

DECLARATION OF SECOND AMENDMENT OF COVENANTS, CONDITIONS
AND RESTRICTIONS

THIS DECLARATION made this 26th day of March, 2009, by the North Sheridan Land Company, LLC, a Wyoming limited liability company of 237 North Main Street, Ste. 200, Sheridan, WY 82801 ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the sole owner of certain real property in Sheridan, Wyoming, which is more particularly described in Exhibit A attached hereto and incorporated herein by reference ("Lands").

WHEREAS, Declarant desires to hereby expressly amend and restate certain Covenants, Conditions and Restrictions dated March 3, 1997 and recorded March 11, 1997 in Book 385 of Deeds, Pages 80 to 83 as those Covenants, Conditions and Restrictions were expressly amended by the Amended Covenants, Conditions and Restrictions dated January 25, 1999 and recorded January 26, 1999 in Book 402 of Deeds, Pages 186 and 187 that presently run with and affect the Lands.

NOW, THEREFORE, Declarant hereby declares that all of the properties described in Exhibit A shall be held, transferred, sold, conveyed or contracted to be conveyed by Declarant subject to the following express amended conditions, provisions, reservations, restrictions, servitudes and covenants (hereafter referred to as "Second Amended Covenants"). Each and every Second Amended Covenant set forth herein is for the benefit of the Lands and for the benefit of each owner of the Lands. These Second Amended Covenants shall run with the Lands and inure and pass with each and every parcel of the Land later conveyed. These Second Amended Covenants shall be

binding on all owners of any land located within the Lands as identified in Exhibit A and their successors in interest, regardless of how that interest is acquired. This includes but is not limited to, adverse possessors, lessees and purchasers at mortgage foreclosure sales. These Second Amended Covenants are imposed pursuant to a general plan for the improvement and benefit of the Lands.

It is the intention of the Declarants that the Lands shall be developed and maintained as a desirable residential and incidental agricultural area. The purpose of the Second Amended Covenants is that the present natural beauty, growth, native setting and surroundings shall always be managed and protected in conjunction with the uses and improvements permitted herein. All prior declarations of any covenants, conditions or restrictions of or for the Lands are hereby expressly amended and restated as follows:

ARTICLE 1.
Use and Other Restrictions

1. No more than one residence is permitted to be constructed on any tract.
2. All tracts designated within the Lands shall be used for residential and family recreational purposes by each person owning such tract(s) ("Tract Owner"). No manufacturing or commercial enterprise of any kind for profit shall be maintained on, in front of, or in connection with the Lands, except the Lands may be used for home occupations and incidental agricultural use. A home occupation use is a use: (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 and exterior evidence of the operation of the home occupation; and (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; (5) create any noise. Incidental agricultural use shall be subject to restrictions identified elsewhere in these covenants.

3. All buildings constructed on any tract shall be within a building envelope as identified at the time the tract is initially purchased and shall be a detached single family dwelling and other outbuildings that may be approved by the Board of Directors as set forth herein. A single-family residence shall have a minimum fully enclosed ground floor area devoted to living purposes, exclusive of open porches, terraces and garages, of 1,200 square feet or more. Two story structures shall be permitted with a ground floor area devoted to living purposes, exclusive of open porches, terraces and garages of 1,000 square feet or more per floor. No building shall be more than two stories tall.

The building envelope shall be identified by the Declarants or their successor Board of Directors ("Board of Directors") at the time each tract of land is sold and as part of the contract to purchase and in appropriate conveyance documents. The locations of each building envelope shall prevent any building or structure from extending above the horizon or any ridgetop. The Board of Directors shall have final approval of the site location of any structure on the Lands.

4. Only new construction shall be permitted for all buildings, sheds, residences or other structures on the Lands, and such construction shall be of good workmanlike quality and appearance and the exterior design shall harmonize with existing structures and native setting of the area as expressly approved by the Board of Directors. Prior to any construction of any improvements, additions and modifications of any structures, buildings or fences, architectural drawings and/or plans shall be submitted

to the Board of Directors for approval for all constructions, additions and modifications of any structures, building or fence.

