and Gas. Grantor, or a third party permitted by Grantor, may explore for and extract oil and gas owned in full or in part by Grantor, provided Grantor ensures that such activities are conducted in a manner that does not constitute surface mining and complies with the following conditions:

(a) The exploration for or extraction of oil, gas and other hydrocarbons is conducted in accordance with an Oil and Gas Plan, as defined below, prepared at Grantor's expense and approved in advance by Grantee. The "**Oil and Gas Plan**" shall describe: (a) the specific activities proposed; (b) the specific land area to be used for well pad(s), parking, staging, drilling, and any other activities necessary for the extraction of oil and gas, and the extent of the disturbance of such land area before and after reclamation; (c) the location of facilities, equipment, roadways, pipelines and any other infrastructure to be located on the Property; (d) the method of transport of oil or gas produced from the Property; (e) the method of disposal of produced water, mining byproducts and hazardous chemicals produced by or used in the exploration and development of the oil or gas; (f) the proposed operation restrictions to minimize impacts on the Conservation Values, including noise and dust mitigation and any timing restrictions necessary to minimize impacts to wildlife; (g) the reclamation measures necessary to minimize disturbance to and reclaim the surface of the Property, including restoring soils to the original contours and replanting and re-establishing native vegetation using specific seed mixes and processes to ensure successful re-vegetation of the Property, including and in addition to those measures required by law; and (h) remedies for damages to the Conservation Values, (i) and looks to minimize the number of roads, well pads, and other infrastructure to the degree possible.

(b) No tank batteries, refineries, secondary production facilities, compressors, gas processing plants, or other similar facilities may be located on the Property.

(c) Areas of surface disturbance shall be mitigated promptly in accordance with the Oil and Gas Plan.

(d) Travel for the purpose of oil or gas development shall be restricted to existing roads or to new roads approved in advance in writing by Grantee as part of the Oil and Gas Plan.

(e) Well facilities and pipelines shall either be placed underground, or screened or concealed from view by the use of existing topography, existing native vegetation, newly planted but native

EXHIBIT "D"

Conservation Easement Template

vegetation, and/or use of natural tone coloring. Pipelines shall be located along or under existing roadways to the maximum extent possible.

(f) Drilling equipment may be located above-ground without concealment or screening, provided that such equipment shall be promptly removed after drilling is completed.

(g) Any soil or water contamination due to the exploration for or extraction of oil or gas must be promptly restored and remediated at the expense of Grantor.

(h) Any produced water, mining byproducts or hazardous chemicals produced by or used in the exploration and development of the oil or gas shall not be stored or disposed of on the Property.

(i) Flaring to enhance oil production is prohibited; flaring for emergencies is permitted.

(j) Grantor shall not allow use of the Water Rights for any oil and gas activities.

(k) Grantee shall be released, indemnified and held harmless from any liabilities, damages, or expenses resulting from any claims, demands, costs or judgments arising out of the exercise of any rights by Grantor, any lessees or other third parties relating to the exploration for or extraction of oil, gas or hydrocarbons.

(l) Grantor shall restore the well pad to the smallest footprint required post drilling as soon as initial drilling operations cease.

(3) Third-Party Mineral Extraction. If a third party owns all, or controls some, of the Minerals, and proposes to extract Minerals from the Property, Grantor shall immediately notify Grantee in writing of any proposal or contact from a third party to explore for or develop the Minerals on the Property. Grantor shall not enter into any lease, surface use agreement, no-surface occupancy agreement, or any other instrument related to Minerals associated with the Property (each, a "**Mineral Document**"), with a third party subsequent to the Effective Date without providing a copy of the same to Grantee prior to its execution by Grantor and subject to Grantee's review and approval. Any Mineral Document shall require that Grantor provide notice to Grantee whenever notice is given to Grantor, require the consent of Grantee for any activity not specifically authorized by the instrument, and give Grantee the right, but not the obligation, to object, appeal and intervene in any action in which Grantor has such rights. Any Mineral Document must either (i) prohibit any access to the surface of the Property or (ii), must (a) limit the area(s) of disturbance to a specified area(s); (b) include provisions that ensure that the proposed activities have a limited, localized impact on the Property that is not irremediably destructive of the Conservation Values; and (c) contain a full description of the activities proposed, a description of the extent of disturbance, the location of facilities, equipment, roadways, pipelines and any other infrastructure, the proposed operation restrictions to minimize impacts on the Conservation Values,

EXHIBIT "D"

Conservation Easement Template

including noise and dust mitigation and any timing restrictions necessary to minimize impacts to wildlife, reclamation measures including and in addition to those required by law, and remedies for damages to the Conservation Values. Any Mineral Document that only permits subsurface access to Minerals but prohibits any access to the surface of the Property shall also prohibit any disturbance to the subjacent and lateral support of the Property, and shall not allow any use which would materially adversely affect the Conservation Values.

