

BYLAWS
OF
OAK CANYON ESTATES HOMEOWNERS ASSOCIATION, INC.
A TEXAS NON-PROFIT CORPORATION

ARTICLE I
REGISTERED OFFICE

1.01 The registered office of the Corporation is located at 100 West Garza Street, Slaton, Texas 79364, and the name of the registered agent of the Corporation at that address is LaWayne Fagan.

ARTICLE II
SHAREHOLDERS' MEETING

2.01 All meetings of shareholders may be held at any location in the Oak Canyon Estates Subdivision, Kent and Garza Counties, Texas, as may be designated for that purpose from time to time by the Board of Directors and noticed to all homeowners not less than 14 days prior to the meeting. Notice of reconvening an adjourned meeting will not be necessary unless the meeting has been adjourned for more than thirty (30) days, in which case notice of reconvening the adjourned meeting must be given as in the case of a special meeting.

Time of Annual Meeting

2.02 The Annual Meeting will be held on the fourth Saturday in each August at 8:00 p.m.

Special Meeting

2.03 Special meetings of the shareholders for any purpose may be called by the Chairperson of the Board of Directors, any two (2) Directors, or by ten or more shareholders, subject to notice consistent with 2.01.

Quorum

2.04 Ten shareholders present at any shareholder meeting will constitute a quorum for the transaction of business with respect to any matter. A "shareholder" is the one person designated as the owner of a lot in the Oak Canyon Estates Subdivision. Each lot owner is entitled to vote one share for each lot owned.

Voting

2.05 Only the person whose name appears as a lot owner on the share record of the Corporation on the date on which notice of the meeting is mailed will be entitled to vote at the meeting, as a shareholder, unless the Board of Directors has fixed some other date for the determination of shareholders of record. The election of Director will be by voice vote unless any shareholder demands a ballot vote before the voting begins. The Developer shall be entitled to one (1) vote for each unsold lot.

Proxies and Mail-in Ballots

2.06 No person entitled to vote or exercise consent may do so by proxy. However, voting shall be allowed by mail; provided that each lot owner completes the mail ballot and their signature thereon is acknowledged by a Notary Public. All such mail-in ballots must be mailed, postage pre-paid, at least five (5) days prior to any election. Mail-in ballots received after the scheduled election date will not be counted.

Consent of Absentees

2.07 No defect in the calling or noticing of any shareholders' meeting will affect the validity of any action taken at the meeting if a quorum was present at the time the action was taken, or if each shareholder not present in person signs a written waiver of notice, or either before or after the meeting consents in writing to the holding of the meeting or approves the minutes in writing, and if such waivers, consents, or approvals are filed with the corporate record or made a part of the minutes of the meeting.

Action Without Meeting

2.08 Action may be taken by shareholders without a meeting if each shareholder entitled to vote signs a written consent to the action and such consents are filed with the Secretary of the Corporation.

ARTICLES III DIRECTORS

Powers

3.01 Directors shall act as a board only; individual Directors will have no power to act individually. All corporate powers of the Corporation must be exercised by the Board of Directors, or under its authority, and the Board of Directors shall control the business and affairs of the Corporation, subject to such limitations as are imposed by law, the Articles of Incorporation or these Bylaws. The Board of Directors may, by contract or otherwise, give general, limited or special power and authority to the officers and employees of the Corporation to transact the general or special business of the Corporation, and may give powers of attorney to agents of the Corporation to transact any general or special business requiring such authorization.

Number, Election and Term of Office

3.02 The initial Board of Directors shall be the following five (5) individuals:

LaWayne Fagan
Lyndell J. Ashley
John T. Basinger
John Ward
Mike Murphy

LaWayne Fagan and Lyndell J. Ashley shall remain on the board (and shall also serve as officers as hereinafter provided) for a 3-year term. After such 3-year term, an election shall be held for such board members; and, the newly-elected board members shall then serve a 2-year term. An election to elect the remaining three (3) board members shall be held in January of 2005 and such board members shall then serve a 2-year term.

