

**AMENDMENT
TO
FIRST AMENDED WATER RIGHTS LEASE**

This Amendment to First Amended Water Rights Lease ("Amendment") is entered into effective as of the 8th day of October, 2012, between Four Way Ranch, a Colorado general partnership, and Spring Creek, LLC, a Colorado limited liability company (collectively, "Lessor"), and 4-Way Ranch Metropolitan District No. 1, a political subdivision and quasi-municipal corporation of the State of Colorado ("Lessee" or the "District").

RECITALS

WHEREAS, the Lessor and the Lessee have entered into the First Amended Water Rights Lease dated June 14, 2006, regarding a lease of 220 annual acre feet of certain ground water rights to the District (the "2006 Water Lease Agreement"); and

WHEREAS, poor economic conditions have impacted the rate of development within the District, and consequently the District has not needed nor paid for the leased water rights as provided for in the 2006 Water Lease Agreement; and

WHEREAS, the District's original development projections have been modified to accommodate additional and more dense residential and commercial development within its boundaries; and

WHEREAS, the Lessor and the Lessee now desire to modify the 2006 Water Lease Agreement to accommodate the additional development within the District, and adjust the "take or pay" schedule to one which is more reasonably in line with the projected development and use of water;

NOW, THEREFORE, in consideration of the above recitals, the terms and provisions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

COVENANTS AND AGREEMENTS

1. Lease of Water Rights: Paragraph 1 of the 2006 Water Lease Agreement is hereby modified to correct the description of the Leased Water Rights:

Lease of Water Rights. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, a portion of the Lessor's Water Rights described as 80,100 acre-feet of a total amount of 261,469 acre-feet of ground water from the Arapahoe aquifer adjudicated by July 22, 2004 Colorado Ground Water Commission Findings and Order in Determination No. 511-BD, and 159,000 acre-feet of a total amount of 242,850 acre-feet of ground water in the Laramie-Fox Hills aquifer adjudicated by the July 22, 2004 Colorado Ground Water Commission Findings and Order in Determination No. 510-BD ("Leased Water Rights"). The Leased Water Rights are for the sole and exclusive use of the Lessee under the terms of this Lease. This Lease is for a total of 239,100 acre feet of ground water from the Arapahoe

and Laramie-Fox Hills aquifers as set forth above and is intended to provide a water supply to the Lessee for its service area meeting El Paso County requirements for a 300 year water supply with a maximum annual demand by the Lessee of 800 annual acre feet. The Leased Water Rights include Lessor's rights to the use of said ground water under the terms of their respective Ground Water Determinations. The Leased Water Rights may not be withdrawn at any greater rate than a maximum annual appropriation of 267 annual acre feet from the Arapahoe aquifer and 533 annual acre feet from the Laramie-Fox Hills aquifer, except in consideration of water banking allowed by law ("Maximum Annual Appropriation"). The amount of the Leased Water Rights is not based upon the acreage of the District Service Area lying within the Overlying Property.

2. Lease Payments. Paragraph 4 of the 2006 Water Lease Agreement titled "Lease Payments" is hereby modified as follows:

Lease Payments.

a. Unit Rental Amount. Rent due under the terms of this Lease shall be an annual amount of \$250.00 per annual acre foot as adjusted below in the future ("Unit Rental Amount") for the Maximum Annual Appropriation of 800 annual acre feet under the Leased Water Rights.

b. 2006-2012 Lease Payment Obligation. The Lessor and the Lessee agree that as of the date of this Amendment, the District has not made any lease payments to the Lessor for the Leased Water Rights due to unforeseen economic circumstances. Pursuant to the 2006 Lease Agreement, the District has accrued an obligation to pay the Lessor the amount of \$74,733, pursuant to the schedule shown on Attachment 1, which includes payment for 90 acre feet of the Leased Water Rights plus accrued interest at the rate of 5% on the incremental amounts through October 8, 2012 (the "2006-2012 Lease Payment Obligation"). The District acknowledges the 2006-2012 Lease Payment Obligation and further acknowledges that such obligation shall continue to accrue interest at the rate of 7%, compounded semi-annually, until paid.

