

BY-LAWS OF
ANASAZI TRAILS WATER COOPERATIVE

ARTICLE I

Name, Objects, Purposes and Principal Place
of Business

As used herein, the term "Cooperative" refers to the Anasazi Trails Cooperative. The corporate name, the objects and purposes, and the principal place of business of this Cooperative shall be as stated and provided in the Articles of Incorporation of the Cooperative.

ARTICLE II

Seal

On the Seal of the Cooperative shall be inscribed the name of the Cooperative. The Secretary of the Cooperative shall have custody of the Seal.

ARTICLE III

Fiscal Year

The fiscal year of the Cooperative shall begin on the first day of January in each year.

ARTICLE IV

The Water System

Section 1. Definition of Water System. As used herein, the term "water system" shall mean all wells, equipment, tanks, pumps, distribution lines, meters, valves, easements, materials, supplies, water rights, and other real and personal property including

water rights which constitute the Cooperative's initial domestic water delivery system. "Water system extension" shall mean any additional wells, equipment, tanks, pumps, distribution lines, meters, valves, easements, materials, supplies, or water rights, which are added to the water system to expand the area of service or increase the service capacity of the water system.

Section 2. Definition of Developer. As used herein, the term "Developer" shall mean Delashe Investments, LLC, a New Mexico limited liability company, or its successors or assigns.

Section 3. Definition of Declarant. As used herein, the term "Declarant" shall mean the Declarant as defined in the Anasazi Trails Subdivision Comprehensive Declaration of Covenants, Conditions and Restrictions and all amendments thereto.

Section 4. Costs of Construction of the Water System. All costs of construction of the water system and any water system extension shall initially be borne by the Developer. These costs shall include the designing of the water system, the drilling of wells, the construction of the distribution lines, the installation of pumps, tanks, purification devices, controls and other equipment, the acquisition of water rights and all administrative, legal and accounting services necessary to establish the Cooperative and render the water system operational. The Developer shall not bear the cost of installation of water service lines from the member's water meter to the dwelling of each member.

Section 5. Operating Costs. Operating costs shall be an expense of the Cooperative. Operating costs are those usual, normal and customary expenses incurred for routine maintenance and operation of a water system including utility costs, insurance, supplies, water testing, purification, accounting, administrative, legal and other miscellaneous

day-to-day expenses. The monthly water charges levied pursuant to Article IX of these By-laws shall be maintained at a level sufficient to pay the operating costs of the Cooperative.

Section 6. Repair and Maintenance Costs. All repair and maintenance costs shall be borne by the Cooperative and shall include replacement and repair of equipment or property, alterations, and improvements to the water system, and purchase of additional water rights, if necessary. These costs shall be derived by the Cooperative from the monthly water charges. To the extent the reserves are insufficient to pay for necessary repair and maintenance, the Board of Directors may levy a special assessment pursuant to Article IX of the By-laws.

Section 7. Expansion of the Water System. The Developer shall have the sole and exclusive right from time to time to construct and extend the water system and to expand its service capacity and the membership of the Cooperative, and bear the associated costs which are described in Article IX herein.

ARTICLE V

Membership

Section 1. Lot Owners in Anasazi Trails Subdivision. Membership in the Cooperative shall include each Owner of a Lot in the Anasazi Trails Subdivision, as such terms are defined by the Anasazi Trails Subdivision Comprehensive Declaration of Covenants, Conditions and Restrictions, and all amendments thereto. As well, each Lot Owner to which the Developer hereafter extends membership under the Developer's right to expand membership shall be eligible to become a member of the Cooperative, as such terms (such as Lot Owner) are defined by Covenants, Conditions and Restrictions for such property. Membership status shall

be evidenced by a membership certificate executed by the President and Secretary of the Cooperative and contain the names of all of the Lot Owners for the Lot to which the membership certificate relates. A sample certificate is attached hereto and labeled as Exhibit A.

Section 2. Adjoining Landowners. In addition to those persons eligible for membership as provided in Section 1 above, other bona fide owners or residents of land within the vicinity of the Subdivision being reasonably accessible to the water system of the Cooperative may apply for membership and may be admitted to membership upon approval by the Developer and the issuance of a membership certificate.

