

DEED AND GRANT OF EASEMENT,
STRUCTURES AND FIXTURES

KNOW ALL MEN BY THESE PRESENTS, that Grantor, Ridgewater Homeowners Association, Inc., a Wyoming corporation, for and in consideration of Ten and More (\$10+) Dollars, receipt of which is hereby acknowledged, does grant, bargain, sell and convey unto Grantee, Ridgewater #1 Improvement District, of Converse County, Douglas, Wyoming, and unto Grantee's successors and assigns, a right-of-way and easement along and across the following described premises of the Grantor, located in Converse County, Wyoming:

All roadways, alleys, drainageways, common areas in Ridgewater Estates 1, 2, 3, and 4, to include but not be limited to all existing water lines, wells, and water storage facilities and the reasonable rights of access to same for maintenance, repair, and replacement of same, appurtenant to the lands described on Exhibit "A."

Additionally, the Grantor grants and conveys to Grantee all of Grantor's right, title, and interest in and to the water system/central water course now in place in said properties, including but not limited to pipes, pumps, meters, tanks, and other personal property used in conjunction with said facilities and any structures, fixtures, tanks, or other attached improvements. All such property conveyed is made without warranty.

The easement granted herein is made to transfer and convey to the Grantee all rights of the Grantor in the water system/central water course awarded to Grantor in Converse County Civil Action #10544 by order dated August 3, 1988, and any additions thereto, and to permit the reasonable access by Grantee to said facilities, to permit the use of existing roadways, alleys, and common areas to maintain, install, and repair same, and to permit access to the facilities now in place on other lands to the extent allowed or anticipated in the August 3, 1988 order, a certified copy of which is attached hereto, marked as Exhibit "B."

The Grantor and Grantee recite that it is the intent of the parties to ensure that the Grantee has proper control and dominion over the water service facilities in the above mentioned subdivisions to properly carry out its statutory authority to provide improvements within its jurisdiction and, to the extent needed and available, in other areas of said subdivisions.

DATED: Nov. 15th, 1993

GRANTOR:

RIDGEWATER HOMEOWNERS ASSOCIATION, INC.

By:

Leon Walker, President

Attest:

Alma R. Gibson, Secretary

GRANTEE:

RIDGEWATER #1 IMPROVEMENT DISTRICT

James F. Single, Director (Chairman)
Steve Jordan, Director
James R. Lala, Director

STATE OF WYOMING)
) ss
COUNTY OF CONVERSE)

The above and foregoing was acknowledged before me this 15th day of November, 1993, by Leon Walker, the President of Ridgewater Homeowners Association, Inc., and by James F. Single, Steve Jordan and James R. Lala, Directors of Ridgewater #1 Improvement District.

Notary Public
 County of Converse
 My commission expires Sept 28, 1994
 (Seal)

Debra J. Skutabel
 Notary Public

RIDGEWATER ESTATES NO. 1, a tract of land in the SE $\frac{1}{4}$ of Section 13, Township 32 North, Range 72 West, 6th P.M., including:

All lots located in Block Number 1;
All lots located in Block Number 2;
All lots located in Block Number 3;
All lots located in Block Number 4;
All lots located in Block Number 5;
All lots located in Block Number 6;
All lots located in Block Number 7;
All lots located in Block Number 8;
All lots located in Block Number 9;
All lots located in Block Number 10; and
All lots located in Block Number 11.

RIDGEWATER ESTATES NO. 2, a tract of land in the SW $\frac{1}{4}$ of Section 13, Township 32 North, Range 72 West, 6th P.M., including:

All lots located in Block Number 1;
All lots located in Block Number 2;
All lots located in Block Number 3; and
All lots located in Block Number 4.

RIDGEWATER ESTATES NO. 3, a tract of land in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 13, Township 32 North, Range 72 West, 6th P.M., consisting of 41 lots.

RIDGEWATER ESTATES NO. 4, a tract in SW $\frac{1}{4}$ of Section 13, Township 32 North, Range 72 West, 6th P.M., including:

All lots located in Block Number 1;
All lots located in Block Number 2;
All lots located in Block Number 3; and
All lots located in Block Number 4.

