

BY-LAWS OF THE STEWART CREEK IRRIGATION CO.

ARTICLE I

SEAL

The seal of this Corporation shall have inscribed thereon the name of the Corporation, the year of its organization, and the word "Wyoming", and shall be in the exclusive custody of the Secretary.

ARTICLE II

FISCAL YEAR

The fiscal year of this Corporation shall be the calendar year.

ARTICLE III

LOCATION OF PRINCIPAL OFFICE

The principal office of this Corporation shall be located at Etna, in Lincoln County, State of Wyoming.

ARTICLE IV

MEMBERSHIP

Section 1. Any person who is the owner of farm lands or home reasonably accessible to the water distribution system of this Corporation (as planned or as constructed and operated) and who is in need of water for irrigation and livestock uses shall be eligible to own stock in the Corporation, provided however, that no one, even though otherwise eligible, shall be permitted to become a stockholder if in the opinion of the Board of Directors, the capacity of the water distribution systems or the source of the water supply is not sufficient to supply more than the needs of the existing stockholders.

Section 2. Each share of stock shall sell for \$0.00, and the number of shares issued shall be equal to the number of acres owned by the stockholder served by the corporation.

Section 3. Application for stock shall be made on an application blank prescribed by the Board of Directors. Immediately upon the issuance of a stock certificate the Secretary shall enter the name of the new stockholder upon the books of the Corporation and shall present stockholder with a copy of the Articles of Incorporation and the By-Laws.

Section 4. In the case of the death of a stockholder or if a stockholder ceases to be eligible as prescribed in the By-Laws or willfully obstructs the purposes and proper activities of the Corporation, the Corporation through its Board of Directors may elect to purchase said stock and terminate the rights upon tender to stockholder or stockholders heirs or legal representatives the fair book value of the stock as determined by the Board of Directors together with any distribution which may be due and unpaid less any indebtedness then due from stockholder to the Corporation. If the indebtedness of the member to the Corporation in such case exceeds the value of the stock plus any other credits to which the stockholder is entitled, stockholder shall continue liable to the Corporation on such indebtedness unless released by the Board of Directors upon the assumption of the indebtedness by a subsequent owner of the tract of land being furnished with water under the stockholders stock. Any stockholder whose stock rights are to be terminated for cause other than that of ceasing to be eligible may appeal from the action of the Board of Directors to a vote of the stockholders at the next regular meeting of the stockholders or at a special meeting of the stockholders called for such purpose.

Section 5. No stock shall be assignable or transferable except to a person who becomes the owner of a home or tract of land served by the system. Transfer of a stock to a subsequent owner of a tract of land served by the system, may be made only if such subsequent owner assumes all the obligation to pay to the Corporation any balance due from the previous stockholder. No stockholder may with-out the consent of the Board of Directors transfer the use of water from one tract of land to another.

ARTICLE V

MEETINGS

Section 1. Regular Stockholder Meetings. The annual meeting of this Corporation shall be held at Etna, Wyoming, before June first at such time and place as

the Corporation shall determine. Notice of such meeting will be posted to the Corporation website, and/or by email to all stockholders, and may be given by publication in a newspaper printed nearest to the place where the principal operations of said Corporation shall be carried on, not less than ten (10) days previous to the date of said meeting. Such notice will specify the time and place of such meeting and will state that the Directors of said Corporation are to be elected at said meeting.

Section 2. Special Stockholder Meetings. Special meetings of the stockholders may be called at any time by action of the Board of Directors, and such meetings must be called whenever a petition for such meeting is signed by owner of at least ten percent (10%) of the outstanding stock and presented to the Secretary of the Board of Directors.

Notice of such meeting, containing a statement of the purposes thereof, shall be given by the secretary of the Corporation by e-mailing or delivering written notice thereof to each stockholder of record at his address as it appears upon the records of the Corporation, at least five (5) days prior to the date of such meeting. Such notice shall state the time and place of such meeting and the business to come before it. No business shall be transacted at any special meeting other than that specified in the notice of such meeting.

Section 3. Quorum. Those present at any meeting legally called shall constitute a quorum, if at least owners of fifty percent (50%) of the outstanding stock, are present, or represented by proxy, and such quorum as herein provided for shall transact any business that may come before such meeting. If, however, such a quorum shall not be present at any meeting, a majority of the stockholders present shall have power to adjourn the meeting from time to time without notice other than announcing at the meeting until a quorum shall be present.

Section 4. Order of Business. All meetings of the Corporation shall be governed by Robert's "Rules of Order" (Revised). The order of business at all stockholder meetings shall include as far as applicable:

1. Roll Call.
2. Proof of due notice and determination of Quorum.
3. Reading and disposal of any unapproved minutes.

4. Nominations for vacancies on the Board of Directors.
5. Reports of Board of Directors by President or Vice President.
6. Report of Secretary.
7. Report of Treasurer.
8. Reports of Committees.
9. Unfinished business.
10. New business.
11. Elections.
12. Adjournment.

