

RECORDED SEPTEMBER 27, 1995 BK 375 PG 563 NO 209051 RONALD L. DAILEY, COUNTY CLERK

STATE OF WYOMING)
) ss.
COUNTY OF SHERIDAN)

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR THE POWDER HORN

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made this 26th day of September, 1995, by Powder Horn Ranch, LLC, a Wyoming Limited Liability Company, (hereinafter referred to as "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain real property referred to in Article II and described on Exhibit A of this Declaration, which property represents Phase I of a master community development known as "The Powder Horn," Declarant also owns adjacent and contiguous real property on which subsequent residential development phases may take place. Declarant desires to take advantage of the presently-existing unique geographical features of the subject property and proposes to establish and implement highly sophisticated plans for residential living and recreation. In view of the various unusual and uncommon features of Declarant's long-range plans, Declarant desires to impose these restrictions on the subject property and yet retain reasonable flexibility to respond to changing or unforeseen circumstances so as to control and maintain the first-class quality and distinction of the Powder Horn community project.

NOW, THEREFORE, Declarant hereby declares that the real property referred to in Article II and described on Exhibit A, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes collectively referred to herein as 'Covenants and Restrictions') hereinafter set forth.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration or any amendment or supplement hereto (unless the context shall otherwise clearly indicate or prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the Powder Horn Homeowners Association, Inc., a Wyoming non-profit corporation, which has the power, duty and responsibility of maintaining and administering the Common Areas, and collecting the assessments and charges hereinafter prescribed, and has the right, but not the obligation of administering and enforcing the Covenants and

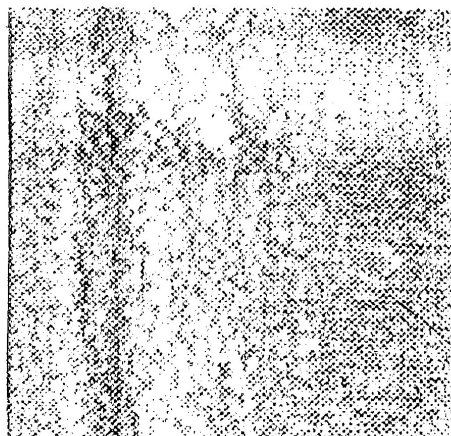
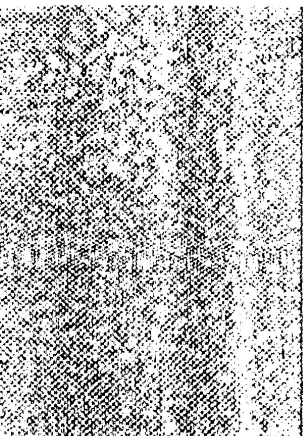
Restrictions.

(b) "Common Areas" will not include the golf course, but shall mean and refer to any and all areas of land within the Property which are known, described or designated as common green, common areas, recreational easements, greenbelts, open spaces or streets on any recorded subdivision plat of the Property or intended for or devoted to the common use and enjoyment of the Members of the Association, together with any and all improvements that are now or may hereafter be constructed, or installed thereon, and including all equipment, accessories and machinery used in the operation or maintenance of any of such Common Areas, and any additions to or replacements of such Common Areas. The Common Areas within the Powder Horn residential community will generally consist of streets and open space, not to include the golf course. Declarant proposes to hold record title to the Common Areas, consistent with the objectives envisioned herein, and subject to the easement rights herein of the Members to use and enjoy the Common Areas, for an indefinite period of time and at a point in time (deemed appropriate and reasonable by the Declarant, but prior to July 1, 2015) record title to the Common Areas will be formally transferred from the Declarant to the Association. Declarant reserves the right to effect redesigns or reconfigurations of the Common Areas, and execute any open space declarations applicable to the Common Areas which may be permitted by law in order to reduce property taxes.

(c) "Declarant" shall mean and refer to Powder Horn Ranch, LLC, and the successors and assigns (if any) of Powder Horn Ranch, LLC, with respect to the voluntary disposition of all (or substantially all) of the assets of Powder Horn Ranch, LLC, and/or the voluntary disposition of all (or substantially all) of the right, title and interest of Powder Horn Ranch, LLC, in and to the Property prior to the completion of development thereon. No person or entity purchasing one or more Lots from Powder Horn Ranch, LLC, in the ordinary course of business shall be considered as "Declarant."

(d) "Existing Property" shall mean and refer to the initial parcel which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration pursuant to Section 2.01 of Article II hereof.

(e) "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Property as amended from time to time, which is designated as a lot therein, and which is or will be improved with a residential dwelling in conformity with the building restrictions herein set forth. "Adjoining Lot" shall mean and refer to a Lot which is adjacent to any other Lot as shown on any recorded plat of the Property. Any reference in Article IX hereof to the visibility of



an item from any Adjoining Lot shall mean the visibility of such item from the ground level of the structure located on the Adjoining Lot and not the second story of a two-story dwelling located thereon.

(f) "Member" means every person who holds a membership in the association pursuant to Article III, entitled "Membership and Voting Rights." An Owner is not necessarily or automatically a Member.

(g) "Owner" shall mean and refer to each and every person or business entity who or which is a record owner of a fee or undivided fee interest in any Lot subject to these Covenants and Restrictions; however, the word "Owner" shall not include person(s) or entity(ies) who hold a bona fide lien or interest in a Lot as security for the performance of an obligation.

(h) "Property" shall mean and refer to the "Existing Property," and any additional lands which are annexed into the project and made subject to these Covenants, Conditions, and Restrictions, or any amendment or supplement hereto, prepared and filed of record pursuant to the provisions of Article II hereof.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

2.01 Existing Property. The Existing Property is located in the County of Sheridan, State of Wyoming, and is more particularly described on Exhibit A attached hereto and incorporated herein by reference for all purposes.

2.02. Additions to Existing Property. Additional land(s) may become subject to this Declaration in any of the following manners:

(a) Declarant may add or annex additional real property to the scheme of this Declaration by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions which shall extend the scheme of the covenants, conditions and restrictions of this Declaration to such property, provided, however, that such supplementary declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the concept of this Declaration.

(b) In the event any person or entity other than Declarant desires to add or annex additional residential and/or common areas to the scheme of this Declaration, such proposed annexation must have the prior written consent and approval

of the majority of the outstanding votes within each voting class of the Association.

(c) Any additions made pursuant to Paragraphs (a) and (b) of this Section 2.02, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

3.01. Membership. There shall be one Class A Membership in the Association appurtenant to each Lot. The Owner of the Lot shall designate in writing to the Association an individual who shall be the Member with respect to that Lot. The Member designated by the Owner of the Lot must be an individual who is an Owner, or if the Owner is or includes a Person other than an individual, the Member may be an individual who is a partner if the Owner is or includes a partnership, or an officer of the corporation if the Owner is or includes a corporation, or a beneficiary of the trust if the Owner is or includes a trust, or an owner of the entity if the Owner is or includes a person other than an individual, a partnership, a corporation or a trust. In the absence of such written designation, Assessments shall nevertheless be charged against the Lot and Owner thereof, but there shall be no right to vote the membership or to use the Common Areas.

3.02. Once a Class A Member has been designated by an Owner of a Lot, a new Member may only be designated for that Lot by the Owner upon the death of the previously designated Member, or at any time following the first anniversary (or such longer period, not to exceed three years as the Board may establish; or such shorter period, in a particular case as the Board, in its sole discretion, may permit) of the date the Member who is being succeeded was designated.

3.03. The Class A Member as so designated shall be the only person entitled to vote on behalf of the Owner of the Lot at Association meetings and elections. The Member designated by the Owner, and the Member's spouse and children, natural and adopted, under the age of 25 (and such other children and relatives of the Member as the Board may, from time to time, specify) shall with respect to the Owner's Lot, be the only persons entitled to use the Common Areas and other than as guests, in accordance with the Association Rules, and no other individual or person, even though an Owner of the Lot, shall be entitled to use the Common Areas other than as guests.

3.04. Voting Rights. The Association shall have two classes of voting membership:

CLASS A: Class A Members shall be all Members other than Class B Members. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership.

CLASS B: The Class B Member shall be Declarant. The Class B Member shall be entitled to ten (10) votes for each lot which it owns.

Notwithstanding the aforementioned voting rights within the Association and consistent with the provisions of Section 12.02 hereinafter, until:

(a) Declarant no longer owns: (i) record title to any Lot; and (ii) a lien interest in any Lot; and (iii) title to any adjoining acreage intended to be developed as an additional section or phase of the Powder Horn; or

(b) July 1, 2015, whichever occurs first in time, neither the Association nor the Members shall take any action or inaction with respect to any matter whatsoever without the consent and approval of the Declarant.

(c) The Declarant voluntarily may (but shall not be required to relinquish control of the association to the Members at any time prior to July 1, 2015).

3.05. Quorum, Notice and Voting Requirements. The quorum, notice, and voting requirements of and pertaining to the Association are set forth within the Articles of Incorporation and Bylaws of the Association, as same may be amended from time to time. Subject to the provisions of Section 3.04 above, any action by or on behalf of the Association may be taken with the consent given in writing and signed by Members who collectively hold or control more than fifty percent (50%) of the outstanding votes of the Association.

ARTICLE IV GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS

4.01. Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors (hereinafter referred to as the "Board"). The Board shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board, for the benefit of the Common Areas, the Owners, and the Property, shall provide, and shall pay for out of the maintenance fund(s) provided for in Article VI below, the following:

(a) Care and preservation of the Common Areas and the furnishing and upkeep of any desired personal property for use in the Common Areas;

(b) Taxes, insurance and utilities (including, without limitation, electricity, gas, water and sewer charges) which pertain to the Common Areas only;

(c) The services of a person or firm (including Declarant and any affiliates of Declarant) to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by a manager designated by the Board;

(d) Legal and accounting services; and

(e) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alteration, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration, or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration. The Board shall have the following additional rights, powers, and duties:

(f) To maintain and repair all streets as appropriate.

(g) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Areas owned by the Association;

(h) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of first mortgage liens on the individual Lots with respect to: (i) taxes on the Common Areas; (ii) insurance coverage (if any) on Common Areas as they relate to the assessment, collection and disbursement process envisioned by Article V hereinabove; and (iii) utility installation, consumption and service matters;

(i) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent owners, if the Board sees fit or secured by such assets of the Association as deemed appropriate by the lender and the Association;

(j) To enter into contracts, maintain one or more bank accounts, and generally, to have all the powers necessary or incidental to the operation and management of the Association;

(k) To protect or defend the Common Areas from loss or damage by suit or otherwise, to sue or defend in any court

of law on behalf of the Association, and to provide adequate reserves for repairs and replacements;

(l) To make reasonable rules and regulations for the operation of the Common Areas and to amend them from time to time;

(m) To make available to each Owner within ninety (90) days after the end of each year an annual report;

(n) Pursuant to Article VII herein, to adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property; and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency;

(o) To enforce the provisions of this Declaration and any rules made hereunder and to line, enjoin and/or seek damages from any Owner for violation of such provisions of rules;

4.02 Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein. In the event or if for any reason the Board is not deemed authorized to act for and on behalf of the Association and the Members, then Declarant may exercise its power and authority under Section 12.02 hereof to act for and on behalf of the Association and the Members, and the Association shall reimburse Declarant for any and all reasonable expenses incurred in so acting.

