DECLARATION OF RESTRICTIONS, CONDITIONS AND PROTECTIVE COVENANTS FOR COLT SUBDIVISION

WHEREAS, the undersigned are owners of Colt Subdivision, a subdivision located in Park County, Wyoming; specifically described on the attached Exhibit "AA" which is incorporated herein by this reference.

WHEREAS, the undersigned owners of lots in Colt Subdivision wish to establish restrictions, conditions and protective covenants for said subdivision.

NOW THEREFORE, the restrictions, conditions and protective covenants for Colt Subdivision are hereby established in their entirety to read as follows:

ARTICLE I
USE OF THE PROPERTY

A. All lots contained in the above described property shall be used exclusively for the purpose of a single family residence.

B. Retail or commercial use, of any description, shall be prohibited. No building , rental unit or structure intended for business purposes and no apartment house , duplex, lodging house, rooming house, bed and breakfast, hospital sanatorium, or any multiple family dwelling shall be erected, placed, permitted or maintained on any of the property herein above described or any part thereof. No manufacturing, commercial business or other enterprise, whether or not conducted for profit, shall be operated, maintained or conducted on any lot within Colt Subdivision or in any structure erected or placed thereon. Owners may maintain home offices for professional, personal services or artistic endeavors, provided it is conducted entirely within a dwelling and carried on by inhabitants living there; such use shall be clearly secondary and incidental to the use of the dwelling for residential purposes.

C. There shall not be erected, on any part of Colt Subdivision, any building in which shall be carried on any offensive, noxious or detrimental activities. Nor shall any portion of Colt Subdivision be used for any purpose that, as a matter of common experience, tends to create a nuisance.

D. The commercial raising or feeding of animals shall be prohibited within Colt Subdivision; provided however, animals may be raised or fed for personal use as pets as hereinafter provided.

E. No lot within Colt Subdivision may be further divided for any purpose.

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ARTICLE II
STRUCTURES PERMITTED

A. No mobile, manufactured, modular homes or buildings shall be permitted even on a temporary basis.

B. Residences erected upon the property shall have a minimum size of sixteen (1600) square feet of ground floor living area, exclusive of porches, patios, basements or garages. All plans for building subject to review and approval by the architectural review committee.

C. All buildings on each lot shall be setback at least twenty (20) feet from an interior lot line or an existing utility or drainage easement.

D. All dwellings and other buildings to be erected on the property herein above described, shall be new construction of good quality workmanship, materials and built on site.

E. No buildings or structures, including but not limited to, storage and tool sheds, shall be moved onto any lot.

F. All construction and alterations shall be pursued with reasonable diligence and shall be completed within one year from the date of commencement, which shall be the date excavation is initiated or thirty days following the placement of construction equipment or materials upon the residential site, whichever shall first occur.

G. All exterior finishes of residences and garages must be completed before the residence is occupied.

H. Each lot owner shall be responsible for any culverts, if needed, and for maintenance of their own driveway and approach in addition to their lot maintenance.

I. Any propane tank installed on a lot must be either fenced in an attractive manner or buried below ground level.

ARTICLE III
PETS AND LIVESTOCK

A. Residents shall be entitled to beep and maintain domestic dogs and cats on the Their property in reasonable numbers. ALL PETS MUST BE CONFINED TO THEIR LOT AND SHALL NOT BE ALLOWED TO RUN FREE. ALL PETS KEPT SHALL BE CONTROLLED AND MAINTAINED SO AS NOT TO BECOME OFFENSIVE OR A NUISANCE TO THEIR NEIGHBORS.

B. Residences shall be permitted to keep and maintain horses, mules, or llamas for domestic purposes on their lots. Owners shall be permitted a total of 6 such animals per lot.

C. The owners and occupants shall be permitted to keep and maintain suitable barns or stables for any such animals kept for domestic purposes. All such structures shall be built and maintained in a manner which will maintain the value of the neighboring properties.

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D. Animals for 4H type projects such as calves or lambs, may be kept for the season of the project. The animals for such projects shall not be included in the total number of animals permitted on the lot. Under no circumstances will swine, goats, pigeons, turkeys, chickens or other fowl be permitted.

E. No livestock permitted herein shall be kept on a lot unless its owner is also in residence within the subdivision.

ARTICLE IV
FENCING

A. All perimeter or corral fencing shall be either buck and rail, post and pole, barbless wire, molded PVC panel or continuous panel. Barbed wire fencing shall be allowed along the exterior subdivision boundary only. Allowable interior fencing is as follows:

1. Chain-link or sheep fencing will be permitted for dog kennels.
2. Cedar board fencing will be permitted for interior fencing, dog kennels or patio areas.
3. Electric fencing is allowable on the inside of permanent fencing or as pasture division within the confines of permanent fencing.

B. Livestock fencing shall be completed before any owner shall allow livestock to graze on their lot.

C. All corrals and related facilities shall be placed along side or behind the residential area.

D. All proposed fencing shall be approved by the architectural review committee prior to installation.

ARTICLE V
UTILITIES AND SERVICES

A. No public or communal domestic sewer is provided to any lot. Nor is there any proposed public maintenance to lot access roads.