Vacancies

3.03 Any vacancy occurring in the Board of Directors may be filled by a majority of the remaining Directors, or if less than two remain, by a sole remaining Director. The shareholders may elect a Director to fill any vacancy not filled by the Directors by a majority vote of the voting shares present at any regular or special meeting of shareholders.

Removal of Directors

3.04 Except as provided in Article 3.02, the entire Board of Directors or any individual Director may be removed from office with or without cause by majority vote of the voting shares present at any regular or special meeting of shareholders.

Place of Meeting

3.05 All meetings of the Board of Directors may be held at an appropriate location in the Oak Canyon Estates Subdivision as may be designated from time to time by the Board or by written consent of all the members of the Board.

Regular Meetings

3.06 Regular meetings of the Board of Directors may be held without call or notice, immediately after and at the same place as the annual meeting of the shareholders of the Corporation or at such other times and places as the Board of Directors may determine by majority vote of Directors.

Special Meetings, Call and Notice

3.07 Special meetings of the Board of Directors for any purpose may be called at any time by the Chairperson. If the Chairperson is absent, unable, or refuses to act, special meetings may be called by any two Directors. Written notice of special meetings, stating the time, and in general terms the purpose of the meeting, must be given to each Director no later than five (5) days before the day appointed for the meeting. Notice may be given by hand delivery, U.S. Mail, or delivery by any other means of written communication.

Quorum

3.08 A majority of the authorized number of Directors will be necessary to constitute a quorum for the transaction of business, except to adjourn a meeting as hereinafter provided. Every act done and decision made by a majority of the Directors present will be regarded as the act of the Board of Directors unless a greater number is required by law or the Articles of Incorporation.

Board Action Without Meeting

3.09 Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, and with the same force and effect as a unanimous vote of the Directors, if all members of the Board, individually or collectively, consent in writing to the action taken.

Adjournment-Notice

3.10 A quorum of the Directors present at a meeting may adjourn a Directors' meeting to meet again at a stated day and hour. Notice of the time and place for reconvening an adjourned meeting need not

be given to absent Directors, if the time and place is fixed as the meeting adjourned; otherwise notice of the time and place for reconvening the adjourned meeting must be given to the absent Directors in the same manner as for special meetings. In the absence of a quorum at any Director's meeting, a majority of the Directors present shall adjourn the meeting until the time fixed for the next regular meeting of the Board, or until a special meeting is called.

Conduct of Meeting

3.11 The Chairperson, or, in his absence, any Director selected by the Directors present, shall preside at meetings. Any person appointed by the presiding officer may act as Secretary of the Board of Directors.

Compensation

3.12 Directors may not receive stated salaries for their services, but may be reimbursed for actual expenses incurred, in such amounts as may be approved by the Board.

Indemnification of Directors and Officers

3.13 The Board of Directors may authorize the Corporation to pay expenses incurred by, or to satisfy a judgment or fine rendered or levied against, present or former Directors, officers, or employees of the Corporation as provided by Article 2.02(A)(16) of the Business Corporation Act.

Limitation on Capital Expenditures

3.14 The Board of Directors shall have the authority to commit the Corporation for further capital additions and improvements in an amount not to exceed \$5,000.00 during any one fiscal year for any one project. The Board commitment shall, however, be limited to funds on deposit to the account of the Corporation. Capital additions or expenditures in excess of said amount in any one fiscal year for any one purpose or project must be approved by a majority vote of the members of the Corporation present at any regular or special meeting of the members at which a quorum is present. "Capital additions" refer to land, buildings, equipment and improvements beyond those currently existing and do not refer to assets presently in existence, which need replacement or repair because of obsolescence or wear and tear.