5. Modular homes, manufactured homes, and mobile homes shall not be allowed on any tract in the subdivision.

6. No structure on any tract located within the Lands may be inhabited until it has been completely enclosed, substantially completed, and utilities and sanitary facilities have been installed. Exterior construction shall be completed within 180 days of commencement of authorized construction.

7. No structure or improvement of a temporary character, including but not limited to a mobile home, trailer, basement, tent, garage, barn or other building not approved by Board of Directors, shall be built or moved onto any tract located within the Lands at any time. No structure or improvement of a temporary character, including but not limited to a mobile home, trailer, basement, tent, garage, barn or other building not approved by Board of Directors, shall be used as residence or other building either temporarily or permanently, with the sole exception of a temporary contractor's shed and/or trailer and temporary sanitary facilities may be erected and used during a 180 day period of construction. However, recreational vehicles owned by a Tract Owner may be stored on the premises provided compliance with the subsequent paragraph (paragraph 6) is met.

8. No junk, salvage, inoperable or unlicensed automobiles, mechanized vehicles of any type, trailer, boat, camper or other type vehicle, farm machinery or stock trailers shall be situated or parked on any tract for more than seven (7) consecutive calendar days, nor more than twenty-eight (28) consecutive calendar days within any

calendar year unless such vehicle, equipment or implement is completely screened from view.

9. No tract within the Lands shall be split or resubdivided, provided that nothing herein shall preclude a purchaser from buying one or more tracts.

10. No improvements, structures, buildings, fences, walls, exterior lighting facilities, domestic water or waste water disposal systems or other structures may be reconstructed, replaced or altered on any tract within the Lands without the prior express approval of the Board of Directors. Architectural drawings and/or plans for any such changes shall be submitted to the Board of Directors for approval.

11. The following items or improvements shall be allowed only as specifically and expressly determined and approved by the Board of Directors on a case-by-case basis:

- a. Exterior finish of or for any structures shall be of approved wood, stone, brick, metal, vinyl, stucco or other approved materials;
- b. Painted surfaces shall be of approved earthtones;
- c. Soffit, fascia and trim shall be of approved wood, metal, vinyl or other approved materials.

12. All chimneys, flues, fireplaces, stovepipes, including outdoor fireplaces or facility of any type, designed to contain a fire must be installed with a spark retarding screen designed to contain sparks that may cause fire outside its confines.

13. Roofs shall be dark in color and be asphalt shingles, cedar shakes, metal, cement or other such material as may be approved of by the Board of Directors.

14. No building material, building supplies, fixtures or appliances shall be stored in a shipping container. No building material, building supplies, fixtures or appliances shall be visibly stored on any tract for a period of longer than thirty (30) consecutive calendar days once construction is completed. The storage of construction materials prior to commencement of construction shall initiate the 180 day period of construction set forth in paragraph 6 above.

15. All areas disturbed by any construction shall be returned to natural conditions with reasonable drainage and replanted within one growing season with suitable ground cover.

16. All lands, improvements, buildings and structures shall always be maintained and kept in good repair.

17. No parking shall be allowed within the boundaries of any road right of ways.

18. Gasoline or other type of fuel storage, except propane, shall require approval by the Board of Directors. Propane tanks shall be screened from view in a manner approved by the Board of Directors.

19. Necessary buildings, corrals, water facilities and other structures for the purpose of keeping livestock shall be permitted on any tract. Corrals and fences shall be maintained in good working order and shall be kept free of weeds and shall be cleaned of manure on a regular basis so not to create offensive odors.

20. No portion of the Lands shall be used or maintained as any kind or character of dumping ground for salvage, rubbish, trash, garbage or other waste. All household rubbish, trash, garbage or other waste shall be kept in closed sanitary

containers which are to be housed within enclosures and all containers shall be secure against spilling or distribution due to wind and shall be regularly removed to a public land fill at time of disposal. Burning of any garbage or trash in incinerators or by any other means is prohibited.

21. Tract Owners shall be required to take all measures necessary to eliminate noxious weeds at their own expense. The definition of a noxious weed shall be that defined by the Sheridan County Weed and Pest Control, and/or the Board of Directors and shall necessarily include, but not be limited to, Leafy Spurge, Thistle and Knapweed.