Section 3: Additional Qualifications. In addition to meeting the above qualifications, the qualification for membership is full payment of any and all assessments levied by the Cooperative pursuant to these Bylaws against a member's Lot.

Section 4. Delivery to Members with Membership Certificate. Water shall not be delivered except to users who are members of the Cooperative as evidenced by a valid membership certificate.

ARTICLE VI

Meetings of Members

Section 1. Annual Meeting. The annual meeting of the members of this Cooperative shall be held at a location selected by the Board of Directors within ten miles of the Subdivision, within the County of Sandoval, State of New Mexico, during the month of December of each year.

Section 2. Special Meetings. Special meetings of the members of the Cooperative may be called at any time by the President, or upon resolution of the Board of Directors, or upon written petition to the President signed by twenty percent (20%) of the members. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted except such as is specified in the notice.

Section 3. Notice of Meetings. Notice of meetings of the members of the Cooperative, both regular and special, shall be given by a notice mailed to each member of record, directed to the address shown upon the books of the Cooperative, at least ten (10) days and not more than thirty (30) days prior to the meeting. Such a notice shall state the nature, time, place and purpose of the meeting.

Section 4. Quorum. Fifty percent of the total membership of the Cooperative shall constitute a quorum at any meeting of the Cooperative for the transaction of business.

Section 5. Order of Business. The order of business at the regular meetings, and as far as possible at other meetings shall be:

1. Calling to order and proof of quorum
2. Proof of notice of meeting
3. Reading and action upon the minutes of the last meeting
4. Reports of officers and committees
5. Election of Directors
6. Unfinished business
7. New business
8. Adjournment

Section 6. Voting. Each member of the Cooperative shall have one and only one vote. No member shall be permitted to vote by proxy.

ARTICLE VII

Directors

Section 1. Functions of the Board of Directors. The business and affairs of this Cooperative shall be managed by a Board of five (5) Directors. The functions of such Board shall include:

(1) Selection of and delegation of authority to Officers of the Cooperative, and the employment of such persons as necessary to operate, manage and maintain, the Cooperative and its water system;

(2) Audit and control of expenditures;

(3) Keeping members fully informed concerning the business of the Cooperative;

(4) Formation of policy and recommendation of By-Law amendments to the membership;

(5) Authority to incur debt and approve contracts;

(6) Establishing water charges and fees;

(7) Levying assessments and the enforcement and collection thereof, in accordance with the provisions of these By-laws, and the Laws of the State of New Mexico; and

(8) Doing all things necessary to insure the safe, efficient and sanitary provision of water to the membership.

Section 2. Election of the Board of Directors. With the exception of the initial board of directors, the Directors shall be elected at the annual meeting and shall serve a three year term. The terms of the initial Directors shall be staggered. Directors' seat numbered 1 and 3 shall be subject to an election of the Association at the first annual meeting. Directors' seats numbered 2 and 4 shall be subject to an election at the next following annual meeting. Director seat numbered 5 shall be subject to an election at the next following annual meeting.

Section 3. Compensation. The members of the Board of Directors shall receive no compensation for their services as Directors. The Secretary-Treasurer shall be paid for his services at the rate to be fixed at any regular or special meeting of the members of the Cooperative.

Section 4. Board Meetings. In addition to the annual meeting, the Board shall hold meetings at such regular intervals as the Board may determine. A majority of the Board present in person at any meeting shall constitute a quorum for the conduct of business.

Section 5. Powers. The Board of Directors shall have the general power to act for the Cooperative in any manner not prohibited by Statute or the Articles of Incorporation.

Section 6. Vacancy. If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, a majority of the remaining directors, though less than a quorum, shall, by a majority vote, choose a successor. This successor shall hold office until the next regular meeting of the members of the Cooperative, at which time the members shall elect a Director for the unexpired term or terms, providing that in the call of such regular meeting a notice of such election shall be given.

Section 7. Removal. Any Director or Officer of the Cooperative may be removed from office, with or without cause, by a vote of not less than two-thirds (2/3) of the members of the Cooperative present at any annual meeting, or at any special meeting called for the purpose. The Director or Officer shall be informed in writing of the charges against him at least ten (10) days before such meeting. He shall have the right and opportunity at such meeting to be heard in person or by counsel, and to present witnesses in his behalf. Employees or agents, other than Directors and Officers, may be removed from office or employment at any time by action of the Board of Directors.

