

**GRANT OF POWER LINE
AND RELATED FACILITIES**

IN CONSIDERATION of payment of \$1.00, the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, BILLORADO PROPERTIES, a Colorado general partnership ("Grantor"), hereby grants, conveys and transfers to SAN MIGUEL POWER ASSOCIATION, INC., a Colorado corporation ("Grantee"), the following underground power distribution line and related facilities (the "Power Line"):

- a. That certain electrical power distribution line together with all appurtenant structures installed during 1995 within the Brown Ranch development, San Miguel County, Colorado and located within the Brown Ranch Road easement north of the intersection with Gutshall Road and south of the intersection with the south line of the N ½ N ½ of Section 30 of Brown Ranch North (as well as the Gutshall Road easement, the Gutshall Lane easement, the Eagles Nest Road easement, the Eagle's Nest Lane easement, the Lundberg Road easement and the driveways in Lots 4 and 6 of Brown Ranch East).
- b. These easements are further described on the Brown Ranch East Plat recorded on 8/23, 1995 in Plat Book 1, at Page 1914, Brown Ranch West Plat recorded on 1/17, 1995 in Plat Book 1, at Page 1796, Brown Ranch Estates Plat recorded on 8/23, 1995 in Plat Book 1, at Page 1913, and Brown Ranch North Plat recorded on 7/18, 1996 in Plat Book 1, at Page 2072.
- c. The Power Line is further described by San Miguel Power Association staking sheets dated 6/13/95 consisting of 19 sheets for Work Order # 5306, except those portions of the Power Line located within the driveways for Lots 1, 2, 3, and 5 of Brown Ranch East and north of the south line of N ½ N ½ of Section 30 of Brown Ranch North. That portion of the power line within Eagles Nest Lane is described by San Miguel Power Association staking sheets for work order # 6411.
- d. The Power Line covered by this grant of rights specifically excludes all electrical power distribution line or appurtenant structures installed by McKenzie Springs Ranch or Telluride Solutions Master Limited Partnership.
- e. All cable, conduit or other electrical facilities constituting part of Power Line shall remain the property of Grantee.

GRANTOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY, OR PERFORMANCE OF THE POWER LINE OR OF MATERIAL OR WORKMANSHIP THEREOF, IT BEING AGREED THAT THE POWER LINE IS SOLD, GRANTED, CONVEYED AND TRANSFERRED HEREBY "AS-IS" AND THAT ALL SUCH RISKS ARE TO BE BORNE BY GRANTEE.

The foregoing notwithstanding, Grantor hereby grants, conveys and transfers to Grantee, its successors and assigns, any and all warranties and rights, if any, Grantor has from contractors under the contracts to construct the Power Line.

Grantor covenants and warrants to Grantee, its successors and assigns, that the Power Line is being granted, conveyed and transferred hereby free and clear of any and all liens and encumbrances of record.

Executed by Grantor on July 30, 1996.

BILLORADO PROPERTIES,
a Colorado general partnership

By: William W. Carstens
William W. Carstens, Trustee
Under Trust Dated 2/7/80,
as amended, its general partner

STATE OF COLORADO)

) ss.

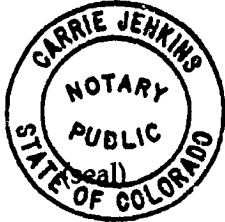
COUNTY OF SAN MIGUEL)

SUBSCRIBED AND SWORN TO before me this 30th day of July, 1996 by WILLIAM W. CARSTENS, Trustee under Trust dated February 7, 1980, general partner of BILLORADO PROPERTIES, a Colorado general partnership.

WITNESS my hand and official seal.

MY COMMISSION EXPIRES:
December 17, 1997

My commission expires: _____



Carrie Jenkins
Notary Public

ACCEPTED AND AGREED TO THIS 15th DAY OF August, 1996

GRANTEE:

SAN MIGUEL POWER ASSOCIATION, INC.
a Colorado corporation

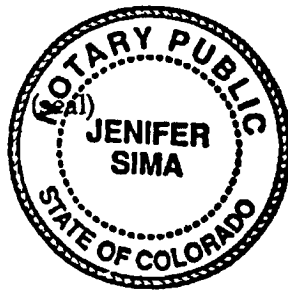
By: Gary N. Norton
Name: GARY N. NORTON
Title: GENERAL MANAGER

STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

SUBSCRIBED AND SWORN TO before me this 15th day of August, 1996 by
Darry Norton as General Manager of
San Miguel Power Association, Inc.

WITNESS my hand and official seal.

My commission expires: 10-12-99



Jenifer Sima
Notary Public

**EASEMENT FOR POWER LINE AND
RELATED FACILITIES**

This is a conveyance of an easement of an underground power line and related facilities from the individual(s), corporation(s), partnership(s), or other entity(ies), named below as GRANTOR to SAN MIGUEL POWER ASSOCIATION, INC., a Colorado Corporation (GRANTEE).

