

Red Hills Subdivision  
Doud Land Company, LLC

TO THE PUBLIC:

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
OF RED HILLS SUBDIVISION**

THIS DECLARATION made on the date hereinafter set forth by the Doud Land Company, LLC, hereinafter referred to as "DECLARANT".

WITNESSETH

WHEREAS, DECLARANT is the owner of certain property in Campbell County, State of Wyoming, more particularly described as follows:

A tract of land situated in SE1/4SE1/4, Section 11, SW1/4SW1/4, Section 12, N1/2 Section 13, SE1/4NE1/4, N1/2NE1/4, and the NE1/4NW1/4 Section 14, all of T49N, R73W of the 6<sup>th</sup> P.M., Campbell County, Wyoming and being more particularly described as follows:

Commencing at the northeast section corner of aforementioned Section 13 and the true point of beginning.

Thence S00°03'58"W, 1937.15 feet along and coincident with the east line of said Section 13 to the westerly right of way line of Wyoming State Highway #50;

Thence S40°30'43"W, 982.07 feet along and coincident with the said westerly right of way line to the east-west 1/4 line of said Section 13;

Thence S89°01'38"W, 4695.70 feet along said east-west 1/4 line to the west 1/4 corner of said Section 13;

Thence S89°30'10"W, 1331.03 feet along and coincident with the east-west 1/4 line of aforementioned Section 14 to the southwest corner of the SE1/4NE1/4 of said Section 14;

Thence N00°42'43"E, 1310.25 feet along the westerly line of said SE1/4NE1/4 to the northwest corner of said SE1/4NE1/4 of Section 14;

Thence S89°39'48"W, 1330.45 feet along the south line of the NW1/4NE1/4 to the north-south 1/4 line of said Section 14;

Thence S89°46'54"W, 1330.01 feet along the south line of NE1/4NW1/4 to the southwest corner of said NE1/4NW1/4, Section 14;

Thence N00°43'30"E, 1320.47 feet along the west line of said NE1/4NW1/4 to the north line of aforementioned Section 14;

Thence S89°56'22"E, 1330.12 feet along said north section line to the north 1/4 corner of said Section 14;

Thence N89°42'20"E, 1329.93 feet continuing along said north section line to the northeast corner of the NW1/4NE1/4 of said Section 14;

Thence N00°33'13"E, 1352.54 feet along the west line of the SE1/4SE1/4 of aforementioned Section 11;

Thence N89°59'13"E, 1328.18 feet along the north line of said SE1/4SE1/4 to the northeast corner of said SE1/4SE1/4, Section 11;

Thence N88°35'17"E, 1327.51 feet along the north line of the SW1/4SW1/4 of aforementioned Section 12;

Thence S00°27'39"W, 1347.41 feet along the east line of said SW1/4SW1/4 Section 12 to the northwest corner of NE 1/4NW1/4 of aforementioned Section 13;

Thence N88°24'41"E, 1327.47 feet along the north line of said NE1/4NW1/4 to the N1/4 corner of said Section 13;

Thence N88°25'00"E, 2654.46 feet along the north line of said Section 13 to the northeast section corner of Section 13 and the true point of beginning.

Said parcel contains 559.88 acres more or less.

Basis of bearings for this legal description is Geodetic North.

AND WHEREAS, in order to establish a general plan for the improvement and development of the property, the DECLARANT desires to subject the property, and any subdivisions thereof, to certain conditions, covenants and restrictions upon and subject to which all of the properties shall be held, improved and conveyed.

AND WHEREAS, DECLARANT will convey the said property, subject to certain protective covenants, conditions, restrictions, liens and charges as hereinafter set forth.

NOW THEREFORE, DECLARANT hereby declare that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and durability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, shall inure to the benefit of each owner thereof, and which are intended not to be merely personal.

#### ARTICLE I DEFINITIONS

SECTION 1: Red Hills Subdivision shall mean and refer to that certain real property hereinbefore described, in each addition thereto as may hereafter be brought within the jurisdiction of these covenants, conditions and restrictions.

SECTION 2: The term covenant as used herein, shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens and charges imposed by or expressed in this DECLARATION.

SECTION 3: DECLARANT shall mean and refer to the Doud Land Company, LLC, successors and assigns, if such successors and assigns should acquire more than one undeveloped lot for the DECLARANTS for the purpose of development.

SECTION 4: "OWNER" shall mean and refer to the record owners, whether one or more persons or entities, of a fee simple title to any lot which is a part of the property, including contract sellers, but excluding those having such interest merely as security for the performance of obligation. Fee interest in mineral ownership is not held as a part of the surface ownership.