(4) This **Section 4E** shall be interpreted in a manner consistent with I.R.C. § 170(h) and the Treasury Regulations adopted pursuant thereto.

F. Topographical Changes. No excavating, grading, cut and fill, berming or other similar topographical changes shall occur on the Property, except in connection with the construction of permitted improvements, if any.

G. Erosion or Water Pollution. Any activity or use that causes or is likely to cause significant soil degradation or erosion or significant pollution of any surface or subsurface waters is prohibited.

H. Waste Disposal. The disposal or storage of rubbish; garbage; debris; vehicles, implements and equipment not in regular use or parts thereof; or other unsightly or offensive material on the Property is prohibited.

I. Hazardous Materials. The storage, dumping or other disposal of hazardous and/or toxic materials, industrial wastes or other similar materials on the Property is prohibited.

J. Retail, Commercial or Industrial Activity. Retail, commercial and industrial uses are prohibited on the Property, except as provided below in **Section 4J(1)**, without prior approval and a determination by the Grantee in writing that such use does not negatively impact the Conservation Values.

(1) Commercial uses are allowed, as long as they are conducted in a manner that is consistent with I.R.C. § 170(h) and the Purpose. Without limiting other potential commercial uses that meet the foregoing criteria, the following uses are allowed:

(a) Producing, processing or selling plants, animals, or other farm or ranch products that are predominantly grown or raised outdoors on the Property, including forages, sod crops, grains, feed crops, field crops, berries, herbs, flowers, seeds, grasses, nursery stock, fruits, vegetables, aquaculture, trees, and other similar uses and activities;

(b) Breeding and grazing livestock, such as cattle, horses, sheep, swine, and similar animals;

(i) Livestock grazing shall be conducted at sustainable stocking rates (to be estimated in consultation with Colorado State University ("CSU") Cooperative Extension Services, United States Department of Agriculture ("USDA") Natural Resources Conservation Service, or other

EXHIBIT "D"

Conservation Easement Template

technical advisory, as necessary), consistent with preservation of the Conservation Values of the Property.

(c) Customary rural enterprises, such as farm machinery repair or livestock veterinary services, conducted within the Surveyed Building Envelope;

(d) Home occupations or similar enterprises conducted by and in the home of a person residing on the Property; and

(e) Hunting, fishing, and wildlife viewing.

The foregoing descriptions of allowed commercial uses notwithstanding, commercial feed lots and other intensive growth livestock farms, such as dairy, swine, or poultry farms, are inconsistent with the Purpose and are prohibited. For purposes of this Easement, "**commercial feed lot**" is defined as a permanently constructed confined area or facility within which the Property is not grazed or cropped annually, and which is used and maintained for purposes of engaging in the commercial business of the reception and feeding of livestock.

K. Signs and Billboards. No commercial signs, billboards, awnings, or advertisements shall be displayed or placed on the Property. Grantor may install appropriate "For Sale" or "For Lease" signs alerting the public to the availability of the Property for purchase or for lease, "No Trespassing" or "No Hunting" signs, appropriate and customary ranch or pasture identification signs, signs regarding the private leasing of the property for hunting, fishing, or other low impact recreational uses, or signs notifying the public of the existence of a conservation easement, provided however that any such signs be located and designed in a manner consistent with the Purpose. Grantee shall erect one or more signs visible from the nearest public roadway, or from an alternative location approved by the County, identifying the County's Grant and investment in this Property to the public.

L. Outdoor Lighting. Except for existing lighting not in conformity with this requirement, all external lighting shall be located within the Surveyed Building Envelope or in areas to illuminate driveways or structures permitted outside of any Surveyed Building Envelope, and shall comply with local lighting ordinances. Any new or replacement lighting shall be what is now referred to as dark-sky lighting as updated.

