

**DECLARATIONS OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR INDIAN SPRINGS SUBDIVISION, PHASE III**

This Declaration of Covenants, Conditions and Restrictions is made this 24th day of April, 2003 by Sonemex Marketing, an Arizona Limited Liability Company hereafter called "Developer".

WITNESSETH:

Whereas, The above described is the owner of the following described real property in Catron County, New Mexico:

A certain Subdivision known as INDIAN SPRINGS, Phase III and shown on that certain plat thereof filed with the County Clerk of Catron County, New Mexico, on the 19th day of February, 2003 as Slide B-382.

Whereas, the Developer will convey the said properties, subject to certain protective covenants, conditions, restrictions, and reservations, liens and charges hereinafter set forth.

Now, therefore, the Developer hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following covenants, conditions, charges, liens, restrictions, easements and reservations, (hereinafter collectively sometimes called "restrictions"), all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the said real property, and all of which are hereby declared to be for the benefit of all the properties described herein and the owners thereof, their heirs, successors, grantees and assigns. These restrictions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described properties, or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE 1

- Section 1. "Declaration" shall mean this entire document, which may be amended from time to time.
- Section 2. "Lot" shall mean and refer to any numbered plat recorded on the subdivision plat of the Property.
- Section 3. "Owner" shall mean and refer to the recorded Owner(s), whether entities of equitable or legal title.
- Section 4. "Property" shall mean and refer to all property, including roads and any common areas as shown in the subdivision plat, including future amended plats, if any.

ARTICLE II
ASSOCIATION

The Developer shall establish a New Mexico Not for Profit Corporation named Indian Springs Landowners' Association, Inc.", (hereafter called "Association"), charged with the duties and vested with the powers prescribed by law and set forth in the Articles of Incorporation, the Bylaws for the Association, and this Declaration.

Section 1. ESTABLISHMENT OF THE ASSOCIATION. By acceptance of a deed, or by acquiring any ownership in any lot, each person or entity for himself or itself, his heirs, personal representatives, successors, transferees and assigns binds himself or itself, his heirs, personal representatives, successors, transferees and assigns to be members of the Association automatically.

Section 2. MEMBERSHIP AND VOTING RIGHTS. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot.

(a) The Association shall have (1) one class of voting membership. The members shall all be Owners and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in a Lot, all such persons shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Voting privileges will only be available to those for which payment of annual dues and assessments are current.

(b) Each member shall have such other rights, duties and obligations as shall be set forth in the Articles of Incorporation, the Bylaws and the Rules of the Association, as they may be amended from time to time.

Section 3. PURPOSE OF ASSESSMENT FEE. The initial annual assessment fee levied by the Association is \$50.00, and is used exclusively to promote the health, safety, and welfare of the owners of the lots.

Section 4. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENT FEES. Due Dates: The first annual assessment fee payments on all lots shall be due January 31st, 2004 and on the 31st of January every year thereafter.

Section 5. EFFECT OF NONPAYMENT OF ASSESSMENT FEE & REMEDIES OF THE ASSOCIATION. Any assessment fee not paid within 30 days after the due date shall be a lien, subject to foreclosure upon the lot assessed, and shall be charged a late fee of ten percent (10%) per month.

Section 6. UNIFORM ASSESSMENT FEE, OWNER EXCEPTION. The assessment fee shall be the same rate for all lots, except the lots unsold by the Owner. The owner shall pay one-fifth (1/5) of the normal assessment fee paid by other owners of the lots.

ARTICLE III

Section 1. Natural vegetation shall be left undisturbed, except for such clearing necessary to use the lot for its intended purpose. No logging or tree cutting operations are to be conducted on any lots except to thin trees where necessary. The natural beauty of the land must be preserved and maintained.

Section 2. All trash or junk shall be deposited in sanitary containers and hauled to the County Landfill. No junk vehicles or junk mechanical equipment of any kind are permitted on the property. Lots shall be kept in a clean and tidy condition. No tar paper shacks, or dilapidated unkempt trailers, manufactured homes or buildings are to be constructed or placed on the property. All residential structures are to be built to current New Mexico State Code Standards at the time of construction. All homes, manufactured homes, and outbuildings are to be of a professional quality and workmanship.

Section 3. No building structure, manufactured home, trailer or tent, on any lot, shall be nearer than 75 feet to the street line, nor nearer than 40 feet to the side lot line, nor nearer than 40 feet from the back lot line. Side and rear lot lines shall have a 15-foot utility easement. Back lot line on the subdivision boundary shall have a 20-foot wide utility easement.

Section 4. No business or commercial ventures may be conducted on any of the lots, except as specified in this Section, other than home offices, such as, mail order businesses conducted over the Internet or telephone, etc. The Easterly most 350 feet of lots 1, 20, 21, 23, 24, 25, and 26 along County Road A-043, also known as Omega Road, shall be a business zone allowing retail, office and restaurant without liquor. Any such business use shall not be dirty, unsightly, obnoxious, noisy, offensive or a nuisance and must be approved, in writing, by the Board Members of the Association prior to construction. Lodging facilities, multi-family housing and industrial uses are specifically prohibited.

Section 5. Animals shall be confined within the boundaries of each parcel; they shall not be allowed to graze on adjoining properties. Livestock must be kept in sanitary conditions. No pigs shall be raised on any of the lots within the subdivision with the exception of school or 4-H projects. Dogs must be

kept on leashes or within the boundaries of the lot owner's property. Dogs shall not be allowed to roam freely throughout the development.

