



**Park County Planning Department**  
 1246 County Road 16; PO Box 1598  
 Fairplay, Colorado 80440  
 Phone: 719.836.4293  
[www.parkco.us](http://www.parkco.us)  
 Office Hours: Monday - Thursday 7 AM to 6 PM

## Retail and Medical Marijuana Facility License Application

Note: Failure to progress in construction and operation of a facility may result in denial of license renewal.

Type of License (check all that apply):  New Application  Renewal  Change of Ownership

- Retail  Store  MIP  
 Medical  Cultivation  Testing Facility

**Enclosed Fee:** Payment required at the time of application. Make checks payable to Clerk and Recorder. **Note:** The Application Fee for a Marijuana License is **non-refundable**.

- Application Fee of \$2,900.00 PER LICENSE and Canvassing Deposit \$3,500.00
- Annual Renewal Application Fee of \$700.00 per License
- Renewal Late Fee of \$700.00 per License, if applicable

**Submitting the Application:** Please follow the steps listed herein and supply all requested information.

### 1. Business Information:

Legal Name of Business	AQUA FARMS LLC		Date of Business Establishment	9/10/19	
Trade Name of Business (dba)	AQUA FARMS LLC				
Physical Address (specify all locations)	39329 HWY 285, JEFFERSON, CO, 80456				
Mailing Address	[REDACTED]				
City	LITTLETON	State	CO	Zip Code	80123
Phone Number	[REDACTED]	Fax Number	N/A	Email Address	[REDACTED]

If the applicant is a business entity, provide the following information:

- Legal status of entity and proof of registration with, or certificate of good standing from, the Colorado Secretary of State.
- Evidence of a valid State sales tax or excise tax license for the business.

2. **Applicant Information:** Provide one of the following forms of identification: a) a state-issued driver's license, state-issued identification card, United States military identification card, valid United States passport, or enrollment card issued by the government authority of a federally recognized tribe.

Applicant Name	KEVIN PHAM
Date of Birth	[REDACTED]
Mailing Address	[REDACTED]
City	LITTLETON
State	CO

The applicant shall also provide the following information for all applicants, employees, managers, and persons having a ten percent or more financial interest in the marijuana establishment, or, if the applicant is an entity, having ten percent or more financial interest in the entity, on a separate sheet of paper:

- Name, address, and date of birth.
- New Applicants: Fingerprint submittal to Park County Sheriff Department will be verified.
- Proof of Residence: Physical residence mailing. Acknowledgment and consent to a background investigation, including a criminal history check.

3. **Location Basics:**

Address of Facility: 39329 HWY 285, JEFFERSON, CO, 80456

Tax Parcel Number: 2288 Zoning: COMMERCIAL

The physical location(s) of the business must be located within a proper zone district. Please confirm with the Park County Planning & Zoning Department the correct zoning of the proposed business location(s) as well as the permitted uses within that zone district prior to the submission of this application.

4. **Pre-Existing Business:** If the application is for a pre-existing business, provide the date the business was established and submit evidence of establishment such as leases or sales tax receipts (as attachments).

N/A

5. **Property Owner(s) Information:** Provide the name, address, and signature of the property owner(s). If there are multiple owners, please include this information for all owners. Use an additional sheet if necessary.

Property Owner(s)	AQUA FARMS LLC
Owner's Address	[REDACTED]
City	LITTLETON
State	CO
Signature of Prop	[REDACTED]

If the applicant is not the owner of the proposed licensed premises, provide the following information:

- Notarized statement from the owner of the property authorizing the use of the property for a marijuana establishment.
- Copy of any deed, lease, contract, or other document reflecting the right of the applicant to possess the proposed licensed premises along with conditions of occupancy of the premises.

6. **Business Owner(s) Information:** Provide the name, address, and signature of the business owner(s), or applicable LLC information. If there are multiple business operators, be sure to include information for all business owners. Use an additional sheet if necessary.

Business Owner(s)	KEVIN PHAM
Business Owner Address	[REDACTED]
City	LITTLETON
State	CO
Signature of Business Ov	[REDACTED]

7. **Nearby Restricted Facilities:** The applicant shall provide a **map and detailed list** showing the following uses that are located within 500 feet of the proposed licensed premises: all licensed child care facilities, educational institutions, halfway house or correctional facility, schools, colleges or universities (either public or private), public park, public pool, or recreational facilities (public or private); **AND a map and detailed list** showing all retail/medical

marijuana stores that are located within 1,000 feet of the proposed licensed premises. Use additional sheets if necessary.

Nearby Restricted Facilities within 500 feet
N/A
Nearby Restricted Facilities within 1,000 feet
N/A

**8. Canvassing:** Canvassing helps demonstrate the needs and desires of the neighborhood(s). Upon determination of the applicable neighborhood by the BOCC, a canvass will be used to determine the needs and desires of the neighborhood.

**9. Vehicle Trips:** Provide the number of vehicle trips per day expected to be generated by the proposed business. Keep in mind that one vehicle produces two trips (arrival and departure).

Employees	2
Patrons	N/A

**10. Water and Wastewater Information:** Provide information detailing the expected source of water at the proposed business, level of water use, and wastewater discharge. This information must include both the business as well as the entire parcel and should be given in gallons/ day. **Wells cannot be used for marijuana cultivation unless the well permit states so specifically. Also see notes below.**

Expected Source of Water	Well
Expected Level of Water Use (gal/day)	370
Expected Wastewater Discharge (gal/Day)	100
How many employees do you have on site?	2

Attach any additional permits or other applicable documentation related to well use, septic system use, and/or water sanitation.

**Water Requirements for Plant Cultivation:**

- If water will be provided by a community water system, please list the water system that will be used.
- If a new or existing well is to be used as the only source of water for the business, and the well is to be used for plant cultivation, participation in a court-approved augmentation plan will likely be required. Please list the source of augmentation for the well or provide a current valid well permit allowing for all the proposed business uses, including indoor plant cultivation.
- If water is to be hauled in, please list the source(s) from which the water will be hauled. In addition, monthly reports using a pre-approved accounting sheet must be provided to the District 23 Water Commissioner upon request. All receipts showing water purchases must be kept on file and made available to the District 23 Water Commissioner upon request.
- If drinking and sanitary water uses will be provided by a commercial-exempt well permit, and all other uses will be provided by hauling in water, then monthly reports using a pre-approved accounting sheet must be provided to the District 23 Water Commissioner upon request. The accounting sheet must list the monthly meter reading for the commercially-exempt well, along with all deliveries of hauled in water. The source of the hauled water must be provided, and all receipts for water purchases must be kept on file and provided to the District 23 Water Commissioner upon request.
- If another source of water not listed above is to be used, please list that source.

**11. Access Information:** Provide copies of any driveway permits, easements, and/or CDOT access permits as applicable.

**12. Comprehensive Business Operation Plan:** Please provide a business plan for the proposed establishment to address, at a minimum, the following components:

- a. A phasing plan outlining progress of construction and operations.
- b. A security plan (by narrative): meeting the requirements of Section 24 of this Ordinance, which shall include a general description of the security system(s) and confirmation that those systems will meet State requirements and be approved by the State prior to commencing operations.
- c. A description (by category) of all products to be sold.
- d. If the retail/medical marijuana establishment will be providing retail/medical marijuana products in edible form, evidence of at a minimum a pending application for any food establishment license or permit that may be required by the State.
- e. A health and sanitation plan demonstrating compliance with the Colorado Permanent Retail Marijuana Rules, 1 CCR 212-2 or Medical Marijuana Rules, 1 CCR 212-1.
- f. A signage plan and narrative that is in compliance with all applicable requirements of Ordinance No. 16-01 and other applicable provisions of the Park County Land Use Regulations.
- g. Material Safety Data Sheets for all nutrients, pesticides, and other chemicals proposed for use in the facility.
- h. A plan for the disposal of marijuana and related byproducts meeting the requirements of Section 30 of Ordinance No. 16-01.
- i. An odor and fugitive light mitigation plan.