M. Motorized Vehicles. No dunebuggies, motorcycles, all-terrain vehicles, snowmobiles or any other types of motorized vehicles may be operated or ridden "off road" on the Property, except as may be necessary for the conduct of such land maintenance activities as may be permitted by this Conservation Easement.

N. Restriction on Water Rights. Except as permitted by **Section 3C(9)(a) (Permitted Water Uses)**, Grantor may not: (i) Change the Water Rights to or use the Water Rights for municipal, industrial, commercial, or any other new uses; (ii) Change the Water Rights for use other than on the Property; (iii) sell or lease the Water Rights, or encumber them separately from the Property or otherwise legally separate them from the Property; or (iv) have the points of diversion, or the type or place of use within or without the Property

EXHIBIT "D"

Conservation Easement Template

changed, except after Grantor's receipt of a written determination by Grantee that such changes are consistent with the Permitted Uses or will not materially impair the Conservation Values of the Property. Grantor shall not, without the prior written approval from Grantee, which approval shall not be unreasonably withheld, construct, or permit others to construct, any new diversion, storage, or other water structures upon the Property; develop any conditional water rights for use on the Property; or otherwise undertake any new development of water resources for use on the Property.

(f) Change of Conditions. Grantor expressly waives any claim to use, change or transfer all or any part of the Water Rights other than as provided in this Deed, regardless of any future change in circumstances, change in values, or other reasons, based on any theory of reasonable accommodation or other theory that would release any or all of the Water Rights from the provisions of this Deed without Grantee's express written consent, which can be granted, withheld, or conditioned by each in their sole discretion.

(g) Protection of Water Rights. In order to preserve and protect the Conservation Values of the Property, Grantor shall not abandon or allow the abandonment of any of the Water Rights, by action or inaction. Grantor shall annually report to Grantee the nature and extent of use of the Water Rights during the prior year, such report need not be in writing, but shall include copies of any reports submitted to the State or Division Engineer or Water Commissioner by Grantor. Grantor shall provide Grantee a copy of any written notice received by Grantor from any state water official concerning the use, or possible abandonment, of the Water Rights.

If the Water Rights appear on the decennial abandonment list as provided by C.R.S. § 37-92-401 or any successor statute or Grantee determines that the Water Rights are otherwise subject to a threat of abandonment, Grantee shall give Grantor written notice of such threat of abandonment and shall meet with Grantor to discuss the matter. If, and only if, Grantor fails to cure the threat of abandonment within 90 days of receiving such notice from Grantee, Grantee shall, in addition to any other remedies available to Grantee under this Deed or law, have the right to (1) enter the Property and undertake any and all actions reasonably necessary to continue the historical use of the Water Rights, if desired by Grantee; and (2) seek removal of the Water Rights from the decennial abandonment list. If the Water Rights remain subject to abandonment, Grantee may, after consultation with Grantor, seek to Change the Water Rights to another Permitted Water Use. Grantor agrees to cooperate in any manner necessary to accomplish such changes, and authorizes and appoints Grantee as its agent and attorney-in-fact to file for and obtain any administrative or judicial approvals required to effectuate such changes.

(h) Recording Encumbrance on Stock Certificates. If the Water Rights include any shares in ditch or reservoir companies, Grantor shall promptly submit the related stock certificate(s) to the appropriate ditch or reservoir company for inclusion of the following notation thereon: "These shares are subject to the terms and restrictions set forth in the Deed of Conservation Easement from _____ to _____ recorded in the Real Property Records of Larimer County, Colorado on _____, 20__ at Reception No. _____." A copy of the reissued stock certificate(s) shall be promptly provided by Grantor to Grantee.

EXHIBIT "D"

Conservation Easement Template

5. **LAND STEWARDSHIP PLAN.** Grantor and Grantee acknowledge that the preservation and protection of the Conservation Values as contemplated under this Easement requires careful and thoughtful stewardship of the Property. Accordingly, Grantor and Grantee agree to jointly prepare a written plan ("**Land Stewardship Plan**") within one year of the Effective Date of this Deed, detailing requirements for the preservation and protection of the Conservation Values regarding: agricultural, timber, mining, water, wildlife, weed control or other management practices, as appropriate. Grantor shall comply with the requirements established in the Land Stewardship Plan. The Parties will cooperate in an effort to update the Land Stewardship Plan if either Party determines an update is necessary.