B. No residence shall be occupied on any lot within the above described property until there is installed for the use of such residence, a sanitary sewage disposal system which is in compliance with state and county standards consisting of approved septic tank and disposal field, with related facilities or substitute comparable facilities approved by state and/or county authorities. Under no circumstances shall there be constructed or maintained on any lot an outside privy or toilet. The undersigned shall not be held responsible or liable for any injury or damages to the persons or property of any lot owner, his or her family or friends, invitees, heirs or assigns, arising out of the construction, use or maintenance of any such sewage disposal system.

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C. Well are used to supply water for domestic use in the area, the undersigned shall be in no way responsible or liable for the finding, developing or supplying domestic water for any lot located within Colt Subdivision.

D. Installation of water, sewer or utility lines, including power and telephone lines for the respective lots shall be at the expense of the lot owner. All newly installed utility lines, propane tanks, cables and pipes shall be installed underground. All claims for damages, if any, rising out of the construction, maintenance or repair of utilities, or on account of temporary or other inconvenience caused thereby, against the undersigned are waived by all owner.

E. Any lights installed to illuminate parking areas , signs or for other purposes shall be arranged so as not to be offensive or a nuisance to other lot owners.

F. All lots within the above described lands are subject to rights-of –way and easements for the repair, replacement, installation and maintenance of all existing roads, water lines, pipelines, irrigation ditches, drainage ditched, power lines, telephone lines and any other utilities, including all such easements and rights-of-way shown on said plat. Irrigation ditches or irrigation pipelines are deemed to be utilities as to those utility easement and rights-of-way reflected on the plat and may be utilized for such ditches and pipelines.

G. The establishment of all existing and/or future irrigation rights-of-way and easements over and across any lot, road, ditch or utility easement which may become necessary, are hereby reserved unto the Colt Subdivision Homeowners Association.

ARTICLE VI
EASEMENTS

A. All easements are to remain unobstructed to the intended use of that easement. However, each lot owner shall perform normal maintenance over any easement which crosses their lot to preserve the attractive appearance of that area.

B. All lot owners are responsible for maintaining the access into their property.

ARTICLE VII
ARCHITECTURAL REVIEW

A. For the purpose of preserving the natural beauty and enhancing the property values and to insure the development of the lands within Colt Subdivision as an area of high standards, the undersigned reserves onto the Architectural Review Committee hereinafter provided, the power to control the design of buildings, structures and all other improvements or alterations thereto, placed on each lot.

B. The architectural Review Committee shall be composed of Kenneth Heinrich and Kristi Heinrich until such time as all lots are sold and structures built or Heinrich's

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have sold and left the subdivision, at which time the members of the Homeowners Association, pursuant to its By-Laws, shall elect a three member board to serve as the architectural review board. Each term will be for a two year period.

C. Neither the undersigned or any future member of the Architectural Review Committee , nor any agent thereof shall be responsible in any way for the defects of any plans or specifications submitted, revised or approved in accordance with the foregoing, nor for any structural or other defects in any work done in accordance to such plans and specifications.

D. There shall be submitted to the Architectural Review Committee a complete set of plans and specifications of any and all improvements, the erection or alteration of which is desired, and no structures or improvements of any kind shall be erected, placed or maintained upon any lot unless and until the final plans, elevations and specifications therefore have received such written approval as herein provided. Such plans shall include plot plans showing the location on the lot of the building, fence or other structure proposed to be constructed, altered, or maintained.

E. The Architectural Review Committee shall have the right to disapprove any plans, specifications or details submitted to it as aforesaid in the event such plans, specifications and details are not in accordance with all of the provisions of this declaration, if the design or structure of the proposed building or other structure is not in harmony with the general surroundings of such lot or with the adjacent buildings or structures, if the plans and specifications or details , or any part thereof, are contrary to the interest, welfare or rights of all or any part of the real property subject hereto, or the owners thereof, all in sole discretion of the Architectural Review Committee. The decision of the Architectural Review Committee shall be final.

F. Members of the Architectural Review Committee shall not be liable for acts or omissions done in their official capacity in good faith.

ARTICLE VIII
VEHICLES AND EQUIPMENT

A. No commercial vehicles, construction or like equipment, commercial trailers of any kind, trucks, buses, tractors, other items of the same or similar nature to those named herein shall be allowed or permitted to remain on any portion of any lot within the above described property for a period greater than seventy two (72) hours unless said vehicle, equipment or trailer shall be enclosed in a garage, carport, barn or similar structure which is in full compliance with all of the provisions of the foregoing covenants, or unless in active use for construction purposes. Big Valley Irrigation, as a pre-existing business is grand fathered in the covenants of Colt Subdivision.

B. A total of three (3) operable horse trailers, campers, recreational vehicles, boats, snowmobiles, two, three or four wheel motor vehicles or all-terrain vehicles may be parked on any lot so long as they are currently licensed and registered, and so long as they are parked either along side or behind a

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permanent structure on the lot. Snowmobiles and other wheeled motor vehicles that a collectively sitting on a trailer shall be considered as only one vehicle.

C. No inoperable vehicle, equipment or trailer shall be placed on any lot unless said vehicle, equipment or trailer shall be enclosed in a garage, barn or similar structure which is in full compliance with all of the provisions of the foregoing covenants.