STATE OF WYOMING)
) ss.
COUNTY OF ALBANY)

IN THE DISTRICT COURT
EIGHTH JUDICIAL DISTRICT
Civil Action No. 10544

RIDGEWATER HOMEOWNERS' ASSOCIATION,)
INC., a Wyoming corporation,)
)
Plaintiff,)

vs.)

VERNON G. SMITH, BETTY LOU SMITH,)
GARY SMITH, GREG SMITH, JANET)
SMITH, RONDA LANGE, individually)
and doing business as RIDGEWATER)
DEVELOPMENT; and BOARD OF COUNTY)
COMMISSIONERS OF THE COUNTY OF)
CONVERSE;)
)
Defendants.)

Filed for Record this *3rd*
day of *Aug* A.D. 1988
MAXINE BUNDOQUIST-*Bd.*
Clerk of the District Court
Converse County, Wyoming

JUDGMENT

THIS MATTER, having come on for trial the 5th day of July, 1988, for the trial of issues between Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC. and Defendants VERNON G. SMITH and BETTY LOU SMITH, individually and doing business as Ridgewater Development; Defendants GARY SMITH, JANET SMITH, and RONDA LANGE having previously and by stipulation disclaimed any right, title or interest in the subject matter of this litigation; the default of GREG SMITH having been entered herein; the remaining Defendants having separately resolved their disputes; the matter proceeded to trial. The Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC. appeared through its officers and certain of its members and was represented by its attorneys, Frank D. Peasley and Kari Jo Gray; Defendant VERNON G. SMITH appearing personally and Defendant BETTY LOU SMITH not appearing, and the said Defendants were represented by their attorney, C. M. Aron. The Court, having heard the evidence of the parties, having reviewed the exhibits and other evidence, having heard arguments of counsel and being otherwise fully advised in the premises, FINDS generally in favor of the Plaintiff and against the Defendants, and specifically finds as follows:

1. That Ridgewater Estates Nos. 1, 2, 3 and 4 are subdivisions of lands in Converse County, Wyoming.

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2. That Defendants VERNON G. SMITH and BETTY LOU SMITH were the subdividers and developers of said subdivisions.

3. The Declaration of Covenants run with the lands in said subdivisions and are binding upon and for the benefit of all owners of land in said subdivisions.

4. The plats of said subdivisions declared and envisioned the establishment, existence and operation of an association of owners of land in said subdivisions which would govern lands in said subdivisions and certain improvements therein through an organization of the owners of lands therein, pursuant to the applicable laws and regulations of various governmental bodies, the recorded documents, and the bylaws or charter of said association.

5. Certain of the applicable Declaration of Covenants declared and envisioned the construction and operation of a central water system throughout a portion of said subdivisions, which would also be owned, governed, and maintained by an association of the owners of lands in said subdivisions.

6. The Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC. is the only such organization that has at any time been established; is the defacto and/or de jure association so declared and envisioned in said plats and Declaration of Covenants; is the only association currently having standing to bring this action or to implement development matters for the owners of lands in said subdivisions; and should be recognized and declared as the lawful association of owners in said subdivision, subject to all applicable plats, Declaration of Covenants, laws and organizational documents related thereto.

7. All right, title and interest in said water system, together with incidental rights necessary to reasonably preserve, protect and exercise the incidents of ownership thereof should be declared vested in Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC.

8. There exist justiciable and controverted disputes between the parties for which a declaratory judgment is a proper remedy; this Court has jurisdiction of the parties and subject matter of this litigation; and a resolution of the matter now in dispute will settle said matters and issues as between the parties.

9. The dispute between the parties concerning ownership and control of roadways and other rights-of-way shown on the plats of said subdivisions has been resolved by the parties by separate stipulation and order.

10. Other matters now pending before this Court relating to the subject water system, including separate matters brought by the County of Converse and the Wyoming Department of Environmental Quality, do not relate to the subject matter of this litigation.

11. The condition of the water system and the ability of the Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC. to operate said water system are not relevant to these proceedings.

12. The Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC. should be awarded an adjudication and declaration that it is the only lawful association of the homeowners and landowners in the Ridgewater subdivisions and, in accordance with the rights and powers granted or reserved to it under the above-referenced plats, Declarations of Covenants, applicable laws and regulations and organizational documents, should be awarded declaratory relief consistent with these findings and sufficient to resolve the disputes between the parties.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

That the rights of the parties, Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC., and Defendants VERNON G. SMITH and BETTY LOU SMITH, are as follows:

1. Plaintiff is the only valid association of landowners and homeowners in the Ridgewater Estates subdivisions, the same having been established and created under the various plats and declarations executed by said Defendants, filed of record in Converse County and covering lands in the Ridgewater Estates subdivisions of Converse County, Wyoming.