All security recordings shall be preserved for at least seventy-two (72) hours by the licensee and be made available to the Park County Sheriff's Office upon request for inspection.

**13. Comprehensive Site Plans:** Please include the following plans for the premises (attached drawings to be 11" x 17" in size):

- a. A plot plan of the parcel showing the location of all existing and proposed structures (including height, square footage), roads, streets, and easements, septic tank and leach field (if applicable), wetlands, watercourses, and overhead utility lines.
- b. A building layout showing how the floor space will be utilized. This includes all entry ways and exits, loading zones, and the dimensions and use of every room. Please include details as to what floor area will be devoted to manufacturing infused products, cultivation operations, and/or dispensing operations.
- c. A parking plan for the premises. This includes parking for the entire parcel if there are additional businesses located there.
- d. The nature and location of any proposed/existing lighting and signage. If proposing signage, please include information for the entire parcel. This may be accomplished with photos or diagrams and must include dimensions and elevations. Regulations on lighting and signage is available in Article V, Division 8, Section 5-800, Page 74 (signs) and Division 7, Section 709, Page 65 (lighting) of the Park County Land Use Regulations. Lighting and signage must comply with all applicable state laws.

**Use the Checklist below as a Guide of Elements to Illustrate on your Site Plan:**

- |  |   |
|--|---|
| <input type="checkbox"/> Name of Project             | <input type="checkbox"/> Address of Proposed Location |
| <input type="checkbox"/> Size of Property (in acres) | <input type="checkbox"/> Lot Dimensions of Property   |
| <input type="checkbox"/> Use of Land & Structures    | <input type="checkbox"/> Preparation Date             |
| <input type="checkbox"/> Standard Scale              | <input type="checkbox"/> North Arrow                  |

**Please Note:**

A separate application and approval is required by the State of Colorado, and any license issued by Park County is contingent upon the appropriate State Licensure. The purpose of this application is to comply with the Park County Retail and Medical Marijuana Licensing/Operations Establishments Regulations – Ordinance No. 16-01, 17-01, and 16-03.

Please review the Park County Retail Marijuana Licensing Regulations for complete information <http://parkco.us/ArchiveCenter/ViewFile/Item/1535> and for Medical Marijuana Licensing Regulations <http://parkco.us/documentcenter/view/2893>. Applicants should carefully read all local regulations prior to submission. Any local licenses issued under these regulations shall be valid for a period of one (1) year from the date of issuance.

Incomplete applications will be returned with general instructions as to which documents are required for completion. Failure to provide the documents deemed necessary by the Authority in sufficient detail to determine full compliance with State and Local Regulations shall be grounds for denial of the application.

**Certification:**

I certify that am signing this application form as the owner of record of the business included in this application. I certify that the information and exhibits I have submitted as part of this application are true and correct to the best of my knowledge. I certify and understand that this application gives the County the right of entry to inspect the parcel and all buildings on the parcel related to the retail/medical marijuana business for compliance with zoning and building codes pursuant to this license application.

Print Name of Applicant	KEVIN PHAM
Signature of Applicant	[REDACTED]

**This section reserved for use by County staff.**

Staff Notes



# StatementOfTaxesDue

Account Number R0002288

Parcel 2288

Assessed To



<b>Legal Description</b>	<b>Situs Address</b>
T08 R75 S05 NE4 TRACT 1 IN SE4NE4 DESC IN SURVEY S-95-13 DATED JULY 12,1994 5-8-75	39329 HWY 285 JEFFERSON 80456

Year	Tax	Interest	Fees	Payments	Balance
<b>Tax Charge</b>					
2020	\$10,021.24	\$0.00	\$0.00	(\$10,021.24)	\$0.00
Total Tax Charge					\$0.00
<b>Grand Total Due as of 05/26/2021</b>					<b>\$0.00</b>

Tax Billed at 2020 Rates for Tax Area 0003 - Jefferson/Como Fire

Authority	Mill Levy	Amount	Values	Actual	Assessed
PARK COUNTY	20.1440000*	\$3,074.59	OFFICES - LAND	\$26,842	\$7,780
PARK COUNTY ROAD & BRIDGE -	0.9360000	\$142.86	OFFICES - IMPS	\$80,808	\$23,430
SCHOOL DISTRICT RE-2	14.8670000	\$2,269.15	MANUFACTURE/PRO	\$76,397	\$22,160
SCHOOL DISTRICT RE-2 BOND	4.1270000	\$629.90	CESS - IND		
UPPER SOUTH PLATTE WATER	0.1340000	\$20.45	MANUFACTURE/PRO	\$342,272	\$99,260
SOUTH PARK AMBULANCE	9.5000000	\$1,449.99	CESS - IND		
CENTER OF COLO WTR CON DIST	1.0000000	\$152.63	Total	\$526,319	\$152,630
SOUTH PARK REC DISTRICT	1.8360000	\$280.23			
JEFFERSON/COMO FIRE	13.1130000	\$2,001.44			
Taxes Billed 2020	65.6570000	\$10,021.24			

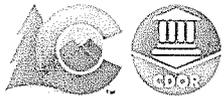
\* Credit Levy

AMOUNTS SHOWN ARE CORRECT AT THE TIME OF PRINTING.  
 ALL TAX LIEN SALE AMOUNTS ARE SUBJECT TO CHANGE DUE TO ENDORSEMENT OF CURRENT TAXES BY THE LIENHOLDER OR TO ADVERTISING AND DISTRRAINT WARRANT FEES. CHANGES MAY OCCUR AND THE TREASURER'S OFFICE WILL NEED TO BE CONTACTED PRIOR TO REMITTANCE AFTER AUGUST 1.

**TAX LIEN PAYMENTS:**

- MUST BE PAID BY CASH, CASHIERS CHECK, MONEY ORDER OR ONLINE AT WWW.PARKCO.US/TREASURER.
- PLEASE PUT "ATTN:TAX LIEN" ON THE OUTSIDE OF THE ENVELOPE.
- MUST BE RECEIVED IN THE OFFICE BY THE ABOVE DUE DATE. POSTMARKS NOT ACCEPTED.
- PAYMENTS WILL ONLY BE ACCEPTED FROM THE OWNER, HIS AGENT OR ANY OTHER PERSON HAVING A LEGAL OR EQUITABLE CLAIM AGAINST THE PROPERTY PER STATUTE CRS 39-12-103

Park County Treasurer  
 P.O. Box 638, Fairplay CO 80440  
 (719)-836-4334



**COLORADO**

**Department of Revenue**

Enforcement Division – Marijuana  
1707 Cole Blvd., Suite 300  
Lakewood, CO 80401

January 26, 2021

[REDACTED] lace

License Type: Owner- Individual  
License # M108061  
**Expiration Date 01/26/2022**

The purpose of this correspondence is to inform you that on Tuesday, January 26, 2021, your requested Controlling Beneficial Owner-Individual application was approved by the Marijuana Enforcement Division (MED).

Please take note of the expiration date of your Owner license, which is listed above. All Owner-Individual licenses will need to be renewed yearly, prior to the expiration date.

The MED does not have a photo to utilize in the creation of your physical Owner license. As such, the MED has issued your Owner license badge without a photo. To remain compliant during this time without a photo on your Owner license, you must wear your badge in a visible and compliant manner and hold valid, government issued identification, both of which need to be on your person, when visiting a facility in which you hold ownership.