ARTICLE IX
OFFENSIVE ACTIVITIES

A. Each lot shall be kept in a clean and sightly condition at all times. No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any lot if they are visible from any neighboring lot or road, except as necessary during a period of construction.

B. No obnoxious or offensive activities shall be carried on upon any lot, nor shall anything be done, placed or stored thereon which may be or become an annoyance or nuisance to the neighborhood. Any noise or odor which will, or might, disturb the peace, quiet, comfort or serenity of the occupants of nearby lots will be allowed.

C. All manure from livestock must be taken care of so as not to create any unsightly or sanitary problems.

ARTICLE X
IRRIGATION

A. All lots have valid water rights within Heart Mountain Irrigation District.

B. Irrigation within the subdivision shall be by sprinklers only.

C. Prior to development, the lands of Colt Subdivision were governed by the established By-Laws for the Association named "Lateral 89 Turn-Out 12 Head Gate 1 Water Association", hereafter referred to as the Lateral 89 Water Association. Heart Mountain Irrigation then recognized the approved By-Laws of the Lateral 89 Water Association under the approved name of " Lane 16 Water Association ", dated May 231, 2003.

D. The lands within the Colt Subdivision will continue to be governed by the Lateral 89 Water Association and the Lane 16 Water Association.

E. The owners of each lot shall, as a condition of ownership, be members of the Lateral 89 Water Association and the Lane 16 Water Association. The owners of the respective lot or lots shall, as a member, be subject to the By-Laws, rules, regulations, easements and assessments of the Lateral 89 Eater Association and the Lane 16 Water Association..

F. Any and all assessments made by Heart Mountain Irrigation District shall be

the individual responsibility of each lot owner and full timely payment thereof shall be a prerequisite to the delivery of water by the Association to each lot.

G. Colt Subdivision Homeowners Association shall be empowered to promulgate rules and regulations pertaining to the operation of the Association.

G. Current information can be obtained by contacting the Water Master or Heart Mountain Irrigation District.

ARTICLE XI
MISCELLANEOUS

A. **GARBAGE.** No lot or any portion thereof, shall be used or maintained as a dumping ground for rubbish or trash or garbage and all other waste shall be kept in sanitary containers. All equipment for storage or disposal of such materials shall be the responsibility of the owner. It is the responsibility of the owner or occupant to remove any and all rubbish, trash or garbage at reasonable times so it shall not become offensive to the neighbors. There will be no outdoor burning of trash allowed.

B. **FIREARMS.** Except in emergency situations, when necessary for the protection of one's property or life, the discharge of firearms within the boundaries of any lot within the boundaries of any lot within the above described property is prohibited.

C. **SINAGE.** No signs of any kind or character shall be displayed on any lot except signs not exceeding six (6) square feet advertising the premises for sale. No sign shall be illuminated or electrified.

D. **SEWAGE DISPOSAL.** Septic tanks with drain fields or ecologically superior methods shall be used for sewage disposal. All sewage systems must be in accordance with all applicable County, State and Federal regulations.

E. **WEED CONTROL.** Each owner or occupant of a lot shall regularly mow or otherwise destroy weeds which may grow upon such lot before weeds become unsightly. No owner or occupant shall allow or permit any noxious weeds to grow or ripen upon any lot.

ARTICLE XII
RELEASE OF LIABILITY

A. By virtue of purchasing any lot, either by deed or contract for deed, each buyer, their heirs and assigns, hereby accept the condition of their property "as is" and release and forever hold harmless the undersigned from any liability, including but not limited to, liability for further construction of any road, utility lines, or fencing.

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ARTICLE XIII
ENFORCEMENT PROVISIONS

A. BINDING EFFECT OF THIS DECLARATION. Each purchaser and grantee of each of the lots contained in the above described property which are subject to the above covenants, reservations and restrictions, by acceptance of a Deed conveying title thereto do accept such title upon and subject to each of all of the provisions, restrictions, conditions, easements, covenants, agreements, liens, charges, associations and similar limitations herein contained and by such acceptance shall for themselves, the heirs, personal representatives, successors and assigns, covenant, consent and agree to and with the undersigned owners and to and with the grantees and subsequent owners of each of said lots within the above described property to keep, observe and comply with and perform said provisions, restrictions, conditions, easements, covenants, association, agreements, liens and charges.

B. CAPTIONS. The captions of the various paragraphs herein are for convenience only and are not a part of these covenants, restrictions and conditions and do not in any way limit or amplify the terms and provisions hereof.

C. TERM. All the provisions, conditions, covenants, restrictions, easements, agreements, reservations, liens and charges set forth herein shall continue and remain in full force and effect at all times against all of said lots and the owners and occupants thereof, subject to the right of change or modification provided hereinabove and shall remain in effect for a period of twenty-five (25) years from and after the date hereof and shall remain in full force and effect thereafter for successive ten (10) year periods unless, by a written duly recorded agreement executed by the then owners of 75% of the lots within the above described property, the terms and provisions are changed, modified, annulled, abrogated, in **whole or in part.**

D. AMENDMENTS OR MODIFICATIONS. Any and all of the provisions of this Declaration of Restrictions, Conditions and Covenants may be annulled, amended or modified by the filing in the office of the County Clerk, Park County, Wyoming, and instrument setting forth such annulment, amendment or modification executed by the then owner or owners of record of lots within the above described 75% of lots within Colt Subdivision.

