

WATER RIGHTS TRADE AGREEMENT
(Longs Peak Dairy, LLC)

This WATER RIGHTS TRADE AGREEMENT ("Agreement") is entered into as of the Effective Date by and between LONGS PEAK DAIRY, LLC, a Colorado limited liability company ("Longs Peak" or "Seller"), and THE CITY OF GREELEY, COLORADO, a Colorado home rule municipal corporation acting by and through its Water Enterprise ("Greeley") Longs Peak and Greeley are each referred to in this Agreement as a "Party" and collectively as the "Parties."

RECITALS

A. Longs Peak owns those certain water rights represented by two (2) shares of capital stock in The Water Supply and Storage Company ("WSSC"), evidenced by Stock Certificate No. 6658, issued in the name of Seller ("WSSC Certificate"), which water rights have historically been delivered through the Larimer County Canal and its various laterals for irrigation.

B. Longs Peak also owns those certain lateral rights represented by two (2) shares of stock in The Collins Ditch Company ("Collins"), evidenced by Stock Certificate No. 851, issued in the name of Seller ("WSSC Lateral Certificate"), which lateral rights have historically been used to deliver the water rights represented by the WSSC Certificate for irrigation.

C. To the best of the Parties' knowledge and belief, the WSSC Certificate and the WSSC Lateral Certificate represent ownership of and the right to divert, deliver, and use water under and a proportional interest in the water rights described on Exhibit A (collectively "WSSC Water Rights").

D. Longs Peak also owns those certain water rights represented by two (2) shares of stock in The Water Supply and Storage Company, evidenced by Stock Certificate No. 6480, which has been issued in the name of Seller ("ROFR Certificate"), and which water rights have also historically been delivered through the Larimer County Canal and its various laterals for irrigation.

E. To the best of the Parties' knowledge and belief, the ROFR Certificate represents ownership of and the right to divert and use water under a proportional interest in the water rights described on Exhibit A ("ROFR Water Rights").

F. Greeley owns those certain water rights represented by twelve (12) shares of capital stock in the Windsor Reservoir and Canal Company, evidenced by Stock Certificate No. 700 (as to two (2) shares), Stock Certificate No. 667 (as to one (1) share), Stock Certificate No. 662 (as to four (4) shares), and Stock Certificate No. 577 (as to five (5) shares) (collectively "Windsor Reservoir Water Rights").

G. Greeley also owns those certain water rights represented by six (6) shares of capital stock in the Larimer and Weld Irrigation Company, evidenced by Stock Certificate No. 6251 (as to two (2) shares) and Stock Certificate No. 6155 (as to four (4) shares) (collectively

“LWIC Water Rights”).

H. Greeley also owns those certain lateral rights represented by one (1) share of stock in the Roullard Lateral Company, evidenced by Stock Certificate No. 406, and eight (8) shares of stock in the Owl Creek Supply & Irrigation Company, evidenced by Stock Certificate No. 1900, which rights have historically been used to deliver certain of the Windsor Reservoir Rights and LWIC Water Rights for irrigation (collectively “Windsor and LWIC Lateral Rights”).

I. Longs Peak desires to convey to Greeley the WSSC Water Rights and the Longs Peak Covenants (collectively “Longs Peak Property”), and in exchange for such conveyance, Greeley desires to convey to Longs Peak the Windsor Reservoir Rights, the LWIC Rights, the Windsor and LWIC Lateral Rights, and the Greeley Covenants (collectively “Greeley Property”).

J. The Parties also desire to enter into an agreement at Closing by which Longs Peak will lease back the WSSC Water Rights, substantially in the form attached hereto as Exhibit B.

K. The Parties also desire to enter into an agreement at Closing that will grant Greeley a right of first refusal to purchase the ROFR Water Rights, substantially in the form attached hereto as Exhibit C.

NOW THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Longs Peak and Greeley agree as follows.

AGREEMENT

ARTICLE 1 DEFINITIONS

In addition to words and terms elsewhere defined in this Agreement, including the Recitals above, the following words and terms used in this Agreement have the following meanings:

1.1 “*2370 and J&E Covenants*” means the restrictive covenants that burden historically irrigated property for the benefit of a portion of the Windsor Reservoir Water Rights and LWIC Water Rights, and the owner of such water rights, which covenants are attached hereto as Exhibit D-1 and will be assigned to Longs Peak at Closing.

1.2 “*Agreement*” means this Water Rights Trade Agreement.

1.3 “*Chalk Covenants*” means the restrictive covenants that burden historically irrigated property for the benefit of two (2) shares of capital stock in the Windsor Reservoir and Canal Company (evidenced by Stock Certificate No. 700), and the owner of such water rights, which covenants are attached hereto as Exhibit D-2 and a partial interest in which will be assigned to Longs Peak at Closing.

