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State of Colorado )  
County of San Miguel.)<sup>ss</sup>

Filed for record: February 8, 1991. Time: 10:30 A.M. and  
duly recorded in Book 474 Pages 850-928.

Gay Capps-Recorder

By *Katherine Green*

Deputy

**RESOLUTION OF THE BOARD OF COMMISSIONERS,  
SAN MIGUEL COUNTY, COLORADO,  
GRANTING PRELIMINARY APPROVAL  
FOR THE ALDASORO RANCH PLANNED UNIT DEVELOPMENT**

**Resolution #1991-06**

WHEREAS, ALDASORO LTD. seeks preliminary approval for the Aldasoro Ranch Planned Unit Development;

WHEREAS, the Preliminary Development Plan Approval for the Aldasoro Ranch Planned Unit Development describes in detail the findings and conditions, except for two additional conditions listed herein, upon which preliminary PUD approval by the Board of County Commissioners is based; and

WHEREAS, the Board of County Commissioners considered this application, along with relevant evidence and testimony, at a public hearing on Feb. 7, 1991.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of San Miguel County, Colorado, hereby grants preliminary approval for the Aldasoro Ranch Planned Unit Development and approves the Preliminary Development Plan Approval for the Aldasoro Ranch Planned Unit Development, contingent upon the developer:

Amending Paragraph 9.14 of the General Declaration, prior to recording the General Declaration for the Aldasoro Ranch, to include Paragraph 5.9 of the General Declaration in the list contained therein.

APPROVED by the Board of County Commissioners of San Miguel County, Colorado, at its regular meeting on Feb. 7, 1991.

BOARD OF COUNTY COMMISSIONERS

By: *Carmen N. Lawrence*  
Carmen N. Lawrence, Chairman

ATTEST:

By: *Barbara Stevenson*  
Deputy Clerk

ORIGINAL

PRELIMINARY DEVELOPMENT PLAN APPROVAL  
FOR  
THE ALDASORO RANCH PLANNED UNIT DEVELOPMENT

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17/02/01/91

PRELIMINARY DEVELOPMENT PLAN APPROVAL

FOR

THE ALDASORO RANCH PLANNED UNIT DEVELOPMENT

EFFECTIVE DATE: February 7, 1991

1. INTRODUCTION.

WHEREAS, pursuant to the San Miguel County Land Use Code ("Land Use Code"), Aldasoro LTD., a Colorado limited partnership for itself and on behalf of Aldasoro Brothers, a Colorado general partnership, collectively referred to hereafter as "Aldasoro", have applied to San Miguel County ("County") for and hereby are granted Low Density Zone District zoning and P.U.D. approval for the real property described in Exhibit DP-1 that is attached hereto and incorporated herein by this reference. The real property described in Exhibit DP-1 shall be referred to hereafter as the "P.U.D."; and

WHEREAS, pursuant to the Land Use Code, Aldasoro has applied to the County and hereby is granted Low Intensity Industrial Zone District zoning for the real property described in Exhibit DP-2 ("Airport Park"), which is attached hereto and incorporated herein by this reference, in accordance with the Telluride Area Regional Master Plan; and

WHEREAS, pursuant to the Land Use Code, Aldasoro has applied to the County and hereby is granted Forestry, Agricultural and Open Zone District zoning for the real property described in Exhibit DP-2 ("Sheep Ranch"); and

WHEREAS, the P.U.D., the Airport Park and the Sheep Ranch were previously zoned as a Planned Unit Development-Reserve district pursuant to the Land Use Code; and

WHEREAS, pursuant to the Land Use Code, at a public meeting held on December 12, 1990, which was properly noticed in accordance with the Land Use Code, the San Miguel County Planning Commission, referred to hereafter as "Planning Commission", recommended approval of the Preliminary Development Plan and the Preliminary Plat submitted by Aldasoro; and

WHEREAS, pursuant to the Land Use Code, at a public hearing held on February 7, 1991, which was properly noticed in accordance with the Land Use Code, the San Miguel County Board of County Commissioners, referred to hereafter as "Board", approved the Preliminary Development Plan and the Preliminary Plat submitted by Aldasoro, thereby rezoning the P.U.D. to Low Density Zone District, the Airport Park to Low Intensity Industrial Zone District and the Sheep Ranch to Forestry, Agricultural and Open Zone District; and

WHEREAS, the Planning Commission and the Board approved the development plan submitted by Aldasoro pursuant to the terms and conditions set forth in this Preliminary Development Plan Approval For The Aldasoro Ranch Planned Unit Development, referred to hereafter as "P.U.D. Plan"; and

WHEREAS, the Planning Commission recommended and the Board have found that the rezoning of the P.U.D., the Airport Park and the Sheep Ranch pursuant to this P.U.D. Plan conforms to the Telluride Area Regional Master Plan, referred to hereafter as "Master Plan".

2. AFFORDABLE HOUSING.

WHEREAS, it is an objective of the Master Plan to encourage development to provide affordable housing; and

WHEREAS, Affordable Housing means housing restricted by the County's R-1 Deed Restriction; and

WHEREAS, it is the policy of the Master Plan to provide on-site affordable housing as part of each development in the Telluride Region; and

WHEREAS, Aldasoro voluntarily agreed to provide affordable housing lots for 15% of the population of the P.U.D.

NOW THEREFORE be it resolved that:

- 2.1 15%. In this P.U.D. Affordable Housing lots shall equal 15% of the lots in the P.U.D.
- 2.2 2-Year Interval. At every 2-year interval after the recording of the first final plat within the P.U.D., the then final platted Affordable Housing lots will be equal to at least 15% of the then platted lots in the P.U.D.
- 2.3. R-1 Housing Deed Restriction. All Affordable Housing lots located within the P.U.D. shall be guaranteed by the execution of the County's R-1 Housing Deed Restriction at the time of the final platting of the Affordable Housing lots.
- 2.4 Accessory Dwelling Unit. One Accessory Dwelling Unit, as defined in paragraph 26.1, may be constructed in conjunction with each single family Dwelling Unit constructed in the P.U.D., subject to the standards of the Land Use Code. Accessory dwelling units constructed in conjunction with single family units shall not be deed restricted or credited toward meeting Aldasoro's 15% Affordable Housing lot obligation.

3. QUALITY CONSTRUCTION.

WHEREAS, it is an objective of the Master Plan and Aldasoro Ltd. to encourage architectural styles that are compatible with the Telluride Region and practical for the regional climate.

NOW THEREFORE, be it resolved that:

- 3.1 Design Regulations. Aldasoro Ltd., in conjunction with the Design Review Board ("DRB") of The Aldasoro Ranch Homeowners Company, shall promulgate specific land use and architectural restrictions covering all property within the P.U.D. in order to insure that resulting construction within the P.U.D. will accomplish the following:
  - 3.1.1 Minimize the impact of the development on the landscape.
  - 3.1.2 Preserve unique physical characteristics.
  - 3.1.3 Minimize visual impact from both within and outside the development.
  - 3.1.4 Preserve and enhance property values.
  - 3.1.5 Promote a safe, comfortable and harmonious living situation.
  - 3.1.6 Prevent excessive or unsightly grading.
  - 3.1.7 Prevent indiscriminate earthmoving or clearing of property.
  - 3.1.8 Insure that the location and configuration of structures do not unreasonably block or impair scenic views and solar access for surrounding sites.
  - 3.1.9 Insure that adequate landscaping and revegetation occurs in conjunction with any construction.
  - 3.1.10 Insure that building design, location and construction techniques respond to energy consumption and environmental

quality considerations.

