

**DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS**

THIS DECLARATION, is made on this 27th day of May, 2004 by Two Old Horses, LLC, a Wyoming limited liability company ("Declarant").

RECITALS

WHEREAS, Declarant is the owner of certain real property located in the N ½, Section 5, Township 16 North, Range 72 West of the 6th P.M., Albany County, Wyoming, more particularly described as:

Lots 1, 2, and 3, Block 1, as shown on the Plat of Kellie Canyon Estates, dated recorded May 21, 2004 as Document 2004-3492, in the office of the Albany County Clerk, Albany County, Wyoming; and hereinafter referred to as the ("Property").

WHEREAS, Declarant desires to establish by this Declaration a plan for the ownership, in fee simple, of the Property;

NOW, THEREFORE, Declarant does hereby publish and declare that the Property, and improvements constructed and located thereon, are hereby subject to the use and ownership as set forth herein and the following terms, covenants, conditions, easements, and restrictions, uses, limitations, and obligations shall be deemed to run with the land, shall be a burden and a benefit to any person acquiring or owning an interest in the Property and improvements, their grantees, successors, or assigns.

The Preamble and Preliminary Recitals set forth above are hereby incorporated in and made a part of this Declaration.

1. **Use.** The Property is restricted in use for single family residential purposes only, and neither the premises nor any improvements thereon shall be used for commercial, industrial, public, illegal or immoral purpose or purposes, and no public nuisance shall be maintained or permitted to exist thereon; provided however, that a small home-based business is acceptable so long as such business does not create additional traffic on the roads.

2. **Preservation of Lands and Scenery.** Declarant wishes to preserve the lands and the scenery. Therefore, re-vegetation of disturbed areas is required following any construction, excavation, or damage to the Property. No clear cutting of vegetation is allowed except for residence sites, access to sites, and utility easements. No refuse pile or unsightly accumulations or objects will be allowed to be placed or to remain on the Property, except that a small area for composting will be allowed, if screened or fenced. Each Lot Owner is responsible for its own trash removal. Unlicensed or non-operational automobiles, trucks, abandoned machinery and building materials will not be permitted to be stored on the Property at any time unless such items are placed totally out of view in an approved structure.

In the event that a Lot Owner fails or refuses to keep the Property in acceptable condition under this paragraph, then the Declarant and/or the Architectural Control Committee may enter upon the Property and remove the refuse, objects, or vehicles at the expense of the Lot Owner and such entry shall not be deemed a trespass. In the event of such entry, the Lot Owner will be assessed for the costs of restoring the condition of the Property and such amount shall be due and payable within thirty (30) days after the Lot Owner receives the assessment.

3. **No Further Subdivision.** The Property may be not be further subdivided.

4. **Architectural Control Committee.** The Property shall be subject to the authority of the Architectural Control Committee, which may be referred to as the Committee.

A. Initial Membership. So long as Paul E. Baker, or any entity in which Paul E. Baker has more than a 20% ownership, owns any real property described on the attached Exhibit A, or until Paul E. Baker resigns from the Committee, Paul E. Baker will be the sole member of the Committee.

B. Successors. Upon the resignation of the initial Committee, or upon Paul E. Baker no longer owning any real property described on the attached Exhibit A, the Committee shall consist of the three Lot Owners of the Property, with each Lot entitled to one vote.

C. No Compensation. Neither the Committee nor its designated representative(s) shall be entitled to any compensation for services performed pursuant to this paragraph 4.

D. Variances. The Committee will have the authority to grant variances or exceptions to this Declaration so long as the general purpose of preserving the lands and scenery is met. Any required approval or exception from the terms of this Declaration must be by unanimous consent of the Committee.

5. Approval of Plans and Improvements. For the purpose of further insuring the development of the Property as an area of high standards, the Committee reserves the power to control the buildings, structures, fences and other improvements placed thereon, as well as to make such exceptions to this Declaration as it shall deem necessary and proper. The Committee's approval or disapproval as required generally and specifically with reference to this section shall be in writing. The Committee or their designated representative shall give approval or disapproval within thirty (30) days after receiving a request for approval, which includes all of the necessary documents, showing the architectural designs and site plans that comply with building requirements. If the Committee has not given a response within thirty (30) days of receipt of the documents, such failure to timely respond will be deemed to be an approval of such request.

6. Construction Quality. Only new construction shall be permitted. All construction is to be performed on site and the use of prefabricated or modular housing, or mobile homes will not be permitted. All construction and alteration shall comply with the provisions of the following standard codes or their official amendments:

Uniform Building Code, current edition, International Conference of Building Officials;
National Plumbing Code, current edition;
National Electrical Code, current edition;
National Fire Protective Association, International;
and any other State of Wyoming and/or Albany County building and safety codes as may be applicable.

7. Utilities. All utilities and service lines shall be underground to the extent possible. Above-ground utilities must be approved by the Architectural Control Committee.

8. Waste Water. A waste water treatment system must be installed by the owner and must be permitted by the appropriate governmental agency.