22. No obnoxious or offensive activities shall be carried out or conducted on the Lands at any time, nor shall anything be done which may constitute an annoyance or public or private nuisance to any other Tract Owner. The Board of Directors shall determine whether any use is an annoyance or nuisance.

23. There shall be no reckless discharge of firearms. There shall be no reckless discharge of fireworks.

24. Each Tract Owner may keep and maintain up to 4 dogs, 4 cats and a combination of no more than 4 horses or cows. Otherwise, no birds, dogs, cats, pets, poultry, rabbits, llamas, animals or livestock of any type shall be raised, bred, or kept for any purpose on any tract. Goats, swine, donkeys, ostrich, emu, poultry, rabbits and feedlots are expressly forbidden and none shall be kept at any time on any tract for any purpose. Sheep, cattle, goats, swine, and poultry shall be allowed for resident's 4-H or FFA projects only.

25. Tract Owners shall follow proper land management procedures limiting animal units to prevent overgrazing or erosion of the Lands. All Tract Owners shall keep

their property from unsightly conditions through grazing and/or mowing. The Board of Directors shall have exclusive right to determine when overgrazing or erosion is threatened and to direct Tract Owners to correct such problems within a reasonable time.

26. Any dog, cat, horse or other authorized pet which may be kept shall not become a nuisance. No pet shall at any time be permitted to run at large, and all pets shall be kept either in the dwelling or in an approved enclosure unless under the direct and immediate control of the owner.

27. No race tracks, moto-cross tracks, or racing trails shall be allowed on the Lands.

28. All vehicles, equipment, motorcycles, all-terrain and similar type vehicles, motorbikes, trail bikes and snow machines and snow vehicles of any and all types shall not be operated in a noisy or offensive manner on or in the Lands.

29. 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.

30. All septic and/or sewer systems shall be approved by the Board of Directors prior to construction and must comply at all times with all applicable State of Wyoming and Sheridan County laws, regulations and public health standards. All septic and/or sewer system construction shall be properly inspected and licensed by the County of Sheridan.

31. In the event public water or public sewer facilities are extended to the Lands or part of the Lands, any Tract Owner having a dwelling already constructed, under construction, or at such a time construction should begin shall connect to the public water or public sewer system at their own expense.

32. Any multiple tract private water or sewer system shall be maintained and paid for only by those owners using said system.

33. In the event that the Board of Directors deems it necessary to install a community water or sewer system at any time for any reason it may do so with the proper approval of the County of Sheridan and any other applicable entity. The cost of the installation, maintenance and operation of each such system shall be borne by the Tract Owners using the system and assessed on an equal pro-rata basis to each Tract Owner.

34. All costs incurred for maintenance, repair or improvement of roads in the Lands shall be shared by the Tract Owners on a pro-rata basis using an acreage or tract based ratio to be determined and approved by the Board of Directors. Such costs shall be regularly assessed against all Tract Owners. Failure to pay such assessment shall entitle the Board of Directors to encumber each tract of land for which any such assessment is unpaid by way of lien on the said tract as provided elsewhere in these Second Amended Covenants.

35. The Board of Directors shall determine the type of construction, location, construction materials and construction specifications for the roads or private drives and ditch or swale crossing devices for all tracts.

36. Television or other communication towers or structures, including but not limited to satellite dishes not to exceed four (4) feet in diameter, shall not be placed on any tract or upon any structure or improvement on any tract. Any such tower or structure that exceeds three (3) feet above the building roof line shall be allowed only if first approved by the Board of Directors.

37. No outside illumination equipment, fixtures or yard lights, which will be detached from the residence, garage or other building shall be constructed unless attached to a post or pole as approved by the Board of Directors and are not offensive to the neighboring tracts.

38. 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 and borrow areas fully reclaimed when construction is completed.

39. Additional restrictions or covenants not in conflict with the Second Amended Covenants herein may be made by appropriate provision in any contract or deed for sale or conveyance of a tract. Such additional restrictions shall inure to the benefit of and be binding upon the parties in the same manner as they have been expressed herein.

