

CONTRACT OVERVIEW

Edgemont Ranch Metro District /Gorton Family Partnership

This agreement replaces all other agreements between Edgemont Ranch Metro District, the Gorton Family Partnership and other entities which had ownership of Edgemont Ranch. The major elements of the new agreement include:

The Gorton Family Partnership through prior agreements had a conditional right to build an additional 169 lots by bringing additional water to the district. With these additional units the total potential builds out for combination of Edgemont Ranch and Edgemont Highlands is 944 units. In consideration for granting the right to build the additional units ERMD acquires from the Gorton Family Partnership:

1. The rights to the Spring Valley Reservoir which including various water rights and the right to construct a reservoir holding more than 10 million gallons.
2. An easement of approximately five acres of land proximate to the Florida River to locate said reservoir.
3. A variety of other easements for roads, pipelines and electrical lines to both facilitate the construction, use and maintenance of the reservoir.

The parties have reviewed all prior granted easements this agreement replaces all prior easements with new easements which ERMD feels better supports the needs of the district.

The agreement gives ERMD ownership of all water plant and attendant facilities. The district did not own these facilities but had a long term lease which contemplated transferring ownership at the end of the lease in 2020. ERMD also acquires the land on which the water plant and attendant facilities are located including water storage and processing ponds. This land was also part of the long term lease however the total land being transferred is larger and better meets the districts needs. ERMD is still required to make lease payments till 2020.

Under past agreements the Gorton Family Partnership had undefined obligations which were to be paid when there was an upgrade of the water plant and an expansion of the sewer treatment facilities. This agreement defines those combined obligations at \$790,000.00. The Gorton Family Partnership paid ERMD \$125,000.00, for sewer treatment use, in advance of its contractual requirement. The district recognizing its earnings on this advance, for purposes of this agreement, valued it as \$145,000.00 leaving an outstanding balance owing of \$645,000.00.

ERMD is acquiring the Abling Cash water right which can significantly increase the priority and water available to the district. The purchase price agreed for this right is \$125,000.00. This purchase is treated as an offset to the balance leaving the final outstanding balance of \$520,000.00. This agreement sets no limitations nor places any requirements on how or when ERMD may use these funds.

The balance of \$520,000.00 is to be paid by the Gorton Family Partnership insuring a payment of \$2350.00 to the district when ever a lot is sold. When 221 lots are sold the district will be fully paid. The agreement includes a minimum payment schedule which is independent of actual lots sales. To assure that there are sufficient lots developed to retire the debt the district has limited rights to withhold the approval of development on a portion of the currently undeveloped land owned by the Gorton Family Partnership.

Amended and Restated 2009 Water and Sewer Service Agreement

THIS AGREEMENT is entered into as of the date of the party last signing same (the "Effective Date") by and between **Edgemont Ranch Metropolitan District** (hereinafter referred to as "District") and **Gorton Family Partnership, LLLP** and/or assigns (hereinafter referred to as "GFP").

RECITALS

A. **The Former District Agreements.** District and GFP entered into a Water and Sewer Service Agreement dated July 9, 2003 and a Clarification thereof on December 18, 2003 and an Addendum to Water and Sewer Service Agreement dated April 15, 2004 (collectively, the "Former District Agreements").

B. **Future Development Lands.** For purposes of this Agreement the lands described on **Exhibit A**, which are owned by GFP, or with respect to which GFP holds a preemptive option to purchase, are referred to herein as the "Future Development Lands".

C. **Units and Water and Sewer Units.** The District is obligated under its By-Laws and Service Plan to furnish water and sewer services inside the district service boundaries (the "Service Area"). A "Unit" for purposes of this Agreement shall be a use equivalent to one residential use right associated with a lot within the Service Area and a "Water Unit" or "Sewer Unit" shall mean water or sewer services, respectively, as provided by the District to a Unit. The term "Unit" as used herein is applicable as a unit of measure in connection with non-residential uses.

D. **District Fees.**

1. **Tap Fee(s).** For purposes of this Agreement, the term "Tap Fee(s)" shall mean a one-time fee charged in advance for the right to access ERMD services.

2. **Fees or Charges.** The term "Infrastructure Maintenance Fee(s)" shall mean a fee assessed by the District for infrastructure maintenance relative to serving a Water or Sewer Unit. The term "Fees or Charges" shall mean those fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the District as described by C.R.S. §32-1-1001(j)(I) and shall be inclusive of Infrastructure Maintenance Fees, but exclusive of Tap Fees.

3. **Availability Fees.** The term "Availability Fees" shall mean those fees described by C.R.S. §32-1-1006(h)(I).

E. **Current Service Commitments.** The District has previously committed to the provision of water and sewer services for 244 Units within Unit 1 of Edgemont Ranch. Additionally, the District has committed to the provision of water and sewer services for 531 Units under the Former District Agreements for use on other lands within the Service Area. The foregoing are referred to herein as the "Current Service Commitments".

J. **Prior Consideration.** GFP previously paid the District \$125,000 under the Former District Agreements. (“Prior Consideration”).

K. **The Considerations.** The term “Considerations” as used in this Agreement shall include the SVR Water, the Property Interests, the Abling-Cash Water, the present value of the Prior Consideration and the Payment Obligation, as hereafter described (collectively, the “Considerations”).

L. **Purpose.** The parties hereto desire by this instrument to provide for:

1. Amendment and Restatement of the Former District Agreements;
2. Development and Transfer of Water Rights and Provision of Sewer and Water Units for the Future Development Lands;
3. Conveyance of Property Interests for District operations;
4. Delivery of the Considerations; and
5. Termination of the Utility Lease Purchase Agreement (the “ULPA”) through accelerated delivery of the Facilities subject to the preservation of all rental income generated therefrom and Vacation of the existing easements under ULPA;

subject to the terms and conditions of this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. **Acknowledgment of Recitals.** The parties hereto acknowledge the recitals above stated and recognize the same as true and correct.

2. **Amendment and Restatement.** The Former District Agreements are amended and restated in their entirety by this instrument.

3. **Provision of Water and Sewer Units**

a. Service to the Agreed Units. Upon delivery of the Considerations as set forth herein, the sufficiency of which is hereby acknowledged, the District agrees to provide Water and Sewer Units for the 531 Units committed under the Former District Agreements plus 169 additional Units, for a total of 700 Units (in addition to the 244 Units committed to Unit 1 of Edgemont Ranch). The 700 Water and Sewer Units, and the lands pertaining thereto, are referred to herein as the “Agreed Units”. The Agreed Units shall be subject to the reservations and rights of GFP as more particularly set forth herein. Said Water and Sewer Units shall be issued upon request without the requirement for payment of any Tap Fees by GFP or any end user thereof and may be assigned to properties within the Service Area as directed by GFP, its successors and assigns, upon notice to the District.

b. The “Can and Will Serve” Letter. For purposes of this Agreement a letter representing the capacity and willingness to provide District services as described by this

F. **Water.**

1. SVR Water and Abling-Cash Water. The “Spring Valley Reservoir Water” for purposes of this Agreement is defined and described on **Exhibit B** incorporated herein by this reference (“SVR Water”). The “Abling-Cash Water” for purposes of this Agreement is all right, title and interest of GFP in the Abling-Cash Ditch, adjudicated in Case No. 1751 (Water Division 7), including 0.4048 c.f.s. of water with an appropriation date of June 1, 1878 (priority F-4), and 0.2510 c.f.s. of water with an appropriation date of May 15, 1883 (priority F-15).

2. Water Court Decree. The District and GFP have obtained an order from the District Court, Water Division 7, Colorado, Case No. 09CW34 (the “Water Court Decree”) changing the existing SVR Water right.

G. **Scenic Easement and Reservoir Site.** GFP is the owner of those lands described by Deed of Conservation Easement in Gross recorded as Reception No. 472243 (the “Scenic Easement Lands”). The District desires to locate a water reservoir within the Scenic Easement Lands on a site generally described on the Map attached hereto as **Exhibit C** (the “Map”) and incorporated herein by this reference and identified thereon as the “Reservoir Site”. The location for the Reservoir Site acceptable to the District has been administratively approved by La Plata County as evidenced by documents included with Exhibit C. The Scenic Easement Lands are subject to use restrictions set forth in said Deed of Conservation Easement in Gross and all addenda, amendments and assignments thereof (the “Restrictions”).

H. **Utilities Lease Purchase Agreement - The Facilities.** Rancho Durango, Ltd. (RDL) entered into an agreement with the Edgemont Ranch Metropolitan District concerning, among other things, the leasing of facilities, including the Water Treatment Plant, Sewer Treatment Plant and related easements (the “Facilities”), and transfer of the Facilities and surrounding property, all as more particularly described therein (the “Utilities Lease Purchase Agreement” or “ULPA”). Memoranda of the ULPA are recorded as Reception Nos. 592145 and 689780. The Utilities Lease Purchase Agreement was assigned by RDL to GFP on October 14, 2005, (a copy of which is attached hereto as **Exhibit H** and made a part hereof by this reference) subject to a reservation by RDL of all rental income generated therefrom, subject to the terms therein.

I. **Property Interests, Operation Easements and Engineering.** The term “Operation Easements” shall mean those easements necessary for the operation of the Water Treatment Plant, Reservoir Site, Sewer Treatment Plant and other Facilities. Water Treatment Plant (“WTP”), Reservoir Site, Sewer Treatment Plant and other Facilities and Operation Easements are referred to herein collectively as the “Property Interests”. Surveying and engineering for the Property Interests has been completed as evidenced by the documentation attached as legal descriptions incorporated in **Exhibits C, F and I** (the “Engineering”).

Agreement to such party or parties as may be designated by GFP is referred to herein as the "Can and Will Serve" Letter. The District will not withhold delivery of a Can and Will Serve Letter with respect to Agreed Units on the basis of an insufficiency of water or sewer resources and/or facilities.

4. GFP Payment Obligations.

a. Calculation of Obligation. In order to provide the Water and Sewer Units for the Future Development Lands called for by this Agreement, the parties agree that the Waste Water Treatment Plant will need to be expanded and the Water Plant will need to be upgraded. GFP's cost participation, for purposes of this Agreement, has been estimated at \$330,000.00 for the expansion and \$600,000.00 for the upgrade, for a total cost, estimated for purposes of determining a cost participation for GFP, of \$930,000.00. The parties acknowledge that said costs will be deferred to a future date as dictated by development. In consideration of payment in advance of the performance of infrastructure expansion and upgrade, a discount of \$140,000.00 shall be applied, fixing the cost obligation for GFP at \$790,000.00 to be satisfied as follows:

(1) *Abling Cash Water - \$125,000.00.* Contemporaneously with the execution of this Agreement, GFP shall convey to the District by bargain and sale deed Abling-Cash Water at an agreed value of \$125,000.00;

(2) *Prior Consideration Payment - \$145,000.00.* The Prior Consideration of \$125,000 for purposes of this Agreement shall be assigned a present value of \$145,000 in consideration of its prepayment.

(3) *\$520,000.00 Balance.* The balance of \$520,000 shall be paid by GFP to the District, without interest, in accordance with the Lot Sale Payment Obligation described below.

b. Lot Sale Payment Obligation - \$2,350/lot. From and after the Effective Date, GFP shall ensure that the buyer or closing agent shall pay to the District the sum of \$2,350 in connection with the sale of each lot to which an Agreed Unit is identified under this Agreement (the "Lot Sale Payment Obligation").

c. Notification of Lot Sale Payment Obligation. The District is authorized to communicate the Lot Sale Payment Obligation to all title companies for the purpose of assuring payment performance under said Obligation.

d. Payment Details and Definitions.

(1) *General Year-End Payment Thresholds.* At a minimum, the cumulative Lot Sale Payments shall equal or exceed the following year-end payment thresholds:

2012	\$13,000.00	2022	\$143,000.00
2013	\$26,000.00	2023	\$156,000.00
2014	\$39,000.00	2024	\$169,000.00
2015	\$52,000.00	2025	\$182,000.00
2016	\$65,000.00	2026	\$195,000.00
2017	\$78,000.00	2027	\$208,000.00
2018	\$91,000.00	2028	\$221,000.00
2019	\$104,000.00	2029	\$234,000.00
2020	\$117,000.00	2030	\$247,000.00
2021	\$130,000.00	2031	\$260,000.00

2032	\$273,000.00	2042	\$403,000.00
2033	\$286,000.00	2043	\$416,000.00
2034	\$299,000.00	2044	\$429,000.00
2035	\$312,000.00	2045	\$442,000.00
2036	\$325,000.00	2046	\$455,000.00
2037	\$338,000.00	2047	\$468,000.00
2038	\$351,000.00	2048	\$481,000.00
2039	\$364,000.00	2049	\$494,000.00
2040	\$377,000.00	2050	\$507,000.00
2041	\$390,000.00	2051	\$520,000.00

hereafter, the “Payment Thresholds”.

(2) *Lot Inventory Threshold.* The payment of \$2350/lot in connection with the sale of 221 Agreed Units will satisfy the Lot Sale Payment Obligation. The number of Agreed Units currently available for sale or approved by La Plata County (the “Base”) is less than 221. The number by which 221 exceeds the Base is referred to herein as the “Deficiency”. Twice the number of Agreed Units necessary to satisfy the Deficiency is referred to herein as the “Lot Inventory Threshold”.

(3) *Lot Inventory Ratio.* The ratio that Agreed Units (with County approval or available for sale) bears to the balance of the \$520,000 obligation under the Lot Sale Payment Obligation is referred to herein as the “Lot Inventory Ratio”.

e. Failure of Lot Sales to Meet Payment Thresholds. In the event that cumulative Lot Sale Payments are insufficient to meet a year end Payment Threshold, GFP shall make a payment to the District in the amount of such deficiency prior to the end of the applicable year. Failure by GFP to timely meet any year end Payment Threshold shall result in the assessment of a late payment fee of 10% of the amount of the deficiency payable to the District.

f. Management of Lot Inventory Threshold. Until the \$520,000 has been fully paid, the District shall have the right to withhold delivery of the “Can and Will Serve” Letter with respect to a subdivision encompassing lands within the Picnic Grounds (Tract V on Exhibit

A) equal to or greater than 40% of its original area in the event the number of lots created thereby, do not meet or exceed the Lot Inventory Threshold. The Lot Inventory Threshold may be brought into compliance through the application of additional payments by GFP.

g. Management of the Lot Inventory Ratio. Any re-subdivision, consolidation or other land use changes made with respect to currently approved development phases of Edgemont Highlands undertaken subsequent to subdividing 40% or more of the Picnic Grounds shall maintain or improve the Lot Inventory Ratio. The Lot Inventory Ratio may be brought into compliance through the application of additional payments by GFP.

5. **District Services and Fees.** District services shall be provided to a Unit within the District to which a Water and Sewer Service Unit is allocated without the requirement of payment of additional consideration other than the payment of district-wide Infrastructure Maintenance Fees and/or other district-wide Fees or Charges. All District Fees or Charges and Infrastructure Maintenance Fees shall be assessed equally within the Service Area without distinction between vacant lots and improved lots other than as such relate to an actual differentiation of services. Notwithstanding anything herein to the contrary, the District expressly reserves its right and authority to issue general obligation and revenue bonds, assess uniform, district-wide Infrastructure Maintenance Fees and/or other uniform, district-wide Fees or Charges with respect to any lot to which an Agreed Unit is identified under this Agreement.

6. **Water Transfer**

a. Conveyance of SVR Water and Abling Cash Water. GFP shall transfer title to the SVR Water and the Abling Cash Water to the District contemporaneously with the execution of this Agreement by execution and delivery of deeds in the forms attached hereto as **Exhibit D.**

b. Excess Water Capacity. The ability on the part of the District to provide water service for more than the 169 Units from the SVR Water right as modified by the Water Court Decree is referred to herein as the Excess Water Capacity. Such Excess Water Capacity shall be restricted to use within the District as it now exists or as it may be expanded in the future.

7. **GFP Reservations.** GFP expressly reserves unto itself, its successors and assigns, and the District hereby grants and acknowledges unto GFP, its successors and assigns, the following rights:

a. Extension. The unrestricted right to extend the District water and sewer system for the purpose of serving the Future Development Lands (referred to herein as the right of "Extension") provided that it shall bear the cost of all construction associated with the Extension and shall provide all necessary system easements and dedications therefor.

b. Transfer of Water or Sewer Unit Connections. The right to use, sell and convey Water and Sewer Units for properties within the District without payment of any additional consideration and the right and authority to make connections to and use the District's

water and sewer system.

c. Easements. The non-exclusive right to use all easements in the Service Area now existing, or as established by Extension in the future for the use of the Water and Sewer Units.

8. **Construction of Infrastructure.** Infrastructure for expansion of water service to the Future Development Lands (the "Expansion Infrastructure") will be constructed by GFP in accordance with the design drawings and specifications approved by the District. Construction and installation of the Expansion Infrastructure shall be subject to inspection and approval of the District in the course of its construction.

Upon acceptance of the final work, roads, sewer lines, water lines, street lights or other facilities normally managed by District will be transferred to the District using the same guidelines and guarantees as have been implemented in the course of the development of Edgemont Highlands.

In the event that GFP is required to post a bond with La Plata County regarding future developments, GFP agrees to include the District as a third-party beneficiary to such bond, with the right to execute on said bond either together with, or instead of, La Plata County, Colorado. In the event no bond is required, GFP agrees to post a bond in favor of the District in the amount of 125% of the anticipated cost of the work being completed in any given development phase. In addition, GFP agrees to carry all appropriate liability and other insurance (including workers' compensation insurance) for the completion of new improvements, including any work done on District property, and further agrees to hold harmless and indemnify the District from any and all claims and causes of action, or other obligations, in any way related to any of GFP's work that is the subject matter of this Agreement, subject to the warranty limitations below.

GFP represents that all work will be completed in a workmanlike manner. In the event any of the improvements and facilities to be transferred to the District are defective due to workmanship and/ or materials, GFP shall promptly replace or cause the replacement of the defective material and remedy all defective work, at GFP's sole cost and expense, for a period of two (2) years after completion of the original work, acceptance by the District, and release of the bond by the County (or District). If GFP has not undertaken repairs or replacement within ten (10) days after receipt of written demand by the District, the District may do so at GFP's expense, and in collection of said expenses, may effect a lien upon any of the property serviced by the improvements and facilities. After the warranty period expires, the District shall be responsible for repairs and maintenance of such facilities at its sole cost and expense.

9. **Title Transfers.**

a. Conveyance of Property Interests. With the exception of the Water Treatment Plant, the Property Interests shall be transferred by GFP to the District by execution and delivery of a deed in the form attached hereto as **Exhibit F** contemporaneously with the execution of this Agreement.

b. Transfer of the WTP Subdivision. GFP has commenced a land use application to the County of La Plata to obtain approval for the subdivision of the WTP site consistent with the Engineering. GFP shall bear all costs in connection therewith. Upon the successful conclusion of such process and the recording of a final approved plat of the WTP site, GFP shall convey same to the District by bargain and sale deed in the form attached hereto as **Exhibit I**. In the event that accomplishment of the WTP Subdivision is frustrated by the actions of La Plata County in the subjective discretion of GFP, property rights transferred by grant of easement as set forth in Exhibit F shall be deemed sufficient performance hereunder.

c. Termination of ULPA, Reservation of Rental Obligation and Release. The conveyance of the Property Interests as set forth above shall serve to terminate the UPLA as to all aspects of its operation, purpose and function with the exception of the obligation to pay rent as therein described (the "Rental Obligation"). The Rental Obligation of the ULPA, as expressed therein, together with all terms thereof related to its performance, shall survive this Agreement and shall be payable to RDL, its successors and assigns. In all other respects, the conveyance of the Facilities shall operate as a full mutual release and discharge of all actions, claims and demands whatsoever, that now exist or may hereafter accrue between the parties hereto or any other person, or entity charged with responsibility therefor, and the consequences flowing therefrom as the result of transactions which in anyway involve the ULPA.

d. Divestment of Easements. Contemporaneously with the recording of the conveyance of the Property Interests described in subparagraph a, above, the District shall execute and record a deed divesting it of all right, title, interest or claim in the ULPA Easements described by instruments recorded as Reception Nos. 592145 and 689780. Said deed shall be in the form attached hereto as **Exhibit G** (the "ULPA Easement Divestment Deed").

e. Acceptance of Grantee Obligations. The District accepts and agrees to perform the affirmative obligations set forth in Exhibits F and I.

10. **Design and Completion of Reservoir Site.**

a. Costs. The District shall be responsible for construction of the Reservoir and related Operation Easements. Such costs include, but are not limited to, the Reservoir planning process, surveying, engineering, stormwater management, construction bonding, supervision and permitting, utility relocation and installation, trenching, grub/clear, cut/fill, excavation, grading, compaction, base, paving, landscaping, lighting, signage, insurance, legal fees and all other costs attributable to the accomplishment and management of construction and regulatory approval of the Reservoir Site and related Operation Easements.

b. Design. It is the desire of GFP and the ERMD to enhance the water storage for the ERMD as well as create an attractive reservoir facility that compliments the Florida River valley. Therefore, in an attempt to ensure that the reservoir, when constructed, not only improves the District's water storage but enhances the scenic nature of the Florida River valley, GFP and ERMD agree to the requirements, enhancements, and specifications for the construction of the

reservoir site more particularly described in Exhibit E, attached hereto and made a part hereof by this reference.

11. **District Management Acknowledgments.** GFP acknowledges that the District is not compelled by this Agreement to manage its responsibilities for the provision of District services by direct or indirect utilization of the Considerations.

12. **Water Shortage.** The parties to this agreement recognize that the water supply for Edgemont Ranch is dependent upon sources from which the supply is variable in quantity and beyond the control of either District or GFP. In the event of a water shortage due to a lack of precipitation, or other occurrence beyond the reasonable control of District, the District may reduce the availability of water to the Agreed Units based upon an equitable reduction with all other users of the District's water resources. The Agreed Units shall have, in all respects, rights to water from the District equivalent to other water users within the Service Area. In the event of precipitation shortage, an act of God, or any other occurrence beyond District's reasonable control, which damages or destroys part or all of the facilities, District shall not incur any liability to GFP under this agreement. It is the intent of this Agreement that the District cannot impose a moratorium on the issuance of Water and Sewer Units for the Agreed Units. However, in the event a moratorium is imposed by other than District or other action is taken by government regulatory agencies (including withholding of land use approvals) that prevents the issuance of Water and/or Sewer Units for the Agreed Units, District shall not be considered to be in breach of this Agreement.

13. **Recording of Memorandum and Publication of this Agreement.** The parties shall execute and record a memorandum of this Agreement in the form attached hereto as **Exhibit J**, incorporated herein by this reference, contemporaneously with the execution of this Agreement. Either party shall be entitled to publish this Agreement to third parties in the ordinary course of business or for the purpose of implementing the terms of this Agreement, or record this Agreement in its entirety.

14. **Restrictions.** All uses shall be in compliance with applicable laws, and land use rules and regulations and the Restrictions.

15. **Indemnification.** Each party hereto shall exercise his privileges hereunder at his own risk, and shall indemnify the other party against all liability from damages, costs, losses and expenses resulting from, arising out of, or in any way connected with, the exercise or performance, or failure to exercise or perform any of the rights, duties or obligations arising from this instrument. The exercise of all rights under this instrument shall be at the sole cost and expense of the party benefitted thereby and such benefitted party will indemnify and save harmless the other party from all liability whatsoever on account of any liens, claims and demands arising out of said activities. This obligation to indemnify shall include the retention of reasonable legal counsel and investigation costs and all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made or may be made.

16. **Additional Documents.** GFP and District shall execute, acknowledge, and deliver any further assignments, conveyances and other assurances, documents and instruments of transfer, reasonably requested by either party, and will take any other action consistent with the terms of this Agreement that may reasonably be requested by either party, for the purpose of assigning, transferring, granting, conveying, and confirming to the benefits of this Agreement.

17. **Interpretation.** The fact that any one party drafted this Agreement, or any portion thereof, shall not be utilized as evidence in any proceeding to interpret its terms. In this Agreement, wherever the context so requires, the singular number includes the plural. If any provisions of this Agreement be held to be void or unenforceable under the laws of any place governing its construction or enforcement, this Agreement shall not be void or vitiated thereby, but shall be construed to be in force with the same effect as though such provisions were omitted. This agreement supersedes all agreements previously made between the parties relating to its subject matter. There are no other understandings or agreement.