ARTICLE IV OFFICERS

Title and Appointment

4.01 Officers of the Corporation shall be a President, one or more Vice Presidents (the number to be determined by the Board of Directors), Secretary, Treasurer, and such assistants and other officers as the Board of Directors may from time to time determine. Any two offices, except President and Secretary, may be held by one person. All officers must be elected by and hold office at the pleasure of the Board of Directors. The officers shall receive no compensation but shall be entitled to reimbursement of expenses incurred on behalf of the corporation.

The initial Officers of the corporation shall be the following:

President LaWayne Fagan
Executive Vice-President Lyndell J. Ashley

Vice-President John T. Basinger
Secretary John Ward
Treasurer Mike Murphy

Notwithstanding anything contained herein to the contrary, LaWayne Fagan and Lyndell J. Ashley shall serve as such Officers for a 3-year term. At the expiration of such 3-year term, an election shall be held in order to elect a new President and Executive Vice-President. The remaining Officers shall serve in such capacity until January of 2005; at which time an election shall be held for such positions. Such newly elected Officers shall serve a 2-year term.

John T. Basinger shall be entitled to serve as a Director and Officer, irregardless of the fact that he is not a lot owner.

Powers and Duties of Officers

4.02 The officers of the Corporation will have the powers, authority and duties generally ascribed to the respective offices, and such additional powers, authority and duties as may from time to time be established by the Board of Directors.

ARTICLE V EXECUTION OF INSTRUMENTS

5.01 The Board of Directors may in its sole discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute corporate instruments and documents and to sign the corporate name, with or without limitation, except where otherwise provided by law, and such executions and signatures will be binding upon the Corporation. All bank accounts shall require the signature of the Treasurer and also a signature by either the President or Board Chair.

ARTICLE VI ISSUANCE AND TRANSFER OF SHARES

6.01 Each of the persons or entities who become the owner of a fee interest in one or more Lots in Oak Canyon Estates Subdivision will automatically become a shareholder in the Corporation. As used in these By-Laws, "Lot" means one of those certain tracts or lots situated in the Oak Canyon Estates Subdivision, as shown by Plat and Dedication Deed recorded in Volume 271, Page 282, Deed Records, Garza County, Texas and in Volume I, Page 48, Plat Records of Kent County, Texas. Only one share shall be issued for each Lot. Lots owned by joint owners will receive one voting share.

6.02 Ownership of a fee interest in a Lot and ownership of a share in the Corporation will be inseparable, except in those specific exceptions set forth in these By Laws. One share of stock will be issued to the Owner or Owners of each Lot. Additionally, one (1) share of stock will be issued to the Developer for each unsold lot. In the case of multiple Owners of a Lot, the share of stock issued for that Lot will be owned jointly by the Owners of that Lot. The Owners of multiple lots shall receive one (1) share of stock for each lot; unless such lots are properly consolidated in accordance with the restrictive covenants for the Subdivision. No value will be assigned to any share of stock. All shares of stock will be issued and held for the purposes of establishing voting rights and the rights of the shareholders with respect to the business of the Corporation. All shares of stock will be designated as common stock and entitle each shareholder with identical rights and privileges with all other shareholders. Each Owner will be entitled to one (1) vote per share of stock owned by that Owner. In the case of multiple Owners of a Lot, only one (1) Owner per Lot may vote the share of stock issued for that Lot.

6.03 The Corporation acting through its Board may issue certificates representing all shares to which shareholders are entitled. The Certificate will be in such form and device as the Board of Directors provide, subject to the following: (i) Each certificate must bear on its face the statement that the Corporation is organized in Texas, the name of the Corporation, the number and class of shares and series, and a statement that the shares are without par value. (ii) Each certificate must be signed by the President or a Vice President, and by the Secretary or an Assistant Secretary, and the seal of the Corporation must be affixed thereto. (iii) Each certificate must contain on its face or back all recitations or references required by law.

6.04 No new certificate may be issued until the former certificate for the share represented has been surrendered and canceled. However, in the case of a lost or destroyed certificate, the Board of Directors may direct that a new certificate be issued upon such terms, conditions and guarantees as the Board may in its discretion impose, including the filing of sufficient indemnity of the Board of the shareholders receiving the new certificate.

