

The Law Offices of
Hakanson & Pruett, P.C.

John R. Hakanson, Licensed in New Mexico & Kansas

Lynne Pruett, Licensed in New Mexico

December 10, 2001

Mr. & Mrs. David Smith
P.O. Box 403
High Rolls, NM 88325

RE: Amended Restrictive Covenants for Blue Spruce Estates

Dear Mr. & Mrs. Smith:

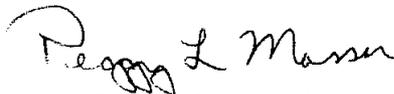
Enclosed please find the proposed Amended Restrictive Covenants for Blue Spruce Estates. Paragraph No. 4 has been remodified from the August 28, 2001 version I sent you. The acreage is now 9 1/2 acres instead of 9.

Please indicate your approval/disapproval at the bottom of this letter and return a copy of it to this office.

If you approve of the amending of the covenants, please sign the amended covenants in front of a notary public, and return it, along with a copy of the letter indicating your approval.

Thank you for your anticipated cooperation in this matter. If you have any questions, please call me at the number listed below.

Sincerely,


Peggy L. Massar, CLA

enclosure
cc: ERA Simmons Realty


APPROVE

DISAPPROVE

D:\Docs\Ltrs\Smith-David-3\plm

307 11th Street
Alamogordo, New Mexico 88310

Telephone (505)437-2874
Facsimile: (505)434-9794

**AMENDED RESTRICTIVE COVENANTS
BLUE SPRUCE ESTATES
OTERO COUNTY, NEW MEXICO**

WHEREAS, SAMUEL A. SCHAUER, LINDA G. SCHAUER, PAUL D. SMITH,
LEIGH A. SMITH, GENE L. SPAIN, SAMMY L. JACKSON, RALANA J. JACKSON,
GORDON C. PETERS and JULIA B. PETERS are the owners of the following described real
estate in Otero County, New Mexico:

Description: 42.342-acre tract, also known as "Blue Spruce Estates"

A tract of land located in the SE ¼ and the SW ¼ of Section 3, T. 16S, R
11E, N.M.P.M., Otero County, New Mexico, and being a portion of Tract
C as described in Book 751, Page 264, Otero County records, more
particularly described by metes and bounds as follows:

Beginning at the southeast corner of this tract from which the south 1/16
corner common to Sections 2 and 3, a U.S.F.S. aluminum cap found in
place bears S 88°36'42" E, 1531.73 feet, thence N 88°36'42" W, 1022.81
feet, coincident with the south line of said SE ¼; Thence N 88°35'58" W,
1277.34 feet, to the southwest corner of this tract; Thence N 04°21'40" E,
472.31 feet; Thence N 19°46'36" E, 433.39 feet; Thence N 04°11'45" W,
228.17 feet, to the northwest corner of this tract; Thence N 81°00'23" E,
22.19 feet; Thence S 06°17'26" E, 233.05 feet; Thence S 17°14'48" W,
259.87 feet; Thence N 72°33'59" E, 625.65 feet; Thence N 72°49'24" E,
109.96 feet; Thence N 89°36'10" E, 625.71 feet; Thence S 76°31'01" E,
901.95 feet, to the northeast corner of this tract; Thence S 03°23'38" W,
702.31 feet, to the beginning and containing 42.342 acres.

WHEREAS, more than two-thirds majority of the above-named owners desire to replace
the Restrictive Covenants as described in Book 833, Pages 814-817, and Book 899, Pages 991-
994 of the Otero County records in regard to the buildings and improvements thereon and other
matters as hereinafter set out upon and against all property in the tract.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the owners,
hereby declare and agree with all future purchasers of lots or building sites in the

RAS
P.D.S.

above named tract, that the following restrictions apply to all lots or building sites in the tract, and all conveyances of any lot or lots in the above named tract shall be subject to certain restrictions as follows:

1. All lots in the above named area shall be for residential purposes only. No structure shall be erected other than two detached single family dwellings and other structures incidental to residential use of the lot.
2. No building, barn, shed, or shelter shall be erected or permitted to remain on any lot nearer than fifty (50) feet to the front lot line, i.e. the line along the access road, nor nearer than twenty-five (25) feet to any other lot line.
3. No dwelling shall be constructed having a floor square area of less than 1200 square feet excluding porches, garages, and carports.
4. No lot containing less than nine and one-half (9½) acres shall be re-subdivided. Lots containing more than nine and one-half (9½) acres may be re-subdivided into two (2) lots of approximately equal size. Such re-subdivision can be done only once and must meet the subdivision regulations of Otero County, New Mexico.