18. **Waiver.** It is specifically understood by and between the parties to this Agreement that in the event of any breach of any clause of this Agreement, and the waiver thereof by any party, such waiver shall not constitute a condonation of such breach, nor shall it be considered as a waiver of any other provision or the same provision of this Agreement at any other time.

19. **Amendment.** No amendment or modification of this Agreement shall be valid or binding unless expressed in writing and executed by the parties hereto in the same manner as the execution of this Agreement.

20. **Attorney's Fees.** Should any litigation be commenced between the parties to this Agreement, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

21. **Governing Law.** This Agreement is made and shall be governed by and interpreted in accordance with the laws of the State of Colorado.

22. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the respective heirs, successors, assigns and personal representatives of the parties hereto.

23. **Survival of Obligations.** All representations and warranties and all unperformed obligations of District or GFP herein stated shall survive the conveyance described herein and all parties shall remain bound by this Agreement until all of their

respective obligations hereunder have been completely performed.

24. **Notices and Communications.** Any notice, payment, request, instruction, or other document delivered under this Agreement shall be deemed sufficiently given if in writing and delivered personally or mailed via U.S. mail, postage prepaid, to:

District: Edgemont Ranch Metropolitan District
Attn: Richard Cortese
5972 County Road 234
Durango, CO 81301

GFP: Gorton Family Partnership, LLLP
1201 Main Avenue, Suite 202
Durango, CO 81301

With Copy To: Ted C. Wright
Attorney at Law
160 E. 12th Street, Suite 7
Durango, CO 81301

Or to any changed address that the parties may designate by like notice. The effective date of such notice shall be its mailing date.

25. **Authority.** The undersigned parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons or firms represented or purported to be represented by such respective parties and no approvals or consents of any persons are necessary in connection with it. This Agreement is deemed to be within the contractual and proprietary jurisdiction of the District and not properly restricted to or by its legislative powers; nor shall this Agreement, or any part thereof, be deemed to create any special privilege or immunity or pledge of credit for a private person or corporation or be deemed a delegation of the District's powers.

26. **Mediation.** Any controversy between the parties hereto arising from this Agreement shall be submitted to mediation by either party to the controversy prior to the commencement of any arbitration or other legal proceeding. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute must agree before any settlement is binding. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The mediation, unless otherwise agreed, shall terminate in the event the entire dispute is not resolved within 30 calendar days of the date written notice requesting mediation is made.


27. **Arbitration.** Unless otherwise agreed, in the event a dispute cannot be resolved through mediation as described above, the parties shall appoint a single arbitrator selected by agreement of the parties. If the parties are unable to agree upon the identity of an arbitrator, an arbitrator shall be selected from a slate of candidates nominated by each of the parties. Within 20 days of notice of a dispute, each party shall nominate in writing to the other parties all of the qualified arbitrators from among those in business within La Plata County by assigning a priority rating in ascending order to each arbitrator so selected. For example, a party would nominate the most preferred arbitrator by assigning the number 1. The arbitrator with the lowest point total appearing on all nomination lists of the parties shall be engaged as the arbitrator for purposes of resolution of the dispute. Upon the failure of a party to participate in the selection process, the arbitrator appointed shall be the arbitrator selected by the party participating in the selection process. The arbitrator selected in this manner shall be compensated by the parties with all costs of the arbitration being resolved in the course of the arbitration. Arbitration shall thereafter be conducted in accordance with the Uniform Arbitration Act of the State of Colorado, C.R.S. §13-22-201, et seq. The prevailing party in any such arbitration shall be awarded all costs and reasonable attorneys' fees incurred in connection with said arbitration and any and all damages awarded by the arbitrator.

28. **Counterparts and Facsimile Transmission.** This Agreement may be executed in several counterparts, each of which shall constitute the same agreement. Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as transmission of an original.

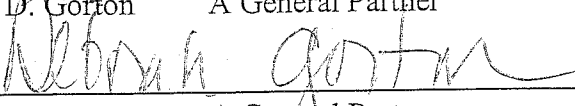
GFP:

GORTON FAMILY PARTNERSHIP, LLLP, a Colorado Limited Liability Limited Partnership

Date: 1-28-10

By 
Tom D. Gorton A General Partner

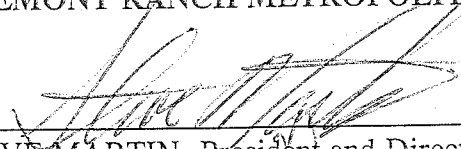
Date: 1/28/10

By 
Deborah Gorton A General Partner

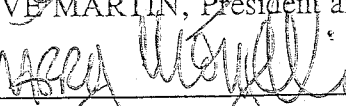
District:

EDGEMONT RANCH METROPOLITAN DISTRICT

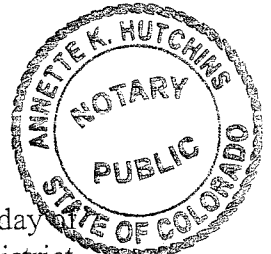
Date: 1/28/10

By 
STEVE MARTIN, President and Director

Date: 1/28/10

By 
LARRY MONGELLI, Director

STATE OF COLORADO)
) ss.
County of La Plata)



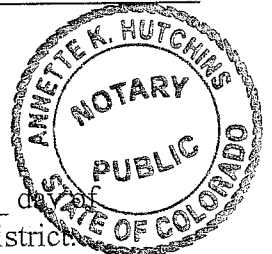
The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Tom Everette as Director of the Edgemont Ranch Metropolitan District.

My Commission Expires
03/14/2010

Witness my hand and official seal. My commission expires: _____

Annette K. Hutchins
Notary Public

STATE OF COLORADO)
) ss.
County of La Plata)



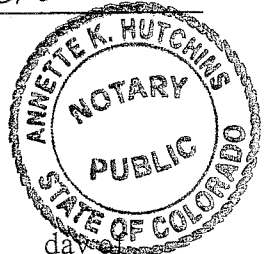
The foregoing instrument was acknowledged before me this 28th day of January, 2010, by David Kidd as Director of the Edgemont Ranch Metropolitan District.

My Commission Expires
03/14/2010

Witness my hand and official seal. My commission expires: _____

Annette K. Hutchins
Notary Public

STATE OF COLORADO)
) ss.
County of La Plata)



The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP, a Colorado Limited Liability Limited Partnership.

My Commission Expires
03/14/2010

Witness my hand and official seal. My commission expires: _____

Annette K. Hutchins
Notary Public

EXHIBIT A

TRACT I (Ranch House):

All that portion of the SE1/4SE1/4 of Section 7, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying North of County Road 240 and South of Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

TRACT II (Ranch House):

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.

TRACT III (Ranch House):

Lots 4, 7 and 8 of Spring Valley Ranch at Edgemont Ranch, County of La Plata, State of Colorado, according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

TRACT IV (Ranch House):

Lot 9 of Spring Valley Ranch at Edgemont Valley Ranch Lots 9 and 10 Boundary Adjustment, County of La Plata, State of Colorado, according to the plat thereof filed for record April 29, 2005 under Reception No. 907940.

TRACT V (Picnic Grounds):

All that portion of the SE1/4SW1/4 and the S1/2SE1/4 of Section 7, SW1/4SW1/4 of Section 8 and NE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., La Plata County, Colorado lying and being South of County Road 240, North and West of County Road 234 and East of Edgemont Ranch Unit 1 according to the plat thereof filed May 1, 1985 as Reception No. 515243.

LESS AND EXCEPT Florida River Estates Resubdivision, according to the plat thereof filed for



EXHIBIT A

record February 5, 1965 as Reception No. 332288;

ALSO LESS AND EXCEPT that tract of land described in Warranty Deed to Paragon Ranch, Inc. recorded May 8, 1998 as Reception No. 745647;

ALSO LESS AND EXCEPT that tract of land described in Warranty Deed recorded September 8, 1988 as Reception No. 536995.

TRACT VI (Paragon):

A tract of land located in Section 7 and 18, Township 35 North, Range 8 West, N.M.P.M., La Plata County, Colorado, being more particularly described as follows:

Beginning on the Easterly line of Edgemont Ranch, Unit 1 Planned Unit Development, Amended Plat No. 1 recorded in the office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 515243whence the Southwest corner of said Section 7 bears South 68° 56' 24" West, 2115.02 feet;

Thence North 89° 55' 59" East, 258.59 feet;

Thence South 74° 51' 37" East, 152.21 feet;

Thence South 60° 37' 23" East, 209.58 feet;

Thence South 70° 25' 36" East, 107.05 feet;

Thence South 80° 38' 27" East, 213.99 feet;

Thence North 89° 51' 37" East, 209.74 feet;

Thence South 82° 41' 36" East, 239.65 feet;

Thence South 115.38 feet;

Thence South 19° 07' 26" East, 119.82 feet;

Thence South 33° 58' 23" East, 99.61 feet;

Thence South 47° 06' 07" West, 167.01 feet;

Thence South 39° 22' 15" West, 110.73 feet;

Thence South 25° 11' 50" West, 126.69 feet;

Thence South 08° 39' 07" West, 138.79 feet;

Thence South 04° 55' 14" East, 104.34 feet;

Thence South 20° 35' 18" East, 135.27 feet;

Thence South 47° 01' 26" East, 130.03 feet;

Thence South 72° 01' 29" East, 133.35 feet;

Thence North 81° 02' 33" East, 146.82 feet;

Thence South 01° 26' 48" East, 550.10 feet;

Thence South 84° 34' 08" West, 312.74 feet to the Easterly line of said Unit 1, Reception No. 515243;

Thence North 24° 00' 00" West, 366.25 feet along the Easterly line of said Unit 1, Reception No. 515243;

Thence North 87° 10' 00" West, 260.00 feet along the Easterly line of said Unit 1, Reception No. 515243;

Thence along the arc of a non-tangent curve to the right with a delta angle of 90° 00' 00" and a radius of 25.00 feet for a distance of 39.27 feet, the long chord bears south 47° 50' 00" West,

EXHIBIT A

35.36 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $87^{\circ} 10' 00''$ West, 37.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the right with a delta angle of $77^{\circ} 40' 00''$ and a radius of 125.00 feet for a distance of 169.44 feet, the long chord bears North $48^{\circ} 20' 00''$ West, 156.76 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the left with a delta angle of $66^{\circ} 15' 00''$ and a radius of 175.00 feet for a distance of 202.35 feet, the long chord bears North $42^{\circ} 37' 30''$ West, 191.26 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $75^{\circ} 45' 00''$ West, 62.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $14^{\circ} 15' 00''$ East, 300.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $29^{\circ} 00' 00''$ West, 195.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $52^{\circ} 00' 00''$ West 290.11 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $36^{\circ} 00' 00''$ West, 208.68 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a non-tangent curve to the left with a delta angle of $23^{\circ} 00' 00''$ and a radius of 475.00 feet for a distance of 190.68 feet, the long chord bears North $26^{\circ} 10' 00''$ West, 189.40 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $37^{\circ} 40' 00''$ West, 115.80 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the right with a delta angle of $43^{\circ} 20' 00''$ and a radius of 175.00 feet for a distance of 132.35 feet, the long chord bears North $16^{\circ} 00' 00''$ West, 129.22 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $05^{\circ} 40' 00''$ East 90.06 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the right with a delta angle of $90^{\circ} 00' 00''$ and a radius of 25.00 feet for a distance of 39.27 feet, the long chord bears North $50^{\circ} 40' 00''$ East, 35.36 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $05^{\circ} 40' 00''$ East, 30.00 feet along the Easterly line of said Unit 1, Reception No. 515243 to the point of beginning.

TRACT VII (ER Mail Facility Lot):

A tract of land lying and being in Section 7, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, being that portion of Edgemont Ranch Unit 1, Amended Plant No. 1, according to the recorded plat thereof filed for record May 1, 1985 under Reception No. 515243, lying Southerly and Easterly of Lot 57 (Open Space) and Westerly of Lot "A" (also known as the Silver Queen).

The above tract is noted as 1.66 Acres and "Not a Part of Subdivision" on the above referenced plat.



EXHIBIT A

TRACT VIII (School Site):

A tract of land located in Section 7, Township 35 North, Range 8 West, N.M.P.M. in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point which bears North 36° 40' 46" East 1394.07 feet from the Southwest corner of said Section 7 as the same is shown on the plat filed in the La Plata County Clerk and Recorder's office June 23, 1983 at Reception No. 485006. Thence North 15° 44' 00" West 942.11 feet; thence North 64° 55' 00" East 166.07 feet to the beginning of a curve concave to the South and having a radius of 265.00 feet; thence Easterly along the arc of said curve through a central angle of 22° 50' 00" a distance of 105.61 feet; thence North 87° 45' 00" East 510.00 feet to the beginning of a curve concave to the North and having a radius of 2035.00 feet; thence Easterly along the arc of said curve through a central angle of 1° 55' 00" a distance of 68.08 feet; thence leaving the arc of said curve on a non-tangent bearing of South 10° 00' 00" East a distance of 584.46 feet; thence South 37° 00' 00" East 151.31 feet; thence South 03° 00' 00" East 120.00 feet to a point on a curve concave to the Southeast and having a radius of 1152.61 feet; thence Southwesterly along the arc of said curve from an initial tangent bearing of South 81° 00' 00" West through a central angle of 6° 44' 00" a distance of 135.46 feet; thence South 74° 16' 00" West a distance of 666.00 feet to the point of beginning and containing 17.00 acres more or less.

TRACT IX (EH Phase 3A):

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian, in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the northerly right of way of Red Canyon Trail and easterly line of Edgemont Highlands, Phase 1, Final Plat, Project No. 2003-290 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 877022 whence the Center-North 1/16 Corner of said Section 7 bears N 44° 18' 44" W, 1299.15 feet;
Thence along the arc of a non-tangent curve to the right with a delta angle of 49° 30' 20" and a radius of 107.00 feet for a distance of 92.45 feet, the long chord bears N 82° 03' 33" E, 89.60 feet;
Thence S 73° 11' 17" E, 26.18 feet;
Thence N 15° 17' 45" W, 221.09 feet;
Thence N 34° 59' 31" E, 86.79 feet;
Thence N 88° 54' 14" E, 175.77 feet;
Thence S 86° 23' 37" E, 196.60 feet;
Thence S 45° 06' 30" E, 187.43 feet;
Thence S 12° 40' 35" E, 142.25 feet;
Thence along the arc of a non-tangent curve to the right with a delta angle of 4° 59' 35" and a radius of 430.00 feet for a distance of 37.47 feet, the long chord bears N 67° 11' 55" E, 37.46 feet;
Thence N 69° 41' 42" E, 54.73 feet;
Thence S 27° 11' 35" E, 60.55 feet;
Thence S 19° 47' 00" E, 262.53 feet;
Thence S 42° 45' 58" E, 167.89 feet;
Thence S 73° 35' 21" E, 250.00 feet;
Thence S 02° 41' 36" E, 189.70 feet;




EXHIBIT A

Thence S 32°00'36" W, 151.13 feet;
Thence S 30°54'15" E, 32.67 feet;
Thence S 00°50'48" E, 311.24 feet;
Thence S 21°36'03" E, 51.97 feet;
Thence S 23°14'23" E, 65.87 feet;
Thence S 09°20'39" W, 259.05 feet;
Thence S 13°42'01" W, 214.46 feet to the northerly line of the SE1/4SE1/4 of said Section 7;
Thence S 89°33'39" W, 270.14 feet along the northerly line of the SE1/4SE1/4 of said Section 7 to the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 00°28'04" E, 332.30 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 15°59'34" W, 417.60 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 47°33'34" W, 428.37 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 10°50'12" W, 449.05 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 54°51'27" W, 385.36 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022 to the point of beginning.
Contains 23.640 acres, more or less.

TRACT X (EH Phase 3B):

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian, in La Plata County, Colorado, being more particularly described as follows:

Beginning at the Center-North 1/16 Corner of said Section 7;
Thence N 89°33'14" E, 1369.35 feet along the south line of the NW1/4NE1/4 of said Section 7 to the North-East 1/16 corner of said Section 7;
Thence N 89°33'14" E, 1345.01 feet along the south line of the NE1/4NE1/4 of said Section 7 to the North 1/16 corner common to said Section 7 and Section 8, Township 35 North, Range 8 West, N.M.P.M.;
Thence S 00°20'32" E, 1310.51 feet along the east line of said Section 7 to the East 1/4 corner of said Section 7;
Thence S 00°31'37" W, 1319.09 feet along the east line of said Section 7 to the South 1/16 corner common to said Section 7 and Section 8;
Thence S 89°33'39" W, 703.74 feet along the north line of the SW1/4SW1/4 of said Section 7;
Thence N 13°42'01" E, 214.46 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 09°20'39" E, 259.05 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 23°14'23" W, 65.87 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 21°36'03" W, 51.97 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 00°50'48" W, 311.24 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 30°54'15" W, 32.67 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 32°00'36" E, 151.13 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 02°41'36" W, 189.70 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 73°35'21" W, 250.00 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 42°45'58" W, 167.89 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 19°47'00" W, 262.53 feet along the easterly line of Edgemont Highlands, Phase 3A;

EXHIBIT A

Thence N 27°11'35" W, 60.55 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence S 69°41'42" W, 54.73 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence along the arc of a tangent curve to the left with a delta angle of 4°59'35" and a radius of 430.00 feet for a distance of 37.47 feet, the long chord bears N 67°11'55" E, 37.46 feet along the easterly line of Edgemont Highlands, Phase 3A;

Thence N 12°40'35" W, 142.25 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 45°06'30" W, 187.43 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 86°23'37" W, 196.60 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence S 88°54'14" W, 175.77 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence S 34°59'31" W, 86.79 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence S 15°17'45" E, 221.09 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence N 73°11'17" W, 26.18 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence along the arc of a non-tangent curve to the left with a delta angle of 49°30'20" and a radius of 107.00 feet for a distance of 92.45 feet, the long chord bears S 82°03'33" W, 89.60 feet along the northerly line of Edgemont Highlands, Phase 3A to the easterly line of Edgemont Highlands, Phase 1, Final Plat, Project No. 2003-290 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 877022;

Thence N 54°51'27" W, 7.53 feet along the easterly line of said Phase 1, Reception No. 877022;

Thence N 57°09'39" W, 524.96 feet along the easterly line of said Phase 1, Reception No. 877022 to the northerly line of said Phase 1, Reception No. 877022;

Thence S 67°42'52" W, 88.74 feet along the northerly line of said Phase 1, Reception No. 877022 to the easterly line of Edgemont Highlands, Phase 2B, Final Plat, Project No. 2004-0222, Reception No. 906548;

Thence N 42°50'59" W, 500.62 feet along the easterly line of said Phase 2B, Reception No. 906548;

Thence N 21°17'26" W, 329.58 feet along the easterly line of said Phase 2B, Reception No. 906548;

Thence N 89°30'11" E, 81.36 feet along the easterly line of said Phase 2B, Reception No. 906548 to the point of beginning. Contains 77.563 acres, more or less.

TRACT XI (EH Phase 5):

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian and Section 12, Township 35 North, Range 9 West, New Mexico Principal Meridian in La Plata County, Colorado, being more particularly described as follows:

Beginning at the Northeast corner of said Section 12;

Thence S 00°08'47" E, 1313.03 feet along the east line of said Section 12 to the North 1/16 corner common to said Section 12 and Section 7;

Thence N 89°36'44" E, 628.48 feet along the north line of SW1/4NW1/4 of said Section 7 to the westerly boundary of Edgemont Highlands, Phase 2B, Final Plat, Project No. 2004-0222 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 906548;

Thence S 14°08'21" E, 774.02 feet along the westerly line of said Edgemont Highlands, Phase 2B;

Thence S 30°19'10" E, 586.03 feet along the westerly line of said Edgemont Highlands, Phase 2B to the northerly right of way of Ventana Pass;

Thence along the arc of a non-tangent curve to the left with a delta angle of 76°23'38" and a radius of 130.00 feet for a distance of 173.33 feet, the long chord bears S18°06'39"W, 160.78 feet along the northerly right of way of Ventana Pass;

EXHIBIT A

Thence S 20°05'10" E, 88.46 feet along the northerly right of way of Ventana Pass to the southerly right of way of Edgemont Highlands Pass;

Thence N 69°54'50" E, 138.52 feet along the southerly right of way of Edgemont Highlands Pass to the westerly line of Edgemont Highlands, Phase 2A, Final Plat, Project No. 2004-221 recorded under Reception No. 896542;

Thence S 29°11'45" E, 404.18 feet along the westerly line of said Edgemont Highlands, Phase 2A to the northerly line of a tract of land described in the deed recorded under Reception No. 491172;

Thence along the arc of a non-tangent curve to the right with a delta angle of 1°55'00" and a radius of 2035.00 feet for a distance of 68.08 feet, the long chord bears S86°53'33"W, 68.07 feet along the northerly line of said tract, Reception No. 491172;

Thence S 87°51'03" W, 510.00 feet along the northerly line of said tract, Reception No. 491172;

Thence along the arc of a tangent curve to the left with a delta angle of 22°50'00" and a radius of 265.00 feet for a distance of 105.61 feet, the long chord bears S76°26'03"W, 104.91 feet along the northerly line of said tract, Reception No. 491172;

Thence S 65°01'03" W, 166.07 feet along the northerly line of said tract, Reception No. 491172 to the easterly line of said tract, Reception No. 491172;

Thence S 15°37'57" E, 942.11 feet along easterly line of said tract, Reception No. 491172 to the southerly line of said tract, Reception No. 491172;

Thence N 74°22'03" E, 666.00 feet along the southerly line of said tract, Reception No. 491172;

Thence along the arc of a tangent curve to the right with a delta angle of 6°44'01" and a radius of 1152.61 feet for a distance of 135.46 feet, the long chord bears N77°44'03"E, 135.38 feet along the southerly line of said tract, Reception No. 491172 to the westerly line of said Edgemont Highlands, Phase 2A;

Thence SOUTH, 55.42 feet along the westerly line of said Edgemont Highlands, Phase 2A to the northerly right of way of County Road 240;

Thence along the arc of a non-tangent curve to the left with a delta angle of 6°16'02" and a radius of 1097.61 feet for a distance of 120.06 feet, the long chord bears S77°30'04"W, 120.00 feet along the northerly right of way of County Road 240;

Thence S 74°22'03" W, 479.81 feet along the northerly right of way of County Road 240;

Thence N 15°37'57" W, 5.00 feet along the northerly right of way of County Road 240;

Thence S 74°22'03" W, 240.49 feet along the northerly right of way of County Road 240 to the easterly right of way of Highlands Boulevard;

Thence N 15°44'00" W, 125.56 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the right with a delta angle of 13°57'43" and a radius of 370.00 feet for a distance of 90.16 feet, the long chord bears N08°45'09"W, 89.94 feet along the easterly right of way of Highlands Boulevard;

Thence N 01°46'17" W, 33.05 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the left with a delta angle of 59°51'34" and a radius of 280.00 feet for a distance of 292.53 feet, the long chord bears N31°42'04"W, 279.40 feet along the easterly right of way of Highlands Boulevard;

Thence N 55°05'46" W, 110.03 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the right with a delta angle of 39°21'19" and a radius of 362.50 feet for a distance of 248.99 feet, the long chord bears N35°25'06"W, 244.13 feet along the easterly right of way of Highlands Boulevard;

Thence N 15°44'27" W, 179.17 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the left with a delta angle of 43°15'14" and a radius of 287.50 feet for a distance of 217.04 feet, the long chord bears N37°22'04"W, 211.92 feet

EXHIBIT A

along the easterly right of way of Highlands Boulevard to the northerly line of Edgemont Highlands, Phase 4, Final Plat, Project No. 2006-0340 recorded under Reception No. 950578;
Thence S 39°13'21" W, 76.06 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence along the arc of a non-tangent curve to the right with a delta angle of 3°10'22" and a radius of 95.00 feet for a distance of 5.26 feet, the long chord bears S52°08'17"W, 5.26 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence S 53°43'28" W, 10.03 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 46°32'52" W, 108.57 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 62°16'50" W, 138.58 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 60°52'52" W, 93.06 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 55°22'34" W, 187.47 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 62°58'01" W, 199.55 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence S 89°52'14" W, 836.70 feet along the northerly line of said Edgemont Highlands, Phase 4 to the west line of the NE1/4SE1/4 of said Section 12;
Thence N 00°15'21" E, 137.07 feet along the west line of the NE1/4SE1/4 of said Section 12 to the Center-East 1/16 corner of said Section 12;
Thence N 00°03'07" E, 1294.40 feet along the west line of the SE1/4NE1/4 of said Section 12 to the Northeast 1/16 corner of said Section 12;
Thence N 00°03'20" E, 1296.01 feet along the west line of the NE1/4NE1/4 of said Section 12 to the East 1/16 corner common to said Section 12 and Section 1, Township 35 North, Range 9 West, N.M.P.M.;
Thence N 86°52'23" E, 1305.63 feet along the north line of said Section 12 to the point of beginning. Contains 129.047 acres, more or less.