- 3.1.11 All exterior lighting will be shielded in a manner that will prevent the direct view of light bulbs from offsite and avoid excessive light and glare. Additionally, lights such as sodium vapor lights will not be allowed within the P.U.D.
- 3.1.12 Primary roofing materials will be non-metallic and non-reflective.

3.2 Minimum Construction Standards. The design regulations shall include but shall not be limited to the following minimum design standards:

- 3.2.1 Roofs shall be insulated to a minimum of R-30.
- 3.2.2 Walls shall be insulated to a minimum of R-19.
- 3.2.3 Openings in exterior walls and roofs shall be caulked all around.
- 3.2.4 Windows shall be double or triple glazed.
- 3.2.5 Windows and doors shall be weather stripped.
- 3.2.6 At all times the DRB shall enforce, to the extent permitted by law, the requirements set forth in this paragraph.

3.3 Building Permit and Certificate of Occupancy Limitation. No excavation permit, building permit or similar permit shall be issued by the County for the construction of Site Improvements, as defined in paragraph 3.3.1, unless the applicant has received a Certificate of Approval from the Design

Review Board pursuant to the Design Regulations. No temporary or final certificate of occupancy shall be issued by the County for any Site Improvements unless the applicant has received a Certificate of Compliance from the Design Review Board pursuant to the Design Regulations.

3.3.1 Site Improvements. Site Improvements shall include any improvements, regardless of nature, that the owner of any lot desires to construct on or in relation to his lot. Site Improvements shall not include infrastructure and landscape improvements performed by Aldasoro or its agents or designees in relation to the development of the project.

4. TRANSPORTATION.

WHEREAS, the Master Plan requires all new developments to mitigate the transportation impacts they create; and

WHEREAS, due to the low density residential nature of the P.U.D., Aldasoro does not have to provide an alternate transportation system; and

WHEREAS, Aldasoro nevertheless has agreed to participate in preserving easements for alternate transportation corridors; and

WHEREAS, at the request of Aldasoro, Felsburg Holt & Ullevig have prepared that certain Traffic Impact Study: ALDASORO RANCH, November 1990 ("Transportation Study"); and

WHEREAS, the Transportation Study has shown that the P.U.D. will not generate a transportation demand that will require any form of mass transportation; and



WHEREAS, the P.U.D. will nevertheless produce transportation impacts and, therefore, Aldasoro has agreed to participate in funding regional transportation in full and complete satisfaction of any real or perceived need to mitigate transportation impacts; and

WHEREAS, Aldasoro may pay the cost of its internal and regional transportation obligations through such fees, taxes, assessments and charges as it may impose; and

WHEREAS, the County has determined that all persons developing property in the Telluride Region and all persons using or benefiting from the internal and regional transportation systems should pay their fair share of all costs of the transportation systems; and

WHEREAS, Aldasoro desires to provide a mechanism to mitigate any transportation impacts that may be created by the development and sale of the Sheep Ranch into parcels containing less than or equal to 100 acres; and

WHEREAS, Aldasoro is not obligated to mitigate the impacts created by the owners, lessees, residents, guests, invitees and licensees of other portions of the Telluride Region.

NOW THEREFORE, be it resolved that:

- 4.1 County or Regional Transportation Entity. On an equitable basis pursuant to paragraph 4.4.1, Aldasoro shall share in the provision of capital facilities and the development, operation and maintenance of either (i) a regional transportation entity ("Transit Entity"), or (ii) a transportation program established by the County ("County Program") that shall provide transportation for the benefit of all owners, lessees, residents, guests, invitees and licensees of the P.U.D., the Sheep Ranch and the balance of the Telluride Region; the County shall designate whether Aldasoro will participate in the Transit Entity or the County Program.

Aldasoro's participation in the Transit Entity or the County Program in the manner set forth herein shall constitute full and complete satisfaction of its obligation to mitigate transportation impacts, including the provision of capital facilities and operation and maintenance expenses, created by the P.U.D. and the Sheep Ranch.

- 4.1.1 Real Estate Transfer Assessment. Based upon the Transportation Study the County and Aldasoro acknowledge and agree that the transportation impacts created by the P.U.D. and the Sheep Ranch will be very limited and, therefore, the extent of the contribution by Aldasoro to either the Transit Entity or the County Program should be established on a corresponding equitable and pro-rata basis. Therefore, Aldasoro shall contribute (i) 3/4 of 1% of the real estate transfer assessment ("RETA Percentage") collected in the P.U.D. and (ii) a 3/4 of 1% real estate transfer assessment on all transfers of property in the Sheep Ranch that involve less than or equal to one hundred (100) acres. The format of the real estate transfer assessment imposed in the Sheep Ranch shall be substantially similar to the format utilized in the P.U.D., however, the maximum percentage that includes the 3/4 of 1% may vary.
- 4.1.2 Alternate Transportation Easement. Concurrent with the final platting of the servient estate, Aldasoro will establish an easement in gross over the area identified as "Alternate Transportation Easement" on sheet 11 of 12, Revised Road and Lot Layout and Alternate Transportation Easement, of The Aldasoro Ranch, Zoning and Preliminary Subdivision Plat. The purpose of this easement is to provide a transit corridor for future alternate transportation service for the Telluride Region.
- 4.1.3 Sheep Ranch Intercept Parking. In conjunction with the development of the Airport Site, Aldasoro shall preserve a site for an intercept parking lot that is sufficient to meet the demands that result if the Sheep Ranch was sold in parcels of 35 acres.
- 4.1.4 School Bus Stops. Within one year after (i) a resident of the P.U.D. is enrolled as a full-time student in the Telluride R-1 School

District and (ii) the Telluride R-1 School District provides school bus service to one or more of the three entrances to the P.U.D. that intersects the Airport road, Aldasoro shall cause a fully enclosed bus stop shelter to be constructed at one of the three entrances designated by Aldasoro.

- 4.1.5 Right-Of-Way - P.U.D./Airport Park. Subject to the provision of paragraph 4.1.7, at the time of recording any final plat of property adjacent to Deep Creek Road, Aldasoro shall dedicate a public right-of-way extending 30 feet either side of the centerline of the road in place at the time of recording the final plat.
- 4.1.6 Right-Of-Way - Sheep Ranch. Subject to the provisions of paragraph 4.1.7, prior to the conveyance of any parcels 40 acres or less located in the Sheep Ranch, Aldasoro shall dedicate a public right-of-way extending 30 feet either side of the centerline of the road in place at the time of recording the final plat.
- 4.1.7 Preservation of Homesteads. Aldasoro shall have no obligation to dedicate any right-of-way on that portion of the Deep Creek Road which lies within 600 feet of any improvement, including but not limited to springs, corrals, sheds, silos, houses, septic fields and barns located on any homestead, whether occupied or unoccupied, located within the Sheep Ranch.
- 4.1.8 Fencing. The County shall pay all costs incurred and shall construct all fences required by the widening of the right-of-way.