4.03 Contracts with Owners. The Board, on behalf of the Association, shall have full power and authority to contract for any Owner (including, without limitation, Declarant) for the performance, on behalf of the Association of services which the Board is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interest of the Association.

4.04 Liability Limitations. Neither the Declarant, any Member, the Board, any Director, nor any Officer of the Association shall be personally liable for debts contracted for, or otherwise incurred by the Association, or for the tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither Declarant or Association, its Directors, officers, agents, or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portion thereof or for failure to repair or maintain the same. Declarant, the Association or any other person, firm or corporation liable to make such repairs or maintenance shall not be liable for any personal injury or other

incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portion thereof.

4.05 Reserve funds. The Board may, in its sole and absolute discretion, establish reserve funds, which may be maintained and accounted for separately from other funds maintained for annual operating expenses, and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are capital contributions and not net income to the Association.

ARTICLE V
PROPERTY RIGHTS IN THE COMMON PROPERTY

5.01 Members' Easements of Enjoyment. Subject to the provisions of Section 5.03 of this Article, every Member and every tenant of every Member who resides on a Lot, and each individual who resides with either of them on such Lot, shall have a right and easement of use, recreation and enjoyment in and to the Common Areas, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Areas.

5.02 Title to the Common Areas. Declarant will hold record title to the Common Areas for an indefinite period of time, subject to the easements set forth in Section 5.01 hereof. Declarant shall have the right and option (without the joinder and consent of any person or entity, save and except any consent, joinder or approval required by Sheridan County) to encumber, mortgage, design, redesign, reconfigure, alter, improve, landscape and maintain the Common Areas, provided that Declarant fully and timely complies with any and all requirements of Sheridan County. At some point in time (deemed appropriate by the Declarant but prior to July 1, 2015), Declarant will convey free and clear title to the Common Areas to the Association for the purposes herein envisioned. Declarant reserves the right to execute any open space declarations applicable to the Common Areas which may be permitted by law in order to reduce property taxes, or which otherwise benefits the Members.

5.03 Extent of Members' Easements in the Common Areas. The rights and easements of use, recreation and enjoyment created hereby shall be subject to the following:

(a) The right of Declarant or the Association to prescribe reasonable regulations and policies governing, and to charge fees or deposits related to the use, operation and maintenance of the Common Areas.

(b) Liens or mortgages placed against all or any portion of

the Common Areas with respect to monies borrowed by Declarant to develop and improve the Property or by the Association to improve or maintain the Common Areas;

(c) The right of the Association to enter into and execute contracts with any party (including, without limitation, Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association;

(d) The right of Declarant or the Association to take such steps as are reasonably necessary to protect the Common Areas against foreclosure;

(e) The rights of Declarant or the Association to suspend the voting rights of any Member and to suspend the right of any individual to use or enjoy any of the Common Areas for any period during which any assessment (including without limitation "fines") against a Lot resided upon by such individual remains unpaid, and for any period deemed reasonable by the Association for an infraction of the then-existing rules and regulations;

(f) The rights of Declarant and/or the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility company, for such purposes and upon such conditions as may be agreed upon by Declarant and the Members having a majority of the outstanding eligible votes of the Association;

(g) The right of the Declarant or the Association to enter into and execute contracts with the owner-operators of any community antenna television system ("CATV") or other similar operations for the purpose of extending cable or utility service on, over or under the Common Areas to ultimately provide service to one or more of the Lots.

ARTICLE VI COVENANTS FOR ASSESSMENTS

6.01 Personal Obligation of Assessments. Each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed, as a part of the purchase money consideration for such deed and conveyance, to covenant and agree to pay to the Association (or to an independent entity or agency which may be designated by the Association to receive such monies):

(a) Regular assessments or charges for maintenance, taxes and insurance on portions of the Property and the Common Areas (including, without limitation, those matters

described within Section 4.01 hereof);

(b) Special group assessments for capital improvements or unusual or emergency matters, such assessments to be fixed, established and collected from time to time ratably as hereinafter provided;

(c) Special individual assessments levied against individual Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner and not caused by ordinary wear and tear; and

(d) Individual assessments and fines levied against individual Owners for violations of rules and regulations pertaining to the Property, Association, and/or the Common Areas, such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular, special group, and special individual assessments, together with such late charges, interest and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made and shall also be the continuing personal obligation of the then-existing Owner of such Lot at the time when the assessment fell due.

6.02 Creation of Lien. Association shall have a lien against each Lot to secure the payment of any assessment which may be levied pursuant to the terms and provisions of Sections 6.01, 6.05, 6.06, 9.38 and/or 12.06 (or any other provision hereof), and the expenses incurred in connection with the enforcement thereof, including, without limitation, interest at the maximum rate permitted by law, costs and reasonable attorneys, fees. Such lien may be enforced by appropriate judicial proceedings, or through a power of sale foreclosure, and the amounts secured thereby shall be the obligation of, and chargeable to Owner. Such lien shall be and is subordinate and inferior only to the following: (i) Assessments, liens, and charges in favor of the State of Wyoming and any political subdivision thereof for taxes past due and unpaid on the Lot; and (ii) Amounts due under any mortgage recorded prior to the recordation of any lien assessment as provided in Section 6.03 of this Article VI.

6.03 Assessment Lien.

(a) All amounts payable to the Association, including unpaid assessments, attorney fees, other enforcement and collection costs, and interest thereon at the maximum rate permitted by law, from the date such assessments are due until said assessments are paid (subject to the provisions hereof

limiting the interest contracted for, charged or received to the maximum permitted by applicable law), shall constitute a lien on the Lot superior to all other liens and encumbrances, except as provided in Section 6.02 of this Article VI. The Board or its duly appointed agent, may (but shall not be required to) prepare a written notice setting forth the amount of such unpaid indebtedness, the name of Owner and a description of the Lot. Such notice shall be signed by Declarant or the Board or its duly appointed agent and may be recorded in the office of the County Clerk of Sheridan County. Such lien may be enforced by the foreclosure of it upon the Lot by the Declarant or the Board or its duly appointed agent. In any such proceeding, the Owner shall be required to pay the costs, expenses and attorney's fees incurred in connection with filing the lien, and in the event of any foreclosure proceeding all additional costs, expenses and attorney's fees in connection with any such foreclosure proceeding. Declarant or the Board or its duly appointed agent shall have the power to bid on the Lot at foreclosure, or other legal sale, and to acquire and hold, lease, convey or otherwise deal with the same. Any mortgagee holding a lien on the Lot may pay, but shall not be required to pay any unpaid assessments owing with respect to the Lot, but such payment shall not be deemed a waiver of Owner's default by either Declarant, the Board or such mortgagee. Foreclosure may be in any manner authorized by Wyoming law, including through power of sale.

(b) The amount of the assessments assessed against the Lot shall also be a personal obligation or indebtedness of the Owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing same.

(c) Owner, by acceptance of the deed to the Property, hereby expressly vests in Declarant, the Board or its agents the right and power to bring all actions against Owner personally for the collection of such charges as a debt, and to enforce the aforesaid liens by all methods available for the enforcement of such liens. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Areas or by abandonment of his Lot.

(d) If any assessment remains unpaid at the expiration of fifteen (15) calendar days from and after the due date established by the Board, a late charge shall be assessed against the nonpaying Owner for each month that any portion of an assessment remains unpaid. The Board of Directors shall specify the late charge amount. A reasonable service charge in an amount established by the Board shall be

charged for each check that is returned because of insufficient funds. The amount of any such late charge and service charge may be adjusted, from time to time, by the Board.

6.04 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purposes of (i) promoting the health, recreation, safety and welfare of the residents of the Property; (ii) improving and maintaining the subdivision streets, the jogging and bicycle trails, recreational areas, or other properties, services and facilities directly related to the use and enjoyment of the Common Areas (which for purposes hereof shall include the streets); (iii) snow removal from streets; (iv) the payment of taxes on the Common Areas and insurance (if any) in connection with the Common Areas and the repair, replacement and additions thereto; (v) the payment for electricity for street lights and exterior lights and the repair, replacement and additions of various items within the Common Areas; (vi) trash and garbage collection and security arrangements as may be determined necessary and appropriate by the Association, from time to time; (vii) paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and the management and supervision of, the Common Areas; (viii) carrying out the duties of the Board as set forth in Article IV hereof; (ix) carrying out the various matters set forth or envisioned herein or in any amendment or supplement hereto; and (x) for any matter or thing designated by the County of Sheridan in connection with any zoning, subdivision, platting, building or development requirements.

6.05. Basis and Amount of Regular Maintenance Assessments.

(a) Until and unless otherwise determined by the Board, the maximum regular assessment shall be Thirty Dollars (\$30.00) per Lot per month.

(b) The Board may establish the maximum annual assessment for each Lot, provided that the maximum annual assessment may not be increased more than twenty percent (20%) above the maximum regular assessment for the previous year unless otherwise approved by the Members of the Association as provided in Section 3.05 of Article III.

(c) After consideration of current maintenance costs and the future needs of the Association, the Board may fix the actual annual assessment at an amount equal to or less than the then-existing maximum annual assessment.

(d) Not later than thirty (30) days prior to the beginning of each fiscal year of the Association, the Association shall make available for review by each Member, at the Association's office, during reasonable times, a pro

operating statement or budget for the upcoming fiscal year, which shall, among other things, estimate the total Common Area expenses to be incurred for such fiscal year. Subject to the provisions of 6.05, the Board shall at that time determine the amount of the regular Maintenance Assessment to be paid by each member, and shall notify the member thereof. Each member shall thereafter pay to the Association his regular Maintenance Assessment in monthly installments. Each such installment shall be due and payable on the date set forth in the written notice sent to the Members.

(e) The Board may establish a time-price differential schedule for the payment of the regular assessment in which the lowest amount is the actual regular base assessment.

6.06. Special Assessments for Capital Improvements. In addition to the regular assessments, the Association may levy in any fiscal year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including any necessary fixtures and personal property related thereto; provided that any such assessment shall have the affirmative approval of the Members of the Association as provided in section 3.04, Article III.

6.07. Duties of the Board with Respect to Special Assessments.

(a) In the event of an establishment of a special group or special individual assessment, the Board shall fix the amount of the assessment against each Lot, and the applicable due date for each assessment, at least sixty (60) days in advance of such date or period, and the Board shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association.

(b) Written notice of the assessment shall thereupon be delivered or mailed to every Owner subject thereto.

(c) The Board shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.

