

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF SUNBURST ESTATES
BLOCK ONE**

THIS DECLARATION is made by Sky Hi Development, LLC, hereinafter referred to as DECLARANT.

WHEREAS DECLARANT is the owner of certain property in the City of Gillette, Campbell County, Wyoming, which is more particularly described as Lots 1 through 14 of Block One Sunburst Estates, Phase One, as shown on the plat map as the same that is filed for record with the County Clerk and Recorder of Campbell County,

AND WHEREAS, in order to establish a general plan for the improvement and development of the properties, DECLARANT desires to subject the properties to certain conditions, covenant, and restrictions, up and subject to which all the Properties shall be held, improved, and conveyed.

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

NOW THEREFORE, DECLARANT hereby declares that all the properties described above shall be held, sold, and conveyed subject to the following restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability 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

Section 1: Owner shall mean and refer to the record owner whether one or more persons or entities, of a fee simple title to any Lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of obligation.

Section 2: Properties shall mean and refer to that certain real property herein before described.

Section 3: Lot shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

Section 4: DECLARANT shall mean and refer to Sky Hi Development Company LLC and its successors and assigns.

Section 5: The term covenants 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 6: The term covenant enforcer shall refer to any owner who commences proceedings or an action to enforce the covenants.

Section 7: The term breach shall mean a violation of the covenants.

ARTICLE II

Nature and Purpose of Covenants

The covenants, conditions, and restrictions set forth in the DECLARATION constitutes a general scheme for the development, protection and maintenance of the properties to enhance the value, desirability and attractiveness of the lots and to provide for a way to enforce the covenants. These covenants, restrictions, and conditions are imposed upon DECLARANT and upon the Owners of all lots. Said covenants, conditions, and restrictions shall be a burden upon and a benefit to not only the original Owner of each lot, but also his successors and assigns. All such covenants, conditions and restrictions are intended as and are hereby declared to be covenants running, with the land or equitable servitudes upon the land, as the case may be. The Owners and the City of Gillette shall have the right to enforce these covenants.

ARTICLE III

Property Rights

Section 1: OWNERS - Every owner shall hold their lots subject to the following provisions:

- (a) the right of any other to enforce the covenants as set forth below.

ARTICLE IV

Use of Residential Lots

Section 1: USE - Each lot within the Properties, shall be constructed improved, used and occupied only for private residential purposes consistent with the Zoning Regulations for the City of Gillette in effect on the date that said construction, improvement, and use or occupation begins. All construction within Sunburst Estates must be pre-approved by Sky Hi Development, LLC, the Developer, until such time as all lots are sold. Any owner shall submit plans specifications and other documents sufficient to portray the proposed building project to Developer prior to construction. Developer shall give written consent to proceed, or state requirements. All requirements shall be within the parameters of these covenants.

Section 2: PETS AND OTHER ANIMALS - Dogs, cats, and usual and ordinary household pets may be kept in any dwelling subject to the conditions below. Pets will be permitted, provided they are contained within the home and yard. There is a limit of two animals per lot. Pets shall not be permitted to be tied on a lead chain or leash in the yard of the house or home. Pets must be kept within a chain link fence or other secure fence provided for containment of said household pets in the yard, and the contained area shall be kept in a clean and sanitary condition.

Section 3: COMMERCIAL USE - No part of the residential Properties shall ever be used or caused to be used for any business, commercial, manufacturing, mercantile storing, vending or such other nonresidential purposes, including but not limited to stores, shops, repair shops, storage, or repair garage, restaurant, dance hall, or other public place of amusement, except DECLARANT, its successors or assigns, may use Properties for a model home site, and display and sales office during the construction and sales period.

Section 4: SIGNS - Signs shall not be permitted other than a FOR SALE sign not to exceed 2' by 3' in size and posted in accordance with local laws and regulations. DECLARANT has the right to erect larger signs.

Section 5: OTHER STRUCTURES - No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any lot at any time as a residence, either temporarily or permanently, except for a development construction or sales office which shall be removed upon the sale of the last lot. No travel trailer, camper, boat, truck larger than a three-quarter (3/4) ton pickup, or similar equipment shall be permitted to remain upon any property unless placed or maintained within an enclosed garage.

