

**WATER CONVEYANCE AGREEMENT
CITY OF COALINGA AND GLADSTONE CALIFORNIA WATER LP, A DELAWARE
LIMITED PARTNERSHIP**

Agreement for Westlands Water District Transfer During January and February 2026

This Agreement is entered into by and between the City of Coalinga (“City”) and Gladstone California Water LP, a Delaware Limited Partnership (“GCWLP”), (“the Parties”) with respect to the following Recitals, which are a substantive part of this Agreement.

RECITALS

WHEREAS, GCWLP desires to transfer water through the City of Coalinga’s conveyance agreement with Westlands Water District (Westlands) to GCWLP’s parcels within the City’s place of use; and

WHEREAS, GCWLP transfer water shall originate from Westlands Water District, a contractor with the United States Department of the Interior, Bureau of Reclamation (USBR) that is entitled to receive Central Valley Project (CVP) water (Project Water); and

WHEREAS, the City is a contractor with USBR and is entitled to receive CVP water pursuant to USBR Contract No. 14-06-200-4173A-IR1-P; and

WHEREAS, water to be transferred herein is from Westlands Water District place of use; and

WHEREAS, Westlands requires redelivery to Westlands place of use from the City of Coalinga an equal amount of water transferred and conveyed herein to Coalinga’s place of use; and

WHEREAS, GCWLP shall indemnify the City of Coalinga for the City’s risk associated with future redelivery of water to Westlands; and

WHEREAS, GCWLP shall be responsible for paying to the City any San Luis & Delta-Mendota Water Authority (SLDMWA) charges actually paid to SLDMWA. GCWLP shall also be responsible for paying COC for other costs and charges as may be imposed upon the Transfer Water by COC, including the Coalinga wheeling fee of \$50.00/AF and WWD’s canal maintenance fees (which will be paid by Coalinga to WWD).

NOW, THEREFORE, City and GCWLP agree to the following:

1. Term of Agreement. The Agreement shall terminate following completion of redelivery water to Westlands Water District or as otherwise agreed by the Parties.
2. Delivery and Redelivery Schedule:
 - A. Delivery to City of Coalinga: GCWLP anticipates transferring in January and February 2026, up to 700 AF of water to which it is entitled held within Westlands Water District.
 - B. Redelivery to Westlands: GCWLP, either by transfer of water other than Westlands supply or by future purchase (when available) from the City of Coalinga shall provide an equal volume of water to the City of Coalinga to satisfy Westlands

redelivery requirement. Pricing terms for such redelivery water shall be mutually agreed between the City and GCWLP. The Parties agree that the first volumes either purchased by or transferred to the City shall be redelivery water to Westlands, to the extent the Westlands area served by the Coalinga Canal can take the water.

3. Indemnification. GCWLP agrees to indemnify the City of Coalinga for the financial risk the City is taking pursuant to Westlands requirement to have a like amount of water delivered back to Westlands by Coalinga. GCWLP's responsibility shall be limited to a cost up to \$500 per acre foot delivered into the Coalinga Canal (before Coalinga Conveyance Fees and before San Luis and Delta-Mendota Water Authority Fees).
4. Fee for Water Conveyed. The fee for water conveyed shall be the sum of:
 - A. San Luis and Delta-Mendota Water Authority Fee,
 - B. Westlands Canal Maintenance Fee,
 - C. Twenty-five dollars (\$50) per AF, and
 - D. Any other fees incurred by City for conveyance only.

GCWLP shall provide, or cause to provide, evidence of delivery of all Project Water conveyed by City on a monthly basis prior to the 10th day following each month of conveyance.

5. Notices, Billing, and Payment. City shall issue billing statements to GCWLP following each month of water deliveries. Payment shall be rendered by GCWLP to City within fifteen (15) days of the date of the statement. Notices, including billing statements may be communicated via email, provided the receiving party acknowledges receipt.

Billing Statements shall be sent to:
Firestone Avenue Coalinga, LP
1521 Westbranch Drive, Suite 100
Mclean, VA 22102
Attn: Bill Reiman
bill.r@gladstoneland.com
(805) 377-7701

Payments shall be made to:
City of Coalinga
155 W Durian Avenue
Coalinga, CA 93210

Ms. Mai Vang
Financial Services Director
mvang@coalinga.com
559-935-1533 Ext. 129

6. Delivery Point. The Delivery Point for water sold hereunder shall be GCWLP's turn-out located near the end of the Coalinga Canal.

7. Redelivery Point. Delivery of return water to Westlands shall be to the Westlands turnouts in Reaches 4-7 of the joint-use San Luis Canal portion of the California Aquaduct, or at points on the Coalinga Canal, or at points otherwise acceptable to Westlands.
8. Regulatory Compliance. The obligations of City and GCWLP to perform under this Agreement are conditioned upon ongoing compliance, approvals, and consents, including without limitation consent from the USBR, Westlands Water District, the State Water Resources Control Board, and any other authority with jurisdiction impacting this Agreement.
9. Conflicts of Interest. Neither City, nor its City Manager, nor any City Council member, department head, manager, employee, consultant, or agent of City, shall give to or receive from any director, employee or agent of GCWLP or any affiliate thereof any gift or entertainment of significant value, or any commission, fee, or rebate in connection with this Agreement.
10. GCWLP. This Agreement is being entered into with GCWLP.
11. Operating Communication. The City shall designate a representative for ongoing operating coordination with GCWLP, and similarly GCWLP shall designate a representative authorized to represent GCWLP for operating coordination.
12. Counterpart Signatures. The parties hereto agree that this Agreement may be signed in counterparts such that each signature alone or combined with others agrees to this single binding Agreement.

IN WITNESS WHEREOF, City and GCWLP agree to the terms and conditions herein.

CITY OF COALINGA

By: _____
 Sean Brewer
 City Manager

Date: _____

GLADSTONE CALIFORNIA WATER LP, a Delaware limited partnership

By: Gladstone California Farmland, GP, LLC, a Delaware limited liability company, its General Partner

By: Gladstone Land Limited Partnership, a Delaware limited partnership, its Sole Member

By: Gladstone Land Partners, LLC, a Delaware limited liability company, its General Partner

By: Gladstone Land Corporation, a Maryland corporation, its Manager

By: _____
 David Gladstone
 President and CEO