

DECLARATION OF PROTECTIVE COVENANTS FOR SPRING CANYON SUBDIVISION

THIS DECLARATION is made by Donald R. Carroll and Gene Bondi, as Trustees, as Owners of the lands embraced in the subdivision known as Spring Canyon Subdivision, Sheridan County, Wyoming, a legal subdivision of Sheridan County, Wyoming, as platted and of record in the office of the County Clerk and Ex-officio Register of Deeds of Sheridan County, Wyoming. The Declarants are sometimes known as Red Grade Associates. The plat of said subdivision is incorporated by reference in this Declaration and is specifically made a part hereof in all respects, as if fully set out herein.

The Declarant intends to sell all of the lots, tracts, and parcels of land contained in Spring Canyon Subdivision.

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

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

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

Residential Restrictions

1. All tracts and lots shall be used only for residential and family recreational purposes.
2. No manufacturing or commercial enterprise or enterprises of any kind for profit shall be maintained on, in front of, or in connection with the lands in this subdivision nor shall such lands in any way be used for other than strictly residential and family recreation purposes.

Single Family Residences

3. All buildings erected on any subdivision lot shall be a detached single family dwelling with necessary garage or outbuildings. The principal residence shall have a minimum fully enclosed ground area devoted to living purposes, exclusive of porches, terraces, and garages of nine hundred (900) square feet.

Set Back Lines

4. All buildings shall be located at least 75 feet from the front lot lines and at least 50 feet from the interior and rear lot lines of the building lot. For the purposes of these covenants, eaves, steps and open porches shall not be considered as a part of a building; provided, however, this covenant shall not be construed to permit any portion of a building on a building lot to encroach upon another building lot.

Mobile Homes

5. A mobile home is defined as a living unit manufactured with an integral towing device or wheels. If the unit is manufactured with an integral towing device or wheels, it does not lose its status as a mobile home by the removal of the device or the wheels. Mobile homes shall not be used as a permanent residence in this subdivision. This covenant shall not prevent the parking and temporary, occasional use of a camping trailer in the subdivision as long as the trailer is not used as a permanent residence.

Tanks

6. Swimming pool filter tanks, fuel oil tanks and similar tanks which may be visible from the street shall be enclosed, buried or otherwise appropriately screened so that they will not be visible from the street or from adjoining tracts.

Intent of Domestic Water and Waste Water Protective Covenants

7. Declarant intends by these covenants to prevent any activities and exclude any structures which might impair the quantity and quality of ground water available to the owners of lots in the subdivisions. Therefore, pollution or contamination of the ground water supply is prohibited.

State Regulations

8. State regulations governing domestic water supplies and waste water disposal systems shall control when they are more severe than the requirements imposed by Declarant or its successors in interest.

Location of Water Wells and Waste Water Disposal Systems

9. Water wells and waste water disposal systems shall be no closer together than one hundred (100) feet. Water lines and sewer lines shall not pass under or through a foundation wall closer than twenty (20) feet from each other. Wells and waste water disposal systems shall be located at least one hundred (100) feet from all property lines. Water wells may be drilled in set back areas, waste water systems shall be located at least one hundred (100) feet from all property lines.

Domestic Water System

10. Water wells and domestic water supplies shall be constructed so as to comply with the current specifications established by the State Engineer, the State Department of Environmental Quality and the Department of Health and Social Services or their successors.
11. As a general rule, pitless adaptors must be used on all wells, and all pumps drawing water from the wells shall be of the submersible type. However, Declarant or its successors in interest may approve and allow different pumping system designs or equipment.

Waste Water Disposal System

12. All sewer systems must be approved by the undersigned owners, the architectural committee or its successors, prior to construction and must comply with Public Health Standards. All sewer systems shall be placed a minimum of one hundred (100) feet from any property line. All sewer system construction must be inspected and approved by the undersigned owners or its successor in interest prior to covering. At any time that a central sewer system should become available to the Spring Canyon Subdivision area, all tract owners in the subdivision will be required to convert and subscribe to that service.