Section 6: DRILLING - No oil drilling, oil development, oil defining, quarrying, or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be

permitted upon the surface of any lot or within five hundred (500) feet below the surface of the properties. No derrick or other structure designed for use in boring for water, oil, or natural gas shall be erected maintained or permitted upon any lot.

Section 7: COVENANTS - These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of 30 years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a three-fourths (3/4) majority of the then owners of the lots has been recorded agreeing to the change of said covenants in whole or in part.

Section 8: MODULAR HOMES - To maintain the esthetics of Sunburst Estates, all modular homes shall be in compliance with City of Gillette Codes. All modular homes shall be at least 16 feet by 40 feet in size. The exteriors shall be painted/and or sided and maintained so as not to deplete the property values of the surrounding lots. Porches, decks, garages or other add-on attachments must be maintained. Lean-tos porches and storage sheds may be constructed, as long as they are sided, and /or painted to match the home.

Section 9: FENCES - All fences shall be maintained so that they are standing straight. They shall be chain link or wooden and painted or stained unless cedar. No "temporary" fences shall be erected of chicken wire, or the like. Provided; however, nothing herein shall prevent the temporary placement of "snow" fences during the winter months, where needed to prevent excessive drifting.

Section 10: DRIVEWAYS - Driveways shall be constructed to meet City of Gillette design and construction standards

Section 11: VEHICLES - Only those motor vehicles in normal operating condition, licensed for the current year, and in general daily use shall be kept on the property. All recreational vehicles, boats, and trailers not housed inside a garage shall be in a storage area other than on the lot. No commercial vehicles may be kept on any lot at any time, except for pickup trucks and other similar small trucks that are well maintained and in operating condition. No major repairs can be made to any vehicle unless performed inside the homeowner's garage.

Section 12: NUISANCES - No nuisances or offensive activity shall be carried on within the subdivision, nor shall anything be done or permitted which

shall constitute a public nuisance; nor shall anything be done or permitted which will endanger any person.

Section 13: LAWNS - Lawns must be mowed and watered as frequently as necessary in order to be kept in a neat-appearing condition. Weeds will be sprayed or cut. The owner of each lot shall establish a lawn and landscaping during the first growing season after moving a home on the lot. There shall not be allowed any yards made of scoria, or gravel. Xeriscapes will be allowed, if there is a proportionate amount of vegetation to gravel.

Section 14: ENFORCEMENT - Enforcement of these covenants may be made by any owner, or any group of owners, their heirs, or assigns. Enforcement shall be by proceeding at law or equity against any person or persons in accordance with the provisions contained herein. No action will be brought before notice of the infraction is delivered to the offender, and a 30 day right to cure has passed without action.

(a) In an action for an injunction, each owner waives the requirement of posting bond, and it shall be presumed that if a violation is proved, the violation will cause irreparable harm to the other owners.

(b) At any proceeding to enforce the covenants, the person violating the covenant shall pay the continuing attorney fees and costs of the person(s) seeking to enforce the covenant and the covenant enforcer shall have a judgment for that amount in addition to the cost of remedying the violation.

(c) Any judgment shall become a lien against the property of the person in violation, which shall attach to the lot as of the time the suit was filed. The lien may be enforced by power of sale in the same manner as foreclosure of a mortgage as provided by the Wyoming Statutes. Once foreclosure proceedings are instituted, the covenant enforcer shall be entitled to possession of the property without applying to the court, and shall be entitled to rents and profits from the property. A deficiency judgment may be granted if the amount received at the sale is not sufficient to pay any first mortgages and the judgment amount.

(d) Any part of the judgment which is collected which is not part of the attorney fees and costs shall be held in trust by the enforcer to be used to correct the breach. If the amount actually collected is insufficient to fully correct the breach, it shall be used as fully as possible to do so, and an accounting shall be made to the court as to its use.

ARTICLE V

Voting Rights

No homeowner's association is created by these covenants. However, if in the future the owners desire to change the covenants, it can be done by a 2/3 majority vote of all owners. There shall be one vote for each lot. Membership shall be appurtenant to and may not be separated from ownership of any lot. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot. When two or more persons are stockholders in a corporation holding an interest in any lot, one and only one, shall be a member for voting purposes. Changes to the covenants may be made by having a petition for the change signed by 2/3 of the owners, and filing it with the County Clerk along with an affidavit by any member verifying its authenticity. Signing the petition will be the method by which votes are cast.

