

DECLARATION OF PROTECTIVE COVENANTS
FOR EQUESTRIAN HILLS SUBDIVISION

A Subdivision in Sheridan County, Wyoming

This declaration is made by BURNS INDUSTRIES, INC., whose address is P. O. Box 6027, Sheridan, Wyoming 82801, hereafter referred to as "Declarant."

The Declarant is the owner of all lands embraced in the subdivision known as Equestrian Hills Subdivision, which is platted and of record in the Office of the County Clerk and Ex-Officio Registrar of Deeds of Sheridan, Wyoming. The plat is incorporated by reference in this declaration and is specifically made a part hereof in all respects, as if fully set out herein.

The Declarant intends to sell all of the lots contained in Equestrian Hills Subdivision.

All of the lots shall be held, transferred, sold, conveyed, or contracted to be conveyed by Declarant subject to the conditions, restrictions, reservations, easements and covenants now on record and upon the following express conditions, provisions, reservations, restrictions, servitudes and covenants (hereafter referred to as covenants). Each and every covenant is for the benefit of the entire subdivision and for the benefit of each owner of land therein. These covenants shall run with the land and inure and pass with this property and each and every parcel of land therein. These covenants shall be binding on all owners of land in this subdivision and their successors in interest, regardless of how that interest is acquired. This includes among others, adverse possessors, lessees, and purchasers at mortgage foreclosure sales. These covenants are imposed pursuant to a general plan for the improvement and benefit of the Equestrian Hills Subdivision.

It is the intention of the Declarant that the lands located in this subdivision shall be developed and maintained as a highly desirable rural residential area. The purpose of the following covenants is that the present natural beauty, growth, native setting, and surroundings shall always be protected insofar as possible in connection with the uses and structures permitted by this declaration.

These covenants are imposed upon the lands comprising the Equestrian Hills Subdivision as an obligation or charge against the same for the benefit of each and every lot in the subdivision and the owner or owners thereof. Each and every owner of land in this subdivision shall have a right to enforce the following covenants which are imposed upon each and every lot in this subdivision and are as follows:

1. All lots shall be used only for residential, agricultural, family recreational purposes, or corporate retreat facilities

designed to standards.

2. No manufacturing or commercial enterprise or enterprises of any kind for profit except as expressly permitted herein shall be maintained on, in front of, or in connection with the lands in this subdivision nor shall such land in any way be used for purposes other than those outlined in No. 1 above unless prior written permission is obtained from the Equestrian Hills Homeowner's Association. All buildings to be erected, altered, placed or permitted to remain on the premises hereby conveyed shall be retreat or single family-type dwellings and the necessary outbuildings which include, but are not limited to, garages, barns, stables, kennels and accompanying fencing necessary to contain owned livestock and restrain canine pets.
3. No mobile or modular homes shall be permitted upon any lot at any time. A mobile home is defined as a living unit, manufactured with an integral towing device or wheels. If the unit is manufactured with an integral towing device or wheels, it does not lose its status as a mobile home by the removal of the device or the wheels. This covenant shall not prevent the parking and temporary, occasional use of a camping trailer in the subdivision as long as the trailer is not used as a permanent residence. A modular home is defined as a unit preassembled and transported to the property substantially as a unit or units. In the event of a dispute as to whether a given building is modular or not, the Equestrian Hill Homeowner's Association shall make a final determination as to its status.
4. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any lot at any time as a primary or permanent residence.
5. No portion of any lot shall be used as a dumping ground for rubbish, trash, garbage or other wastes.
6. (a) The principal dwelling upon any lot shall have a minimum, fully enclosed ground area devoted to living purposes, exclusive of porches, terraces, and garages, of 1400 square feet.
(b) No construction materials shall be stored on any lot for a period longer than ninety days unless substantial construction is actually in progress.
(c) No more than one residence is permitted to be built on any lot as a principal use without the express permission of the Equestrian Hills Homeowner's Association.
(d) The quality of design and construction, as determined by the plans and specifications, shall be equal to the standard requirements of the Uniform Building Code, 1982 Edition, for residential construction and any other applicable legal requirements.
(e) No residence shall be constructed closer than thirty feet to the right-of-way of the County Road adjacent to the Equestrian Hills Subdivision. Further, no residence shall

be constructed less than thirty feet from the boundary of the Big Horn Equestrian Center.

(f) No lot may be subdivided, or any portion thereof conveyed to any person for a period of twenty years from the date of these covenants without prior written approval of the Equestrian Hills Homeowner's Association. Nothing in this paragraph shall prohibit the transfer of any lot as a unit.