9. Water System. Each structure designed for occupancy or use by human beings shall be connected to a private well provided by each Lot Owner. The water supply system shall be the responsibility of each Lot Owner and shall conform to standards of the Wyoming State Public Health Department and the Wyoming Department of Environmental Quality, and be permitted by the State Engineers' Office.

10. No Excavation and Mining. No excavation of any kind, including excavation for stones, sand, gravel or earth, shall be made on any portion of the Property, except for such excavation as may be necessary in connection with the erection of allowed improvements. No oil drilling, oil development operations, quarrying, or mining operations of any kind or character whatsoever shall be permitted on the Property.

11. Construction Guidelines. There will be allowed only one (1) residential dwelling per Lot. Such dwelling will be for single family occupancy, will not exceed two full stories above grade. A single story residential dwelling built on the Property shall be a minimum of 1,500 square feet of above-ground finished living area. Bi-levels, tri-levels, or two-story residences shall have a minimum of 2,500 square feet of above-ground finished living area. No residence or other structure on the Property shall have a height in excess of forty (40) feet.

A. A maximum of two outbuildings may be constructed which are incidental to residential use, including, garages or private workshops. The outbuildings must be constructed using the same materials as the residence. Outbuildings shall not exceed 1,000 square feet above ground, nor exceed twenty (20) feet in height. No outbuilding shall at any time be used as a residence.

B. All buildings, improvements and fences will be located on no more than one 1.5 acre building site located on each Lot. The location of the 1.5 acre building site must be approved by the Architectural Control Committee prior to any improvements being constructed. All other areas outside of the 1.5 acre building site will be kept unimproved using only natural/indigenous vegetation. No improvement may be located closer than one hundred (100) feet from the boundary line of any Lot.

C. All exterior surfaces are to be earth tone colors and may consist of wood, brick, stone, stucco (synthetic or hard coat), or other materials approved by the Architectural Control Committee. Plywood will not be acceptable as an exterior siding. Roof surfaces may be asphalt shingles, metal

shingles, standing seam metal panels, concrete, slate, tile or similar composition.

12. **Continuity of Construction.** All building construction commenced shall be completed within eighteen (18) months. If the construction progress is slowed or interrupted, the construction site shall be cleaned up into a neat, orderly and safe place.

13. **Fences.** Fences may be erected on the Property only within the 1.5 acre building site. The materials used for fencing must be approved by the Architectural Control Committee and to complement the appearance of the residence and outbuildings. Chain link fencing may only be used for one pet enclosure not to exceed 200 square feet.

14. **Nuisance.** No noxious or offensive activities shall be permitted on any part of the Property subject to these covenants, nor shall anything be done, which may become an annoyance or nuisance to other owners of the Property or the Declarant, individually. Fireworks, discharge of firearms, or any other high noise level activity will not be permitted.

15. **Temporary Structures.** No temporary structure, including, but not limited to trailer, tent, or shack, may be used as a residence. Temporary structures will be removed upon completion of construction.

16. **Signs and Lights.** No signs of any kind or character shall be displayed to the public view on any of the Property except:

A. A sign advertising the premises for sale or rent, or open for inspection, which sign shall not exceed a surface area of six (6) square feet.

B. A sign identifying the owner or occupant of the Property. Any lights used to illuminate signs, parking areas or for any other exterior purpose shall consume less than 300 watts in the aggregate and shall be controlled by a motion sensor.

17. **Animals: Vehicles and Machinery.**

A. No horses, cattle, pigs, sheep, goats, fowl, or other farm animals may be kept on the Property, except household pets. There may be no more than five household pets kept on each Lot. All pets shall be maintained in a sanitary and well-cared-for condition and will not be allowed at any time to run free, roam at large, or go beyond any Lot boundaries unaccompanied by its owner.

B. Vehicles, recreation vehicles, snow mobiles, ATVs, 4-wheelers, machinery or equipment, except those used for construction purposes and during construction, must be stored in an enclosed outbuilding. However, a private vehicle, used on a daily basis, need not be stored in an enclosed outbuilding.

18. **Invitees or Leasees.** Guests, invitees, licensees, and leasees of the owners will be expected to comply with the provisions of this document and it will be the responsibility of the owner to inform guests, invitees, and leasees of the rules and regulations and to enforce the rules and regulations outlined by this document. The use of a motor home by guests of the owner shall be restricted to a period not exceeding thirty (30) days.

19. **Utility and Contiguous Property Access.** Access to the lots located in Kellie Canyon Estates, is along and across Buck Rail Road. This road, together with a two track extension thereof, serves as the access road to the utility companies, their telephone, power lines and easements north of the subdivision, as well as to the contiguous property to the east of Lot 3, Block 1, Kellie Canyon Estates. Declarant, in order to avoid unnecessarily disturbing the land which is the subject of these covenants, has granted to the utility companies, for the sole purpose of maintaining their utilities, and to the contiguous property owner to the east, for the sole purposes of maintaining the east boundary fence and gate and/or rescuing injured livestock, the right of access, restricted solely to the use of Buck Rail Road and the existing two track extension, to the east boundary of Lot 3, Block 1.