5. FIRE PROTECTION.

WHEREAS, it is an objective of the Master Plan to provide for adequate fire protection; and

WHEREAS, the County has determined that the P.U.D. will eventually add to the tax base of the Telluride Fire Protection District ("Fire District") thereby fortifying and enhancing the fire protection capabilities of the Fire District; and

WHEREAS, the County has determined that the ad valorem taxes collected from the P.U.D. will adequately mitigate a portion of the impacts imposed on the Fire

District by the P.U.D.; and

WHEREAS, pursuant to discussions with the Fire District, Aldasoro has agreed to pay certain impact fees to the Fire District that are intended to pay for the capital facilities necessitated by the P.U.D.; and

WHEREAS, the Fire District has approved the fire protection plan for the P.U.D. set forth in Memorandum 6 - The Aldasoro Ranch, Final Zoning and Preliminary Subdivision Plat Approval, Fire Protection Plan ("Fire Protection Plan").

NOW THEREFORE, be it resolved:

- 5.1 Plan Adopted. The provisions of the Fire Protection Plan are hereby adopted and incorporated herein by this reference.
- 5.2 Impact Fee. The total impact fee due for the P.U.D. shall be \$77,688.00 based upon a density of 664 people (166 lots x 4 persons/lot) at a base impact fee rate of \$117.00 per person.
  - 5.2.1 Time of Payment. On or before the date when a final subdivision plat approval is granted by the Board of County Commissioners, Aldasoro shall tender certified funds to the Board of County Commissioners in the amount equal to the multiple of the "Current Fire Impact Rate" times the population density allowed under the final plat being approved. Promptly after receipt of any funds pursuant to this paragraph, the Board of County Commissioners shall tender the funds to the Treasurer of the Telluride Fire Protection District.
  - 5.2.2 Current Fire Impact Rate. Based on \$117.00 for 1991, the rate shall change at the beginning of each calendar year, commencing on

January 1, 1992, to reflect the trend of the purchasing power or the real value of the United States dollar. The adjustment shall be based on the annual average consumer price index for "All Items and Major Group Figures for All Urban Consumers (1967 = 100)", as published by the United States Department of Labor, Bureau of Statistics.

- 5.3 Changed Circumstances. The District shall have the right to impose additional impact assessments if the P.U.D. changes its residential character or use, increases its density or increases occupancy hazards.

6. SCHOOLS.

WHEREAS, it is an objective of the Master Plan to encourage and support planning at the school district level that is sufficient to anticipate and meet the demands placed on the Telluride R-1 School District by new residents; and

WHEREAS, the County has determined that impact fees will be required from developers in the Telluride R-1 School District to mitigate the impact that their developments may have on the Telluride R-1 School District; and

WHEREAS, the Land Use Code establishes the school impact fee for the P.U.D.

NOW THEREFORE be it resolved:

- 6.1 Impact Fee. Concurrent with the recording of each final plat within the P.U.D., Aldasoro Ltd. shall pay the school impact fees required pursuant to the Land Use Code.

7. OPEN SPACE.

WHEREAS, it is an objective of the Master Plan to preserve the aesthetic qualities of the Telluride Region by preserving open space; and

WHEREAS, it is an objective of the Master Plan to maintain the unique scenic vistas that draw both residents and tourists to the Telluride Region; and

WHEREAS, it is an objective of the Master Plan to require adequate and appropriate open space in subdivisions by promoting development that blends into the natural landscape; and

WHEREAS, pursuant to the approved Preliminary Plat, Aldasoro has established adequate open space as a condition of P.U.D. approval; and

WHEREAS, Aldasoro acknowledges the need to establish building sites on each lot within the P.U.D. to promote and maintain the open vistas.

NOW THEREFORE be it resolved that:

7.1 Common Open Space. The common open space within the P.U.D. shall not be substantially altered from the configuration set forth on the preliminary plat without the approval of the County.

7.2 40% Minimum. A minimum of 40% of the land contained within the P.U.D. shall be designated as common open space.

7.3 Building Site Locations. The Design Review Board shall enforce building site locations on each lot pursuant to covenants recorded for the P.U.D.

8. DENSITY LIMITATION.

WHEREAS, Aldasoro and San Miguel County have acknowledged and agreed upon the density of the P.U.D. that is allowed under the Land Use Code and the Master Plan.

NOW THEREFORE be it resolved:

8.1 The density limitation in the P.U.D. shall be 166 single family lots including 141 free market (unrestricted) lots and 25 deed restricted Affordable Housing lots. One Accessory Dwelling Unit may be constructed on each single family lot.

9. WATER SUPPLY AND QUALITY.

WHEREAS, it is an objective of the Master Plan to reserve valuable natural resources; and

WHEREAS, it is an objective of the Master Plan to protect the quantity and quality of water resources; and

WHEREAS, Aldasoro has submitted the Application for Water Rights, Water Storage Rights, Changes of Water Rights and Approval of Plan for Augmentation, dated June 28, 1990, prepared by Wright Water Engineers, Inc. and Leavenworth Lochhead, P.C.; and

WHEREAS, Aldasoro has submitted a report by Wright Water Engineers, Inc., dated June 25, 1990, RE: Aldasoro Augmentation Plan; and

WHEREAS, Aldasoro has submitted water quality test results prepared by Grand Junction Laboratories; and

WHEREAS, based upon the above information the County has determined that Aldasoro has sufficient water rights and a physical water supply which is sufficient in both quantity and quality to meet the needs of the P.U.D.; and

WHEREAS, on or before the day of recording the first final plat for the P.U.D. Aldasoro shall establish and incorporate The Aldasoro Ranch Homeowners Company ("Homeowners Company"); and

WHEREAS, one of the rights and obligations of the Homeowners Company will be to own and operate the water system for the P.U.D.; and

WHEREAS, on or before the recording of each final plat within the P.U.D. Aldasoro will convey to the Homeowners Company sufficient water rights to meet the needs of the population generated by the final plat; and

WHEREAS, it is an objective of the Master Plan to protect the quality of our rivers, lakes and streams by minimizing the sedimentation resulting from storm water run-off; and

WHEREAS, pursuant to Memorandum 14 - The Aldasoro Ranch, Final Zoning and Preliminary Subdivision Plat Approval, Preliminary Plat Drainage Analysis, Aldasoro has submitted a detailed drainage plan for the P.U.D. which as been approved by the County; and

WHEREAS, Aldasoro and the Town of Telluride have entered into that certain Sewer Connection Agreement For The Aldasoro Ranch (10-18-90 Final Redraft), referred to hereafter as "Sewer Agreement"; and

WHEREAS, pursuant to the Sewer Agreement the Town has agreed to provide sanitary sewer service to the P.U.D.

NOW THEREFORE, be it resolved that:

- 9.1 Adequate Supply to Proceed. So long as the physical water supply is adequate in both quantity and quality to meet the needs of the P.U.D., Aldasoro may continue to final plat lots within the P.U.D. If the physical water supply proves to be inadequate then the County may withhold further final plat approval until Aldasoro supplies adequate proof evidencing sufficient physical water supply.
- 9.2 Sanitary Sewer. Pursuant to the Sewer Agreement, Aldasoro shall provide sanitary sewage service to all lots within the P.U.D. with the exception of the four (4) lots located in the upper 478 acres and the one lot located on the western edge of the project ("Septic System Lots"). With respect



to the Septic System Lots, sanitary sewage service for each lot shall be provided by an individual septic system located on the respective lot.