6.08. Rights of Sheridan County. Unless otherwise approved by seventy-five percent (75%) of the outstanding votes within each voting class, the Association shall not by act or omission seek to abandon its obligations as established by this Declaration. However, in the event that:

(a) The Association dissolves and the Common Areas shall not be either (i) dedicated to and accepted by an appropriate public agency, authority or utility to be devoted to purposes as nearly as practicable the same as those to which such Common Areas were required to be devoted by the Association, or (ii) conveyed to another organization or entity which assumes all obligations imposed hereunder upon the Association to maintain said Common Areas; or

(b) The Association, its successors or assigns, shall fail or refuse to adequately maintain the appearance and condition of the Common Areas which it is obligated to maintain hereunder; then, in either such event, the County of Sheridan shall have the right, but not the obligation, to assume the duty of performing all such maintenance obligations of the Association at any time after such dissolution, upon giving written notice to the Owners, or at any time after the expiration of twenty-one (21) days after receipt by the Association, its successors or assigns, of written notice specifying in detail the nature and extent of the failure to maintain without such failure being remedied. Upon assuming such maintenance obligations, Sheridan County may collect, when the same become due, all assessments levied by the Association pursuant to the provisions hereof for the purposes of repairing, replacing, maintaining or caring for the Common Areas; and, if necessary, enforce the payment of delinquent assessments in the manner set forth herein. In the alternative, upon assuming such maintenance obligations, Sheridan County may levy an assessment upon each Lot on a pro-rata basis for the cost of such maintenance, notwithstanding any other provisions contained in this Declaration, which assessment shall constitute a lien upon the Lot against which each assessment is made. During any period that Sheridan County assumes the obligation to maintain and care for the Common Areas, the Association shall have no obligation or authority with respect to such maintenance. The right and authority of Sheridan County to maintain the Common Areas shall cease and terminate when the Association, its successors or assigns, shall present to Sheridan County reasonable evidence of its willingness and ability to resume maintenance of the Common Areas. In the event Sheridan County assumes the duty of performing the maintenance obligations of the Association as provided herein, then Sheridan County, its agents, representatives and employees, shall have right of access, ingress and egress to and over the Common Areas for the

purposes of maintaining, improving and preserving the same, and in no event, and under no circumstances, shall Sheridan County be liable to the Association or any Owner or their respective heirs, devisees, personal representatives, successors or assigns for negligent acts or construction (excluding, however, malfeasance and gross negligence) relating in any manner to maintaining, improving and preserving the Common Areas.

6.09. Exempt Property. The following property otherwise subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

- (a) All properties dedicated and accepted by the local public authority and devoted to public use;
- (b) All Common Areas as defined in Article I hereof.

ARTICLE VII
INSURANCE, REPAIR, AND RESTORATION

7.01. Right to Purchase Insurance. The Association shall have the right and option to purchase, carry and maintain in force insurance covering any or all portions of the Common Areas, any improvements thereon or appurtenant thereto, for the interest of the Association and of all Members thereof, in such amounts and with such endorsements and coverage as shall be considered good sound insurance coverage for properties similar in construction, location, and use to the subject property. Such insurance may include, but need not be limited to:

- (a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier;
- (b) Public liability and property damage insurance on a broad form basis;
- (c) Fidelity bond for all officers and employees of the Association having control over the receipt or disbursement of funds; and
- (d) Officers' and Directors' liability insurance.

7.02. Insurance Proceeds. The Association and the Members shall use the net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the Association as required in this Article VII remaining after satisfactory completion of repair and replacement, shall be

retained by the Association as part of a general reserve fund for repair and replacement of the Common Areas.

7.03. Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Association may levy a special assessment as provided for in Article VI of this Declaration to cover the deficiency.

ARTICLE VIII USE OF COMMON AREAS

The Common Areas may be used and enjoyed as follows:

8.01. Restrictive Actions by Members. No Member shall permit anything to be done on or in the Common Areas which would violate any applicable public law or zoning ordinance or which will result in the cancellation of, or increase in the cost of any insurance carried by the Association, or which would be in violation of any law or any rule or regulation promulgated by the Board.

8.02. Damage to the Common Areas. Each Member shall be liable to the Association for any damage to any portion of the Common Areas caused by the negligence or willful misconduct of a Member or his family and guests.

8.03. Rules of the Board. All Members shall abide by any rules and regulations adopted by the Board. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and a Member determined to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorneys fees.

8.04. Use of Common Areas. Use of the Common Areas shall be limited to Members, their families and guests. No person or entity shall use any portion of the Common Areas to:

- (a) Solicit, promote or conduct business, religious, political or propaganda matters;
- (b) Distribute handbills, newsletters, flyers, circulars, or other printed materials without the prior written consent of the Association (which consent may be withheld in its sole and absolute discretion).

8.05 Public Streets. The streets, sidewalks, and alley network within the Powder Horn residential community are public, and constitute a portion of the Common Areas which are subject to the jurisdiction and administration by the Association. In addition to the other provisions appearing within this Article

VIII, the Board is specifically authorized to recommend, adopt, implement, and enforce rules, regulations, mechanisms and procedures governing use of the sidewalks, streets and alleys covering items such as (but not necessarily limited to):

- (a) Identification and entry programs for Members, their respective immediate families, their guests and vehicles owned or driven by any of them;
- (b) Speed limits, designated parking areas, restricted parking areas and no-parking areas;
- (c) Signs and graphics to provide announcements to unauthorized personnel concerning potential criminal trespass matters;
- (d) A "fines" system through which the Association can levy and collect fines from its Members for violations of the applicable rules and regulations; and
- (e) Disclaimers of liability for any and all matters or occurrences on or related to the Common Property.

ARTICLE IX
ARCHITECTURAL AND LANDSCAPE CONTROL

9.01 Appointment of Design Review Committee. The Association shall have a Design Review Committee consisting of not less than three nor more than five persons, as specified from time to time in the Development Standards by resolution of the Board. The Declarant shall appoint the initial members of the Design Review Committee. The Association shall thereafter have and retain the right to appoint, augment or replace all members of the Design Review Committee.

9.02 Development Standards. The Design Review Committee shall establish reasonable procedural rules, regulations, restrictions, architectural standards, design guidelines and development standards (collectively the "Development Standards"), which the Design Review Committee may, from time to time in its sole discretion, amend, repeal or augment. The following provisions of this Article IX shall constitute the initial Development Standards, and are hereby incorporated herein by reference, and shall be deemed to be a part of this Declaration and shall be binding on all Owners, Members or other Persons as if expressly set forth herein. A copy of the current Development Standards shall at all times be a part of the Association's records. The Development Standards may include, among other things, those restrictions and limitations set forth below:

9.03. Building Setbacks. No portion of any residential structure or accessory building may be constructed closer to a property line than the established minimum building setbacks described below, or as otherwise indicated by plat documents or sales exhibits. In the event of conflict, the greater setback requirement shall prevail.

Required minimum building setbacks from property lines:

(a) * Front: 25 feet for lots of 15,000 square feet and larger; 20 feet for lots smaller than 15,000 square feet. This minimum setback is applicable to all lot boundaries which abut two road right-of-ways.

(b) Side: 10 feet for lots of 15,000 square feet or larger; 8 feet for lots smaller than 15,000 square feet.

(c) ** Rear: 25 feet for lots of 15,000 square feet or larger; 20 feet for lots smaller than 15,000 square feet.

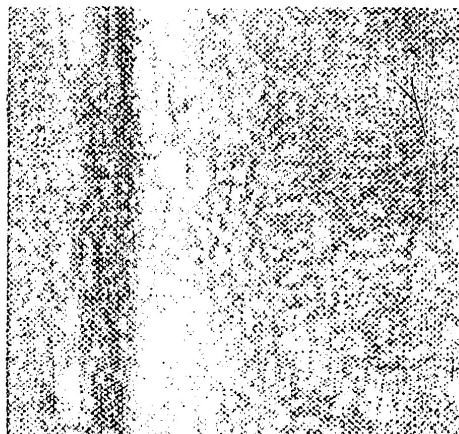
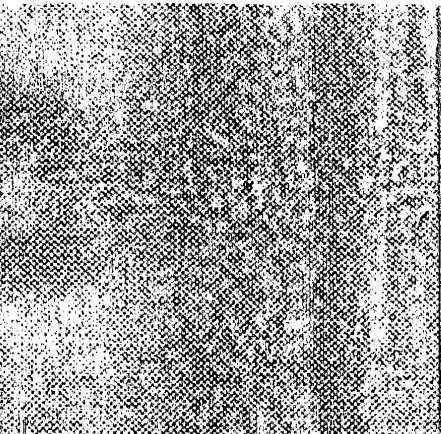
All golf course frontage: 25 feet.

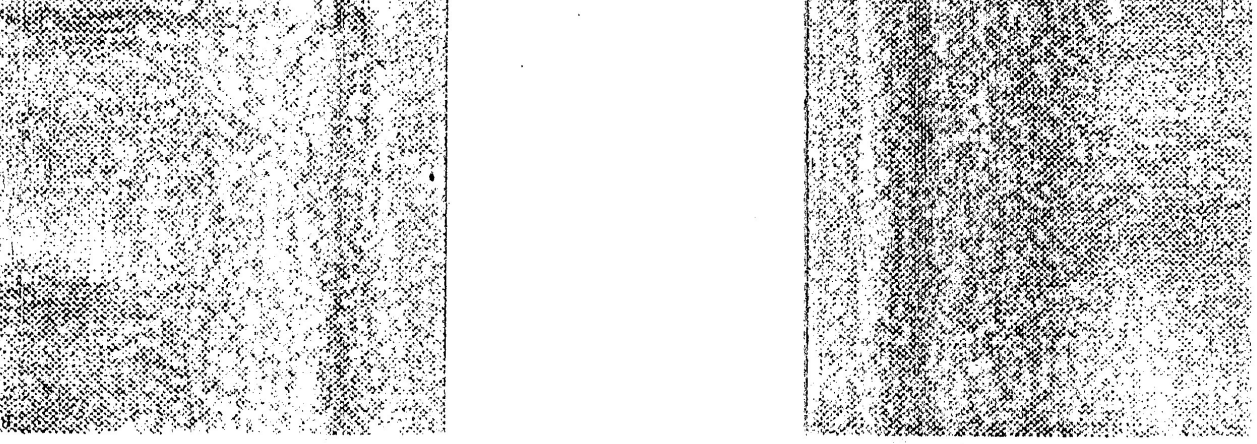
* For residential designs which incorporate a side entry garage, the Design Review Committee may reduce the requisite front setback by up to 5 feet when measured to the side wall (of the garage) which faces the street.

** For corner lots with frontage along two road rights-of-way, or lots of irregular shape, County building officials may assign the rear setback designation to a property boundary based upon the lots configuration; the Owner or his agent shall bear the responsibility for contacting the County to confirm the rear setback determination for such a lot prior to the preparation of a preliminary site plan for improvements.

9.04. Site Work. No excessive excavation or fill will be permitted on any lot except where specifically allowed by the Design Review Committee due to terrain considerations; every attempt should be made to balance cut and fill with minimal use of retaining walls and engineered building pads.