Inspection and Enforcement of Domestic Water and Waste Water Disposal System Covenants

13. The Department of Health and Social Services or its successors shall have a right to inspect the domestic water and waste water disposal systems at any time. If the Department determines that corrective measures must be taken to comply with state laws and regulations and to protect the public health, it shall give the property owner notice directing him to correct the violation.

If the violation is not corrected, the Department, Declarant or its successor may take possession of the violator's premises and correct the violation. The property owner will be liable for all costs of the necessary corrective measures, and in the event suit is required to collect these sums, the property owner shall also be liable for all attorneys' fees and costs incurred in bringing an action to enforce this obligation.

Approval of Building Plans

14. Residences, buildings, fences, walls exterior lighting facilities, domestic water or waste water disposal systems or other structures may be constructed, replaced or altered on any lot within the subdivision only after the plans and specifications showing the location of the structure and the plans for construction have been approved by the Declarant or its successor in interest as to the quality of workmanship and materials, harmony of colors to blend with surrounding area and specifically disallowing bright, shiny metallic-type external finish and harmony of external design with the existing structures, location with respect to topography, finished grade, elevation and compliance with the covenants contained herein.
15. Within forty-five (45) days after receiving these plans, the Declarant or its successor in interest shall either approve or disapprove in writing such plans and specifications. In the event the Declarant or its successor in interest fails to approve or disapprove in such period of time, after the plans have been submitted to it, approval will not be required, and the related covenants shall be deemed to have been fully complied with. If the plans shall be rejected because of noncompliance with the covenants and restrictions, the reasons therefore shall be stated. The person submitting the plans shall have a right to make application to the Declarant or its successor in interest for review of its decision and may request a variance from the restrictions.
16. During the course of construction of any structure or system, Declarant or its successor in interest shall have the right to inspect the work to insure that it conforms with the approved plans. The Declarant or its successor shall have the right to inspect any structure or system prior to covering.
17. Commencement of any construction before approval has been given by Declarant or its successor in interest will be a violation of these covenants.

Subdivision

18. Re-subdivision of any tract in Spring Canyon Subdivision shall be prohibited. An individual land owner in Spring Canyon Subdivision can petition a city municipality to annex each of their individual lots in Spring Canyon Subdivision. If any lot in Spring Canyon Subdivision is annexed then the lot in the subdivision can be subdivided.

Restricted Uses

19. Animals, livestock and poultry may be kept, raised and bred only for family use and enjoyment. All livestock shall be confined by a fence, corral or enclosure which is sufficient to restrain them.
20. Owners of land in the subdivision shall follow proper land management procedures to prevent overgrazing or erosion of the soil. The Declarant or its successor in interest shall have the exclusive right to determine when overgrazing or erosion is threatened by the acts of property owners. If the Declarant or its successor in interest determines grazing or erosion is threatened, it may order the property owner to limit or cease his activities. Failure to obey such an order will be a breach of this covenant.

21. The use of any portion of Spring Canyon Subdivision as a dumping ground for rubbish, trash, garbage and other waste is prohibited. Trash, garbage and other wastes shall not be allowed to accumulate and shall be kept in sanitary containers. All incinerators or other equipment for storage or disposal of such material shall be kept in a clean and sanitary condition.
22. The accumulation of machinery, equipment or used motor vehicles is prohibited.
23. Signs of any kind may be displayed to the public view only after approval by the Declarant or its successor in interest, except the Declarant may display without limitation any signs necessary to advertise the property during construction and sale of the land.
24. Excavation for stone, gravel or earth on any lot is prohibited. Excavation for construction purposes is permitted but only after construction has commenced and during the construction period. The Declarant reserves, for the construction period, the right to remove stone, gravel or earth for construction and maintenance of roads in the subdivision.
25. All lands, buildings and structures shall be maintained and kept in good repair.