9.3 Drainage Plan. Aldasoro shall construct all infrastructure improvements in conjunction with the Drainage Plan.

9.4 Augmentation Plan. Prior to the approval and recording of the first final plat in the P.U.D., Aldasoro shall have obtained an approved water augmentation plan from the District Court of Colorado, Water Division No. 4.

9.5 Wastewater Interceptor Application. Prior to construction of the sewer interceptor line, Aldasoro shall follow the Site Applications For Domestic Wastewater Treatment Works procedure set forth in 5 CCR 1002-12; additionally, the plans and specifications for the sewer interceptor line shall be approved by the Water Quality Control Division of the Colorado Department of Health.

9.6 Individual Systems. The construction of the individual sewage disposal systems serving the five (5) lots not in the sewer service area shall conform to all State and County regulations.

9.7 Water System Review. Prior to construction, the water system plans and specifications shall be reviewed and approved by the Drinking Water Unit of the Colorado Department of Health.

10. AIR QUALITY.

WHEREAS, clean air is a natural resource; and

WHEREAS, it is an objective of the Master Plan to mitigate air pollution impacts of developments; and

WHEREAS, the County has established air quality standards pursuant to the Board's Resolution 1986-20, as amended by Resolution 1990-33 ("County Air Quality Regulations").

NOW THEREFORE, be it resolved that:

10.1 Compliance with Standards. Aldasoro and the County hereby acknowledge and agree that the P.U.D. is and shall remain subject to the regulations set forth in the County Air Quality Regulations, including all existing and future amendments.

11. WILDLIFE.

WHEREAS, it is an objective of the Master Plan to protect wildlife as a valuable natural resource by developing a plan to protect wildlife habitats; and

WHEREAS, pursuant to the Wildlife Assessment Of The Proposed The Aldasoro Ranch, October, 1990, prepared by Western Ecosystems, Inc. and pursuant to the input and direction of the Colorado Division of Wildlife, Aldasoro has evaluated the impact of the development on wildlife; and

WHEREAS, pursuant to the recommendations of the Colorado Division of Wildlife and Western Ecosystems, Inc., Aldasoro has designed the development in a manner that the Colorado Division of Wildlife has determined will result in an acceptable impact upon the area's wildlife; and

WHEREAS, pursuant to the direction of the Colorado Division of Wildlife and Western Ecosystems, Inc. Aldasoro has developed a mitigation program for the P.U.D. and the Sheep Ranch.

NOW THEREFORE, be it resolved that:

11.1 Covenants. Aldasoro shall include the following covenants in its General Declaration for the P.U.D.

- 11.1.1 RESTRICTION ON ANIMALS. No animals shall be kept on any Property which bother or constitute a nuisance to other owners. Nothing to the contrary withstanding, no dogs shall be allowed anywhere in The Aldasoro Ranch at anytime. No horse may be kept on any Site. Horses will only be allowed on designated roadways, easements and portions of open/recreation space tracts. The owner of any horse kept or ridden within The Aldasoro Ranch shall immediately remove all horse droppings to a proper receptacle located on a Site owned by the responsible Owner. No horse may be kept or ridden within The Aldasoro Ranch without the written approval of the Homeowners Company.
- 11.1.2 RESTRICTION ON RECREATION VEHICLES. No motorcycle, motorbike, snowmobile, golf cart or other motorized vehicle shall be operated within or on the Property, except on designated roads or except as otherwise specifically permitted by rules and regulations of the Homeowners Company.
- 11.1.3 NO FENCES. No fences, walls or other barriers shall be permitted without the prior written approval of the Review Board and the Colorado Division of Wildlife.
- 11.1.4 HOLD HARMLESS/INDEMNIFICATION. Each Owner agrees to indemnify and hold the Colorado Division of Wildlife harmless for any damage that they may incur, to person or property, which results from either the actions or inactions of any wildlife within The Aldasoro Ranch.

- 11.1.4.1 Bear Relocation. The Homeowners Company agrees to pay all costs incurred by the Colorado Division of Wildlife that results from the removal and relocation of problem bears from The Aldasoro Ranch.
- 11.1.5 LIMITED HUNTING. Upon the mutual agreement of the Homeowners Company and The Colorado Division of Wildlife, limited hunting will be allowed in areas and at times mutually agreed upon by the Homeowners Company and the Colorado Division of Wildlife.
- 11.1.6 NO CARETAKERS-UPPER PARCEL. For the purpose of minimizing impacts on wildlife, no caretakers units will be allowed to be located in any lot located within the upper 478 acres of The Aldasoro Ranch.
- 11.1.7 BUILDING SITE ENVELOPES ESTABLISHED. All residential lots located in The Aldasoro Ranch shall be subject to a building site envelope limitation.
- 11.1.7.1 Border Lots. With respect to the following lots ("Northern Border Lots"), the designated building site envelope may not be moved in a northerly direction without the approval of both the Design Review Board and the Colorado Division of Wildlife. Movement in an easterly, westerly or southerly direction shall not

require the approval of the Colorado Division of Wildlife. The Border Lots are the following numbered lots set forth on the Preliminary Plat for The Aldasoro Ranch: Lots 30, 31, 35-37, 115-121, and 139-154.

11.1.7.2 Upper Parcel. With respect to the following lots located in the upper 478 acres ("Upper Lots"), the designated building site envelope may be up to four (4) acres in size and may not be moved in any direction without the approval of both the Design Review Board and the Colorado Division of Wildlife: Lots 161-164.

11.2 Lot Configuration. The configuration of the lot layout for the 161 lots located in the lower 1,072 acres of The Aldasoro Ranch shall substantially conform with the configuration set forth on the Road and Lot Layout which is contained in sheet 5 of 8 of The Aldasoro Ranch Final Zoning and Preliminary Subdivision Plat. Additionally, the 4 lots found in the upper 478 acres of The Aldasoro Ranch will be placed in the locations set forth in Exhibit DP-4, Wildlife Sensitivity Map, that is attached hereto and incorporated herein by this reference.

11.3 Conservation Easement. Aldasoro shall create conservation easements in gross, pursuant to C.R.S. 38-30.5-101 et. seq., for the benefit of the Division of Wildlife of the Department of Natural Resources of the State of Colorado. Accordingly the provisions of paragraphs 11.3.1 through 11.3.5 shall apply:

- 11.3.1 Open Space. Concurrent with the platting of any Active or Passive Open Space Tract in the P.U.D., Aldasoro shall impose a conservation easement on the open space being platted in the form set forth in Exhibit DP-5 that is attached hereto and incorporated herein by this reference.
- 11.3.2 Upper Four Parcels. Concurrent with the platting of the Upper Lots, as defined in paragraph 11.1.7.2, Aldasoro shall impose a conservation easement, on that portion of each of the Upper Lots not located within the designated building site envelope, in the form of Exhibit DP-6 that is attached hereto and incorporated herein by this reference.
- 11.3.3 Intent/Amendment. So long as the conservation goals of this paragraph 11 are preserved, the provisions of paragraph 11.3 and Exhibits DP-5 and DP-6 may be modified, upon the mutual agreement of Division of Wildlife, the County and Aldasoro, to maximize the income tax benefits to Aldasoro.
- 11.3.4 Forest Service Trade. The County acknowledges that Aldasoro may trade a portion of the P.U.D. to the United States Forest Service; Aldasoro shall not be required to impose a conservation easement on any property traded to the Forest Service.
- 11.4 Vegetation Management. If, in the future, it is determined necessary by the Division of Wildlife and Aldasoro, then from time to time Aldasoro and the Division of Wildlife shall mutually agree upon a mutually acceptable

vegetation management program intended to improve feed and forage for domestic animals and wildlife. The vegetation management program shall only be carried on within the boundaries of the Sheep Ranch.