- 1.4 “Closing” means the closing of this transaction.
- 1.5 “Closing Date” means the date upon which the Closing occurs.
- 1.6 “City Council” means the City of Greeley City Council.
- 1.7 “Diligence” has the meaning given in Section 4.1.C.
- 1.8 “Dry-up Area” has the meaning given in Section 3.5.
- 1.9 “Effective Date” means the date upon which the last signatory has executed this Agreement and the Agreement takes legal effect.
- 1.10 “Governing Body Approvals” has the meaning given in Section 5.1.
- 1.11 “Greeley Covenants” means the 2370 and J&E Covenants and the partial interest in the Chalk Covenants that will be assigned to Longs Peak at Closing.
- 1.12 “Greeley Off-Record Documents” has the meaning given in Section 3.4.C.
- 1.13 “Greeley Property” means the Windsor Reservoir Water Rights, the LWIC Water Rights, the Windsor and LWIC Lateral Rights, and the Greeley Covenants collectively, all of which Greeley will convey to Longs Peak at Closing.
- 1.14 “Greeley Title Documents” has the meaning given in Section 3.4.A.
- 1.15 “Inspections” has the meaning given in Sections 4.1.A. and 4.1.C.
- 1.16 “Inspection Period” means the 63-day period from the Effective Date during which the Parties may conduct their due diligence, as described in Section 4.1.A.
- 1.17 “J&E Investments Lease” means the lease described in Section 3.6.B.
- 1.18 “Longs Peak Covenants” means the restrictive covenants that Longs Peak will execute at Closing to burden the historically irrigated property for the benefit of the WSSC Water Rights and Greeley, substantially in the form attached hereto as Exhibit E.
- 1.19 “Longs Peak Off-Record Documents” has the meaning given in Section 3.1.D.
- 1.20 “Longs Peak Property” means the WSSC Water Rights and the Longs Peak Covenants collectively, all of which Longs Peak will convey to Greeley at Closing.
- 1.21 “Longs Peak Title Documents” has the meaning given in Section 3.1.A.
- 1.22 “LWIC Water Rights” means the water rights described in Recital G above.
- 1.23 “Material Part” means a portion of either the Greeley Property or the Longs Peak Property that would have a material adverse effect on the use of such property as determined by the acquiring Party in its sole good faith judgment, as described in Article 9 below.
- 1.24 “Permitted Exceptions” has the meaning given in Section 3.6.

1.25 “*ROFR Agreement*” the agreement by which Longs Peak will grant Greeley a right of first refusal to purchase the ROFR Water Rights, described in Recital K above and substantially in the form attached hereto as Exhibit C.

1.26 “*ROFR Certificate*” has the meaning given in Recital D above.

1.27 “*ROFR Water Rights*” has the meaning given in Recital E above.

1.28 “*Title Company*” means Land Title Guarantee Company, located at 4617 West 20th Street, Suite B, Greeley, Colorado 80634.

1.29 “*Water and Sewer Board*” means the City of Greeley Water and Sewer Board.

1.30 “*Water Lease*” means the Irrigation Water Lease Agreement by which Longs Peak will lease the WSSC Water Rights back from Greeley, described in Recital J above and substantially in the form attached hereto as Exhibit B.

1.31 “*Windsor and LWIC Lateral Rights*” means the lateral rights described in Recital H above.

1.32 “*Windsor Reservoir Water Rights*” means the Windsor Reservoir and Canal Company water rights described in Recital F above.

1.33 “*WSSC Certificate*” means the stock certificate described in Recital A above.

1.34 “*WSSC Lateral Certificate*” means the stock certificate described in Recital B above.

1.33 “*WSSC Water Rights*” means the water rights represented by the WSSC Certificate and WSSC Lateral Certificate and described in Recital C above.

ARTICLE 2

TRADE OF WATER RIGHTS AND EXECUTION OF AGREEMENTS

2.1 Conveyance of Longs Peak Property to Greeley. Longs Peak agrees to convey to Greeley, on the terms and conditions set forth in this Agreement, the WSSC Water Rights and the Longs Peak Covenants.

A. Exclusions. There are no exclusions from the Longs Peak Property.

2.2 Conveyance of Greeley Property to Longs Peak. Greeley agrees to convey to Longs Peak, on the terms and conditions set forth in this Agreement, the Windsor Reservoir Rights, the LWIC Rights, the Windsor and LWIC Lateral Rights, and the Greeley Covenants.

A. Exclusions. There are no exclusions from the Greeley Property.

2.3 Water Lease. Greeley and Longs Peak agree to enter into the Water Lease at Closing, subject to the terms and conditions set forth in this Agreement and substantially in the form attached hereto as Exhibit B.

2.4 ROFR Agreement. Greeley and Longs Peak agree to enter into the ROFR Agreement at Closing, subject to the terms and conditions set forth in this Agreement and substantially in the form attached hereto as Exhibit C.

ARTICLE 3
TITLE

3.1 Within fourteen (14) days after the Effective Date of this Agreement, Longs Peak shall provide the following to Greeley for review:

A. A commitment for an owner's policy of title insurance ("WSSC Title Commitment") issued by the Title Company to cover the real property historically irrigated by the WSSC Water Rights, with such WSSC Title Commitment setting forth the status of title to such historically irrigated real property and showing the Title Company's search results for all recorded liens, claims, encumbrances, easements, rights of way, encroachments, reservations, restrictions and other matters of record affecting title to such real property (the copies of all recorded documents in the WSSC Title Commitment are collectively referred to as the "Longs Peak Title Documents").

B. A fully executed historical consumptive use affidavit and questionnaire describing the historical use of (i) the WSSC Water Rights and (ii) the ROFR Water Rights, in the form of the affidavit and questionnaire attached hereto as Exhibit F.

C. To the extent the same exist, true and correct copies of all WSSC documents related to the WSSC Water Rights and the ROFR Water Rights, including but not limited to, delivery records and share traces. Longs Peak agrees that WSSC documents, including but not limited to the share traces, are a necessary component of Greeley's inspection activities. Longs Peak shall request such documents as soon as is reasonably possible after the Effective Date of this Agreement. The Parties acknowledge that these documents may not be available within fourteen days of the Effective Date of this Agreement. If the Company provides such documents less than seven (7) days before expiration of the Inspection Period, then the Inspection Period shall be automatically extended for an additional fourteen (14) days.