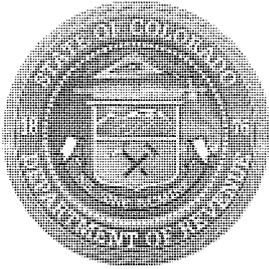
Sincerely,

A handwritten signature in black ink, appearing to read 'James Burack'.

James Burack  
Division Director

# STATE OF COLORADO

## DEPARTMENT OF REVENUE



### Marijuana Enforcement Division



### Regulated Marijuana Conditional License

**AQUA FARMS, LLC**

39329 Highway 285, Jefferson, CO 80456

Retail Marijuana Cultivation Facility – Tier 1 (1,800 Plants) - 403R-01255

License Issue Date: 01/26/2021

License Valid Through: 01/26/2022

**This license is conditioned upon Local Authority approval, pursuant to section 44-10-305 C.R.S.**

This conditional license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 44, Article 10, as amended. This conditional license is nontransferable and shall be conspicuously posted in the place above described.

**This conditional license is only valid through the expiration date shown above.** Any questions concerning this conditional license should be addressed to: Colorado Marijuana Enforcement Division, 1707 Cole Blvd., Suite 300, Lakewood, CO 80401. In testimony whereof, I have hereunto set my hand.

Handwritten signature of James Burack in black ink.

James Burack, Division Director

Handwritten signature of Mark Ferrandino in black ink.

Mark Ferrandino, Executive Director

MEDICAL/RETAIL



SEE I.D.

O  
W  
N  
E  
R

KEVIN

Lic #:

Exp: 1/26/22



**OWNER**

**KEVIN PHAM**

**This Identification Card must be visible and worn at all times. All Identification Cards shall remain the property of the State of Colorado and shall be returned upon demand to the Colorado Marijuana Enforcement Division or its agents.**

If found return to:



1707 Cole Blvd, Suite 300  
Lakewood, CO 80401  
303-866-3330

[https://www.colorado.gov/  
pacific/enforcement/marijuanaenforcement](https://www.colorado.gov/pacific/enforcement/marijuanaenforcement)

## WHOLESALE SALES TAX LICENSE

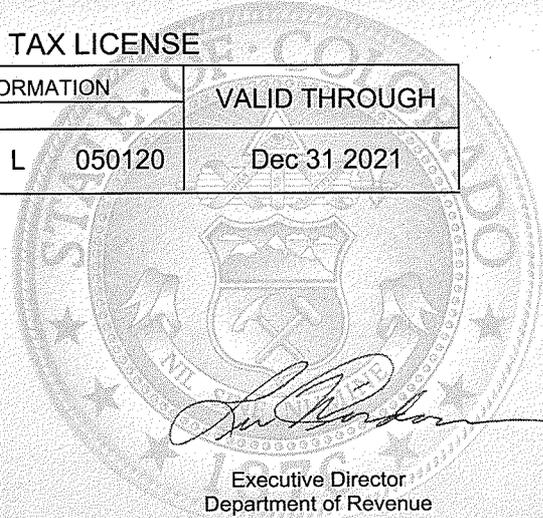
THIS LICENSE IS  
NOT TRANSFERABLE

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION		VALID THROUGH
	65875086-0001	54-0020-008	L 050120

39329 HWY 285 JEFFERSON CO 80456



AQUA FARMS L.L.C



Executive Director  
Department of Revenue

▲ Detach Here ▲

### Important Verification Process

If you are new to Colorado sales tax visit: [www.Colorado.gov/revenue/salestaxbasics](http://www.Colorado.gov/revenue/salestaxbasics)

VERIFY that all information on your sales tax license is correct. Modify and update any errors you identify on the Internet through Revenue Online. **Access your tax account, file returns, submit payments, verify sales tax licenses and view sales tax rates through Revenue Online** at [www.Colorado.gov/RevenueOnline](http://www.Colorado.gov/RevenueOnline)

All the information you need to get started is on this document; have it with you before you begin. Follow these easy steps.

1. Go to [www.Colorado.gov/RevenueOnline](http://www.Colorado.gov/RevenueOnline)
2. **Click on Sign Up (Individual or Business) link on the right.**
3. **Click on Continue.**

Now click on: **Enter Taxpayer Information**. Click on the down arrow in the Account Type list and select Other. Use the first 8-digits of the account number shown on your license. Complete the rest of the screen. Next click on: **Enter Login Information** and complete the screen (this is information YOU get to create for the account). Next click on: **Enter Account Information** and complete the screen.

Your Letter ID is: L1897141600

Then click the **Submit** button. You will see a confirmation page on your screen. You should receive a confirmation email from the Colorado Department of Revenue. If you do not, check your Junk email folder. Once you have your Authorization Code return to Revenue Online via the link in your email. Enter the Login ID and Password you created.

1. Click on the **Login** button.
2. Enter the Authorization Code from your email (first time only).
3. Click Login. You should then be in your account. NOTE: If you have additional tax types registered under the same Account Number, such as withholding, you will be able to view those tax types through the account. You do not need to create separate Login IDs and Passwords for each tax in your account.

### Filing Returns

To file a return, go to Revenue Online ([www.Colorado.gov/RevenueOnline](http://www.Colorado.gov/RevenueOnline)). You must file a return for each reporting period. If you have no tax to report, file a **zero** return. Tax reporting and payment are your responsibility. To avoid late penalties and interest, file online on or before the due date. If you discontinue sales, you may close your business location through Revenue Online.

Learn more and avoid unnecessary errors by attending our **free sales tax classes!** Sign up at [www.TaxSeminars.state.co.us](http://www.TaxSeminars.state.co.us)

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Aqua Farms L.L.C

is a

Limited Liability Company

formed or registered on 09/10/2019 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20191727594 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 11/15/2019 that have been posted, and by documents delivered to this office electronically through 11/18/2019 @ 11:40:24 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 11/18/2019 @ 11:40:24 in accordance with applicable law. This certificate is assigned Confirmation Number 11917314 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*

*Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*

**Investigation Authorization - Authorization to Release Information**

I Kevin Pham hereby authorize the County of Park to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the County of Park to provide any and all such information deemed necessary by the County of Park. I hereby waive any rights of confidentiality in this regard.

I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the County of Park a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements, and any other documents relating to my personal or business financial records in whatever form and wherever located.

I understand that by signing this authorization a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the County of Park a complete and accurate record of any and all tax information or records relating to me. I authorize the County of Park to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal law.

I understand that by signing this authorization, a criminal history check will be performed. I authorize the County of Park to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e. dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "non-public" under the provisions of state or federal laws.

The County of Park reserves the right to investigate all relevant information and facts to their satisfaction. I understand that the County of Park may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However the County of Park shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and

agree to hold harmless, and otherwise waive liability to the County of Park for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the County of Park, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Signature: 	
<b>Notary Requirements:</b>	
State of: Colorado	County of: Jefferson
Acknowledged before me on this 7 <sup>th</sup> day of January 2020	
Signed above by (print name): Kevin Pham	
Witness by my hand and seal.	
Notary Public Signature: 	Notary Seal <div data-bbox="966 1323 1356 1470" style="border: 1px solid black; padding: 5px; text-align: center;">MONIJA KAJTAZ RUSSO NOTARY PUBLIC - STATE OF COLORADO NOTARY ID 20164019630 MY COMMISSION EXPIRES MAY 23, 2020</div>

Aqua Farms  
Comprehensive Business Operation Plan

**a. Phasing plan**

1. Construction

Interior walls will be built as shown in the floor plans included in this application. The facility will also be sealed in a manner to make it impenetrable by light originating both from inside and outside of the building.