Section 8. Conservation Standards. The members shall comply with, and the Board of Directors shall ensure that the wells in the water system are metered and that the water system is managed in a manner that will adhere to, the water conservation standards of Section 6 of the Water Conservation and Quantification of Water Demands in Subdivisions: A Guidance Manual for Public Officials and Developers; Brian C. Wilson, P.E.; New Mexico State Engineer Office, Technical Report 48, February, 1996, and Appendix A to Land Subdivision Regulations of Sandoval County, New Mexico. The Board of Directors may enact rules and regulations necessary or convenient to cause the Cooperative and the water system to comply with such standards.

ARTICLE VIII

Duties of Officers

Section 1. President's Duties. The President shall preside over all meetings of the Cooperative and the Board of Directors, shall call special meetings of the Board of

Directors, and shall perform all acts and duties usually performed by an executive and presiding officer. He shall sign all Membership Certificates, notes, bonds, mortgages, contracts and other instruments on behalf of the Cooperative. The President shall be an ex-officio member of all standing committees and shall have such powers and shall perform such other duties as may be properly required of him by the Board of Directors.

Section 2. Vice-President's Duties. The Vice President, in the absence or disability of the President, shall perform the duties of the President. In case of death, resignation or disability of the President, however, a majority of the Board of Directors may declare the office vacant and elect his successor, to fill the unexpired portion of the President's term.

Section 3. Secretary-Treasurer's Duties. The Secretary-Treasurer shall keep a complete record of all meetings of the Cooperative and of the Board of Directors. He shall have general charge and supervision of the books and records of the Cooperative. He shall collect all assessments and monies due the Cooperative and deposit same in the depository designated by the Board of Directors, and shall disburse funds on the proper order of the Board of Directors. He shall make a report on the business transacted by him as requested. He shall attest the President's signature on all Membership Certificates and other papers pertaining to the Cooperative, unless otherwise directed by the Board of Directors. He shall serve, mail, or deliver all notices required by law and these By-laws. He shall make a full report of all matters and business pertaining to his office to the members at the annual meeting, or at such other time or times as the Board of Directors may require. He shall keep the Corporate Seal and Membership Certificate records of the Cooperative, complete and attest all Certificates

issued, and affix said Cooperative Seal to all papers requiring seal. He shall keep a proper Membership Certificate record, showing the name of each member of the Cooperative, date of issuance of certificate, and date of surrender, transfer, termination, cancellation or forfeiture of certificate. He shall make all reports required by law and shall perform such other duties as may be required of him by the Cooperative or the Board of Directors. The Secretary-Treasurer shall be covered in the performance of his duties by a surety bond, in an amount to be determined by the Board of Directors. The premium for such bond shall be paid by the Cooperative. Upon the election of his successor, the Secretary-Treasurer shall turn over to him all books and other property belonging to the Cooperative that he may have in his possession.

Section 4. Other Employees or Agents. The Board of Directors shall appoint, in addition to the Officers named above, a foreman and other agents or employees as may be necessary to superintend the water system of the Cooperative and its construction, maintenance and repair. Such agents or employees may be authorized by the Board of Directors under its direction and pursuant to its rules and regulations, to provide for the delivery of water service to the members of the Cooperative. Such agents or employees shall be paid compensation for the performance of their duties, in an amount to be determined by the Board of Directors.

ARTICLE IX

Water Assessments, Fees and Distribution of Water

Section 1. Limitations on Provision of Water. Pursuant to its well permit and the Comprehensive Declaration of Covenants, Conditions and Restrictions for the Lots in Anasazi Trails Subdivision, the Cooperative will provide no more than .3826 acre feet of water

per year for each Residential Unit (as defined in the Anasazi Trails Subdivision Declaration of Covenants, Conditions and Restrictions, including amendments thereto), including both indoor and outdoor use. This allocation will provide each Residential Unit with an average of 341.59 gallons per day. Water conservation by the members of the Cooperative is, therefore, necessary and important to the continued viability of the Cooperative and the continued value of the interests of the members in the Cooperative. The use of the water is limited as follows: (1) for domestic uses normally associated with a residence, (2) for recreational uses sponsored by the Homeowners Association if conducted in compliance with the Anasazi Comprehensive Declaration of Covenants, Conditions and Restrictions (CCR's), (3) for home occupations if conducted in compliance with the CCR's, (4) for fire protection, and (5) for common areas at the Developer's sole discretion, including any tennis court or courts established by the Developer. The Cooperative may purchase additional water rights in the future.