6.05 When ownership of a Lot is conveyed or otherwise transferred the share of stock issued for that Lot will automatically be transferred to the new Owner, and the transferring Owner or Owners shall endorse and deliver the certificate evidencing the share of stock issued for that lot to the new Owner. The transferring Owner or Owners endorsement of the certificate may be by personal signature or by the signature of his or her agent, attorney in fact, or other duly authorized representative. The new Owner shall notify the Board of Directors in writing of the transfer. The duly executed and recorded deed conveying a Lot to a new Owner will be sufficient evidence to authorize the Board to issue a new certificate for that Lot to the new Owner if the transferring Owner fails to endorse and deliver the existing certificate. The transferee of a share or shares if stock will be deemed to have full notice of and to have consented to, the provisions of these Bylaws to the same extent as if the transferee had signed a written assent thereto.

6.06 The Board of Directors may suspend or revoke the membership rights (in whole or in part) of any member who fails to comply with applicable By-laws, Restrictive Covenants, Rules and regulations. Such suspension or revocation shall not be ordered until after the member involved has been given an opportunity for the member or an appointed representative to appear before the board to explain the noncompliance with rules or regulations. Any member who has an account that is past due over 60 days will be advised by Certified Mail Return Receipt Requested that his membership privileges have been suspended and that a \$50.00 handling and certified mail expense will be charged. The member may make a written request for the member or an appointed representative to appear before the Board of Directors at the next regular meeting of the Board of Directors. Such suspension or revocation shall not have the effect of denying the member access to his lot or residence. Such suspension or revocation shall not affect the continuing obligation of the owner to pay assessments or other charges previously accrued or penalties thereafter accruing.

ARTICLE VII ASSESSMENT

7.01 The Board of Directors may make annual assessments, and from time to time special assessments, on the Owner or Owners of each Lot to pay: (1) the ad valorem taxes and insurance premiums due annually on any Common Areas owned by the Corporation, ("Common Areas") (ii) the annual cost of the operation, maintenance and improvement of the Common Areas, landscaping and other improvements located, installed and constructed for the benefit of the Oak Canyon Estates Subdivision and (iii) the general administrative costs and expenses of the Corporation in conducting its business, including but not limited to, attorneys fees, court costs and other costs incurred by the Corporation in enforcing the Restrictive Covenants for Oak Canyon Estates Subdivision, recorded in Volume 20, Page 378, Official Public Records, Kent County, Texas, and in Volume 271, Page 306, Deed Records, Garza County, Texas, the

collection assessments and enforcement of liens provided for herein, and the costs of enforcing the provisions of these By-Laws. Pending the expenditure of funds for the payment of expense in accordance with the foregoing provisions of this Paragraph 7.01, the Chairperson, with the approval of the Board of Directors, shall cause all assessments, and interest thereon, collected by the Corporation to be deposited and held in an interest bearing account at a bank or financial institution selected by the Board of Directors.

7.02 Annual assessments, beginning January 1, 2005, will be \$300.00 per lot; such assessments to be paid between January 1 and January 31st of each calendar year. This rate of assessment will remain in effect until changed by majority vote of the Board of Directors. Following the first annual assessment, the Board of Directors shall, on or before January 1, of each calendar year, fix the annual assessment on each Lot for the next calendar year, and within 30 days thereafter give each Owner written notice of the amount of the annual assessment of its Lot. The assessment proposed shall be automatically included as an agenda item of the next annual meeting.

7.03 Special Assessments may be made at any time by majority vote of the Board of Directors. Special assessments may be made only to cover costs and expenses incurred by the Corporation which cannot be timely paid from funds available to the Corporation from annual assessments. All special assessments must be made on the basis of a fixed amount per Lot as determined by the Board of Directors, provided that the assessment for each Lot must be the same as that assessed for each of the other Lots. The Board of Directors shall give written notice of the special assessments to each Owner, state the amount, due date for payment and purpose of the special assessment. The notice must be given at least 30 calendar days prior to the due date for payment.