6. **GRANTOR NOTICE AND GRANTEE APPROVAL.** The purpose of requiring Grantor to notify Grantee prior to undertaking certain permitted activities is to afford Grantee an opportunity to ensure that the activities in question are designed and carried out in a manner consistent with the Purpose. Whenever notice is required, Grantor shall notify Grantee in writing within a reasonable period of time prior to the date Grantor intends to undertake the activity in question. The notice shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the Purpose. Where Grantee's approval is required, Grantor shall not undertake the requested activity until Grantor has received Grantee's approval in writing. Grantee shall grant or withhold its approval in writing within a reasonable period of time within receipt of Grantor's written request thereof and submittal of sufficient supporting details as described above. Grantee's approval may be withheld only upon Grantee's reasonable determination that the activity as proposed is not consistent with the Purpose or the express terms of this Easement, unless this Easement provides that approval for a particular request may be withheld in the sole discretion of the Grantee.

Except Any notice, demand, request, consent, approval or communication required by this Deed shall be in writing and shall be personally delivered to or sent by certified mail, with return receipt requested, addressed as follows unless a party has been notified in writing by the other party by a change of address:

GRANTOR: _____

GRANTEE: Larimer County Natural Resources
1800 S. County Road 31
Loveland, Colorado 80537

7. **RESPONSIBILITIES OF GRANTOR AND GRANTEE NOT AFFECTED.** Other than as specified herein, this Conservation Easement is not intended to impose any legal or other responsibility on Grantee, or in any way to affect any existing obligation of Grantor as owner of the Property. Among other things, this shall apply to:

(a) **Taxes.** Grantor shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority (collectively "**taxes**"), including any taxes imposed upon, or incurred as a result of, this Deed, and shall furnish Grantee with satisfactory evidence of payment upon request.

EXHIBIT "D"

Conservation Easement Template

(b) Maintenance and Insurance. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including weed control and eradication and including the maintenance of adequate general liability insurance coverage. Grantor shall name Grantee as an additional insured on such comprehensive general liability insurance coverage and shall provide a certificate of such insurance to Grantee upon the request of Grantee. Grantor shall keep the Property free of any liens arising out of any work performed for, materials furnished to, or obligations incurred by Grantor.

8. GRANTOR'S INDEMNIFICATION. Grantor shall release, indemnify, defend, and hold Grantee and the members, officers, directors, employees, agents, contractors and permitted assignees (collectively, the "**Indemnified Parties**") harmless from and against any and all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, consultant's fees and interest, arising from or in any way related to: (i) injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, regardless of cause, unless due solely to the negligence or intentional acts of any of the Indemnified Parties; (ii) the obligations specified in **Section 4 (Prohibited Uses)** and **Subsections 7(a) (Taxes) and 7(b) (Maintenance and Insurance)** above; (iii) the costs and expenses incurred by Grantee in enforcement of this Conservation Easement, including, without limitation, costs and expenses of suit, attorneys fees, and any costs of restoration necessitated by Grantor's violation of the terms of this Easement, unless Grantor prevails then each party pays its own costs and attorneys fees, except that if the deciding body determines that Grantee's legal action was frivolous or groundless, Grantee shall pay Grantor's costs and attorney fees in defending the legal action; (iv) the violation or alleged violation of, or other failure to comply with, any federal, state or local environmental law or regulation relating to hazardous or toxic substances by any person other than any of the Indemnified Parties, in any way affecting, involving or relating to the Property, except to the extent such violations or alleged violations are caused by the acts or omissions of any of the Indemnified Parties on the Property; or (v) the presence or release in, on, from, or about the Property, at any time, of any hazardous or toxic substance unless caused solely by any of the Indemnified Parties. Notwithstanding the foregoing, no Grantor shall be liable for actions solely occurring subsequent to the Grantor's transfer of the Property to a subsequent Grantor.

9. GRANTEE'S STATUS UNDER ENVIRONMENTAL LAWS. Without limiting the foregoing, nothing in this Deed shall be construed as giving rise to any right or ability in Grantee, nor shall Grantee have any right or ability, to exercise physical or managerial control over the day-to-day operations of the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) as amended or any similar law or regulation.