2. Plaintiff is the exclusive owner of and may exercise complete dominion and control over all roadways, alleys, easements, drainageways, and common areas shown on the plats of said subdivisions, together with any roadways or other easements now installed or established therein, and all access ways to said

subdivisions from Converse County Road No. 9, including Valley Road, Lakeview Drive, and Ridgewater Road, and any other easements or rights-of-way shown on the recorded plats of the subdivisions. Such declaration of ownership is subject to any current Declarations of Covenants, Conditions and Restrictions now in force and effect, and the Converse County regulations governing subdivisions. Such ownership and right of the Plaintiff, as to any of the roadways installed outside of the platted areas, shall be to the exclusion of all other persons and associations and shall otherwise relate back to the installation thereof.

3. The Plaintiff RIDGEWATER HOMEOWNERS' ASSOCIATION, INC. is the owner of all right, title and interest in and to the water system/central water course as now in place.

4. The decision letter dated July 8, 1988, attached hereto as Appendix A, shall be, and is hereby, incorporated herein by this reference.

DONE this 2nd day of August, 1988.

John T. Langdon
JOHN T. LANGDON
District Judge

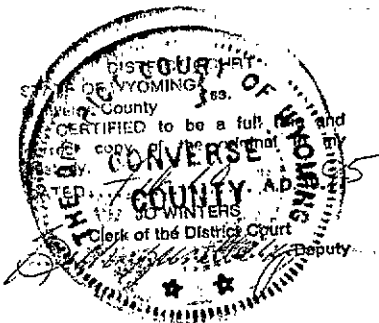
Approved as to form:

Copies Mailed 8/2/88
Barbara J. Muenroe
Administrative Assistant

FRANK D. PEASLEY
Attorney for Plaintiff
Ridgewater Homeowners'
Association, Inc.

C. M. Aron

C. M. ARON
Attorney for Defendants
Vernon G. Smith and
Betty Lou Smith





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The State of Wyoming
Fifth Judicial District

J. T. LANGDON
DISTRICT JUDGE
THOMAS D. BROWNING
COURT REPORTER

P.O. BOX 1055
TORRINGTON, WYOMING 82240

July 8, 1988

TELEPHONE
(307) 532-3004

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Laramie, Wyo. 82070-1185

RE: Ridgewater Homeowners'
Association, Inc., v.
Vernon G. Smith and
Betty Lou Smith
Converse Co. Civil No. 10,544

Gentlemen:

All parties, other than Ridgewater Homeowners' Association, plaintiff, and Vernon G. Smith and Betty Lou Smith, defendants, have been dismissed from this action. Plaintiff is made up mainly of those lot owners in Ridgewater Subdivision #1. However, the majority of the lot owners in Ridgewater Subdivision #4 have voted to have that subdivision join the plaintiff association; one family in Ridgewater Subdivision #3 has also so voted (the remaining property in this subdivision is owned by the defendants and a lienholder). The majority of the lot owners in Ridgewater Subdivision #2 have voted to join the plaintiff association, but this application has been held in abeyance until the within action could be disposed of.

There are also matters pending in two other pieces of litigation, one between defendants and the Wyoming Department of Environmental Quality and another between the County of Converse and the defendants, by whatever name called. I find that neither of these actions relate to the matter at hand and both will be continued until the instant matter is disposed of. The issue to be resolved herein is whether or not the plaintiff shall secure a declaratory judgment, declaring that the covenants, filed in the four Ridgewater Subdivisions, are binding upon the covenanters (defendants) and the covenantees and whether or not due to continued defalcation is of sufficient importance and time span to allow the plaintiff, on behalf of all covenantees, to assume dominion over the water system, as provided

Appendix

A

no later than 5:00 p.m.

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for in Ridgewaters #1, 3 and 4. The concomitant issue as to control and maintenance of the roads as to the four named divisions was settled by stipulation during the hearing--meaning that the roads were surrendered to plaintiff for the benefit and use of all the covenantees.