(a) Some of the home sites at The Powder Horn may have existing trees within its boundaries. Those trees must be preserved when possible; more particularly, the retention of trees over 6 inches in diameter or taller than 15 feet is strongly encouraged. Any cutting of trees or removal of significant vegetation must first be approved by the Design Review Committee with the following exceptions: the pruning of dead limbs, removal of dead trees, and the cutting and removal of trees with a trunk diameter of 6 inches or less which are bowed, leaning, severely misshapen, diseased, or





sparsely foliated.

9.05 Grading, Drainage and Subsoil Conditions. Site grading must be accomplished with minimum disruption to a lot, without altering natural discharge points of surface drainage from a lot, and without creating conditions that could precipitate unnecessary soil erosion, slippage, or subsidence. Residential design for hillside lots (having a variation of natural grade elevation in excess of five vertical feet across the footprint of a proposed structure) must incorporate slope conditions into the design solution so that the proposed structure terraces or steps with the natural slope. Artificial benching of sloped sites to create an engineered pad to accommodate a "flat lot design" is strongly discouraged.

(a) Surface drainage upon and across any lot must be carefully considered. Existing points of entry and exit to and from a lot by historic surface drainage must be respected. Any improvement which creates an obstruction to surface flows, which results in a back-up or concentration of storm waters onto a neighboring lot or tract, is strictly prohibited. Ground floor levels should be established at a vertical elevation such that final placement of backfill, walks, driveways and porches will produce a positive drainage away from the structure in all directions.

(b) Subsoil conditions and groundwater levels vary dramatically throughout Sheridan County. The consultation of a professional soils engineer, for the assessment of foundation design determinants and the depth to groundwater, is advised for all sites within The Powder Horn. Basements may be ill-advised on some low-lying wetter sites, and sump pumps should be incorporated into the design of below-grade living spaces. The inclusion of foundation waterproofing and a perforated pipe foundation drainage system are recommended along uphill and sidehill foundation walls on hillside lot.

9.06 Access Drives. As a general rule, each lot may be accessed by a single driveway only. However, double entry loop driveways may be considered by the Design Review Committee where site determinants such as lot slope, frontage, width and configuration would allow sufficient room for an uncrowded and aesthetic double entry design.

(a) The driving surface of the entry drive and guest parking may be asphaltic concrete, embossed or textured concrete, plain concrete with an integral color, brick pavers, paving stones, or a combination thereof.

9.07 On-Site Parking. Each single-family residential

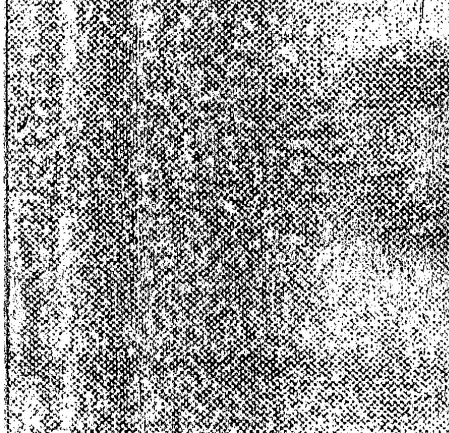
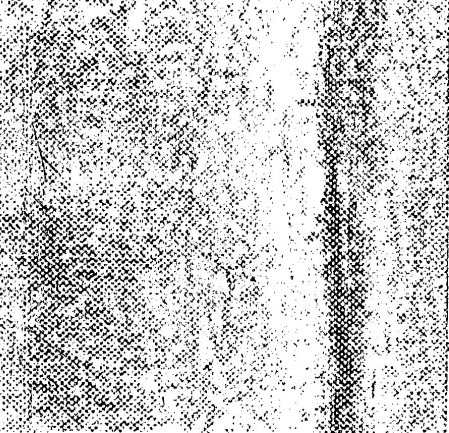
dwelling shall provide an enclosed garage space, to shelter a minimum of one conventional automobile, and sufficient driveway space (within the boundaries of the lot) for the parking of at least two guest automobiles. Homeowners who possess trucks (larger than pickup trucks), buses, motor homes, camper vehicles (excepting camper shells mounted upon pickup trucks), trailers, boats, motorcycles, snowmobiles, or any other motorized vehicle other than a conventional automobile, must store or park such vehicles within an enclosed garage, or in a location on their site where they are screened by walls or fences so as to be screened from view. The parking of a guest's motor home or other large recreation vehicle outside any lot is limited to 72 hours at a time, and such vehicles shall not be used for on-site camping.

9.08 Utilities. Upon completion of infrastructure and for building purposes utility services will be stubbed to the property lines of each lot. Water, electric, telephone and cable television service locations are clustered (usually with those of one adjacent lot) in a utility easement located near one of the front corners of the lot. The sewer service extension and natural gas extension (if available) are stubbed to the property line(s) which lie closest to their respective service mains. The extension of services from these stub locations to the residence shall be the responsibility of each Owner. Information regarding current tap and service fees, as well as connection procedure, may be obtained by contacting the respective utility companies.

- (a) If an Owner opts for the use of propane fired appliances, the fuel storage tank shall be buried on the lot, in a location which is clear of all minimum setbacks, while still respecting all clearance requirements mandated by applicable codes, ordinances, or Building Department directives.

9.09 Walls and Fences. Site walls or fences must appear as a visual extension of the residence, incorporating similar or compatible materials, colors and finishes whenever possible. Fences or privacy walls may be constructed of brick or stone masonry, stucco over concrete masonry, wood board (cedar or redwood), split rail, natural log, ornamental iron, coated chainlink, or tasteful combination thereof. Galvanized chainlike and wire fencing are prohibited. Fencing and privacy walls may not exceed six feet in height above finished grade. Fences may extend to the side and rear property lines of a lot, except along those property lines which abut the golf course; on those lots which abut the course, fences of the types previously described may not be constructed closer to the abutting property line than the applicable designated building setback - (see Section 2.1 of these Standards).

Exception: On all lots which abut the golf course, it is



anticipated that the Declarant will construct and maintain the golf course fence. This particular fence shall consist of a two-pole fence with a natural seal coat. The fence shall be exactly 42 inches high from finished grade. If the Owner of a golf course lot wishes to fence the side property lines, any such fence within the golf course setback as defined in Section 9.03 must be of the same transparent pole fence design as described above.

Segments of fencing which extend outward from the side wall of a residence must be held back from the front corners of the residence a minimum distance of ten feet. Fences may not encroach into any street frontage setback.

Wood fences must be double faced so that stringers and posts are partially concealed: Wood slats shall be of cedar or redwood, 4 to 8 inches in width, installed vertically or horizontally. Wood fences must have a continuous horizontal wood cap; uncapped slat ends will not be allowed. Fences may be left natural with a linseed oil based preservative application, or may be stained or painted.

Structural retaining walls may not exceed an above-grade height of six feet. Multiple terraced retaining walls must be utilized where the overall height of retained earth exceeds six feet. Retaining walls may be constructed of cast concrete, or engineered brick or concrete masonry; however, all exposed wall surfaces and edges must be treated with an approved finish, such as brick or stone veneer, painted stucco, or split-face texture with custom color, so as to blend unobtrusively with its natural surroundings. All retaining walls must include suitable drainage systems and weep holes to relieve ground water and hydrostatic pressure.

Dry-stack retaining walls of native stone do not require any supplemental facing or finish. All dry-stack retaining walls over two feet in height must slope against the grade a minimum of 4:1, (one foot back for each four feet in height). Dry-stack retaining walls must not be subjected to watershed run-off.

9.10 Outdoor Storage. Outdoor areas housing trash containers, clotheslines, maintenance or service equipment such as lawnmowers, etc., or overflow storage shall be screened from all adjacent properties by a wall or fence conforming to Development Standards.

9.11 Mechanical Equipment. Roof mounted mechanical equipment is prohibited. Any exterior mechanical equipment must be wall or window mounted, or ground mounted adjacent to the residence. Wall/window mounted equipment must be painted to blend unobtrusively with adjacent wall materials; ground mounted equipment must be enclosed by walls or fencing or landscaping of

sufficient height and density to screen the equipment from view and to buffer sound as well.

9.12 Antennas and Satellite Dishes. Antennas and traditional large diameter (4 feet and larger) satellite dishes are discouraged. Television reception is available via a central cable system. Newer 18-inch diameter "direct" television dishes are generally acceptable provided they are painted to blend with their surrounding materials and are situated in a non-obtrusive location such as a niche in a building wall or behind a privacy wall. Owners desiring a larger dish or supplemental receiving device must first obtain approval from the Design Review Committee and the dish or equipment must be sufficiently concealed or screened so as to not be visible from any neighboring property, tract, or right-of-way. Any on-site antennas required for the purpose of radio transmission related to fire protection or police/security matters will be allowed, but the location and configuration thereof shall be subject to Design Review Committee approval.

9.13 Signage. No sign or signs shall be displayed to the public view from any lot or any common area except that:

(a) Each general contractor, during the active construction period of a new home or major addition to any existing home, may display a single construction sign, no larger than four square feet, in accordance with these Standards.

(b) The general contractor of a market home may, with the consent of the Design Review Committee, continue the display of his construction sign, for advertising and sales purposes after construction has been completed, until such time that a contract for sale has been executed;

(c) Individual lot Owners may, with the consent of the Design Review Committee, display a single tasteful "for sale" or "for rent" sign, no larger than four square feet;

(d) Signs indicating security protection shall be permitted, with the consent of the Design Review Committee, provided that such signs are ground or wall mounted, no larger than one square foot, limited to two per lot (one for the front yard and one for the rear yard);

(e) Development-related signs owned and erected by the Declarant shall be permitted without limitation.

(f) Signs for temporary single events, such as a garage sale sign, may be permitted for a specific period of time, upon approval by the Design Review Committee of a written request by the Owner describing the nature of the sign and the requested time period of display.

(g) All permitted signs, regardless of type, are subject to the approval of the Design Review Committee for style, design, color, test, location, and duration of exhibit, prior to their placement for display.

9.14 Lighting. A uniform street lighting scheme has been implemented by the Declarant. Supplemental lighting adjacent to the right-of-way may be no taller than 72 inches above grade.

(a) Additional site lighting is permitted within the lot's boundary, provided such lighting does not result in excessive glare toward the street or neighboring properties. All exterior lighting must be of a low-level subdued intensity and is subject to approval by the Design Review Committee.

9.15 Swimming Pools and Spas. Freestanding above-ground pools are expressly prohibited. In-ground pools must be constructed clear of all required setbacks in accordance with Sheridan County regulations. Outdoor spas must be skirted, constructed upon a patio or deck structure, with all piping and related equipment screened from view.

9.16 Basketball Backboards. Wall-mounted or free standing basketball backboards will be allowed subject to Design Review Committee approval. Support posts and brackets, and the backboards for freestanding and wall-mounted basketball goals shall be painted to blend unobtrusively with their visual backdrop surroundings.

9.17 Lot Restrictions. Except for compounds, resulting from the combined development of two or more lots, no more than one residence may be constructed on any lot. Other outbuildings such as detached garages may be constructed, provided they are a visual extension of the main residence. Such "compounds" are subject to approval by the Design Review Committee.