10. ENFORCEMENT. Grantee shall have the right to prevent and correct or require correction of violations of the terms and purposes of this Deed. Grantee may enter the Property as provided in subparagraph 2(b) for the purpose of inspecting for violations. If Grantee finds what it believes to be a violation, Grantee shall immediately notify Grantor by any means reasonably calculated to bring the nature of the alleged violation promptly to Grantor's attention, such as by email, telephone, or in person. Grantee will follow up the initial notification with a written notice.

Upon receipt of the initial notification, Grantor shall immediately cease the alleged violation and either (a) if necessary, restore or remediate the Property to its condition prior to the violation; (b) provide a written plan for restoration and remediation of the Property acceptable to Grantee; or (c) provide a written explanation, acceptable to Grantee, why the alleged violation

EXHIBIT "D"

Conservation Easement Template

should be permitted. If Grantor believes the alleged violation should be permitted to resume, and provides a written explanation pursuant to 10(c) above, the Parties agree to meet as soon as possible to discuss the alleged violation and attempt to resolve their differences.

If Grantor is unable or unwilling to immediately cease the alleged violation in compliance with the above, and/or fails to comply with (a), (b) or (c) of the previous paragraph, Grantee may take appropriate legal action. Notwithstanding the foregoing, when Grantee, in its sole discretion, determines there is an ongoing or imminent violation that could irreversibly diminish or impair the Conservation Values, Grantee may, at its sole discretion, take appropriate legal action without prior notice to Grantor. Grantor may seek any relief it deems necessary to conserve the Conservation Values, including but not limited to injunctive relief, and all remedies described in this paragraph shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity, including the right to recover any damages for loss of scenic or environmental values.

12. **GRANTEE'S DISCRETION.** Enforcement of the terms of this Conservation Easement and approvals required from the Grantee as described herein shall be at the sole discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Conservation Easement in the event of any breach of any term of this Conservation Easement by Grantor shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Conservation Easement or of any of Grantee's rights under this Conservation Easement. No failure of Grantee to discover a violation or delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver. Grantor hereby waives any defenses available to Grantor under CRS § 38-41-119 and the defenses of laches, estoppel or prescription, including the one-year statute of limitations for commencing an action to enforce the terms of a building restriction or to compel the removal of any building or improvement because of the violation of the same under C.R.S. § 38-41-119, et seq.

13. **ACTS BEYOND GRANTOR'S CONTROL.** Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, earth movement, acts of third parties or government authority legally authorized to act by recorded instrument or other legally established rights, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury and damage to the Property and to neighboring properties resulting from such causes. Notwithstanding the foregoing, Grantor shall take reasonable efforts to prevent third parties from performing, and shall not knowingly allow third parties to perform, any act on or affecting the Property that is inconsistent with the Purpose.

14. **REAL PROPERTY INTEREST.** This Deed constitutes a real property interest immediately vested in Grantee. The Parties stipulate that, based on a qualified appraisal, this Deed (which includes the value of Grantee's Development Rights) has a fair market value equal to _____ percent (___%) of the full unencumbered fair market value of the Property (the "**Easement Value Percentage**"). The values at the time of this Deed shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this Grant, pursuant to I.R.C. § 170(h), whether or not Grantor claims any deduction for federal income tax purposes. For the purposes of this Deed, the ratio expressed by Easement Value Percentage shall remain constant.

14. **TRANSFER OF EASEMENT.** Grantee shall have the right to transfer the Conservation Easement created by this Deed and assign its rights and obligations hereunder to any public agency or private nonprofit organization that, at the time of transfer, is a "**qualified organization**" under I.R.C. § 170(h), and under C.R.S. § 38-30.5-101, et seq., and only if the

EXHIBIT "D"

Conservation Easement Template

assignee agency or organization expressly agrees to assume the responsibility imposed on Grantee by this Conservation Easement. If Grantee ever shall cease to exist or no longer qualifies under federal or state law, a court with jurisdiction shall transfer the Grantee's rights and obligations under this Conservation Easement to another qualified organization having similar purposes that agrees to assume the responsibility.