Section 2. Rate Schedule. At least annually, the Board of Directors shall establish a Rate Schedule for services provided by the Cooperative. Annually, the Board of Directors shall review the established rate schedule to assure that sufficient income will be generated for the coming year to cover anticipated operating expenses and to provide for a reasonable repair and maintenance reserve, and, if established, a reserve for the purchase of additional water rights.

Section 3. Minimum Water Charge. The rate schedule shall include a "minimum water charge" to be paid by each member.

Section 4. Standby Fee. Additionally, each Lot in the Subdivision shall be charged a monthly standby fee until the residence on the Lot is connected to the water system. Thereafter, each member shall pay at least the minimum water charge set forth above.

Section 5. Penalty Assessments. The Rate Schedule shall establish a Penalty Assessment for increased water usage. Proceeds from collections of Penalty Assessments shall be used to implement an educational program aimed specifically at the user offenders as well as aiding the offender in achieving compliance and for funding water system maintenance.

Section 6. Initial Rate Schedule. The initial Rate Schedule shall be the schedule attached hereto as Exhibit B.

Section 7. Special Assessments. If at any time within ninety (90) days prior to the end of any fiscal year, it appears, in the judgment of the Board of Directors, that the amount derived or which will be derived from the collection of water charges during any fiscal year will be insufficient to pay when due all costs incident to the operation, maintenance and repair of the Cooperative's water system and the payment of all debts of the Cooperative, the Board shall make and levy an assessment against the members of the Cooperative, so that the total amount reasonably expected to be collected from water and/or sewer charges will fully pay when due all cost of operation, maintenance, replacement and repayments on indebtedness, or other expenses of the year's operation. A proportionate amount of the necessary total of such assessments levied in any year shall be levied against each member, in an amount, which bears the same relation to the total assessment as the number of service connections serving such member bears to the total number of service connections within the water system of the Cooperative.

Section 8. Development Impact Fee. Each new member of the Cooperative shall be required to pay to the Developer a one-time development impact fee of \$1000.00.

Section 9. Delinquent Charges. The Board of Directors shall determine what constitutes delinquent non-payment of any water charges or assessments owed by any member and shall establish penalties for same to be levied against delinquent members. Delinquent charges and assessments shall constitute a lien against the real property of the member.

Section 10. Transfer Fee. Upon the transfer of a membership the transferee shall be required to pay a \$200.00 transfer fee to the Cooperative to defray the cost of the associated bookkeeping and administrative expenses of the Cooperative.

Section 11. Fees for New or Additional Service Connections. If any member or prospective member needs new or additional service connections to the water system, such service connections shall be made only upon application to and with the approval of the Developer and upon payment of such fee to Developer as the Developer shall determine. This is in addition to the \$1000.00 development impact fee required for each additional service connection.

Section 12. Exception of Declarant and Affiliates from Water Charges until Construction of Residence. Unless and until there is completion of a Single-Family Residential Unit on such Lot, no water charge nor stand-by fee or meter installation fee or any other fee assessed by the Cooperative applies to any Lot owned by the developer Delashe Investments, LLC, or its successors or assigns, or any member of Delashe Investments, LLC should any Lot be distributed or otherwise conveyed to such member.

Section 13. Developer's Sole Right to Expand and Additional Water Rights for Expansion of the Water System. If the water system is expanded, through the acquisition of additional water rights, to serve more than the Anasazi Trails Subdivision, the Developer shall be responsible for procuring and paying for the additional water rights as needed for the new members based on the limitation set forth in Section 1. In the event the Developer expands the water system, the Developer shall be solely responsible for upgrading the water system, including installing, as necessary, additional wells, equipment, tanks, pumps, distribution lines, meters, valves, materials and supplies necessary for such upgrade. No other hook ups are available to any other person without the consent of the Developer.

