

LANDINGS AT CHAMA WELL-SHARE AGREEMENT

1. PURPOSE:

The sole purpose of this Agreement is the equitable distribution of potable water from two wells located within the LANDINGS AT CHAMA SUBDIVISION. More specifically, one well is located in the northeastern sector of Hawks #1 tract and will provide water to Hawks #1, Hawks #2, Hawks #3, and Hawks #4 tracts. These tracts will share the costs as described below of operating and maintaining the well. The second well is located in the northeast sector of Eagles #3A tract and will provide water to Eagles #2A, Eagles #3A, Eagles #4A and Eagles #5A tracts. These tracts will share the costs as described below of operating and maintaining this well.

Owls #1 and Owls #2A tracts are excluded from this agreement as these tracts have their own wells and are solely responsible for costs of operating and maintaining their individual water systems.

2. OWNERS

A. Use of the wells is for DOMESTIC PURPOSES ONLY by the Title Holders of the following Tracts within the LANDINGS AT CHAMA SUBDIVISION: Hawks #1, Hawks #2, Hawks #3, Hawks #4, Eagles #2A, Eagles #3A, Eagles #4 A, and Eagles #5A. Title Holders of the aforementioned Tracts hereafter referred to as "Owners".

B. Each Owner has the "Right" to an equal share of water from the designated well for their tract. That right is appurtenant to the land and may not be transferred or assigned to another except as is consistent with the transfer of all Owners rights and interests in the property through sale or other conveyance of a deed. Therefore, this Agreement is binding upon all Owners, future Owners, heirs, and assigns.

C. Two Water Boards will exist, one for each well and its participating Owners. The Owners of the participating properties will be members of the board. The owner of Hawks #1 Tract will be the chairman of the Hawks' tracts board. The Owner of Eagles #3A will be the chairman of the Eagles' tracts board. As Chairmen, the Owners of Hawks #1 and Eagles #3A tracts will be responsible for collection of fees to maintain the wells and insure that the monthly payments are made for electricity. The Chairmen will also be responsible for the collection of any funds necessary for unexpected repairs. The Board shall convene on an annual basis to assess and adjust the amount of the annual fee and to address usage, water quality, and/or other concerns. A majority vote of the appropriate participating Owners is required for planned repairs and maintenance, including major expenditures such as overhauls or the drilling of a supplemental or replacement well.

3. FEES:

A. A separate electric meter will be in place for each well, and the cost incurred to run the pump and components of each well shall be divided equally by the appropriate

participating Owners with a supply line connected to each well. Additionally, costs for maintenance and repairs to shared equipment for each well will be divided in the same way by the appropriate participating Owners with a supply line connected to each well.

B. An annual fee will be paid to the chairman by January 1 of each year for the upcoming calendar year. 2008 maintenance fees set forth herein shall be \$100/Owner. For new Owners, the annual fee will be prorated at time of closing.

C. Metering of individual water connections in each system is not mandated at this time, but may be done by a majority vote of the Water Boards at their annual meeting. Cost could then be shared based on amount of consumption per Owner. Meters are available to be installed where each tract taps into the water system.

D. Any Owner may act on an "Emergency" basis to repair major leaks or inoperative equipment which may disrupt or interrupt the normal flow of water to all. Said Owner shall be entitled to compensation for expenses incurred for Emergency repairs, either from the appropriate Water Board Chairman (2.C., 3.A. above) or from the individual Owner responsible for the Emergency.

E. Each Owner is responsible both physically and financially for their own supply lines and/or equipment not shared or used in common with the other Owners. Additionally, each Owner is responsible both physically and financially for any damage caused to the well and supporting equipment by themselves or any of their agents, contractors, etc.

4. EASEMENTS:

Easements on the Hawks #1 and Eagles #3A Tracts are granted to all appropriate Owners for reasonable access to the wells and related equipment for purposes of connection, and maintenance of those connections and shared components. Such easements are recorded on the LANDINGS AT CHAMA SUBDIVISION PLAT. Additionally, each Owner grants easement on their property to all others on an Emergency basis consistent with 3.D. above.

5. CONSERVATION:

All Owners shall be diligent to their conservation of water and respect the rights of the other Owners.

6. EXEMPTION:

Nothing in this Agreement shall prevent an Owner from drilling their own well or providing an alternate water source. That owner will then be exempt from fees set forth in this agreement provided that there is no supply line connection to either well. Said Owner does not relinquish the Right to their share of water in the future. The Owner is still bound by any and all easements and liable for damages to the well and/or equipment as stated in 3.D. above.

7. MODIFICATIONS:

Any change or modification to this agreement pertaining to either well must be made by a majority vote of the appropriate participating Owners.

SIGNED:

Linda Brown

Robert A. Marshall

Carolyn F. Marshall