2. Set Up

All equipment necessary for operation will be installed into the facility. Installation includes but is not limited to the security, lighting, irrigation, ventilation, and security systems.

3. Operation

Cultivation will begin upon the completion of the Set Up phase. The operation phase will be carried out in a manner to ensure compliance with all applicable laws.

**b. Security plan**

During the Set Up phase mentioned above, a security alarm system will be installed into the facility. The security system installation will start by ensuring all ingress and egress points of the facility will be equipped with commercial-grade, non-residential door locks. A video surveillance system will also be installed to meet the requirements expressed in Section R 306 of the Colorado Permanent Retail Marijuana Rules, 1 CCR 212-2.

**c. Description (by category) of all products to be sold**

This facility will produce dried cannabis flowers to be consumed via vaporization.

**d. Retail/medical marijuana in edible form**

This establishment will not be providing retail/medical marijuana products in edible form.

**e. Health and sanitation plan**

This Retail Marijuana Cultivation Facility will not be treating or otherwise adulterate Retail Marijuana with any chemicals or other compound whatsoever to alter its color, appearance, weight, or smell. This establishment will adhere to the health and safety regulations expressed in Rule R 504 of the Colorado Permanent Retail Marijuana Rules, 1 CCR 212-2.

**f. Signage plan**

There are no plans to add any signage on the property. Any existing signage will be removed.

**g. Material Safety Data Sheets**

Material Safety Data Sheets for all nutrients, pesticides, and other chemicals proposed for use in the facility will be provided to employees in accordance with the requirements of the federal Occupational Safety and Health Act.

**h. Disposal Plan**

Retail Marijuana and Retail Marijuana Product waste (including liquids) will be stored, secured, locked, and managed in accordance with all applicable federal, state, and local statutes, regulations, ordinances, or other requirements as mentioned in Rule R 307 of the Colorado Permanent Retail Marijuana Rules, 1 CCR 212-2.

*include water waste removal plan*

**i. Odor and fugitive light mitigation plan**

Odor will be mitigated through the use of carbon filters. The carbon filters will be connected to exhaust fans that will force any air exiting the facility through the filter to neutralize any odors generated within the facility. These carbon filters will be inspected regularly and will be replaced at the end of their service life. The facility is designed to be light-tight, meaning it is not penetrable by light from the inside to the outside of the facility and vice versa once the Construction Phase is complete. This ensures both in not contributing to any light pollution in the area along with preventing outside light from interfering with cultivation operations inside the facility.

*Handwritten notes in yellow and blue ink, mostly illegible due to blurring.*

## **Plant and Water Waste Removal Plan for Aqua Farms**

Marijuana product waste will be made unusable and unrecognizable before being disposed of. The marijuana product waste will first be ground up by a mulcher-like machine to break it apart into smaller pieces. The mulch will then be mixed and incorporated primarily with soil and/or the growth medium used for cultivation.

Other non-consumable, solids wastes include paper waste, plastic waste, cardboard waste, and food waste may be added so the mixture is at most 49 percent marijuana waste.

Liquid marijuana waste will be solidified by mixing it into the absorbent mix before placing it into a secure waste receptacle before being collected by a local waste company.

The waste receptacle will be secure and in possession and control of Aqua Farms. No Marijuana Product Waste will be disposed of in an unsecured waste receptacle not in possession and control of Aqua Farms.

**a. Phasing plan**

1. Construction  
Interior walls will be built as shown in the floor plans included in this application. The facility will also be sealed in a manner to make it impenetrable by light originating both from inside and outside of the building.
2. Set Up  
All equipment necessary for operation will be installed into the facility. Installation includes but is not limited to the security, lighting, irrigation, ventilation, and security systems.
3. Operation  
Cultivation will begin upon the completion of the Set Up phase. The operation phase will be carried out in a manner to ensure compliance with all applicable laws.

**b. Security plan**

During the Set Up phase mentioned above, a security alarm system will be installed into the facility. This security system will include contact sensors on all perimeter doors and windows. Once the alarm system is in place, records of the security alarm system that describe the location and operation, security zoning, and name of the alarm installation company will be maintained to be up-to-date. Additionally, all points of ingress and egress will use commercial-grade, non-residential door locks. A video surveillance system will also be installed during the Set Up phase. The surveillance system is planned to consist of a network of 16 cameras throughout the facility connected to a centralized security unit in the existing storage area that can be seen in the included floor plan. The security unit will be enclosed in a lockable cabinet that is only accessible to an authorized management staff. The locking security unit will contain video monitors, digital archiving devices, and a color printer capable of delivering still photos. All cameras will be installed about 6 feet off the ground to be capable of identifying activity within 20 feet of all points of ingress and egress and certain identification of any individuals and activities on the premises. The perimeter doors will be recorded both from indoor and outdoor vantage points. Each room where marijuana will be grown will have a camera facing the primary entry door that will provide a clear unobstructed view of activity without blockage from lighting hoods, fixtures, or other equipment. Cameras will also be dedicated in the drying and trimming rooms to monitor weighing, packaging, transport preparation, processing, and tagging activities. Finally, there will be a camera in the existing storage room to record the access point to the lockable security storage unit. The locations of the security equipment can be seen in the diagram included with the application. All recordings will be kept for at least 40 days in a format that will be easily accessed for viewing.

**c. Description (by category) of all products to be sold**

This facility will produce dried cannabis flowers to be consumed via vaporization.

**d. Retail/medical marijuana in edible form**

This establishment will not be providing retail/medical marijuana products in edible form.

**e. Health and sanitation plan**

This Retail Marijuana Cultivation Facility will not be treating or otherwise adulter Retail Marijuana with any chemicals or other compound whatsoever to alter its color, appearance, weight, or smell. This establishment will adhere to the health and safety regulations expressed in Rule R 504 or the Colorado Permanent Retail Marijuana Rules, 1 CCR 212-2.

f. **Signage plan**

There are no plans to add any signage on the property. Any existing signage will be removed.

g. **Material Safety Data Sheets**

Material Safety Data Sheets for all nutrients, pesticides, and other chemicals proposed for use in the facility will be consolidated and located in the storage room where they can be easily accessed by all employees.

h. **Plant and Water Waste Plan**

Marijuana product waste will be made unusable and unrecognizable before being disposed of. The marijuana product waste will first be ground up by a mulcher to break it apart into smaller pieces. The mulch will then be mixed and incorporated primarily with soil and/or the growth medium used for cultivation. Other non-consumable, solids wastes include paper waste, plastic waste, cardboard waste, and food waste may be added so the mixture is at most 50 percent marijuana waste. Liquid marijuana waste will be solidified by mixing it into the absorbent mix before placing it into a secure waste receptacle before being collected by a local waste company. Liquid waste will primarily consist of water used for the cleaning of equipment.

i. **Odor and fugitive light mitigation plan**

Odor will be mitigated through the use of carbon filters. The carbon filters will be connected to exhaust fans that will force any air exiting the facility through the filter to neutralize any odors generated within the facility. These carbon filters will be inspected regularly and will be replaced at the end of their service life. The facility is designed to be light-tight, meaning it is not penetrable by light from the inside to the outside of the facility and vice versa once the Construction Phase is complete. This ensures both in not contributing to any light pollution in the area along with preventing outside light from interfering with cultivation operations inside the facility.



Park County Sheriff's Office  
PO Box 604  
Fairplay, CO 80440  
719-836-2494  
Sheriff Tom McGraw

February 25, 2020

Dear Board of Commissioners,

Kevin Pham is a new applicant to obtain a Retail Marijuana License for the Aqua Farms facility which is located at 29329 Highway 285 in Jefferson. We have received the results of an acceptable background check from the CBI and FBI.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom McGraw".