15. TRANSFER OF THE PROPERTY. Grantor shall incorporate by reference the terms and conditions of this Deed in any deed or other legal instrument by which it divests itself of any interest in all or a portion of the Property. The failure of Grantor to perform any act required by this Section shall not impair the validity of this Deed or limit its effect or enforceability in any way.

16. CHANGE OF CIRCUMSTANCES. A change in the potential economic value of any use that is prohibited by or inconsistent with this Deed, or a change in any current or future uses of neighboring properties, shall not constitute a change in conditions or circumstances that make it impossible for continued use of the Property, or any portion thereof, for conservation purposes and shall not constitute grounds for terminating the Deed in whole or in part. In conveying this Deed, the Parties have considered the possibility that uses prohibited or restricted by the terms of this Deed may become more economically valuable than permitted uses, and that neighboring or nearby properties may in the future be put entirely to such prohibited or restricted uses. It is the intent of Grantor and Grantee that any such changes shall not be deemed to be circumstances justifying the termination or extinguishment of this Deed, in whole or in part. In addition, the inability of Grantor, or Grantor's heirs, successors, or assigns, to conduct or implement any or all of the uses permitted under the terms of this Deed, or the unprofitability of doing so, shall not impair the validity of this Deed or be considered grounds for its termination or extinguishment, in whole or in part.

17. CONDEMNATION OR OTHER EXTINGUISHMENT; PROCEEDS. If this Conservation Easement is taken, in whole or in part, by exercise of the power of eminent domain, or if circumstances arise in the future that render all of the purposes of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. Each party shall promptly notify the other party in writing when it first learns of such circumstances. Grantee shall be entitled to compensation of its interest in accordance with applicable law from any sale, exchange, condemnation, or other involuntary or voluntary conversion of all or any portion of the Property subsequent to such termination or extinguishment. As required by Treasury Regulation Sec. 1.170A-14(g)(6), Grantee's compensation shall be a portion or percentage of the gross proceeds from any sale, exchange, condemnation, or other involuntary or voluntary conversion of all or a portion of the Property subsequent to such termination or extinguishment that represents an amount that is at least equal to the Easement Value Percentage multiplied by the fair market value of the unencumbered fee simple interest (excluding the value of any improvements) in the portion of the Property that will no longer be encumbered by this Easement. Grantee shall not voluntarily accept proceeds equal to less than the full fair market value of the affected Property unrestricted by this Easement without the approval of Grantee. Grantee shall use such proceeds in a manner consistent with the conservation purposes of this Deed or the mission of the Grantee.

18. ACCESS BY PUBLIC. No right of access by the general public to any portion of the Property is conveyed by this Conservation Easement.

19. AMENDMENT. If circumstances arise under which an amendment to or modification of this Conservation Easement would be appropriate, Grantor and Grantee may jointly

EXHIBIT "D"

Conservation Easement Template

amend this Conservation Easement; so long as the amendment (i) is consistent with the Conservation Values and Purpose of this Easement, (ii) does not affect the perpetual duration of the restrictions contained in this Deed, (iii) does not affect the qualifications of this Deed under any applicable laws, and (iv) complies with Grantee's procedures and standards for amendments, including the Conservation Easement Amendment Procedure as it may be amended from time to time. Any amendment must be in writing, signed by the Parties, and recorded in the records of the Clerk and Recorder of the county or counties in which the Property is located. Nothing in this Section shall be construed as requiring Grantee to agree to any particular proposed amendment.

20. DEED CORRECTION. The Parties shall cooperate to correct mutually acknowledged errors in this Deed (and exhibits hereto), including typographical, spelling, or clerical errors. Such correction shall be by recorded written agreement signed by the Parties.

20. JURISDICTION. Any mediation or arbitration concerning this Conservation Easement shall take place in Larimer County, Colorado, or other location mutually agreed to by the parties, and only upon consent from Grantee. Any court action concerning this Conservation Easement shall take place in the District Court for Larimer County, Colorado, and Grantor and Grantee hereby consent to personal jurisdiction in Larimer County, Colorado.

21. CONTROLLING LAW; LIBERAL CONSTRUCTION. The interpretation and performance of this Conservation Easement is governed by the laws of the State of Colorado. Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the grant to effect the Purpose and the policy and purpose of C.R.S. §38 30.5 101, et seq. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the Purpose that would render the provision valid shall be favored over any interpretation that would render it invalid.