E. THE COLT SUBDIVISION HOMEWONERS ASSOCIATION. The owner of each lot within Colt Subdivision shall automatically be entitled to a membership in the Colt Subdivision Homeowners Association. Members shall be governed by the By-Laws, rules, regulations and assessment of the Association. From time to time, the Association may assess the members for the purpose of irrigation system maintenance. The Association shall have and retain a lien against the property of each owner who shall

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fail to pay such owner assessment at the time and in the manner prescribed by the Association. Such lien may be foreclosed in the same manner as a mechanic's lien under the laws of the State of Wyoming.

F. INVALIDATION. In the event any one or more of these covenants herein contained is rendered invalid or unenforceable/enforceable by judgment or decree of any court of competent jurisdiction, the other covenants herein contained shall, none-the-less, remain in full force and effect for and during the full term hereof.

G. ENFORCEMENT/ATTORNEY FEES AND COSTS. The Homeowner's Association or any lot owner may enforce compliance with the provisions hereof by commencing an action for injunction for remedial measures, damages or foreclosure or for all such remedies or any other legal or equitable remedies authorized under the laws of the State of Wyoming against any owner or occupant of any lot who violates any of the covenants herein contained or any rules, regulations, By-Laws or assessments of the Homeowner's Association herein. The owner of any lot who violates or breaches any covenant herein or the rules, regulations, By-Laws or assessments of the Homeowners Association herein established shall pay all costs including reasonable attorney's fees, incurred by any person or persons, or Association who shall, commence the legal proceeding to enforce any of the provisions hereof or any of the rules, regulations, assessments or Bu-Laws of any Homeowner's Association herein named.

IN WITNESS WHEREOF, the parties have executed this Declaration of Restrictions, Conditions and Protective Covenants this 31st day of August, 2006.

KENNETH L. HEINRICH

KRISTI HEINRICH

STATE OF WYOMING)
)
COUNTY OF PARK)

The above and foregoing instrument was acknowledged before me this 31 - day of August, 2006, by Kenneth L, Heinrich and Kristi Heinrich.

WITNESS my hand and official seal

Notary Public

My commission expires: 4-10-08

GLENDA BROWN CPS NOTARY PUBLIC
COUNTY OF PARK
STATE OF WYOMING
MY COMMISSION EXPIRES APRIL 10, 2008

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Being the present owner of the land and area described in Exhibit A and by this reference made a part of hereby established the following By-Laws for the distribution of irrigation water. We hereby agree and declare that all said land is subject to these By-Laws all of which shall run with the land and that all subsequent grants of said land or any part thereof shall be subject to these By-Laws.

Article I – Name

The name of the association is Lateral 89 Turn-Out 12 Head Gate 1 Water Association.

Article II – Principal Office

The principal office of the Water Association shall be located at the current Manager/Water Master's home. Said place of business may be changed at any time by the members.

Article III – Purpose

The purposes for which the Association is organized are:

- To own, operate and maintain an irrigation water system for Lateral 89 Turn-Out 12 Head Gate 1 Water Association of Park County, Wyoming. The operation and maintenance of such water system includes distributing the water from the head gate to all the parcels of members in good standing.

- In general, to do everything necessary, proper, or advisable for the accomplishment of the purposes herein above set forth.

Article IV – Membership

- **ELIGIBILITY** – every present and future owner of a parcel served by the Lateral 89 Turn-Out 12 Head Gate 1 Water Association.

- **MEMBERSHIP** – Membership shall include an undertaking by such owner to comply with these By-Laws and to pay all assessments when they become due and payable.

- **TERMINATION** – Membership in the Association shall terminate on a member's ceasing to be an owner of a parcel or failure to pay assessments when due.

- **ASSIGNMENT**- An owner who is a member of the Association may not assign his membership to the tenant occupying or leasing his parcel.

Article V – Meetings of Members

- Annual Meetings- An annual meeting of the members of the Association shall be held on the first Monday in the month of April in each year beginning with the year 2003, at the hour of 7:00p.m., for the purpose of electing officers and the transaction of such other business as may come before the meeting. If the day fixed shall be a legal holiday, such meeting shall be held on the succeeding day not a legal holiday.

- Special Meetings- Special meetings, when necessary, shall be called by the Manager/Water Master or upon a petition by the majority of the membership having voting rights. The notice of said special meeting shall state the time and place and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

- Notice of Meetings- It shall be the duty of the Manager/Water Master to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member entitled to vote, at least five (5) days but not more than ten (10) days prior to such meeting.

- Place of Meetings- Meetings of the Association shall be held at a place convenient to the location of the Lateral 89 Turn-Out 12 Head Gate 1 Water Association.

- Quorum- Fifty-one (51%) of the members of the Association shall constitute a quorum for the transaction of business.

- Voting- Each member (parcel owner) shall be entitled to one vote for each acre of land owned, on each matter submitted to a vote of the members.

- Proxies- At any meeting of members, a member entitled to vote, may vote by proxy executed in writing on the appropriate form, provided by the Association. No proxy shall be valid after 60 days from the date of its execution, unless otherwise stated in the proxy.

