

SUBDIVISION IMPROVEMENTS AGREEMENT

THIS AGREEMENT, entered into as of this 5TH day of December, 2000, by and between Sheridan County, Wyoming (hereinafter called "County") and the Powder Horn Ranch, L.L.C. (hereinafter called "Subdivider").

WITNESSETH:

1. That the Subdivider has submitted to the County for approval an application for a subdivision permit and a subdivision plat of the **Powder Horn Ranch Phase VII Subdivision**; and
2. That certain public improvements are required by the *Sheridan County Subdivision Resolution*, (hereinafter called "Regulations") to be installed by the Subdivider; and
3. That the Subdivider is required by the Regulations to install or guarantee the installation of all required public improvements according to plans and specifications approved by the County Engineer, the Wyoming Department of Environmental Quality, or other governing authority prior to approval of the subdivision plat; and
4. That the amount of the guarantee is based on an estimate approved by the County Engineer and is in an amount not less than one hundred percent (100%) of the estimated cost of all required public improvements remaining to be installed and approved; and
5. That the Subdivider has furnished to the County a guarantee of the proper installation of public improvements in the following form:

Letter of Credit

from the First Interstate Bank of Commerce in the amount of \$763,000.

That the expiration date of the **Letter of Credit** is no less than 120 days after the date of completion of the improvements as specified herein.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. All public improvements designated on Addendum A to this contract, attached hereto and incorporated herein by this reference, and being a list of the required improvements and Engineer's estimate of construction costs as approved by the County Engineer, shall be constructed and completed by the Subdivider according to the plans and specifications prepared by Mentock-Wiley Consultants and approved by the County Engineer.
2. All improvements designated on Addendum A shall be installed, constructed and completed by the Subdivider by November 1, 2001. All construction shall be performed in a good and workmanlike manner in accordance with applicable County and State standards, rules, and regulations governing such construction.
3. The Subdivider shall inform the County Engineer at least once a month as to the progress of construction, shall give written notice to the County Engineer of completion of improvements or categories thereof and shall cooperate in the reasonable inspection of improvements by the County Engineer.
4. Within ten (10) days after receipt of the above notice of completion, the County Engineer shall inspect the improvements to which notice of completion applies and, within ten (10) days after receipt, give the Subdivider either written notice of approval or disapproval and corrective action required. Upon completion of corrective action, notice, inspection, and approval or disapproval shall be required in a like manner as above. Written notice of approval of the County Engineer of an improvement or corrective action, or failure of the County engineer to inspect and approve or disapprove the same, within ten (10) business days from receipt of the compliance notice, shall constitute approval by Sheridan County under the terms of this agreement.

5. The estimated cost of construction of the public improvements is agreed to be as set forth on Addendum A. The Letter of Credit from the First Interstate Bank of Commerce in the amount of \$763,000 is to guarantee that the funds are available for the completion of the public improvements described in Addendum A. Upon completion of all public improvements and approval of the public improvements by the County Engineer, this agreement shall become null and void and of no force and effect in which event the Letter of Credit shall be returned to the Subdivider. If the improvements are not completed and approved on or before the end of the contract period, then the County shall take action necessary to obtain funds from the Letter of Credit to complete the described improvements and to recover the cost thereof including administrative costs incurred as a result of the failure of timely completion. In the event the amount of the Letter of Credit is not sufficient to complete the improvements as designated in Addendum A to the approval of the County Engineer then the Subdivider shall be liable for any such insufficiency. In the event the County does bring legal action to enforce such liability, then it shall be entitled to all its cost of suit and reasonable attorney fees. The liability of the institution issuing the Letter of Credit shall not exceed the face amount thereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement in duplicate, each of which is deemed an original, as of the date first above written.