22. PERPETUAL DURATION; AGENTS, SUCCESSORS AND ASSIGNS. The Conservation Easement created by this Deed shall be a servitude running with the land in perpetuity. Every provision of this Deed that applies to Grantor or Grantee shall also apply to, be binding upon, and inure to the benefit of their personal representatives, heirs, successors, agents, assigns and all other successors as their interests may appear.

23. RECORDATION. Grantee shall record this instrument in a timely fashion in the official records of each county or counties in which the Property is situated, and may re-record it at any time as may be required to preserve its rights in this Deed.

24. GRANTOR'S TITLE WARRANTY. Grantor warrants that it has good and sufficient title and legal and physical access to the Property, and Grantee has access to the Property for the purposes described in this Conservation Easement.

(a) Existing Liens. Grantor warrants that any mortgages, deeds or Grantee or monetary liens encumbering the Property are subordinate to all rights of Grantee under this Conservation Easement, including the right of Grantee to its proportionate percentage of the Grantor's interest in any (a) insurance proceeds a result of any casualty, hazard or accident occurring to or about the Property, and (b) proceeds of condemnation or involuntary taking, and hereby promises to defend the same against all claims from any persons.

(b) Subsequent Liens. No provisions of this Deed shall be construed as impairing the ability of Grantor to use this Property as collateral for subsequent borrowing,

EXHIBIT "D"

Conservation Easement Template

provided that any deed of trust, mortgage or lien arising from such a borrowing shall be subordinate to this Deed for all purposes so that any such instrument expressly shall be deemed to have been recorded after this Deed and so that any foreclosure of such instrument shall not affect any provision of this Deed, including, without limitation, its perpetual nature, and the payment of proceeds, as described in **Section 17 (Condemnation)** above, including but not limited to the limitation of **Section 4C (Subdivision)**.

25. GRANTOR'S ADDITIONAL REPRESENTATIONS AND WARRANTIES:
REMEDIATION.

(a) Grantor represents and warrants that, after reasonable investigation and to the best of Grantor's knowledge:

(i) There are no apparent or latent defects in or on the Property;

(ii) Grantor and the Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Property and its use, including without limitation all federal, state, and local environmental laws, regulations and requirements;

(iii) There has been no release, dumping, burying, abandonment or migration from off-site onto the Property of any substances, materials, or wastes that are designated as hazardous, toxic, dangerous, or harmful, or contain components that are, or are designated as, hazardous, toxic, dangerous, or harmful, and/or that are subject to regulation as hazardous, toxic, dangerous, or harmful by any federal, state or local law, regulation, statute, or ordinance;

(iv) There is no pending or threatened litigation affecting the Property or any portion of the Property that will materially impair the Conservation Values of any portion of the Property. No civil or criminal proceedings have been instigated or are pending against Grantor or its predecessors by government agencies or third parties arising out of alleged violations of environmental laws, and neither Grantor nor its predecessors in interest have received any notices of violation, penalties, claims, demand letters, or other notifications relating to a breach of environmental laws.

(b) If, at any time, there occurs, or has occurred, a release in, on, or about the Property of any hazardous or toxic substance, Grantor agrees to take all steps necessary to assure its containment and remediation, including any cleanup that may be required, unless the release was caused by Grantee, in which case Grantee will be responsible for remediation.

26. ACCEPTANCE. Grantee hereby accepts without reservation the rights and responsibilities conveyed by this Conservation Easement.

27. TAX BENEFITS. Grantor acknowledges that Grantor is responsible for obtaining legal and accounting counsel to advise Grantor regarding the applicability of federal or state tax benefits that might arise from the bargain sale (sale at less than fair market value) or donation of the Deed. Grantee makes no representation or warranty that Grantor will receive tax benefits for the bargain sale or donation of the Deed.

EXHIBIT "D"

Conservation Easement Template

28. EFFECTIVE DATE. The “**Effective Date**” of this Conservation Easement shall be the date of its recording in the county records in which the Property is located.

29. GENERAL PROVISIONS.

(a) Entire Agreement. The Recitals above are a material part of this Deed and are incorporated into this Deed. This instrument sets forth the entire agreement of the Parties with respect to the Deed and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Deed, all of which are merged herein.