7.04 All assessments will be due and payable in full upon the due date stated in the written notice of assessments. All assessments not paid within 30 calendar days following the due date will bear interest at the rate of ten percent (10.00%) per annum from the due date until paid.

7.05 Each Owner, by accepting a deed or other instrument of conveyance to a fee interest in a Lot, will be deemed to have agreed and promised to timely pay all annual and special assessments made for his or her Lot, plus all related interest, fees and costs, whether or not expressly stated in the deed or other instrument of conveyance. In order to secure the payment of all assessments, and related interest, fees, and costs, there is hereby imposed by the provisions of these Bylaws a lien upon each Lot and the improvements thereon for the benefit of the Corporation and its shareholders. (As used in this context the term "Lot" includes the improvements thereon.) The lien is intended to be a continuing lien and to run with the land, whether or not expressly recited in the deed or other instrument of conveyance by which an Owner acquired a fee interest in a Lot. No conveyance or transfer of title to a Lot will have the effect of releasing or suspending the lien from that Lot for the payment of prior unpaid assessments and related interest, fees and costs owing to the Corporation, or for the paying of assessments and related interest, fees and costs to be made thereafter. The lien imposed by these Bylaws will be subordinate to any first vendor's lien, mortgage, or deed of trust imposed against the Lot for the purchase thereof. The provisions of these Bylaws vest in and grant to the Board of Directors of the Corporation, the right, power and authority to enforce the lien herein imposed in accordance with all remedies available to it at law and in equity, including the right, power and authority of the Board of Directors, acting as Trustee for the Corporation and its shareholders, to conduct a non-judicial foreclosure sale pursuant to Section 51.002 of the Texas Property Code. The Board of Directors may designate a substitute trustee in writing from time to time to post or cause to be posted the required notices and to conduct such foreclosure sale. The substitute trustee may be changed at any time and from time to time by an instrument in writing signed by the Chairperson of the Board of Directors, attested by the secretary of the Corporation and filed for record in the Real Property Records, Kent County, Texas. Each Owner, by accepting a deed or instrument of conveyance of a fee interest in a Lot, will be deemed to have acquired title to the Lot subject to the lien herein imposed and Board of Director's right,

power and authority to enforce the lien, including the power of non-judicial sale.

In addition to the security provided by the lien, assessments made against the Owner or Owners of a Lot shall be the personal obligation of the Owner or Owners of that Lot at the time of assessment. No Owner or Owners may avoid personal liability for payment of such assessments and related interest, fees and costs, by conveying or abandoning the Lot, and the Board of Directors is authorized to pursue all legal and equitable remedies available in a personal claim against any Owner of a fee interest in a Lot, jointly or severally, for the payment of assessments, interest, fees and costs for that Lot.

7.06 There shall be no assessment whatsoever against any Unplatted Parts of the property, nor against property or lots owned and/or unsold by Ashley and Fagan Investments Co., Inc., or its successors (whether or not such property has ever been sold to a third party and later reacquired), or any Corporation or other entity with substantially the same ownership and control as Ashley and Fagan Investments Co., Inc., nor against property owned by the stockholders of Ashley and Fagan Investments Co., Inc. or successor entity where such ownership results from a complete or partial liquidation of such Corporation and distribution of assets to its stockholders. Further, there shall be no assessment against any property owned by a "wholesale purchaser for resale", except as herein provided. However, assessments shall be imposed against any lots acquired individually by any Officer, Director and/or Shareholder of Ashley and Fagan Investments Co., Inc.