It is readily apparent that the defendants were developers of the entire Ridgewater complex; that the wells for use in the water system, though filed upon, were not given final permits; that the various names of the various ventures within the subdivisions were never developed into legally established homeowners associations; that maintenance of the roads and management of the water system were haphazard at best and that the covenantee-owners of lots in the various subdivisions suffered thereby and therefrom. In the decade which has gone by, such development of the subdivision roads and water is just about where it was initially, less deterioration from wear and tear and plain indifference to the needs of the members of the Association. There is no doubt in my mind that a change is indicated and has been for a considerable period of time. Unfortunately, until December of 1985, there was no vehicle available to assume the responsibility for said change. At that time a Homeowners' Association was established to represent the owners in Ridgewater Subdivision #1. This Association is plaintiff herein.

I really don't find a disagreement among the parties hereto as to the condition of the roads and the water system and, to their credit, and as noted before, the defendants, in recognition of these conditions, have ceded the roads to the Association. However, defendants claim that they cannot cede the water system because, to so act, they would be exposing themselves to present owners and future purchasers. Further, defendants urge that the redress sought by the plaintiff association, i.e., a declaratory judgment, is beyond the power of the Court to consider, since it will not terminate the dispute, nor is this a justicable controversy.

Therefore, at present, the subdivisions have a water system which doesn't work and which is controlled by defendants, who are without funds to make it work and are presently petitioners in bankruptcy proceedings. They have roads which are now the responsibility of the plaintiff because of the cooperation and consent of the defendants. It seems almost zany that plaintiff should be expected to

maintain the roads in a development where the only other private communal utility, i.e., water, is under the control of defendants, who profess to be unable to adequately manage same and have a 10 year "track record" to prove it. Insofar as I am concerned, plaintiff and those on whose behalf this action is taken, have lingered long enough. It is an action to declare that the developer breached his duties under the declarations contained in the covenants of all four subdivisions to provide streets with proper drainage and water as to subdivisions 1, 3 and 4. (It appears that central water need not be furnished to lots of "one acre plus" in division 1, 2 and 4, which probably excludes some of the lots from central service). Each of these covenants was filed and signed by each of the defendants.

Despite these covenants, the water systems have either been inadequate or nonexistent and apparently have continued to deteriorate, either because of lack of expansion, lack of maintenance or difficulties incurred by the defendants, or their representatives, with governmental regulatory agencies. The cause of any of these failings or impediments are not an issue here.

I, therefore, find that a judicable controversy indeed does exist and the parties in the dispute are proper parties thereto.

I also find that, as between the developers (defendants) and the only properly organized Homeowners' Association, this will terminate this dispute. The DEQ matter and the county's restraining order against defendants do not affect plaintiff.

Therefore, since the covenants of each of the subdivisions herein provided that a Homeowners' Association would provide a control water delivery and road and drainage system and, since, as a matter of fact, there is now only one Homeowners' Association which has standing to implement such development matters for its members, I order that the Homeowners' Association may exercise complete dominion over the water delivery system to the exclusion of all other persons or organizations and, further, that it assume all control of roads within the Ridgewater Subdivisions. I further find that the covenants herein are binding upon all members of the Association and that the defendants

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individually, as signators to said covenants, are likewise bound in all respects. The covenants are plain and unambiguous and are not subject to interpretation by the Court. The plaintiff may, therefore, assume control and maintenance of a combined subdivision comprised of Ridgewater Subdivisions 1, 2, 3 and 4 and assume unto itself all incidents thereto and avail unto itself all applications, permits and licenses previously held by defendants or any of their alter egos or supernumeraries.

Counsel for plaintiff will please draft the requisite order and present it to counsel for defendants for form approval and to the Court for execution and filing.

The need for despatch in this matter necessarily has precluded elaborate findings and conclusions herein. If counsel believes that extended or additional findings and conclusions are necessary for appeal purposes, or to satisfy some administrative regulation, or to clarify an ambiguity, I will not be adverse to a supplemental order, just so long as it doesn't delay the implementation of the decision herein. Forgetting, for the moment, winds and whirlwinds, I offer, as did Thomas Carlyle, Scots historian and philosopher: "There is endless merit in man's knowing when to have done".

Very truly yours,


J. T. LANGDON
District Judge

JTL/bjm

cc: John B. Robinson
Converse County Attorney