- Manner of Acting- A majority of the votes entitled to be cast of a matter to be voted upon by the members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption thereof, unless a greater proportion is required by these By-Laws.

Article VI – Officers

- Designation & Election of Officers – The principal officer of the Association shall be a Manager/Water Master, who shall be elected by and from the members of the Association. This position shall be elected for annual terms at the annual meeting.

- Removal of Officers- Upon an affirmative vote of a majority of the members, any officer may be removed and his successor elected at any meeting of the membership.

- Manager/Water Master- The Manager/Water Master shall be the chief executive officer of the Association.

  A. He/she shall preside at all meetings of the Association.
  B. He/she shall have all of the general powers and duties necessary to carry out the purposes of the Association.
  C. He/she shall have the power to appoint committees from among the members from time to time as he/she may at his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association.
  D. Shall be responsible for collection all dues and assessments.
  E. Shall be responsible for keeping a full and accurate account of all receipts and disbursements in books belonging to the Association.
  F. He/she shall provide a written report of all funds to all members at all annual meetings.
  G. He/she shall be responsible for recording and keeping minutes of all meetings.

- Membership Committee – Voting members of the Lateral 89 Turn-Out 12 Head Gate 1 Water Association shall constitute a Membership Committee which shall act on application for membership.

Article VII – Dues and Assessments

- Annual Dues- The annual dues for each member shall be an amount determined by need and agreed upon by the majority of the members at the annual meeting.

- Assessments- Each member shall be charged the amount assessed to their parcel by the Heart Mountain Irrigation District.

- Special Assessments- Special assessments may be levied on members of the Association only by a majority vote of all the members of the Association.

- Payment of Annual Dues- Payment of annual dues shall be paid on or before the 1st day of December, each year after which an owner becomes a member.

- Default in Payments of Dues & Assessments- When any member shall be in default in payment of their annual dues or special assessments for a period of 15 days from the date on which the dues or special assessment become payable, membership in the Association shall terminate and he/she will become unable to vote and shall have water service discontinued. Termination of membership, voting privileges and water service will not be reinstate until the member has paid his/her dues or special will not be reinstate until the member has paid his/her dues

or special assessment in full, plus a $15.00 late fee for each delinquent 15 days period. (i.e. payment late 30 days –member charged late fee x 2)

- Payments of Heart Mountain Irrigation Assessments- Payment of annual assessments shall be paid individually by each property owner, to the Water Master in full on or before the 5th day of December, each year after which an owner becomes a member.

- Default in Payments of Hear Mountain Irrigation Assessments- When any member shall be in default of payment of their annual Heart Mountain Irrigation Assessment for a period of 15 days from the date on which the assessment become payable, membership in the Association shall terminate and said member will become unable to vote and shall have water service discontinued. In addition to the foregoing, no monies will be paid to the Heart Mountain Irrigation District for the defaulting member by the Association, and the Heart Mountain Irrigation District shall have the right to record a notice of claim of lien, and proceed thereon in accordance with provisions of Wyoming Law for the foreclosure and enforcement of liens; or, in the event the Heart Mountain Irrigation District shall not record a lien; it shall have the right to commence an action against such member for the collection of the unpaid assessments in the Justice of District Court in accordance with the provisions of Wyoming Law.

    1. Termination of membership in the Association, voting privileges, and water service will not be reinstated until member has paid all monies due and owing in regards to the delinquent assessment.

    2. Upon a member being reinstated to the Association, the Manager/Water Master will provide written confirmation to the Heart Mountain Irrigation District that said assessments are paid in full and member is once again in good standing with the Association.

Article VIII – Use of Water

Water furnished to the members from the Lateral 89 Turn-Out 12 Head Gate 1 Water Association shall be for irrigation purposes only.

Article IX – Use of Water

The membership shall adopt such rules and regulations as may be necessary or appropriate for the accomplishment of the purposes of the Association. Such rules and regulations shall become effective when approved by two-thirds of the voting members of the Association and when so approved shall become part of these By-Laws.

Article X – Amendments

These articles may be amended or new By-Laws may be made and adopted, at any annual, or special meeting of the members of the Association, by two-thirds vote of the members of the Association, provided that notice of intention to amend shall have been contained in the notice of the meeting.

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SIGNATURE AND ADDRESS OF LANDOWNER	PARCEL	PRINTED NAME
83 LANE 16	Lot 5	Ken Heinrich
115 Ln 16	Lot 4	Katie Bales
24 ROAD 19 H	14 A	STANLEY W PETERS

All parties within the Lane 16 Water Association must sign this document.

Water Master of Lane 16Water Association.

Kenneth Heinrich
Heart Mountain Irrigation District

Given under my hand and notary seal this 21st of May 2003

DENISE RIGBY - NOTARY PUBLIC
COUNTY OF PARK
STATE OF WYOMING
My Commission Expires 07/24/2004

Notary Public
My commission expires: 7-24-04

BY-LAWS of Lateral 89 Turn-Out 12 Head Gate 1 WATER ASSOCIATION

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Agreement Authorizing and Appointing Water Master

This Agreement is made and entered into this 1 day of April 2003, between Heart Mountain Irrigation District of the County of Park, State of Wyoming, hereinafter referred to as the **DISTRICT**, and Lane 16 Water Association of the County of Park, State of Wyoming, hereinafter referred to as the **WATER MASTER**, and the undersigned, all being water users within the Lane 16 Water Association of the County of Park, State of Wyoming, Hereinafter referred to as the **WATER USERS**.