#### ARTICLE II NATURE AND PURPOSE OF COVENANTS

Red Hills Subdivision as described above shall be made up of 102 lots approximately five acres in size. The covenants set forth in the DECLARATION constitute a general scheme for the development, protection and maintenance of the property to enhance the value, desirability and attractiveness of the lots for the benefit of all OWNERS and less therein. These covenants are imposed upon DECLARANT, and upon the OWNERS of all lots, homeowners, or land owners association, or its equivalent. Said covenants are for the benefit of all lots, and shall bind up the

OWNERS of all such lots. Such covenants shall be a burden upon and a benefit not only to the original OWNER of each lot, but also his heirs, successors and assigns.

**SECTION 1 - CONSTRUCTION:**

All home construction shall be stick built or modular homes (IBC code). The principal dwelling shall have a minimum fully enclosed finished living area devoted to living purposes, exclusive of porches, terraces and garage(s) of one thousand five hundred (1,500) square feet. Lots 70-83 and 86-104 will be zoned RS and will only allow stick built homes. Lots 1-69, 84 and 85 will be also zoned RS and allow modular homes provided they meet the following criteria:

1. The roof pitch will be a minimum of a 5/12 pitch;
2. The exterior foundation/skirting will be poured concrete, laid brick, brick or stone. Board skirting of any kind is prohibited.
3. Vinyl siding is prohibited.
4. The area under raised decks or other exterior platforms must be enclosed.

**SECTION 2 - BUILDING PLANS AND APPROVAL:**

No building shall be erected or placed on any residential lot until the construction plans, specifications and a plan showing the location of the structure have been approved in writing by the Homeowners' Association.

All buildings shall be constructed and maintained in such a fashion and of such materials so as not to detract from the attractiveness of the area

**SECTION 3 - COMMERCIAL LEASE:**

No part of the residential lots shall be used for manufacturing, mercantile storing, vending or any other commercial business or other non-residential purpose including, but not limited to stores, shops, repair shops, storage or repair garage, restaurant, dance hall, pipe yard, oil field business, methane business, construction yard, livestock or agricultural enterprise or other public place or amusement.

**SECTION 4 - HUNTING:**

No hunting shall be allowed on any lot.

**SECTION 5 - SEWAGE:**

All septic tanks or other sewage disposal systems must be designed, located and constructed in accordance with the regulations, requirements, standards and recommendations of the Wyoming Public Health Department, and in compliance with the regulations of Campbell County, Wyoming.

**SECTION 6 - VEHICLES:**

No inoperable vehicles shall be left exposed on any lot in excess of one (1) week.

**SECTION 7 - RUBBISH AND TRASH COLLECTION:**

No lot shall be used or maintained as a dumping ground for rubbish. All rubbish, trash and garbage shall be regularly removed from each lot, and shall not be allowed to accumulate thereof. Each OWNER shall be responsible for arranging for private pick-up and removal of garbage at least once every two (2) weeks. All refuse containers, storage area, machinery and equipment shall be maintained in a clear and sanitary manner, and secured so trash may not be blown or scattered in any manner.

**SECTION 8 - WATER DRAINAGE:**

Each OWNER shall be responsible for insuring that water drainage is continuous in the portion of the lot that adjoins the roadways in front of his lot.

**SECTION 9-UTILITY ACCESS:**

OWNERS will allow utility access for the reading of meters or other measuring devices, installation or maintenance of utilities to his property or any adjoining property.

**SECTION 10 -MINIMUM ACREAGE:**

No subdividing or splitting of lots shall be allowed.

**SECTION 11-LIVESTOCK:**

Livestock may be kept on the property provided livestock are kept in manner consistent with all applicable laws, rules, and regulations. No commercial enterprise involving livestock shall be permitted. All animals including dogs must be adequately fenced or contained in a sanitary and clean environment. No OWNER shall over-graze his property. In the event any OWNER or resident upon said property shall maintain livestock, poultry or other animals, said OWNER shall be responsible for construction of such a fence or enclosure as will restrain and keep all livestock, poultry and other animals on his own property.

**SECTION 12 -OFFENSIVE ACTIVITY:**

No noxious or offensive activities, including those involving snow mobiles, motorcycles and all terrain vehicles shall be allowed upon any lot or on roads. Nor shall anything be done thereon which is an annoyance or nuisance to the neighborhood.

**SECTION 13 -AESTHETIC MAINTENANCE:**

Any condition considered an eyesore by the Homeowners' Association, as further defined below, must be corrected within thirty (30) days after notification.

**ARTICLE III  
ROAD REPAIRS**

All repairs, snow removal, and maintenance of the common roads through Red Hills Subdivision shall be the responsibility of all OWNERS, and shall be paid for equally by each OWNER, except that the DECLARANT shall not be responsible for road maintenance or repairs, nor shall lots owned by the DECLARANT be assessed for costs of road maintenance or repair.

**ARTICLE IV  
WATER DISTRIBUTION SYSTEM**

The Homeowners' Association owns and maintains the domestic water distribution system within public rights of way and easements. OWNERS shall be responsible for all costs associated with connecting to the system, including a tap fee, and for all improvements or repairs within private property.