D. To the extent the same exist, true and correct copies of all: (i) documents that relate to the title, use, quantity, quality and condition of the WSSC Water Rights and the ROFR Water Rights, including, but not limited to, any deeds or other conveyances, assignments, permits, adjudications or court orders, any testing reports, and any records maintained by Longs Peak; (ii) contracts or other agreements relating to the development, operation, maintenance or leasing or otherwise affecting the WSSC Water Rights and the ROFR Water Rights and/or historically irrigated property; and (iii) any engineering, investigation or inspection documents or reports related to the WSSC Water Rights and the ROFR Water Rights and/or historically irrigated property, (collectively referred to as "Longs Peak Off-Record Documents").

3.2 Condition and Vesting of Title to the WSSC Water Rights; Conveyance. At Closing, Longs Peak shall convey the WSSC Water Rights to Greeley, free and clear of all liens and encumbrances, by a special warranty deed in the form attached hereto as Exhibit G.

3.3 Title Insurance for the Water Rights. The purpose of the WSSC Title Commitment and Windsor and LWIC Title Commitment is to enable Greeley and Longs Peak respectively to conduct the title review described in Article 4 below, and said title commitments shall be updated as necessary up to the Closing. However, neither Longs Peak nor Greeley shall have any obligation under this Agreement to purchase a title insurance policy after Closing. Either Greeley or Longs Peak may elect to acquire this insurance (limited to the restrictive covenants obtained) at their own expense.

3.4 Within fourteen (14) days after the Effective Date of this Agreement, Greeley shall provide the following to Longs Peak for review:

A. A commitment for an owner's policy of title insurance ("Windsor and LWIC Title Commitment") issued by the Title Company to cover the real property historically irrigated by the Windsor and LWIC Water Rights, with such Windsor and LWIC Title Commitment setting forth the status of title to such historically irrigated property and showing the Title Company's search results for all recorded liens, claims, encumbrances, easements, rights of way, encroachments, reservations, restrictions and other matters of record affecting title to such real property (the copies of all recorded documents in the Windsor and LWIC Title Commitment are collectively referred to as "Greeley Title Documents").

B. To the extent the same exist, true and correct copies of all Windsor Reservoir and Canal Company and Larimer and Weld Irrigation Company documents related to the Windsor and LWIC Water Rights, including but not limited to, delivery records and share traces. Greeley agrees that such documents, including but not limited to the share traces, are a necessary component of Longs Peak's inspection activities. Greeley shall request such documents as soon as is reasonably possible after the Effective Date of this Agreement. The Parties acknowledge that these documents may not be available within fourteen days of the Effective Date of this Agreement. If the companies provides such documents less than seven (7) days before expiration of the Inspection Period, then the Inspection Period shall be automatically extended for an additional fourteen (14) days.

C. To the extent the same exist, true and correct copies of all: (i) documents that relate to the title, use, quantity, quality and condition of the Windsor and LWIC Water Rights, including, but not limited to, any deeds or other conveyances, assignments, permits, adjudications or court orders, any testing reports, and any records maintained by Greeley; (ii) contracts or other agreements relating to the development, operation, maintenance or leasing or otherwise affecting the Windsor and LWIC Water Rights and/or historically irrigated property; and (iii) any engineering, investigation or inspection documents or reports related to the Windsor and LWIC Water Rights and/or historically irrigated property, (collectively referred to as "Greeley Off-Record Documents").

3.5 Survey of Historically Irrigated Property. Prior to the expiration of the Inspection Period, Greeley shall have prepared a survey of the portion of the real property historically irrigated by the WSSC Water Rights that will be burdened by the Longs Peak Covenants ("Dry-Up Area"). The Dry-Up Area shall include sufficient acreage historically irrigated by the WSSC Water Rights to enable Greeley to obtain judicial approval of a change of use of the WSSC Water Rights and to obtain full credit for the historical consumptive use of the WSSC Water Rights when such real property is subject to the Longs Peak Covenants. Upon completion of the survey, this Agreement shall be deemed automatically amended to incorporate the legal description and depiction of the Dry-Up Area on all relevant exhibits.

3.6 Condition and Vesting of Title to Windsor and LWIC Water Rights; Conveyance. At Closing, Greeley shall convey the Windsor and LWIC Water Rights to Longs Peak by a special warranty deed in the form attached hereto as Exhibit G, free and clear of all liens and encumbrances except the following Permitted Exceptions:

- A. Any matters created by or through Longs Peak; and
- B. The existing Irrigation Water Lease Agreement with J&E Investments, originally executed on February 29, 2012 ("J&E Investments Lease"), as amended and renewed for the 2022 irrigation season.

3.7 Disapproved Title Matters. Except for the Permitted Exceptions described above, Greeley or Longs Peak may disapprove of any exceptions to title ("Disapproved Matter") by delivering written notice of objection to other party either (i) prior to the expiration of the Inspection Period or (ii) if notice of such title exception is delivered after the expiration of the Inspection Period but prior to the Closing Date, then within ten days (10) days after receiving such notice from the other party or the Title Company. Any Disapproved Matter not objected to in writing prior to the expiration of the Inspection Period or within such ten (10) day period shall be deemed an additional Permitted Exception. Greeley or Longs Peak may elect (but shall not be obligated) to cure any Disapproved Matter by (i) removing or causing the Disapproved Matter to be removed or resolved at curing party's expense; (ii) by obtaining title insurance insuring against the effect of the Disapproved Matter; or (iii) by any other means acceptable to the other party (each a "Cure"). Within ten (10) days after receipt of such notice of a Disapproved Matter, the receiving party shall notify the other party in writing whether it elects to Cure such Disapproved Matter and, if it elects to do so, the method or means of the Cure. If the receiving party elects, but fails or is unable to Cure a Disapproved Matter prior to the Closing Date, then the other party may, on the date of Closing, deliver written notice to the receiving party that it objects to the condition of the Longs Peak Property or Greeley Property in accordance with the terms and conditions of Section 6.1.C. If Greeley elects not to Cure one (1) or more Disapproved Matter, then within (i) ten (10) days after Seller's receipt of Greeley's written notice regarding such election, or (ii) on the Closing Date, whichever occurs first in time, Seller may deliver written notice to Greeley that it objects to the Land in accordance with the terms and conditions of Article 4 below. If a Party does not exercise its rights pursuant to this Section 3.7, then it shall be deemed to have accepted any outstanding Disapproved Matters and the Parties shall proceed to Closing, subject to the provisions of this Agreement, without any change to the Purchase Price or other remedy.