Section 5. Voting Rights. Each stockholder shall be entitled to vote their full amount of shares on any matter brought before the Corporation requiring a stockholder vote, including the election of Directors. Voting will be conducted by electronic ballot, and returned to the Secretary no later than one day prior to the subject stockholder meeting. All ballot measures will be discussed at the meeting and any shareholder may request a change to their ballot at the meeting following the discussion. A stockholder may be represented by proxy at any stockholder meeting provided the stockholder provides to the Secretary, one day in advance of the meeting, a properly notarized letter granting the identified proxy the authority to act on their behalf at the meeting, including voting their shares. All proxy authorizations shall terminate after subject meeting unless the stockholder shall specifically state in the proxy letter a longer specified period of time. Approval of any previous meeting minutes shall be by show of hands.

ARTICLE VI

DIRECTORS

Section 1. Functions of the Board of Directors. The business of this CORPORATION shall be directed by the Board of three Directors, all of whom shall be stockholders of the Corporation. Its functions shall include the (a) selection of, and delegation of authority to, management; (b) determination of policies for guidance of management; (c) control of expenditures by authorizing budgets; (d) keeping of stockholders fully informed on the business of the Corporation; (e) causing audits to be

made and reports thereof to be made directly to the Board; and (f) studying the requirements of stockholders and promoting good stockholder relations.

Section 2. Election and term of Board Members. Three members shall be elected from among the stockholders of good standing, and not indebted and delinquent to the Corporation, to serve as the Board of Directors, for a three year term. To maintain continuity of the Board of Directors, one new director will be elected at each annual meeting. Each Director shall serve until their successor is elected at the annual meeting of the stockholders, commensurate with the expiration of their term. There shall be likewise elected one or more directors to fill any then existing vacancy of the Board of Directors by reason of death, resignation or other causes, for the unexpired term, if any.

Section 3. Election of Officers. Immediately after their election, the Directors shall organize by electing a President, who shall be from among their own number, and a Vice President, and a Secretary-Treasurer. The term of office of each officer shall be for three years or until the successor is elected and qualified. In addition to the officers provided for herein, the Board of Directors shall appoint and fix the duties and salary of such other officers, attorneys, and agents as it may deem necessary to carry on the business of this Corporation. Such appointees need not be members of this Corporation.

Section 4. Disqualification of Officers or Directors. A Director or Officer shall vacate office, if, during the term of this office, they shall be a party to a contract for profit with the Corporation differing in any way from the business relations accorded members of the Corporation, or if they compete in any way with the business of this Corporation on their private account.

Section 5. Meetings of the Board of Directors. Regular meetings of the Board of Directors shall be held at such time and place and at such regular intervals as may be prescribed by resolution adopted from time to time by the Board of Directors. Special meetings of the Board may be called by the President, or Vice President, if the President is unable or neglects or refuses to call a meeting when requested by any other member of the Board. Should both the President and the Vice-President be unable or neglect or refuse to call a meeting of the Board, any two (2) members of the

Board may call such a meeting. Notice of all regular and special meetings of the Board shall be given to each Director by the Secretary of the Corporation by email or phone contact, at least five days prior to said meeting. Two (2) Directors shall constitute a quorum for a meeting of the Board. At any meeting at which every member of the Board shall be present, although held without notice, any business may be transacted which might have been transacted if notice of such meeting had been duly given.

Section 6. Powers of the Board. The Board of Directors shall have general power to act for the Corporation in any manner not prohibited by statute, by the Articles of Incorporation, or by the By-Laws in the direction of the affairs of the Corporation. If the Corporation shall at any time borrow or receive by way of grant any property from the United States, through any of the agencies of the United States, the Board of Directors shall adopt and pursue such control and accounting methods and cause such audits to be made as shall be prescribed by such agency.

Section 7. Committees. The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, which shall function in an advisory capacity and shall report to the Board of Directors, but such committee shall not exercise any of the powers of the Board.

Section 8. Vacancies on the Board. If the office of any Director becomes vacant by reason of death, resignation, disqualification, or otherwise except by removal from office, a majority of the remaining Directors, though less than a quorum, shall choose a successor, who shall hold office until the next annual meeting of the Corporation, at which time the stockholders shall elect a Director for the unexpired term or terms, provided that in the call of such annual meeting a notice of such election shall be given.