EXHIBIT B

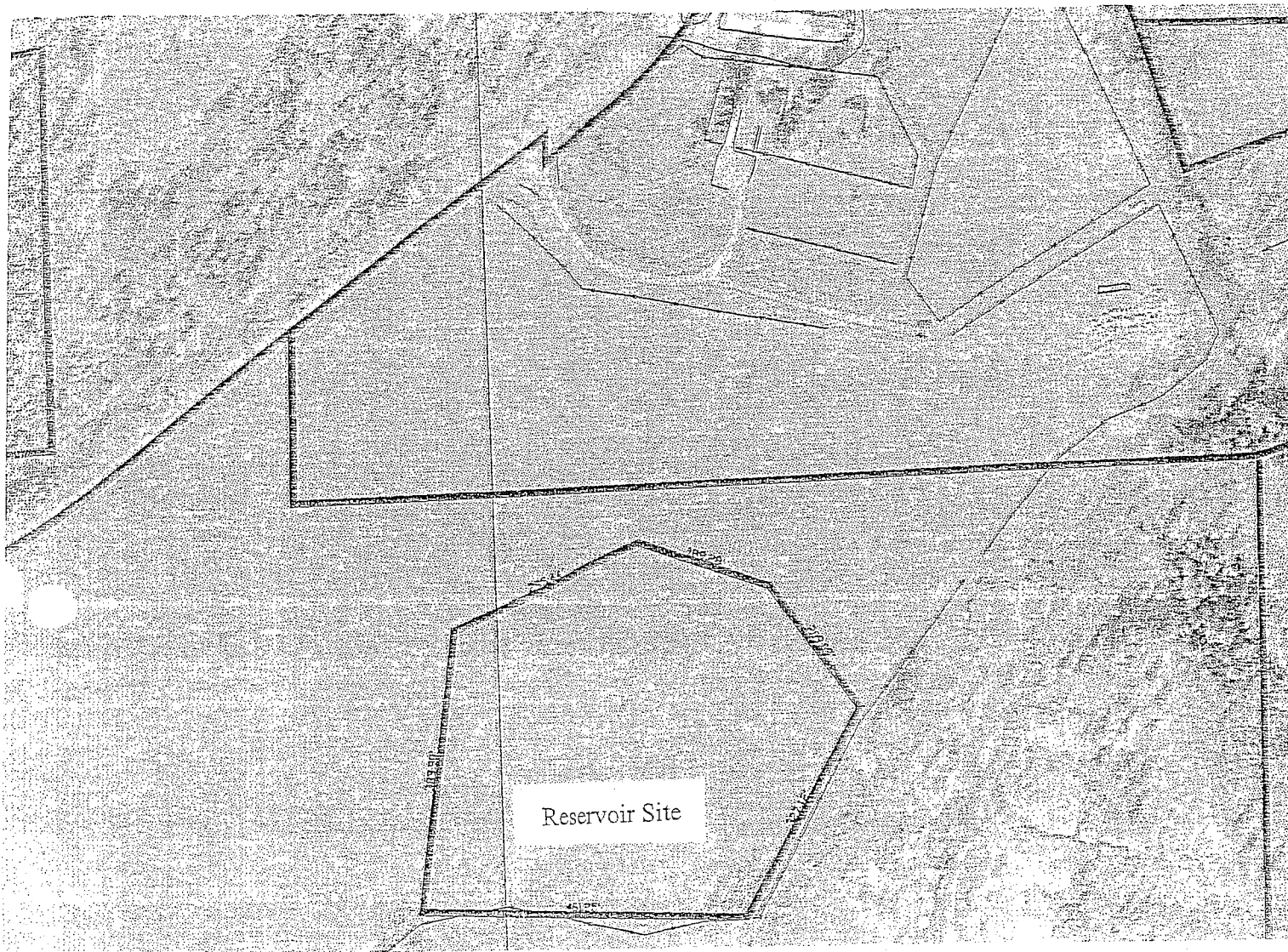
All water rights decreed to the Spring Valley Lake Reservoir, including 124.6 acre-feet decreed in Case No. 83CW19 (Water Division 7), and up to 50 acre-feet changed to an alternate reservoir location in Case No. 09CW34 (Water Division 7).

All water rights decreed to the Spring Valley Pipeline, including 2.5 c.f.s. decreed in Case No. 83CW114 (Water Division 7), and all water rights of the Spring Valley Pipeline decreed in Case No. 83CW19 (Water Division 7).

1.0 cubic feet of water per second of time from the Ogden-Shirmer Ditch, being the consolidation of the Ogden Ditch No. 2 and Shirmer Ditch under Case Nos. W-1381-75 and W-1382-75 (Water Division 7), and said 1.0 c.f.s. originating as 0.50 c.f.s. from the Ogden Ditch No. 2, Florida River Priority No. F-30 as adjudicated on November 8, 1923 in Case No. 1751 (Water Division 7) with an appropriation date of April 15, 1894, and 0.50 c.f.s. from the Shirmer Ditch, Florida River Priority No. F-40 as adjudicated on November 8, 1923 in Case No. 1751 (Water Division 7) with an appropriation date of April 25, 1894, and the water and ditch rights represented thereby, subject to the terms of the Decree entered in Case No. 83CW19 (Water Division No. 7).



EDGEMONT RANCH EASEMENT EXHIBIT



An easement for a reservoir and related infrastructure located in Section 18, Township 35 North, Range 8 West, N.M.P.M. in the county of La Plata, State of Colorado more particularly described as follows:

Beginning at a point whence the Northwest corner of said section 18 bears N 73°53'53" W, a distance of 4594.76 feet;
Thence S 70°51'40" E, a distance of 189.28 feet;
Thence S 36°11'23" E, a distance of 209.09 feet;
Thence S 29°09'06" W, a distance of 327.12 feet;
Thence N 88°27'32" W, a distance of 461.25 feet;
Thence N 06°54'14" E, a distance of 389.40 feet;
Thence N 66°40'01" E, a distance of 295.44 feet, to the point of beginning, containing 5.527 acres.

EXHIBIT C

Tom Gorton

From: Juanita Sauvage [SAUVAGEJJ@co.laplata.co.us]
Sent: Monday, October 05, 2009 1:17 PM
To: Nan Bedau; Tom Gorton
Subject: RE: Water Ponds - Resend

Tom,
Nan's letter represents the conditions of approval. She has signed the administrative review form and referenced her comments. You should be able to proceed based on her comments.
Thanks,
Juanita

>>> "Tom Gorton" <Tom@EdgemontHighlands.com> 10/5/2009 11:46 AM >>>

Hi Nan,

Thanks again for working with us on this admin review. I wanted to talk with the ERMD before I got back to you. I have spoken with one of the directors and we are in agreement with the scope of the work as outlined in the letter attachment to your e-mail as well as the other requirements contained in the letter. Am I correct in assuming that once you have signed off on the admin review that we will be given some sort of letter, copy or at least an e-mail that confirms that we have the county approvals necessary (subject to the letter from you) to move ahead with this project? Thanks Nan. Tom Gorton

From: Nan Bedau [mailto:BEDAUMN@co.laplata.co.us]
Sent: Friday, October 02, 2009 4:04 PM
To: Tom Gorton
Subject: Water Ponds - Resend

Tom,

Please delete the email and letter I just sent and replace it with this letter. I caught a few typos which are corrected in the attached.

Thank you.

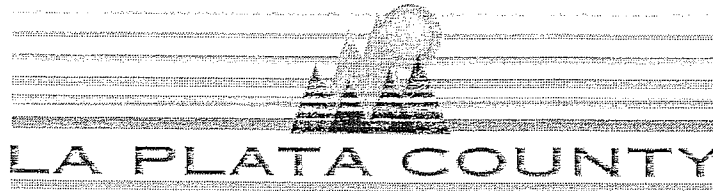
Nan

Nan Bedau
Development Coordinator
La Plata County Engineering
Community Development Department
1060 E. Second Ave., Durango, CO 81301

Telephone: 970-382-6375
Fax: 970-375-7986

A handwritten signature in black ink, consisting of a stylized, cursive name.

EXHIBIT C



October 2, 2009

Mr. Tom Gorton
135 Burnett Drive
Suite 107
Durango, CO 81301

RE: Edgemont Ranch Water Storage Pond

Dear Tom,

Thank you for stopping by today and going through the scope of improvements for the Edgemont Ranch Water Reservoir. The scope as I understand it is as follows:

- Will not require offsite hauling, export or import of earth material; basically the site is "balanced".
- The reservoir will be 4-acres and will not be used as a fish pond.
- You will obtain all necessary permits from other agencies
- You will obtain a construction stormwater permit from Colorado Department of Public Health and Environment (CDPHE), represented locally by San Juan Basin Health Department; and the required Stormwater Management Plan (SWMP) will be maintained on site during construction.
- While you do not at this time have an approved water court decree, you will obtain the decree prior to construction and forward a copy of the decree to the Planning Department along with final signed and stamped engineering drawings
- A wetlands biologist or the US Army Corps of Engineers will verify the project will not disturb any jurisdictional wetlands
- Water lines will not be installed beyond the connection to the existing main transmission/distribution line

Please reply to provide any needed corrections or to verify I have captured the scope. Once I receive your reply, I will sign the Administrative Permit.

Sincerely,

M. Nanette Bedau
Development Coordinator

A handwritten signature in black ink, appearing to be "M. Bedau", written in a cursive style. The signature is located in the bottom right corner of the page.

EXHIBIT D

BARGAIN AND SALE DEED

THIS DEED, is made this ____ day of _____, 2010, between Gorton Family Partnership, LLLP, a Colorado Limited Liability Limited Partnership, of the County of La Plata and State of Colorado, grantor, and Edgemont Ranch Metropolitan District, a Colorado Special District, whose legal address is 5972 County Road 234, Durango, CO 81301, grantee,

WITNESSETH, That the grantor, for and in consideration of the sum of ten dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto the grantee, its heirs, successors and assigns forever, all the real property together with improvements, if any, situate, lying and being in the County of La Plata and State of Colorado, described as follows,

All water rights decreed to the Spring Valley Lake Reservoir, including 124.6 acre-feet decreed in Case No. 83CW19 (Water Division 7), and up to 50 acre-feet changed to an alternate reservoir location in Case No. 09CW34 (Water Division 7).

All water rights decreed to the Spring Valley Pipeline, including 2.5 c.f.s. decreed in Case No. 83CW114 (Water Division 7), and all water rights of the Spring Valley Pipeline decreed in Case No. 83CW19 (Water Division 7).

1.0 cubic feet of water per second of time from the Ogden-Shirmer Ditch, being the consolidation of the Ogden Ditch No. 2 and Shirmer Ditch under Case Nos. W-1381-75 and W-1382-75 (Water Division 7), and said 1.0 c.f.s. originating as 0.50 c.f.s. from the Ogden Ditch No. 2, Florida River Priority No. F-30 as adjudicated on November 8, 1923 in Case No. 1751 (Water Division 7) with an appropriation date of April 15, 1894, and 0.50 c.f.s. from the Shirmer Ditch, Florida River Priority No. F-40 as adjudicated on November 8, 1923 in Case No. 1751 (Water Division 7) with an appropriation date of April 25, 1894, and the water and ditch rights represented thereby, subject to the terms of the Decree entered in Case No. 83CW19 (Water Division No. 7).

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise appertaining, and all the estate, right, title, interest and claim whatsoever, of the grantor, either in law or equity, in and to the above bargained property, with its appurtenances.

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

GORTON FAMILY PARTNERSHIP, LLLP,
a Colorado Limited Liability Limited Partnership

Tom D. Gorton, General Partner

Deborah Gorton, General Partner

Return to: ERMD
5972 CR 234
Durango, CO 81301

EXHIBIT D

STATE OF COLORADO)
) ss.
County of La Plata)

The foregoing instrument was acknowledged before me this ____ day of _____, 2010, by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP, a Colorado Limited Liability Limited Partnership.

My commission expires: _____

Witness my hand and official seal.

Notary Public



Exhibit E

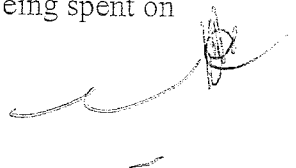
The ERMD will be responsible for the construction of the reservoir within the Reservoir Site. In order to enhance the visual aesthetics of the reservoir, in addition to reservoir plans, engineering and other requirements, the construction of the reservoir will include the following:

- Fill slopes. Exterior fill slopes will to be a minimum of 4 to 1, with even shallower slopes if dirt permits, pronounced undulations and mounding (similar to those found at the Dalton Ranch Golf Club) will be incorporated into the construction of the reservoir to create a more irregular shape.
- Revegetation. All fill slopes, reservoir perimeter, access, construction areas or any other area disturbed during construction shall be completely revegetated using a native seed mix reasonably equivalent to that used by the Edgemont Highland Community Association.
- Sprinkler. A temporary (or permanent) sprinkler system shall be installed to ensure timely and thorough revegetation. This system shall remain in operation for a minimum of two full growing seasons, or longer if revegetation is not complete, for the seed mix and five full growing seasons to establish the trees.
- Compliance with the Restrictions of the Scenic Easement Lands

In addition to the above, the ERMD shall spend a minimum of \$35,000 to incorporate the following enhancements to the reservoir design:

- Boulders. The ERMD will incorporate boulders from the stockpile of boulders located adjacent to the reservoir site into the design of the reservoir. These boulders will be integrated into the banks, mounds and undulations of the reservoir, buried so as to expose approximately two-thirds of the boulder, and placed in a manner attempting to hide/screen/conceal the regular shape of the reservoir. The ERMD will use the largest boulders that can be efficiently moved and will expend no more than half of the \$35,000 on this boulder enhancement.
- Trees. The ERMD will incorporate clusters of trees within the slopes, mounds and undulations of the reservoir in such a manner so as to hide/screen/conceal the regular shape of the reservoir. The parties acknowledge that the trees will need to be placed such that their roots and fall potential do not interfere with the operation of the reservoir. The trees will be, at a minimum, eight feet tall and will be watered as provided in this exhibit. At least half of the \$35,000 will be used for this tree enhancement.

The ERMD shall make every effort to maximize the value of these enhancements, including the requirement to solicit three, or more, competitive bids with no more than \$3,000 being spent on



landscape design/architecture services. Eighty to ninety percent of the boulder and tree enhancements will be made to the northern and western portions of the reservoir so that the visual impact is most pronounced facing the ranch house and County Road 234.

The parties acknowledge that the slopes of the reservoir, the berms and undulations, the boulder and tree enhancements, and the reservoir fencing may fall outside of the reservoir site easement as is necessary to construct an attractive amenity. The parties also acknowledge that the reservoir shape may be fairly regular, but the corners will be rounded similar to the existing ERMD sewer lagoons. Additionally, the parties acknowledge that the following improvements will be made by ERMD in connection with the construction of the reservoir:

- Access Road. The access road from the existing hay barn road will be constructed with 8 inches of 3" gravel.
- Equipment Shed, Noise. The equipment shed servicing the reservoir shall be constructed on the southeasterly portion of the reservoir site in such a manner so as to integrate into the natural surroundings as much as possible. Any noise generated from the equipment shed shall be mitigated such that it does not disturb the existing ranch house.
- Lighting. Any permanent lighting will be minimized and be low wattage and dark skies friendly.
- Fencing. Deer fencing, with wood posts, no taller than eight (8) feet, will be installed around the site, generally at the base of the slope of the reservoir. The parties acknowledge that future state or federal regulations may supersede this fencing restriction.
- Utilities. All pipelines and phone and electrical lines servicing the reservoir site shall be buried a minimum of four feet below natural grade.



EXHIBIT F

Bargain and Sale Deed

Know all Men by these Presents, That Gorton Family Partnership, LLLP ("Grantor") for the consideration of One Dollar and other good and valuable considerations, in hand paid, hereby sells and conveys to Edgemont Ranch Metropolitan District, a Colorado Special District, ("Grantee") of the County of La Plata and State of Colorado, whose mailing address is 5972 County Road 234, Durango, CO 81301, and its successors and assigns, the following Real Property situate in the County of La Plata and State of Colorado, to wit:

SEE EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

Together with all appurtenances and SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations contained in said Exhibit A.

Signed and delivered this _____ day of January, 2010.

Gorton Family Partnership, LLLP

Tom D. Gorton, General Partner

Deborah Gorton, General Partner

STATE OF COLORADO)
) ss.
County of La Plata)

The foregoing instrument was acknowledged before me this ____ day of _____, _____ by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP.

Witness my hand and official seal. My commission expires _____

NOTARY PUBLIC

EXHIBIT A

A sewer treatment plant site easement, exclusive to the use and enjoyment of Grantee, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest Corner of said Section 18 bears N 48° 58' 32" W, 3787.01 feet;
Thence S 38° 00' 00" E, 480.00 feet;
Thence S 52° 00' 00" W, 855.00 feet;
Thence N 45° 00' 00" W, 117.00 feet;
Thence North 461.76 feet;
Thence N 52° 00' 00" E, 584.97 feet to the point of beginning.

Containing 8.372 acres, more or less.

SUBJECT TO the reservations, restrictions, terms and provisions set forth below:

1. Grantor expressly reserves to itself, its successors and assigns, all rights and easements necessary or incidental to the maintenance, construction, operation, inspection, substitution, renewal, repair, development, improvement and beneficial use of the water right known as Bogs Springs, including, but not limited to:

Construction of water distribution facilities;
Establishment of access and electrical service

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

2. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

3. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

A Water Treatment Plant Site Easement, exclusive to the use and enjoyment of Grantee, located in Sections 17 and 18, Township 35 North, Range 8 West, N.M.P.M., La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the eastern right-of-way of County Road 234 from which the northeast corner of said section 18 bears N 66° 53' 22" E, a distance of 629.83 feet and from which the northwest corner of said section 18 bears N 87° 20' 42" W, a distance of 4701.59 feet;
Thence S 56° 08' 49" E, a distance of 82.17 feet;
Thence N 77° 20' 08" E, a distance of 34.28 feet;
Thence N 65° 17' 22" E, a distance of 85.06 feet;
Thence S 14° 09' 52" E, a distance of 209.98 feet;
Thence N 65° 59' 00" E, a distance of 69.66 feet;
Thence N 74° 40' 18" E, a distance of 48.30 feet to the centerline of the Florida River;
Thence along the centerline of the Florida River N 22° 25' 16" W, a distance of 169.87 feet;
Thence along the centerline of the Florida River N 14° 55' 16" W, a distance of 56.89 feet;
Thence along the centerline of the Florida River N 32° 04' 44" E, a distance of 196.70 feet;
Thence along the centerline of the Florida River S 55° 55' 16" E, a distance of 162.95 feet;
Thence S 89° 51' 43" E, a distance of 97.92 feet;
Thence S 29° 59' 42" E, a distance of 406.54 feet;
Thence S 00° 07' 42" W, a distance of 128.80 feet;
Thence N 89° 55' 37" W, a distance of 381.13 feet to the centerline of the Florida River;
Thence along the centerline of the Florida River N 22° 26' 06" E, a distance of 188.91 feet;
Thence S 74° 34' 44" W, a distance of 49.01 feet;
Thence S 66° 09' 55" W, a distance of 80.92 feet;
Thence S 56° 24' 36" W, a distance of 132.14 feet;
Thence N 81° 54' 03" W, a distance of 90.00 feet;
Thence N 56° 21' 28" W, a distance of 123.58 feet;
Thence N 52° 59' 45" W a distance of 33.42 feet to a point on the eastern right-of-way of County Road 234;
Thence along the eastern right-of-way of County Road 234, 226.00 feet along a non-tangential curve concave to the northwest with a radius of 1253.12 feet, a delta angle of 10° 20' 00", the chord of said arc bears N 26° 49' 05" E for a distance of 225.70 feet to the point of beginning.

Together with a non-exclusive access and utility easement, forty (40) feet in width, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., county of La Plata, State of Colorado, being more particularly described as follows:

Beginning at a point on the southerly right-of-way of County Road 234, from which the Northwest corner of said section 18 bears N 82° 21' 52" W, a distance of 4499.03 feet;
Thence S 77° 45' 29" E, a distance of 46.00 feet;
Thence 205.56 feet along a non-tangential curve, concave to the west having a radius of 1293.12 feet, a delta angle of 9° 06' 29", a chord bearing of N 36° 45' 44" E and a chord distance of 205.35 feet to a point on the southern boundary of the Water Treatment Plant Site Easement;
Thence along the southern boundary of said Water Treatment Plant Site Easement N 56° 21' 28" W, a distance of 6.70 feet;
Thence continuing along the southern boundary of said Water Treatment Plant Site Easement N 52° 59' 45" W, a distance of 33.42 feet to a point on the southern right-of-way of County Road 234;
Thence 224.52 feet along a non-tangential curve concave to the west having a radius of 1253.12 feet, a delta angle of 10° 15' 56", a chord bearing of S 37° 12' 20" W and a chord distance of 224.22 feet to the point of beginning.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easements granted hereby.

2. Grantor further expressly reserves unto itself, its successors and assigns, the right of Trail Users to park vehicles within the "Dirt Parking Area" as designated on the plat attached hereto as **Exhibit 1** and incorporated herein by this reference, or within a substitute parking area of equivalent size and function as designated by the grantee; together with and subject to the right of Trail Establishment to permit access from such parking area to the Trails.

The exercise of said reserved rights shall not unreasonably interfere with the easements granted hereby.

3. Grantor hereby declares that the property interests transferred hereby are to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to a right in Grantor, its successors and assigns, as and for the benefit of the properties described on **Exhibit A-1**, attached hereto and made a part hereof by this reference, to require compliance with the following restrictions:
 - A. Grantee shall construct and install deer fencing, with wood posts, no taller than eight (8) feet, generally at the base of the slope of the reservoir and otherwise located at or within the perimeter of the easement granted hereby; subject, however, to compliance with all applicable state or federal regulations now, or hereafter, in force and effect.
 - B. Should any litigation be commenced for the purpose of enforcing these provisions, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.