9.18 Landscaping. The extent of residential landscaping may be determined by each Owner according to individual preferences and tastes, provided however, all landscaping must first be approved by the Design Review Committee, prior to its implementation or planting. The committee will encourage the use of native landscape material. A landscape species suggestion list will be available upon request. Formalized, concentrated landscaping should be situated closer to the residential structure; landscape density and formality should diminish and soften as it spreads away from the home. Large specimen trees and dense clusters of plant material will be limited to those areas of each lot where they will not unreasonably constrict prominent views from neighboring properties, as determined by the Design Review Committee. Noxious and illegal plants, or plant species which are potentially destructive to the natural environment, will not be permitted. All landscaping, including

areas of "natural" vegetation, must be sufficiently maintained and tended so as to not become overgrown or unsightly.

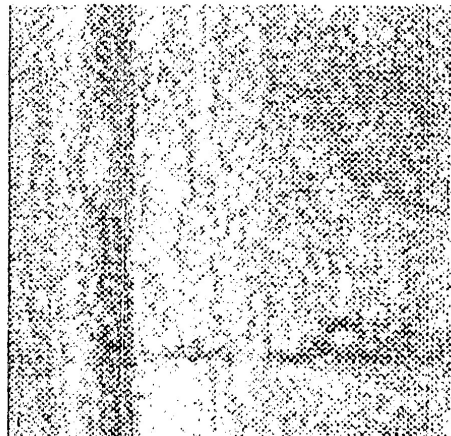
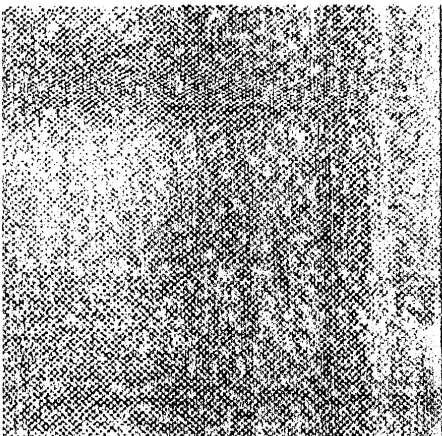
9.19 Size. It is expected that residences intended for construction within The Powder Horn will exceed 1500 square feet of residential floor area, except and unless there are mitigating circumstances or unique design solutions, which may only be sanctioned by the Design Review Committee.

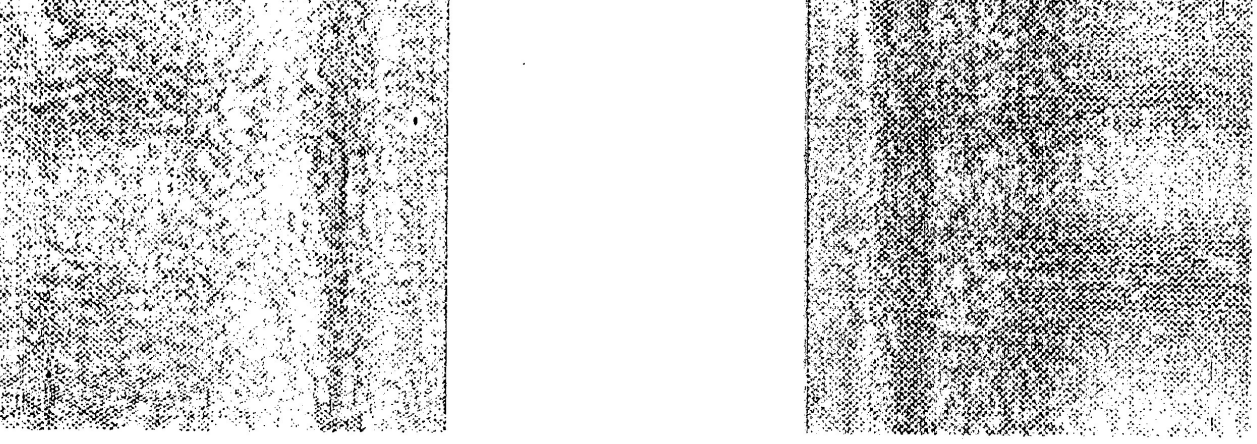
(a) The floor area of garages, storage and mechanical rooms which access only from a garage or the exterior of the structure, and open air decks or patios (roofed or unroofed), are excluded from inclusion in the residential floor area calculation; the floor area of a screened porch or deck which is equipped for closure and use during winter months, or any similarly convertible space, shall be included. The projected area of an interior stairwell of a multi-story residence shall be counted only once at its lowest level; stair landings at each primary floor level shall be included within the floor area of that level.

9.20 Prefabricated Buildings. No building that is constructed off-site and requires transportation to any lot, whole or in partial assembly, will be permitted; this includes mobile homes, stock modular buildings, or any other structure requiring transportation and set up in a partially completed state. However, structures that are assembled off-site and completely disassembled for transportation, including log cabins or custom designed modular buildings, may be permitted. The aesthetic merits of any such structures are subject to review and approval by the Design Review Committee. Temporary construction offices, which have been approved by the Design Review Committee for limited duration, are exempted from this restriction, but must satisfy all other concerns relating to condition, appearance, color, and location.

9.21 Height of Structures. All residences at The Powder Horn will have pitched roofs with a minimum pitch of four feet in twelve and a maximum pitch of twelve in twelve (except for a barn style gambrel roof, which may have a fifteen in twelve pitch for the starter panel on each side). However, up to one-third of the horizontal roof area of any residence may be flat, in combination with pitched roofs across the remainder.

(a) As a rule, no portion of a structure (except for chimney elements) may exceed a true vertical height of 30 feet above original natural grade directly below. On difficult steeper lots where the average slope across the footprint of the proposed structure exceeds 15%, the Design Review Board may allow an additional two-feet of height for a limited unobtrusive ridge projection at its downslope terminus. Such relief will be considered on a case-by-case





basis, and may not be construed as a blanket waiver for sloping lots in general. It is the intent of these Standards that roof forms for homes on sloping sites step down with the grade to integrate with the natural setting.

(b) Parapet walls at flat roofs may not exceed a true vertical height of 22 feet above existing natural grade directly below.

9.22 Foundations. All unfaced visible surfaces of concrete masonry or concrete foundations walls and piers must receive a stucco or mortar-wash finish and shall be painted to blend unobtrusively with adjacent materials. Exposed aggregate concrete, or textured concrete block with an approval integral or applied color, may be considered in lieu of the stucco/mortar-wash appliqué.

(a) Foundation walls must step down with the grade change of sloping sites so that its exposed surface does not exceed a vertical height of five feet above finish grade at its greatest exposure; as an alternative to stepping the top of the foundation, the wall may be faced with siding, in the same plane as, the wall surface above, to minimize foundation wall exposure.

(b) Where the vertical distance from the underside of a ground floor deck structure (along its perimeter edge) exceeds 30 inches above the finish grade below, the deck edge must be skirted with wood latticework or wood siding to screen the cavity beneath the deck. Foundation walls which occur under a skirted deck such that they are no longer visible are exempt from the facing requirements stated above.

9.23 Exterior Materials. There exist many traditional western styles of architecture which will be encouraged at The Powder Horn, along with certain southwest region and European-adaptations. Predominantly, exterior wall materials will consist of native stone, brick, and wood materials including shingles, natural logs, beveled or tongue-in-groove board siding, board-on-board and board-on-batt.

(a) Plywood siding is prohibited unless the applicant can demonstrate to the committee that the specific proposed application would result in a finished appearance indistinguishable from an individual board siding application. As an alternative to individual board natural wood sidings, the Design Review Committee may consider, on a case-by-case basis, the higher quality synthetic sidings, including, but not limited to, vinyl, aluminum, steel, and wood or fiber composition products, which, in the opinion of the Committee, would be virtually indistinguishable from

their natural wood counterpart when viewed from the street or adjacent properties. Therefore, panelization should be minimal (with no more than 2 adjacent boards per panel); panel runs and trim configurations must be carefully planned to avoid a proliferation of intermediate seam covers or reglets. Prefinished siding products must have a low-gloss woodgrained finish; wood and/or fiber composition products, must possess a porous woodgrained texture suitable for the application of stain or paint.

(b) Stucco may be used as an accent material, or may be considered for use as the predominant exterior finish material, in tasteful combination with other allowed materials, when warranted by the particular design style of the submittal; potential allowable stucco dominant styles would include adaptations of the European half-timber style, or the Spanish territorial styles of the Southwest. The extent of stucco which is acceptable shall be determined by the Design Review Committee on a case-by-case basis.

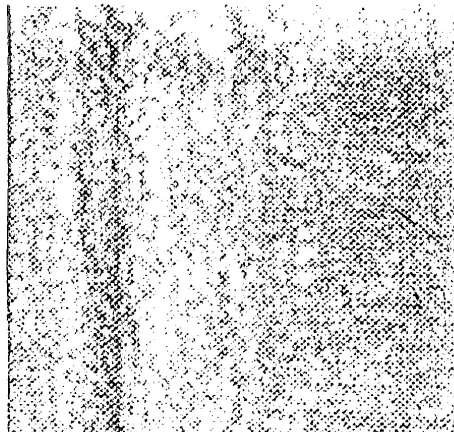
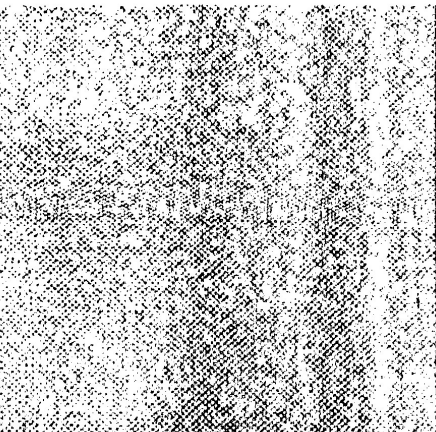
(c) The use of textured masonry block as an exterior finish material will be considered on a case-by-case basis, and should be limited to accent segments of the building facade. Simulated or cultured stone will only be allowed when, in the opinion of the Design Review Committee, the product and pattern proposed for use resembles its natural native counterpart to the degree that it will not appear obtrusive. Masonry grouts would be of a non-contrasting color to blend unobtrusively with its masonry counterparts.