**SECTION I - TAP FEE**

Each OWNER shall pay a Tap Fee to Doud Land Company, LLC, prior to connecting to the domestic water distribution system. The Tap Fee will be initially set at \$2,500.00 and it shall be subject to increase from time to time as may be determined by the Homeowners' Association. Upon receipt of the tap fee, Doud Land Company, LLC shall contribute one half of the fee collected to the Homeowners' Association and retain one half of the fee to recover costs of installing the water distribution system.

**SECTION 2 - WATER METERS**

The Homeowners' Association shall provide each OWNER with a water meter upon receiving notification of payment of the Tap Fee. Each OWNER shall be responsible for installing the water meter in accordance with specifications provided by the Homeowner' Association and for all costs associated with installation of the water meter.

**SECTION 3 - WATER USAGE FEES**

Each OWNER shall pay a Water Usage Fee as may be determined by the Homeowners' Association.

**SECTION 4 - VARYING WATER PRESSURE**

The water distribution system is expected to deliver water at varying pressures depending on the elevation of the point of service. Each OWNER shall be responsible for procuring and installing any pressure reducing devices or pressure increasing devices as may be required.

**ARTICLE V  
ASSESSMENTS AND LIENS**

The Homeowners' Association may fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to these covenants, except that no charges or assessments may be made against any lot owned by Doud Land Company, LLC. Should any OWNER not pay the charges or assessments of the Homeowners' Association, then at the option of the Homeowners' Association, or its equivalent, a lien against the non-paying OWNER(s) may attach in favor of the Homeowners' Association. The Homeowners' Association may attach to the lot of the non-paying OWNER(s) as of the time the majority of the OWNERS cause to be recorded in the office of the County Clerk of Campbell County, Wyoming, a notice of assessment lien, which shall state:

- a. The amount of delinquent assessment and such related charges as may be authorized by this declaration, or as may be assessed by the Red Hills Subdivision Homeowners' Association;
- b. The name of the OWNER of record or reputed OWNER of the lot; and,
- c. A legal description of the lot against which the lien has been assessed.

**ARTICLE VI  
GENERAL PROVISIONS****SECTION 1 - COVENANTS RUN WITH LAND:**

These covenants run with the land and are binding upon all OWNERS, their heirs and assigns. The OWNERS agree to abide by these covenants.

**SECTION 2-AMENDMENT OF THE COVENANTS:**

These covenants may be amended by a vote of the lot owners where seventy-five percent (75%) or more of the OWNERS vote for any amendment.

**SECTION 3 - ENFORCEMENT:**

The Homeowners' Association and/or individual OWNERS shall have the right to enforce, by any proceeding or law or equity, all covenants now or hereinafter imposed by the provisions of this declaration. Failure to enforce any covenant contained shall in no event be deemed a waiver of the right to do so thereafter. Such failure shall not prevent the Homeowners' Association or individual OWNERS from enforcing any subsequent covenant violation.

**SECTION 4-ATTORNEY'S FEES:**

Any expense reasonably incurred in collecting and/or enforcing any of the above covenants, which shall include reasonable attorney's fees, incurred by the Homeowners' Association shall be paid by the OWNER against whom the covenants have been successfully enforced.

**SECTION 5-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.

**ARTICLE VII  
RED HILLS SUBDIVISION HOMEOWNERS' ASSOCIATION**

**SECTION 1-CREATION:**

The Red Hills Subdivision Homeowners' Association (referred to as the "Association" or "Homeowner's Association") is hereby created as an unincorporated, nonprofit association under the Wyoming Unincorporated Nonprofit Association Act, to exercise the powers granted, and to perform the functions imposed, by these covenants with regard to the lots.

**SECTION 2-PURPOSES AND POWERS**

The general purposes of the Association are to:

- a. Enforce these covenants, as set forth herein and as may be amended;
- b. Govern, administer, and pay for the private maintenance and repair of Red Hills Subdivision water distribution system and roads (which shall be kept clear of snow and drivable at all times);
- c. Serve as an architectural control committee to protect the generally required characteristics of construction described above and to prohibit any construction in violation of such requirements.
- e. Generally promote the health, safety, and welfare of the residents of the lots. The Association shall also have the power to provide such additional services for the lots as the OWNERS may from time to time approve.

For these purposes, the Association is hereby empowered to:

- a. Exercise all of the authority, powers, and privileges delegated to or vested in the Association by these covenants, by Wyoming Statutes, or as may be reasonably implied as being necessary and proper hereunder, and to perform all of the duties and obligations established by these covenants;
- b. Elect officers to carry out the administrative duties authorized by the Association's members from time to time. Officers shall include a President, Vice President and Secretary/Treasurer unless otherwise provided by the Association;
- c. Fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to these covenants, and to pay all expenses in connection therewith and all expenses incident to the conduct of the business of the Association, specifically including the costs associated with repairing, maintaining, and operating Red Hills Subdivision roads and water distribution system; and
- d. Employ such firms or persons to perform any or all of the duties and obligations of the Association.