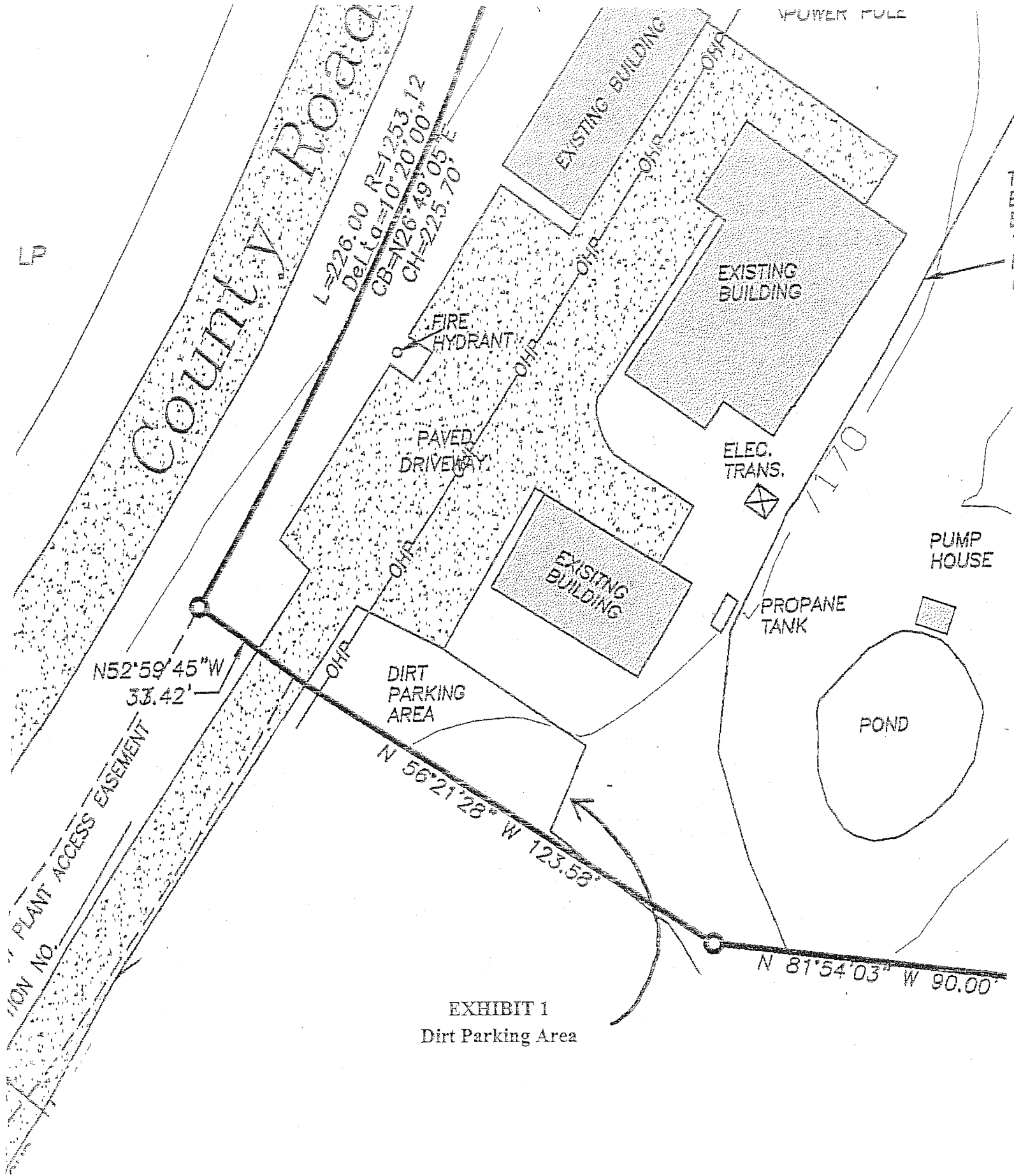


EXHIBIT 1
Dirt Parking Area

[Handwritten signature]

EXHIBIT A-1

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.



Exhibit A

A water line easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the northwesterly right-of-way of County Road 234 whence the Northwest corner of said Section 18 bears N 68° 32' 16" W, 3648.58 feet;

Thence S 34° 00' 00" E, 20.81 feet;

Thence S 42° 30' 00" E, 39.34 feet to the southeasterly right-of-way of said County Road 234;

Thence along the arc of a curve to the right with a delta angle of 04° 23' 04", a radius of 1713.71 feet, for a distance of 131.13 feet, the long chord bears N 52° 21' 28" E, 131.10 feet along the said southeasterly right-of-way;

Thence N 54° 33' 00" E, 131.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of 02° 49' 00", a radius of 4097.52 feet, for a distance of 201.43 feet, the long chord bears N 53° 08' 30" E, 201.41 feet along the said southeasterly right-of-way;

Thence N 51° 44' 00" E, 278.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the right with a delta angle of 03° 20' 00", a radius of 3406.78 feet, for a distance of 198.20 feet, the long chord bears N 53° 24' 00" E, 198.17 feet along the said southeasterly right-of-way;

Thence N 55° 04' 00" E, 203.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of 21° 16' 00", a radius of 669.16 feet, for a distance of 248.37 feet, the long chord bears N 44° 26' 00" E, 246.95 feet along the said southeasterly right-of-way;

Thence N 33° 48' 00" E, 92.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of 02° 40' 58", a radius of 1253.12 feet, for a distance of 58.68 feet, the long chord bears N 32° 27' 31" E, 58.67 feet along the said southeasterly right-of-way;

Thence East 29.10 feet;

Thence along the arc of a curve to the right with a delta angle of 03° 21' 25", a radius of 1278.12 feet, for a distance of 74.89 feet, the long chord bears S 32° 07' 18" W, 74.88;

Thence S 33° 48' 00" W, 92.00 feet;

Thence along the arc of a curve to the right with a delta angle of 21° 16' 00", a radius of 694.16 feet, for a distance of 257.65 feet, the long chord bears S 44° 26' 00" W, 256.18 feet;

Thence S 55° 04' 00" W, 203.00 feet;

Thence along the arc of a curve to the left with a delta angle of 03° 20' 00", a radius of 3381.78 feet, for a distance of 196.74 feet, the long chord bears S 53° 24' 00" W, 196.72 feet;

Thence S 51° 44' 00" W, 278.00 feet;

Thence along the arc of a curve to the right with a delta angle of 02° 49' 00", a radius of 4122.52 feet, for a distance of 202.66 feet, the long chord bears S 53° 08' 30" W, 202.64 feet;

Thence S 54° 33' 00" W, 131.00 feet;

Thence along the arc of a curve to the left with a delta angle of 05° 11' 37", a radius of 1688.71 feet, for a distance of 153.08 feet, the long chord bears S 51° 57' 11" W, 153.03 feet;

Thence N 42° 30' 00" W, 65.23 feet;

Thence N 34° 00' 00" W, 19.94 feet to a point on the north line of the said northwesterly right-of-way of County Road 234;

Thence along the arc of a curve to the right with a delta angle of 00° 48' 45", a radius of 1773.71 feet, for a distance of 25.15 feet, the long chord bears N 49° 46' 07" E, 25.15 feet along the said northwesterly right-of-way to the point of beginning.

Containing 0.940 acres, more or less.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.



Exhibit A

A water line easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly line of Edgemont Ranch, Unit 1, Planned Unit Development, Amended Plat No. 1, as filed in the La Plata County, Colorado Clerk and Recorder's Office under Reception No. 515243, whence the Northwest corner of said Section 18 bears N 74° 16' 05" W, 3010.83 feet;
Thence N 02° 00' 00" W, 10.82 feet;
Thence N 88° 00' 00" E, 238.97 feet;
Thence S 24° 00' 00" E, 422.61 feet;
Thence S 26° 00' 00" E, 111.01 feet;
Thence S 34° 00' 00" E, 64.90 feet to the northerly right-of-way of County Road 234;
Thence along the arc of a curve to the left with a delta angle of 01° 15' 05", and a radius of 1773.72 feet, for a distance of 38.74 feet, the long chord bears S 49° 27' 17" W, 38.74 feet along the northerly right-of-way of County Road 234;
Thence N 24° 00' 00" W, 584.97 feet along the easterly line of the said Edgemont Ranch, Unit 1;
Thence N 87° 10' 00" W, 228.20 feet along the easterly line of the said Edgemont Ranch, Unit 1 to the point of beginning.

Containing 0.430 acres, more or less

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

Exhibit A

A well site and water line easement located in Sections 18 and 7, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest corner of said Section 18 bears S 89° 30' 42" W, 4650.84 feet;
Thence N 81° 00' 00" E, 40.00 feet;
Thence S 09° 00' 00" E, 20.00 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence S 09° 00' 00" E, 13.41 feet;
Thence S 10° 22' 00" W, 157.89 feet;
Thence S 48° 15' 00" E, 45.18 feet;
Thence S 52° 55' 00" E, 74.29 feet;
Thence S 21° 30' 00" W, 29.41 feet to the northerly line of Edgemont Ranch Metropolitan District Water Treatment Plant Easement;
Thence West 21.50 feet along said northerly line;
Thence N 21° 30' 00" E, 22.10 feet;
Thence N 52° 55' 00" W, 59.92 feet;
Thence N 48° 15' 00" W, 57.22 feet;
Thence N 10° 22' 00" E, 165.71 feet;
Thence N 09° 00' 00" W, 9.99 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence N 09° 00' 00" W, 20.00 feet to the point of beginning.

Containing 0.164 acres, more or less.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

- Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
- Preservation of the River Trail Loop
- Trail Adjustment
- Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

Exhibit A

An access, utility and sewer line easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado being more particularly described as follows:

Beginning at a point on the centerline of County Road 234 whence the Northwest corner of said section 18 bears N 57° 09' 18" W, a distance of 3447.85 feet;
Thence N 44° 43' 00" E, a distance of 31.10 feet;
Thence S 60° 33' 54" E, a distance of 52.65 feet;
Thence S 24° 06' 00" E, a distance of 345.93 feet;
Thence S 23° 36' 00" E, a distance of 369.87 feet;
Thence S 52° 31' 00" W, a distance of 286.27 feet to the sewer treatment plant site easement;
Thence along said easement, N 38° 18' 46" W, a distance of 40.00 feet;
Thence N 52° 31' 00" E, a distance of 265.81 feet;
Thence N 23° 38' 00" W, a distance of 336.00 feet;
Thence N 24° 06' 00" W, a distance of 335.98 feet;
Thence N 60° 33' 00" W, a distance of 50.94 feet to the point of beginning.

Containing 0.767 acres, more or less.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

2. Grantor expressly reserves to itself, its successors and assigns, the following rights:
 - A. The right to grant additional access and utility easements over and across the easement granted hereby for the use of grantor or third parties; the right to grant easements to manage, operate, develop, use, and interconnect properties owned by grantor, its successors or assigns; the right to receive all consideration paid for easements granted to third parties, including, but not limited to, utility providers; the right to enlarge the easement granted hereby for the purposes set forth above.
 - B. The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.
3. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed

of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

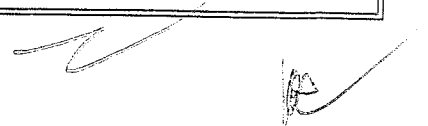
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Exhibit A

A twenty (20) foot wide access and utility easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, the centerline of which is more particularly described as follows:

Beginning at a point on an access, utility and sewer line easement, whence the Northwest corner of said section 18 bears N 52° 11' 11" W, a distance of 4093.67 feet;
Thence N 66° 58' 42" E, a distance of 216.05 feet;
Thence N 82° 14' 35" E, a distance of 77.19 feet;
Thence S 74° 26' 27" E, a distance of 172.76 feet;
Thence N 46° 52' 27" E, a distance of 129.45 feet;
Thence N 33° 42' 17" E, a distance of 70.64 feet;
Thence N 43° 24' 43" E, a distance of 257.60 feet;
Thence N 11° 41' 02" W, a distance of 49.20 feet;
Thence N 33° 46' 16" W, a distance of 89.06 feet;
Thence N 05° 28' 17" E, a distance of 62.75 feet;
Thence N 33° 51' 00" E, a distance of 158.46 feet;
Thence N 57° 46' 34" E, a distance of 90.81 feet to the point of termination whence the Northeast corner of said Section 18 bears N 33° 19' 12" E, a distance of 2143.45 feet.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Any use of this easement for utilities shall be for underground services and shall not interfere with the grazing and farming of the property. Utility lines will be buried below plow depth, as least four feet below natural grade.
2. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.



Exhibit A

A twenty (20) foot wide utility easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, the centerline of which is more particularly described as follows:

Beginning at a utility pole, whence the Northwest corner of said section 18 bears N 69° 22' 20" W, a distance of 3969.82 feet;
Thence S 83° 05' 46" E, a distance of 423.96 feet to the point of termination whence the Northeast corner of said Section 18 bears N 37° 37' 00" E, a distance of 1867.09 feet.

And

A twenty (20) foot wide utility easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, the centerline of which is more particularly described as follows:

Beginning at a utility pole, whence the Northwest corner of said section 18 bears N 41° 39' 00" W, a distance of 3610.43 feet;
Thence S 30° 52' 01" E, a distance of 396.90 feet to the point of termination whence the Northeast corner of said Section 18 bears N 41° 09' 39" E, a distance of 4068.05 feet.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantee agrees to bury the utility lines extended from the existing electrical services at a minimum depth of 4 feet and agrees to pay for or repair damages to crop production, fences, buildings, structures, and roads or other improvements within the easement granted hereby caused in the original construction of the power line and any subsequent operation, inspection, maintenance repair, renewal, substitution or removal thereof and that all such operations shall be subject to the same conditions as specified herein for original construction.
2. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

An easement for a reservoir and related infrastructure, exclusive to the use and enjoyment of Grantee, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in the county of La Plata, State of Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest corner of said section 18 bears N 73° 53' 53" W, a distance of 4594.76 feet;

Thence S 70° 51' 40" E, a distance of 189.28 feet;

Thence S 36° 11' 23" E, a distance of 209.09 feet;

Thence S 29° 09' 06" W, a distance of 327.12 feet;

Thence N 88° 27' 32" W, a distance of 461.25 feet;

Thence N 06° 54' 14" E, a distance of 389.40 feet;

Thence N 66° 40' 01" E, a distance of 295.44 feet to the point of beginning.

Containing 5.527 acres.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor hereby declares that the property interests transferred hereby are to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to a right in Grantor, its successors and assigns, as and for the benefit of the properties described on **Exhibit A-1**, attached hereto and made a part hereof by this reference, to require compliance with the following terms, covenants, provisions, conditions, restrictions and obligations:
 - a. The Grantee will be responsible for the construction of the reservoir within the above described reservoir site. In order to enhance the visual aesthetics of the reservoir, in addition to reservoir plans, engineering and other requirements, the construction of the reservoir will include the following:
 - i. Fill slopes. Exterior fill slopes will to be a minimum of 4 to 1, with even shallower slopes if dirt permits, pronounced undulations and mounding (similar to those found at the Dalton Ranch Golf Club) will be incorporated into the construction of the reservoir to create a more irregular shape.
 - ii. Revegetation. All fill slopes, reservoir perimeter, access, construction areas or any other area disturbed during construction shall be completely revegetated using a native seed mix reasonably equivalent to that used by the Edgemont Highland Community Association.
 - iii. Sprinkler. A temporary (or permanent) sprinkler system shall be installed to ensure timely and thorough revegetation. This system shall remain in operation for a minimum of two full growing seasons, or longer if revegetation is not complete, for the seed mix and five full growing seasons to establish the trees.
 - b. Compliance with the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof
 - c. In addition to the above, the Grantee shall spend a minimum of \$35,000 to incorporate the following enhancements to the reservoir design:
 - i. Boulders. The Grantee will incorporate boulders from the stockpile of boulders located adjacent to the reservoir site into the design of the reservoir. These boulders will be integrated into the banks, mounds and undulations of the reservoir, buried so as to expose approximately two-thirds of the boulder, and placed in a manner attempting to hide/screen/conceal the regular shape of the reservoir. The Grantee will use the largest boulders that can be efficiently moved and will expend no more than half of the \$35,000 on this boulder enhancement.

- ii. Trees. The Grantee will incorporate clusters of trees within the slopes, mounds and undulations of the reservoir in such a manner so as to hide/screen/conceal the regular shape of the reservoir. Grantor and Grantee acknowledge that the trees will need to be placed such that their roots and fall potential do not interfere with the operation of the reservoir. The trees will be, at a minimum, eight feet tall and will be watered as provided in this exhibit. At least half of the \$35,000 will be used for this tree enhancement.

- d. The Grantee shall make every effort to maximize the value of these enhancements, including the requirement to solicit three, or more, competitive bids with no more than \$3,000 being spent on landscape design/architecture services. Eighty to ninety percent of the boulder and tree enhancements will be made to the northern and western portions of the reservoir so that the visual impact is most pronounced facing the ranch house and County Road 234.

- e. Grantor and Grantee acknowledge that the slopes of the reservoir, the berms and undulations, the boulder and tree enhancements, and the reservoir fencing may fall outside of the reservoir site easement as is necessary to construct an attractive amenity. Grantor and Grantee also acknowledge that the reservoir shape may be fairly regular, but the corners will be rounded similar to the existing ERMD sewer lagoons. Additionally, Grantor and Grantee acknowledge that the following improvements will be made by Grantee in connection with the construction of the reservoir:
 - i. Access Road. The access road from the existing hay barn road will be constructed with 8 inches of 3" gravel.
 - ii. Equipment Shed, Noise. The equipment shed servicing the reservoir shall be constructed on the southeasterly portion of the reservoir site in such a manner so as to integrate into the natural surroundings as much as possible. Any noise generated from the equipment shed shall be mitigated such that it does not disturb the existing ranch house.
 - iii. Lighting. Any permanent lighting will be minimized and be low wattage and dark skies friendly.
 - iv. Fencing. Deer fencing, with wood posts, no taller than eight (8) feet, will be installed around the site, generally at the base of the slope of the reservoir. Grantor and Grantee acknowledge that future state or federal regulations may supersede this fencing restriction.
 - v. Utilities. All pipelines and phone and electrical lines servicing the reservoir site shall be buried a minimum of four feet below natural grade.

- f. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

- g. Should any litigation be commenced for the purpose of enforcing these provisions, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

EXHIBIT A-1

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.

A handwritten signature or set of initials in the bottom right corner of the page, consisting of a stylized 'Z' followed by a circled 'R'.

Exhibit A

A utility and pipeline easement, twenty (20) feet in width, located in said Section 18, Township 35 North, Range 8 West, N.M.P.M., in the county of La Plata, State of Colorado, and lying and being ten (10) feet on either side of the following described centerline:

Beginning at a point whence the Northwest corner of said section 18 bears N 85° 10' 51" W, a distance of 5002.73 feet;

Thence S 25° 05' 56" E, a distance of 430.94 feet;

Thence S 23° 59' 01" E, a distance of 65.36 feet;

Thence S 00° 47' 31" E, a distance of 46.48 feet;

Thence S 46° 01' 47" W, a distance of 44.71 feet;

Thence S 47° 56' 40" W, a distance of 642.97 feet to the point of termination.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.
2. Grantee agrees to bury the pipelines and utility lines at a minimum depth of 4 feet and agrees to pay for or repair damages to crop production, fences, buildings, structures, and roads or other improvements within the easement granted hereby caused in the original construction of the power line and any subsequent operation, inspection, maintenance repair, renewal, substitution or removal thereof and that all such operations shall be subject to the same conditions as specified herein for original construction.
3. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

EXHIBIT G

Quit Claim Deed

Know all Men by these Presents, That EDGEMONT RANCH METROPOLITAN DISTRICT, a Colorado Special District of the County of La Plata and State of Colorado, for and in consideration of one dollar and other good and valuable consideration, hereby sells and quit claims to GORTON FAMILY PARTNERSHIP, LLLP, a Colorado Limited Liability Limited Partnership of the County of La Plata and State of Colorado, whose mailing address is 1201 Main Avenue, Suite 202, Durango, CO 81301, the following Real Properties situate in the County of La Plata and State of Colorado:

SEE EXHIBIT A, ATTACHED HERETO AND MADE A PART HEREOF BY THIS REFERENCE.

Together with all appurtenances.

Note: It is the intent of the Grantor to convey any and all interest it may have in and to the subject property, including those interests acquired in instruments recorded March 26, 1990 under Reception No. 592145 and recorded July 7, 1995 under Reception No. 689780.

Signed and delivered this _____ day of _____, _____.

EDGEMONT RANCH METROPOLITAN DISTRICT, a Colorado Special District

By _____ (Signature)
(Name and Office)

By _____ (Signature)
(Name and Office)

STATE OF COLORADO)
County of La Plata) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____ as _____ of the Edgemont Ranch Metropolitan District, a Colorado Special District and _____ as _____ of the Edgemont Ranch Metropolitan District, a Colorado Special District.

My commission expires _____

Witness my hand and official seal.

Notary Public

Return To: Gorton Family Partnership, LLLP
1201 Main Ave., Suit 202
Durango, CO 81301

Handwritten signature and initials.

EXHIBIT A

Tract I

A tract of land located in Sections 17 and 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the southeasterly right-of-way of County Road 234 whence the Northwest corner of said Section 18 bears N 86° 59' 22" W, 4688.26 feet;

Thence East 81.49 feet;

Thence S 53° 45' 00" E, 60.00 feet;

Thence S 36° 15' 00" W, 24.99 feet;

Thence S 49° 00' 00" E, 173.40 feet;

Thence N 66° 00' 00" E, 69.66 feet;

Thence N 74° 30' 00" E, 48.04 feet to the centerline of the Florida River;

Thence N 22° 30' 00" W, 169.87 feet along the centerline of the Florida River;

Thence N 15° 00' 00" W, 56.89 feet along the centerline of the Florida River;

Thence N 32° 00' 00" E, 196.70 feet along the centerline of the Florida River;

Thence S 56° 00' 00" E, 162.95 feet along the centerline of the Florida River;

Thence East 301.54 feet;

Thence South 480.72 feet;

Thence West 381.13 feet to the centerline of the Florida River;

Thence N 22° 30' 00" W, 188.91 feet along the centerline of the Florida River;

Thence S 74° 30' 00" W, 49.01 feet;

Thence S 66° 00' 00" W, 80.92 feet;

Thence N 49° 00' 00" W, 118.69 feet;

Thence S 40° 00' 00" W, 45.78 feet;

Thence S 50° 00' 00" E, 29.63 feet;

Thence S 08° 00' 00" W, 98.00 feet;

Thence N 82° 00' 00" W, 90.00 feet;

Thence N 41° 10' 21" W, 138.61 feet;

Thence West, 29.10 feet to the said southeasterly right-of-way of County Road 234;

Thence along the arc of a curve to the left with a delta angle of 07° 41' 06", a radius of 1253.12 feet, for a distance of 168.08 feet, the long chord bears N 27° 16' 29" E, 167.95 feet along the said southeasterly right-of-way to the point of beginning.

Containing 6.453 acres, more or less.

Tract II

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest corner of said Section 18 bears N 48° 58' 32" W, 3787.01 feet;

Thence S 38° 00' 00" E, 480.00 feet;

Thence S 52° 00' 00" W, 855.00 feet;

Thence N 45° 00' 00" W, 117.00 feet;

Thence North, 461.76 feet;

Thence N 52° 00' 00" E, 584.97 feet to the point of beginning

Containing 8.372 acres, more or less.

Tract III:

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the northwesterly right-of-way of County Road 234 whence the Northwest corner of said Section 18 bears N 68° 32' 16" W, 3648.58 feet;


Thence S 34° 00' 00" E, 20.81 feet;

Thence S 42° 30' 00" E, 39.34 feet to the southeasterly right-of-way of said County Road 234;

Thence along the arc of a curve to the right with a delta angle of $04^{\circ} 23' 04''$, a radius of 1713.71 feet, for a distance of 131.13 feet, the long chord bears $N 52^{\circ} 21' 28'' E$, 131.10 feet along the said southeasterly right-of-way;
Thence $N 54^{\circ} 33' 00'' E$, 131.00 feet along the said southeasterly right-of-way;
Thence along the arc of a curve to the left with a delta angle of $02^{\circ} 49' 00''$, a radius of 4097.52 feet, for a distance of 201.43 feet, the long chord bears $N 53^{\circ} 08' 30'' E$, 201.41 feet along the said southeasterly right-of-way;
Thence $N 51^{\circ} 44' 00'' E$, 278.00 feet along the said southeasterly right-of-way;
Thence along the arc of a curve to the right with a delta angle of $03^{\circ} 20' 00''$, a radius of 3406.78 feet, for a distance of 198.20 feet, the long chord bears $N 53^{\circ} 24' 00'' E$, 198.17 feet along the said southeasterly right-of-way;
Thence $N 55^{\circ} 04' 00'' E$, 203.00 feet along the said southeasterly right-of-way;
Thence along the arc of a curve to the left with a delta angle of $21^{\circ} 16' 00''$, a radius of 669.16 feet, for a distance of 248.37 feet, the long chord bears $N 44^{\circ} 26' 00'' E$, 246.95 feet along the said southeasterly right-of-way;
Thence $N 33^{\circ} 48' 00'' E$, 92.00 feet along the said southeasterly right-of-way;
Thence along the arc of a curve to the left with a delta angle of $02^{\circ} 40' 58''$, a radius of 1253.12 feet, for a distance of 58.68 feet, the long chord bears $N 32^{\circ} 27' 31'' E$, 58.67 feet along the said southeasterly right-of-way;
Thence East 29.10 feet;
Thence along the arc of a curve to the right with a delta angle of $03^{\circ} 21' 25''$, a radius of 1278.12 feet, for a distance of 74.89 feet, the long chord bears $S 32^{\circ} 07' 18'' W$, 74.88;
Thence $S 33^{\circ} 48' 00'' W$, 92.00 feet;
Thence along the arc of a curve to the right with a delta angle of $21^{\circ} 16' 00''$, a radius of 694.16 feet, for a distance of 257.65 feet, the long chord bears $S 44^{\circ} 26' 00'' W$, 256.18 feet;
Thence $S 55^{\circ} 04' 00'' W$, 203.00 feet;
Thence along the arc of a curve to the left with a delta angle of $03^{\circ} 20' 00''$, a radius of 3381.78 feet, for a distance of 196.74 feet, the long chord bears $S 53^{\circ} 24' 00'' W$, 196.72 feet;
Thence $S 51^{\circ} 44' 00'' W$, 278.00 feet;
Thence along the arc of a curve to the right with a delta angle of $02^{\circ} 49' 00''$, a radius of 4122.52 feet, for a distance of 202.66 feet, the long chord bears $S 53^{\circ} 08' 30'' W$, 202.64 feet;
Thence $S 54^{\circ} 33' 00'' W$, 131.00 feet;
Thence along the arc of a curve to the left with a delta angle of $05^{\circ} 11' 37''$, a radius of 1688.71 feet, for a distance of 153.08 feet, the long chord bears $S 51^{\circ} 57' 11'' W$, 153.03 feet;
Thence $N 42^{\circ} 30' 00'' W$, 65.23 feet;
Thence $N 34^{\circ} 00' 00'' W$, 19.94 feet to a point on the north line of the said northwesterly right-of-way of County Road 234;
Thence along the arc of a curve to the right with a delta angle of $00^{\circ} 48' 45''$, a radius of 1773.71 feet, for a distance of 25.15 feet, the long chord bears $N 49^{\circ} 46' 07'' E$, 25.15 feet along the said northeasterly right-of-way to the point of beginning.
Containing 0.940 acres, more or less.