40. Development or production of oil, gas or minerals on the Lands by persons or entities owning such rights in or under the Lands shall not be restricted or prevented by these Second Amended Covenants. All such development or production of oil, gas or minerals on the Lands shall be consistent with all applicable federal, state and local laws and regulations.

Article 2.
Board of Directors

1. The Board of Directors shall consist of the Declarants and an Architect selected by the Declarants until such time as nine (9) of the nine (9) tracts located within the Lands have been sold and conveyed by the Declarants, at which time the Tract

Owners of said tracts shall elect three (3) members from amongst them to replace the Board. These members will serve one (1) year terms with elections to be held annually following the date of the first election. Upon the death or resignation of any Tract Owner properly serving on the Board, the remaining members of the Board shall have the authority to designate a successor from the tract owners who shall remain on the Board until the next election.

2. Elections to Board of Directors shall be held at an annual meeting of the Board of Directors and all Tract Owners. Prior notice of the annual meeting shall be mailed to all Tract Owners at an address given to the Board secretary unless a Tract Owner expressly authorizes that such notice may be given electronically.

3. At a meeting, each individual Tract located within the Lands shall have one vote.

4. The members of the Board of Directors shall elect a chairman who may also serve as secretary unless another member shall designate as such. In any event, the secretary shall keep a minute record of all proceedings and actions taken by the Board and shall be responsible for all correspondence. Meetings of the Board may be called at any time by the chairman as required to transact any business, and the Board may formulate its own rules and regulations for the calling of such meetings and conduct of its business. Upon the purchase of a tract, the Tract Owner shall be provided with the names of the members of the Board of Directors.

5. Prior to construction on private lands or any other matter designated for approval by the Board of Directors, the owner of said private lands or the person contemplating such construction must submit preliminary plans and specifications to the

Board of Directors, which plans and specifications shall include the following: (a) finished grades; (b) finished floor elevations; (c) floor plans; (d) roof plans; (e) site location plat; (f) all four exterior elevations; (g) and exterior colors. Within thirty (30) consecutive calendar days after receiving the plans and specifications for such construction or other matter, the Board shall either approve or disapprove the plans and specifications which approval or disapproval shall be in writing. In the event the Board of Directors fails to approve or disapprove within such period of time after the plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenant shall be deemed to have been fully complied with. If the plans shall be rejected because of noncompliance with the covenants and restrictions, the reason therefore shall be stated. The person submitting the plans shall have the right to make application to the Board of Directors for review of its initial decision and may request a variance from the restrictions. In the event the Board of Directors approves preliminary plans and specification, prior to construction, final plans and specification shall be submitted to the Board in complete and detailed form, to assure conformance with the approved preliminary plans and specifications.

Article 3.
Assessment

1. Regular Assessments. Each individual Tract Owner shall be obligated to pay unto the Board of Directors an annual overhead assessment for maintenance, snow removal and repair of roads. This assessment shall be determined by dividing the actual costs equally between Tract Owners.

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2. The Board of Directors shall have the power and authority to levy regular assessments and special or additional assessments. The Board of Directors shall determine all matters in connection with assessments, including the power and authority to determine where, when and how assessments shall be paid to the Board and each tract owner shall be required to comply with any such determination.

3. Time for Payments. The amount of any assessment, or any other amount payable with respect to any tract, shall become due and payable to the Board of Directors thirty (30) days after notice from the Board of Directors to a Tract Owner, or at such later time as may be specified by the Board. Any unpaid assessment amount or debt shall bear interest at the rate of eighteen per cent (18%) per annum from the date due and payable.

4. The Board of Directors shall have a lien against each tract in order to secure the payment of any assessment or debt plus interest from the date due and payable, plus all costs and expenses of collecting the unpaid amount, including reasonable attorney's fees. Each such lien may be foreclosed in a manner of foreclosures of real estate mortgages in the State of Wyoming.