**SECTION 3 - MEMBERSHIP:**

Every person who is an OWNER of a lot shall be a member of the Association, and such membership shall be appurtenant to and may not be separated from the ownership of the lot. An OWNER shall become a member upon conveyance of record to him of his lot and shall cease being a member upon his conveyance of record of such lot. No certificate or document, save and except a recorded conveyance to a lot, shall be required to evidence such membership.

**SECTION 4 - VOTING RIGHTS:**

Each OWNER shall be entitled to one vote for each lot owned, save and except that the voting rights of any OWNER who is more than 30 days past due on the payment of any assessment to the Association shall be automatically suspended until such assessment, together with interest, costs, and reasonable attorney's fees, is paid in full. The voting rights of any OWNER against whom an enforcement issue is being voted upon by the Association shall be suspended for the vote on that enforcement issue only. When more than one person holds an interest in any lot, the vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast on behalf of one lot.

**SECTION 5 - ACTION:**

An action of the Association, or any approval required of the owners under these covenants, shall require the affirmative vote of at least fifty percent (50%) of all lots eligible to vote, cast in person or by proxy, at a duly constituted meeting of the Association, or, without a meeting by written approval of such action.

**SECTION 6 - MEETINGS:**

The Association shall have an annual meeting. The first annual meeting shall be held in the month of \_\_\_\_\_, 2008, as shall be called to order by Declarant. At such initial annual meeting, the members of the Association shall determine the preferred time, date, and location for the annual meetings thereafter. Written notice of any and all meetings of the Association shall be given by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each other, addressed to the OWNER's address last appearing on the books of the Association, or supplied by such OWNER to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and the purpose of the meeting. Each OWNER may vote in person or by proxy at all meetings of the Association. All proxies shall be in writing. Every proxy shall be revocable and shall automatically cease upon conveyance by the OWNER of his lot.

**SECTION 7 - BOOKS AND RECORDS:**

Upon prior written request, the books, records, and papers of the Association shall be subject to inspection at a reasonable time and place by any OWNER and by a mortgagee holding a duly recorded mortgage against a lot.

**SECTION 8 - PRINCIPAL OFFICE:**

The Association shall designate a principal office from time to time.

**SECTION 9 - DISSOLUTION:**

The Association may be dissolved upon the written approval of all of the OWNERS of all of the lots. Upon dissolution of the Association, the assets of the Association shall be distributed to the OWNERS of the lots within Red Hills Subdivision in equal shares, or, if all OWNERS agree, dedicated to an appropriate public agency or nonprofit organization to be used for purposes broadly similar to those for which this Association was created.

**SECTION 10 - LIMITATIONS:**

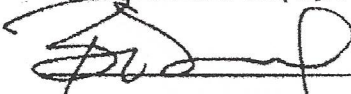
No part of the net earnings of the Association shall inure to the benefit of, or be distributed to, the OWNERS, except that the Association shall be authorized to pay reasonable compensation for services rendered.

SECTION II - SERVICE:

Until such time as 75 lots have been sold, or until such time as it voluntarily surrenders control, Doud Land Company, LLC shall act and serve as "the Association," and thereafter the OWNERS of the lots shall then serve as "the Association."

IN WITNESS WHEREOF, the undersigned being the DECLARANT herein, has hereunto set its hand and seal this 12 day of MAY, 2008.

OWNER: Doud Land Company, LLC

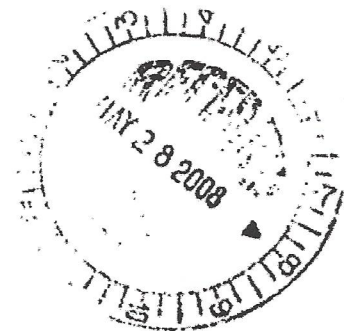
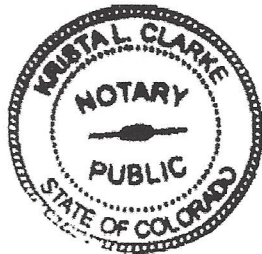
  
BY: BEN R. DOUD, Member

STATE OF WYOMING    )  
                                  )  
COUNTY OF CAMPBELL )

Subscribed and sworn to before me by Ben R. Doud, Member of Doud Land Company, LLC this 12<sup>th</sup> day of May, 2008.

Witness my hand and official seal.

Krista L. Clarke  
NOTARY PUBLIC  
My Commission Expires: 3-31-2012



RECORDED  
ABSTRACTED  
INDEXED  
CHECKED