WITNESSETH:

It is the purpose of this agreement to designate the **WATER MASTER** for the Lane 16 Water Association, and to hereby appoint said **WATER MASTER** as its representative, in regards to the **DISTRICT**.

In **CONSIDERATION** of the mutual covenants and agreements hereinafter contained, the parties hereto do hereby agree as follows:

1) The WATER USERS hereby designate and appoint the WATER MASTER to demand, collect and receive from each and every owner the Operation and Maintenance (water) and Construction Assessments levied and assessed against said lots and each lot owner agrees to pay such assessments to the WATER MASTER each year as they become due and owing.

2) At the time such assessments become due and payable, the WATER MASTER shall on behalf of the WATER USERS pay to the DISTRICT, all collected Operation and Maintenance Assessments and Construction charges assessed and levied by the DISTRICT within the Lane 16 Water Association.

3) The DISTRICT agrees to deliver water for use by the WATER USERS within the Lane 16 Water Association to the original farm unit turnout, at which point the WATER MASTER shall assume the responsibility for and shall distribute the appropriate amount of water to each and every parcel within the Lane 16 Water Association according to the allocations established by the DISTRICT.

4) As representative of the WATER USERS, the WATER MASTER shall inspect, oversee and in general supervise the distribution of water throughout the Lane 16 Water Association.

5) In the event any or all of the lot owners within the Lane 16 Water Association neglect, fail or refuse to pay any Assessments or Charges of the DISTRICT, the WATER MASTER is authorized as agent for the WATER USERS to take appropriate action as set forth in the Lane 16 Water Association Bylaws on behalf of the WATER USERS.

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6) The WATER MASTER shall further be responsible for collection any additional assessments by the DISTRICT for water use in excess of the amount allocated to the parcels from the owner of said parcel or parcels receiving such excess water, as well as all sums due to the DISTRICT for work or services performed by the DISTRICT, their agents or employees for the WATER USERS.

7) The DISTRICT shall prepare and send one statement for the total Operations and Maintenance assessments and construction charges due and owing upon all of the parcels within the Lane 16 Water Association to the WATER MASTER. Said statement shall identify individual property owners, their parcel identification # or legal description, each parcels allocated # of water rights and individual charges for said water, assessments and construction charges. The WATER MASTER shall pay said statement in accordance with paragraphs (2) and (5) hereof.

8) The WATER USERS shall indemnify and hold the WATER MASTER harmless from all claims, demands, suites or actions for damages to property or for personal injury and from any and all losses, cost and expenses incurred in connection with and arising out of, or resulting from his/or her acts as the WATER MASTER, except in cases arising from willful misconduct, gross negligence or unlawful acts.

9) All contracts to be entered into within the course and scope of the WATER MASTER'S authority, on behalf of the WATER USERS of Lane 16 Water Association shall be approved and voted on by all members prior to being executed.

10) In the event the WATER MASTER fails to perform any or all of the duties and obligations to be kept and performed by him hereunder, or should the WATER MASTER damage or injure either the property or person of third party, then the WATER MASTER shall indemnify and hold the WATER USERS harmless from all claims, demands, suits or actions for damages to property or personal injuries, and from any and all losses, cost and expenses incurred in connection therewith arising out of, or resulting from the WATER MASTER'S default or negligence in performing his duties and obligations.

11) The term of this agreement and the authority of the WATER MASTER shall be an annual term beginning April 1st, 2003 and shall continue in full force and effect until the majority of the landowners elect another WATER MASTER upon which time, the DISTRICT office will be sent a copy of the new agreement appointing a new WATER MASTER.

12) The WATER MASTER will notify the DISTRICT office in writing upon any change of ownership within the Lane 16 Water Association. Water Association and provide information as available.

13) This agreement shall be binding upon partners, family members, their heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement on April 27, 2003.

SIGNATURE AND ADDRESS OF LANDOWNER	PARCEL	PRINTED NAME
83 LANE 16	Lot 5	Ken Heinrich
115 Ln 16	Lot 4	Katie Balos
24 ROAD 19H	14-A	STANLEY W PETERS

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BY-LAWS

OF THE

COLT SUBDIVISION

These By-Laws are adopted by the undersigned as owners of all of the lots within Colt Subdivision (hereinafter "Subdivision"), and dedicated with the intent to bind all future lot owners and provide a frame-work upon which owners may pursue the purposes set forth. These By-Laws are adopted by the undersigned owners of Colt Subdivision.