Tract IV

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:
Beginning at a point on the centerline of County Road 234 whence the Northwest corner of said Section 18 bears $N 57^{\circ} 29' 31'' W$, 3452.20 feet;
Thence $S 60^{\circ} 33' 00'' E$, 52.07 feet;
Thence $S 24^{\circ} 06' 00'' E$, 342.64 feet;
Thence $S 23^{\circ} 38' 00'' E$, 372.34 feet;
Thence $S 52^{\circ} 31' 00'' W$, 276.19 feet to the northeasterly line of the Edgemont Ranch Sewer Treatment Plant Site;
Thence $N 38^{\circ} 00' 00'' W$, 40.00 feet along the said northeasterly line of the Edgemont Ranch Sewer Treatment Plant Site;
Thence $N 52^{\circ} 31' 00'' E$, 265.81 feet;



Thence N 23° 38' 00" W, 336.00 feet;
Thence N 24° 06' 00" W, 335.98 feet;
Thence N 60° 33' 00" W, 50.94 feet to the said centerline of County Road 234;
Thence N 44° 43' 00" E, 20.73 feet along the said centerline of County Road 234 to the point of beginning.
Containing 0.591 acres, more or less.

Tract V

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:
Beginning at a point on the easterly line of Edgemont Ranch, Unit 1, Planned Unit Development, Amended Plat No. 1, as filed in the La Plata County, Colorado Clerk and Recorder's Office under Reception No. 515243, whence the Northwest corner of said Section 18 bears N 74° 16' 05" W, 3010.83 feet;
Thence N 02° 00' 00" W, 10.82 feet;
Thence N 88° 00' 00" E, 238.97 feet;
Thence S 24° 00' 00" E, 422.61 feet;
Thence S 26° 00' 00" E, 111.01 feet;
Thence S 34° 00' 00" E, 64.90 feet to the northerly right-of-way of County Road 234;
Thence along the arc of a curve to the left with a delta angle of 01° 15' 05", and a radius of 1773.72 feet, for a distance of 38.74 feet, the long chord bears S 49° 27' 17" W, 38.74 feet along the northerly right-of-way of County Road 234;
Thence N 24° 00' 00" W, 584.97 feet along the easterly line of the said Edgemont Ranch, Unit 1;
Thence N 87° 10' 00" W, 228.20 feet along the easterly line of the said Edgemont Ranch, Unit 1 to the point of beginning.
Containing 0.430 acres, more or less.

Tract VI

A tract of land located in Sections 18 and 7, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:
Beginning at a point whence the Northwest corner of said Section 18 bears S 89° 30' 42" W, 4650.84 feet;
Thence N 81° 00' 00" E, 40.00 feet;
Thence S 09° 00' 00" E, 20.00 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence S 09° 00' 00" E, 13.41 feet;
Thence S 10° 22' 00" W, 157.89 feet;
Thence S 48° 15' 00" E, 45.18 feet;
Thence S 52° 55' 00" E, 74.29 feet;
Thence S 21° 30' 00" W, 29.41 feet to the northerly line of Edgemont Ranch Metropolitan District Water Treatment Plant Easement;
Thence West 21.50 feet along said northerly line;
Thence N 21° 30' 00" E, 22.10 feet;
Thence N 52° 55' 00" W, 59.92 feet;
Thence N 48° 15' 00" W, 57.22 feet;
Thence N 10° 22' 00" E, 165.71 feet;
Thence N 09° 00' 00" W, 9.99 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence N 09° 00' 00" W, 20.00 feet to the point of beginning.
Containing 0.164 acres, more or less.





1009529 1/29/2010 9:52 AM
1 of 4 QCD R\$21.00 D\$0.00

Linda Daley
Laplata County Clerk

STATE DOCUMENTARY FEE
DATE 01-29-10

Quit Claim Deed

Know all Men by these Presents, That **EDGEMONT RANCH METROPOLITAN DISTRICT, a Colorado Special District** of the County of La Plata and State of Colorado, for and in consideration of one dollar and other good and valuable consideration, hereby sells and quit claims to **GORTON FAMILY PARTNERSHIP, LLLP**, a Colorado Limited Liability Limited Partnership of the County of La Plata and State of Colorado, whose mailing address is 1201 Main Avenue, Suite 202, Durango, CO 81301, the following Real Properties situate in the County of La Plata and State of Colorado:

SEE EXHIBIT A, ATTACHED HERETO AND MADE A PART HEREOF BY THIS REFERENCE.

Together with all appurtenances.

Note: It is the intent of the Grantor to convey any and all interest it may have in and to the subject property, including those interests acquired in instruments recorded March 26, 1990 under Reception No. 592145 and recorded July 7, 1995 under Reception No. 689780.

Signed and delivered this 28TH day of JAN, 2010.

EDGEMONT RANCH METROPOLITAN DISTRICT, a Colorado Special District

By [Signature] (Signature)
Steve Martin President (Name and Office)

By [Signature] (Signature)
Richard Cortese Secy / Treas (Name and Office)

STATE OF COLORADO)
County of La Plata) ss.

The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Steve Martin as President of the Edgemont Ranch Metropolitan District, a Colorado Special District and Richard Cortese as Sec/Treas. of the Edgemont Ranch Metropolitan District, a Colorado Special District.

My commission expires 03/14/2010

Witness my hand and official seal.
Annette K. Hutchins
Notary Public

Return To: Gorton Family Partnership, LLLP
1201 Main Ave., Suit 202
Durango, CO 81301



EXHIBIT A

Tract I

A tract of land located in Sections 17 and 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the southeasterly right-of-way of County Road 234 whence the Northwest corner of said Section 18 bears N 86° 59' 22" W, 4688.26 feet;

Thence East 81.49 feet;

Thence S 53° 45' 00" E, 60.00 feet;

Thence S 36° 15' 00" W, 24.99 feet;

Thence S 49° 00' 00" E, 173.40 feet;

Thence N 66° 00' 00" E, 69.66 feet;

Thence N 74° 30' 00" E, 48.04 feet to the centerline of the Florida River;

Thence N 22° 30' 00" W, 169.87 feet along the centerline of the Florida River;

Thence N 15° 00' 00" W, 56.89 feet along the centerline of the Florida River;

Thence N 32° 00' 00" E, 196.70 feet along the centerline of the Florida River;

Thence S 56° 00' 00" E, 162.95 feet along the centerline of the Florida River;

Thence East 301.54 feet;

Thence South 480.72 feet;

Thence West 381.13 feet to the centerline of the Florida River;

Thence N 22° 30' 00" W, 188.91 feet along the centerline of the Florida River;

Thence S 74° 30' 00" W, 49.01 feet;

Thence S 66° 00' 00" W, 80.92 feet;

Thence N 49° 00' 00" W, 118.69 feet;

Thence S 40° 00' 00" W, 45.78 feet;

Thence S 50° 00' 00" E, 29.63 feet;

Thence S 08° 00' 00" W, 98.00 feet;

Thence N 82° 00' 00" W, 90.00 feet;

Thence N 41° 10' 21" W, 138.61 feet;

Thence West, 29.10 feet to the said southeasterly right-of-way of County Road 234;

Thence along the arc of a curve to the left with a delta angle of 07° 41' 06", a radius of 1253.12 feet, for a distance of 168.08 feet, the long chord bears N 27° 16' 29" E, 167.95 feet along the said southeasterly right-of-way to the point of beginning.

Containing 6.453 acres, more or less.

Tract II

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest corner of said Section 18 bears N 48° 58' 32" W, 3787.01 feet;

Thence S 38° 00' 00" E, 480.00 feet;

Thence S 52° 00' 00" W, 855.00 feet;

Thence N 45° 00' 00" W, 117.00 feet;

Thence North, 461.76 feet;

Thence N 52° 00' 00" E, 584.97 feet to the point of beginning

Containing 8.372 acres, more or less.

Tract III:

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the northwesterly right-of-way of County Road 234 whence the Northwest corner of said Section 18 bears N 68° 32' 16" W, 3648.58 feet;

Thence S 34° 00' 00" E, 20.81 feet;

Thence S 42° 30' 00" E, 39.34 feet to the southeasterly right-of-way of said County Road 234;

Thence along the arc of a curve to the right with a delta angle of $04^{\circ} 23' 04''$, a radius of 1713.71 feet, for a distance of 131.13 feet, the long chord bears $N 52^{\circ} 21' 28'' E$, 131.10 feet along the said southeasterly right-of-way;

Thence $N 54^{\circ} 33' 00'' E$, 131.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of $02^{\circ} 49' 00''$, a radius of 4097.52 feet, for a distance of 201.43 feet, the long chord bears $N 53^{\circ} 08' 30'' E$, 201.41 feet along the said southeasterly right-of-way;

Thence $N 51^{\circ} 44' 00'' E$, 278.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the right with a delta angle of $03^{\circ} 20' 00''$, a radius of 3406.78 feet, for a distance of 198.20 feet, the long chord bears $N 53^{\circ} 24' 00'' E$, 198.17 feet along the said southeasterly right-of-way;

Thence $N 55^{\circ} 04' 00'' E$, 203.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of $21^{\circ} 16' 00''$, a radius of 669.16 feet, for a distance of 248.37 feet, the long chord bears $N 44^{\circ} 26' 00'' E$, 246.95 feet along the said southeasterly right-of-way;

Thence $N 33^{\circ} 48' 00'' E$, 92.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of $02^{\circ} 40' 58''$, a radius of 1253.12 feet, for a distance of 58.68 feet, the long chord bears $N 32^{\circ} 27' 31'' E$, 58.67 feet along the said southeasterly right-of-way;

Thence East 29.10 feet;

Thence along the arc of a curve to the right with a delta angle of $03^{\circ} 21' 25''$, a radius of 1278.12 feet, for a distance of 74.89 feet, the long chord bears $S 32^{\circ} 07' 18'' W$, 74.88;

Thence $S 33^{\circ} 48' 00'' W$, 92.00 feet;

Thence along the arc of a curve to the right with a delta angle of $21^{\circ} 16' 00''$, a radius of 694.16 feet, for a distance of 257.65 feet, the long chord bears $S 44^{\circ} 26' 00'' W$, 256.18 feet;

Thence $S 55^{\circ} 04' 00'' W$, 203.00 feet;

Thence along the arc of a curve to the left with a delta angle of $03^{\circ} 20' 00''$, a radius of 3381.78 feet, for a distance of 196.74 feet, the long chord bears $S 53^{\circ} 24' 00'' W$, 196.72 feet;

Thence $S 51^{\circ} 44' 00'' W$, 278.00 feet;

Thence along the arc of a curve to the right with a delta angle of $02^{\circ} 49' 00''$, a radius of 4122.52 feet, for a distance of 202.66 feet, the long chord bears $S 53^{\circ} 08' 30'' W$, 202.64 feet;

Thence $S 54^{\circ} 33' 00'' W$, 131.00 feet;

Thence along the arc of a curve to the left with a delta angle of $05^{\circ} 11' 37''$, a radius of 1688.71 feet, for a distance of 153.08 feet, the long chord bears $S 51^{\circ} 57' 11'' W$, 153.03 feet;

Thence $N 42^{\circ} 30' 00'' W$, 65.23 feet;

Thence $N 34^{\circ} 00' 00'' W$, 19.94 feet to a point on the north line of the said northwesterly right-of-way of County Road 234;

Thence along the arc of a curve to the right with a delta angle of $00^{\circ} 48' 45''$, a radius of 1773.71 feet, for a distance of 25.15 feet, the long chord bears $N 49^{\circ} 46' 07'' E$, 25.15 feet along the said northeasterly right-of-way to the point of beginning.

Containing 0.940 acres, more or less.

Tract IV

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the centerline of County Road 234 whence the Northwest corner of said Section 18 bears $N 57^{\circ} 29' 31'' W$, 3452.20 feet;

Thence $S 60^{\circ} 33' 00'' E$, 52.07 feet;

Thence $S 24^{\circ} 06' 00'' E$, 342.64 feet;

Thence $S 23^{\circ} 38' 00'' E$, 372.34 feet;

Thence $S 52^{\circ} 31' 00'' W$, 276.19 feet to the northeasterly line of the Edgemont Ranch Sewer Treatment Plant Site;

Thence $N 38^{\circ} 00' 00'' W$, 40.00 feet along the said northeasterly line of the Edgemont Ranch Sewer Treatment Plant Site;

Thence $N 52^{\circ} 31' 00'' E$, 265.81 feet;

Thence N 23° 38' 00" W, 336.00 feet;
Thence N 24° 06' 00" W, 335.98 feet;
Thence N 60° 33' 00" W, 50.94 feet to the said centerline of County Road 234;
Thence N 44° 43' 00" E, 20.73 feet along the said centerline of County Road 234 to the point of beginning.
Containing 0.591 acres, more or less.

Tract V

A tract of land located in Section 18, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:
Beginning at a point on the easterly line of Edgemont Ranch, Unit 1, Planned Unit Development, Amended Plat No. 1, as filed in the La Plata County, Colorado Clerk and Recorder's Office under Reception No. 515243, whence the Northwest corner of said Section 18 bears N 74° 16' 05" W, 3010.83 feet;
Thence N 02° 00' 00" W, 10.82 feet;
Thence N 88° 00' 00" E, 238.97 feet;
Thence S 24° 00' 00" E, 422.61 feet;
Thence S 26° 00' 00" E, 111.01 feet;
Thence S 34° 00' 00" E, 64.90 feet to the northerly right-of-way of County Road 234;
Thence along the arc of a curve to the left with a delta angle of 01° 15' 05", and a radius of 1773.72 feet, for a distance of 38.74 feet, the long chord bears S 49° 27' 17" W, 38.74 feet along the northerly right-of-way of County Road 234;
Thence N 24° 00' 00" W, 584.97 feet along the easterly line of the said Edgemont Ranch, Unit 1;
Thence N 87° 10' 00" W, 228.20 feet along the easterly line of the said Edgemont Ranch, Unit 1 to the point of beginning.
Containing 0.430 acres, more or less.

Tract VI

A tract of land located in Sections 18 and 7, T 35 N, R 8 W, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:
Beginning at a point whence the Northwest corner of said Section 18 bears S 89° 30' 42" W, 4650.84 feet;
Thence N 81° 00' 00" E, 40.00 feet;
Thence S 09° 00' 00" E, 20.00 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence S 09° 00' 00" E, 13.41 feet;
Thence S 10° 22' 00" W, 157.89 feet;
Thence S 48° 15' 00" E, 45.18 feet;
Thence S 52° 55' 00" E, 74.29 feet;
Thence S 21° 30' 00" W, 29.41 feet to the northerly line of Edgemont Ranch Metropolitan District Water Treatment Plant Easement;
Thence West 21.50 feet along said northerly line;
Thence N 21° 30' 00" E, 22.10 feet;
Thence N 52° 55' 00" W, 59.92 feet;
Thence N 48° 15' 00" W, 57.22 feet;
Thence N 10° 22' 00" E, 165.71 feet;
Thence N 09° 00' 00" W, 9.99 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence N 09° 00' 00" W, 20.00 feet to the point of beginning.
Containing 0.164 acres, more or less.



1009531 1/29/2010 9:53 AM Linda Daley
1 of 2 BSD R\$11.00 D\$0.00 Laplata County Clerk

STATE DOCUMENTARY FEE
DATE 01-29-10
\$

BARGAIN AND SALE DEED

THIS DEED, is made this 28th day of January, 2010, between **Gorton Family Partnership, LLLP**, a Colorado Limited Liability Limited Partnership, of the County of La Plata and State of Colorado, grantor, and **Edgemont Ranch Metropolitan District**, a Colorado Special District, whose legal address is 5972 County Road 234, Durango, CO 81301, grantee,

WITNESSETH, That the grantor, for and in consideration of the sum of ten dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto the grantee, its heirs, successors and assigns forever, all the real property together with improvements, if any, situate, lying and being in the County of La Plata and State of Colorado, described as follows,

All water rights decreed to the Spring Valley Lake Reservoir, including 124.6 acre-feet decreed in Case No. 83CW19 (Water Division 7), and up to 50 acre-feet changed to an alternate reservoir location in Case No. 09CW34 (Water Division 7).

All water rights decreed to the Spring Valley Pipeline, including 2.5 c.f.s. decreed in Case No. 83CW114 (Water Division 7), and all water rights of the Spring Valley Pipeline decreed in Case No. 83CW19 (Water Division 7).

1.0 cubic feet of water per second of time from the Ogden-Shirmer Ditch, being the consolidation of the Ogden Ditch No. 2 and Shirmer Ditch under Case Nos. W-1381-75 and W-1382-75 (Water Division 7), and said 1.0 c.f.s. originating as 0.50 c.f.s. from the Ogden Ditch No. 2, Florida River Priority No. F-30 as adjudicated on November 8, 1923 in Case No. 1751 (Water Division 7) with an appropriation date of April 15, 1894, and 0.50 c.f.s. from the Shirmer Ditch, Florida River Priority No. F-40 as adjudicated on November 8, 1923 in Case No. 1751 (Water Division 7) with an appropriation date of April 25, 1894, and the water and ditch rights represented thereby, subject to the terms of the Decree entered in Case No. 83CW19 (Water Division No. 7).

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise appertaining, and all the estate, right, title, interest and claim whatsoever, of the grantor, either in law or equity, in and to the above bargained property, with its appurtenances.

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

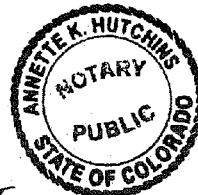
GORTON FAMILY PARTNERSHIP, LLLP,
a Colorado Limited Liability Limited Partnership

Tom D. Gorton, General Partner

Deborah Gorton, General Partner

Return to: ERMD
5972 CR 234
Durango, CO 81301

STATE OF COLORADO)
) ss.
County of La Plata)



The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP, a Colorado Limited Liability Limited Partnership.

My commission expires: My Commission Expires
03/14/2010

Witness my hand and official seal.

Annette K. Hutchins
Notary Public



1009532 1/29/2010 9:53 AM
1 of 1 BSD R\$6.00 D\$0.00

Linda Daley
Laplata County Clerk

STATE DOCUMENTARY FEE
DATE 01-29-10
\$ 8

BARGAIN AND SALE DEED

THIS DEED, is made this 28th day of January, 2010, between **Gorton Family Partnership, LLLP**, a Colorado Limited Liability Limited Partnership, of the County of La Plata and State of Colorado, grantor, and **Edgemont Ranch Metropolitan District**, a Colorado Special District, whose legal address is 5972 County Road 234, Durango, CO 81301, grantee,

WITNESSETH, that the grantor, for and in consideration of the sum of ten dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto the grantee, its heirs, successors and assigns forever, all the real property together with improvements, if any, situate, lying and being in the County of La Plata and State of Colorado, described as follows,

All grantor's right, title and interest in the Abling-Cash Ditch, adjudicated in Case No. 1751 (Water Division 7), including 0.4048 c.f.s. of water with an appropriation date of June 1, 1878 (priority F-4), and 0.2510 c.f.s. of water with an appropriation date of May 15, 1883 (priority F-15).

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise appertaining, and all the estate, right, title, interest and claim whatsoever, of the grantor, either in law or equity, in and to the above bargained property, with its appurtenances.

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

GORTON FAMILY PARTNERSHIP, LLLP,
a Colorado Limited Liability Limited Partnership

Tom D. Gorton
Tom D. Gorton, General Partner

Deborah Gorton
Deborah Gorton, General Partner

STATE OF COLORADO)
) ss.
County of La Plata)



The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP, a Colorado Limited Liability Limited Partnership.

My commission expires: 03/14/2010 My Commission Expires

Witness my hand and official seal.

Annette K. Hutchins
Notary Public

Return to: ERMD
5972 CR 234
Durango, CO 81301



1009530 1/29/2010 9:53 AM
1 of 17 BSD R\$86.00 D\$0.00

Linda Daley
Laplata County Clerk

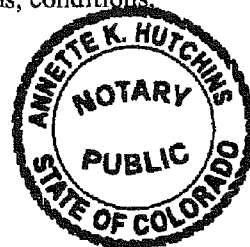
STATE DOCUMENTARY FEE
DATE 01-29-10

Bargain and Sale Deed

Know all Men by these Presents, That **Gorton Family Partnership, LLLP** ("Grantor") for the consideration of One Dollar and other good and valuable considerations, in hand paid, hereby sells and conveys to **Edgemont Ranch Metropolitan District, a Colorado Special District**, ("Grantee") of the County of La Plata and State of Colorado, whose mailing address is 5972 County Road 234, Durango, CO 81301, and its successors and assigns, the following Real Property situate in the County of La Plata and State of Colorado, to wit:

SEE EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

Together with all appurtenances and SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations contained in said Exhibit A.



Signed and delivered this 28TH day of January, 2010.

Gorton Family Partnership, LLLP

Tom D. Gorton, General Partner

Deborah Gorton, General Partner

STATE OF COLORADO)
County of La Plata) ss.

The foregoing instrument was acknowledged before me this 28th day of January, 2010 by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP.

Witness my hand and official seal.

My commission expires 03/14/2010

Annette K. Hutchins
NOTARY PUBLIC

ERM D
5972 CR 234
DURANGO, CO 81301

EXHIBIT A

A sewer treatment plant site easement, exclusive to the use and enjoyment of Grantee, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest Corner of said Section 18 bears N 48° 58' 32" W, 3787.01 feet;
Thence S 38° 00' 00" E, 480.00 feet;
Thence S 52° 00' 00" W, 855.00 feet;
Thence N 45° 00' 00" W, 117.00 feet;
Thence North 461.76 feet;
Thence N 52° 00' 00" E, 584.97 feet to the point of beginning.

Containing 8.372 acres, more or less.

