

WELL AGREEMENT

This Agreement is made among the [OWNER or OWNERS] of the real property described on Exhibit "A" hereto and may be executed in counterparts.

WHEREAS the Owners intend to be users of water from a well located on the WELLSITE described on Exhibit "B";

WHEREAS the WELLSITE contains personal property consisting of a pump or pumps, storage tank and associated mechanical and electrical components; and

WHEREAS a distribution system from the WELLSITE to the parcels described on Exhibit "A" hereto has been constructed and OWNER has acquired an interest therein;

THEREFORE, the OWNERS agree:

1. OWNERS associate for the limited purpose of operating, maintaining and, if necessary, replacing the well, equipment and distribution system.
2. OWNERS shall appoint a WATER MANAGER to be in charge of the operation, maintenance, repair and/or replacement of the well and its equipment. WATER MANAGER shall keep accurate books and records of the financial affairs for the Association, shall pay all bills and taxes as they become due and keep the OWNERS informed. The WATER MANAGER shall make the business records of the Association available to

any OWNER for inspection and copying.

3. WATER MANAGER shall establish a bank account for the Association and shall collect from OWNER each month the sum of TWENTY-FIVE DOLLARS (\$25.00) which shall be used for the operation, maintenance, repair and replacement of the well and its equipment including the distribution system. Excess income over current expenses shall be accumulated as a reserve for repair and replacement of the well and equipment.
4. Each OWNER shall have the right to take water from the well for the reasonable domestic use on OWNER'S parcel as long as they are not in default under their obligations under this Agreement. Water shall only be used on the parcels described in Exhibit "A" for non-commercial purposes.
5. Upon notice by the WATER MANAGER, OWNERS agree to share proportionately any and all necessary additional expense of repair, maintenance, renewal and upgrading of the well and associated equipment and distribution system.
6. In the event any OWNER fails to pay the monthly TWENTY-FIVE DOLLAR (\$25.00) water well fee that OWNER expressly grants the right to the other OWNERS to terminate and discontinue access to the water from the well if the default continues for sixty (60) days after notice.
7. In the event the TWENTY-FIVE DOLLAR (\$25.00) monthly fee is

not paid within ten (10) days of the first of the month then a TEN DOLLAR (\$10.00) late charge will apply and the total fee due that month will be THIRTY-FIVE DOLLARS (\$35.00).

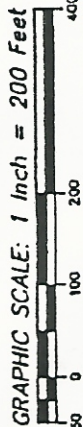
8. In the event of default in this Agreement, in addition to the rights and remedies provided herein, the OWNERS shall have all rights and remedies one against the other available at law or in equity.
9. The OWNERS mutually consent to the recording of this well Agreement in the office of the Pima County Recorder.
10. This Agreement is intended to run with the land and shall be recorded as a covenant, condition and restriction upon the property of the OWNERS hereto described in Exhibit "A". A deed or contract for purchase of any property described in Exhibit "A" shall be deemed an agreement to be bound by the terms of this Agreement.
11. This Agreement shall be binding upon the heirs, assigns, trustees and successors-in-interest of the OWNERS of the parcels described on Exhibit "A".
12. It is expressly understood and agreed that the OWNERS shall not cause their parcels to be further divided or fractionalized to any other party without the express written consent of all OWNERS hereto or their successors.
13. The OWNERS acknowledge that this writing contains the entire agreement and there are no oral agreements or understandings

not contained in this Agreement.

14. This Agreement may be modified by a writing signed by the OWNERS of seven (7) or more parcels.
15. So long as the OWNER is not in default hereunder any OWNER may drill a well and quit claim OWNER'S interest herein to the other OWNERS and be under no further obligation under this Agreement.
16. In the event any OWNER to this Agreement seeks to enforce this Agreement against the other OWNER or OWNERS the OWNER deemed to have substantially prevailed in its cause of action shall have the right to recover its costs and reasonable attorney's fees, including expert witness fees from the other OWNER or OWNERS.

LEGEND

- SET 1/2" REBAR TAGGED "RLS 23379"
- FOUND MONUMENT AS NOTED

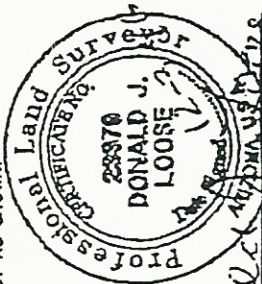


PROJECT No. 96291 11/26/96
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RESULTS OF SURVEY OF A PORTION OF E. 1/2 OF THE NE 1/4 OF SECTION 9, T-17-S, R-15-E, PIMA COUNTY, ARIZONA.