ARTICLE 4
INSPECTION PERIOD

4.1 Inspections.

A. Inspection Period; Greeley Right to Inspect. During the period of time commencing upon the Effective Date and continuing until 4:00 p.m., Mountain Time, on the sixty-third (63rd) day thereafter ("Inspection Period"), unless automatically extended in accordance with Section 3.1.C. or 3.4.B. above, Greeley and its authorized agents, representatives and consultants shall be entitled to: (i) enter upon the property historically irrigated by the WSSC Water Rights and ROFR Water Rights at all reasonable times, to perform such tests or inspections, as Greeley deems desirable, to allow Greeley to evaluate the WSSC Water Rights and the ROFR Water Rights; (ii) contact and interview the managers, members, employees and agents of Longs Peak to assist Greeley in determining the historical use of the WSSC Water Rights and ROFR Water Rights; (iii) contact the officers, directors, attorneys, and shareholders of WSSC to inspect any company records and/or determine under what conditions WSSC will approve a change in the place of delivery or use, or the point of diversion, of the WSSC Water Rights and ROFR Water Rights and other WSSC shares obtained or to be obtained by Greeley, pursuant to the bylaws of the company or other applicable law (collectively referred to as "Inspections"). Longs Peak agrees to cooperate with Greeley to facilitate such interviews and/or the signing of any affidavits of use of the WSSC Water Rights and ROFR Water Rights by Longs Peak or to facilitate such contact and/or request for information or determination by WSSC. Greeley shall bear all costs of such Inspections. Longs Peak agrees to reasonably cooperate with any such Inspections made by or at Greeley's direction.

B. Conditions of Greeley's Access. Greeley and its authorized agents, representatives and consultants (i) shall not unreasonably interfere with the operation and maintenance of the property to be inspected; (ii) shall comply with all reasonable requirements imposed upon them in connection with such inspections by Longs Peak; (iii) shall not injure or otherwise cause bodily harm to Longs Peak, their agents, contractors or employees; (iv) shall promptly pay when due the costs of all Inspections done with regard to the property; (v) shall not permit any liens to attach to the property by reason of the exercise of its rights hereunder; and (vi) shall restore the property as nearly as practicable to substantially the same condition in which it was found before any such Inspections were undertaken. Notwithstanding anything in this Agreement to the contrary, Greeley shall not be permitted to perform any invasive tests on the property without Longs Peak's prior written consent, which consent may be withheld in Longs Peak's sole discretion.

C. Longs Peak Right to Inspect. During the Inspection Period, and any extension thereof, Longs Peak and its authorized agents, representatives and consultants shall be entitled to conduct the activities described as Inspections above with respect to the Greeley Property, as Longs Peak deems desirable, to allow Longs Peak to evaluate the condition and use of the Greeley Property (collectively referred to as "Diligence").

Seller shall bear all costs of the Diligence. Greeley agrees to reasonably cooperate with any such Diligence made by or at Longs Peak's direction. Notwithstanding the foregoing, Longs Peak acknowledges that the historically irrigated property is currently subject to the leases described in Section 3.6 above and Section 5.3.B. below. As such, Greeley agrees to assist Longs Peak in obtaining access to those properties to conduct such Diligence subject to the terms of the applicable lease, and Longs Peak agrees to abide by the same when accessing the properties.

D. Conditions of Longs Peak's Access. Longs Peak and its authorized agents, representatives and consultants (i) shall not unreasonably interfere with the operation and maintenance of the property inspected; (ii) shall comply with all reasonable requirements imposed upon them in connection with such Diligence by Greeley or Greeley's lessees; (iii) shall not injure or otherwise cause bodily harm to Greeley, their agents, contractors, employees or lessees; (iv) shall promptly pay when due the costs of all Diligence done with regard to the property inspected; (v) shall not permit any liens to attach to the property inspected by reason of the exercise of its rights hereunder; and (vi) shall restore the property inspected as nearly as practicable to substantially the same condition in which it was found before any such Diligence activities were undertaken. Notwithstanding anything in this Agreement to the contrary, Longs Peak shall not be permitted to perform any invasive tests without Greeley's prior written consent, which consent may be withheld in Greeley's sole discretion.

4.2 Objections.

A. Greeley's Objections. If during the Inspection Period, Greeley shall, for any reason, in Greeley's sole discretion, judgment and opinion, disapprove or be dissatisfied with any aspect of the Longs Peak Property or its Inspections relating thereto, Greeley shall be entitled to terminate this Agreement by giving written notice to Longs Peak on or before the expiration of the Inspection Period, whereupon all materials exchanged by the Parties shall be returned and all provisions of this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall terminate.

B. If during the Inspection Period, Longs Peak shall, for any reason, in Longs Peak's sole discretion, judgment and opinion, disapprove or be dissatisfied with any aspect of the Greeley Property or its Diligence relating thereto, Longs Peak shall be entitled to terminate this Agreement by giving written notice to Greeley on or before the expiration of the Inspection Period, whereupon all materials exchanged by the Parties shall be returned and all provisions of this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall terminate.