Section 14. Cooperative's Sale of Membership for Delinquency. The Board of Directors shall have the authority to sell and assign, for fair value, the Membership of any member in the event of delinquent non-payment of any water charges or assessments owing by said member within thirty (30) days after demand for payment by mail, properly addressed to such delinquent member. The proceeds of any sale of Membership over and above the amount due the Cooperative shall be paid to the delinquent member. In lieu of such sale of Membership, the Board of Directors may purchase the Membership on behalf of the Cooperative, at a price determined by the Board to be the fair value of the membership. In the event of either a sale of the Membership or the purchase thereof by the Cooperative, the proceeds shall be first applied to the payment of any indebtedness due the Cooperative by the delinquent member, and second to the costs of collection of any such indebtedness.

Section 15. Termination of Water. Notwithstanding the rights of the Cooperative to terminate the Membership of a delinquent member as provided above, the

Cooperative, through its Board of Directors, shall have the additional right to terminate the supply of water to the delinquent member after thirty (30) days written notice by mail of the delinquency.

Section 16. Liens. All unpaid Cooperative fees and assessments are secured by a continuing lien against the Lot Owner's Lot as provided for in the Anasazi Trails Subdivision Comprehensive Declaration of Covenants, Conditions and Restrictions or amendments thereto (or the applicable covenants, conditions and restriction on land to which these bylaws pertain because of extension by the Developer), and the Cooperative has all the remedies set forth under these Bylaws or said covenants regarding unpaid fees and assessments.

ARTICLE X

Records of the Cooperative

Section 1. Membership Certificate. The Board of Directors shall determine the form of Membership Certificate. The Certificate shall be signed by the President and his signature attested by the Secretary-Treasurer, who shall impress thereon the Corporate Seal of the Cooperative.

Section 2. Membership Book. As a part of the records of the Cooperative, there shall be kept a Membership Book, which shall contain a list of the Certificates of Membership which have been issued, noting the number of the Certificates, the dates thereof, the number of service connections, and the names and addresses of the persons to whom issued.

ARTICLE XI

Transfer of Membership

Section 1. Transfer of all Title to the Lot Terminates Membership. When a member is no longer a Lot Owner as such term is defined by the Anasazi Trails Subdivision Comprehensive Declaration of Covenants, Conditions and Restrictions or amendments thereto (or the applicable covenants, conditions and restrictions of land to which these bylaws pertain because of extension by the Developer), then such former Lot Owner's membership is terminated and the new Owner automatically becomes a member who shall thereupon be bound by this Agreement, and the rights and obligations provided in this Agreement shall run with the land.

Section 2. Transfer of all Title to the Lot Does Not Terminate Existing or Accrued Obligations. Transfer of an interest in the Cooperative will not affect or change any existing or accrued obligations, and such new interest holder will not be liable to such obligations unless otherwise provided in this Agreement transferring the interest in the Cooperative; provided, however, that the Cooperative does not have to give the new member service until all fees, charges and assessments incurred for serving the property transferred are brought current.

ARTICLE XII

Amendments

These By-laws may be repealed or amended by a vote of a majority of the members voting at the annual meeting, or at any special meeting called for that purpose; provided notice of the proposed repeal or amendment is incorporated in the notice of such meeting. Notwithstanding the foregoing, no portion or section of these Bylaws which provides exclusive authority to, control by, or approval of the Developer may be amended or repealed without the written consent of the Developer. Furthermore, the members may not amend or repeal any provision of these Articles that would affect the rights (and no amendment or repeal shall serve to affect those rights) of Delashe Investments, LLC, its successors or assigns, any member of Delashe Investments, LLC, and/or the Declarant (as such word is defined in the Anasazi Trails Subdivision Comprehensive Declaration of Covenants, Conditions and Restrictions and in any subsequent amendment consented to by the Declarant).

ARTICLE XIII

EASEMENTS, INGRESS, AND EGRESS

Section 1. Easements. Each member shall grant the Cooperative an easement upon his or her property for: (1) any power lines necessary to serve the well and the pump station; (2) a pump station and storage tank; and/or (3) a water distribution system. Each member agrees that he or she will not place their drain field nearer than within two hundred feet (200') of the well.

In locating new wells, water storage facilities, pump houses and distribution lines, the Cooperative will try to locate such facilities so that they will not interfere with the member's use of his or her property. Care shall be taken in locating wells, and the members owning property within two hundred feet (200') will be consulted so that the needs of the Cooperative and the property owner can be accommodated to the greatest extent possible.

