

FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF NORTH RIM RANCHETTES
Sheridan, Wyoming

THIS DECLARATION is made this 25 day of January, 1999, by John E. Rice & Sons, Inc., dba Wrench Ranch, hereinafter referred to as Declarants.

WITNESSETH:

WHEREAS, Declarants are the owners and developers of certain real property in Sheridan County, Wyoming which are described as North Rim Ranchettes and at the time of this declaration, the Declarants are the owners of more than seventy five percent (75%) of the total tracts within the North Rim Ranchettes and;

WHEREAS, the Declarants have placed certain covenants, conditions, and restrictions on such property more particularly set forth in the **Declaration of Covenants, Conditions and Reservations of North Rim Ranchettes**, dated March 3, 1997 and duly recorded March 10, 1997 in Book 385 Page 55 Document No. 250248 with the Clerk of Sheridan County, Wyoming and;

WHEREAS, the Declarants amend the above described Declaration of Covenants, Conditions, and Reservations as follows:

1. Add the following language at the end of the last paragraph on page 1:

Nothing in these covenants, conditions and restrictions shall act to prevent the exploration and development of oil and gas minerals including coalbed methane gas by the owner of such mineral interests or the owner's assigns or lessee.

2. Article I Paragraph (2) shall be amended to read:

All tracts shall be used for residential and family recreational and family recreational purposes. No manufacturing or commercial enterprise of any kind for profit shall be maintained on, in front of, or in connection with the lands in North Rim Ranchettes, except the lands of North Rim Ranchettes may be used for home occupations and incidental agricultural use. A home occupation use is (1) clearly incidental to or secondary to the residential use of the dwelling on the property; (2) carried on within the dwelling by one or more occupants of the dwelling and does not employ anyone not residing in the dwelling; (3) does not display or create outside the dwelling any exterior evidence of the operation of the home occupation; (4) does not involve the operation of a store, the sale of merchandise, the keeping of stock in trade, or the presence or visitations of clients and/or customers; and (5) does not create any noise. Incidental agricultural use shall be subject to restrictions identified elsewhere in these covenants. Nothing in this paragraph shall act to prevent the exploration and development of oil and gas minerals including coalbed methane gas by the owner of such mineral interests or the owner's assigns or lessee.

3. Article I paragraph (29) shall be amended to read:

Any and all wells drilled on the property shall be used for domestic, stock water and irrigation. Sale of water for profit shall be prohibited. This paragraph shall not act to prevent the exploration and development of oil and gas minerals including coalbed methane gas by the owner of such mineral interests or the owner's assigns or lessee.

4. Article I paragraph (38) shall be amended to read:

Excavation for stone, gravel or earth on any tract is prohibited with the exception of development construction for roads and other development improvements. Such excavation shall be allowed only during the development construction period. Unused materials shall be removed when construction is completed. Nothing in this paragraph shall act to prevent the exploration and development of oil and gas minerals including coalbed methane gas by the owner of such mineral interests or the owner's assigns or lessees.

5. Article I add the following paragraph (41):

- (41) Nothing in these covenants, conditions and restrictions shall act to prevent the exploration and development of oil and gas minerals interest including coalbed methane gas by the owner of such mineral interests or the owner's assigns or lessee.

IN WITNESS WHEREOF, the Declarants have executed this Amendment of Declaration of Covenants, Conditions and Restrictions of North Rim Ranchettes, Sheridan, Wyoming this 25 day of January, 1999.

John E. Rice & Sons, Inc.
dba Wrench Ranch

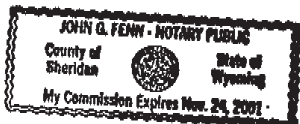
By: [Signature]
President

By: [Signature]
Vice President

State of Wyoming)
)ss.
County of Sheridan)

The foregoing instrument was acknowledged before me this 25 day of January, 1999, by Neltje, President, and James L. Jellis, Vice President, of John E. Rice & Sons, Inc. dba Wrench Ranch.

WITNESS my hand and Official Seal.



[Signature]
Notary Public

My commission expires: Nov. 24, 2001