Article 4. General Provisions

1. Enforcement. Declarants and the Board of Directors shall have the sole and exclusive right and authority to determine compliance with the covenants contained herein, and allocate and assess the costs for improvement, maintenance and repair of the common areas. Upon the violations of any Second Amended Covenant, or upon the failure to pay any assessments or debts, a written notice of such violation or failure shall be directed to the violator who shall then have ten (10) consecutive calendar days after said notice to correct the violation or pay the assessment due. If said violation is not so

corrected or payment is not made, the Board of Directors, may re-enter and take possession of the violator's premises or land and/or correct the violation and charge all costs of such correction to the Tract Owner. In addition, damages may be assessed against any such violator at the rate of \$25.00 per day for each day the violation continues after the ten (10) day notice. In the event suit is required to collect any sums due, to foreclose, perfect a lien, or to enjoin the violation of any of the covenants contained herein, violator shall pay these costs, in addition to any of the reasonable attorney's fees and costs incurred by Declarants or its successor Board of Directors in bringing such action.

2. Severability. Invalidation of any one of these covenants or restrictions by Judgment or Court Order shall in no way effect any other provisions, which shall remain in full force and effect.

3. Amendment and Duration. The covenants and restrictions of this Declaration shall run with, and be binding upon, the land for a term of twenty (20) years from the date of this declaration is recorded, after which time they shall automatically be extended for successive periods of ten (10) years. This Declaration may be amended at any time by an instrument signed by the owners of not less than seventy-five per cent (75%) of the total tracts within the Lands, and all such amendments shall be recorded in the office of the County Clerk of Sheridan County, Wyoming.

4. Successors and Assigns. These Second Amended Covenants shall be binding upon and shall inure to the benefit of the Board of Directors and each Tract Owner, and the heirs, personal representatives, successors and assigns of each of them.

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IN WITNESS WHEREOF, the Declarants have executed this Declaration of
Second Amended Covenants for the Lands this 26th day of March, 2009.

Declarants: North Sheridan Land Co., LLC

By: 

Manager and Authorized Agent

ACKNOWLEDGEMENT

STATE OF WYOMING)
) ss.
County of Sheridan)

The foregoing instrument was acknowledged before me this 26th day of March, 2009, by Jason Spielman, Manager, North Sheridan Land Co., LLC.

WITNESS my hand and official seal.

Wendi Brown
Notary Public

My commission expires: Oct. 10, 2009

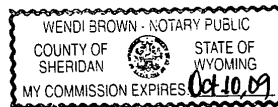


EXHIBIT A



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**CERTIFIED LEGAL DESCRIPTION
TRACTS 1-7, NORTH RIM RANCHETTES**

A TRACT OF LAND LOCATED IN THE SOUTH ½, SECTION 26 AND THE NORTHEAST ¼,
SECTION 35, TOWNSHIP 57 NORTH, RANGE 84 WEST, 6TH PRINCIPAL MERIDIAN,
SHERIDAN, WYOMING AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING on the East ¼ Corner of said Section 26 Thence with the East line of said Section 26 South 00°22'46" East, 2616.61 feet to the Southeast Corner of said Section 26;
Thence with the East line of said Section 35 South 00°57'23" East, 2049.00 feet;
Thence leaving said East line, North 54°09'19" West, 913.97 feet;
Thence North 63°10'14" West, 290.65 feet;
Thence North 55°22'01" West, 740.99 feet;
Thence North 55°57'39" West, 751.80 feet;
Thence North 04°48'07" East, 651.42 feet;
Thence North 34°19'57" West, 693.06 feet;
Thence North 32°56'30" East, 668.74 feet to a point on the West Right of Way of Chinook Drive;
Thence with said Right of Way North 46°14'41" West, 173.67 feet;
Thence continuing with said Right of Way with a curve to the right with an arc length of 43.92 feet, a radius of 330.00 feet, a chord bearing of North 42°25'54" West, a chord length of 43.89 feet, a delta angle of 7°37'34";
Thence South 38°34'12" West, 1477.16 feet;
Thence North 52°54'33" West, 614.83 feet;
Thence North 01°32'24" West, 685.47 feet;
Thence North 66°40'41" West, 219.09 feet;
Thence North 30°49'21" West, 497.11 feet;
Thence North 62°22'46" West, 726.78 feet;
Thence North 79°07'05" West, 253.65 feet;
Thence North 65°35'54" West, 179.11 feet;
Thence North 06°41'00" East, 326.77 feet to a point on the North line of the SW1/4, said Section 26;
Thence with said North line, North 89°44'25" East, 5213.05 feet to the point of **BEGINNING**, having an area of 291.14 Acres.