(b) Severability. If any provision of this Deed, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Deed, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

(c) Captions. The captions in this Deed have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

(d) Joint Obligation. The obligations imposed upon Grantor and Grantee of this Deed shall be joint and several in the event that more than one entity or individuals holds either interest at any given time.

(e) No Forfeiture. Nothing contained in this Deed will result in either (i) a forfeiture of this Conservation Easement or reversion to Grantor of any rights conveyed hereby, or (ii) a forfeiture or reversion of Grantor's title in any respect.

(f) No Third Party Beneficiaries. This Deed is entered into by and between Grantor and Grantee, and is solely for the benefit of Grantor and Grantee and their respective successors and assigns for the purposes set forth herein, and does not create rights or responsibilities in any third parties beyond Grantor, Grantee.

(g) No Goods or Services Provided. Grantee acknowledges receipt and acceptance of this Conservation Easement encumbering the Property, for which no goods or services were provided.

(h) Non-Merger. Unless Grantor and Grantee expressly state in writing that they intend a merger of estates or interests to occur, then no merger shall be deemed to have occurred hereunder or under any documents executed in the future affecting this Conservation Easement.

(i) Termination of Rights and Obligations. Provided a transfer is permitted by this Deed, a Party's rights and obligations under the Deed terminate upon transfer of the Party's interest in the Deed or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

(j) Colorado Governmental Immunity. No term or condition herein is intended nor shall be interpreted as a waiver of any provision or benefit of the Colorado Governmental Immunity Act or any other immunities or limitations available to the Grantee by law.

EXHIBIT "D"

Conservation Easement Template

30. AUTHORIZATION. Each Party represents to the other that such Party has full power and authority to execute, deliver, and perform this Deed, that the individual executing this Deed on behalf of said Party is fully empowered and authorized to do so, and that this Deed constitutes a valid and legally binding obligation of said Party enforceable against said party in accordance with its terms.⁹

TO HAVE AND TO HOLD this Conservation Easement unto Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor and Grantee have executed this Deed of Conservation Easement, to be effective as of the day and year first above written, notwithstanding the actual date of execution.

GRANTOR:
BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF LARIMER

By: _____
Chair

Attest:

Deputy Clerk of the Board

Date: _____

Approved as to Form:

County Attorney

Date: _____

⁹ A current Statement of Authority should be recorded prior to recording of this Deed for any party that is an artificial entity, e.g. corporation, LLC, LLLC, Trust, etc.

EXHIBIT "D"
Conservation Easement Template

GRANTEE:

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF LARIMER

By: _____
Chair

Attest:

Deputy Clerk of the Board

Date: _____

Approved as to Form:

County Attorney

Date: _____

EXHIBIT "D"
Conservation Easement Template

EXHIBIT A
TO
DEED OF CONSERVATION EASEMENT
FROM
_____**GRANTOR**
TO
LARIMER COUNTY GRANTEE

(Legal Description of Property)

EXHIBIT "D"
Conservation Easement Template

EXHIBIT C
TO
DEED OF CONSERVATION EASEMENT
FROM
_____ **GRANTOR**
TO
LARIMER COUNTY GRANTEE

(Baseline Acknowledgement)

EXHIBIT "D"

Conservation Easement Template

**EXHIBIT D
TO
DEED OF CONSERVATION EASEMENT
FROM

GRANTOR
TO
LARIMER COUNTY GRANTEE**

Water Rights

[When the water rights to be included in the conservation easement can be described with specificity, include as much detail as possible, i.e., name of water right, source of water, amount, court and case number, date(s) of appropriation and date(s) of adjudication, well permit number(s), allotment contract(s), and/or certificate number(s) for shares in ditch and reservoir companies.]

[When the water rights to be included in the conservation easement cannot be described with specificity, but the intent of the Parties is to include all of the water rights.] The “**Water Rights**” consist of all of Grantor’s right, title, and interests in any and all water and water rights of any kind or nature historically used on the Property, together with all canals, ditches, laterals, headgates, springs, ponds, reservoirs, water allotments, water shares and stock certificates, contracts, units, permits, wells, easements and rights of way, and irrigation equipment associated therewith. The Water Rights include surface water rights and groundwater rights (tributary, nontributary, not nontributary, and designated), whether decreed or undecreed.