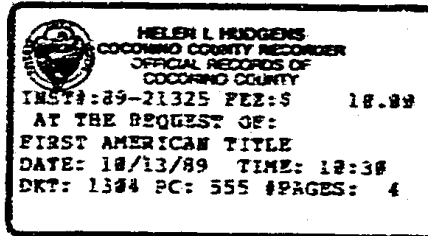


WHEN RECORDED, RETURN TO:  
John W. Chapman  
SWEEL & WILMER  
3100 Valley Bank Center  
Phoenix, Arizona 85073



DECLARATION OF EASEMENTS

THIS DECLARATION OF EASEMENTS is made as of the  
9th day of October, 1989, by HOOVER PROPERTIES, INC.,  
a Texas corporation ("Declarant").

RECITALS:

A. Declarant is the owner of fee title to that  
certain parcel of real property situated in Yavapai and  
Coconino Counties, Arizona, and described on Exhibit "A"  
attached hereto and by this reference incorporated herein  
(the "Property").

B. Declarant desires to grant easements upon,  
over and across certain portions of the Property as more  
particularly hereinafter set forth.

DECLARATION

NOW, THEREFORE, Declarant does hereby grant,  
establish, convey, create and declare that the Property  
shall be held, sold and conveyed subject to the easements  
set forth below, which easements are for the benefit of  
the Property, and the persons and entities described  
below, all of which easements are declared to run with the  
land and declared to be binding upon all parties having or  
acquiring any right or title in the Property, including  
the heirs, successors, grantees and assigns of such  
parties, and which easements are as follows:

EASEMENTS

Declarant hereby grants and conveys to the  
following persons and entities:

- (a) the general public;
- (b) any public service corporation  
regulated pursuant to Arizona Revised  
Statutes § 40-251, et seq., and as  
subsequently amended; and

1304-555

(c) any political subdivision of the State of Arizona or the United States of America providing governmental services to the Property, including, but not limited to, police services, fire protection services, refuse collection services, and mail services,

a perpetual, nonexclusive easement for: ingress, egress and access; right-of-way; installation, maintenance, repair and removal of necessary public utilities; and the provision of necessary governmental services, upon, over, under and across those portions of the Property described as follows:

Thirty (30) feet as measured from either side of that centerline of road as such road is depicted on those certain Exhibits to Accompany Descriptions for Right of Way Application, prepared by Collar. Williams & White Engineering, Inc. (Job No. 880413) recorded on October 13, 1989 in Book 7 Page 90, 90A, 90B, 90C, \* of Official Records of Yavapai County, Arizona.  
CO006150

together with the right to clear and keep clear all trees and other obstructions as is legally allowable and as may be necessary in connection with the easements granted hereunder, and the reasonable permitted use and enjoyment thereof.

#### INDEMNIFICATION

Each and every person or entity exercising any rights granted hereunder shall indemnify and hold the Declarant and the owner(s) of all or any portion of the Property, harmless for, from and against all claims, costs, including court costs, damages, expenses, fees, including expert witness fees and attorneys' fees, liability and loss arising out of or in connection with the exercise of such rights by such persons or entities.

\* DATED the day and year first above written.

90A, 90E, 90F.

HOOVER PROPERTIES, INC., a  
Texas corporation

By J. W. Pull  
Its President

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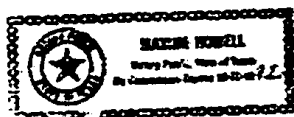
STATE OF TEXAS )  
 ) ss:  
County of GRAY )

The foregoing instrument was acknowledged before me this 9th day of October, 1989, by J. W. Campbell, the President of HOOVER PROPERTIES, INC., a Texas corporation, for and on behalf of such corporation.

M. David Hamilton  
Notary Public

My commission expires:

October 31, 1992



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EXHIBIT "A"

COCONINO COUNTY PROPERTY:

No. 83281 T

PARCEL NO. 1:

Section 3, Township 22 North, Range 4 West of the Gila and Salt River Base and Meridian, Coconino County, Arizona.

PARCEL NO. 2:

Section 7, Township 23 North, Range 3 West of the Gila and Salt River Base and Meridian, Coconino County, Arizona.

EXCEPT an undivided 1/3 interest in and to all of the oil, gas and other minerals, as set forth in Deeds recorded in Docket 155, Page 93, in Docket 155, Page 96, in Docket 155, Page 99, in Docket 155, Page 102, in Docket 155, Page 105, in Docket 155, Page 108 and in Docket 155, Page 111.

PARCEL NO. 3:

Sections 1, 3, 5, 11, 15, 21, 27, the Southeast quarter of the Southeast quarter of Section 10, the North half of Section 12, and the Northeast quarter of the Northeast quarter of Section 28, Township 23 North, Range 4 West of the Gila and Salt River Base and Meridian, Coconino County, Arizona.

EXCEPT an undivided 1/3 interest in and to all of the oil, gas and other minerals, as set forth in Deeds recorded in Docket 155, Page 93, in Docket 155, Page 96, in Docket 155, Page 99, in Docket 155, Page 102, in Docket 155, Page 105, in Docket 155, Page 108 and in Docket 155, Page 111.

PARCEL NO. 4:

All of Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, 27, 28, 29, 30, 31, 33, 34 and 35 in Township 24 North, Range 4 West of the Gila and Salt River Base and Meridian, Coconino County, Arizona.

EXCEPT all coal and other minerals as reserved in the Patent from the United States of America. (Affects East half of Section 34, Township 24 North, Range 4 West); and ..

EXCEPT an undivided 1/3 interest in and to all of the oil, gas and other minerals, as set forth in Deeds recorded in Docket 155, Page 93, in Docket 155, Page 96, in Docket 155, Page 99, in Docket 155, Page 102, in Docket 155, Page 105, in Docket 155, Page 108 and in Docket 155, Page 111.

RESERVING UNTO the Seller from Parcels 1 through 4 above, all grazing rights, oil, gas and other mineral rights, waterholes and underground commercial water rights, together with any right-of-way which may be reasonably necessary to have physical access to and/or to utilize the oil, gas and other mineral rights, waterholes, and underground commercial water rights.

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EXHIBIT "A" (CONT)

YAVAPAI COUNTY PROPERTY:

Sections 1 and 17, Township 22 North, Range 4 West of the Gila and Salt River  
Base and Meridian, Yavapai County, Arizona.

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