ATTEST

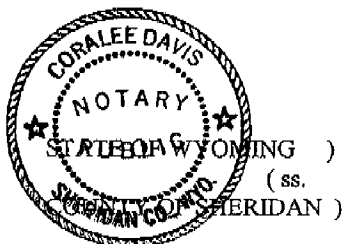
SHERIDAN COUNTY, WYOMING

Ken L. Biddy
County Clerk, Depository

[Signature]
Chairman, Board of County Commissioners
Sheridan County, Wyoming

SUBDIVIDER

[Signature]
Homer Scott, jr. - manager



The foregoing instrument was acknowledged before me by Homer Scott, jr., the manager of Powder Horn Ranch L.L.C. this 21st day of November, 2000.
Witness my hand and official seal.

[Signature]
Notary Public

My Commission Expires: June 11, 2003

508

ADDENDUM "A"
ENGINEER'S ESTIMATE OF PROBABLE COST
POWDER HORN RANCH
Phase VII

October 16, 2000

ITEM NO.	ESTIMATED QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
101	700	CY	Unclassified Excavation	@ \$ 2.25 /CY=	\$ 1,575.00
102	2,884	LF	Curb and Gutter	@ \$ 12.00 /LF=	\$ 34,608.00
103	13,021	SY	Asphalt pavement	@ \$8.50 /SY=	\$ 102,178.50
104	3,066	CY	Gravel Base	@ \$5.00 /CY=	\$ 15,330.00
105	3,648	LF	8" Sanitary Sewer Main	@ \$24.50 /LF=	\$ 89,376.00
106	15	EA	Sanitary Sewer Manholes	@ \$1100.00 /EA=	\$ 16,500.00
107	95	VF	Manhole Extra Depth	@ \$100.00 /VF=	\$ 9,500.00
108	1,680	LF	4" Service Line	@ \$12.00 /LF=	\$ 20,160.00
109	35	EA	Sanitary Sewer Service Wyes	@ \$125.00 /EA=	\$ 4,375.00
110	925	LF	6" Force Main and appurtenances	@ \$17.00 /LF=	\$ 15,725.00
111	1	EA	Lift Station	@ \$46,000.00 /EA=	\$ 46,000.00
112	1	EA	Install Wet Well	@ \$15,000.00 /EA=	\$ 15,000.00
113	1,450	LF	12" Water Main	@ \$18.00 /LF=	\$ 26,100.00
114	2	EA	12" Gate Valve	@ \$850.00 /EA=	\$ 1,700.00
115	11	EA	12" Fittings	@ \$450.00 /EA=	\$ 4,950.00
116	2,618	LF	8" Water Main	@ \$15.00 /EA=	\$ 39,270.00
117	4	EA	8" Gate Valves	@ \$750.00 /EA=	\$ 3,000.00
118	124	LF	6" Water Main	@ \$14.00 /LF=	\$ 1,736.00
119	1	EA	Booster Pump Station	@ \$105,000.00 /EA=	\$ 105,000.00
120	2	EA	Air Relief Valves	@ \$9,000.00 /EA=	\$ 18,000.00
121	9	EA	Fire Hydrant Assemblies	@ \$2290.00 /EA=	\$ 20,610.00
122	35	EA	Water Service Corporation Stops	@ \$165.00 /EA=	\$ 5,775.00
123	35	EA	Water Service Curb Stops	@ \$155.00 /EA=	\$ 5,425.00
124	1,604	LF	Copper Service Line	@ \$14.50 /LF=	\$ 23,258.00
125	1	LS	Cathodic Protection	@ \$3,400.00 /LS=	\$ 3,400.00
126	48	EA	Thrust Blocks	@ \$100.00 /EA=	\$ 4,800.00
127	31	EA	6" Angle Fittings and Valves	@ \$350.00 /EA=	\$ 10,850.00
128	21	EA	Adjust Manhole and Valves to Grade	@ \$120.00 /EA=	\$ 2,520.00
129	1	LS	MDU	@ \$103,000.00 /LS=	\$ 103,000.00
130	1	LS	US West	@ \$13,125.00 /LS=	\$ 13,125.00

CONSTRUCTION COSTS =

\$ 762,846.50