Tom McGraw  
Sheriff



File No.: F0656930-360-CBC

**SPECIAL WARRANTY DEED**

**THIS DEED**, Made this 31st day of March, 2021 between

**Pejo Real Estate Holdings LLC, a Colorado Limited Liability Company**

grantor(s), and

**Aqua Farms L.L.C., a Colorado Limited Liability Company**

whose legal address is

~~1000 W Jefferson, Littleton, CO 80120~~

grantee(s):

7487 W Saratoga Place, Littleton, CO, 80123 KP

**WITNESS**, That the grantor(s), for and in consideration of the sum of Nine Hundred Sixty-Five Thousand Dollars and No/100's (\$965,000.00), the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm, unto the grantee(s), his heirs and assigns forever, all the real property together with improvements, if any, situate, lying and being in the County of Park, State of COLORADO, described as follows:

See Exhibit A attached hereto and made a part hereof.

also known by street and number as 39255 Highway 285, Jefferson, CO 80456

**TOGETHER** with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the grantor(s), either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances except for taxes for the current year, a lien but not yet due and payable, subject to statutory exceptions as defined in CRS 38-30-113, revised.

**TO HAVE AND TO HOLD** the said premises above bargained and described, with the appurtenances, unto the grantee(s), his heirs, and assigns forever. The grantor(s), for himself, his heirs and personal representatives or successors, does covenant and agree that he shall and will **WARRANT AND FOREVER DEFEND** the above-bargained premises in the quiet and peaceable possession of the grantee(s), his heirs and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the grantor(s).

The singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

**IN WITNESS WHEREOF**, the grantor(s) has executed this deed on the date set forth above.

**SELLER**

Pejo Real Estate Holdings LLC, a Colorado Limited Liability Company

By: Christopher D. Spence as Manager

STATE OF Colorado  
COUNTY OF Jefferson } ss:

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of March, 2021 by Christopher D. Spence as Manager of Pejo Real Estate Holdings LLC, a Colorado Limited Liability Company

Notary Public

Witness my hand and official seal.  
My Commission expires: April 1, 2024

**PATRICIA ROUSSIN**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 20204012399**  
**MY COMMISSION EXPIRES APRIL 1, 2024**

## Exhibit A

## Parcel A:

A tract of land in the SE 1/4 NE 1/4 of Section 5, Township 8 South, Range 75 West of the 6th P.M., described as follows: Beginning at Corner No. 1, the NE corner located in the Westerly right of way line of U.S. Highway No. 285, from which the NE corner of Section 5, Township 8 South, Range 75 West of the 6<sup>th</sup> P.M. bears N 13 degrees 55 minutes E, 2138 feet; running thence N 48 degrees 54 minutes W, 211 feet to Corner No. 2, the NW corner; thence S 41 degrees 6 minutes W 542.2 feet to Corner No. 3, the SW corner; thence S 48 degrees 54 minutes E, 211 feet to Corner No. 4, the SE corner, located in the said Westerly right of way line of U.S. Highway No. 285; thence along said right of way line, N 41 degrees 6 minutes E, 542.2 feet to Corner No. 1, the Place of Beginning,

EXCEPT that portion conveyed in Deed recorded in Book 213 at Page 247,

And

A tract of land in the SE 1/4 NE 1/4 of Section 5, Township 8 South, Range 75 West of the 6th Principal Meridian, described as follows: Beginning at the Northeast corner of said Section 5, Township 8 South, Range 75 West of the 6th P.M.; thence S 13 degrees 55 minutes 00 seconds W, 2138.00 feet to a point on the Westerly right of way of U.S. Highway No. 285; thence N 48 degrees 54 minutes 00 seconds W, 211 feet to the True Point of Beginning; and thence S 41 degrees 06 minutes 00 seconds W 542.20 feet to a point; thence S 48 degrees 54 minutes 00 seconds E, 211 feet to the North boundary of U.S. Highway No. 285; thence S 41 degrees 06 minutes 00 seconds W along the North right of way line of U.S. Highway 285, 100 feet; thence N 48 degrees 54 minutes 00 seconds W, 342.50 feet to a point; thence N 41 degrees 06 minutes 00 seconds E, 642.2 feet to a point; thence S 48 degrees 54 minutes 00 seconds E, 131.50 feet to the True Point of Beginning,

EXCEPT that portion conveyed in Deed recorded in Book 213 at Page 247,

County of Park, State of Colorado.

## Parcel B:

A tract of land lying in the SE 1/4 NE 1/4 of Section 5, Township 8 South, Range 75 West of the 6th P.M., Park County, Colorado, being more particularly described as follows: Beginning at the NE corner of a tract of land as recorded in Book 180 at Page 487, said corner being on the Westerly right of way of U.S. Highway No. 285; thence N 48 degrees 54 minutes 00 seconds W along the Northerly line of said tract (B180 P487) for a distance of 342.50 feet to the NW corner of a tract of land as recorded in Book 213 at Page 248; thence N 41 degrees 06 minutes 00 seconds E for a distance of 128.00 feet; thence S 48 degrees 54 minutes 00 seconds E for a distance of 338.93 feet to a point on the Westerly R.O.W. of U.S. Highway No. 285; thence Southwesterly along said R.O.W. and to the right along the arc of a curve whose delta is 02 degrees 36 minutes 23 seconds and whose radius is 2815.00 feet for a distance of 128.06 feet and whose chord bears S 39 degrees 30 minutes 16 seconds W for a distance of 128.05 feet to the Point of Beginning.

County of Park, State of Colorado.

STATEMENT OF AUTHORITY

1. This Statement of Authority relates to an entity<sup>1</sup> named Aqua Farms L.L.C., a Colorado Limited Liability Company and is executed on behalf of the entity pursuant to the provisions of Section 38-30-172, C.R.S.

2. The type of entity is a:  
 Corporation  Registered Limited Liability Partnership  
 Nonprofit Corporation  Registered Limited Liability Limited Partnership  
 Limited Liability Company  Limited Partnership Association  
 General Partnership  Government or Governmental Subdivision or Agency  
 Limited Partnership  Trust  
 \_\_\_\_\_

3. The entity is formed under the laws of State of Colorado

4. The mailing address for the entity is \_\_\_\_\_

5. The  name  position of each person authorized to execute instruments conveying, encumbering, or otherwise affecting title to real property on behalf of the entity is Kevin Pham as Managing Member

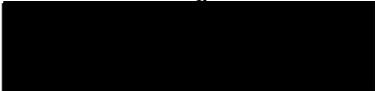
6. <sup>2</sup>The authority of the foregoing person (s) to bind the entity is  not limited  limited as follows: \_\_\_\_\_

7. Other matters concerning the manner in which the entity deals with interests in real property: \_\_\_\_\_

Executed this April 16, 2021

BUYER:

Aqua Farms L.L.C., a Colorado Limited Liability

  
By: Kevin Pham as Managing Member

STATE OF COLORADO  
COUNTY OF PARK

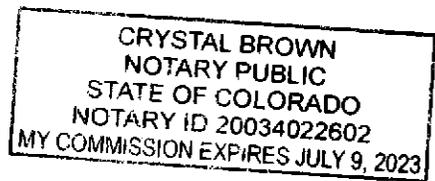
}ss:

The foregoing instrument was acknowledged before me this 16TH day of April, 2021 by **Kevin Pham as Managing Member of Aqua Farms L.L.C., a Colorado Limited Liability Company**

  
Notary Public

Witness my hand and official seal.  
My Commission expires:

<sup>1</sup>This form should not be used unless the entity is capable of holding title to real property.  
<sup>2</sup>The absence of any limitation shall be prima facie evidence that no such limitation exists.  
The statement of authority must be recorded to obtain the benefits of the statute.