ARTICLE 5 CLOSING CONTINGENCIES; CLOSING

5.1 Closing Contingencies. Sections 5.1.A and 5.1.B are collectively referred to as the "Governing Body Approvals."

A. Board Approval of Transaction. Greeley's obligation to close on the acquisition of the Longs Peak Property and conveyance of the Greeley Property is contingent upon authorization of this transaction by the Board. In the event that the Board has not authorized closing this transaction prior to expiration of the Inspection Period, then, in such event, upon Greeley's written notice to Longs Peak, this Agreement shall terminate, whereupon all materials exchanged by the Parties shall be returned and neither Party shall have any further obligation to the other hereunder except for those obligations which, by their nature, are intended to survive the termination of this Agreement.

B. City Council Authorization to Convey. Greeley's obligation to convey the Greeley Property is also subject to authorization by the City Council within the Inspection Period to convey the Greeley Property to Longs Peak. In the event City Council does not authorize the conveyance prior to expiration of the Inspection Period, then, in such event, upon Greeley's written notice to Longs Peak, this Agreement shall terminate, whereupon all materials exchanged by the Parties shall be returned and neither Party shall have any further obligation to the other hereunder except for those obligations which, by their nature, are intended to survive the termination of this Agreement.

C. Larimer and Weld Right of First Refusal. The Parties acknowledge that conveyance of the LWIC Water Rights may be subject to the Right of First Refusal asserted by the Larimer and Weld Irrigation Company concerning its own shares, as is more particularly described in its Amended and Restated Bylaws dated May 4, 2018 ("LWIC ROFR"), and that Greeley's obligation to convey the LWIC Water Rights is contingent upon the Larimer and Weld Irrigation Company not exercising the LWIC ROFR. Greeley shall provide the written notice required by the LWIC ROFR no less than thirty (30) days prior to expiration of the Inspection Period. In the event that the Larimer and Weld Irrigation Company elects to exercise the LWIC ROFR, then, in such event, upon Greeley's written notice to Longs Peak, this Agreement shall terminate, whereupon all materials exchanged by the Parties shall be returned and neither Party shall have any further obligation to the other hereunder except for those obligations which, by their nature, are intended to survive the termination of this Agreement.

5.2 Closing. The Closing shall occur at 1:30 p.m. at the Title Company, fourteen (14) days after the expiration of the Inspection Period, or by mutual agreement at an alternate date and time.

5.3 Transactions at Closing.

A. On or before the Closing Date, Longs Peak shall deliver or cause to be delivered to the Title Company, acting as escrow agent, the following documents duly executed and acknowledged where appropriate:

(1) A special warranty deed conveying the WSSC Water Rights free and clear of all liens and encumbrances, in the form attached as Exhibit G.

- (2) The original WSSC Certificate and WSSC Lateral Certificate.
- (3) Stock assignments transferring ownership of the WSSC Certificate and WSSC Lateral Certificate, and the WSSC Water Rights represented thereby, in the form attached as Exhibit H.
- (4) The Longs Peak Covenants, in the form attached as Exhibit E.
- (5) Assignment and Assumption of the J&E Investments Lease, in the form attached as Exhibit J.
- (6) A certificate of non-foreign status pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, together with any other certificates required pursuant to Colorado law.
- (7) A statement of authority.
- (8) A certificate as to Taxpayer Identification Number.
- (9) The Water Lease, in the form attached as Exhibit B.
- (10) The ROFR Agreement, in the form attached as Exhibit C.
- (11) A final closing settlement statement executed by Longs Peak.
- (12) Such other documents as may be reasonably necessary and appropriate to complete the Closing of the transaction contemplated herein.

B. On or before the Closing Date, Greeley shall deliver to the Title Company, acting as escrow agent, the following:

- (1) A special warranty deed conveying the Windsor Reservoir Water Rights, LWIC Water Rights, and Windsor and LWIC Lateral Rights free and clear of all liens and encumbrances except the Permitted Exceptions, in the form attached as Exhibit G.
- (2) The original stock certificates representing the Windsor Reservoir Water Rights, LWIC Water Rights, and Windsor and LWIC Lateral Rights.
- (3) Stock assignments transferring ownership of the Windsor Reservoir Water Rights, LWIC Water Rights, and Windsor and LWIC Lateral Rights, in the form attached as Exhibit H.
- (4) Assignment of the 2370 and J&E Covenants, in the form attached as Exhibit I.

(5) Partial assignment of the Chalk Covenants, in the form attached as Exhibit K.

(6) Assignment and Assumption of the J&E Investments Lease, in the form attached as Exhibit J.

(7) Copy of the written notice from Greeley to 2370, LLC that the Water Lease Agreement dated June 23, 2014, is terminated.

(8) Copy of the written notice from Greeley to Chalk & Associates, LLC and SRC Energy, Inc. that the Irrigation Water Lease Agreement dated June 2, 2015 is terminated as to the portion of the Windsor Reservoir Water Rights contained therein.

(9) The Water Lease, in the form attached as Exhibit B.

(10) The ROFR Agreement, in the form attached as Exhibit C.

(11) Documentation in such form as may be satisfactory to Longs Peak and the Title Company, evidencing Greeley's full authority and capacity close on this transaction.

(12) A final closing settlement statement executed by Greeley.

(13) Such other documents as may be reasonably necessary and appropriate to complete the Closing of the transaction contemplated herein.

