

SEWER CONNECTION AGREEMENT

Agreement made by and between Downer Neighborhood Improvement and Service District ("DNISD"), a Wyoming Improvement and Service District, of Sheridan County, Wyoming, and Three Left Handers LLC ("TLH"), a Wyoming limited liability company, of Sheridan County, Wyoming.

Whereas:

DNISD, within the boundaries of its district, has installed a system of sewer works for the collection and transmission of wastewater; and

DNISD has established certain rules, regulations and fees applicable to connection with and utilization of the sewer system for residents of the district; and

TLH owns certain lands within City of Sheridan adjacent to the district described as:

Lots 9 through 14, inclusive, of Block 35, Downer's Addition to the Town, now City of Sheridan, Sheridan County, Wyoming.

hereinafter referred to as "TLH lands"; and

In order for TLH to build residential houses on its lands, there must be permission for connection to a sewer system; and

The most convenient connection to a sewer system for TLH lands is to the DNISD system for transfer of wastewater through the DNISD system to the City of Sheridan wastewater treatment plant; and

DNISD is willing to allow TLH to connect its wastewater and sewer works to the DNISD system through a sewer service pipe to be connected to the DNISD system at the existing manhole in the intersection of Holloway and 13th Streets pursuant to and in accord with the following terms and conditions.

Wherefore, in consideration of the mutual terms and covenants set forth below, it is agreed:

1. DNISD grants TLH the right to connect its sewer works to the DNISD system of sewer works at the existing manhole in the intersection of Holloway and 13th Streets for the conveyance of wastewater through the DNISD systems to the City of Sheridan wastewater treatment plant.
2. The development, design, construction, connection and operation of the TLH works shall be at the cost of TLH.
3. TLH shall be responsible and liable for all regulatory compliance, whether federal, state, city or county, for the TLH works.
4. DNISD understands that TLH intends to build and sell residential houses on the TLH lands, each of which will be individually connected to a sewer main line which will be connected to the DNISD sewer system at the intersection of Holloway and 13th Streets.
5. Each residential structure built on TLH lands shall be considered a connection to the City of Sheridan system which is connected to the DNISD sewer system for the transmission and conveyance of wastewater from the residential houses to be built or built on TLH lands only.
6. Each residential structure built on TLH lands shall be considered an "Equivalent Dwelling Unit" (EDU) as defined in the DNISD Rules and Regulations.
7. Each residential structure built on TLH lands shall be subject to the DNISD Rules and Regulations pertaining to sewer use and regulation.
8. Each residential structure built on TLH lands shall be subject to payment of all fees, including City of Sheridan plant investment fee, DNISD Capital Reserve, City tap, together with the annual assessment for sewer per EDU, and all sewer service monthly fees.

9. The connection fees will be due to DNISD from TLH upon the first occupancy (rental) or sale closing for each residential structure; being the plant investment fee, capitol reserve fee and city tap fee.

10. The monthly service fees will be due upon billing by DNISD.

11. The current fees are:

Upon connection:

City Plant Investment Fee	\$1,200.00
DNISD Capital Reserve	\$ 600.00
City tap fee	\$ 50.00
First annual assessment	\$ 179.00

Upon monthly billing:

Operation & Maintenance	\$ 8.50
Reserve	\$ 2.00
Usage:	\$ 2.06 per 1000 gallons of water used per EDU (calculated from wintertime flow)

It is understood and agreed that the rates and fees are subject to change as the DNISD Rules and Regulations may be amended from time to time.

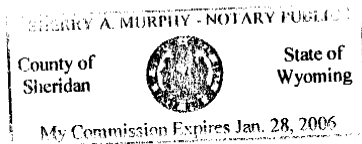
12. This instrument contains the entire agreement and may not be varied except upon the written agreement of the parties

13. This agreement shall be binding upon the heirs, successors and assigns of the parties hereto.

14. This agreement is effective only for those residential structures upon TLH lands, below described, and no others:

Lots 9 through 14, inclusive, of Block 35, Downer's Addition to the Town, now City of Sheridan, Sheridan County, Wyoming.

15. In the event the DNISD takes action to enforce any of the terms contained in this agreement or applicable portions of the DNISD Rules and Regulations, DNISD shall be entitled to all of its costs of enforcement, including its attorney fees, whether suit is taken or enforcement is resolved short of litigation.



Three Left Handers, LLC

By: [Signature]

[Signature]
Members

Downer Neighborhood Improvement
and Service District

By: [Signature]
Chairman

ATTEST:

[Signature]
Secretary

STATE OF WYOMING)
) ss.
County of Sheridan)

The foregoing instrument was acknowledged before me by GENE KILPATRICK, member of Three Left Handers, LLC, this 25TH day of JUNE, 2004.

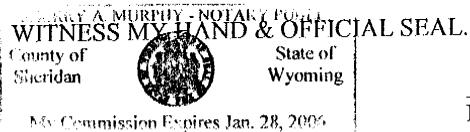
WITNESS MY HAND & OFFICIAL SEAL.

[Signature]
Notary Public

My Commission Expires: January 28, 2006

STATE OF WYOMING)
) ss.
County of Sheridan)

The foregoing instrument was acknowledged before me by THOMAS L BARKER
_____, member of Three Left Handers, LLC, this 25TH day of JUNE, 2004.



Sherry A. Murphy
Notary Public

My Commission Expires: JANUARY 28, 2006

STATE OF WYOMING)
) ss.
County of Sheridan)

The foregoing instrument was acknowledged before me by _____
_____, member of Three Left Handers, LLC, this _____ day of _____, 2004.

WITNESS MY HAND & OFFICIAL SEAL.

Notary Public

My Commission Expires: _____

STATE OF WYOMING)
) ss.
County of Sheridan)

The foregoing instrument was acknowledged before me by Mike Johnston, Chairman of
the Downer Neighborhood Improvement and Sewer District, a Wyoming improvement and
service district, this 28th day of JUNE, 2004.

WITNESS MY HAND & OFFICIAL SEAL.

Riva G. Trott
Notary Public

My Commission Expires: October 7, 2006

