

ARTICLES OF INCORPORATION
OF
LOMA ESCONDIDA WATER COOPERATIVE ASSOCIATION, INC.

In compliance with the provisions of the State of New Mexico laws regarding cooperative associations, N.M.S.A. Section 53-4-1, et seq., N.M.S.A. 1978, the undersigned do hereby certify and adopt in duplicate these Articles of Incorporation for LOMA ESCONDIDA WATER COOPERATIVE ASSOCIATION, INC.

ARTICLE I : NAME

The name of the cooperative shall be LOMA ESCONDIDA WATER COOPERATIVE ASSOCIATION, INC. (hereinafter the “Water Cooperative Association”).

ARTICLE II: OBJECTS AND PURPOSES

The objects and purposes for which the Water Cooperative Association is formed are as follows:

Section 1. To associate its members together for their interest and benefit, and to that end, to acquire, construct, install, maintain and operate a water system for the supplying and distribution of water for domestic uses and purposes to its members and the lands of members, and to engage in any activity related thereto, including but not limited to the acquisition of water by purchase, appropriation, lease, or otherwise, and the diversion and storage thereof, the drilling, pumping and the purchase, laying, installation, operation, maintenance and repair of wells, pumping equipment, canals, ditches, structures, pipelines, valves, and all other material and equipment necessary to the construction, repair, maintenance and operation of a complete domestic water supply and distribution system, and the installation of sewage and other sanitary systems and the like, including all functions and services necessary and incidental to accomplishing any of the foregoing purposes.

Section 2. To acquire, by purchase or otherwise, water and water rights from individuals, firms, corporations, counties or municipalities, as the same may from time to time be required for the adequate supply of water to the members and lands of members, as this Water Cooperative Association may from time to time determine.

Section 3. To divert, appropriate and use, in such manner as the law may allow, the waters of springs, wells, and other sources, upon, under and within the lands of members, and to convey and distribute same for members’ household and domestic purposes, for the watering of members’ livestock, and for such other purposes as may from time to time be determined by the Water Cooperative Association.

Section 4. To own, by purchase or otherwise, lease, rent, or in any other manner, lawfully acquire lands, rights-of-way, pipelines and mains for the transportation, delivery and furnishing of water to the lands of members, and to construct, build, maintain and operate the same.

Section 5. To own, operate, maintain and control such meters and other appliances as may be necessary in conducting and maintaining the water systems aforesaid.

Section 6. To levy assessments, collect charges and create and enforce liens upon the lands of members for water service, including the cost of acquisition, construction, repair improvement and maintenance of wells, reservoirs, canals, ditches and water systems and other works and for such other purposes as may be necessary for the effective operation of this Water Cooperative Association.

Section 7. To borrow from any source, money, goods or services, and to pledge or mortgage any of the Water Cooperative Association's property as security therefore, in any manner permitted by law.

Section 8. To acquire and to hold, own and exercise all rights or ownership in, and to sell, transfer or pledge shares of capital stock or memberships to any corporation or cooperative engaged in related activities.

Section 9. To buy, lease, hold and exercise all privileges of ownership in and to real or personal property, as may be necessary or convenient for the conduct and operation of the Water Cooperative Association.

Section 10. To have and to exercise all power, privileges and rights conferred on cooperative associations or corporation by the laws of the State of New Mexico, all of which are hereby expressly claimed, including all powers which may be necessary, convenient or expedient for the accomplishment of the purposes of this Water Cooperative Association, except such powers as are inconsistent with the provisions of the Act under which this Water Cooperative Association is incorporated.

ARTICLE III: REGISTERED OFFICE AND AGENT

The location of the registered office of the Water Cooperative Association shall be 2823 Richmond Dr NE, Albuquerque, NM 87107 and the initial registered agent is Jon McCormick.

ARTICLE IV: DURATION

This Water Cooperative Association shall have a perpetual existence.

ARTICLE V: MEMBERSHIP

The owners of Lots numbered 1-14 Block A and Lots 1-13 and 16-20 Block B, Loma Escondida Subdivision, Valencia County, New Mexico, as the same is shown and designated on the Plat thereof, filed on September 4, 1987 in Cabinet E, Folio 194, records of Valencia County, New Mexico ("Property"), shall be eligible to become a member of the Water Cooperative Association. The Declaration of Covenants, Conditions and Restrictions for the Property ("Declaration") and the By-laws of the Water Cooperative Association shall set forth any additional qualifications for membership.