c. Deferred Take or Pay Obligation. The Lessee's obligation for the payment of rent shall be deferred until such time as there have been issued building permits by El Paso County Regional Building Department for construction of 100 single family residential units within the District's boundaries, and the District has received payment on a total of 100 residential single family equivalent water taps. Upon the occurrence of this event, the Lessee's deferred payment obligation shall commence under a minimum phasing of 15 annual acre feet per year and continuing thereafter until December 31, 2030, at which time the rent for the full 800 annual acre feet shall be due ("Minimum Rent"). The obligation for payment of rent shall be on a "take or pay" basis for the Minimum Rent as phased in during the course of the Lease, whether or not Lessee actually diverts and uses the Leased Water Right. If Lessee uses more water than under the Minimum Rent phased amount, then Lessee shall pay for that additional water at the Unit Rental

FOUR WAY RANCH, a Colorado general partnership

By: Linda Johnson-Conne
Linda Johnson-Conne, General Partner

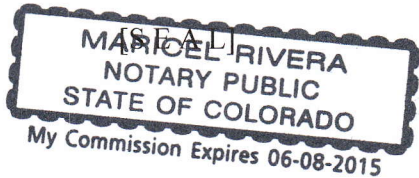
By: Tracy Lee
Tracy Lee, General Partner

STATE OF COLORADO)
)ss.
COUNTY OF El Paso)

The foregoing instrument was acknowledged before me this 18 day of October, 2012
by Linda Johnson-Conne as General Partner of Four Way Ranch, a Colorado general partnership.

Witness my hand and official seal.

My commission expires: 6-8-2015



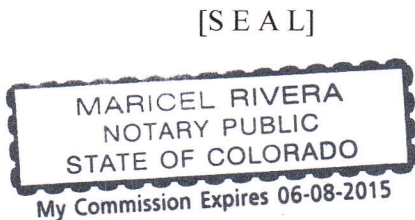
Maricel Rivera
Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF El Paso)

The foregoing instrument was acknowledged before me this 18 day of October, 2012
by Tracy Lee as General Partner of Four Way Ranch, a Colorado general partnership.

Witness my hand and official seal.

My commission expires: 6-8-2015



Maricel Rivera
Notary Public

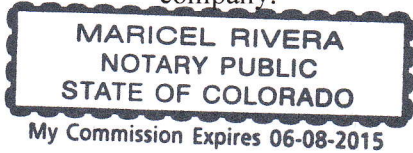
SPRING CREEK, LLC, a Colorado limited liability company

By: Linda Johnson-Conne
Linda Johnson-Conne, Co-Manager

By: Tracy Lee
Tracy Lee, Co-Manager

STATE OF COLORADO)
COUNTY OF El Paso)ss.
)

The foregoing instrument was acknowledged before me this 18 day of October, 2012 by Linda Johnson-Conne as Co-Manager of Spring Creek, LLC, a Colorado limited liability company.



Witness my hand and official seal.

My commission expires: 6-8-2015

[S E A L]

Maricel Rivera
Notary Public

STATE OF COLORADO)
COUNTY OF El Paso)ss.
)

The foregoing instrument was acknowledged before me this 18 day of October, 2012 by Tracy Lee as Co-Manager of Spring Creek, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: 6-8-2015

[S E A L]



Maricel Rivera
Notary Public

4-WAY RANCH METROPOLITAN DISTRICT
NO. 1

By: Peter R. Martz
Peter Martz

Its: President

STATE OF COLORADO)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 15th day of October, 2012
by Peter Martz as President of 4-Way Ranch Metropolitan District No. 1, a political subdivision and
quasi-municipal corporation of the State of Colorado.

My Commission Expires 12-18-13 Witness my hand and official seal.



My commission expires: 12-18-13

Carmen McConnell
Notary Public