11.5 Sheep Ranch Dog Limitation. No dogs, except working dogs, shall be allowed anywhere in the Sheep Ranch at anytime.

11.6 Sheep Ranch Building Sites. If development occurs in the Sheep Ranch, then Aldasoro and the Division of Wildlife shall mutually cooperate in locating building site envelopes in locations that minimize the impact and are not in conflict with the areas designated as "Sensitive Wildlife Areas" on Exhibit DP-4. Nothing in this paragraph shall be construed to limit or prevent Aldasoro from refurbishing and restoring existing homesteads located within the Sheep Ranch or performing normal ranching operations.

11.7 No Upper Trails. No trails will be developed in the upper northern 478 acres of the P.U.D. The upper northern 478 acres includes both the Upper Lots and the adjacent open space.

## 12. GEOLOGY.

WHEREAS, it is an objective of the Master Plan to restrict development in natural geologic hazard areas and flood plains; and

WHEREAS, it is an objective of the Master Plan to restrict development in hazard areas where possible; and

WHEREAS, it is a policy of the Master Plan to enforce building standards and hazard mitigation techniques in areas where public policy makes development in moderate hazard areas preferable in order to implement other goals; and

WHEREAS, the County recognizes that the development in the P.U.D. poses no flood plain problems; and

WHEREAS, the County recognizes that the development in the P.U.D. poses no avalanche problems; and

WHEREAS, the County has determined that the major problem in the P.U.D. with regard to geology is a potential for landslides; and

WHEREAS, the County has determined that two factors most likely to trigger landslides are the introduction of additional ground water and the severe cutting of natural topography; and

WHEREAS, Aldasoro has presented the County with mitigation techniques for these problems pursuant to geology studies conducted by Lambert and Associates, Inc. as set forth in Geologic Hazard and Feasibility Level Geotechnical Engineering Study ("Geology Report"); and

WHEREAS, the County has accepted and found suitable the mitigation techniques and program recommended by Lambert in the Geology Report; and

WHEREAS, Wright Water Engineers, Inc. has mapped and designated the locations of wetlands in the P.U.D.; and

WHEREAS, the County and Aldasoro wish to preserve the wetlands in the P.U.D., to the extent reasonably possible, through the Section 404 Permit process of the United States Clean Water Act; and

WHEREAS, with the exception of the construction of roads and infrastructure within the P.U.D., no residential improvements may be located within any wetland; and

WHEREAS, all roads and utilities constructed within the P.U.D. shall be approved by a certified engineer as well as the County's engineer; and



WHEREAS, Aldasoro will utilize a comprehensive revegetation plan for all areas disturbed by road and utility construction within the P.U.D.; and

WHEREAS, the Design Regulations shall require a detailed landscaping plan in conjunction with architectural design review for building construction on each lot.

NOW THEREFORE, be it resolved that:

- 12.1 Sanitary Sewer. Sanitary sewer service for the P.U.D. will be provided pursuant to the terms of paragraph 9 of this P.U.D. Plan.
- 12.2 Plat Notes. All final plats for the P.U.D. shall include plat notes that implement the following recommendations of the Colorado Geologic Survey:
  - 12.2.1 Engineering - Lot Specific. Engineered, site-specific grading, foundation and drainage plans shall be required prior to the issuance of a building permit for each lot.
- 12.3 Wetlands. All final plats shall designate all wetland areas identified by Wright Water Engineers, Inc. or the County as non-buildable areas. Nothing in this paragraph shall be construed to preclude the construction of roads and utilities serving the P.U.D.
- 12.4 Roads/Utilities Designs. All roads and utilities constructed within the P.U.D. shall be approved by a certified engineer and the County's engineer.
- 12.5 Revegetation. All areas in the P.U.D. disturbed by construction activities shall be revegetated.
- 12.6 Landscape Plan. The Design Regulations shall require that a detailed landscaping plan will be provided in conjunction with the

architectural design review for building construction on each lot in the P.U.D.

12.7 Engineering - P.U.D. All roads, drainage structures and utilities shall be designed and constructed using detailed geological and geotechnical engineering designs and prudent construction procedures; these provisions shall apply regardless of the development schedule.

12.8 Information/Description. A description of each lot describing the geological conditions that can reasonably be expected to affect development costs and safety on each lot shall be made available to all potential lot owners. The description shall be prepared by geotechnical professionals using moderately detailed information.

13. HISTORICAL RESOURCE PRESERVATION.

WHEREAS, Aldasoro and the County recognize that the preservation of historical resources is important to the community; and

WHEREAS, no prehistorical or archeological resources have been found to exist within the P.U.D.; and

WHEREAS, a valuable historical resource in form of a portion of the Hogg Ranch abandoned homestead exists within the boundaries of the P.U.D.

NOW THEREFORE, be it resolved that:

13.1 Hogg Ranch. Before the Actual Population Level, as defined in paragraph 26.3, reaches 300, excluding Accessory Housing Unit density, Aldasoro shall stabilize and restore the buildings currently existing at the location of the Hogg Ranch Homestead.

14. SOLID WASTE DISPOSAL.

WHEREAS, Aldasoro has submitted a plan for solid waste disposal; and

WHEREAS, Aldasoro will contract with a trash company for pick-up and hauling; and

WHEREAS, Aldasoro is subject to the solid waste impact fee obligation set forth in the Land Use Code.

NOW THEREFORE be it resolved that:

- 14.1 Solid Waste Impact Fee. Concurrent with the recording of each final plat within the P.U.D., Aldasoro shall be required to pay the solid waste impact fees due pursuant to the Land Use Code.
- 14.2 Trash Pick-up Cost. The cost of trash pickup and hauling will be borne by the persons utilizing the trash service in the P.U.D. In the event no reliable companies are willing or able to provide trash pickup and hauling service for the P.U.D., then Aldasoro shall arrange to provide the service to the P.U.D.
- 14.3 Recycling and Solid Waste Disposal Plan. The Aldasoro Ranch will be serviced entirely by a private waste disposal contractor. This contractor will provide each home with one or two polycarts depending on the level of service needed as well as a special cart with three separate bins for recyclable materials such as aluminum cans, paper and glass. These will be picked up once a month. All polycarts will be stored inside the garage attached to each home and occupants will be provided with a pickup schedule so carts can be brought out on a specific day for service.
- 14.4 Advisory Commission. If the Board forms a solid waste advisory commission, Aldasoro Ltd., if requested, will serve on the commission in an attempt to solve the present

and future problems associated with solid waste disposal.