Section 6. All structures, except antennas and windmills shall not be more than 30 feet in height.

Section 7. None of the lots in the Subdivision shall be re-subdivided into lots smaller nor conveyed in less than the full original dimension of such lot as shown on the plat, except for public or private utilities, in which event, the remaining portion of said lot shall be treated as a whole lot for the purpose of this provision.

Section 8. Reflective address signs for emergency purposes may be placed on the driveway and must be maintained by lot owner.

Section 9. All lots are restricted to one residence per lot and one guest house per lot except lots designated commercial which shall be allowed to have one home and one business oriented building. In no event shall the guesthouse be inhabited on a full time basis. All lots are restricted to one well per lot.

Section 10. Manufactured, prefabricated, pre-erected or modular homes are permitted upon all lots as a single family dwelling in addition to site built homes. Factory-built homes must have shingled roofs.

Manufactured, prefabricated, pre-erected or modular homes shall not exceed one year of age from the date it is moved on the development, or in the event it does, the Association Board must approve, in writing, that the age of the dwelling does not interfere with the conformity and aesthetics of the environment or development. No tires, stones or unsightly objects shall be placed on the roof of any dwelling. No shiny, galvanized or corrugated metal roofs are allowed on any manufactured homes or houses. Painted propanel metal roofs are approved.

Any site built dwellings that are to be inhabited shall be a minimum of 800 square feet in ground floor building area and shall be skirted if built on piers. Manufactured and/or modular homes must be a minimum of 16' x 52' and shall be blocked and set, either below or above ground level in a professional manner, with skirting completely around the base of the above ground dwelling. The skirting must be installed within two (2) months from the initial placing of the dwelling on the lot.

Section 11. Factory made recreational vehicles and travel trailers may be used on an occasional basis for recreational use and may be stored on the property. They may also be used as a temporary residence during construction of a site built home or during preparation of the property for a manufactured or modular home. In no event shall these be used as permanent residences or

in any way, be permanently attached to the land. Owners and/or their guest may not live in an RV, travel trailer or camp on the land in any other form for more than 6 months in any calendar year.

Section 12. Owners must install septic tanks on their lot if they park an RV or travel trailer and use it for more than two (2) months. The owner must comply with all state and/or county health department guidelines; whichever is more restrictive, when installing a septic system. If a residence is placed upon or permanently attached to the property, the owner is responsible for drilling his or her own well within six (6) months of the date of placement or completion.

Section 13. No shooting or hunting, including trapping shall be permitted within the subdivision.

Section 14. All survey pins and markers are to be left in the place and condition in which they were originally set.

ARTICLE IV

Section 1. INTERPRETATION OF RESTRICTIONS. The Board Members of the Association shall have the exclusive right to construe and interpret these restrictions, and their decision shall be final, conclusive and binding upon all persons and the Property.

Section 2. SEVERABILITY. Any determination by any court of competent jurisdiction that any provision in this instrument is invalid or unenforceable shall not affect the validity or enforceability of the remaining provisions of this instrument and the same shall remain in full force and effect.

Section 3. WAIVER OR ABANDONMENT. Except as otherwise specifically set forth in Section 5 hereof, the failure to enforce a breach or violation of any of the provisions of this instrument shall not constitute an abandonment or waiver of any right to enforce such provision or any subsequent breach or violation of such provision or of any of the other Restrictions herein set forth.


Section 4. ENFORCEMENT. These Covenants, Conditions and Restrictions which shall run with the Property and be a burden on the property, are for the exclusive benefit and protection of the property owners, and shall be enforceable by majority vote of the Board Members of the Association. The Board Members of the Association and their duly appointed agents are specifically authorized to remedy violations of any one or more of the

Restrictions herein by simultaneously seeking both damages and equitable relief.

Section 5. AMENDMENT: The Covenants, Conditions and Restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date the Declaration is recorded, after which time they shall be extended automatically for successive periods of ten (10) years. This Declaration may be amended from time to time by recording in the Office of the County Recorder of Catron County, New Mexico, an instrument in writing reciting said Amendment and signed (with signatures properly acknowledged) by seventy-five percent (75%) of the members of the Association.

Section 6. ANNEXATION: Developer reserves the right to comparably develop adjacent land and incorporate said adjacent land within this declaration by specific reference thereto. Any such expansion to be included within this declaration shall be subject to the terms and conditions of this declaration, but may include reasonable variances.

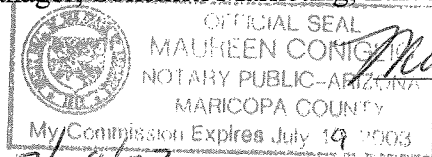
In Witness Whereof the undersigned has executed this instrument as of this 24th day of April, 2003.




Sonemex Marketing, L.L.C.
David Wolfswinkel, Manager

STATE OF: ARIZONA)
) SS.
COUNTY OF: MARICOPA)

The foregoing instrument was acknowledged before me this 24th day of April, 2003, by David Wolfswinkel, Manager, Sonemex Marketing, L.L.C.





Notary Public

My commission expires: 7/19/03

STATE OF NEW MEXICO, }
CATRON COUNTY, } ss

This instrument of writing was filed for record on the 28th day of Apr, A.D. 2003 at 1:45 o'clock P. M., and duly recorded in Vol. 111 of Misc on Page 109-114

Sharon Armijo
County Clerk

By MJR
Deputy