CERTIFICATION OF SURVEY

THIS IS TO CERTIFY THAT THIS SURVEY WAS PERFORMED UNDER MY DIRECTION DURING THE MONTH OF NOVEMBER, 1996 AND THAT ALL MONUMENTS EXIST AS SHOWN.



Wen
 DONALD J. LOOSE
 PROFESSIONAL LAND SURVEYOR
 ARIZONA REGISTRATION No. 23379

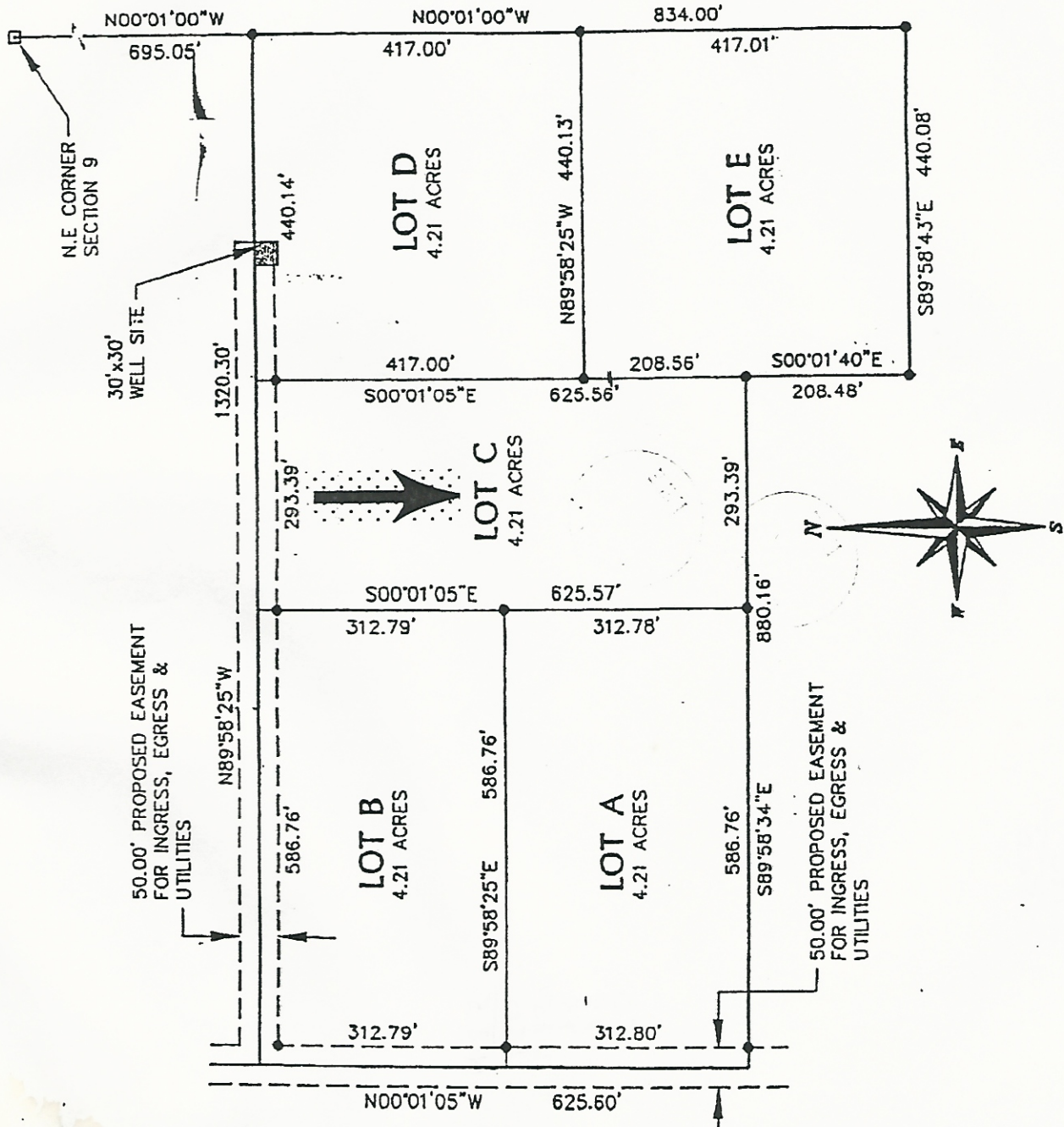
ARROW ENGINEERING CO.

3121 E. KENDALE RD. PHONE(602)881-2155
 TUCSON, AZ. 85716 FAX(602)881-2466

CIVIL ENGINEERS

LAND SURVEYORS

LAND PLANNERS



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