**ORIGINAL PERMIT APPLICANT(S)**

KEVIN PHAM

**APPROVED WELL LOCATION**

Water Division: 1      Water District: 23  
 Designated Basin: N/A  
 Management District: N/A  
 County: PARK  
 Parcel Name: N/A  
 Physical Address: 39329 HWY 285 JEFFERSON, CO 80456  
 SE 1/4 NE 1/4 Section 5 Township 8.0 S Range 75.0 W Sixth P.M.

**UTM COORDINATES (Meters, Zone: 13, NAD83)**

Easting: 431759.6      Northing: 4359932.2

**PERMIT TO USE AN EXISTING WELL**

ISSUANCE OF THIS PERMIT DOES NOT CONFER A WATER RIGHT  
CONDITIONS OF APPROVAL

- 1) This well shall be used in such a way as to cause no material injury to existing water rights. The issuance of this permit does not ensure that no injury will occur to another vested water right or preclude another owner of a vested water right from seeking relief in a civil court action.
- 2) The construction of this well shall be in compliance with the Water Well Construction Rules 2 CCR 402-2, unless approval of a variance has been granted by the State Board of Examiners of Water Well Construction and Pump Installation Contractors in accordance with Rule 18.
- 3) Approved pursuant to CRS 37-90-137(2) on the condition that this well is operated in accordance with the Upper South Platte Water Conservancy District and Center of Colorado Water Conservancy District Augmentation Plan approved by the Division 1 Water Court in case no. 2002CW0389. If this well is not operated in accordance with the terms of said decree, it will be subject to administration including orders to cease diverting water.
- 4) Approved for the change/expansion of use of an existing well constructed under permit no. 97809. The issuance of this permit hereby cancels permit no. 97809.
- 5) The use of groundwater from this well is limited to commercial purposes, including drinking and sanitary purposes inside a commercial building and irrigation inside a greenhouse.
- 6) The pumping rate of this well shall not exceed 15 GPM.
- 7) The annual amount of groundwater to be withdrawn by this well shall not exceed 0.50 acre-feet.
- 8) Total consumptive use shall not exceed 0.216 acre-feet unless additional augmentation water is obtained from HASP, in which case total consumptive use is limited to the sum of the amount covered under the augmentation certificate(s) or 0.50 acre-feet, whichever is less.
- 9) The owner shall mark the well in a conspicuous location with well permit number(s), name of the aquifer, and court case number(s) as appropriate. The owner shall take necessary means and precautions to preserve these markings.
- 10) A totalizing flow meter must be installed on this well and maintained in good working order. Permanent records of all diversions must be maintained by the well owner (recorded at least monthly) and submitted to the Division Engineer upon request.
- 11) This well shall be located at least 600 feet from any existing well, completed in the same aquifer, that is not owned by the applicant, excluding the well located at 39237 Highway 285, Jefferson CO which was the subject of a hearing in case no. 20SE04.
- 12) This well shall be located not more than 200 feet from the location specified on this permit.
- 13) This well is subject to administration by the Division Engineer in accordance with applicable decrees, statutes, rules, and regulations.

WELL PERMIT NUMBER 84925-F

RECEIPT NUMBER 10002925



Date Issued: 12/1/2020

Expiration Date: 12/1/2021

Issued By SARAH BRUCKER

HEADWATER AUTHORITY OF THE SOUTH PLATTE ("HASP")  
LEASE AUGMENTATION CERTIFICATE

Certificate Number: L - 0117

Date Issued: June 18, 2020

CERTIFICATE HOLDER: Kevin Pham  
Name



QUANTITY OF WATER: 0.216 acre feet per year

TERM OF CERTIFICATE: \_\_\_\_\_ 5\* \_\_\_\_\_  
(Check applicable) Perpetual Term of years

LIST OF PARTICIPATING  
DIVERSIONS BEING AUGMENTED: Well - Permit # 97809  
(See attached Exhibit A incorporated by this reference) (List with specificity, including well permit numbers, etc. . .)

SEWAGE DISPOSAL METHOD: X or \_\_\_\_\_  
(Check applicable method) Individual Sewage Disposal System - Non-Evaporative Non-Evaporative wastewater treatment plant  
(specify name of wastewater plant)

LEGAL DESCRIPTION  
OF HOLDER'S PROPERTY: See attached Exhibit A incorporated by this reference.

ADDITIONAL TERMS AND CONDITIONS: \* See attached Exhibit B incorporated by this reference.

Annual Administrative Fee Surcharge: \$ 250.00



**This Augmentation Certificate is issued subject to the following express terms and conditions:**

1. The Holder of this Augmentation Certificate is entitled to receive the above stated amount of augmentation water subject to the terms and conditions of the "2019 Amended and Restated Rules and Regulations" governing participation in the augmentation plan adopted by HASP (the "Rules and Regulations") and recorded in Park County at Reception No. 754210 on 4/1/2019 and terms of the Augmentation Plan decree adjudicated in Case No. 2002CW389 and recorded in Park County at Reception No. 653444 on 7/14/2008. The Rules and Regulations and the Augmentation Plan may be amended from time to time by HASP in its sole discretion and this Certificate shall be subject to such additional or amended Rules and Regulations as they may be adopted by HASP in the future or such amendments or modifications to the Augmentation Plan as may be approved by the Water Court.
2. HASP shall have the right to provide a substitute supply of augmentation water from any source so long as such substitution or alternate supply does not materially diminish the augmentation obligation represented by this Certificate.
3. Holder shall install and maintain at all times a meter or other appropriate measuring device(s) on the Participating Diversion and to provide HASP with periodic records of Holder's diversions and water use as required by HASP, or by the State or Division Engineer. Holder further authorizes representatives of HASP or State or Division Engineer to enter upon Holder's Property as required by HASP and/or the State or Division Engineer to inspect and verify all water uses.
4. The augmentation water is for the exclusive benefit of Holder's Property and may not be sold, leased, transferred or conveyed to any other property, or modified in use without the prior written approval of HASP. Holder agrees not to change the type or amount of use indicated in the application without the prior approval of HASP and without obtaining approval through HASP from the State Engineer for amendment of any well permit. Holder agrees to notify HASP prior to transfer of property ownership. A transfer fee will be assessed at then current rates for the transfer of this Certificate and issuance of a new Certificate to the new property owner.
5. Holder may not pledge or assign this Certificate as collateral for any loan or other obligation and any pledge or assignment of this Certificate without the prior, express written consent of HASP shall be void.