ARTICLE I
PURPOSE

The purposes for which the Association is organized are:

1. To distribute and dispose of irrigation water under the terms and conditions of the Heart Mountain Irrigation District; and

2. Enforcement of the Declaration of Restrictions, Conditions and Protective Covenants dedicated to the subdivision; and

3. In general to do everything necessary, proper or advisable for the accomplishment of the purposes set forth herein.

ARTICLE II
MEMBERSHIP

1. **Membership eligibility.** Each lot within the subdivision shall represent one membership even if a lot is owned by more than one person or even if one person owns more than one lot. Such membership shall hereinafter be referred to simply as a "member". It shall be the collective responsibility of multiple owners of any one lot to notify the Manager of their designated representative and that person's mailing address. In the event no such designation is made, the Manager shall use the first name which appears on the Park County tax rolls and the corresponding mailing address.

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2. **Voting Authority**: Every present and future record owner(s) of each lot shall have the collective authority as a member to cast one vote per lot. In the event the record owner(s) shall agree to sell their lot(s) under contract for deed, voting authority shall automatically transfer to the purchaser upon the recording of a memorandum of that agreement with the Park County Clerk and Recorder.

3. **Assignment.** A record owner(s) may assign their membership to the tenant occupying their residential unit in the Subdivision. Such assignment to be effective must be filed with the Manager of the Association.

ARTICLE III
MEETING OF MEMBERS

1. **Annual Meeting** : An annual meeting of the members of the Association shall be held on the second Monday in February each year beginning with the year 2007 at the hour of 7:00 p.m. for the purpose of electing officers and the transaction of such other business as may come before the meeting. If the day fixed shall be a legal holiday, such meeting shall be held on the succeeding day not a legal holiday.

2. **Special Meetings.** In addition to the annual meetings, special meetings of the members may be held at such time as shall be determined by a majority vote of the officers of the Association or upon a petition signed by not less than two members having voting rights. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of three-fourths (3/4) of the members present, either in person or by proxy.

3. **Place of meeting.** Meetings of the Association shall be held at such suitable place convenient to the members as may be designated by the manager.

4. **Notice of meetings.** It shall be the duty of the Manager to mail a notice of each annual, regular or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member entitled to vote, at least five but not more than 30 days prior to such meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States Mail addressed to the member at their address as it appears on the records of the Association with postage thereon prepaid.

5. **Waiver of Notice.** A written waiver of notice signed by a member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a member at a meeting shall constitute a waiver of notice of such meeting, except when the member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened

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6. **Quorum.** Three (3) members represented either in person or by proxy shall constitute a quorum for the transaction of business.

7. **Voting.** Each member shall be entitled to one vote on each matter submitted to a vote of the members. In the event of a tie vote, the Manager's vote shall break the tie. All issues voted upon shall be considered passed with a favorable vote of a majority of those present (in person or in proxy) and eligible to vote, unless otherwise stated herein.

8. **Proxies.** At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member naming another member to vote his or her interest on their behalf. Each proxy shall be revocable at the pleasure of the member executing it. No proxy shall be valid after 60 days from the date of its execution, unless otherwise provided in the proxy.

9. **Manner of Acting.** A majority of the votes present or represented by proxy at the meeting at which a quorum is present shall be necessary for the adoption of any matter unless a greater proportion is required by these by-Laws.

10. **Record of Meeting.** At every meeting of the Association record Shall be kept as to which lots were represented and who was present to represent those lots.

ARTICLE IV
OFFICERS

1. **Designation.** The officers of the Association shall be a Manager, a Treasurer, a Secretary and a Water Master, all of whom shall be elected by and from the members and spouses of the Association. One member or spouse may hold more than one office and may serve both Secretary and Treasurer and another member may serve both Manager and Water Master. However, in no event may one member serve concurrently as Treasurer and Manage

2. **Election and Term of Office.** The Officers of the Association shall be elected annually by the members at their annual meeting. If the election of Officers is not held at such meeting, such election shall be held as soon thereafter as conveniently possible. Each Officer shall hold office until their successor shall have duly elected and shall have qualified, or until death, or until they shall resign or shall have been removed in the manner hereinafter provided.

3. **Removal of Officers.** Upon an affirmative vote of a majority of the member present, any officer may be removed, either with or without cause, and his or her successor elected at any meeting of the membership called, at least in part, for that purpose.

4. **Vacancies.** Vacancies in offices, however occasioned, may be filled at any time by election by the members for the remaining terms of such offices.

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5. **Manager.** The Manager shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association. He or she shall have all of the general powers and duties necessary to carry out the purposes of the Association. He or she shall have the power to appoint committees from among the members from time to time as he or she may at his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she shall have the authority to accept service of process on behalf of the Association

6. **Treasurer.** The Treasurer shall have the responsibility for Association funds and shall be responsible for keeping a full and accurate account of all receipts and disbursements in books belonging to the Association. He or she shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Association in such depositories as may from time to time be designated by vote of the members. The Treasurer shall take the place of the Manager and perform his or her duties whenever the Manager shall be absent or unable to act. The signature of both the Manager and Treasurer shall be required to withdraw funds from the Association accounts and in no event shall an expenditure in excess of $100.00 be made without the prior consent of the members.

7. **Secretary.** The Secretary shall keep and maintain the records of the Association, prepare and deliver all notices required, keep minutes of the meetings of the Association and carry out all such other similar duties usually associated with this office.

8. **Water Master.** The Water Master shall be responsible for the maintenance of the irrigation system, including cleaning of supply ditches and maintenance work in the fall.