20. **Enforcement Attorney Fees.** Declarant, so long as he owns any real property described on the attached Exhibit A, and the owners of the Property, their successors and assigns, jointly or severally, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservation, liens, and charges now or hereafter imposed by the provisions of this document. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The prevailing party in any action taken to enforce the covenants shall be entitled to recover its costs and reasonable attorney fees.

21. **Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

22. **Headings.** Headings used herein are for convenience of reference only and shall in no way

define, limit, or prescribe the scope or intent of the provisions under this Declaration.

23. **Amendment.** The covenants, conditions, and restrictions of this Declaration shall run with and bind the land, and are of a perpetual duration. The covenants, conditions, and restrictions of this Declaration may be amended by an instrument signed by Declarant, so long as he owns any real property within one-half mile of the Property, and all of the owners of the Property. When Declarant no longer owns any real property within one-half mile of the Property, this document may be amended by an instrument signed by all of the owners of the Property, their successors, or assigns. Any amendment must be duly authenticated and recorded.

Two Old Horses, LLC


Paul E. Baker, Member

STATE OF WYOMING

COUNTY OF ALBANY

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The foregoing was subscribed, sworn to and acknowledged before me by Paul E. Baker, who declared that he is the sole member Two Old Horses, LLC, this 27th day of May, 2004.

Witness my Hand and Official Seal.


Notary Public

My Commission expires: 11-26-05

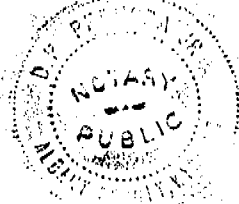


EXHIBIT "A"

A tract of land in Section 5, Township 16 North, Range 72 West of the 6th P.M., Albany County, Wyoming more particularly described as follows:

Beginning at a point that is the Northwest corner of Section 5 and the parcel;
thence South 01°28'34" West, 705.22 feet to a point on the Westerly line of Section 5 to a point on the Northerly line of that land conveyed to the Trustees of the University of Wyoming in Deed from Warren Live Stock Company recorded November 1, 1928 in Book 125, page 552, "UW Tract";

thence South 88°31'28" East, 800.00 feet, along the "UW Tract";
thence South 01°31'01" West, 699.19 feet, along the Easterly line of the "UW Tract";
thence North 88°26'39" West, 759.52 feet, along the Southerly line of the "UW Tract" to the easterly line of the second tract conveyed in 125/552;

thence South 01°28'34" West, 272.27, along the Easterly line of the second tract conveyed in 125/552, to a point that intercepts the Northerly right of way line of Albany County Road 17, Roger Canyon Road and is the Southwest corner of the parcel;

thence North 89°44'09" East, 769.02 feet along Albany County Road 17;
thence South 38°25'19" East, 463.77 feet along Albany County Road 17;
thence North 71°50'02" East, 1068.76 feet;
thence South 89°29'40" East, 1400.00 feet;
thence North 00°24'39" East, 1684.34 feet to a point that intercepts the Northerly line of Section 5 and is the Northeast corner of the parcel;

thence North 89°33'07" West, 3015.01 feet along the Northerly line of Section 5, to a point that is the South Standard Corner to Sections 31 and 32, Township 17 North, Range 72 West;

thence North 89°07'18" West, 466.68 feet and the Northwest corner of the parcel and the point of beginning.

EXCEPTING THEREFROM A Tract of land in Section 5, Township 16 North, Range 72 West of the 6th P.M., Albany County, Wyoming, more particularly described as follows:

Beginning at a point which lies South 63°41'45" East 3870.21 feet, from the Northwest corner of Section 5, Township 16 North, Range 72 West of the 6th P.M. and which is the Southeast corner of that parcel of land described in Book 492 of Microfilm Records at page 567 ("Book 492, page 567") and from the point of beginning proceeding;

thence North 00°24'33" East 1045.52 feet, along the Easterly line of the tract described in "Book 492, page 567";

thence South 75°24'51" West 1461.72 feet;
thence South 56°49'50" West 1416.21 feet, to a point on the Southerly line of "Book 492, page 567" and to a point on the Northerly Right-of-Way line of Albany County Road No. 17;

thence South 38°24'41" East 285.13 feet, along the line of "Book 492, page 567" and along the Northerly Right-of-Way line of Albany County Road No. 17;

thence North 71°50'02" East 1068.76 feet, along the line of "Book 492, page 567";
thence South 89°29'40" East 1400.00 feet, more or less, to the point of beginning.

Reference bearing for the foregoing description is South 01°28'34" West, for the Westerly line of Section 5, Township 16 North, Range 72 West of the 6th P.M., as described in Book 492 of Microfilm Records at page 567

AND EXCEPTING THEREFROM Lots 1, 2 and 3, Block 1, as shown on the Plat of Kellie Canyon Estates, recorded May 21, 2004 as Document 2004-3492, in the office of the Albany County Clerk, Albany County, Wyoming.