- 14.5 Recycling. Aldasoro will participate in any recycling program implemented in the Telluride Region and pay its pro rata portion of any costs required for such program. The regional recycling program shall be equitably and evenly imposed and enforced within the Telluride Region.

15. ASSESSMENT ON THE TRANSFER OF REAL PROPERTY.

WHEREAS, the County has determined that the imposition of a real estate transfer assessment will help equalize competition between land sales in the P.U.D. and land sales in the Town of Telluride and in the Telluride Mountain Village for so long as those entities continues to impose a real estate transfer tax or assessment; and

WHEREAS, pursuant to the Telluride Regional Airport Funding Agreement "Landowner's Agreement", recorded in Book 427 at page 534, Aldasoro is required to either (i) pay an Airport Impact Fee or (ii) levy an assessment on the transfer of real property located in the P.U.D. and pay a portion of the proceeds to the Telluride Company for reimbursement for costs incurred in the construction of the Telluride Regional Airport, and to pay the balance of the proceeds to the Telluride Regional Airport Authority to pay for costs for operating and maintaining the Telluride Regional Airport; and

WHEREAS, after it has discharged its obligations under the Landowner's Agreement, Aldasoro intends to continue to impose the real estate transfer assessment and utilize the proceeds for the benefit of the P.U.D.

NOW THEREFORE, be it resolved that:

- 15.1 Continuation of Assessment. Aldasoro may continue to impose the real estate transfer assessment beyond both the life of the Town's transfer tax and the period during which it

is obligated to make payments to the Telluride Company and the Telluride Regional Airport Authority.

16. TRAILS.

WHEREAS, it is a goal of the Master Plan to maintain existing trails and to plan and implement new multi-use, year-round and seasonal trails as identified in the Telluride Regional Area Trails Plan; and

WHEREAS, Aldasoro desires to participate in the Regional Trails Plan; and

NOW THEREFORE, be it resolved that:

16.1 Trail Easement Agreement. Concurrent with the approval of this P.U.D. Plan, Aldasoro and the County have entered into The Aldasoro Ranch Trail Easement, Effective Date February 7, 1991, the original of which is attached hereto as Exhibit DP-3 and is incorporated herein by this reference. Pursuant to paragraph 11.7 no trails may be developed in the upper northern 478 acres of the P.U.D.

17. CHANGE OF OWNERSHIP.

WHEREAS, it is the intention of the County to insure that the terms of this P.U.D. Plan shall apply to the P.U.D. regardless of ownership; and

WHEREAS, the County desires to eliminate any claims of subsequent owners that may be based upon a claim of a lack of knowledge of the contents of this P.U.D. Plan.

NOW THEREFORE, be it resolved:

17.1 Recording. Concurrent with the approval of this P.U.D. Plan, the County shall record the P.U.D. Plan in the office of the San Miguel County Clerk and Recorder and such recording

shall cause this document to constitute constructive notice to owners, residents, guests, licensees, lessees, and invitees of their duty to comply with the terms of this P.U.D. Plan. The terms of this P.U.D. Plan may be modified under applicable San Miguel County procedures and shall only require the approval of Aldasoro and the County and shall not require the approval of persons who are not signatories to this P.U.D. Plan.

- 17.2 Assignment of Obligations and Benefits. Aldasoro may transfer or assign any of the duties, obligations, burdens, benefits or rights set forth herein, to any person or entity, including but not limited to the Homeowners Company. However, as a condition of any transfer or assignment of any duty or obligation, Aldasoro shall remain responsible to the County for the performance of the duty or obligation.

18. IMPROVEMENTS BONDING AGREEMENT.

WHEREAS, if Aldasoro desires to file final plats in the P.U.D. prior to completing the roads and improvements serving the lots contained within the final plats, Aldasoro Ltd. shall be required to enter into an improvements bonding agreement with the County.

NOW THEREFORE be it resolved that:

- 18.1 Master Bonding Agreement. Concurrent with the approval of this P.U.D. Plan, Aldasoro Ltd. and the County have entered the Aldasoro Master Bonding Agreement, Effective Date February 7, 1991, the original of which is attached hereto as Exhibit DP-7.
- 18.2 Airport Road Bond. Prior to the approval and recording of the first final plat in the P.U.D. Aldasoro shall post a \$5,000.00 bond, in a form acceptable to the Board, to ensure the proper and timely repair of any disturbance to the Airport Road. The bond

shall remain posted until one year after the roads and utilities in the P.U.D. have been constructed.

19. UNFORESEEN IMPACTS.

WHEREAS, the County recognizes that unforeseen impacts from development may arise during the development of the P.U.D.

NOW THEREFORE, be it resolved that:

19.1 Future Regulations. Aldasoro shall abide by all valid regulations, rules and ordinances duly enacted by the County and applied evenly throughout the County and the Telluride Region during the development of P.U.D. which rules, regulations, resolutions and ordinances are necessitated by the impacts of development on the health, safety and general welfare of the Telluride Region.

20. SEVERABILITY.

Be it resolved that:

20.1 Severability. The invalidity or unenforceability of any provision, clause, or section of this P.U.D. Plan, or any part thereof, shall not affect the validity or enforceability of any other provision of this P.U.D. Plan; the valid and enforceable portion of this agreement shall continue unimpaired and in full force and affect in the event any portion of this P.U.D. Plan is declared or otherwise found to be invalid or unenforceable.

21. INTENTIONALLY LEFT BLANK.

22. ENTIRE CONDITION.

Be it resolved that:

22.1 Entire Set. This P.U.D. Plan constitute the

entire set of conditions for preliminary development plan approval and may be amended only by an instrument in writing signed by both the County and Aldasoro utilizing the same formalities and procedures set forth in the Land Use Code.

23. LITIGATION.

WHEREAS, the County and Aldasoro acknowledge that superficial litigation can often times be avoided if the prevailing party is allowed to receive payment for the costs, fees and attorney's fees that it incurs in prevailing in the matter.

NOW THEREFORE, be it resolved that:

23.1 Attorney's Fees. In the event of any litigation arising between the County and Aldasoro regarding the terms of this P.U.D. Plan, the prevailing party, among other things, shall be entitled to an award of damages from the other party for all costs, fees, and reasonable attorney's fees incurred in litigating the matter.

24. ALLOWED USES.

WHEREAS, pursuant to the planned unit development review process the uses allowed within the P.U.D. will be designated on the final plats recorded for the P.U.D.; and

WHEREAS, the Airport Park is logically and physically separated from the P.U.D. and, consequently, the Airport Park should receive final subdivision plan approval under a separate and independent process; and

WHEREAS, Aldasoro and the County acknowledge and agree that the Airport Park should be rezoned to a Low Intensity Industrial Zone District; and

WHEREAS, the Sheep Ranch is physically and logically separated from the P.U.D.; and



WHEREAS, at the present time Aldasoro intends to maintain the P.U.D., the Sheep Ranch and the Airport Park as a bona fide ranching operation, subject to the final platting that may occur in the P.U.D.; and

WHEREAS, Aldasoro desires to have the Sheep Ranch rezoned to the Forestry, Agricultural and Open Zone District.