Section 9. Removal of Directors and Officers. Any Director or Officer may be removed from office in the following manner: Any stockholder may bring charges against any Director or Officer by filing them in writing with the Secretary of the Corporation, together with a petition signed by owners of fifty percent (50%) of the outstanding stock, requesting the removal of the Director or Officer in question. Such removal shall be voted upon at the next annual or special meeting of the stockholders and shall be effective if approved by a vote of a majority of the stockholders present at such meeting. The Director or Officer in against whom such charges have been brought

shall be informed in writing of such charges ten (10) days prior to the meeting and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons bringing such charges against him shall have the same opportunity. If the removal of a Director is approved, such action shall also vacate any other office held by the removed Director in the Corporation. A vacancy in the Board thus created shall immediately be filled by a vote of a majority of the stockholders present and voting at such meeting. A vacancy in any office thus created shall be filled by the Directors from among their own number so constituted after the vacancy in such Board has been filled.

Section 10. Compensation of Directors and Officers. The Directors, the President, and Vice-President shall serve without compensation. The Secretary-Treasurer may be paid a reasonable sum as determined by the Board of Directors for the actual time spent on the business of the Corporation and for the expense incurred thereby.

ARTICLE VII

OFFICERS

Section 1. Duties of the President. The President shall preside at all meetings of the stockholders and the Board of Directors; they shall execute stock certificates, notes, bond, mortgages, contracts and all other instruments on behalf of the Corporation; shall be ex-officio a member of all standing committees; and shall have such powers and perform such other duties as may be properly required by the Board of Directors.

Section 2. Duties of the Vice-President. The Vice-President shall, in the absence or disability of the President, or in the event of death, resignation, or removal from office, perform the duties and exercise the powers of the President, and shall have such other powers and perform such other duties as the Board of Directors shall prescribe.

Section 3. Duties of the Secretary-Treasurer. The Secretary shall attend all meetings of the Board of Directors, and committees of the Board of Directors, and all meetings of the stockholders, and shall record all votes and the minutes of all proceedings in a book or books to be kept for that purpose, and shall perform duties for all standing committees when required; shall receive and transmit to the Board of Directors all applications for stock in the Corporation, and shall provide for proper stock

records; shall conduct such correspondence as may be delegated by the Board of Directors; shall have general charge and supervision of the narrative records, documents and papers of the corporation, except financial and accounting records; shall make full reports on all meetings and business pertaining to the office to the members; shall deliver to their successor all records and any other pertinent Corporation property; and shall have such other duties as may be prescribed by the Board of Directors.

The Treasurer shall have custody of the Corporate funds and securities and financial and accounting records, and shall keep or cause to be kept a full and accurate record of all receipts and disbursements thereof; shall disburse the finds of the Corporation as may be ordered by the Board of Directors at the regular meeting of the Board or whenever they may require it, a monthly statement of all transactions as Treasurer and the financial condition of the Corporation; shall prepare and distribute to the stockholders present at each regular meeting a quarterly statement of the financial condition of the Corporation; and shall perform such other duties as the Board of Directors shall prescribe, and upon completion of term the Treasurer, shall turn over all money, books and other property belonging to the Corporation; provided however, all checks for payment of Corporation bills shall be signed by both President and Treasurer of the said Corporation provided further the Treasurer is authorized to pay routine Corporation bills with checks countersigned by the President under Fifty Dollars (\$50.00) without a resolution of the Board of Directors.

Section 4. Absence of Officers. In case of absence or inability of any officer or officers of the Corporation to act, or any person herein authorized to act in their place, the Board of Directors may, from time to time, delegate, for the time being, the powers or duties, or any of them, of such officer to any other officer or to any Director.

Section 5. Bonds. The Treasurer, manager and other Officers or employees, having the custody of funds or goods of the Corporation, shall each give or execute a fidelity bond in favor of the Corporation, in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors.

ARTICLE VIII

CREDIT

Section 1. Subject to the provisions of any agreement between this corporation and the United States Government, or other loaning institution, the Board of Directors shall fix the extent to which credit may be given or taken in the above business transactions of the Corporation.

ARTICLE IX

AUDITS

Section 1. Reports of Business to be made by Board of Directors. There shall be presented at each meeting of the Board of Directors, and when called for by vote of the stockholders at any special meeting of the members, a full and clear statement of the business and condition of the Corporation.

Section 2. The Board may provide for such audits as may be desirable in the best interests of the Corporation.

ARTICLE X

OPERATION AND MAINTENANCE AND ASSESSMENTS FOR OPERATION AND MAINTENANCE

Section 1. The Board of Directors shall have authority to employ at such compensation as the Board shall determine a water master and such other persons as are necessary from time to time to operate and maintain the water distribution system. The water master will report to the Board of Directors.

Section 2. At the regular meeting of the Board of Directors held on, or before February 15th, the Board shall estimate the probable cost of operation and maintenance of the system for the coming fiscal year and shall determine the assessment of each stockholder which will be necessary to meet such estimated expenses. This assessment shall be referred to as the "annual assessment". The Board of Directors shall, in computing the amount of the assessment, provide for an amount over the estimated expenses so as to build up a reasonable reserve to be used only for operation and maintenance. The Board of Directors may levy "special assessments" during the course of the year if the annual assessment made as a result of the estimate of expenses is inadequate because of extraordinary expenses or for other reasons.