7. No sewage disposal system shall be constructed unless fully approved as to design, capacity, location and construction by the Wyoming Environmental Quality Department and the Sheridan County Engineering Office. The Equestrian Hills Homeowner's Association shall approve the location of any leach field or other septic system which may create aesthetic impact on the subdivision.
8. All animals brought onto the Equestrian Hills Subdivision shall be maintained in a humane and sanitary manner. A maximum of two dogs may be kept if maintained in kennels or restricted to the owner's lot, except when under the direct control of the owner. Horses brought into the subdivision will be kept on the owner's lot when not being ridden or when not under the direct control of the owner. Horses are to be grazed without abuse to the land, or maintained with prepared feed and grain on all lots, if necessary. These lots may be used for agricultural and other compatible purposes. Agricultural use shall include raising animals raised for a profit, except that animals causing noxious smells, such as pigs, shall not be permitted. The Equestrian Hills Homeowner's Association shall have authority to determine whether an animal creates "noxious smells" under this paragraph.
9. (a) All lots shall be maintained in an orderly manner. Waste and refuse are to be kept in closed containers and shall be moved to a public dump at time of disposal. Garbage may not be burned. Normal agricultural ditch burn may be permitted if done with care and discretion in conformity with County Rules or regulations. All vehicles of whatever nature parked anywhere within the boundaries of the subdivision must be currently licensed and/or operable on public roads.
 (b) Homeowners shall be required to take all measures necessary to eliminate noxious weeds (such as leafy spurge) at their own expense. The definition of a "noxious weed" shall be that imposed by the Sheridan County Weed and Pest Control, and/or the Equestrian Hills Homeowner's Association.
 (c) Homeowners shall be required to fence the boundary of lots within a reasonable time after erection of a permanent structure upon property within the subdivision. All fences erected shall be capable of containing livestock, but in no event shall a barbed wire fence of any kind be erected as a boundary fence.
10. No tract owner may clear brush or trees or do any extensive burning of any nature except after having first obtained written approval from the Equestrian Hills Homeowner's

Association. Such approval shall specify the time and manner in which such clearing and burning can be done and what may be cleared. No trees may be cut down or removed from the site under any circumstances without prior, written approval from the Equestrian Hills Homeowner's Association. All chimneys, flues, fireplaces, including outdoor fireplaces or facility of any type, designed to contain a fire must be installed with a spark retardant screen designed to contain sparks that may cause fire outside its confines.

11. No owner of any lot will do or permit to be done any act which is or may become a nuisance to other lot owners. The Equestrian Hills Homeowner's Association shall determine whether any use is a nuisance.
12. Since it is the desire to retain the Equestrian Hills Subdivision in as near its natural state as possible and to maintain peace and quiet in the area, there shall be no hunting allowed within the subdivision.
13. All electrical and telephone service lines existing or proposed shall be placed underground except where the terrain makes such installation impractical, unnecessary or impossible according to the judgment of service companies who must do the installation.
14. No snowmobiles, motorcycles (including three and four wheel motorcycles), or other noisy vehicles shall be operated on the properties except for egress or ingress to the county roads. All such vehicles so used, however, shall be designed and maintained so that they do not exceed the noise level required by law for licensed road vehicles. If the Equestrian Hills Homeowner's Association determines that a vehicle exceeds these limits, the owner shall be prevented from operating the vehicle in the subdivision until such time as the vehicle complies with such requirements and its operation is approved by said association.
15. (a) Any and all wells drilled on the property shall be used for domestic, stock water, and other uses permitted hereunder only. Sale of water for profit shall not be allowed.
(b) There shall be a stock water line located in the subdivision, serving 22 of 26 lots therein. Each lot served thereby shall be supplied with one tap. Said water shall be used only for stock water and watering of lawns and gardens. The cost of maintaining said line shall be assessed to the lots supplied, as described below. Nothing contained herein shall obligate Burns Industries, Inc., the Equestrian Hills Homeowner's Association, or any lot owner to supply water for stock, or create any liability to any lot owner for failure to maintain the supply described above.
(c) There shall be a 5,000 gallon cistern on Tract D, between Lots 9 and 10. Said cistern shall be used exclusively for fire control, and must be filled at all times. If said cistern must be filled by the Big Horn Fire Department because its level is not maintained, the cost for that service shall be assessed to all lot owners as provided below.
(d) All ditch and water rights shall be owned by the

Equestrian Hills Homeowner's Association, which shall have authority to regulate the use of same. Nothing contained herein shall create any liability, claim, or cause of action against Burns Industries, Inc., the Equestrian Hills Homeowner's Association or any lot owner for failure to supply such water.