STATE OF WYOMING }
 } ss.
COUNTY OF SHERIDAN }

I, WILLIAM E. PUGH do hereby certify that this description was prepared by me on the 23rd day of March, 2009.

William E. Pugh
Wyoming RLS 5300

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**CERTIFIED LEGAL DESCRIPTION
TRACTS 8 AND 9, NORTH RIM RANCHETTES**

A TRACT OF LAND LOCATED IN THE EAST ½, SECTION 35, TOWNSHIP 57 NORTH,
RANGE 84 WEST, 6TH PRINCIPAL MERIDIAN, SHERIDAN, WYOMING AND MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a point which is located South 00°57'23" East, 2,165.00 feet from the Northeast Corner of said Section 35;
Thence with the East line of said Section 35 South 00°57'23" East, 428.91 feet to the East ¼ Corner of said Section 35;
Thence continuing with said East line South 00°46'20" East, 567.22 feet to a point on the North Right of Way of Beatty Gulch County Road (CR No. 1231);
Thence with said County Road South 85°31'06" West, 161.26 feet;
Thence with a curve to the right with an arc length of 115.83 feet, a radius of 230.44 feet, a chord bearing of North 80°04'54" West, a chord length of 114.61 feet, a delta angle of 28°48'00" ;
Thence North 65°40'54" West, 254.27 feet;
Thence with a curve to the left with an arc length of 113.88 feet, a radius of 290.44 feet, a chord bearing of North 76°54'52" West, a chord length of 113.15 feet, a delta angle of 22°27'56" ;
Thence North 88°08'50" West, 238.26 feet;
Thence with a curve to the right with an arc length of 107.74 feet, a radius of 230.44 feet, a chord bearing of North 74°45'11" West, a chord length of 106.76 feet, a delta angle of 26°47'18" ;
Thence North 61°21'32" West, 72.39 feet;
Thence with a curve to the left with an arc length of 483.15 feet, a radius of 550.87 feet, a chord bearing of North 86°29'06" West, a chord length of 467.81 feet, a delta angle of 50°15'08" ;
Thence South 68°23'19" West, 152.54 feet;
Thence with a curve to the right with an arc length of 589.89 feet, a radius of 1879.86 feet, a chord bearing of South 77°22'42" West, a chord length of 587.47 feet, a delta angle of 17°58'44" ;
Thence South 86°22'04" West, 125.73 feet;
Thence leaving said County Road NORTH 848.19 feet;
Thence North 50°27'22" East, 604.65 feet;
Thence NORTH 277.61 feet;
Thence North 58°10'51" East, 650.32 feet;
Thence South 53°52'07" East, 479.52 feet;
Thence South 57°52'08" East, 892.16 feet;
Thence South 46°19'17" East, 209.22 feet to the point of **BEGINNING**, having an area of 70.00 Acres.

STATE OF WYOMING }
 } ss.
COUNTY OF SHERIDAN }

I, WILLIAM E. PUGH do hereby certify that this description was prepared by me on the 24th day of March, 2009.

William E. Pugh
Wyoming RLS 5300

237 NORTH MAIN STREET, SUITE 200, SHERIDAN, WY 82801 ♦ PHONE: (307) 672-1711 ♦ FAX: (307) 674-5014
400 SOUTH MILLER AVENUE, GILLETTE, WY 82716 ♦ PHONE: (307) 682-1141 ♦ FAX: (307) 682-1430
73-1179 MAHI-LANI DR. KAILUA-KONA, HI 96740 ♦ PHONE & FAX: (808) 325-6732
815 SOUTH 25TH STREET, SUITE 201, COLORADO SPRINGS, CO 80904 ♦ PHONE: (719) 576-2150 ♦ FAX: (719) 578-0832