The parcel of real property described below is exempt from the restrictions contained in paragraph four, insofar as it may be subdivided into two (2) unequal sized lots:

A tract of land in the NE ¼, SW ¼, SW ¼, of Section 3, Township 16 South, Range 11 East, NMPM, Otero County, New Mexico, described by metes and bounds as follows:

Starting at the southeast corner of said NE ¼, SW ¼, and going N 88°37'04" W along the south line of said NE ¼, SW ¼ a distance of 474.13 feet to the place of beginning of the tract of land herein described; thence continuing N 88°37'04" W a distance of 803.38 feet to the southwest corner of said NE ¼, SW ¼; Thence N 04°29'37" E a distance of 469.16 feet; Thence N 19°41'38" E a distance of 433.39 feet; Thence N 04°13'34" W a distance of 236.44 feet; Thence S 78°45'15" E a distance of 23.06 feet; Thence S 06°46'00" E a distance of 231.27 feet; Thence S 17°09'58" W a distance of 260.11 feet; Thence N 72°40'37" E a distance of 346.64 feet; Thence S 23°56'50" E a distance of 822.24 feet to the said place of beginning.

SUBJECT TO: Easements, restrictions, and reservations of record.

SUBJECT TO: Any set of facts which a physical inspection or accurate survey of the premises may reveal.

Together with the right of ingress and egress across the existing road that runs from the northeast corner of the property to the southeast corner of the above described property.

5. No mobile home, used or prefabricated building, modular, motor home, travel trailer, or fifth-wheel travel trailer shall be allowed on the property as a permanent residence except for temporary periods while residence is under construction and provided they are properly hooked up to septic tanks where appropriate and maintained in a clean and attractive fashion.
6. No basement, tent, shack, garage, barn or other outbuilding shall be used on any lot, at any time, as a residence. And further, no outhouse shall be used or built on the premises.
7. Construction, once commenced, as to the exterior, must be completed in one year.
8. No obnoxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.
9. No garbage, junk, obnoxious or offensive material shall be permitted to accumulate or be buried on any lot.
10. No more than one horse, or one cow, or one sheep, or two ostriches, or one of any other type of large animal may be kept on each full acre of land in the described lot. No swine shall be allowed.
11. No commercial activity shall be conducted on any lot other than occupations of or professions conducted by a member or members of a family residing upon the property when such activities are not a nuisance or annoyance to the neighborhood and provided no electrical or mechanical equipment, machinery, or materials are used in a manner to create a nuisance or disturbance to the neighborhood.
12. No inoperable equipment or inoperable motor vehicle may be kept on any lot unless the motor vehicle or equipment is garaged and out of sight.
13. All lot owners shall pay a yearly fee to maintain and repair the roadway that provides

access to all lots in the tract. This fee shall be determined by dividing the necessary total yearly fee by the number of property owners in the tract.

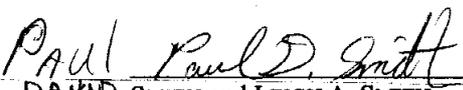
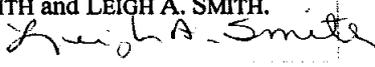
- 14. There shall be no more than one sign on any lot and that sign shall not be greater than eight (8) square feet in area.
- 15. Access easement.

These Covenants and Restrictions are to run with the land and shall be binding on all parties and all persons claiming under them.

If the parties hereto, or any of them, or their heirs or assigns, shall violate or attempt to violate any of the covenants or restrictions contained herein, it shall be lawful for the subdivider, his successors or assigns or any other person or persons owning any lot in said tract to prosecute any proceedings at law, or in equity, against the person or persons violating or attempting to violate any such covenant or restrictions and either prevent him or them from so doing, or to recover damages or other dues for such violation including reasonable attorneys' fees for bringing such action.

Invalidation of anyone of these covenants by judgment or court order shall in no wise affect any of the provisions which shall remain in full force and effect.