A "wholesale purchaser for resale", is purchaser who acquires from Developer, in a single transaction at least ten of the Lots then owned by Developer, where such lots are acquired for the purpose of resale to the general public or the builders. The lots initially purchased by a "wholesale purchaser for resale" and all lots subsequently acquired from Developer by such purchaser shall be deemed "wholesale lots" until resold, and no assessment by the Association shall be levied or collected with respect to "wholesale lots" except as follows:

- (a) The owner of "wholesale lots" shall be required, so long as one or more "wholesale lots" are owned, to pay one assessment (the assessment levied with respect to other lots in the subdivision) which shall entitle such owner to designate one individual to use the Association facilities as a member.
- (b) Each "wholesale lot" on an individual lot basis shall be liable for the regular assessment then in effect beginning with the nineteenth (19th) month after such lots became a "wholesale lot". That is, the status of a lot as a "wholesale lot" shall terminate after a lot has occupied such status for eighteen (18) months.
- (c) The owner of "wholesale lots" shall be entitled to only one vote per assessed lot. During the period the wholesale owner pays only one assessment for all wholesale lots owned by that owner, the owner shall be entitled to only one vote. However, the owner shall have one vote per each lot as the lot's "wholesale lot" status terminates and the owner begins paying an assessment for that lot.
- (d) The inability to assess does not adversely affect the fact that each lot owned by the developing corporation shall be entitled to one vote per lot.

**ARTICLE VIII
GATED AREAS, GARBAGE COLLECTION, BOAT LAUNCHES,
ROADS AND PARKING AREAS**

Gates

8.01 Oak Canyon Estates is a gated community, with access from the public roadway being limited by electrically operated gates. These areas shall be included within the general provisions of these By-Laws. The Association shall be responsible for 100% of all costs of repair and maintenance of such gates. Certain lots within the Oak Canyon Estates Subdivision will not be located within the gated area; however, such lots located outside the gates shall be fully subject to all of the terms, covenants and provisions contained in the Restrictive Covenants.

Roads

8.02 The Association will be responsible for the maintenance, repair and improvement of the roadways located within the Oak Canyon Estates Subdivision. In the event the Association authorizes maintenance, repair or improvements on any such roadways, then the Association may impose special assessments on each lot owner for the cost of such maintenance, repair or improvements.

Boat Ramps

8.03 The Association will pay 100% of the costs and expenses incurred in connection with maintenance and repair of the boat ramp furnished for such Subdivision.

Parking Areas

8.04 The Association shall be responsible for 100% of the costs incurred in maintaining, repairing and improving the parking areas designated on the Plat of the Oak Canyon Estates Subdivision.

Garbage Collection

8.05 The assessments collected by the Association shall also be utilized for common garbage collection and pick-up and all other expenses associated in connection therewith; including, but not limited to, the purchase, repair and/or replacement of the dumpsters to be located at the designated trash pick-up area within the Subdivision.

Docks

8.06 In the event the City of Lubbock authorizes courtesy docks for the private boat ramp located on the Development, the Association will be responsible for any applicable fees or dues which the City of Lubbock might assess in regard to the permitting of any such courtesy docks, which are utilized by the Oak Canyon Estates Subdivision.

Assessments

8.07 All lots shall be assessed on a regular basis for the expenses set out in Articles 8.01 through 8.06 above, including, but not limited to, expenses related to operating and maintenance of the gates, roads, garbage collection, boat ramps and parking areas. The lots shall be additionally assessed by the Board of Directors for any additional costs of construction and maintenance improvements approved by a majority of the shareholders.

8.08 The Board of Directors shall establish, from time to time, the amount of the assessments and shall enforce collection. Funds collected shall be deposited to a bank account and funds removed from that account must be restricted for usage as provided herein, and not commingled with other funds.

8.09 The provisions of Article VII, not in conflict with this Article, shall be applicable to these assessments.

ARTICLE IX ARCHITECTURAL CONTROL COMMITTEE

9.01 The Board of Directors shall establish an Architectural Control Committee (the "ACC") within thirty (30) days following the incorporation of the Corporation.