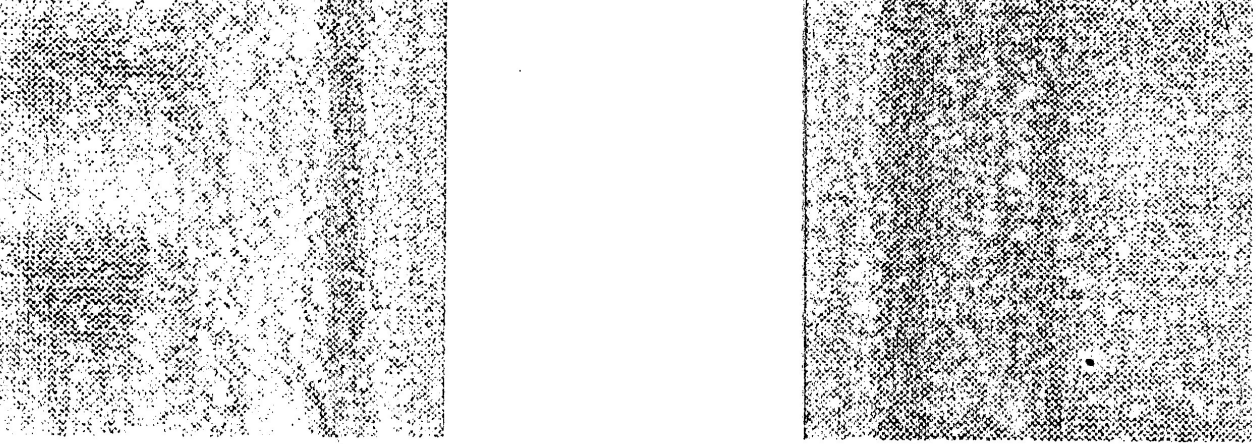
(d) The aesthetic merits of any combination of exterior materials are subject to review and approval by the Design Review Committee in order to maintain the architectural integrity and consistent visual experience of The Powder Horn community of homes.

9.24 Roofs. As previously stated, all residences at The Powder Horn will have pitched roofs with the exception that up to 1/3 of the horizontal roof area may be flat.

(a) Allowable sloped roof forms include gable, hip, dutch-hip, gambrel, or shed (in contemporary styles, or in combination with other traditional roof forms). Geodesic domes, mansard roofs, and A-frames are prohibited. All portions of flat roofs must be screened by perimeter parapet walls.

(b) Allowable roofing materials include fire retardant wood shakes or shingles, slate, flat concrete or clay tiles, non-reflective metal roofing with standing seams or battens, or premium dimensional asphaltic shingles with a weight of 275 pounds per roofing square, or greater. The use of





composition shingles of standard or medium thickness, any type of barrel or "S" tiles, asphalt roll roofing (except on limited flat roof elements), reflective metal roofing or roofing accessories, is prohibited.

(c) All exposed metal on the roof (except for approved pre-finished products), including, but not limited to, flashing, vent pipes, spark arresters, chimneys, ridge or eave vents, and skylight frames, shall be primed and painted to blend unobtrusively with adjacent materials.

(d) All roof forms, both pitched and flat, are subject to the height limitations prescribed by Section 9.21 of these Standards.

9.25 Chimneys, Outdoor Fires, and Fireplaces. Chimney elements are subject to the same material limitations described in preceding Section 9.23. Zero-clearance chimneys must be concealed with a chimney enclosure; free-standing exposed chimney pipes will not be allowed, except for the rare exception as an element of a contemporary design style.

(a) All chimneys must be equipped with a U.L. or I.C.B.O. approved spark arrestor, including chimneys for outdoor fireplaces. Open outdoor fire pits are prohibited; barbecues are permitted, provided they are lidded cookers.

(b) No wood or coal burning furnaces, stoves, or fireplaces will be allowed as a primary heat source. Woodburning fireplaces will be acceptable for aesthetic purposes. However, the Committee would encourage the use of natural gas (if available) or propane fireplaces.

9.26 Exterior Colors. The color combination of exterior materials should generally be subtle and tasteful to blend with the neighborhood and landscape. However, brighter accent colors which are used judiciously and with restraint may be permitted. Traditional white, muted pastels, beiges, earthtones and greys are acceptable wall colors. Colors approaching the primary range (red, blue and yellow) are discouraged, as are drastic contrasts in value (light to dark). Extreme contrast in colors of individual masonry units or between masonry units and their grout matrix should be avoided. Roofing materials should be of darker tones, avoiding whites, off-whites, bright colors, light pastels, or highly reflective metal surfaces.

(a) All color schemes must be approved by the Design Review Board prior to their application to any portion of a residential structure. It is the intent of the Board to preclude the use of colors that would appear garish or out of place and, therefore, offensive to the eye.

9.27 Windows, Doors, and Skylights. Highly reflective glazing material and reflective sunscreening films are prohibited for use in windows, glazed doors, skylights, or for other exterior applications. In addition all metal windows, doors, skylight frames, etc. must be painted anodized or pre-finished with baked enamel; raw metal components, especially aluminum or galvanized iron, are prohibited.

9.28 Building Projections. All projections from a residence or other structure including, but not limited to, chimney flues, vents, flashing, louvers, gutters, downspouts, utility boxes, mail boxes, porch railings and exterior stairways shall match the surface from which they project, or must be painted or stained an approved color to blend unobtrusively with adjacent materials. All building projections must be contained within the building setbacks.

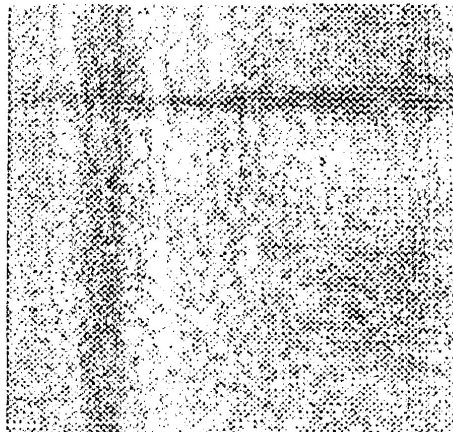
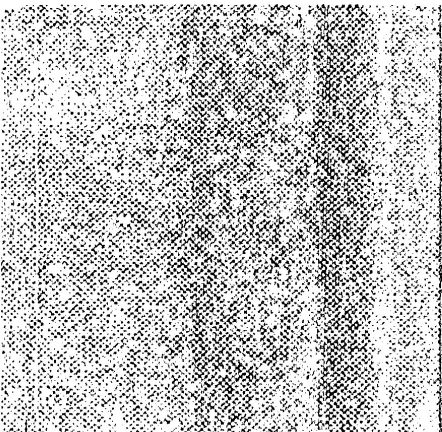
9.29 Garages. Each residential dwelling shall provide a garage suitable for the shelter of one or more automobiles. As a rule, the garage must be attached to the primary residential structure, and must be recessed a minimum of twelve (12) inches from adjacent wall areas; a detached garage structure with a prominent visual connection to the primary residence (in the form of a connecting breezeway, privacy wall or landscaped link), may be allowed by the Design Review Board on a case-by-case basis.

(a) When garage bays exceed two, the third (and fourth) door(s) must occur in a secondary building plane, offset by 32 inches minimum, to avoid a continuous uninterrupted wall of three or more garage doors. Garage doors may be wood, wood composition, insulated panel, or heavy-gauge metal panel; lightweight hollow metal overhead doors, which are vulnerable to damage from even moderate potential impacts (such as a basketball), will not be allowed. Garage doors shall be painted or stained to blend appropriately with the approved color scheme of the residence.

9.30 Solar Applications. Passive solar design is encouraged. Active solar applications can result in excessive reflective glare, and would only be approved by the Design Review Committee if the hardware is sufficiently integrated into the structure or landscaping of a lot so as to appear unobtrusive from any other lot or property.

9.31 Changes or Additional Construction. All changes or additions to the approved plans before, during, or subsequent to their initial construction must be approved by the Design Review Committee, before the alteration may be implemented.

9.32 Varying Design Standards. The provisions of these Design Guidelines may differ in their application to the development of the cluster home tracts.



9.33 General Provisions.

- (a) The Design Review Committee may assess reasonable fees in connection with its review of plans and specifications.
- (b) The Design Review Committee may delegate its plan review responsibilities to one or more of its members or architectural consultants retained by the Design Review Committee. Upon such delegation, the approval or disapproval of plans and specifications by such member or consultants shall be equivalent to approval or disapproval by the entire Design Review Committee.
- (c) The address of the Design Review Committee shall be the address established for giving notice to the Association, unless otherwise specified in the Development Standards. Such address shall be the place for the submittal of plans and specifications and the place where the current Development Standards shall be kept.
- (d) The establishment of the Design Review Committee and the procedures herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain or repair their Lots as may otherwise be specified in this Declaration, the Bylaws or Association Rules.
- (e) The Design Review Committee shall approve or disapprove any plans and specifications submitted to it in accordance with the Development Standards within such period as may be specified in the Development Standards.

9.34 Approval and Conformity of Plans. No building, fence, wall or other structure or improvement of whatever type shall be commenced, erected or maintained upon the Property (except for initial construction on the Common Areas by the Declarant), nor shall there be any addition to or change to the exterior of any residence or other structure or improvement upon a Lot or the landscaping, grading or drainage thereof, including, without limitation, the painting (other than painting with the same color of paint as previously existed) of exterior walls, patio covers and fences, except in compliance with plans and specifications therefor which have been submitted to and approved by the Design Review Committee in accordance with the Development Standards as to harmony of external design and location in relation to surrounding structures and topography.

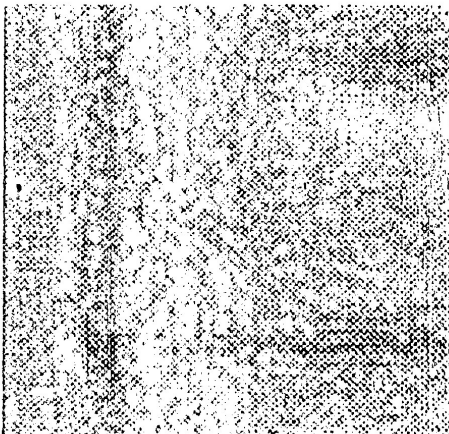
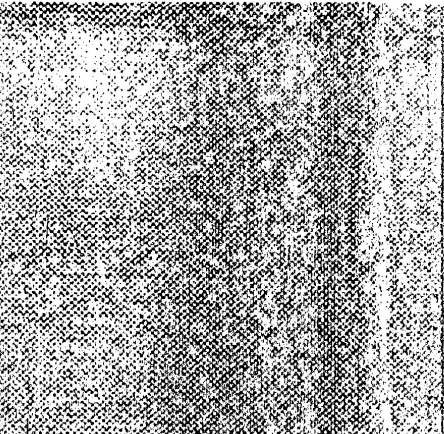
9.35 Non-Liability for Approval of Plans. Plans and specifications shall be approved by the Design Review Committee as to style, exterior design, appearance and location, and are not approved for engineering design or for compliance with zoning and building ordinances, and by approving such plans and

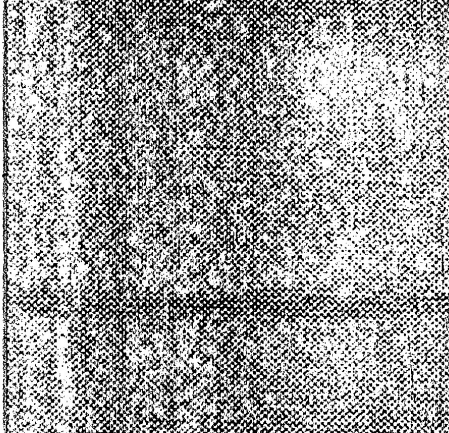
specifications neither the Design Review Committee, the members thereof, the Association, any Member, the Board nor the Declarant assumes any liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Neither the Design Review Committee, any member thereof, the Association, the Board nor the Declarant shall be liable to any Owner or other Person for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, (c) the development, or manner of development of any property within the Project, or (d) the execution and filing of an estoppel certificate pursuant to the Development Standards, whether or not the facts therein are correct; provided, however, that such action, with the actual knowledge possessed by him, was taken in good faith. Approval of plans and specifications by the Design Review Committee is not, and shall not be deemed to be, a representation or warranty that said plans or specifications comply with applicable governmental ordinances or regulations including, but not limited to, zoning ordinances and building codes.