These restrictive covenants may be altered, amended, replaced, or waived by a two-thirds (2/3) vote of owners of a fee or equitable title, when purchased under a contract, with each owner being entitled to one (1) vote per lot. When more than one person holds ownership in a lot, the vote of such lot shall be exercised as they may among themselves determine, but in no event shall more than one (1) vote per lot be cast.


 PAUL D. SMITH and LEIGH A. SMITH.


4-2-02
 DATE

ACCESS AND UTILITY EASEMENT

A 50 FOOT EASEMENT FOR THE PURPOSE OF INGRESS AND EGRESS AND UTILITIES,
IN N 1/2 SE 1/4 AND THE N 1/2 SW 1/4 OF SECTION 3, T.16S., R.11E., N.M.P.M.,
OTERO COUNTY, NEW MEXICO AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 50 FOOT EASEMENT BEING 25 FEET EITHER SIDE OF THE FOLLOWING DESCRIBED
CENTER LINE:

BEGINNING AT A POINT FROM WHICH THE SOUTHEAST CORNER OF THE N1/2 SE1/4
OF SAID SECTION 3, BEARS S.44°35'04"E., 1801.00 FEET AND THE SOUTHEAST
CORNER OF SMALL TRACTS ACT SURVEY, NEW MEXICO NUMBER 63 BEARS
N.56°15'27"W., 113.10 FEET, THENCE S.10°25'20"W., 277.75 FEET, THENCE
S.61°01'37"W., 66.43 FEET, THENCE ON A CURVE TO THE LEFT HAVING A RADIUS OF
140.40 FEET AND A CHORD OF S43°15'31"W., 85.71 FEET, THENCE ON A CURVE
TO THE RIGHT HAVING A RADIUS OF 185.02 FEET AND A CHORD OF S.37°41'23"W.,
78.19 FEET, THENCE S.49°53'21"W., 67.20 FEET, THENCE ON A CURVE TO THE
LEFT HAVING A RADIUS OF 216.22 FEET AND A CHORD OF S.34°22'48"W., 115.63
FEET, THENCE S.18°52'15"W., 15.22 FEET, THENCE ON A CURVE TO THE RIGHT HAVING
A RADIUS OF 130.20 FEET AND A CHORD OF S.37°56'15"W., 85.06 FEET, THENCE
S.57°00'15"W., 479.94 FEET, THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS
OF 37.78 FEET AND A CHORD OF N.68°45'27"W., 61.31 FEET, THENCE ON A CURVE
TO THE LEFT HAVING A RADIUS OF 60.34 FEET AND A CHORD OF N.44°38'09"W., 60.55
FEET, THENCE N.74°45'10"W., 26.52 FEET, THENCE ON A CURVE TO THE LEFT HAVING A
RADIUS OF 110.23 FEET AND A CHORD OF S.85°18'10"W., 75.20 FEET, THENCE
S.65°21'29"W., 50.85 FEET, THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS 38.64
FEET AND A CHORD OF N.57°25'18"W., 64.97 FEET, THENCE N.00°12'06"W., 42.79
FEET, THENCE ON A CURVE TO THE LEFT HAVING A RADIUS OF 79.29 FEET AND A
CHORD OF N.34°56'51"W., 90.39 FEET, THENCE N.69°41'37"W., 378.39 FEET,
THENCE ON A CURVE TO THE LEFT HAVING A RADIUS 80.36 FEET AND CHORD OF
S.78°24'58"W., 84.91 FEET, THENCE ON A CURVE TO THE LEFT HAVING A RADIUS
OF 108.46 FEET AND A CHORD OF S.27°09'41"W., 71.92 FEET, THENCE S.07°47'
48"W., 145.30 FEET, THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 148.54
FEET AND A CHORD OF S.22°52'05"W., 77.25 FEET, THENCE S.37°56'22"W., 12.46
FEET, THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 77.84 FEET AND A
CHORD OF S.65°08'13"W., 71.15 FEET, THENCE N.87°39'56"W., 19.64 FEET, THENCE ON
CURVE TO THE LEFT HAVING A RADIUS OF 57.72 FEET AND A CHORD OF S.57°36'51"W.,
65.76 FEET, THENCE S.22°53'37"W., 53.99 FEET TO A POINT ON THE WEST BOUNDARY
OF A 10.00 ACRE TRACT BELONGING TO PAUL D. SMITH AND THE END OF THIS EASEMENT.