The GRANTOR hereby sells and conveys to GRANTEE an easement, described below, and GRANTOR warrants the title to the easement.

The specific terms of this grant of easement are as follows:

GRANTOR: Billorado Properties, a Colorado general partnership

LOCATION OF EASEMENT(S): See attached Exhibit "A".

RIGHTS GRANTED: This easement grants the following rights:

1. The right to erect, construct, reconstruct, replace, remove, maintain, upgrade to meet changing needs, and use (a) an underground electrical distribution transmission systems, and all necessary and proper foundations, footings, cross-arms, and other appliances and fixtures for use in connection with such wires and cables, together with the right-of-way on, along, and in all of the above described easement.
2. The right, at GRANTEE's option, at any future date, to replace any underground facilities described above used for the same or similar purposes and to reconstruct, replace, remove, maintain and upgrade such underground facilities.
3. The right of access to and from the described easement over and across the adjoining land of GRANTORS by means of existing roads, if any, or, otherwise, by such route or routes as will cause the least damage and inconvenience to GRANTOR.
4. The right to install, maintain and use gates in any fences which now cross or shall hereafter cross the described easement
5. The consideration for the grant of easement is One and no/100 Dollars (\$1.00), receipt of which is hereby acknowledged by GRANTOR.

GRANTOR shall have the right to use the described easement for any purpose which is not inconsistent with GRANTEE's enjoyment of the rights granted, provided that the GRANTOR shall not erect or construct, without GRANTEE's written consent, any building or other structure, or drill or operate any well within the described easement.

All cable, conduit or other facilities, including any main service electrical equipment installed within the easement area shall remain the property of GRANTEE.

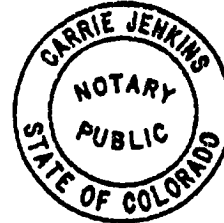
The GRANTEE shall make all reasonable efforts to repair any damage which GRANTEE may cause to GRANTOR's property.

Executed by GRANTOR(s) on July 30, 1996.

Signature Clause for
Corporation, Partnership
or other entity:

Billorado Properites, a Colorado general partnership

By: William W. Carstens
William W. Carstens, Trustee UTD dated
February 7, 1980 as general partner



STATE OF COLORADO
SAN MIGUEL COUNTY

The foregoing instrument was acknowledged before me this 30th day of July, 1996 by
William W. Carstens, Trustee UTD February 7, 1980 - General
Partner of Billorado Properties

My commission expires: _____

MY COMMISSION EXPIRES:
December 17, 1997

Carrie Jenkins
Notary Public

ACCEPTANCE BY GRANTEE

GRANTEE accepts the terms of this Easement.

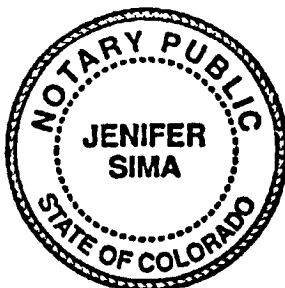
San Miguel Power Association, Inc., a Colorado Corporation:

By: Gary D. Norton

STATE OF COLORADO
SAN MIGUEL COUNTY

The foregoing instrument was acknowledged before me this 15th day of August, 1996 by
Gary D. Norton of San Miguel Power Association, Inc., a Colorado Corporation.

My commission expires: 10-12-96



Jenifer Sima
Notary Public

EXHIBIT "A"

An underground utility easement within Brown Ranch Road, Lundberg Road, Gutshall Road, Gutshall Lane, Eagles Nest Road and Eagles Nest Lane excepting the following, (i) approximately 250 feet, beginning at the intersection of the Brown Ranch Road with San Miguel County Road X-48 and continuing in a northerly direction until the Calvin Morris Johnson, Jr. and Mary Joanne Johnson (Johnson) utility easement is intersected (Johnson easement provides utility access to San Miguel County Road X-48) and (ii) any portion of the Brown Ranch Road within Section 19 and N ½ N ½ of Section 30, Township 45 North, Range 10 West, N.M.P.M.. The utility easements are more particularly described on the Brown Ranch East Plat recorded on 8/23, 1995 in Plat Book 1, at Page 1914, Brown Ranch West Plat recorded on 1/17, 1995 in Plat Book 1, at Page 1796, Brown Ranch Estates Plat recorded on 8/23, 1995 in Plat Book 1, at Page 1913, and Brown Ranch North Plat recorded on 7/18, 1996 in Plat Book 1, at Page 2072.

