



COVENANT AND INDEMNIFICATION AGREEMENT

MICHAEL COX and **ELIZABETH P. COX**, husband and wife, as tenants by the entireties, Grantors, whose address is 154 South Second Street, Big Horn, Wyoming 82833, in consideration of the agreement with the **BIG HORN TOWNSITE DITCH COMPANY** (hereafter "Townsite Ditch"), whose address is P.O. Box 354, Big Horn, Wyoming 82833, Grantee, hereby declare the property described below shall be owned, held, sold, conveyed, encumbered, leased, used, occupied and developed subject to the covenant set forth herein, which covenant shall run with the land on the following described property:

Lots 2, 4, 6, and 8, Block 23, Town of Big Horn, Sheridan County, Wyoming;

AND

That portion of the South 15 feet of South Second Street beginning at the northeast corner of said Lot 2, Block 23; thence East a distance of 25 feet to a point; thence North a distance of 15 feet to a point; thence West a distance of 125 feet to a point; thence South a distance of 15 feet to the northwest corner of said Lot 2, Block 23; thence East a distance of 100 feet to the point of beginning;

AND

The East half of the 20 foot wide alley adjacent to said Lots 2, 4, 6 and 8, Block 23.

1. Covenant. Grantors Michael Cox and Elizabeth P. Cox (hereafter the "Coxes") covenant and agree that in consideration of the agreement of the Townsite Ditch to allow the placement of a 12 inch smooth interior ADS N-12 water tight plastic culvert pipe or the equivalent thereof within the Townsite Ditch across the above-described property, the Coxes and their heirs, successors and assigns, covenant to assume full responsibility for the maintenance of the pipeline on the above-described property, and the Coxes and their heirs, successors and assigns further covenant and agree that they shall be fully responsible for all damages to any



property, including irrigation pumps on those lands with water rights under the Townsite Ditch, as a result of the failure of the pipeline or the extent to which the pipeline causes damage to any property because of the placement, installation, operation and maintenance of such pipeline. This covenant running with the lands described above shall benefit all lands under the Townsite Ditch.

2. Placement of Pipe. The Coxes shall be fully responsible for the placement of a 12 inch smooth interior ADS N-12 water tight plastic culvert pipe or the equivalent thereof from 120 feet to 150 feet running through the above-described property, which shall generally comply with the following specifications:

- (a) 36 inch clean-out boxes must be installed, nor more than 40 feet apart;
- (b) Concrete must be used to make clean-out boxes;
- (c) Concrete must be used at the inflow (invert) end of the pipe for stability;
- (d) A four inch grate must be installed at the inflow (invert) end of the pipe.

The Coxes shall be fully responsible for cleaning the pipe and notifying the Townsite Ditch of any problems created by the pipe.

3. Indemnification. The Coxes and their heirs, successors and assigns, by virtue of this Covenant, hereby covenant and agree to indemnify the Townsite Ditch for any damages to any property, including irrigation pumps, on the above-described property as well as any property belonging to any third person from any overflow or flooding of the Townsite Ditch due to the placement, installation, operation and maintenance of the pipeline that is installed pursuant to this Covenant and Indemnification Agreement. This indemnification requires the Coxes and their heirs, successors and assigns to fully indemnify and hold the Townsite Ditch harmless from

any claims for damages and to further pay any attorney's fees incurred by the Townsite Ditch in relation to any claims for damages.

4. Binding Effect. This Covenant and Indemnification Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. Governing Law. This Covenant and Indemnification Agreement shall be governed by and construed in accordance with the laws of the State of Wyoming.

Dated this 12 day of May, 2014.

Michael Cox
MICHAEL COX

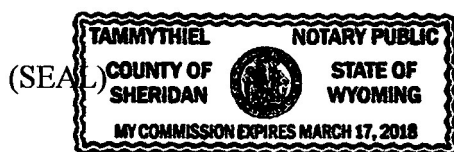
Elizabeth P. Cox
ELIZABETH P. COX

BIG HORN TOWNSITE DITCH COMPANY

By: Thomas J. Roush
Title: Thomas J. Roush, President

STATE OF WYOMING)
) ss.
County of Sheridan)

This instrument was acknowledged before me on the 12 day of May, 2014, by Michael Cox and Elizabeth P. Cox, husband and wife.



Tammy Thiel
Signature of Notarial Officer
Title and Rank: Office Manager


My commission expires: 3-17-2018.



STATE OF WYOMING)
) ss.
County of Sheridan)

This instrument was acknowledged before me on the 12 day of May, 2014,
by Thomas J. Roush, President of the Big Horn Townsite Ditch Company.





Signature of Notarial Officer

Title and Rank: Office Manager

My commission expires: 3-17-2018.