ARTICLE VI

Lien for Enforcement of Covenants

Section 1: CREATION OF THE LIEN AND PERSONAL OBLIGATION - The Declarant, for each lot owned within the properties, hereby covenants, and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the charges for enforcement of covenants established and collected as herein before provided, and agrees to all the enforcement provisions contained herein.

Section 2: NOTICE & QUORUM FOR ANY ACTION AUTHORIZED UNDER ARTICLE 5 - Written notice of any proposed amendment under Article 5 shall be sent by any owner desirous of instituting the action to all members not less than fifteen (15) days in advance of the meeting. Thereafter, the owner seeking the change shall be free to obtain votes on a petition in any manner.

Section 3: EFFECT OF BREACH OF COVENANT - REMEDIES OF THE OWNERS

(a) Notice: Any person entitled to enforce the covenants may send another notice of breach of covenant and a request that it be cured within 30 days of the date of notice.

(b) Injunction: If the breach is not cured, the owner may institute a court proceeding and receive an injunction and a judgment. The judgment should state:

- 1) the amount of the cost to cure and such related charges as may be authorized by this Declaration;
- 2) the name of the owner of record or reputed owner of the lot;
- 3) a description of the lot against which the judgment lien exists.

(c) Procedure: No proceeding or action shall be instituted to foreclose the judgment lien until the notice of intention to proceed to foreclose the lien has been delivered to the owner of the lot affected by the lien at least thirty (30) days prior to the commencement of any such action of proceeding. The lien may be enforced by power of sale foreclosure; provided, however, that said method of enforcement shall not be exclusive but shall be in addition to any other rights or remedies which the owner may have by law or otherwise. The owner shall also have the right to bid at any such foreclosure sale and to hold, lease, mortgage, and convey such lot upon its purchase. Upon repayment of the full amount secured by a judgment lien, including all authorized charges in accordance with the foregoing, or upon any other satisfaction duly made in connection therewith, the covenant enforcer shall cause to be recorded a notice setting forth the fact of such payment and/or satisfaction and of the release of the lien. Any lien as to any lot shall at all times be subject and subordinate to any mortgage or deed of trust on the lots which is created in good faith and for value and which is recorded prior to the date of the filing of an action which creates the lien.

(d) Cumulative Remedies: The lien and the rights to foreclosure thereunder shall be in addition to and not in substitution for all other rights and remedies which the covenant enforcer and its assigns may have hereunder and by law.

(e) Mortgage Protection Clause: No breach of the covenants, conditions or restrictions herein contained, nor any lien created hereby, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value filed prior to the commencement of an action by the enforcer.

(f) The sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien as to payments which become due prior to such sale or transfer, but shall not relieve the individual owner of liability under any judgment.

ARTICLE VIII

General Provisions

Section 1: ENFORCEMENT - Failure by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver or the right to do so thereafter.

Section 2: SEVERABILITY - Invalidation of any one of these covenants or restrictions by judgment or court order shall in not affect any other provisions which shall remain in full force and effect.

Section 3: AMENDMENT - The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall automatically extended for successive periods of ten (10) years.

IN WITNESS WHEREOF, the undersigned, being the DECLARANT herein, has hereunto set its hand and seal this 29 day of April, 2002.

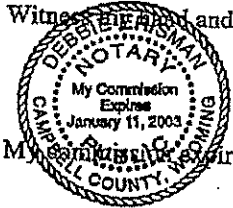
DECLARANT: SKY HI DEVELOPMENT, LLC

Signature of Willis Chrans, Managing Partner, with circular notary seal dated JUL 30 2002.

STATE OF WYOMING)
COUNTY OF CAMPBELL) §

The foregoing instrument was acknowledged before me this 29th day of April, 2002, by Willis Chrans, who stated that he is the managing partner of Sky Hi Development LLC, and that he signs this with proper authority.

Witness and official seal.



Signature of Notary Public, Debbie E. Egan.

STATE OF WYOMING } Campbell County } ss. Filed for record this 30th day of July A.D. 2002 at 2:16 o'clock P.M. and recorded in Bk 1777 of Photos on page 459-466 Fees \$ 29.00 800453 RECORDED ABSTRACTED INDEXED CHECKED BY [Signature]