Section 3. Annual assessments are dispersed March 1st of each year, and are

due by March 31st, interest rates of 18% per annum will be assessed to any shareholders unpaid balance past the March 31st deadline. Accounts over ninety (90) days past due will be locked out of the system and will receive a \$100 shut off/reconnect fee. The lock will be removed when the entire balance is paid in full. Accounts over 120 days past due will receive an Intent to Lien Notice by way of certified mail; balance must be paid within twenty (20) days of the date of notice, to avoid a lien being placed on the property. A \$10 service fee will be applied to shareholders past due balance. After 140 days past due, a lien will be filed on the property and a \$40 lien fee will be applied to past due balance. Accounts over 180 days past due, the Corporation shall have the right to terminate service, and/or seek other legal action. In the event that it is necessary to initiate legal action to collect the unpaid assessment(s), the shareholder shall be required to pay the Corporation's reasonable attorney's fees incurred in said collection action, whether with or without suit.

Section 4. Service fee of \$35 for all returned checks.

Section 5. Payments made by debit or credit card will be charged an additional 3.5% processing fee.

Section 6. Any other fines and fees assessed fall under the same rules and regulations.

ARTICLE XI

RULES FOR WATER USE

Section 1. The Corporation will install, maintain and operate a main distribution system, defined by the original Ivan L. Call map, or as may be required to be modified by government agencies, from the source of the water supply. The individual stockholder shall pay all of the maintenance and installation costs to deliver water from the mainline, to their individual property, and must get the approval of the Board of Directors before the repairs or installation of any such facilities is commenced. The Corporation requires the installation of a cut-off valve in each tie-in to the mainline. The Corporation shall have the sole and exclusive right to use such cut-off valve, and to turn it on and off.

Section 2. Each stockholder shall, in return for his stock fee and the payment of assessments for operation and maintenance of the system, be entitled to draw from the system water for purposes provided in these By-Laws.

Section 3. In the event that there should be a temporary shortage in the supply of water for any reason, the Board of Directors may make rules to be effective during the period of such shortage with regard to the nature of the use to be made of water by the members, the times when water may be used for all purposes, or for any particular purpose, and any other rules which, in the opinion of the Board, will assist in making an equitable distribution of the diminished supply of water. The Board of Directors may order the water supply shut off to any stockholder who fails to abide by any such rules, and the Board may keep the water shut off in such a case, in its discretion, until the shortage no longer exists. In the event of a shortage of water, the Board of Directors shall be guided by the following principles: Water shall be allocated in accordance with water rights priorities established by the State of Wyoming, those priorities were listed on the Ivan L. Call map submitted to the State Water Board when Stewart Creek Pipeline Company received approval to construct the pipeline in 1965.

ARTICLE XII

USE OF SURPLUS FUNDS

Section 1. In as much as this Corporation is not organized for direct gain to itself, it cannot have any net income. If, however, at the end of a fiscal year funds received from assessments for operation and maintenance are in excess of the sum necessary to meet operation and maintenance expenses for such year and funds received from assessments for construction and from payments upon stock fees are in excess of sums necessary to meet construction charges payable during such year on payments due during such year upon the indebtedness of the Corporation it shall dispose of such sums as follows: Sums received as a result of assessments for operation and maintenance shall be retained for operation and maintenance during the next fiscal year unless the reserve fund maintained for operation and maintenance has, in the opinion of the Board of Directors, need of such sums. If such funds are not needed in the reserve fund, they shall be retained for operation and maintenance during the next fiscal year

and the assessments for such year for operation and maintenance shall be reduced accordingly. Sums received as payments upon stock fees, or by reason of assessments for construction, or by reason of assessments for repayment of the indebtedness of the corporation incurred for construction, which are not needed to meet current payments for such purposes, shall be paid upon such indebtedness in advance of the due dates, if by reasons of such advance payments, a saving in interest will result. If no such saving can be obtained, the Corporation shall retain such funds in an insured bank account for application upon the sums being held by the Corporation shall not be income of the Corporation, but shall be held in trust by the Corporation to be applied to proper corporate purposes for the benefit of the stockholders.

ARTICLE XIII

MISCELLANEOUS

Any officer, director, or employee of the Corporation shall have the right to enter upon the lands of all stockholders for any purpose connected with the water distribution system.

ARTICLE XIV

AMENDMENTS

Any provision of these By-Laws may be amended, altered, or repealed at any regular meeting or at any special meeting called for such purpose, by an affirmative vote of a majority of the stockholders.

Document approved by Stockholders: _____