**HEADWATER AUTHORITY OF THE SOUTH PLATTE:**

Date: 6/18/20

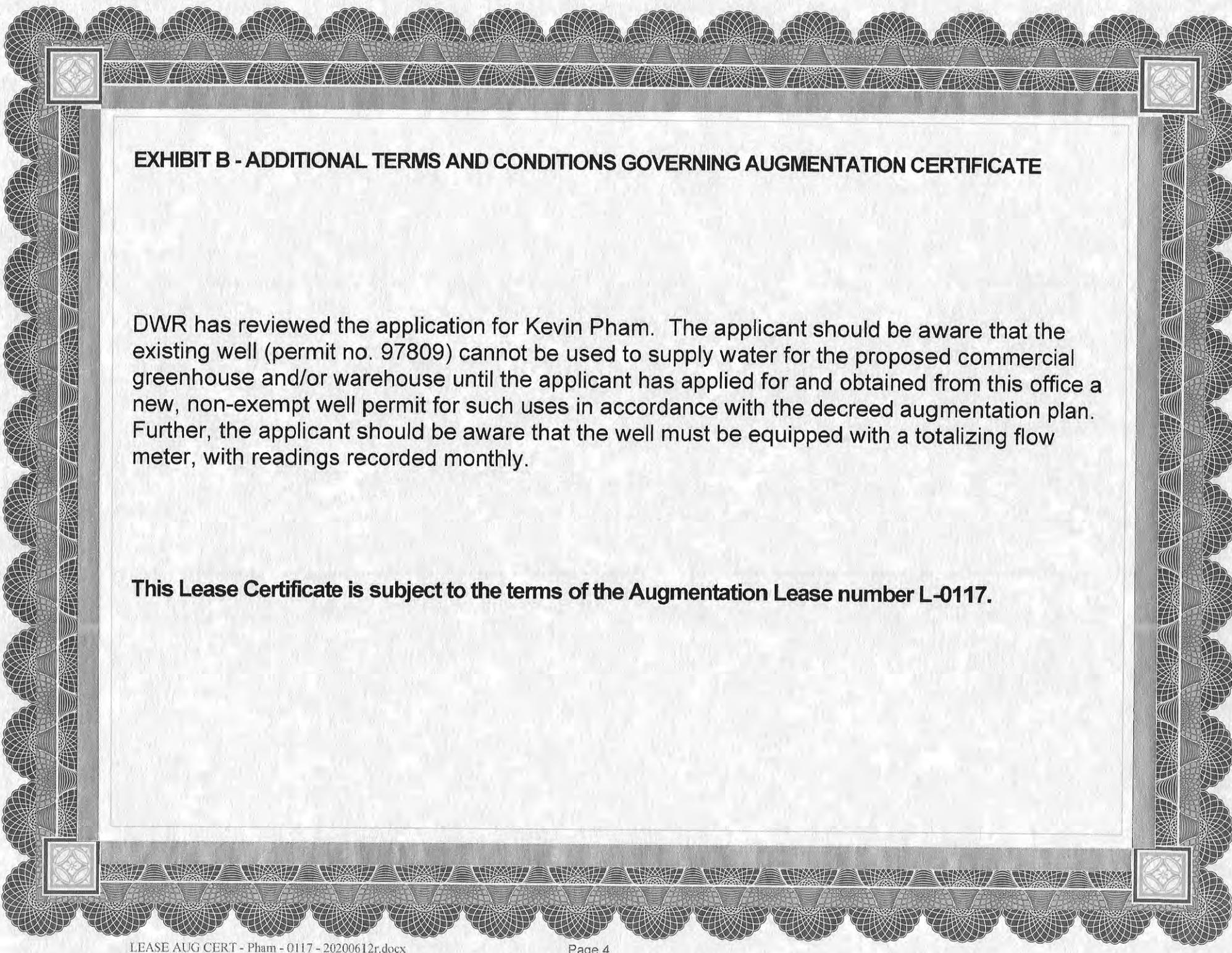
By: \_\_\_\_\_

  
John Matteson - HASP Operations Manager

**EXHIBIT A - LEGAL DESCRIPTION OF HOLDER'S PROPERTY**

**Located in the SE 1/4 of the NE 1/4 of Section 5, Township 8 South, Range 75 West of the 6<sup>th</sup> PM. See the 1/23/20 Land Survey Plat attached to the application**

**Commonly known as –  
39329 Hwy 285, Jefferson, CO**



**EXHIBIT B - ADDITIONAL TERMS AND CONDITIONS GOVERNING AUGMENTATION CERTIFICATE**

DWR has reviewed the application for Kevin Pham. The applicant should be aware that the existing well (permit no. 97809) cannot be used to supply water for the proposed commercial greenhouse and/or warehouse until the applicant has applied for and obtained from this office a new, non-exempt well permit for such uses in accordance with the decreed augmentation plan. Further, the applicant should be aware that the well must be equipped with a totalizing flow meter, with readings recorded monthly.

**This Lease Certificate is subject to the terms of the Augmentation Lease number L-0117.**

**Assignment of Augmentation Certificate**

HOLDER hereby assigns, transfers and conveys all right, title and interest in and to  
HASP Augmentation **Certificate No. L-0117** to:

Name of transferee: \_\_\_\_\_

Address of transferee: \_\_\_\_\_

Phone number: \_\_\_\_\_ Email: \_\_\_\_\_

HOLDER (S):

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

\_\_\_\_\_

Print Name(s)

**ACKNOWLEDGMENT**

The foregoing Assignment of Augmentation Certificate was executed and acknowledged before me this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by \_\_\_\_\_, \_\_\_\_\_.

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

\_\_\_\_\_  
Address

\_\_\_\_\_  
My Commission Expires

**AUGMENTATION LEASE AGREEMENT**  
**Period ending 10/31/2024**

This Agreement is entered into by and between the **HEADWATER AUTHORITY OF THE SOUTH PLATTE** ("HASP"), a Colorado water authority, and **Kevin Pham** ("Applicant"). HASP and Applicant shall be referred to as "the Parties."

**WITNESSETH:**

A. WHEREAS, Applicant leases the property described in the application attached hereto as **Exhibit A** ("Property"). The property contains one well, which will be used to serve water for commercial uses at a marijuana grow operation. The well requires an augmentation plan.

B. WHEREAS, HASP operates a plan for augmentation ("Plan") decreed in Case No. 2002CW389, District Court, Water Division 1 ("Decree"), by the Upper South Platte Water Conservancy District and the Center of Colorado Water Conservancy District ("Districts") recorded at Reception No. 653444 on July 14, 2008 in the real property records of Park County, Colorado. The Decree allows for replacement of out-of-priority depletions to the South Platte River within the Districts' boundaries.

C. WHEREAS, Colorado law requires a water user to provide replacement (augmentation) water for all non-exempt out-of-priority depletions to protect senior water rights holders.

D. WHEREAS, Applicant desires to lease necessary augmentation water from HASP to replace depletions caused by the Applicant's operations.

E. WHEREAS, Applicant represents to HASP that the information in the application attached hereto as **Exhibit A** correctly represents the required volume of augmentation water and the facts regarding the Applicant's proposed operations and the uses of water from the existing well.

F. WHEREAS, prior to accepting Applicant into HASP's plan for augmentation authorized by the Decree ("Plan"), HASP must follow the procedures set forth in the Decree and HASP's "2019 Amended and Restated Rules and Regulations" ("HASP's Rules") recorded at Reception No. 754210 on April 1, 2019, in the real property records of Park County, Colorado.

G. WHEREAS, HASP's obligation to augment the well is conditional upon the completion of the applicable procedures of HASP's Rules and the Decree, except that the term "purchase price" shall be replaced with "annual lease payment."

**NOW, THEREFORE**, the Parties do hereby agree as follows:

1. Applicant desires to lease water to augment the water use as set forth in the application attached as **Exhibit A** and to participate in HASP's Plan, subject to the terms set forth herein.

2. The term of this Agreement shall be for five (5) years through water year 2024 and will end on October 31, 2024. Applicant shall not terminate this Agreement during the term of the Agreement. This Agreement may be extended for additional years upon execution of an amended or subsequent agreement between the parties.

3. Applicant has paid and HASP acknowledges receipt of a one-time payment in the amount of five hundred dollars (\$500.00) as an application fee for Applicant's augmentation requirements. HASP also

acknowledges the receipt of one thousand dollars (\$1,000.00) as a retainer to reimburse HASP for attorneys' fees and administrative expenses associated with the application.