NOW THEREFORE, be it resolved that:

24.1 P.U.D. The P.U.D. is hereby rezoned to the Low Density Zone District and shall be allowed those uses more specifically identified from time to time on final plats approved by the County and recorded within the P.U.D.

24.2 Airport Park. The Airport Park is hereby rezoned to a Low Intensity Industrial Zone District.

24.3 Sheep Ranch. The Sheep Ranch is hereby rezoned to Forestry, Agricultural and Open Zone District.

25. RECREATIONAL AMENITIES.

WHEREAS, it is an objective of the Master Plan to balance growth in the Telluride Region with the provision of recreational amenities; and

WHEREAS, Aldasoro is required to mitigate the impacts created by the owners, residents, guests, lessees, licensees and invitees of the P.U.D.

NOW THEREFORE, be it resolved that:

25.1 Trails. Aldasoro shall construct and complete the trail system discussed in paragraph 16 of this P.U.D. Plan before the Actual Population, as defined in paragraph 26.3, reaches 400 people, excluding Accessory Dwelling Unit density. The construction timeframe condition set forth in the

preceeding sentence is in addition to the timeframe condition set forth in paragraph 2.3 of Exhibit DP-3.

25.2 Clubhouse. Before the actual population, as defined in paragraph 26.3, reaches 400 people, excluding Accessory Dwelling Unit density, Aldasoro shall construct and complete a clubhouse which shall include the following minimum amenities.

25.2.1 Swimming Pool

25.2.2 Exercise Room

25.2.3 Weight Room

25.2.4 Children's/Play Area

25.2.5 Men's and Women's Showers

25.2.6 Jacuzzi

25.3 Tennis Courts. Before the actual population, as defined in paragraph 26.3, reaches 300, excluding Accessory Housing Unit density, Aldasoro shall construct and complete 3 full-size outside tennis courts. "Bubbles" to cover the tennis courts shall not be permitted.

## 26. DEFINITIONS.

Be it resolved that the following terms shall be defined as follows:

26.1 Accessory Dwelling Unit: A second dwelling unit, limited to the maximum of 800 square feet, accessory to and contained within the primary residence on the lot.

26.2 Active Open Space Tract: Designates a tract of land intended to allow uses more intense than those allowed on Passive Open Space Tracts. Uses allowed on Active Open Space

Tracts include but are not limited to the following and similar uses:

Riding stables, equestrian facilities, tennis courts, children's play areas, cross country ski slopes, cross country snowmaking facilities, cross country ski racing structures, non-commercial refueling facilities, water wells, water storage tanks, water reservoirs, water treatment plants, communication receiving stations, communication transmitting stations, drainage ditches, drainage structures, drainage swales, access roads, service roads, maintenance roads, utility transmission lines, utility facilities, pedestrian trails, equestrian trails, vehicular recreation trails, transportation facilities, sewer collection system, storm drainage systems, retaining walls, benches, snow storage, landscaping, and all buildings and uses incidental or accessory to any of the above described uses.

Nothing to the contrary withstanding, no use shall be allowed on any Active Open Space Tract that is incompatible with the rural residential nature of The Aldasoro Ranch as determined by the San Miguel County Board of Commissioners. No use, including those specifically listed in this definition, may be placed in a location that is incompatible with the rural residential nature of The Aldasoro Ranch, as determined by the San Miguel County Board of Commissioners. It is hereby acknowledged that Active Open Space Tracts are not intended to be rezoned to allow for future real estate development.

26.3 Actual Population Level: The cumulative actual number of people that could be accommodated by single family residences, excluding Accessory Dwelling Units, that are located within the P.U.D. and have received a final certificate of occupancy from the San

Miguel County Building Department. The number of people shall be determined on the basis of four people per single family residence.

- 26.4 Affordable Housing: Residential dwelling units on lots permanently deed restricted by the County's R-1 Housing Deed Restriction to limit the use and occupancy to persons (and their families) who live and earn their living primarily within the R-1 School District of San Miguel County.
- 26.5 Master Plan: The Telluride Regional Area Master Plan.
- 26.6 Passive Open Space Tract: Land preserved free of development and structures, except for normal and customary agriculture and ranching activities and public access easements and rights-of-way and underground utility easements; intended to preserve land (including environmentally sensitive land and scenic vistas) in its natural state.

27. APPROVAL.

WHEREAS, the Board has reviewed this P.U.D. Plan for The Aldasoro Ranch; and

WHEREAS, the Board considered the approval of this P.U.D. Plan at a public hearing held on February 7, 1991 at which time it received relevant evidence and testimony.

NOW THEREFORE, be it finally resolved that:

- 27.1 Master Plan. This Preliminary Development Plan Approval for The Aldasoro Ranch is consistent with the current policies, goals and objectives of the San Miguel County Comprehensive Development Plan, including the Telluride Regional Area Master Plan.





ALDASORO BROTHERS, a Colorado general partnership

By: Albert J. Aldasoro  
Albert J. Aldasoro, General Partner

By: Mary Louise Leonard  
Mary Louise Leonard, General Partner

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

Acknowledged, subscribed and sworn to before me this

1st day of February, 1991, by Albert J. Aldasoro as general partner and Mary Louise Leonard as general partner for Aldasoro Brothers, a Colorado general partnership.

Witness my hand and official seal.  
My commission expires: May 20, 1994

SEAL

Pamela M. Story  
Notary Public



LIST OF EXHIBITS

PRELIMINARY DEVELOPMENT PLAN APPROVAL  
FOR THE ALDASORO RANCH PLANNED UNIT DEVELOPMENT

- |              |   |
|--------------|---|
| Exhibit DP-1 | Description of P.U.D.<br>(1, para. 1)                               |
| Exhibit DP-2 | Airport Park (1, para. 2)   |
| Exhibit DP-3 | Aldasoro Ranch Trail Easement<br>(para. 16.1)                       |
| Exhibit DP-4 | Wildlife Sensitivity Map<br>(para. 11.2)                            |
| Exhibit DP-5 | Open Space Conservation Easement<br>(para. 11.3.1)                  |
| Exhibit DP-6 | Upper Lots Conservation Easement<br>(para. 11.3.2)                  |
| Exhibit DP-7 | The Aldasoro Ranch Master<br>Improvements Agreement<br>(para. 18.1) |

A:FDPA2.PUD



## EXHIBIT DP - 1

## L E G A L   D E S C R I P T I O N

A Tract of land located in Township 43 North, Range 9 West, N.M.P.M. described as Beginning at the southwest corner of Section 20, Township 43 North, Range 9 West, N.M.P.M.