ARTICLE 6 PRORATIONS; CLOSING COSTS

6.1 Ditch Assessments. Greeley agrees to fully pay and continue to pay any and all assessments, including special assessments, levied by the companies (or lateral or augmentation companies) associated with and accruing to Windsor Reservoir Water Rights, LWIC Water Rights, and Windsor and LWIC Lateral Rights up to and including the Closing Date. Longs Peak agrees to fully pay and continue to pay any and all assessments, including special assessments, levied by the companies (or lateral or augmentation companies) associated with and accruing to the WSSC Water Rights. Greeley and Longs Peak agree to assume any such future obligations for assessments associated with the rights respectively acquired by each Party and incurred after the Closing Date.

6.2 Closing Costs. Greeley shall pay for the cost of recording of the deed for the WSSC Water Rights and the Longs Peak Covenants, water stock transfer fees for the WSSC Water Rights, the cost of the title commitment described in Section 3.1.A. above, and one-half (1/2) of the Title Company closing and/or escrow costs. Longs Peak shall pay for the cost of recording the deed for the Windsor Reservoir Water Rights, LWIC Water Rights, and Windsor and LWIC Lateral Rights, and assignments of the Greeley Covenants, water stock transfer fees for the Windsor Reservoir Water Rights, LWIC Water Rights, and Windsor and LWIC Lateral Rights, the cost of the title commitment described in Section 3.4.A. above, and one-half (1/2) of the Title Company closing and/or escrow costs. Each Party shall pay its own attorneys' fees.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 Longs Peak represents and warrants to Greeley as follows:

A. Ownership and Encumbrances. Longs Peak is now and will remain, until the conclusion of the Closing, the lawful owner of the Longs Peak Property. To the best of Long Peak's knowledge, the Longs Peak Property is free of any liens, encumbrances and third party claims except those of Greeley. From the Effective Date of this Agreement until the Closing, Longs Peak shall not encumber the Longs Peak Property or any interest therein in any way nor grant any property or contract right relating to the Longs Peak Property or any other interests without the prior written consent of Greeley.

B. Litigation. To Long Peak's current actual knowledge, there is no dispute, action or litigation pending or threatened respecting the ownership or use of the Longs Peak Property or other interests related thereto.

C. Contracts, Leases and Agreements. From the Effective Date of this Agreement until the Closing, unless accepted by Greeley in writing, Longs Peak shall not enter into any contracts, leases, licenses, commitments or undertakings respecting the use or maintenance of the Longs Peak Property by which Greeley would be obligated or liable to any third party.

D. Status. Longs Peak has all requisite legal power and authority to own and convey the Longs Peak Property and perform all of the terms of this Agreement.

E. No Abandonment. The WSSC Water Rights have not been abandoned by Longs Peak.

F. Compliance with Law. To the best of Longs Peak's current actual knowledge, Longs Peak has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees applicable to the WSSC Water Rights, and to Longs Peak's current actual knowledge there is no proposed order, judgment, decree, governmental taking or other proceeding applicable to Longs Peak which might adversely affect the WSSC Water Rights.

Longs Peak shall provide Greeley with a written certification at Closing confirming that the foregoing representations are true and correct as of the Closing Date.

7.2 Greeley represents and warrants to Seller as follows:

A. Ownership and Encumbrances. Greeley is now and will remain, until the conclusion of the Closing, the lawful owner of the Greeley Property. To the best of Greeley's knowledge, the Greeley Property is free of any liens, encumbrances and third party claims except the Permitted Exceptions and those of Longs Peak. From the Effective Date of this Agreement until the Closing, and except for the Permitted Exceptions, Greeley shall not encumber the Greeley Property or any interest therein in

any way nor grant any property or contract right relating to the Greeley Property or any other interests without the prior written consent of Longs Peak.

B. Litigation. To Greeley's current actual knowledge, there is no dispute, action or litigation pending or threatened respecting the ownership or use of the Greeley Property or other interests related thereto.

C. Contracts, Leases and Agreements. From the Effective Date of this Agreement until the Closing, unless accepted by Longs Peak in writing, Greeley shall not enter into any contracts, leases, licenses, commitments or undertakings respecting the use or maintenance of the Greeley Property by which Longs Peak would be obligated or liable to any third party.

D. Status. Greeley has all requisite legal power and authority to own and convey the Greeley Property and perform all of the terms of this Agreement.

E. Compliance with Law. To the best of Greeley's current actual knowledge, Greeley has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees applicable to the Greeley Property, and to Greeley's current actual knowledge there is no proposed order, judgment, decree, governmental taking or other proceeding applicable to Greeley which might adversely affect the Greeley Property.

Greeley shall provide Longs Peak with a written certification at Closing confirming that the foregoing representations are true and correct as of the Closing Date.

7.3 Water Rights Adjudication. The Parties acknowledge and agree that a change of the WSSC Water Rights and/or other water rights adjudications may be necessary to allow Greeley's use of the Longs Peak Property for its intended purpose. Unless this Agreement is terminated pursuant to the provisions herein, Longs Peak agrees that it shall not oppose, but shall cooperate with Greeley, in any actions Greeley files in Water Court or administrative or other proceedings for approval of the use of the WSSC Water Rights as part of an application for new water rights (including direct flow or storage rights), changes of water rights, exchanges or plans for augmentation or substitution or in connection with the WSSC Water Rights. Longs Peak agrees that Greeley may include the WSSC Water Rights in any such application before the Closing Date, provided that Greeley promptly withdraws the WSSC Water Rights from any such application if this Agreement is terminated and Closing does not occur. Longs Peak shall not be required to file briefs in support of Greeley's application or take any affirmative action other than to appear and testify honestly about the WSSC Water Rights and provide any documentation of use or other relevant historical use information. The terms and provisions set forth in this Section 7.3 and the covenants and obligations arising therefrom shall survive the Closing and shall not be deemed merged into the closing documents.