9.02 The membership of the ACC shall consist of five members of the Board of Directors. The initial membership of the ACC shall consist of LaWayne Fagan, Lyndell J. Ashley, John T. Basinger, John Ward and Mike Murphy. LaWayne Fagan and Lyndell J. Ashley shall serve for a 3-year term. At the expiration of such 3-year term, an election shall be held for such positions. The remaining members of the ACC shall serve a 2-year term. The terms of office for the Board of Directors and the terms of the office for the members of the ACC shall run concurrently. The Chairperson of the Board of Directors shall also serve as Chairperson of the ACC.

9.03 The duties and responsibilities of the ACC will be to enforce the provisions of the Restrictive covenants, Assessments and Liens affecting the Lots, as now existing or amended with respect to the design, location and construction of improvements and landscaping on the Lots. The ACC shall have all powers and authority delegated to it by the Board of Directors to carry out its duties and responsibilities.

9.04 The ACC shall collect, for the benefit of the Corporation, a fee of \$50.00 for each set of plans submitted for review; and, such fees shall be promptly deposited into the bank account maintained by the Homeowner's Association..

9.05 All plans to be submitted to the ACC must include a complete set of plans prepared by a certified, licensed architect and must contain the exterior color scheme and types of materials used for the exterior of the home and any permitted outbuilding.

ARTICLE X VIOLATION OF DEED RESTRICTIONS AND/OR ASSESSMENTS

Enforcement of Violations

10.01 The Board of Directors shall give notice to any person or entity who violates any restrictive covenant or other provision of the Restrictive Covenants, Assessments and Liens affecting the Lots. This notice must be in writing, delivered personally or by depositing the notice in the U.S. Mail certified with return receipt requested. The notice must state the nature of the violation and give the violator a reasonable time in which to cure the violation. If the notice is disregarded, the Board of Directors may seek damages, enforcement of the particular provision in question, injunctive relief, or such other relief from a court in competent jurisdiction as the Board of Directors may deem appropriate.

**ARTICLE XI
AMENDMENTS TO BYLAWS**

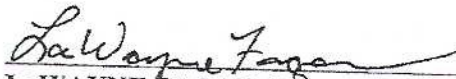
11.01 The power to alter, amend or repeal these Bylaws is vested in the Directors, subject to repeal or change by action of sixty-seven percent (67%) of the shareholders.

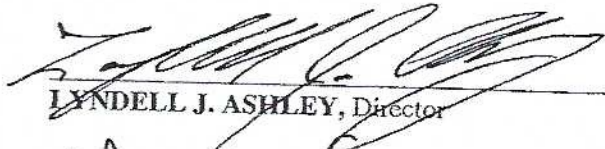
**ARTICLE XII
RECORDS AND REPORTS**

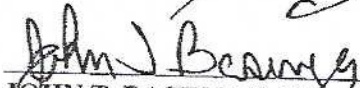
12.01 All books and records provided for by statute shall be open to inspection of the shareholders from time to time and to the extent expressly provided by statute, and not otherwise. The Directors may examine such books and records at all reasonable times.


Signatures and Attestation

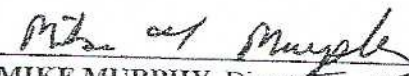
Adopted by the Board of Directors on this 4th day of May, 2004.


LaWAYNE FAGAN, Director


LYNDELL J. ASHLEY, Director


JOHN T. BASINGER, Director


JOHN WARD, Director


MIKE MURPHY, Director

THE STATE OF TEXAS §

COUNTY OF Scurry §

Before me, the undersigned Notary Public, on this day personally appeared **LaWAYNE FAGAN, LYNDELL J. ASHLEY, JOHN T. BASINGER, JOHN WARD** and **MIKE MURPHY**, known to me OR provided to me on oath of _____ OR through _____ to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 4th day of May, A.D., 2004.



BOBBIE\CORP\A610A

Bobbie Forbes
Notary Public