Section 2. Ingress and Egress: The Cooperative shall have the right of ingress and egress upon any of the members' property to repair and maintain the Cooperative's water system. However, the Cooperative shall try to restore the members' property to as near its prior condition as practicable if it becomes necessary to make repairs or perform maintenance.

ARTICLE XIV

Miscellaneous

Section 1. Withdrawal. Any member may voluntarily withdraw from the force and effect of this Agreement (1) by paying all outstanding charges, assessments and penalties, (2) by relinquishing all right, title or interest in the property of the Cooperative, including the right to be provided water by the Cooperative.

Section 2. Termination. In the event that the Cooperative decides to terminate and no longer pursue its interests, it may sell all of its property and divide the proceeds and equipment among its members upon such terms and conditions as the members of the Cooperative shall then determine. Notwithstanding the foregoing, the Cooperative cannot terminate in whole or in part for the purpose of avoiding liability to or adhering to the rights of the Developer or the Declarant.

Section 3. Rules. The Cooperative may adopt such reasonable rules for its operation, water use and other matters as it may determine necessary to carry out its business.

Section 4. Indemnification of Board of Directors and Officers of the Cooperative. Each member of the Board of Directors or officer of the Cooperative shall be indemnified by the Cooperative against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon them in connection with any proceeding to which they may be a party, or in which they may become involved by reason of their being or having been an officer or member of the Board of Directors, or any settlement thereof, whether or not they are a member of the Board of Directors or officer at any time such expenses are incurred except in cases wherein the officer or Board member is adjudged guilty of willful or reckless misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Cooperative.

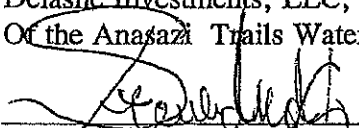
Section 5. Interested Parties. No transaction of the Cooperative will be affected because a Member, Director, Officer, or Employee of the Cooperative is interested in the transaction, provided full disclosure is made in advance to the Directors and Officers of the Cooperative. Such interested parties will be counted for quorum purposes, and may vote, when the Cooperative considers the transaction. Such interested persons will not be liable to the Cooperative for the party's profits, or the Cooperative's losses from the transaction.

Section 6. Counterparts. These By-laws will be certified by the Secretary/Treasurer. Thereafter, members will execute the Water Membership Agreements,

which will incorporate these By-laws by reference and make the members subject to all of the terms and conditions of the Articles and By-laws of this Cooperative.

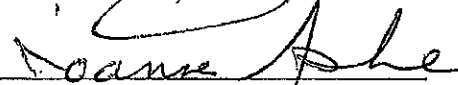
The foregoing By-laws of Anasazi Trails Water Cooperative were approved this 18th day of March, 2003, by the majority vote of the members of the Cooperative voting.

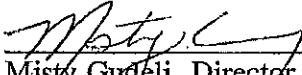
Delashe Investments, LLC, Sole Member
Of the Anasazi Trails Water Cooperative

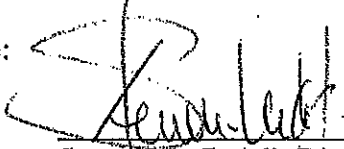

By: Steven M. Gudelj, Member of Delashe Investments, LLC

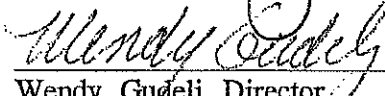
Directors of Anasazi Trails Water Cooperative:

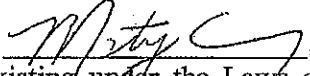

Thomas J. Ashe, Director

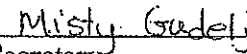

Joanne Ashe, Director


Misty Gudelj, Director


Steven M. Gudelj, Director


Wendy Gudelj, Director

I, , Secretary of the Anasazi Trails Water Cooperative, a Cooperative existing under the Laws of the State of New Mexico, hereby certify that the above is a true and correct copy of the By-laws approved by the majority vote of the members voting as of this 18th day of March, 2003.


Secretary

STATE OF NEW MEXICO

COUNTY OF

The foregoing instrument was acknowledged before me this 18th day of March 2003 by Thomas J. Ashe.