ARTICLE 8

CONDITIONS TO CLOSING; REMEDIES

8.1 Longs Peak Conditions. The obligation of Longs Peak to convey the Longs Peak Property under this Agreement is subject to the satisfaction of the following conditions precedent

or conditions concurrent (the satisfaction of which may be waived only in writing by Longs Peak):

A. Delivery and execution by Greeley of all monies, items, and other instruments required to be delivered by Greeley to the Closing.

B. All of the actions by Greeley required by this Agreement shall have been completed.

C. There shall be no uncured default by Greeley of any of its obligations under this Agreement.

8.2 Greeley Conditions. The obligation of Greeley to acquire the Longs Peak Property and convey the Greeley Property under this Agreement is subject to the satisfaction of the following conditions precedent or conditions concurrent (the satisfaction of which may be waived only in writing by Greeley):

A. Satisfaction of the closing contingencies in Article 5 above.

B. Delivery and execution by Longs Peak of all items and other instruments required to be delivered by Longs Peak to the Closing.

C. All of the actions by Longs Peak contemplated by this Agreement shall have been taken.

D. There shall be no uncured default by Longs Peak of any of its obligations under this Agreement.

E. The representations and warranties made by Longs Peak as specifically set forth herein shall be true and correct as of the Closing Date and shall not be deemed waived in the event Greeley elects to close pursuant to Section 8.3A(3) below.

8.3 Failure of Condition.

A. Except as set forth in Section 8.3B below, in the event of a failure of any condition contained in Section 8.2, Greeley may in its sole discretion:

(1) Terminate this Agreement by notice to Longs Peak, in which event all materials exchanged by the Parties shall be returned and neither Party shall have any further obligation to the other hereunder except for those obligations which, by their nature, are intended to survive the termination of this Agreement.; or

(2) Greeley may waive such default or condition and close the transaction; or

(3) If the failure of condition consists of a default by Longs Peak which can be cured by action within the reasonable control of Longs Peak, Greeley may

elect to treat this Agreement as being in full force and effect and Greeley shall have the right to specific performance, damages, or both.

B. In the event of a failure of any condition contained in Section 8.1 above, Longs Peak may in its sole discretion:

(1) Terminate this Agreement by notice to Greeley, in which event all materials exchanged by the Parties shall be returned and neither Party shall have any further obligation to the other hereunder except for those obligations which, by their nature, are intended to survive the termination of this Agreement; or

(2) Longs Peak may waive such default or condition and close the transaction.

C. Longs Peak hereby waives any rights it may have to specific performance in the event of a default by Greeley. Except for the giving of notices, time being of the essence, neither Party shall be deemed in default hereunder unless such Party fails to cure such default within seven (7) days of written notice of default from the other Party.

ARTICLE 9 CONDEMNATION

If prior to Closing all or a Material Part of the Longs Peak Property is subject to a proposed taking by any public authority, Longs Peak shall promptly notify Greeley of such proposed taking and Greeley may terminate this Agreement by notice to Longs Peak within fourteen (14) days after written notice thereof. If prior to Closing all or a Material Part of the Greeley Property is subject to a proposed taking by any public authority, Greeley shall promptly notify Longs Peak of such proposed taking and Longs Peak may terminate this Agreement by notice to Greeley within fourteen (14) days after written notice thereof. If either Party so elects to terminate pursuant to this Article 9, and following the return all materials exchanged by the Parties, this Agreement (with the exception of those obligations which by their nature are intended to survive the termination of this Agreement) shall be of no further force and effect. If this Article 9 is triggered and a Party elects not to terminate this Agreement, or if the taking is as to a non-Material Part of the Property, that party shall accept title to the property subject to the taking without a reduction of modification to the consideration herein, and shall receive at Closing an assignment of all rights to any condemnation award. Such Party shall have the sole right after the Closing to negotiate and otherwise deal with the condemning authority in respect of such matter. A Material Part of the Property for purposes of this Article 9 shall mean a portion that would have a material adverse effect on use of the property by the acquiring Party, as determined by that Party in its sole good faith judgment.

ARTICLE 10 BROKERAGE

Longs Peak and Greeley hereby warrant to each other that there are no real estate agents or other brokers or finders involved in this transaction who are entitled to receive a brokerage or finder's fee. Longs Peak agrees to indemnify Greeley and hold Greeley harmless from any loss,

liability, damage, cost or expense (including, without limitation, reasonable attorneys' fees) paid or incurred by Greeley by reason of any claim to any broker's, finder's or other fee in connection with this transaction by any third party claiming by, through or under Longs Peak, excluding, however, any party claiming through Greeley, its successors or assigns. This obligation shall survive the Closing of this transaction.