4. At closing, on or before July 13, 2020, Applicant hereby agrees to pay one thousand eight hundred sixteen and 83/100 dollars (\$1,816.83) for the following:
  - a. 2020 Water Lease Fee. Eight hundred ten and 00/100 dollars (\$810.00) for 0.216 acre feet of water – prorated for four months (\$270.00);
  - b. 2020 Water Administration Fee. Two hundred fifty dollars (\$250.00) – prorated for four months (\$83.33);
  - c. Lagged Depletions. One thousand six hundred twenty and 00/100 dollars (\$1,620.00) for 0.216 acre-feet 1<sup>st</sup> year plus 0.216 acre-feet 2<sup>nd</sup> year, which is the first two years of water to replace post-pumping lagged depletions;
  - d. Lagged Depletion Administration Fee. Five hundred dollars (\$500.00), which covers two years of lagged depletion administration fees;
  - e. Application fee adjustment. Credit of six hundred fifty-six and 50/100 dollars (Credit \$656.50) is the amount of the retainer in excess of the costs incurred to cover the total administrative and legal expenses incurred processing this application.

The payments in paragraph 4.a. and 4.c are based on Applicant's need: to lease two hundred sixteen thousandths (0.216) acre-feet of water to augment depletions; and to pre-pay for two of five years of lagged post-pumping depletions. The payments are based on a rate of three thousand dollars (\$3,000.00) per acre-foot. The payments in paragraph 4.b. and 4.d are based on HASP's current fee schedule for 0.216 acre-feet of replacement water. The payment in paragraph 4.e. is based on HASP's actual administrative and legal costs.

5. On or before November 1 of each year of this lease, Applicant shall pay to HASP a lease fee of eight hundred ten and 00/100 dollars (\$810.00) for two hundred and sixteen thousandths (0.216) acre-feet of water to augment depletions based on Applicant's projected maximum annual depletions. Applicant shall also pay to HASP an administrative fee of two hundred fifty dollars (\$250.00) based on Applicant's projected maximum annual depletions.

6. Since diversions from the wells will cause lagged depletions to Jefferson Creek, Applicant shall be responsible for augmentation water releases required under the conditions of the Decree for a period of five (5) years after the expiration of this lease, termination of Applicant's operations or subsequent consecutive extensions hereof. HASP is willing to spread the lease fees and the administration fees for the lagged depletions over a three (3) year period. Specifically, based on Applicant's projected maximum annual depletions, Applicant shall pay the following non-refundable amounts to HASP:

When?	Post-Pumping Years	Acre-foot	Cost	Admin Fees
At closing	1 and 2	0.432 af	\$1,620.00	\$ 500.00
November 1, 2020	3	0.216 af	\$ 810.00	\$ 250.00
November 1, 2021	4	0.216 af	\$ 810.00	\$ 250.00
November 1, 2122	5	0.216 af	\$ 810.00	\$ 250.00

7. The amount of augmentation water leased under this Agreement for Applicant's operations and lagged depletions is based upon the operational plan submitted by Applicant. Applicant is responsible for the accuracy of the information in the operational plan and the water use projections. The augmentation water projections assume that all the return flows from Applicant's uses will return unimpeded to Jefferson Creek, a tributary to the Middle Fork of the South Platte.
8. Applicant shall be responsible for leasing a sufficient amount of augmentation water to augment the actual depletions caused by its uses, pursuant to the terms and conditions of the Decree. If Applicant's actual depletions exceed the amount of augmentation water that Applicant has leased to replace lagged depletions, HASP has no obligation or duty to provide any additional augmentation water to Applicant unless Applicant leases from HASP additional water equivalent to all of Applicant's excess depletions (including post-pumping lagged depletions) at HASP's then-current annual water use fee per acre-foot.
9. Applicant agrees to permit access to representatives of HASP or State or Division Engineers upon Applicant's property to verify the information supplied by Applicant.
10. Applicant shall install one water meter on the well and additional water meters as necessary so as to track the residential uses separately. Applicant shall provide monthly meter readings to HASP by the 10th day of each month for the previous month. HASP shall track Applicant's diversions for irrigation use. When HASP determines that Applicant has diverted 80 percent of its annual volume for irrigation based on monthly meter readings, then HASP shall notify Applicant that: 1) Applicant must lease more water from HASP for irrigation and to replace lagged well depletions as detailed in paragraph 6; or 2) Applicant's irrigation water use shall be curtailed at 0.148 acre-feet.
11. Applicant shall abide by all applicable provisions of HASP's Rules (then-current) and the Decree as if set forth in their entirety in this Agreement.
12. The well must be repermited to reflect that it will be augmented under the HASP Decree. Applicant shall be responsible for all costs and fees associated with any necessary repermitting of the well.
13. In the event that anyone files a protest and/or requests judicial review of HASP's approval of the application, then HASP's attorneys shall represent HASP in the water court process to defend HASP's approval of such application. Applicant agrees to reimburse HASP for all costs and fees incurred by HASP in defending against any such protests. HASP's attorneys shall bill HASP monthly for the fees and costs incurred and HASP shall then invoice Applicant. Applicant shall reimburse HASP for the amounts billed by HASP for the water court proceedings within thirty-five (35) days of the invoice from HASP. Failure of Applicant to timely reimburse HASP for incurred attorney fees shall constitute a breach of this Agreement. Applicant shall cooperate in good faith with HASP's attorneys as necessary for the full defense by HASP of any protest filed in the water court. Applicant reserves the right to terminate the water court proceedings (and any appellate proceedings that may follow) and request that HASP withdraw Applicant's application at any time upon thirty-five (35) days prior written notice.
14. HASP reserves the right to further restrict the amount of augmentation water leased to augment diversions from Applicant's wells, if HASP or the State and Division Engineers project that the quantity of augmentation water available to HASP may be inadequate to supply the demands of all participants in the plan in any year or portion thereof. Applicant recognizes that the availability of replacement water is subject to water resources in the natural supply of water in the South Platte River and its tributaries. HASP shall not be liable to Applicant for any failure to deliver replacement water if HASP is prevented from storing or releasing water due to water supply conditions beyond HASP's control. In the event that HASP restricts the augmentation

water to Applicant as provided herein, then Applicant will reduce its operations and water consumption equivalent to the reduced amount of augmentation water available.

15. It is understood and agreed that this Agreement is made for the exclusive benefit of the property described in **Exhibit A** and this Agreement and the augmentation water may not be transferred to any other property without the prior written approval of HASP. Applicant agrees not to change the type of use described in the application without the prior approval of HASP and without obtaining approval of the State Engineer for amendment of any well permit. Applicant agrees to notify HASP prior to the transfer of the property ownership or to assignment of the Agreement.

16. HASP may use any and all remedies available under § 37-45-132, Colorado Revised Statutes, to obtain payment of fees in the event the Applicant fails to make timely and appropriate payment. Without limitation, augmentation water may be withheld, and the State Engineer will be notified that the Applicant's water use is not in compliance with state law. The consequence is that the State Engineer may issue a cease and desist order for further use of the Applicant's water. HASP shall also have the right to specific performance and damages for breaches of this Agreement. In the event of an action related to this Agreement, the prevailing party shall be entitled to recover from the other party, all costs and expenses, including reasonable attorneys' fees, incurred in such litigation as well as all additional such costs and expenses incurred in enforcing and collecting any judgment rendered in such action.

17. This Agreement is entered into pursuant to § 37-45-131, Colorado Revised Statutes.

18. This Agreement, HASP's Rules and the Decree represent the entire Agreement between the Parties. There are no verbal or collateral agreements or understandings. This Agreement may only be revised in writing signed by both Parties.

Headwater Authority of the South Platte      Kevin Pham

Date: 6/18/20

Date: 6/15/20

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