Easements, Utilities, Roads and Common Areas

26. Declarant hereby reserves to itself, its successors and assigns, perpetual easements across such land in the Spring Canyon Subdivision along all irrigation and drainage swales and ditches presently in existence (or hereafter constructed or confined with the consent of the land owners across which the water flows) for the purpose of construction, maintenance and operation of the ditches for proper irrigation and drainage of all meadow lands of any lots or any tracts therein. Declarant similarly reserves to itself, its successors and assigns, the rights to irrigate and go on all such lands at all reasonable times for the purposes of preserving and maintaining the natural beauty.
27. Easement and right-of-way of fifteen (15) feet on each side of the property lines of the original lots of the subdivision, all of the recreational area, all street areas but limited to the barrow areas on each side of the maintained surfaced area are hereby reserved for poles, wires, pipes and conduits for heating, lighting, electricity, gas, telephones, sewer, water or other public or quasi-public utility service purposes, together with the right of entry at any time for the purpose of further construction and repair.
28. All utilities which are originally delivered underground shall be continued underground. The owner of each tract shall be responsible for installing the utilities in their tract. The installation will be at the expense of the owner of each tract.
29. All roads within the subdivision are to be maintained, improved and repaired when necessary by all tract owners who have a boundary fronting on a subdivision road or who use said roads for access to their tract. State highway or county roads are excluded. Each title holder of a tract or a re-subdivided tract shall be a separate owner. The cost shall be born equally by these tract owners. The Declarant or its successors in interest shall have the exclusive right to determine when roads are in need of maintenance and repair and the exclusive right to determine which owners use the road for access to their tracts.

Control and Guidance of Common Area

30. The Declarants, or the architectural control committee when constituted shall have the obligation of providing for the care, operation, management, maintenance, repair and replacement of the common areas, roadways and irrigation facilities. Without limiting the generality of the foregoing, said obligations shall include the keeping of such common property and improvements thereon in good, clean, attractive and sanitary condition, order and repair; keeping the project safe, attractive and desirable; and making necessary and desirable alterations, additions, betterments, improvements to or on the common areas, roadways and irrigation facilities. It is the intention that the common area be perpetuated in its natural state. That there be no grazing of domestic livestock and that the grass, plants and shrubberies be maintained in its natural state allowing the wild game free and easy access to this area in an undisturbed environment as possible. The use and enjoyment of the common area is restricted to those owners of the tracts of Spring Canyon Subdivision only and is not intended to be a public park area.
31. The committee shall have the right to make and enforce reasonable and uniformly applied rules and regulations governing the use of the common property to assure equitable use and enjoyment by all persons with the subdivision.
32. Regular Assessments. The owner of any single family lot or lots shall be obligated to pay and shall pay unto the architectural committee the overhead assessment for maintenance and repair of all of the common ground and recreation facilities. The assessment shall be determined by dividing the costs equally among each lot.
33. Time for Payments. The amount of any assessment, or the other amount payable with respect to any lot, shall become due and payable thirty (30) days after notice that such amount shall have been given by the architectural committee to such lot owner, or at such later time as may be specified by the committee. Any amount shall bear interest at the rate of twelve (12%) percent per annum from the date due and payable.
34. No substantial improvements shall be undertaken in the common areas (such as construction of tennis courts, swimming pools or recreational buildings) for the construction of which owners are to be assessed without the consent of sixty-five (65%) percent of all owners of lots.
35. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents of the Properties and Members of the Association and in particular for the improvement and maintenance of properties, services and facilities devoted to the purpose and related to the use and enjoyment of the Common Area, roadways and irrigation facilities, including, but not limited to the payment of taxes, assessments and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Transfer of Approving Authority

36. At the time ninety percent (90%) of the original lots in the Spring Canyon Subdivision have been sold and conveyed by the Declarant, the owners of the lots in the subdivision shall elect an Architectural Control Committee consisting of three (3) members and shall then replace the Declarant as the approving agency for the provisions of these covenants. The committee shall be the successor in interest to the Declarant.
37. The members of the Architectural Control Committee must be owners of tracts in the subdivision. The three nominees receiving the most votes shall serve as members of the committee. Each lot owner shall be entitled to one vote in these elections. Joint Owners of a lot shall only have one vote, and if a person owns more than one lot, he will still have only one vote.