SUBJECT TO the reservations, restrictions, terms and provisions set forth below:

1. Grantor expressly reserves to itself, its successors and assigns, all rights and easements necessary or incidental to the maintenance, construction, operation, inspection, substitution, renewal, repair, development, improvement and beneficial use of the water right known as Bogs Springs, including, but not limited to:

Construction of water distribution facilities;
Establishment of access and electrical service

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

2. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

3. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

A Water Treatment Plant Site Easement, exclusive to the use and enjoyment of Grantee, located in Sections 17 and 18, Township 35 North, Range 8 West, N.M.P.M., La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the eastern right-of-way of County Road 234 from which the northeast corner of said section 18 bears N 66° 53' 22" E, a distance of 629.83 feet and from which the northwest corner of said section 18 bears N 87° 20' 42" W, a distance of 4701.59 feet;
Thence S 56° 08' 49" E, a distance of 82.17 feet;
Thence N 77° 20' 08" E, a distance of 34.28 feet;
Thence N 65° 17' 22" E, a distance of 85.06 feet;
Thence S 14° 09' 52" E, a distance of 209.98 feet;
Thence N 65° 59' 00" E, a distance of 69.66 feet;
Thence N 74° 40' 18" E, a distance of 48.30 feet to the centerline of the Florida River;
Thence along the centerline of the Florida River N 22° 25' 16" W, a distance of 169.87 feet;
Thence along the centerline of the Florida River N 14° 55' 16" W, a distance of 56.89 feet;
Thence along the centerline of the Florida River N 32° 04' 44" E, a distance of 196.70 feet;
Thence along the centerline of the Florida River S 55° 55' 16" E, a distance of 162.95 feet;
Thence S 89° 51' 43" E, a distance of 97.92 feet;
Thence S 29° 59' 42" E, a distance of 406.54 feet;
Thence S 00° 07' 42" W, a distance of 128.80 feet;
Thence N 89° 55' 37" W, a distance of 381.13 feet to the centerline of the Florida River;
Thence along the centerline of the Florida River N 22° 26' 06" E, a distance of 188.91 feet;
Thence S 74° 34' 44" W, a distance of 49.01 feet;
Thence S 66° 09' 55" W, a distance of 80.92 feet;
Thence S 56° 24' 36" W, a distance of 132.14 feet;
Thence N 81° 54' 03" W, a distance of 90.00 feet;
Thence N 56° 21' 28" W, a distance of 123.58 feet;
Thence N 52° 59' 45" W a distance of 33.42 feet to a point on the eastern right-of-way of County Road 234;
Thence along the eastern right-of-way of County Road 234, 226.00 feet along a non-tangential curve concave to the northwest with a radius of 1253.12 feet, a delta angle of 10° 20' 00", the chord of said arc bears N 26° 49' 05" E for a distance of 225.70 feet to the point of beginning.

Together with a non-exclusive access and utility easement, forty (40) feet in width, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., county of La Plata, State of Colorado, being more particularly described as follows:

Beginning at a point on the southerly right-of-way of County Road 234, from which the Northwest corner of said section 18 bears N 82° 21' 52" W, a distance of 4499.03 feet;
Thence S 77° 45' 29" E, a distance of 46.00 feet;
Thence 205.56 feet along a non-tangential curve, concave to the west having a radius of 1293.12 feet, a delta angle of 9° 06' 29", a chord bearing of N 36° 45' 44" E and a chord distance of 205.35 feet to a point on the southern boundary of the Water Treatment Plant Site Easement;
Thence along the southern boundary of said Water Treatment Plant Site Easement N 56° 21' 28" W, a distance of 6.70 feet;
Thence continuing along the southern boundary of said Water Treatment Plant Site Easement N 52° 59' 45" W, a distance of 33.42 feet to a point on the southern right-of-way of County Road 234;
Thence 224.52 feet along a non-tangential curve concave to the west having a radius of 1253.12 feet, a delta angle of 10° 15' 56", a chord bearing of S 37° 12' 20" W and a chord distance of 224.22 feet to the point of beginning.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easements granted hereby.

2. Grantor further expressly reserves unto itself, its successors and assigns, the right of Trail Users to park vehicles within the "Dirt Parking Area" as designated on the plat attached hereto as **Exhibit 1** and incorporated herein by this reference, or within a substitute parking area of equivalent size and function as designated by the grantee; together with and subject to the right of Trail Establishment to permit access from such parking area to the Trails.

The exercise of said reserved rights shall not unreasonably interfere with the easements granted hereby.

3. Grantor hereby declares that the property interests transferred hereby are to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to a right in Grantor, its successors and assigns, as and for the benefit of the properties described on **Exhibit A-1**, attached hereto and made a part hereof by this reference, to require compliance with the following restrictions:
 - A. Grantee shall construct and install deer fencing, with wood posts, no taller than eight (8) feet, generally at the base of the slope of the reservoir and otherwise located at or within the perimeter of the easement granted hereby; subject, however, to compliance with all applicable state or federal regulations now, or hereafter, in force and effect.
 - B. Should any litigation be commenced for the purpose of enforcing these provisions, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

LP

POWER TOWER

County Road

L=226.00 R=1253.12
Delta=10°20'00" E
CB=426°49'05" E
CH=225.70 E

N52°59'45"W
33.42'

PLANT ACCESS EASEMENT
NO.

N 56°21'28" W 123.58'

N 81°54'03" W 90.00'

EXHIBIT 1
Dirt Parking Area

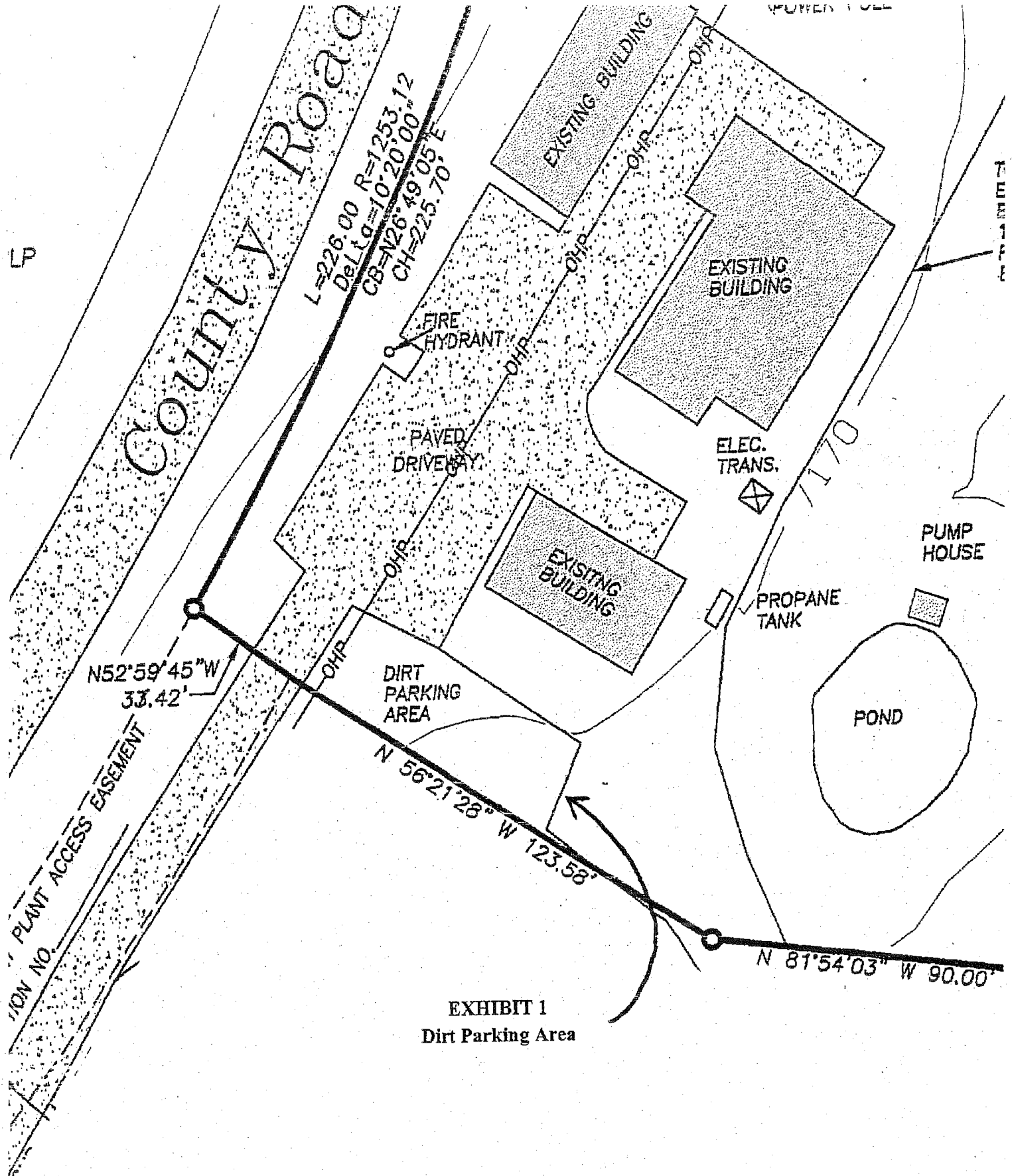


EXHIBIT A-1

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.

Exhibit A

A water line easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the northwesterly right-of-way of County Road 234 whence the Northwest corner of said Section 18 bears N 68° 32' 16" W, 3648.58 feet;

Thence S 34° 00' 00" E, 20.81 feet;

Thence S 42° 30' 00" E, 39.34 feet to the southeasterly right-of-way of said County Road 234;

Thence along the arc of a curve to the right with a delta angle of 04° 23' 04", a radius of 1713.71 feet, for a distance of 131.13 feet, the long chord bears N 52° 21' 28" E, 131.10 feet along the said southeasterly right-of-way;

Thence N 54° 33' 00" E, 131.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of 02° 49' 00", a radius of 4097.52 feet, for a distance of 201.43 feet, the long chord bears N 53° 08' 30" E, 201.41 feet along the said southeasterly right-of-way;

Thence N 51° 44' 00" E, 278.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the right with a delta angle of 03° 20' 00", a radius of 3406.78 feet, for a distance of 198.20 feet, the long chord bears N 53° 24' 00" E, 198.17 feet along the said southeasterly right-of-way;

Thence N 55° 04' 00" E, 203.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of 21° 16' 00", a radius of 669.16 feet, for a distance of 248.37 feet, the long chord bears N 44° 26' 00" E, 246.95 feet along the said southeasterly right-of-way;

Thence N 33° 48' 00" E, 92.00 feet along the said southeasterly right-of-way;

Thence along the arc of a curve to the left with a delta angle of 02° 40' 58", a radius of 1253.12 feet, for a distance of 58.68 feet, the long chord bears N 32° 27' 31" E, 58.67 feet along the said southeasterly right-of-way;

Thence East 29.10 feet;

Thence along the arc of a curve to the right with a delta angle of 03° 21' 25", a radius of 1278.12 feet, for a distance of 74.89 feet, the long chord bears S 32° 07' 18" W, 74.88;

Thence S 33° 48' 00" W, 92.00 feet;

Thence along the arc of a curve to the right with a delta angle of 21° 16' 00", a radius of 694.16 feet, for a distance of 257.65 feet, the long chord bears S 44° 26' 00" W, 256.18 feet;

Thence S 55° 04' 00" W, 203.00 feet;

Thence along the arc of a curve to the left with a delta angle of 03° 20' 00", a radius of 3381.78 feet, for a distance of 196.74 feet, the long chord bears S 53° 24' 00" W, 196.72 feet;

Thence S 51° 44' 00" W, 278.00 feet;

Thence along the arc of a curve to the right with a delta angle of 02° 49' 00", a radius of 4122.52 feet, for a distance of 202.66 feet, the long chord bears S 53° 08' 30" W, 202.64 feet;

Thence S 54° 33' 00" W, 131.00 feet;

Thence along the arc of a curve to the left with a delta angle of 05° 11' 37", a radius of 1688.71 feet, for a distance of 153.08 feet, the long chord bears S 51° 57' 11" W, 153.03 feet;

Thence N 42° 30' 00" W, 65.23 feet;

Thence N 34° 00' 00" W, 19.94 feet to a point on the north line of the said northwesterly right-of-way of County Road 234;

Thence along the arc of a curve to the right with a delta angle of 00° 48' 45", a radius of 1773.71 feet, for a distance of 25.15 feet, the long chord bears N 49° 46' 07" E, 25.15 feet along the said northwesterly right-of-way to the point of beginning.

Containing 0.940 acres, more or less.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

A water line easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly line of Edgemont Ranch, Unit 1, Planned Unit Development, Amended Plat No. 1, as filed in the La Plata County, Colorado Clerk and Recorder's Office under Reception No. 515243, whence the Northwest corner of said Section 18 bears N 74° 16' 05" W, 3010.83 feet;
Thence N 02° 00' 00" W, 10.82 feet;
Thence N 88° 00' 00" E, 238.97 feet;
Thence S 24° 00' 00" E, 422.61 feet;
Thence S 26° 00' 00" E, 111.01 feet;
Thence S 34° 00' 00" E, 64.90 feet to the northerly right-of-way of County Road 234;
Thence along the arc of a curve to the left with a delta angle of 01° 15' 05", and a radius of 1773.72 feet, for a distance of 38.74 feet, the long chord bears S 49° 27' 17" W, 38.74 feet along the northerly right-of-way of County Road 234;
Thence N 24° 00' 00" W, 584.97 feet along the easterly line of the said Edgemont Ranch, Unit 1;
Thence N 87° 10' 00" W, 228.20 feet along the easterly line of the said Edgemont Ranch, Unit 1 to the point of beginning.

Containing 0.430 acres, more or less

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

Exhibit A

A well site and water line easement located in Sections 18 and 7, Township 35 North, Range 8 West, N.M.P.M., in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest corner of said Section 18 bears S 89° 30' 42" W, 4650.84 feet;
Thence N 81° 00' 00" E, 40.00 feet;
Thence S 09° 00' 00" E, 20.00 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence S 09° 00' 00" E, 13.41 feet;
Thence S 10° 22' 00" W, 157.89 feet;
Thence S 48° 15' 00" E, 45.18 feet;
Thence S 52° 55' 00" E, 74.29 feet;
Thence S 21° 30' 00" W, 29.41 feet to the northerly line of Edgemont Ranch Metropolitan District Water Treatment Plant Easement;
Thence West 21.50 feet along said northerly line;
Thence N 21° 30' 00" E, 22.10 feet;
Thence N 52° 55' 00" W, 59.92 feet;
Thence N 48° 15' 00" W, 57.22 feet;
Thence N 10° 22' 00" E, 165.71 feet;
Thence N 09° 00' 00" W, 9.99 feet;
Thence S 81° 00' 00" W, 10.00 feet;
Thence N 09° 00' 00" W, 20.00 feet to the point of beginning.

Containing 0.164 acres, more or less.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

- I. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

Exhibit A

An access, utility and sewer line easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado being more particularly described as follows:

Beginning at a point on the centerline of County Road 234 whence the Northwest corner of said section 18 bears N 57° 09' 18" W, a distance of 3447.85 feet;
Thence N 44° 43' 00" E, a distance of 31.10 feet;
Thence S 60° 33' 54" E, a distance of 52.65 feet;
Thence S 24° 06' 00" E, a distance of 345.93 feet;
Thence S 23° 36' 00" E, a distance of 369.87 feet;
Thence S 52° 31' 00" W, a distance of 286.27 feet to the sewer treatment plant site easement;
Thence along said easement, N 38° 18' 46" W, a distance of 40.00 feet;
Thence N 52° 31' 00" E, a distance of 265.81 feet;
Thence N 23° 38' 00" W, a distance of 336.00 feet;
Thence N 24° 06' 00" W, a distance of 335.98 feet;
Thence N 60° 33' 00" W, a distance of 50.94 feet to the point of beginning.

Containing 0.767 acres, more or less.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

2. Grantor expressly reserves to itself, its successors and assigns, the following rights:
 - A. The right to grant additional access and utility easements over and across the easement granted hereby for the use of grantor or third parties; the right to grant easements to manage, operate, develop, use, and interconnect properties owned by grantor, its successors or assigns; the right to receive all consideration paid for easements granted to third parties, including, but not limited to, utility providers; the right to enlarge the easement granted hereby for the purposes set forth above.
 - B. The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.
3. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed

of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

A twenty (20) foot wide access and utility easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, the centerline of which is more particularly described as follows:

Beginning at a point on an access, utility and sewer line easement, whence the Northwest corner of said section 18 bears N 52° 11' 11" W, a distance of 4093.67 feet;
Thence N 66° 58' 42" E, a distance of 216.05 feet;
Thence N 82° 14' 35" E, a distance of 77.19 feet;
Thence S 74° 26' 27" E, a distance of 172.76 feet;
Thence N 46° 52' 27" E, a distance of 129.45 feet;
Thence N 33° 42' 17" E, a distance of 70.64 feet;
Thence N 43° 24' 43" E, a distance of 257.60 feet;
Thence N 11° 41' 02" W, a distance of 49.20 feet;
Thence N 33° 46' 16" W, a distance of 89.06 feet;
Thence N 05° 28' 17" E, a distance of 62.75 feet;
Thence N 33° 51' 00" E, a distance of 158.46 feet;
Thence N 57° 46' 34" E, a distance of 90.81 feet to the point of termination whence the Northeast corner of said Section 18 bears N 33° 19' 12" E, a distance of 2143.45 feet.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Any use of this easement for utilities shall be for underground services and shall not interfere with the grazing and farming of the property. Utility lines will be buried below plow depth, as least four feet below natural grade.
2. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

A twenty (20) foot wide utility easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, the centerline of which is more particularly described as follows:

Beginning at a utility pole, whence the Northwest corner of said section 18 bears N 69° 22' 20" W, a distance of 3969.82 feet;
Thence S 83° 05' 46" E, a distance of 423.96 feet to the point of termination whence the Northeast corner of said Section 18 bears N 37° 37' 00" E, a distance of 1867.09 feet.

And

A twenty (20) foot wide utility easement located in Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, the centerline of which is more particularly described as follows:

Beginning at a utility pole, whence the Northwest corner of said section 18 bears N 41° 39' 00" W, a distance of 3610.43 feet;
Thence S 30° 52' 01" E, a distance of 396.90 feet to the point of termination whence the Northeast corner of said Section 18 bears N 41° 09' 39" E, a distance of 4068.05 feet.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantee agrees to bury the utility lines extended from the existing electrical services at a minimum depth of 4 feet and agrees to pay for or repair damages to crop production, fences, buildings, structures, and roads or other improvements within the easement granted hereby caused in the original construction of the power line and any subsequent operation, inspection, maintenance repair, renewal, substitution or removal thereof and that all such operations shall be subject to the same conditions as specified herein for original construction.
2. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

Exhibit A

An easement for a reservoir and related infrastructure, exclusive to the use and enjoyment of Grantee, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., in the county of La Plata, State of Colorado, being more particularly described as follows:

Beginning at a point whence the Northwest corner of said section 18 bears N 73° 53' 53" W, a distance of 4594.76 feet;

Thence S 70° 51' 40" E, a distance of 189.28 feet;

Thence S 36° 11' 23" E, a distance of 209.09 feet;

Thence S 29° 09' 06" W, a distance of 327.12 feet;

Thence N 88° 27' 32" W, a distance of 461.25 feet;

Thence N 06° 54' 14" E, a distance of 389.40 feet;

Thence N 66° 40' 01" E, a distance of 295.44 feet to the point of beginning.

Containing 5.527 acres.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

- i. Grantor hereby declares that the property interests transferred hereby are to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to a right in Grantor, its successors and assigns, as and for the benefit of the properties described on **Exhibit A-1**, attached hereto and made a part hereof by this reference, to require compliance with the following terms, covenants, provisions, conditions, restrictions and obligations:
 - a. The Grantee will be responsible for the construction of the reservoir within the above described reservoir site. In order to enhance the visual aesthetics of the reservoir, in addition to reservoir plans, engineering and other requirements, the construction of the reservoir will include the following:
 - i. Fill slopes. Exterior fill slopes will to be a minimum of 4 to 1, with even shallower slopes if dirt permits, pronounced undulations and mounding (similar to those found at the Dalton Ranch Golf Club) will be incorporated into the construction of the reservoir to create a more irregular shape.
 - ii. Revegetation. All fill slopes, reservoir perimeter, access, construction areas or any other area disturbed during construction shall be completely revegetated using a native seed mix reasonably equivalent to that used by the Edgemont Highland Community Association.
 - iii. Sprinkler. A temporary (or permanent) sprinkler system shall be installed to ensure timely and thorough revegetation. This system shall remain in operation for a minimum of two full growing seasons, or longer if revegetation is not complete, for the seed mix and five full growing seasons to establish the trees.
 - b. Compliance with the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof
 - c. In addition to the above, the Grantee shall spend a minimum of \$35,000 to incorporate the following enhancements to the reservoir design:
 - i. Boulders. The Grantee will incorporate boulders from the stockpile of boulders located adjacent to the reservoir site into the design of the reservoir. These boulders will be integrated into the banks, mounds and undulations of the reservoir, buried so as to expose approximately two-thirds of the boulder, and placed in a manner attempting to hide/screen/conceal the regular shape of the reservoir. The Grantee will use the largest boulders that can be efficiently moved and will expend no more than half of the \$35,000 on this boulder enhancement.

- ii. Trees. The Grantee will incorporate clusters of trees within the slopes, mounds and undulations of the reservoir in such a manner so as to hide/screen/conceal the regular shape of the reservoir. Grantor and Grantee acknowledge that the trees will need to be placed such that their roots and fall potential do not interfere with the operation of the reservoir. The trees will be, at a minimum, eight feet tall and will be watered as provided in this exhibit. At least half of the \$35,000 will be used for this tree enhancement.

- d. The Grantee shall make every effort to maximize the value of these enhancements, including the requirement to solicit three, or more, competitive bids with no more than \$3,000 being spent on landscape design/architecture services. Eighty to ninety percent of the boulder and tree enhancements will be made to the northern and western portions of the reservoir so that the visual impact is most pronounced facing the ranch house and County Road 234.

- e. Grantor and Grantee acknowledge that the slopes of the reservoir, the berms and undulations, the boulder and tree enhancements, and the reservoir fencing may fall outside of the reservoir site easement as is necessary to construct an attractive amenity. Grantor and Grantee also acknowledge that the reservoir shape may be fairly regular, but the corners will be rounded similar to the existing ERMD sewer lagoons. Additionally, Grantor and Grantee acknowledge that the following improvements will be made by Grantee in connection with the construction of the reservoir:
 - i. Access Road. The access road from the existing hay barn road will be constructed with 8 inches of 3" gravel.
 - ii. Equipment Shed, Noise. The equipment shed servicing the reservoir shall be constructed on the southeasterly portion of the reservoir site in such a manner so as to integrate into the natural surroundings as much as possible. Any noise generated from the equipment shed shall be mitigated such that it does not disturb the existing ranch house.
 - iii. Lighting. Any permanent lighting will be minimized and be low wattage and dark skies friendly.
 - iv. Fencing. Deer fencing, with wood posts, no taller than eight (8) feet, will be installed around the site, generally at the base of the slope of the reservoir. Grantor and Grantee acknowledge that future state or federal regulations may supersede this fencing restriction.
 - v. Utilities. All pipelines and phone and electrical lines servicing the reservoir site shall be buried a minimum of four feet below natural grade.

- f. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.

- g. Should any litigation be commenced for the purpose of enforcing these provisions, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

EXHIBIT A-1

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.

Exhibit A

A utility and pipeline easement, twenty (20) feet in width, located in said Section 18, Township 35 North, Range 8 West, N.M.P.M., in the county of La Plata, State of Colorado, and lying and being ten (10) feet on either side of the following described centerline:

Beginning at a point whence the Northwest corner of said section 18 bears N 85° 10' 51" W, a distance of 5002.73 feet;

Thence S 25° 05' 56" E, a distance of 430.94 feet;

Thence S 23° 59' 01" E, a distance of 65.36 feet;

Thence S 00° 47' 31" E, a distance of 46.48 feet;

Thence S 46° 01' 47" W, a distance of 44.71 feet;

Thence S 47° 56' 40" W, a distance of 642.97 feet to the point of termination.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. The lands or property interests transferred hereby are subject to use restrictions set forth in the Deed of Conservation Easement in Gross recorded as Reception No. 472243 and all addenda, amendments and assignments thereof (the "Restrictions"). By separate agreement between Grantor and Grantee, Grantee has agreed to comply with the Restrictions. Grantor reserves unto itself, its successors or assigns, all rights necessary to assure said compliance.
2. Grantee agrees to bury the pipelines and utility lines at a minimum depth of 4 feet and agrees to pay for or repair damages to crop production, fences, buildings, structures, and roads or other improvements within the easement granted hereby caused in the original construction of the power line and any subsequent operation, inspection, maintenance repair, renewal, substitution or removal thereof and that all such operations shall be subject to the same conditions as specified herein for original construction.
3. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.