MAP OF BROWN RANCH ROADS MAINTENANCE ASSOCIATION

Showing Boundaries and
Road and Utilities Easements
in

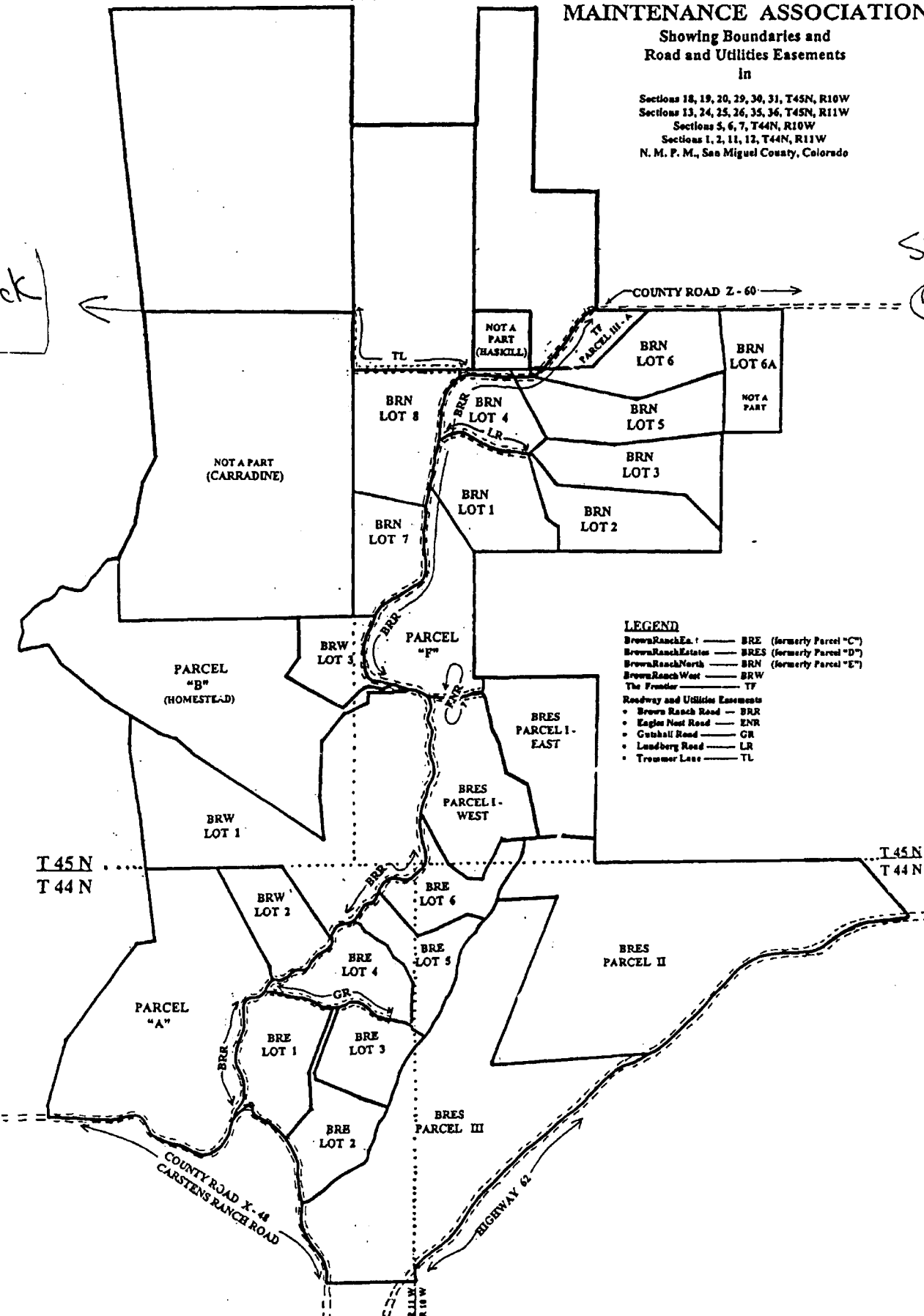
Sections 18, 19, 20, 29, 30, 31, T45N, R10W
Sections 13, 24, 25, 26, 35, 36, T45N, R11W
Sections 5, 6, 7, T44N, R10W
Sections 1, 2, 11, 12, T44N, R11W
N. M. P. M., San Miguel County, Colorado

B: 566 P: 335 306969

R11W
R10W

Mck

SJR



- LEGEND**
- Brown Ranch East — BRE (formerly Parcel "C")
 - Brown Ranch Estate — BRES (formerly Parcel "D")
 - Brown Ranch North — BRN (formerly Parcel "E")
 - Brown Ranch West — BRW
 - The Frontier — TF
 - Roadway and Utilities Easements
 - Brown Ranch Road — BRR
 - Eagle Nest Road — ENR
 - Cutshall Road — GR
 - Landberg Road — LR
 - Troummer Lane — TL