ARTICLE V
BOOKS, RECORDS AND REPORTS

1. **Report to Members.** The Association shall send an annual report to the members of the Association not later than two weeks prior to the annual meeting of the Association. Such report shall include a balance sheet as of the close of the fiscal year of the Association and a revenue and disbursement statement for the year ending on such closing date. Such financial statements shall be prepared from and in accordance with the books of the Association.

2. **Inspection of Records.** Any person who is a member of the Association shall have the right, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof to examine and make copies from the relevant books and records of accounts, minutes and records of the Association. Upon the written request of any member, the Association shall mail to such member a copy of the most recent balance sheet and revenue and disbursement statement. If such request is received by the Association before such financial statements are available for its last fiscal year, the Association shall mail such financial statements as soon as they become available. In any

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event, the financial statements must be mailed with four months after the close of the last fiscal year. Additionally, balance sheets and revenues and disbursement statements shall be kept for at least five years, and shall be subject to inspection during business hours by any member, in person or by agent.

ARTICLE VI
FISCAL YEAR

The Fiscal year of the Association shall be based upon a calendar year.

ARTICLE VII
DUES AMD ASSESSMEMTS

1. annual Dues. Beginning in 2007, the annual dues of the association shall be Two Hundred Dollars ($200.00) for each lot in Subdivision. The annual dues may be changed from time to time by the membership at any annual or special meeting called for such purpose.
2. Payment of Annual Dues. The annual dues shall be paid in advance for the calendar year on or before the 31st day of March. Beginning March 31, 2007, all dues paid will be non-refundable, but may be prorated or assigned in the event of transfer of lot ownership. Dues may be prorated on a monthly basis commencing with the month in which a person becomes eligible for membership.
3. Special Assessments. Special assessments may be levied on members of the Association only by a vote of the majority of all members of the Association. The Secretary shall mail notice of each dues assessment to every member of record on or about March 1st each year. Any such special assessments will be in addition to any assessments levied against any lot by the Heart Mountain Irrigation District (HMID). HMID billings are independently made through the Park County Treasurer's office and received by each lot owner with their property tax billing.
4. Default in Payment of Monthly Dues or Assessments.
   (a) When any member(s) shall be in default in the payment of annual dues or assessments for a period of 30 days from the date on which such dues or assessment become payable, he or she shall, for the purpose of voting, is not considered a member in good standing. He or she shall have no rights of any kind arising out of a membership in the Association.

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(b) In addition to the foregoing, if any member shall fail to pay his or her monthly dues or assessments as the same become due, after 20 days written notice of such delinquency given by the Association to such member, the amount of the unpaid dues and assessments shall become a lien on such member's lot or residential unit in the Subdivision in favor of the Association, and the Association shall have the right to record a notice of claim of lien, and proceed thereon in accordance with the provisions of Wyoming law for the foreclosure and enforcement of liens; or, in the event the Association shall choose not to record a lien, it shall have the right to commence an action against such member for the collection of the unpaid dues and assessments in the County or District Court in accordance with the provisions of Wyoming law. The Association shall also have the authority to settle or compromise such legal actions as the members shall direct.

(c) In any event, if any action is taken under this Article by the Association against a member, then notice of such action shall be given by the Association to all persons known to the Officers to have any interest in the subject lot and any additional person(s) who have a vested interest of record recorded in the books and records of the Park County Clerk and Recorder.

ARTICLE VIII
USE OF FUNDS

Dues (and income therefrom) of the Association shall be used only for purposes expressed in Article I. Officers of the Association shall not be paid by the Association for their services, but the annual dues of an officer of the Association may be waived during such time as he or she serves as an officer by an affirmative vote of the members pursuant to Article III.

ARTICLE IX
RULES AND REGULATIONS

The membership shall adopt such rules and regulations as may be necessary or appropriate for the accomplishment of the purposes of the Association. Such rules and regulations shall become effective when approved by a majority vote of the members of the Association, and when so approved shall become a part of these by-Laws.

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ARTICLE X
INDEMNIFICATION

The Association shall indemnify and hold harmless each Officer for all acts or omissions done in good faith.

ARTICLE XI
AMENDMENTS

These articles may be amended or repealed, or new By-Laws may be made and adopted at any annual or special meeting of the members of the Association by a two-thirds vote of members of the Association, provided that notice of intention to amend shall have been contained in the notice of the meeting. Copies of all amendments made shall be witnessed by the Secretary and Manager of the Association and duly recorded in the office of the Park County Clerk and Recorded.

Signed this 31st day of August, 2006, by Kenneth L. Heinrich and Kristi Heinrich, husband and wife, as record owners of all lots in Colt Subdivision, Park County, Wyoming.

Kenneth L. Heinrich

Kristi Heinrich

STATE OF WYOMING)
) SS.
COUNTY OF PARK)

The above and foregoing instrument was acknowledged before me this 31 day of August, 2006, by Kenneth L. Heinrich and Kristi Heinrich.

WITNESS my hand and official seal.

My Commission Expires: 4/10/08

Glenda Brown CPS

GLENDA BROWN CPS NOTARY PUBLIC
COUNTY OF PARK
STATE OF WYOMING
MY COMMISSION EXPIRES APRIL 10, 2008

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