Susan M. Dorey White
Notary Public

My commission expires: 4/18/05

STATE OF NEW MEXICO

COUNTY OF

The foregoing instrument was acknowledged before me this 18th day of March 2003 by Joanne Ashe.

Susan M. Dorey White
Notary Public

My commission expires: 4/18/05

STATE OF NEW MEXICO

COUNTY OF

The foregoing instrument was acknowledged before me this 18th day of March, 2003 by Steven M. Gudelj, both as a member of Delashe Investments, LLC and as a director of the Anasazi Trails Water Cooperative.

Susan M. Dorey White
Notary Public

My commission expires: 4/18/05

STATE OF NEW MEXICO
COUNTY OF

The foregoing instrument was acknowledged before me this 18th day of March,
2003 by Wendy Gudelj.

Susan M. Doray White
Notary Public

My commission expires: 4/18/05

STATE OF NEW MEXICO
COUNTY OF

The foregoing instrument was acknowledged before me this 18th day of March,
2003 by Misty Gudelj.

Susan M. Doray White
Notary Public

My commission expires: 4/18/05

EXHIBIT "A"

THE ANASAZI TRAILS WATER COOPERATIVE

CERTIFICATE OF MEMBERSHIP

This certifies that _____ has membership in the Anasazi Trails Water Cooperative. This membership certificate hereby incorporates by reference the Articles of Incorporation and Bylaws of the Anasazi Trails Water Cooperative and all amendments thereto.

IN WITNESS WHEREOF, the Anasazi Trails Water Cooperative has caused this Certificate to be signed by its duly authorized officers and to be sealed with the seal of the Cooperative this ____ day of _____, 200_.

PRESIDENT

SECRETARY

EXHIBIT "B"

Rate Schedule

Monthly Water Usage	Monthly Charge
<u>Minimum Rate for Basic Service:</u>	
Up to 6,000 gallons	\$40.00 Base Rate
6,001 to 8,000 gallons	\$7.00 per 1000 gallons
8,001 to 9,000 gallons	\$8.50 per 1000 gallons
9,001 to 15,000 gallons	\$10.00 per 1000 gallons
15,001 to 25,000 gallons	\$20.00 per 1000 gallons
25,001 or more gallons	\$25.00 per 1000 gallons
Standby Fee	\$15.00 per month per Lot

All amounts over the \$40.00 Base Rate would be considered a Penalty Assessment for purposes of Article IX, Section 2 of these By-Laws.

Usage/Monthly Billing Estimates:

8,000 gallons per month	\$54.00 plus tax
10,000 gallons per month	\$72.50 plus tax
11,000 gallons per month	\$82.50 plus tax
12,000 gallons per month	\$92.50 plus tax
15,000 gallons per month	\$122.50 plus tax
20,000 gallons per month	\$222.50 plus tax

EXHIBIT C

~~ANASAZI TRAILS WATER COOPERATIVE~~
46 SANDIA LANE
PLACITAS, NM 87043
505-867-3011
867-6686

January 16, 2006

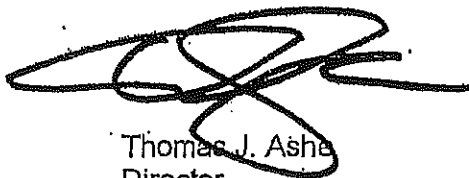
Brad Stebleton
Senior Planner
Sandoval County
Post Office Box 40
Bernalillo, NM 87004

Dear Mr. Stebleton,

The Anasazi Trails Water Cooperative has been informed of Delashe Investments, LLC's intent to develop approximately 200 acres to the west of the Anasazi Trails Subdivision. It is our understanding that this proposed subdivision intends to consist of approximately 160 lots. An engineering study has been prepared by Thompson Engineering Consultants (TEC), and the existing infrastructure of tanks, pumps and wells constructed and paid for by Delashe Investments, LLC is sufficient to serve the increased capacity (see attached memo from TEC). Delashe Investments, LLC is in the process of acquiring the water rights needed to accommodate this expansion and will bear all costs associated therewith.

The Anasazi Trails Water Cooperative is ready, willing and able to provide water to these homes.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas J. Ashe', written over a horizontal line.

Thomas J. Ashe
Director
Anasazi Trails Water Cooperative