38. Elections for the Architectural Control Committee shall be annually, and upon the death or resignation of any member of this committee, the remaining members shall have authority to designate a successor who shall remain upon the committee until the next annual election. Elections to the Architectural Control Committee shall be held on the first day of March of each year at a meeting called for that purpose. Notice of the meeting by the committee shall be mailed to all property owners within the subdivision at the address given to the committee.
39. The members of the committee shall elect a chairman who may also serve as secretary unless another member shall be designated as such. In any event, the secretary shall keep minutes of all proceedings and actions taken by the committee and shall be responsible for all correspondence. Meetings of the committee may be called at any time by the chairman as required to transact any business, and the committee may formulate its own rules and regulations before the calling of such meetings and the conduct of its business. The decisions of the committee shall be made by majority vote. In the event of a deadlock in the Architectural Control Committee, the question shall be resolved by a vote of the owners of all lots in the subdivision.

Modification and Amendment

40. The Declarant or the Architectural Control Committee, when constituted, shall have the right to vary the limitations provided by these restrictions and covenants, except the covenants concerning domestic water and waste water disposal systems, to the extent of ten percent (10%) of the requirements and shall have the right to enforce these covenants.
41. Once ninety percent (90%) of the original lots in this subdivision have been sold, these restrictions and covenants, except the covenants concerning domestic water and waste water disposal systems, may be amended or altered at any time upon the approval of the owner or owners of eighty percent (80%) of the lots in Spring Canyon Subdivision.

Enforcement

42. Declarant and, when constituted, the Architectural Control Committee shall have the sole and exclusive right and authority to determine compliance with the covenants contained herein and allocated and assess the costs for the improvement, maintenance and repair, of all roadways, common area and irrigation facilities. Upon the violation of any covenants or upon the failure to pay any assessments, written notice of such violation or failure shall be directed to the violator who shall have ten (10) days after receipt of the said notice to correct the violation or pay the assessment due. If said violation is not corrected or payment is not made, Declarant or successor may re-enter and take possession of the violator's premises and correct the violation. In addition, damages may be assessed against the violator at a rate Twenty-five Dollars (\$25.00) per day for each day the violation continues after the ten (10) days notice. In the event suit is required to collect any sums due or to enjoin the violation of any of the covenants contained herein, violator, in addition to any of the other penalties provided herein or which may be assessed by the Court, shall be liable for all attorneys' fees and costs incurred by owner or its successor in bringing such action.
43. The Declarant and, when constituted, the Architectural Control Committee shall have a lien against each lot to secure the payment of any assessment plus interest from the date due and payable, plus all costs and expenses of collecting the unpaid amount, including reasonable attorneys' fees. The lien may be foreclosed in the manner provided for the foreclosure of real estate mortgages in the State of Wyoming.

Duration

44. These covenants are to run with the land and shall be binding upon all parties and all persons claiming under them for a period of 25 years from the date these covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by eighty percent (80%) of the then owners of the lots, have been recorded, agreeing to repeal or amend these covenants.

Severability

45. In the event any one of the covenants, restrictions or remedies contained herein is invalidated by a judgment or court order, the remaining provisions and remedies shall remain in full force and effect.

IN WITNESS WHEREOF, The Declarant has executed this "Declaration of Protective Covenants for Spring Canyon Subdivision this 15th day of August, 1978.

/s/ Spring Canyon Subdivision

By: Gene Bondi

Trustees

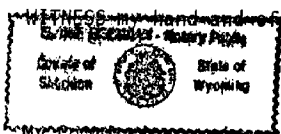
Donald R. Carroll
Trustees

STATE OF WYOMING)

COUNTY OF SHERIDAN)

ss.

Aug. The foregoing instrument was acknowledged before me this 15th day of August, 1978 by GENE L. BONDI and DONALD R. CARROLL, Trustees of Spring Canyon Subdivision.



My Commission Expires: 1-7-81