1009533 1/29/2010 9:53 AM
1 of 10 AGR R\$51.00 D\$0.00

Linda Daley
Laplata County Clerk

MEMORANDUM OF AGREEMENT AFFECTING REAL PROPERTY

AN AGREEMENT (the "Agreement") between **Edgemont Ranch Metropolitan District** (hereinafter referred to as "District") and **Gorton Family Partnership, LLLP** (hereinafter referred to as "GFP") was made regarding the following described property:

SEE EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

hereinafter referred to as the "Property."

The date of execution of the Agreement was 1/28/10. In summary, the Agreement provided for:

- a. Amendment and Restatement of past agreements between the parties (defined in the Agreement as the "Former District Agreements");
- b. Development and Transfer of Water Rights and Provision of Sewer and Water Units for the lands described by Exhibit A, attached hereto (defined in the Agreement as "Future Development Lands");
- c. Conveyance of property interests and easements for District operations as set forth in instruments recorded as Reception Nos.:

1009530
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1009532

and as otherwise contemplated by the Agreement.

- d. The requirement to pay \$2350 per lot in connection with lot sales within the lands described in Exhibit A in addition to other considerations made to the District for the duration of the monetary obligation more particularly described in said Agreement;
- e. Termination of the Utility Lease Purchase Agreement (the "ULPA") and divestment of easements associated therewith accomplished by instrument recorded as Reception No. 1009529; subject to the preservation of all rental income generated therefrom; and
- f. Delivery of property interests, easements and facilities associated with the purposes and performance of the ULPA.

RE-RECORDING TO INSERT
RECEPTION NO. HERE.

GFP:

GORTON FAMILY PARTNERSHIP, LLLP, a Colorado Limited Liability Limited Partnership

Date: 1-28-10

By [Signature]
TOM D. GORTON A General Partner

Date: 1/28/10

By [Signature]
DEBORAH GORTON A General Partner

GORTON
1201 MAIN AVE #202
DURANGO, CO, 81301



Linda Daley
Laplata County Clerk

1009842 2/5/2010 1:21 PM
1 of 10 AGR R\$51.00 D\$0.00

RE-

District:

EDGEMONT RANCH METROPOLITAN DISTRICT

Attest:

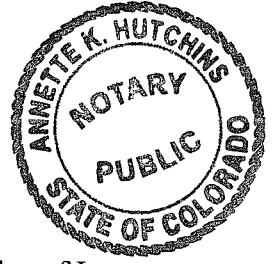
[Signature]
Richard Cortese, Secretary/
Treasurer and Director

By [Signature]
Steve Martin, President and Director

Date: 1/28/10

Date: 1/28/10

STATE OF COLORADO)
) ss.
County of La Plata)

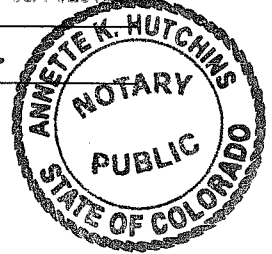


The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Richard Cortese as Secretary/Treasurer and Director and Steve Martin as President and Director of the Edgemont Ranch Metropolitan District.

Witness my hand and official seal. My commission expires: 03/14/2010

Annette K. Hutchins
Notary Public

STATE OF COLORADO)
) ss.
County of La Plata)



The foregoing instrument was acknowledged before me this 28th day of January, 2010, by Tom D. Gorton and Deborah Gorton as General Partners of Gorton Family Partnership, LLLP, a Colorado Limited Liability Limited Partnership.

Witness my hand and official seal. My commission expires: 03/14/2010

Annette K. Hutchins
NOTARY PUBLIC

T:\DATA\Highlands\MWaterSewerAgr\Exhibit\final.wpd

EXHIBIT A

TRACT I (Ranch House):

All that portion of the SE1/4SE1/4 of Section 7, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying North of County Road 240 and South of Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

TRACT II (Ranch House):

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.

TRACT III (Ranch House):

Lots 4, 7 and 8 of Spring Valley Ranch at Edgemont Ranch, County of La Plata, State of Colorado, according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

TRACT IV (Ranch House):

Lot 9 of Spring Valley Ranch at Edgemont Valley Ranch Lots 9 and 10 Boundary Adjustment, County of La Plata, State of Colorado, according to the plat thereof filed for record April 29, 2005 under Reception No. 907940.

TRACT V (Picnic Grounds):

All that portion of the SE1/4SW1/4 and the S1/2SE1/4 of Section 7, SW1/4SW1/4 of Section 8 and NE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., La Plata County, Colorado lying and being South of County Road 240, North and West of County Road 234 and East of Edgemont Ranch Unit 1 according to the plat thereof filed May 1, 1985 as Reception No. 515243.

LESS AND EXCEPT Florida River Estates Resubdivision, according to the plat thereof filed for

EXHIBIT A

record February 5, 1965 as Reception No. 332288;

ALSO LESS AND EXCEPT that tract of land described in Warranty Deed to Paragon Ranch, Inc. recorded May 8, 1998 as Reception No. 745647;

ALSO LESS AND EXCEPT that tract of land described in Warranty Deed recorded September 8, 1988 as Reception No. 536995.

TRACT VI (Paragon):

A tract of land located in Section 7 and 18, Township 35 North, Range 8 West, N.M.P.M., La Plata County, Colorado, being more particularly described as follows:

Beginning on the Easterly line of Edgemont Ranch, Unit 1 Planned Unit Development, Amended Plat No. 1 recorded in the office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 515243 whence the Southwest corner of said Section 7 bears South 68° 56' 24" West, 2115.02 feet;

Thence North 89° 55' 59" East, 258.59 feet;

Thence South 74° 51' 37" East, 152.21 feet;

Thence South 60° 37' 23" East, 209.58 feet;

Thence South 70° 25' 36" East, 107.05 feet;

Thence South 80° 38' 27" East, 213.99 feet;

Thence North 89° 51' 37" East, 209.74 feet;

Thence South 82° 41' 36" East, 239.65 feet;

Thence South 115.38 feet;

Thence South 19° 07' 26" East, 119.82 feet;

Thence South 33° 58' 23" East, 99.61 feet;

Thence South 47° 06' 07" West, 167.01 feet;

Thence South 39° 22' 15" West, 110.73 feet;

Thence South 25° 11' 50" West, 126.69 feet;

Thence South 08° 39' 07" West, 138.79 feet;

Thence South 04° 55' 14" East, 104.34 feet;

Thence South 20° 35' 18" East, 135.27 feet;

Thence South 47° 01' 26" East, 130.03 feet;

Thence South 72° 01' 29" East, 133.35 feet;

Thence North 81° 02' 33" East, 146.82 feet;

Thence South 01° 26' 48" East, 550.10 feet;

Thence South 84° 34' 08" West, 312.74 feet to the Easterly line of said Unit 1, Reception No. 515243;

Thence North 24° 00' 00" West, 366.25 feet along the Easterly line of said Unit 1, Reception No. 515243;

Thence North 87° 10' 00" West, 260.00 feet along the Easterly line of said Unit 1, Reception No. 515243;

Thence along the arc of a non-tangent curve to the right with a delta angle of 90° 00' 00" and a radius of 25.00 feet for a distance of 39.27 feet, the long chord bears south 47° 50' 00" West,

EXHIBIT A

35.36 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $87^{\circ} 10' 00''$ West, 37.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the right with a delta angle of $77^{\circ} 40' 00''$ and a radius of 125.00 feet for a distance of 169.44 feet, the long chord bears North $48^{\circ} 20' 00''$ West, 156.76 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the left with a delta angle of $66^{\circ} 15' 00''$ and a radius of 175.00 feet for a distance of 202.35 feet, the long chord bears North $42^{\circ} 37' 30''$ West, 191.26 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $75^{\circ} 45' 00''$ West, 62.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $14^{\circ} 15' 00''$ East, 300.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $29^{\circ} 00' 00''$ West, 195.00 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $52^{\circ} 00' 00''$ West 290.11 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $36^{\circ} 00' 00''$ West, 208.68 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a non-tangent curve to the left with a delta angle of $23^{\circ} 00' 00''$ and a radius of 475.00 feet for a distance of 190.68 feet, the long chord bears North $26^{\circ} 10' 00''$ West, 189.40 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $37^{\circ} 40' 00''$ West, 115.80 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the right with a delta angle of $43^{\circ} 20' 00''$ and a radius of 175.00 feet for a distance of 132.35 feet, the long chord bears North $16^{\circ} 00' 00''$ West, 129.22 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $05^{\circ} 40' 00''$ East 90.06 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence along the arc of a tangent curve to the right with a delta angle of $90^{\circ} 00' 00''$ and a radius of 25.00 feet for a distance of 39.27 feet, the long chord bears North $50^{\circ} 40' 00''$ East, 35.36 feet along the Easterly line of said Unit 1, Reception No. 515243;
Thence North $05^{\circ} 40' 00''$ East, 30.00 feet along the Easterly line of said Unit 1, Reception No. 515243 to the point of beginning.

TRACT VII (ER Mail Facility Lot):

A tract of land lying and being in Section 7, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, being that portion of Edgemont Ranch Unit 1, Amended Plant No. 1, according to the recorded plat thereof filed for record May 1, 1985 under Reception No. 515243, lying Southerly and Easterly of Lot 57 (Open Space) and Westerly of Lot "A" (also known as the Silver Queen).

The above tract is noted as 1.66 Acres and "Not a Part of Subdivision" on the above referenced plat.

EXHIBIT A

TRACT VIII (School Site):

A tract of land located in Section 7, Township 35 North, Range 8 West, N.M.P.M. in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point which bears North $36^{\circ} 40' 46''$ East 1394.07 feet from the Southwest corner of said Section 7 as the same is shown on the plat filed in the La Plata County Clerk and Recorder's office June 23, 1983 at Reception No. 485006. Thence North $15^{\circ} 44' 00''$ West 942.11 feet; thence North $64^{\circ} 55' 00''$ East 166.07 feet to the beginning of a curve concave to the South and having a radius of 265.00 feet; thence Easterly along the arc of said curve through a central angle of $22^{\circ} 50' 00''$ a distance of 105.61 feet; thence North $87^{\circ} 45' 00''$ East 510.00 feet to the beginning of a curve concave to the North and having a radius of 2035.00 feet; thence Easterly along the arc of said curve through a central angle of $1^{\circ} 55' 00''$ a distance of 68.08 feet; thence leaving the arc of said curve on a non-tangent bearing of South $10^{\circ} 00' 00''$ East a distance of 584.46 feet; thence South $37^{\circ} 00' 00''$ East 151.31 feet; thence South $03^{\circ} 00' 00''$ East 120.00 feet to a point on a curve concave to the Southeast and having a radius of 1152.61 feet; thence Southwesterly along the arc of said curve from an initial tangent bearing of South $81^{\circ} 00' 00''$ West through a central angle of $6^{\circ} 44' 00''$ a distance of 135.46 feet; thence South $74^{\circ} 16' 00''$ West a distance of 666.00 feet to the point of beginning and containing 17.00 acres more or less.

TRACT IX (EH Phase 3A):

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian, in La Plata County, Colorado, being more particularly described as follows:

Beginning at a point on the northerly right of way of Red Canyon Trail and easterly line of Edgemont Highlands, Phase 1, Final Plat, Project No. 2003-290 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 877022 whence the Center-North 1/16 Corner of said Section 7 bears N $44^{\circ} 18' 44''$ W, 1299.15 feet; Thence along the arc of a non-tangent curve to the right with a delta angle of $49^{\circ} 30' 20''$ and a radius of 107.00 feet for a distance of 92.45 feet, the long chord bears N $82^{\circ} 03' 33''$ E, 89.60 feet; Thence S $73^{\circ} 11' 17''$ E, 26.18 feet; Thence N $15^{\circ} 17' 45''$ W, 221.09 feet; Thence N $34^{\circ} 59' 31''$ E, 86.79 feet; Thence N $88^{\circ} 54' 14''$ E, 175.77 feet; Thence S $86^{\circ} 23' 37''$ E, 196.60 feet; Thence S $45^{\circ} 06' 30''$ E, 187.43 feet; Thence S $12^{\circ} 40' 35''$ E, 142.25 feet; Thence along the arc of a non-tangent curve to the right with a delta angle of $4^{\circ} 59' 35''$ and a radius of 430.00 feet for a distance of 37.47 feet, the long chord bears N $67^{\circ} 11' 55''$ E, 37.46 feet; Thence N $69^{\circ} 41' 42''$ E, 54.73 feet; Thence S $27^{\circ} 11' 35''$ E, 60.55 feet; Thence S $19^{\circ} 47' 00''$ E, 262.53 feet; Thence S $42^{\circ} 45' 58''$ E, 167.89 feet; Thence S $73^{\circ} 35' 21''$ E, 250.00 feet; Thence S $02^{\circ} 41' 36''$ E, 189.70 feet;

EXHIBIT A

Thence S 32°00'36" W, 151.13 feet;
Thence S 30°54'15" E, 32.67 feet;
Thence S 00°50'48" E, 311.24 feet;
Thence S 21°36'03" E, 51.97 feet;
Thence S 23°14'23" E, 65.87 feet;
Thence S 09°20'39" W, 259.05 feet;
Thence S 13°42'01" W, 214.46 feet to the northerly line of the SE1/4SE1/4 of said Section 7;
Thence S 89°33'39" W, 270.14 feet along the northerly line of the SE1/4SE1/4 of said Section 7 to the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 00°28'04" E, 332.30 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 15°59'34" W, 417.60 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 47°33'34" W, 428.37 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 10°50'12" W, 449.05 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022;
Thence N 54°51'27" W, 385.36 feet along the easterly line of said Edgemont Highlands, Phase 1, Rec. No. 877022 to the point of beginning.
Contains 23.640 acres, more or less.

TRACT X (EH Phase 3B):

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian, in La Plata County, Colorado, being more particularly described as follows:

Beginning at the Center-North 1/16 Corner of said Section 7;
Thence N 89°33'14" E, 1369.35 feet along the south line of the NW1/4NE1/4 of said Section 7 to the North-East 1/16 corner of said Section 7;
Thence N 89°33'14" E, 1345.01 feet along the south line of the NE1/4NE1/4 of said Section 7 to the North 1/16 corner common to said Section 7 and Section 8, Township 35 North, Range 8 West, N.M.P.M.;
Thence S 00°20'32" E, 1310.51 feet along the east line of said Section 7 to the East 1/4 corner of said Section 7;
Thence S 00°31'37" W, 1319.09 feet along the east line of said Section 7 to the South 1/16 corner common to said Section 7 and Section 8;
Thence S 89°33'39" W, 703.74 feet along the north line of the SW1/4SW1/4 of said Section 7;
Thence N 13°42'01" E, 214.46 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 09°20'39" E, 259.05 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 23°14'23" W, 65.87 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 21°36'03" W, 51.97 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 00°50'48" W, 311.24 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 30°54'15" W, 32.67 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 32°00'36" E, 151.13 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 02°41'36" W, 189.70 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 73°35'21" W, 250.00 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 42°45'58" W, 167.89 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 19°47'00" W, 262.53 feet along the easterly line of Edgemont Highlands, Phase 3A;

EXHIBIT A

Thence N 27°11'35" W, 60.55 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence S 69°41'42" W, 54.73 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence along the arc of a tangent curve to the left with a delta angle of 4°59'35" and a radius of 430.00 feet for a distance of 37.47 feet, the long chord bears N 67°11'55" E, 37.46 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 12°40'35" W, 142.25 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 45°06'30" W, 187.43 feet along the easterly line of Edgemont Highlands, Phase 3A;
Thence N 86°23'37" W, 196.60 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence S 88°54'14" W, 175.77 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence S 34°59'31" W, 86.79 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence S 15°17'45" E, 221.09 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence N 73°11'17" W, 26.18 feet along the northerly line of Edgemont Highlands, Phase 3A;
Thence along the arc of a non-tangent curve to the left with a delta angle of 49°30'20" and a radius of 107.00 feet for a distance of 92.45 feet, the long chord bears S 82°03'33" W, 89.60 feet along the northerly line of Edgemont Highlands, Phase 3A to the easterly line of Edgemont Highlands, Phase 1, Final Plat, Project No. 2003-290 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 877022;
Thence N 54°51'27" W, 7.53 feet along the easterly line of said Phase 1, Reception No. 877022;
Thence N 57°09'39" W, 524.96 feet along the easterly line of said Phase 1, Reception No. 877022 to the northerly line of said Phase 1, Reception No. 877022;
Thence S 67°42'52" W, 88.74 feet along the northerly line of said Phase 1, Reception No. 877022 to the easterly line of Edgemont Highlands, Phase 2B, Final Plat, Project No. 2004-0222, Reception No. 906548;
Thence N 42°50'59" W, 500.62 feet along the easterly line of said Phase 2B, Reception No. 906548;
Thence N 21°17'26" W, 329.58 feet along the easterly line of said Phase 2B, Reception No. 906548;
Thence N 89°30'11" E, 81.36 feet along the easterly line of said Phase 2B, Reception No. 906548 to the point of beginning. Contains 77.563 acres, more or less.

TRACT XI (EH Phase 5):

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian and Section 12, Township 35 North, Range 9 West, New Mexico Principal Meridian in La Plata County, Colorado, being more particularly described as follows:
Beginning at the Northeast corner of said Section 12;
Thence S 00°08'47" E, 1313.03 feet along the east line of said Section 12 to the North 1/16 corner common to said Section 12 and Section 7;
Thence N 89°36'44" E, 628.48 feet along the north line of SW1/4NW1/4 of said Section 7 to the westerly boundary of Edgemont Highlands, Phase 2B, Final Plat, Project No. 2004-0222 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 906548;
Thence S 14°08'21" E, 774.02 feet along the westerly line of said Edgemont Highlands, Phase 2B;
Thence S 30°19'10" E, 586.03 feet along the westerly line of said Edgemont Highlands, Phase 2B to the northerly right of way of Ventana Pass;
Thence along the arc of a non-tangent curve to the left with a delta angle of 76°23'38" and a radius of 130.00 feet for a distance of 173.33 feet, the long chord bears S18°06'39"W, 160.78 feet along the northerly right of way of Ventana Pass;

EXHIBIT A

Thence S 20°05'10" E, 88.46 feet along the northerly right of way of Ventana Pass to the southerly right of way of Edgemont Highlands Pass;

Thence N 69°54'50" E, 138.52 feet along the southerly right of way of Edgemont Highlands Pass to the westerly line of Edgemont Highlands, Phase 2A, Final Plat, Project No. 2004-221 recorded under Reception No. 896542;

Thence S 29°11'45" E, 404.18 feet along the westerly line of said Edgemont Highlands, Phase 2A to the northerly line of a tract of land described in the deed recorded under Reception No. 491172;

Thence along the arc of a non-tangent curve to the right with a delta angle of 1°55'00" and a radius of 2035.00 feet for a distance of 68.08 feet, the long chord bears S86°53'33"W, 68.07 feet along the northerly line of said tract, Reception No. 491172;

Thence S 87°51'03" W, 510.00 feet along the northerly line of said tract, Reception No. 491172;

Thence along the arc of a tangent curve to the left with a delta angle of 22°50'00" and a radius of 265.00 feet for a distance of 105.61 feet, the long chord bears S76°26'03"W, 104.91 feet along the northerly line of said tract, Reception No. 491172;

Thence S 65°01'03" W, 166.07 feet along the northerly line of said tract, Reception No. 491172 to the easterly line of said tract, Reception No. 491172;

Thence S 15°37'57" E, 942.11 feet along easterly line of said tract, Reception No. 491172 to the southerly line of said tract, Reception No. 491172;

Thence N 74°22'03" E, 666.00 feet along the southerly line of said tract, Reception No. 491172;

Thence along the arc of a tangent curve to the right with a delta angle of 6°44'01" and a radius of 1152.61 feet for a distance of 135.46 feet, the long chord bears N77°44'03"E, 135.38 feet along the southerly line of said tract, Reception No. 491172 to the westerly line of said Edgemont Highlands, Phase 2A;

Thence SOUTH, 55.42 feet along the westerly line of said Edgemont Highlands, Phase 2A to the northerly right of way of County Road 240;

Thence along the arc of a non-tangent curve to the left with a delta angle of 6°16'02" and a radius of 1097.61 feet for a distance of 120.06 feet, the long chord bears S77°30'04"W, 120.00 feet along the northerly right of way of County Road 240;

Thence S 74°22'03" W, 479.81 feet along the northerly right of way of County Road 240;

Thence N 15°37'57" W, 5.00 feet along the northerly right of way of County Road 240;

Thence S 74°22'03" W, 240.49 feet along the northerly right of way of County Road 240 to the easterly right of way of Highlands Boulevard;

Thence N 15°44'00" W, 125.56 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the right with a delta angle of 13°57'43" and a radius of 370.00 feet for a distance of 90.16 feet, the long chord bears N08°45'09"W, 89.94 feet along the easterly right of way of Highlands Boulevard;

Thence N 01°46'17" W, 33.05 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the left with a delta angle of 59°51'34" and a radius of 280.00 feet for a distance of 292.53 feet, the long chord bears N31°42'04"W, 279.40 feet along the easterly right of way of Highlands Boulevard;

Thence N 55°05'46" W, 110.03 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the right with a delta angle of 39°21'19" and a radius of 362.50 feet for a distance of 248.99 feet, the long chord bears N35°25'06"W, 244.13 feet along the easterly right of way of Highlands Boulevard;

Thence N 15°44'27" W, 179.17 feet along the easterly right of way of Highlands Boulevard;

Thence along the arc of a tangent curve to the left with a delta angle of 43°15'14" and a radius of 287.50 feet for a distance of 217.04 feet, the long chord bears N37°22'04"W, 211.92 feet

EXHIBIT A

along the easterly right of way of Highlands Boulevard to the northerly line of Edgemont Highlands, Phase 4, Final Plat, Project No. 2006-0340 recorded under Reception No. 950578;
Thence S 39°13'21" W, 76.06 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence along the arc of a non-tangent curve to the right with a delta angle of 3°10'22" and a radius of 95.00 feet for a distance of 5.26 feet, the long chord bears S52°08'17"W, 5.26 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence S 53°43'28" W, 10.03 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 46°32'52" W, 108.57 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 62°16'50" W, 138.58 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 60°52'52" W, 93.06 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 55°22'34" W, 187.47 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence N 62°58'01" W, 199.55 feet along the northerly line of said Edgemont Highlands, Phase 4;
Thence S 89°52'14" W, 836.70 feet along the northerly line of said Edgemont Highlands, Phase 4 to the west line of the NE1/4SE1/4 of said Section 12;
Thence N 00°15'21" E, 137.07 feet along the west line of the NE1/4SE1/4 of said Section 12 to the Center-East 1/16 corner of said Section 12;
Thence N 00°03'07" E, 1294.40 feet along the west line of the SE1/4NE1/4 of said Section 12 to the Northeast 1/16 corner of said Section 12;
Thence N 00°03'20" E, 1296.01 feet along the west line of the NE1/4NE1/4 of said Section 12 to the East 1/16 corner common to said Section 12 and Section 1, Township 35 North, Range 9 West, N.M.P.M.;

Thence N 86°52'23" E, 1305.63 feet along the north line of said Section 12 to the point of beginning. Contains 129.047 acres, more or less.



RESOLUTION NO. 2010-10

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LA PLATA COUNTY, COLORADO, EXCLUDING FROM THE DEFINITION OF THE TERM "SUBDIVISION" AND EXCLUDING FROM THE SUBDIVISION REGULATIONS OF LA PLATA COUNTY, COLORADO, A PARCEL OF LAND WHICH IS PRESENTLY OWNED BY GORTON FAMILY PARTNERSHIP LLLP.