16. Burns Industries, Inc., hereby covenants that each owner of any lot by acceptance of a deed therefor is deemed to covenant and agree to pay to the Equestrian Hills Homeowner's Association annual assessments or charges for the common expenses set forth in these covenants, such assessments to be established and collected as herein provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, if incurred, shall be a charge on the lot against which an assessment is made, and if not paid when due, shall be a continuing lien upon said lot. Each such assessment, together with interest, costs, and reasonable attorney's fees, if incurred, shall be the personal obligation of the person who was the owner of the lot at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to an individual successor in title unless expressly assumed by them.
17. The assessments levied by the Equestrian Hills Homeowner's Association shall be used exclusively for the purposes set forth above and for the following purposes:
 - (a) Snow removal, maintenance, repair, and necessary improvements of roads in the subdivision.
 - (b) Maintenance, repair, and necessary improvements of water and other utilities, the costs or repair for which are to be borne by the subdivision.
 - (c) Trash removal; however, participation in a contract for trash removal shall be voluntary.
 - (d) The association shall pay all administration, management expense, common utilities, and water bills incurred by the association.
 - (e) Ditch assessments and other expenses associated with maintaining subdivision water rights.
 - (f) Costs of maintaining adequate fire protection, including filling of cistern.
18. Annual assessments shall be fixed at a uniform rate for all lots. The annual assessments provided for herein shall commence for all lots on the first day of the month following the conveyance of the first lot of said subdivision, and shall be payable in equal monthly installments. The annual assessment period shall commence with the first day of the Equestrian Hills Homeowner's Association's fiscal year established by the Board of Directors and shall terminate on the last day of such year. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year and the Board of Directors shall fix the amount of the first assessment against each lot on or before

the fifteenth day of the month following conveyance of the first lot of the subdivision. Thereafter the annual assessment shall be determined as provided in paragraphs 20 and 21.

19. ~~The Equestrian Hills Homeowner's Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified lot have been paid.~~
20. Within thirty days prior to the end of a fiscal year, the Board of Directors shall determine by estimate the amount of the assessment necessary to pay those expenses required to be paid by the association pursuant to the provisions of these covenants, provided, however, the assessment in any one year shall not be increased by more than 15% over the preceding year's assessment without approval of 3/4ths of the members of the association. Within fifteen days after making such determination, the Board of Directors shall give written notice to each owner of the amount of his estimated annual assessment.
21. Within thirty days after the beginning of the fiscal year, the Board of Directors shall calculate the total expenditures made during the preceding fiscal year for expenses paid through the assessments provided for by this declaration and shall compute the exact amount owed by each owner. The Board of Directors shall thereupon notify each owner of the amount of any excess payment made by such owner during the preceding year and give the owner credit for such excess payments. If the payments made during the preceding year were insufficient to pay each owner's share, the amount of such deficiency shall be added onto the monthly payments remaining to be made by owner during that year. Any deficiency shall be paid in full on or before the end of the fiscal year following the year in which it is occurred.
22. Any assessment not paid within thirty days after the due date shall bear interest from the due date at the rate of 18% per annum. The Equestrian Hills Homeowner's Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. No owner may waive or otherwise escape liability by abandonment of his lot.
23. The Equestrian Hills Homeowner's Association shall keep detailed and accurate records in chronological order of the receipts and expenditures affecting the maintenance, repair, and improvement expenses incurred. Such records and vouchers authorizing payment shall be available for examination at a reasonable time.
24. Every owner of any lot shall be a member of the Equestrian Hills Homeowner's Association, a nonprofit corporation to be organized under the laws of the State of Wyoming. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract buyers,

but excluding those who have such interest merely as security for the performance of an obligation. The association shall have two classes of voting members whose designations are as follows:

(a) Class A members shall be owners of parcels of less than ten acres. Each Class A member shall be entitled to one vote for each lot in which he holds the interest required for membership as defined above.

(b) Class B members shall be owners as defined above, who own parcels of greater than ten acres. Each Class B member shall be entitled to two votes for each lot as identified above in which he holds the interest required for membership.

25. The Equestrian Hills Homeowner's Association, Burns Industries, Inc., or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this declaration. Failure by the association, Burns Industries, Inc., or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In the event that any action must be brought to enforce any restriction, covenant, reservation, duty, lien or charge hereunder, the Equestrian Hills Homeowner's Association or other party shall be entitled to recover all costs, expenses, and reasonable attorney's fees incurred in enforcement thereof.

26. Severability. In the event any of the covenants or remedies contained herein is invalidated by a judgment or court order, the remaining covenants, provisions and remedies shall remain in full force and effect, and if rewording would remedy the invalidated portion, this could be done by a simple majority vote of the members of the Equestrian Hills Homeowner's Association.

IN WITNESS WHEREOF, the Declarant has executed this Declaration of Protective Covenants for Equestrian Hills Subdivision this 24th day of July, 1986.

BURNS INDUSTRIES, INC.



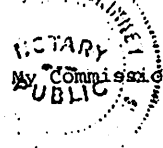
By: John J. Nash
President

D. Bruce Burns
Secretary

STATE OF WYOMING)
COUNTY OF SHERIDAN) ss.

The foregoing instrument was acknowledged before me this 24th day of July, 1986, by JOHN J. NASH, who is President of Burns Industries, Inc., Declarant.

WITNESS my hand and official seal.



Charlotte McKinney
Notary Public

My Commission Expires: 5/26/90