The owners of either or both of Lots 14 and 15, Block B of Loma Escondida Subdivision may become members of the Water Cooperative Association by paying a fee equal to Five Dollars (\$5.00) times the number of months from May, 1997 to the month of admission. Thereafter, the owners of said Lots 14 and 15, Block B shall be subject to these Articles and the Bylaws of the Water Cooperative Association, including all assessments levied against members.

The members of the Water Cooperative Association shall not be personally liable for the debts or claims against the Water Cooperative Association.

The Water Cooperative Association is organized without the issuance of shares, and the number of memberships shall be coextensive with the number of members.

ARTICLE VI: INCORPORATIONS AND BOARD OF DIRECTORS

Section 1. Incorporators: The Water Cooperative Association is incorporated by five (5) persons. The names and address of the Incorporators are:

1. Robert Wilmesherr– 28 Aqua Fria Rd. CT
Belen, NM 87002
2. Rebecca Masters - 13 Aqua Fria Rd. Ct
Belen, NM 87002
3. Harry H Zeigher Jr 16 Aqua Fria Rd. Ct
Belen, NM 87002
4. Lori Raitch 19 Aqua Fria Rd. Ct
Belen, NM 87002
5. Jon McCormick- 2823 Richmond Dr NE
Albuquerque, NM 87107

Section 2. – Board of Directors: The business and affairs of the Water Cooperative Association shall be conducted and managed by a board of five (5) directors who shall be members of the Water Cooperative Association. The names and addresses of the persons who shall comprise the initial Board of Directors are:

1. Robert Wilmesherr– 28 Aqua Fria Rd. CT
Belen, NM 87002
2. Rebecca Masters - 13 Aqua Fria Rd. Ct
Belen, NM 87002
3. Harry H Zeigher Jr 16 Aqua Fria Rd. Ct
Belen, NM 87002
4. Lori Raitch 19 Aqua Fria Rd. Ct
Belen, NM 87002
5. Jim Sahd - 10012 San Bernadino NE,
Albuquerque, NM 87112

The Directors shall be elected at the annual meeting and shall serve a one year term.

ARTICLE VII: DISSOLUTION

In the event this Water Cooperative Association shall be directed to dissolve by a vote of two-thirds (2/3) of the membership as provided by law, the Trustees, designated by the members within the time fixed by the members, or any extension thereof, shall liquidate the assets of this Water Cooperative Association, shall pay its debts and expenses, and shall distribute any surplus among the members upon the basis of their patronage during the period of six years immediately preceding the dissolution.

ARTICLE VIII: AMENDMENTS

Amendment to these Articles shall require the assent of two-thirds (2/3) of the membership, provided however, any change in these Articles related to Lots 14 and 15, Block B, prior to the owners thereof joining the Water Cooperative Association must be approved by the owners of said Lots. The presentment of a petition to amend and notice of meeting to consider the proposed amendment shall be as provided by law.

ARTICLE IX: ISSUANCE OF STOCK OR SHARES

This Water Cooperative Association shall not issue capital stock or shares, nor shall the members thereof be assessed any sum whatsoever except as provided by the Declaration and By-laws and other rules and regulations of this Water Cooperative Association.

IT WITNESS WHEREOF, we, the incorporators have set our hands and seals this _____ day of July, 2009.

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

SUBSCRIBED AND SWORN TO before me this _____ day of August, 2009, by
Robert Wilmesherr.

NOTARY PUBLIC

My Commission Expires

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

SUBSCRIBED AND SWORN TO before me this _____ day of August, 2009, by
Rebecca Masters.

NOTARY PUBLIC

My Commission Expires

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

SUBSCRIBED AND SWORN TO before me this _____ day of August, 2009, by
Harry Zeigher Jr.

NOTARY PUBLIC

My Commission Expires
STATE OF NEW MEXICO)

COUNTY OF BERNALILLO)
)

SUBSCRIBED AND SWORN TO before me this _____ day of August, 2009, by
Lori Raitch.

NOTARY PUBLIC

My Commission Expires

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

SUBSCRIBED AND SWORN TO before me this _____ day of August, 2009, by
Jon McCormick.

NOTARY PUBLIC

My Commission Expires