THENCE North 03 degrees 43 minutes 01 seconds East for a distance of 2640.03 feet to the West 1/4 corner of Section 20

THENCE South 89 degrees 35 minutes 22 seconds East for a distance of 2637.31 feet to the Center 1/4 of section 20

THENCE South 89 degrees 39 minutes 20 seconds East for a distance of 2637.86 feet to the East 1/4 corner Section 20

THENCE North 89 degrees 57 minutes 50 seconds East for a distance of 2633.09 feet to the Center 1/4 corner of Section 21

THENCE South 03 degrees 40 minutes 15 seconds West for a distance of 2639.48 feet to the North 1/4 corner of Section 28

THENCE South 04 degrees 04 minutes 43 seconds West for a distance of 2640.19 feet to the Center 1/4 corner of Section 28

THENCE South 89 degrees 56 minutes 09 seconds West for a distance of 1199.78 feet to the line 14-13 of Oneita Placer

MS 6809 Upper San Miguel Mining District

THENCE South 10 degrees 49 minutes 59 seconds East for a distance of 237.47 feet to Corner 5 of Scott and McDonald

Placer MS 6809 Upper San Miguel Mining District

THENCE South 28 degrees 41 minutes 12 seconds West for a distance of 432.30 feet to east line of NW1/4 SW1/4 of Section 28

THENCE South 04 degrees 06 minutes West for a distance of 2026.7 feet to W1/16 of Sections 28, 33

THENCE North 89 degrees 56 minutes East for a distance of 1313.66 feet to the South 1/4 corner of Section 26

THENCE South 05 degrees 03 minutes 42 seconds West for a distance of 365 feet more or less along the east line of NE1/4 of Section 33 to the north Right-of-Way of State Highway 145

THENCE South 82 degrees 06 minutes West for a distance of 870 feet more or less along said Right-of-Way

Thence along a curve to the right with a radius of 5730 feet and an arc length of 525.04 feet being subtended by a chord of South 84 degrees 43 minutes 30 seconds West for 524.86 feet along said Right-of-Way

THENCE South 87 degrees 21 minutes West for a distance of 713.2 feet more or less to the East boundary of Navike Placer

MS 736 Upper San Miguel Mining District

THENCE North for a distance of 142.9 feet to Corner 3 of said Navike Placer

THENCE North 81 degrees 52 minutes 18 seconds West for a distance of 544.3 feet along line 3-4 of said Navike Placer to the

THENCE North 05 degrees 06 minutes East for a distance of 342.80 feet to the northwest corner of Section 33

THENCE North 89 degrees 36 minutes West for a distance of 310.86 feet to Line 6-1 of Scott & McDonald Placer MS 6809 Upper San Miguel Mining District

THENCE South 84 degrees 05 minutes 34 seconds West for a distance of 571.84 feet to Corner 1 of said Scott & McDonald Placer

THENCE North 03 degrees 26 minutes 52 seconds West for a distance of 254.00 feet along Line 1-2 of said Scott & McDonald Placer to the North line of Section 32

THENCE North 89 degrees 36 minutes 00 seconds West for a distance of 478.82 feet to the East 1/16 corner of Sections 29, 32

THENCE North 04 degrees 06 minutes East for a distance 617.17 feet to line 7-10 of Bernice Placer MS 6809 Upper San Miguel Mining District

THENCE North 76 degrees 53 minutes West for a distance of 1146.35 feet to Corner 10 of said Bernice Placer

THENCE North 17 degrees 09 minutes 38 seconds East for a distance of 468.87 feet to the north line of the SW1/4 SE1/4 of Section 29

THENCE North 89 degrees 36 minutes 35 seconds West for a distance of 291.35 feet to the CS 1/16 corner of Section 29

THENCE South 04 degrees 08 minutes 48 seconds West for a distance of 615.88 feet along the west line of SW1/4 SE1/4 of Section 29 to the northeast corner of The Meadows at Deep Creek Mesa Subdivision

THENCE South 81 degrees 15 minutes 38 seconds West for a distance of 46.20 feet along the north line of said Subdivision

THENCE North 85 degrees 37 minutes 44 seconds West for a distance of 569.92 feet along the north line of said Subdivision

THENCE North 89 degrees 12 minutes 47 seconds West for a distance of 415.75 feet along the north line of said Subdivision

THENCE South 88 degrees 46 minutes 30 seconds West for a distance of 386.74 feet along the north line of said Subdivision

THENCE South 85 degrees 06 minutes 05 seconds West for a distance of 157.56 feet along the north line of said Subdivision

THENCE North 89 degrees 16 minutes 00 seconds West for a distance of 457.74 feet along the centerline of Last Dollar Road

THENCE along a curve to the left having a radius of 220.00 feet and an arc length of 60.41 feet, being subtended by a chord of South 82 degrees 52 minutes 00 seconds West for a distance of 60.22 feet along the centerline of said Road

THENCE South 75 degrees 00 minutes 00 seconds West for a distance of 85.34 feet along the centerline of said Road

THENCE along a curve to the left having a radius of 400.00 feet and an arc length of 223.40 feet, being subtended by a chord of South 59 degrees 00 minutes 00 seconds West for a distance of 220.51 feet along the centerline of said Road

THENCE South 43 degrees 00 minutes 00 seconds West for a distance of 167.15 feet along the centerline of said Road

THENCE along a curve to the right having a radius of 550.00 feet and an arc length of 378.21 feet, being subtended by a chord of South 62 degrees 42 minutes 00 seconds West for a distance of 370.80 feet along the centerline of said Road

THENCE South 82 degrees 24 minutes 00 seconds West for a distance of 63.63 feet to the intersection of the centerline of Last Dollar Road and a prolongation of the north line of a prescriptive easement for Last Dollar Road

THENCE North 55 degrees 00 minutes 00 seconds West for a distance of 217.59 feet along the north line of said easement

THENCE along a curve to the left having a radius of 1025.00 feet and an arc length of 304.13 feet, being subtended by a chord of North 63 degrees 30 minutes 00 seconds West for a distance of 303.01 feet along the north line of said easement

THENCE North 72 degrees 00 minutes 00 seconds West for a distance of 183.14 feet along the north line of said easement

THENCE along a curve to the right having a radius of 625.00 feet and an arc length of 185.43 feet, being subtended by a chord of North 63 degrees 30 minutes 00 seconds West for a distance of 184.75 feet along the north line of said easement

THENCE North 55 degrees 00 minutes 00 seconds West for a distance of 286.69 feet along the north line of said easement

THENCE along a curve to the right having a radius of 725.00 feet and an arc length of 215.11 feet, being subtended by a chord of North 46 degrees 30 minutes 00 seconds West for a distance of 214.32 feet along the north line of said easement

THENCE North 38 degrees 00 minutes 00 seconds West for a distance of 232.17 feet along the north line of said easement

THENCE along a curve to the right having a radius of 725.00 feet and an arc length of 253.06 feet, being subtended by a chord of North 27 degrees 59 minutes 59 seconds West for a distance of 251.78 feet along the north line of said easement

THENCE North 18 degrees 00 minutes 00 seconds West for a distance of 235.02 feet along the north line of said easement

THENCE along a curve to the left having a radius of 175.00 feet and an arc length of 207.13 feet, being subtended by a chord of North 51 degrees 54 minutes 30 seconds West for a distance of 195.25 feet along the north line of said easement

THENCE North 85 degrees 49 minutes 00 seconds West for a distance of 104.44 feet along the north line of said easement to a rebar & cap Banner Associates

THENCE North 04 degrees 04 minutes 19 seconds East for a distance of 3544.54 feet to a rebar & cap Banner Associates on the north line of Section 30

THENCE South 89 degrees 54 minutes 59 seconds East for a distance of 2079.87 feet to the Point of Beginning

EXHIBIT DP - 2