WHEREAS, Gorton Family Partnership LLLP ("Gorton") is owner of a parcel located at 5960, 5966 & 5972 CR 234 and more particularly described in Exhibit A (the "Property"); and

WHEREAS, the Property is a tract of land consisting of approximately 93.1 acres; and

WHEREAS, Gorton intends to create a 6.2 acre tract (the "6.2 Acre Tract") by subdividing the Property and to sell the 6.2 Acre Tract to Edgemont Ranch Metropolitan District ("Edgemont"); and

WHEREAS, the subdivision and creation of the 6.2 Acre Tract is represented in Exhibit B, which is attached hereto and incorporated herein by reference; and

WHEREAS, the 6.2 Acre Tract currently contains improvements and equipment used by and for Edgemont; and

WHEREAS, Edgemont does not intend to pursue further development of the 6.2 Acre Tract; and

WHEREAS, Colorado Revised Statutes § 30-28-101(10)(d) provides that "the Board of County Commissioners may, pursuant to rules and regulations or resolution, exempt from the definition of the terms 'subdivision' and 'subdivided land' any division of land if the Board of County Commissioners determines that such division is not within the purposes of this part 1"; and

WHEREAS, Gorton requested that the Board of County Commissioners of La Plata County, Colorado, exempt from the definition of subdivision the Property and permit the 6.2 Acre Tract to be divided from the Property; and

WHEREAS, the exemption from the subdivision regulations of the Property is based upon the representation that the 6.2 Acre Tract will be transferred from Gorton to Edgemont, and Edgemont's current utilization of the 6.2 Acre Tract; and

WHEREAS, the Board of County Commissioners of La Plata County, Colorado, held a duly noticed public hearing on the 16th day of February, 2010, to consider whether to approve Gorton's request to exempt the Property from the definition of subdivision and from La Plata County's subdivision rules and regulations; and

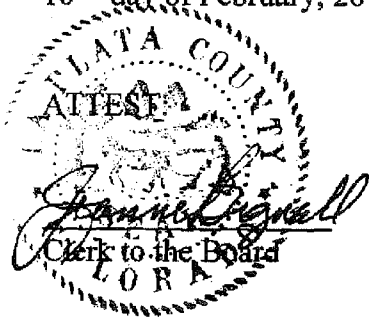
Return to BoCC

WHEREAS, at the public hearing, based upon the evidence and testimony presented therein, the Board of County Commissioners of La Plata County, Colorado, made a finding that the proposed division of land was not within the purposes of the subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LA PLATA COUNTY, COLORADO, AS FOLLOWS:

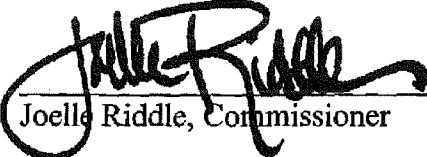
1. That the Property is hereby found to not be within the purposes of the La Plata County subdivision regulations and not within the purposes of C.R.S. § 38-20-101, *et seq.*
2. Accordingly, the Board of County Commissioners hereby resolves that the division of land for the purpose of creating the 6.2 Acre Tract is approved as an exemption from the definition of subdivision pursuant to C.R.S. § 30-28-101(10)(d).
3. This division of land is approved as signified in Exhibit B and any further subdivision or development on the Property shall require La Plata County review.

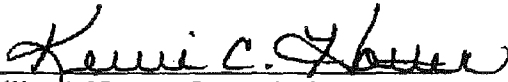
DONE AND ADOPTED IN DURANGO, LA PLATA COUNTY, COLORADO, this
16TH day of February, 2010.



BOARD OF COUNTY COMMISSIONERS OF
LA PLATA COUNTY, COLORADO


Wallace "Wally" White, Chair


Joelle Riddle, Commissioner


Kellie C. Hotter, Commissioner

GRANTEE	BOOK	PAGE	DATE	KIND OF INSTRUMENT	REMARKS
LESS: 855093 WD 5671-022-00 - 80A					
<p>A TRACT OF LAND LOCATED IN SECTION 12, TOWNSHIP 35 NORTH, RANGE 9 WEST, N.M.P.M., AND SECTION 7 TOWNSHIP 35 NORTH, RANGE 8 WEST, N.M.P.M., LA. PLATA COUNTY, COLORADO BEING THE E1/2E1/2 OF SAID SECTION 12 LYING NORTH OF COUNTY ROAD 240 AND THE SW1/4NW1/4, NW1/4SW1/4, SW1/4SW1/4, NE1/4NW1/4 OF SAID SECTION 7 LYING NORTH OF COUNTY ROAD 240.</p> <p>LESS AND EXCEPT A TRACT OF LAND AS DESCRIBED IN THE DEED RECORDED TO THE COUNTY OF LA PLATA, A BODY CORPORATE AND POLITICAL RECORDED IN THE OFFICE OF THE LA PLATA COUNTY, COLORADO CLERK AND RECORDER NOVEMBER 2, 1983 UNDER RECEPTION NO. 491172.</p>					
LESS: 855094 WD 5671-024-00 - 032					
<p>A TRACT OF LAND LOCATED IN SECTION 7 TOWNSHIP 35 NORTH, RANGE 8 WEST, N.M.P.M., LA. PLATA COUNTY, COLORADO BEING THE SE1/4NW1/4, NE1/4SW1/4, SE1/4SW1/4, SW1/4NE1/4, NW1/4SE1/4, SW1/4SE1/4, NE1/4SE1/4 OF SAID SECTION 7 LYING NORTH OF COUNTY ROAD 240.</p> <p>LESS AND EXCEPT A TRACT OF LAND AS DESCRIBED IN THE DEED RECORDED TO THE COUNTY OF LA PLATA, A BODY CORPORATE AND POLITICAL RECORDED IN THE OFFICE OF THE LA PLATA COUNTY, COLORADO CLERK AND RECORDER NOVEMBER 2, 1983 UNDER RECEPTION NO. 491172.</p>					

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5671-074-00-803 MASTER
PARCEL NUMBER

1158 49
T.A.C.

SCHEDULE NO.

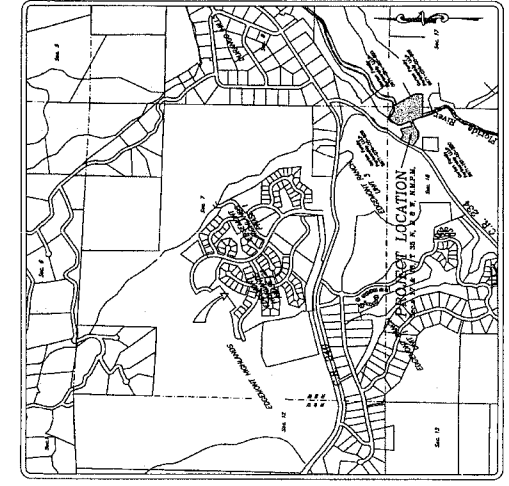
5671-181-00-805
TRANSFERRED TO

MULTI PARCEL

231 BA
TRANSFERRED FROM
5671-181-00-802

GRANTEE	BOOK	PAGE	DATE	KIND OF INSTRUMENT	REMARKS
SEE 5671-074-00-803 FOR FULL INFORMATION					

**EDGEMONT RANCH WATER TREATMENT PLANT SITE
EXEMPTION PLAT - PROJECT NO. 2009-0172**
LOCATED IN SECTIONS 17 & 18, T35N, R8W, N.M.P.M., LA PLATA COUNTY, COLORADO
LA PLATA COUNTY BOARD OF COUNTY COMMISSIONERS ORDINANCE NO.2010-10



LOCATION MAP
SCALE 1" = 1000 FEET

**CERTIFICATE OF OWNERS
KNOW BY ALL THESE PRESENTS**

That Gomez Family Partnership, L.L.P., a Colorado Limited Liability Partnership, whose legal address is 1203 Main Ave, Suite 202, Durango, CO 81301, being the legal owners of record of the following described parcel of land, has caused the boundary to be replatted under the name and style of Edgemont Ranch Water Treatment Plant Site Exemption Plat Project No. 2009-0172 as shown hereon and being more particularly described as follows, to-wit:

- A tract of land located in Sections 17 and 18, Township 35 North, Range 8 West, 10M P.M., La Plata County, Colorado more particularly described as follows:
- Beginning at a point on the eastern right-of-way of County Road 234 from which the northwest corner of said section 17 is located, a distance of 23.70 feet, to the northeast corner of said section 17;
- Thence S 89°51'43" E, a distance of 103.14 feet;
- Thence N 77°00'08" E, a distance of 34.23 feet;
- Thence N 65°17'22" E, a distance of 85.66 feet;
- Thence N 65°59'00" E, a distance of 69.66 feet;
- Thence N 74°40'18" E, a distance of 48.30 feet to the centerline of the Florida River;
- Thence along the centerline of the Florida River N 27°25'16" W, a distance of 169.87 feet;
- Thence along the centerline of the Florida River S 77°00'08" E, a distance of 169.87 feet;
- Thence along the centerline of the Florida River S 55°55'16" E, a distance of 162.76 feet;
- Thence S 89°51'43" E, a distance of 97.94 feet;
- Thence S 77°00'08" E, a distance of 69.66 feet;
- Thence N 65°17'22" E, a distance of 85.66 feet;
- Thence N 65°59'00" E, a distance of 69.66 feet;
- Thence N 74°40'18" E, a distance of 48.30 feet to the centerline of the Florida River;
- Thence along the centerline of the Florida River N 27°25'16" W, a distance of 169.87 feet;
- Thence S 77°00'08" E, a distance of 169.87 feet;
- Thence S 54°24'36" W, a distance of 32.14 feet;
- Thence N 81°34'03" W, a distance of 90.00 feet;
- Thence N 85°12'38" W, a distance of 123.58 feet;
- Thence S 77°00'08" E, a distance of 69.66 feet;
- Thence along the centerline of the Florida River N 27°25'16" W, a distance of 169.87 feet;
- Thence along the eastern right-of-way of County Road 234, a distance of 226.00 feet along a non-surveyed corner corner to the northwest with a radius of 1151.12 feet, a delta angle of 107°02'00", the chord of said arc bears N 24°49'00" E for a distance of 232.70 feet to the point of beginning.

This property contains 6.20 acres or 270,183 sq. ft.

THIS PLAT IS HEREBY EXECUTED BY THE FOLLOWING PARTIES:

Gomez Family Partnership, L.L.P., a Colorado Limited Liability Partnership
Tom D. Gordon, General Partner
STATE OF COLORADO
COUNTY OF LA PLATA

The foregoing instrument was acknowledged before me by Tom D. Gordon as General Partner of Gomez Family Partnership, L.L.P., a Colorado Limited Liability Partnership on this ... day of ... 2010.

By: *[Signature]*
Tom D. Gordon, General Partner
STATE OF COLORADO
COUNTY OF LA PLATA

The foregoing instrument was acknowledged before me by Deborah Gomez as General Partner of Gomez Family Partnership, L.L.P., a Colorado Limited Liability Partnership on this ... day of ... 2010.

By: *[Signature]*
Deborah Gomez, General Partner
STATE OF COLORADO
COUNTY OF LA PLATA

The foregoing instrument was acknowledged before me by Deborah Gomez as General Partner of Gomez Family Partnership, L.L.P., a Colorado Limited Liability Partnership on this ... day of ... 2010.

By: *[Signature]*
Deborah Gomez, General Partner
STATE OF COLORADO
COUNTY OF LA PLATA

The foregoing instrument was acknowledged before me by ... on this ... day of ... 2010.

By: *[Signature]*
...
STATE OF COLORADO
COUNTY OF LA PLATA

CERTIFICATE OF MORTGAGEES

By: *[Signature]*
...
STATE OF COLORADO
COUNTY OF LA PLATA

PLAT NOTICES

- 1) NO COUNTY MAINTENANCE OF STREETS OR ROADS. PLAT ACCEPTANCE DOES NOT CONSTITUTE ACCEPTANCE OF ROADS BY COUNTY BOARDS.
- 2) LOTS IN THIS SUBDIVISION MAY BE SUBJECT TO THE EXPLORATION AND/OR DEVELOPMENT OF MINERALS INCLUDING OIL AND GAS. THIS INCLUDES THE RIGHT TO CONDUCT SURVEYS OF THE SURFACE AS IS REASONABLY REQUIRED TO DEVELOP THE MINERAL INTERESTS.
- 3) ON-SITE FIRE FIGHTING FACILITIES ARE NOT PROPOSED. FIRE ENGINE RESPONSE TIME IS ESTIMATED AS 7 MINUTES IN WINTER MONTHS.
- 4) THIS PLAT IS SUBJECT TO THE COLORADO WATER RESOURCES LAW SUITS ACT AND THE COLORADO WATER RESOURCES LAW SUITS ACT.
- 5) COLORADO IS A FENCE LAW STATE. OWNERS OF PROPERTY SHALL BE REQUIRED TO FENCE LIVESTOCK COFF IN ORDER TO RECOVER DAMAGES FOR TRESPASSING LIVESTOCK.
- 6) ALL EASEMENTS FOR FISHING AND HUNTING ACCESS AS RECORDED IN RECEPTION NO. 746802, 746801, 746800, 672027 AND 727738.
- 7) ALL EASEMENTS FOR FISHING AND HUNTING ACCESS AS RECORDED IN RECEPTION NO. 746802, 746801, 746800, 672027 AND 727738.
- 8) THE DOCUMENT LAND METROPOLITAN DISTRICT SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE ACCESS ROAD AS SHOWN HEREON.
- 9) WATER AND SEWER SERVICE IS PROVIDED BY EDGEMONT RANCH METROPOLITAN DISTRICT.
- 10) THIS PROPERTY IS SUBJECT TO THE TRAIL SYSTEM LAW RECORDED UNDER RECEPTION NO. 950977.
- 11) WETLANDS EXIST ALONG FLORIDA RIVER AND AROUND THE RIMMOS AS PER THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (FDEP) WORK DATED IN DECEMBER OF 2005 AND NOT SHOWN ON THIS SURVEY.
- 12) THIS PROPERTY IS SUBJECT TO THE TERMS, CONDITIONS, PROVISIONS, EASEMENTS AND RESTRICTIONS RECORDED UNDER RECEPTION IN 1009250.
- 13) THE PROPERTY IS SUBJECT TO THE TERMS, CONDITIONS, PROVISIONS, EASEMENTS AND RESTRICTIONS RECORDED UNDER RECEPTION IN 1009250.
- 14) THE PROPERTY IS SUBJECT TO THE TERMS, CONDITIONS, PROVISIONS, EASEMENTS AND RESTRICTIONS RECORDED UNDER RECEPTION IN 1009250.

SURVEY NOTES

- 1) THIS PROPERTY MAY BE SUBJECT TO THE EASEMENTS, RIGHTS AND RESTRICTIONS AS LISTED IN THE TITLE POLICY PREPARED BY LAND TITLE GUARANTEE COMPANY PER ORDER NO. DLH080262, DATED NOVEMBER 6, 2009 AT 5:00 P.M., LAND TITLE GUARANTEE COMPANY IS RESPONSIBLE FOR EASEMENTS, RIGHTS AND RESTRICTIONS RECORDED AS LISTED IN THEIR TITLE POLICY.

STATE OF COLORADO
COUNTY OF LA PLATA
I hereby state that this instrument was filed for recording on this day of ... 2010 and duly filed. My commission expires on the ... day of ... 2010.
By: *[Signature]*
Deborah Gomez, Recorder

SURVEYOR'S STATEMENT

I, the undersigned, being a duly qualified and licensed surveyor in the State of Colorado, do hereby certify that this survey and plat were prepared by me or under my direct supervision and that I am a duly qualified and licensed surveyor in the State of Colorado. My commission expires on the ... day of ... 2010.



Joshua J. Caudillberry, P.L.S.
Colorado Registration No. 37903

SHEET 1 OF 2

Movendo
SURVEYING
GEOGRAPHICS

DATE: 02/29/10 SCALE: AS SHOWN ON PLAN
48 C.R. 250, SUITE 2, DURANGO, CO 81301-8533
DRAWN BY: E. CHECKED BY: E. JOB NO.: 0920

**EDGEMONT RANCH WATER
TREATMENT PLANT SITE**
OWNE/GOMEZ FAMILY PARTNERSHIP, LLP
PROJECT NO. 2009-0172
EXEMPTION PLAT
BY: *[Signature]*
SIF & B. TSON, RSW, N.M.P.M.
LA PLATA COUNTY, COLORADO

EXHIBIT A

The Water Treatment Plant Site according to the Edgemont Ranch Water Treatment Plant Site, Project No. 2009-0172, County of La Plata, State of Colorado, according to the recorded Plat thereof filed for record 2-19-2010 under Reception No. 1010393.

Together with a non-exclusive access and utility easement, forty (40) feet in width, located in Section 18, Township 35 North, Range 8 West, N.M.P.M., county of La Plata, State of Colorado, being more particularly described as follows:

Beginning at a point on the southerly right-of-way of County Road 234, from which the Northwest corner of said section 18 bears N 82° 21' 52" W, a distance of 4499.03 feet;
Thence S 77° 45' 29" E, a distance of 46.00 feet;
Thence 205.56 feet along a non-tangential curve, concave to the west having a radius of 1293.12 feet, a delta angle of 9° 09' 29", a chord bearing of N 36 45' 44" E and a chord distance of 205.35 feet to a point on the southern boundary of the Water Treatment Plant Site Easement;
Thence along the southern boundary of said Water Treatment Plant Site Easement N 56° 21' 28" W, a distance of 6.70 feet;
Thence continuing along the souther boundary of said Water Treatment Plant Site Easement N 52° 59' 45" W, a distance of 33.42 feet to a point on the southern right-of-way of County Road 234;
Thence 224.52 feet along a non-tangential curve concave to the west having a radius of 1253.12 feet, a delta angel of 10° 15' 56", a chord bearing of S 37° 12' 20" W and a chord distance of 224.22 feet to the point of beginning.

SUBJECT TO the reservations, restrictions, terms, conditions, provisions and obligations set forth below:

1. Grantor is a party to a trail easement agreement with Edgemont Ranch Unit 1 Property Owners Association recorded on February 29, 2008 as Reception No. 972798 (the "Trail Easement Agreement") which agreement pertains to the operation, use, repair, maintenance, improvement, modification, removal and relocation of trails within the Service Area (the "Trails").

The terms used herein shall have the same meaning as set forth in said instrument.

Grantor, its successor or assigns, shall have the right to subject the interests of Grantee to the performance of the Trail Easement Agreement and all rights granted by this instrument are subject to the terms, conditions, restrictions and obligations thereof.

Grantor expressly reserves to itself, its successors and assigns, all rights benefitting Grantor created under the Trail Easement Agreement, subject to the terms and conditions thereof, including, but not limited to:

Establishment of Non-EPOA Trails for connection purposes ("Trail Establishment")
Preservation of the River Trail Loop
Trail Adjustment
Grant of rights to use of the Trails to owners (and parties related thereto) within the Service Area (hereafter "Trail Users")

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

2. Grantor further expressly reserves unto itself, its successors and assigns, the right of Trail Users to park vehicles within the "Dirt Parking Area" as designated on the plat attached hereto as **Exhibit 1** and incorporated herein by this reference, or within a substitute parking area of equivalent size and function as designated by the grantee; together with and subject to the right of Trail Establishment to permit access from such parking area to the Trails.

The exercise of said reserved rights shall not unreasonably interfere with the easement granted hereby.

3. Grantor hereby declares that the property interests transferred hereby are to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to a right in Grantor, its successors and assigns, as and for the benefit of the properties described on **Exhibit A-1**, attached hereto and made a part hereof by this reference, to require compliance with the following restrictions:
 - A. Grantee shall construct and install deer fencing, with wood posts, no taller than eight (8) feet, generally at the base of the slope of the reservoir and otherwise located at or within the perimeter of the easement granted hereby; subject, however, to compliance with all applicable state or federal regulations now, or hereafter, in force and effect.
 - B. Should any litigation be commenced for the purpose of enforcing these provisions, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

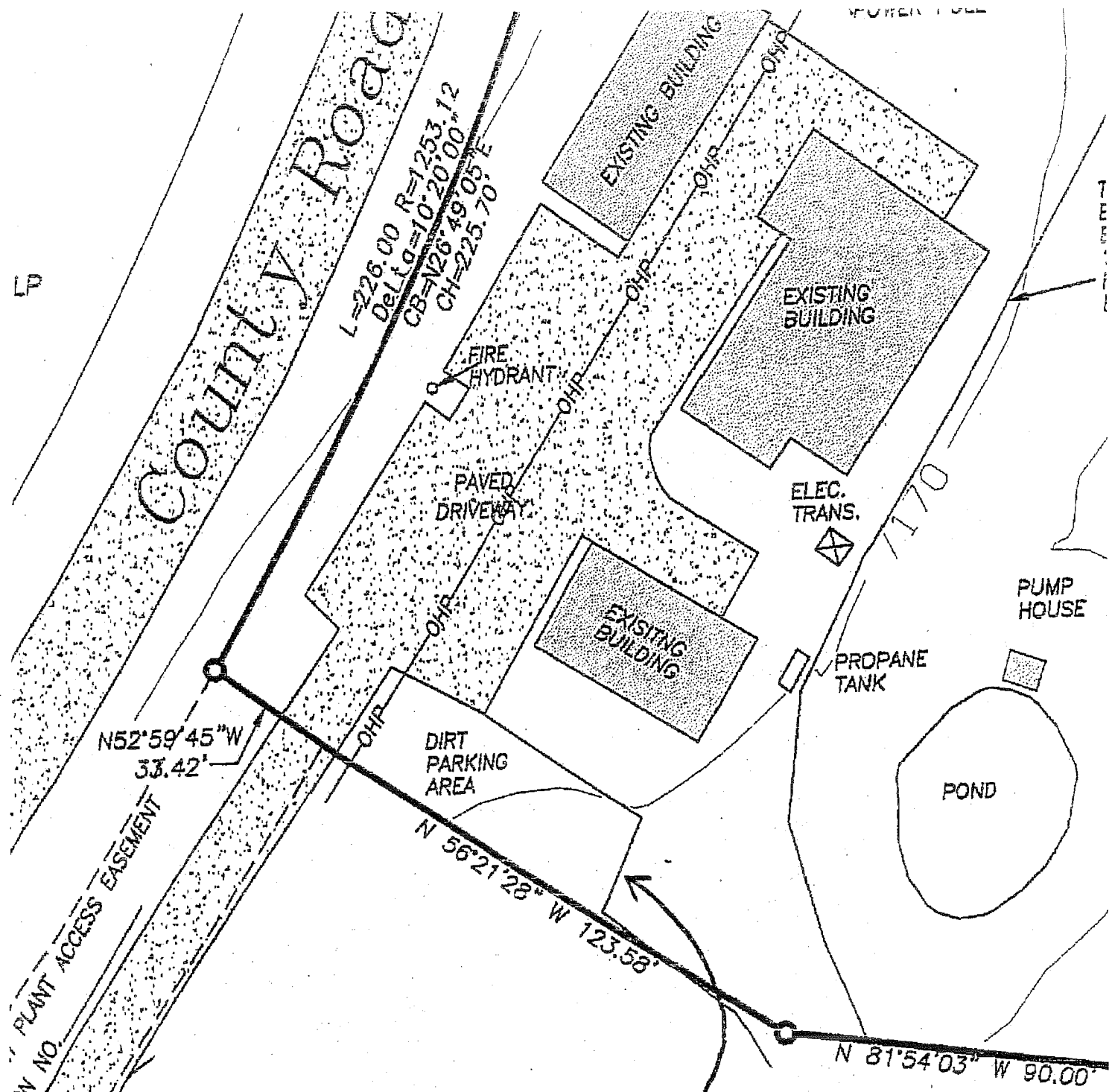


EXHIBIT 1
Dirt Parking Area

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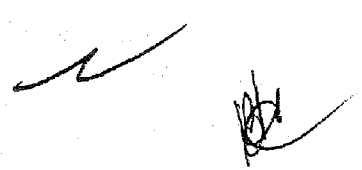
EXHIBIT A-1

All that portion of SE1/4SE1/4 of Section 7, SW1/4SW1/4 of Section 8, NW1/4NW1/4 of Section 17 and NE1/4, SE1/4NW1/4, NE1/4SW1/4 and NW1/4SE1/4 of Section 18, Township 35 North, Range 8 West, N.M.P.M., County of La Plata, State of Colorado, lying Southeasterly of County Road 234.

Less and Except Spring Valley Ranch at Edgemont Ranch according to the plat thereof filed for record December 20, 1996 under Reception No. 719398.

Also Less and Except Florida River Estates Resubdivision according to the plat thereof filed for record February 5, 1965 under Reception No. 332288.

Also Less and Except tract described in Warranty Deed from Edgemont Ranch to Charles Shafer, II recorded May 3, 1982 as Reception No. 469076.

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