9.36 Inspection and Recording of Approval. Any member or authorized consultant of the Design Review Committee, or any authorized officer, director, employee or agent of the Association, may at any reasonable time enter, without being deemed guilty of trespass, upon any Lot after reasonable notice as provided herein to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with the Development Standards and this Declaration. The Design Review Committee shall cause such an inspection to be undertaken within 30 days of a request therefor from any Owner as to his Lot, and if such inspection reveals that the improvements located on such Lot have been completed in compliance with this Section 9 and the Development Standards, the Design Review Committee shall provide to such Owner a notice of such approval in recordable form which, when recorded, shall be conclusive evidence of compliance with the provisions of this Section 9 and the Development Standards as to the improvements described in such recorded notice, but as to such improvements only.

9.37 Reconstruction of Common Areas. The reconstruction by the Association or the Declarant after destruction by casualty or otherwise of any Common Areas which is accomplished in substantial compliance with "as built" plans for such Common Areas shall not require compliance with the provisions of this Section 9 or the Development Standards.

9.38 Additional Powers of the Board. The Board may promulgate as a part of the Development Standards such additional





architectural and landscape standards, rules and regulations as it deems to be appropriate and as are not in conflict with this Declaration. WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE, THE BOARD MAY FIX A FINE OF UP TO \$10,000 FOR FAILURE TO OBTAIN REQUIRED APPROVAL FROM THE DESIGN REVIEW COMMITTEE.

9.39 Varying Standards. The provisions of the Development Standards may differ in their application to the development of cluster home tracts. These modifying parameters are focused upon the creation of an attractive and homogeneous community of homes of more moderate profile and size, with a continuity of style, while still allowing sufficient opportunity for individual design flexibility within the constricted framework.

(a) Walls and Fences. (Amendments to text of Section 10.09, paragraph one): Only two styles of fencing will be permitted within the cluster tracts, the two pole fence described in the "Exception" to paragraph one, or wood fencing as described by paragraph three. Stain or paint colors for wood fencing in the cluster tracts shall be limited to a range of medium to dark grey or earthtone color as predetermined by the Design Review Committee.

(b) Size. (Amendments to text of Section 10.19, paragraph one): It is expected that residences intended for construction upon a cluster home lot at The Powder Horn will exceed 1000 square feet of residential floor area. No more than one-third of the total residential floor area of a cluster home may be located on the second story of the residence.

(c) Height of Structures. (Amendments to the text of Section 10.21). The first sentence of paragraph one shall be amended to read: All cluster homes at The Powder Horn will have pitched roofs with a minimum pitch of four feet in twelve and a maximum pitch of eight feet in twelve.

The first sentence of paragraph two shall be amended to read: As a rule, no portion of a cluster home structure (except for chimney elements) may exceed a true vertical height of 24 feet above original natural grade directly below.

Paragraph three shall be amended to read: Parapet walls of flat roofs may not exceed a true vertical height of 12 feet above existing natural grade directly below.

(d) Exterior Materials. (Replaces Section 10.23 in its entirety): Within the cluster home parcels of The Powder Horn, exterior wall materials shall be limited to wood individual board siding, brick masonry, or a combination thereof. As an alternative to natural wood or board

sidings, the Design Review Committee may consider on a case-by-case basis the higher quality synthetic sidings, including, but not limited to vinyl, aluminum, steel, and wood or fiber composition products, which in the opinion of the Committee, would be virtually indistinguishable from their natural wood counterpart when viewed from the street or adjacent properties. Therefore, panelization should be minimal (with no more than two adjacent boards per panel); panel runs and trim configurations must be carefully planned to avoid a proliferation of intermediate seam covers or reglets. Prefinished siding products must have a low-gloss wood grained finish; wood and/or fiber composition products must possess a porous woodgrained texture suitable for the application of stain or paint.

Masonry grouts should be of a non-contrasting color to blend unobtrusively with its brick masonry counterparts.

(e) Roofs. (Delete paragraphs three and five of Section 9.24 in their entirety and add the following text and modifications): Delete "gambrel" as an allowable roof form in paragraph two.

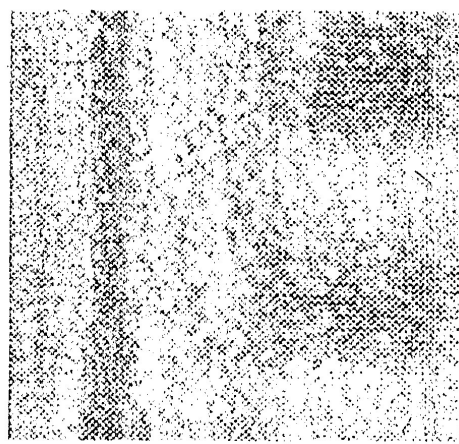
Add the following text: Allowable roofing materials for cluster home sites shall be limited to premium dimensional asphalt shingle with a weight of 275 pounds per roofing square or greater.

All roof forms, both pitched and flat are subject to the height limitations prescribed by Paragraph C of Section 10.39.

(f) Exterior Colors. (Replace paragraph one of Section 10.26 with the following text): The color of wall materials for a cluster home shall be limited to a range of light to medium earthtones, beiges, or greys, provided, however, that light greys which approximate white or off-white will not be permitted. The color of roofing materials shall be limited to natural wood, or a limited range of medium to dark earthtones or greys.

ARTICLE X USE AND OCCUPANCY CONTROL

10.01 Residential Use. Each Lot may be used only for residential purposes and none other. No business or commercial building may be erected on any Lot and no business or commercial enterprise or other non-residential use may be conducted on any part thereof. No temporary buildings, structures or trailers may be erected, placed or maintained on any Lot except as expressly permitted by, and in compliance with, the Development Standards. Nothing herein contained shall be deemed to limit the Declarant's



rights as set forth herein.

10.02 Violation of Law or Insurance. No Owner or Member shall permit anything to be done or kept in his Lot or in or upon any Common Areas which will result in the cancellation of insurance thereon or which would be in violation of any law.

10.03 Animals. No animals, including horses or other domestic farm animals, fowl or poisonous reptiles of any kind may be kept, bred or maintained in any Lot or in or upon any of the Common Areas, except a reasonable number of commonly accepted household pets in accordance with the Association Rules. No animals shall be kept, bred or raised within the Project for commercial purposes. In no event shall any domestic pet be allowed to run free away from its Owner's Lot without a leash, or so as to create a nuisance. All such domestic pets must be registered with the Association and shall have proof of proper immunization presented with said registration. Dogs, regardless whether restrained by a leash, shall not be allowed on the Golf Course. In consideration of the native wildlife, the feeding of any deer, ducks, geese, or other wild animals is prohibited. Song bird feeding stations are excluded from the above.

10.04 Nuisances. No Owner or Member shall permit or suffer anything to be done or kept about or within his Lot, or on or about the Property, which will obstruct or interfere with the rights of other Owners, Members, Occupants or other authorized Persons to the use and enjoyment of the Common Areas, or annoy them by unreasonable noises or otherwise, nor commit or permit any nuisance or commit or suffer any illegal act to be committed therein. Each Owner or Member shall comply with the Association Rules and the requirements of all health authorities and other governmental authorities having jurisdiction over the property.

10.05 Garbage. No garbage or trash shall be kept, maintained or contained in any Lot so as to be visible from another Lot or the Common Areas. No incinerators shall be kept or maintained in any Lot. No refuse pile, garbage or unsightly objects shall be allowed to be placed, accumulated or suffered to remain anywhere on a Lot.

10.06 Mining. No portion of the Property shall be used in any manner to explore for or remove any oil or other hydrocarbons, minerals of any kind, or earth substance of any kind.

10.07 Safe Condition. Without limiting any other provision in this Section, each Owner shall maintain and keep his Lot at all times in a safe, sound and sanitary condition and repair and shall correct any condition or refrain from any activity which might interfere with the reasonable enjoyment by other Owners, Members or other Persons of their respective Lots or the Common

Areas.

10.08 Rental of Lots. An Owner who leases his Lot to any Person shall be responsible for assuring compliance by his lessee with all of the provisions of this Declaration, the Articles, Bylaws, Association Rules or Development Standards, all as amended and supplemented from time to time, and shall be jointly and severally responsible for any violations by his lessee thereof.

ARTICLE XI EASEMENTS

11.01 Utility Easements. Easements for installation, maintenance, repair and removal of utilities and drainage facilities over, under and across the Property are reserved. Full rights of ingress and egress shall be had by Declarant and any bona fide utility company at all times over the easement areas for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility.

11.02 Ingress, Egress and Maintenance by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon the Common Areas for the purpose of maintaining the Common Areas as set forth herein.

11.03 Police Power Easement. With respect to the Common Areas and streets, easements and rights-of-way within the Property, the County of Sheridan, and all other governmental agencies and authorities shall have full rights of ingress, egress, regress and access for personnel and emergency vehicles for maintenance, police and fire protection, drainage and other lawful police powers designed to promote the health, safety and general welfare of the residents within the Property.

ARTICLE XII GENERAL PROVISIONS

12.01 Registration with the Association. In order that Declarant and the Association can properly acquaint every Lot purchaser and every Owner with these Covenants and Restrictions and the day-to-day matters within the Association's jurisdiction, no acquisition of any Declarant Lot within the Property shall become effective until and unless:

- (a) The then-existing "Closing Information Package" has been properly executed by the Association, Declarant and the Purchaser/Transferee; and

(b) All directives by the Association and Declarant have been properly and timely followed.

12.02 Power of Attorney. Each and every Owner hereby makes, constitutes and appoints Declarant as his/her true and lawful attorney-in-fact, coupled with an interest and irrevocable, for him/her and in his/her name, place and stead and for his/her use and benefit, to do the following:

(a) To exercise, do or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration and the Property;

(b) To sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

(c) To sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the subdivision plat(s) of the Property, or any part thereof, with any easements and rights-of-way to be therein contained as the Declarant shall deem necessary, proper and expedient under the conditions as may then be existing.

(d) The right, powers, and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Sheridan County Clerk's Office and shall remain in full force and effect thereafter until the fifteenth (15th) anniversary of the recordation of this Declaration.