ARTICLE 11
NOTICES

Any notice or other communication given by any of the Parties hereto to another relating to this Agreement shall be in writing and shall be deemed to have been duly given by delivery to the respective addresses provided below, or such other address changed by the recipient by notice consistent with this Article: (i) on the date and at the time of delivery if delivered personally to the Party to whom notice is given at such address; or (ii) on the date and at the time of delivery or refusal of acceptance of delivery if delivered or attempted to be delivered by an overnight courier service to the Party to whom notice is given at such address; or (iii) on the date of delivery or attempted delivery shown on the return receipt if mailed to the Party to whom notice is to be given by first-class mail, sent by registered or certified mail, return receipt requested, postage prepaid and properly addressed to such address; or (iv) if an e-mail address is specified, on the date and at the time shown on the e-mail message if sent to the e-mail address specified below, with no bounce-back received within three (3) days:

If to Longs Peak: Longs Peak Dairy, LLC
 Attention: Wade Potberg
 45490 County Road 39
 Pierce, Colorado 80524
 Telephone: (970) 539-4651
 Email: wadepodtburg@gmail.com

With a copy to: Otis & Bedingfield, LLC
 Attention: Jeff Bedingfield
 2725 Rocky Mountain Avenue, Suite 320
 Loveland, Colorado 80538
 Telephone: 970-663-7300
 Email: jbedingfield@nocoattorneys.com

If to Greeley: City of Greeley Water and Sewer Department
 Attention: Water Resources Division
 1001 11th Avenue, 2nd Floor
 Greeley, Colorado 80631
 Telephone: (970) 350-9812
 Email: adam.jokerst@greeleygov.com
 cole.gustafson@greeleygov.com

With a copy to: City of Greeley City Attorney's Office
 Attention: Environmental and Water Resources

1100 10th Street, Suite 401
Greeley, Colorado 80631
Telephone: (970) 350-9757
Email: daniel.biwer@greeleygov.com
jerrae.swanson@greeleygov.com

ARTICLE 12
MISCELLANEOUS

12.1 No Waiver of Governmental Immunity/No Third Party Beneficiary. This Agreement shall not create any duty of care or liability with respect to any person or entity not a party to this Agreement, or waive any of the privileges or immunities Greeley or its officers, employees, successors and assigns may present pursuant to law, including, but not limited to, the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, *et seq.*, as amended.

12.2 Time. Time is of the essence as to each provision of this Agreement and the performance of each Party's obligations hereunder, except where explicitly described to the contrary.

12.3 Attorneys' Fees. If any legal action, arbitration or other proceeding is commenced to enforce or interpret any provision of this Agreement or to enforce any indemnity, the prevailing party shall be awarded its attorneys' fees and expenses, in addition to any other relief granted. The phrase "prevailing party" shall include a party who receives substantially the relief desired whether by dismissal, summary judgment, judgment or otherwise. This provision shall survive the termination of this Agreement.

12.4 No Waiver. No waiver by either Party of the performance or satisfaction of any covenant or condition of this Agreement is valid unless in writing and shall not be considered to be a waiver by such Party of any other covenant or condition.

12.5 Entire Agreement. This Agreement contains the entire agreement between the Parties regarding the subject matter herein and supersedes all prior agreements, whether written or oral, among the Parties regarding this transaction, excluding only the closing documents executed in connection therewith. This Agreement may only be modified by mutual written agreement duly authorized and executed by the Parties.

12.6 Survival of Representations and Warranties. All representations, obligations, liabilities, warranties, covenants, agreements and monetary obligations of Longs Peak and Greeley as set forth in this Agreement shall survive the Closing and consummation of this transaction contemplated by this Agreement until the complete discharge thereof. All warranties of title set forth in any deed or assignment delivered or made hereunder shall survive without limit.

12.7 Successors. Subject to Section 12.8 below, this Agreement shall bind and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

12.8 Assignment. This Agreement is not assignable by Longs Peak or Greeley without first obtaining the prior written approval of the other Party. No assignment shall relieve either of

the Parties from its respective obligations if such obligations are not properly discharged by the assignee of such Party.

12.9 Relationship of the Parties. The Parties acknowledge that neither Party is an agent for the other and that neither Party can bind or enter into agreements for the other.

12.10 Governing Law and Construction. This Agreement and the legal relations between the Parties hereto shall be governed by the laws of the State of Colorado. Longs Peak and Greeley acknowledge that each Party had the opportunity to consult with legal counsel, and that the Agreement should not be construed nor interpreted against a drafting Party.

12.11 Possession. Longs Peak shall deliver to Greeley possession of the Longs Peak Property, on the Closing Date, upon release from escrow of all items to be delivered by Greeley at Closing. Greeley shall deliver to Longs Peak possession of the Greeley Property, subject to the Permitted Exceptions, on the Closing Date, upon release from escrow of all items to be delivered by Longs Peak at Closing.

12.12 Calendar Days. In the event any time period set forth in this Agreement commences, expires or is determined from a date which falls on a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day, the date of such commencement, performance, expiration or determination shall automatically be extended to the next business day which is not a Saturday, Sunday, legal holiday of the State of Colorado or other non-business day.

12.13 Counterparts. This Agreement may be executed in any number of counterparts each of which, when taken together, shall constitute one agreement. This Agreement shall only be effective when counterparts are signed by both Longs Peak and Greeley. Executed copies of this Agreement may be delivered by electronic means. The Parties agree to accept and be bound by signatures hereto delivered by electronic means.

12.14 Approval Required by Board and City Council. THE OBLIGATIONS OF GREELEY UNDER THIS AGREEMENT ARE EXPRESSLY CONTINGENT UPON THE APPROVAL OF THIS AGREEMENT BY THE CITY OF GREELEY WATER AND SEWER BOARD AND CITY COUNCIL.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates set opposite their respective signatures below.

LONGS PEAK DAIRY, LLC
a Colorado limited liability company

By: Wade Podtburg

Date: 1-12-22

Name: Wade Podtburg

Title: Managing Partner

THE CITY OF GREELEY, COLORADO,
a Colorado home rule municipal corporation
acting by and through its Water Enterprise

DocuSigned by:
By: Raymond C. Lee III
City Manager

Date: 2/8/2022

As to Availability of Funds:

DocuSigned by:
By: John Karner
Director of Finance

As to Legal Form:

DocuSigned by:
By: Daniel D. Buerger
City Attorney