12.03 Duration. The Covenants and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owners subject to this Declaration, their respective legal representatives, heirs, successors, and assigns. The Covenants and Restrictions shall run perpetually, subject to the rights of the Members to terminate them. Such termination will take the consent of not less than Seventy five percent (75%) of the then Owners of record, agreeing to abolish the Covenants and Restrictions in whole or in part; provided, however, that no such agreements to abolish shall be effective unless made and recorded thirty (30) days in advance of the effective date of such change; and unless written notice of the proposed agreement to abolish is sent to every Owner at least

ninety (90) days in advance of any action taken.

12.04 Amendments. Except as provided in Section 12.03 of this Article XII, the Covenants and Restrictions of this Declaration may be amended and/or changed in whole or in part, only with seventy-five percent (75.0%) of the Owners, evidenced by a document in writing bearing each of their signatures, and duly recorded in the land records of Sheridan County, Wyoming; or by a resolution passed by the majority of the Board evidencing the consent of seventy-five percent (75.0%) of the Owners and authorizing the President of the Association to execute such document.

12.05 Enforcement. Enforcement of these Covenants and Restrictions shall be by a proceeding initiated by any Owner, Declarant, any member of the Board, or by the County of Sheridan against any person or persons violating or attempting to violate any Covenant or Restriction contained herein, either to restrain or enjoin violation or to recover damages for the violation, or both, or to enforce any lien created by this instrument. They shall have an election and right, but not an obligation or duty, to enforce these Covenants and Restrictions by a proceeding or proceedings at law or in equity. Notwithstanding any provision to the contrary in this Declaration, Declarant shall not have any duty, obligation, or responsibility to enforce any of these Covenants and Restrictions. Failure by any party to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees from the nonprevailing party. Further, and with respect to any litigation brought against the Board or any of their members or representatives arising out of any action, failure to act, or performance or non-performance of duties imposed hereby, by the Board or their members or representatives, the Board and/or their members or representatives so sued shall be entitled to recover their reasonable attorneys' fees from the person or entity bringing such action against it or them, the Board or their members or representative shall specifically be adjudicated liable to such claimant.

12.06 Imposition of Violation Fines. In the event that any person fails to cure (or fails to commence and proceed with diligence to completion) the work necessary to cure any violation of the Covenants and Restrictions contained herein within ten (10) days after receipt of written notice from the Board designating the particular violation, the Board shall have the power and authority to impose upon that person a fine for such violation (the "Violation Fine") not to exceed five hundred dollars (\$500.00). If, after the imposition of the Violation Fine, the violation has not been cured or the person has still not commenced the work necessary to cure such violation, the

Board shall have the power and authority, upon ten (10) days written notice, to impose another Violation Fine which shall also not exceed five hundred dollars (\$500.00). There shall be no limit to the number or the aggregate amount of Violation Fines which may be levied against a person for the same violation. The Violation Fines, together with interest at the highest lawful rate per annum and any costs of collection, including attorneys' fees, shall be a continuing lien upon the Lot against which such Violation Fine is made.

12.07 Severability. If any one of these Covenants or Restrictions is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining Covenants and Restrictions shall not be affected thereby.

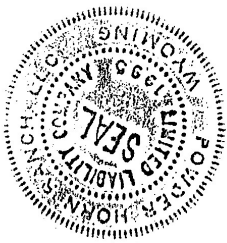
12.08 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

12.09 Notices to Owners. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mails, postage prepaid, addressed to the last known address of the person who appears as an Owner on the records of the Association at the time of such mailing.

12.10 Proposals of Declarant. The proposals of Declarant, as set forth in various provisions hereinabove, to develop additional parcels of property for residential purposes and/or expand the Common Areas (not only geographically but also in terms of types of amenities available for use) and items of a related nature are mere proposals and expressions of the existing good faith intentions and plans of Declarant and shall not be deemed or construed as promises, solicitations, inducements, contractual commitments or material representations by Declarant upon which any person or entity can or should rely.

12.11 Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions (excluding Articles IX and X and issues concerning "substantial completion") of this Declaration or the Association Bylaws, shall be determined by the Board. Matters pertaining to Articles IX and X, and issues concerning "substantial completion" shall be determined by the Design Review Committee. These respective determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners.

IN WITNESS WHEREOF, Powder Horn Ranch, LLC, being the Declarant herein, has caused this instrument to be executed the day and year first above written.

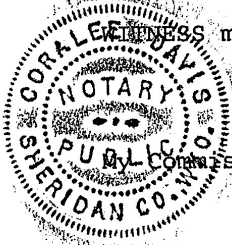


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POWDER HORN RANCH, LLC

By: Homer Scott, Jr.
Manager

STATE OF WYOMING)
) ss.
County of Sheridan)

11th The foregoing instrument was acknowledged before me this
day of September, 1995, by Homer Scott, Jr., Manager of
Powder Horn Ranch, LLC.



WITNESS my hand and official seal.

Coralee Davis
Notary Public

My Commission Expires: June 11, 1999.

EXHIBIT A
POWDER HORN RANCH - PHASE I
BOUNDARY DESCRIPTION
SEPTEMBER 25, 1995

A tract of land situated in the Northeast Quarter (NE¼) and the East Half of the Southeast Quarter (E½ SE¼) of Section 33 and in the West Half of the Southwest Quarter (W½ SW¼) of Section 34, Township 55 North, Range 84 West, of the Sixth Principal Meridian, Sheridan County, Wyoming, said tract being more particularly described as follows:

Beginning at a point located on the Southeasterly Right of Way Line of State Highway No. 335, said point being located S 50°13'08"W, 2302.17' from the Northeast Corner of said Section 33; Thence along a curve to the right having a radius of 1066.71', a central angle of 8°57'57", an arc length of 166.92', and chord bearing and distance of S 46°14'15"E, 166.75'; Thence N 47°15'57"E, 132.38'; Thence N 61°42'55"E, 134.88'; Thence S 56°22'12"E, 129.50'; Thence S.54°27'54"E, 108.08'; Thence along a curve to the right having a radius of 330.00', a central angle of 20°51'31", an arc length of 120.14', and chord bearing and distance of N 45°57'51"E, 119.47'; Thence N 33°36'23"W, 120.46'; Thence N 61°33'47"E, 196.67'; Thence S 76°35'39"E, 673.10'; Thence N 84°16'56"E, 100.93'; Thence S 48°35'12"E, 80.00'; Thence S 10°21'05"W, 488.56'; Thence S.3°25'40"W, 448.16'; Thence along a curve to the right having a radius of 330.00', a central angle of 41°32'27", an arc length of 239.26', and chord bearing and distance of S 45°12'58"E, 234.05'; Thence S 24°26'44"E, 391.57'; Thence along a curve to the right having a radius of 470.00', a central angle of 41°40'25", an arc length of 341.85', and chord bearing and distance of S 45°16'56"E, 334.36'; Thence S 66°07'09"E, 200.25'; Thence along a curve to the right having a radius of 380.00', a central angle of 18°52'14", an arc length of 125.15', and chord bearing and distance of S 56°41'02"E, 124.59'; Thence N0°00'00"E, 660.23'; Thence S 71°57'34"E, 369.50'; Thence S0°00'00"E, 155.14'; Thence S 54°20'17"E, 193.23'; Thence S 25°44'09"W, 303.13'; Thence S 32°01'22"E, 313.53'; Thence S 5°37'17"W, 87.34'; Thence S 59°24'32"W, 33.03'; Thence along a curve to the left having a radius of 595.00', a central angle of 11°03'22", an arc length of 114.81', and chord bearing and distance of S 36°07'09"E, 114.64'; Thence S.48°21'10"W, 60.00'; Thence S 80°45'18"W, 527.56'; Thence S 29°14'48"W, 474.46'; Thence N 60°45'12"W, 79.95'; Thence along a curve to the left having a radius of 75.00', a central angle of 70°24'44", an arc length of 92.17', and chord bearing and distance of S 84°02'25"W, 86.48'; Thence S 48°50'03"W, 100.00'; Thence along a curve to the right having a radius of 285.00', a central angle of 16°21'49", an arc length of 81.40', and chord bearing and distance of S.57°00'58"W, 81.12'; Thence S 65°11'53"W, 96.83'; Thence S 27°43'30"E, 66.58'; Thence S 43°17'33"W, 111.27'; Thence S 26°23'15"W, 502.54'; Thence

S.10°39'11"W, 81.35'; Thence S 5°04'53"E, 200.00'; Thence S 86°52'07"W, 175.44'; Thence along a curve to the left having a radius of 592.36', a central angle of 1°57'00", an arc length of 20.16', and chord bearing and distance of N.4°06'23"W, 20.16'; Thence N 5°04'53"W, 164.31'; Thence along a curve to the right having a radius of 325.00', a central angle of 14°38'32", an arc length of 83.06', and chord bearing and distance of N 2°14'23"E, 82.83'; Thence N.80°26'21"W, 290.47'; Thence N 26°23'15"E, 199.81'; Thence N 30°19'14"E, 221.34'; Thence N 16°25'29"E, 87.75'; Thence N 26°02'51"E, 167.84'; Thence N.55°57'22"E, 304.65'; Thence N 82°29'28"E, 290.24'; Thence S 48°10'42"E, 112.35'; Thence N 48°50'03"E, 20.89'; Thence along a curve to the right having a radius of 125.00', a central angle of 70°24'44", an arc length of 153.62', and chord bearing and distance of N 84°02'25"E, 144.13'; Thence S 60°45'12"E, 19.95'; Thence N 29°14'48"E, 183.72'; Thence West, 69.08'; Thence N.23°57'18"W, 547.35'; Thence N 37°45'08"E, 395.40'; Thence N 66°07'09"W, 109.70'; Thence along a curve to the right having a radius of 530.00', a central angle of 41°40'25", an arc length of 385.49', and chord bearing and distance of N 45°16'56"W, 377.05'; Thence N 24°26'44"W, 391.57'; Thence along a curve to the left having a radius of 270.00', a central angle of 64°53'10", an arc length of 305.77', and chord bearing and distance of N 56°53'19"W, 289.69'; Thence S.80°29'04"W, 56.56'; Thence N 89°19'54"W, 67.58'; Thence along a curve to the right having a radius of 1676.16', a central angle of 17°07'41", an arc length of 501.07', and chord bearing and distance of N 80°46'04"W, 499.21'; Thence along a curve to the right having a radius of 657.12', a central angle of 49°22'50", an arc length of 566.34', and chord bearing and distance of N 47°30'48"W, 548.97'; Thence N22°49'24"W, 100.00'; Thence along a curve to the left having a radius of 986.71', a central angle of 27°53'50", an arc length of 480.43', and chord bearing and distance of N 36°46'19"W, 475.70' to a point on the Southeasterly Right of Way Line of State Highway No. 335; Thence Along Said Southeasterly Right of Way Line N 39°16'46"E, 80.00' to the point of beginning, said tract containing 58.456 Acres, more or less.

NOW KNOWN AS:

Powder Horn Ranch Planned Unit Development, Phase I as recorded with the Sheridan County Clerk and Ex-Officio Recorder of Deeds in Drawer P, Plat No. 36, on September 27, 1995, as Document No. 208954.

