

USE RESTRICTIONS: The following terms, conditions, restrictions and protective covenants shall apply to the property:

4.01 (a) No hunting blinds, deer feeders, buildings, houses, mobile homes, manufactured homes, motor homes, houses, or other type of structure, whether temporary or permanent, can be placed within two hundred feet of the edge of any public road; however Declarant, in its sole discretion may grant a variance to allow permanent homes, with restrictions on the size, plan and building materials. Any variance must be in writing, describe the tract and contain the restrictions and be signed and acknowledged by Declarant and filed in the Official Public Records of Edwards County, Texas.

(b) No hunting blinds, deer feeders, buildings, houses, mobile homes, manufactured homes, motor homes, houses, or other type of structure, whether temporary or permanent, can be placed within one hundred feet (100') of the edge of any tract boundary.

(c) Water lines, tanks and other equipment and facilities related to the water system operated by the Association may be placed within or near the right-of-way of the subdivision roads (so long as same does not interfere with vehicular travel), along, upon and either side of tract boundaries and at such other locations as the Declarant or the Association deems to be convenient or necessary for the efficient design, maintenance and operation of the water distribution system.

4.02 No commercial business shall be allowed. Commercial business is defined as:

(a) A business wherein the public is allowed to come to a tract within the subdivision to view or purchase personal property; or,

(b) A business which manufacturers or processes items which results in or produces odor, smoke, noise, or traffic which is excessive or offensive to the neighbors and owners in the subdivision; or

(c) A business which requires transport or delivery trucks to pick up or deliver items to the property within the subdivision.

4.03 No commercial hunting is allowed. Commercial hunting exists when a landowner allows one or more persons to hunt game animals or game birds of any kind on any property for a fee or consideration of any kind.

4.04 Trapping of game animals (including exotic) or game birds is prohibited, except such trapping as may be authorized or employed by the Association for predator control purposes.

4.05 Notwithstanding anything to the contrary contained herein, no amendment to these restrictions may allow the subdivision of a tract, and no tract may be divided, in a way which will result in a tract being less than 100 acres except upon the written consent of the owners of all the tracts within the subdivision.

4.06 No noxious or offensive activity shall be permitted upon any of the acreage which comprises the subject property nor shall anything be done thereon which may be or may become an annoyance or nuisance in the area.

4.07 None of the acreage which comprises the subject property shall be used or maintained as a dumping ground for rubbish, garbage or trash.

4.08 No junkyards shall be maintained upon any of the acreage which comprises the subject property.

4.09 No swine (pig or hog) farm commercial operation or enterprise shall be maintained upon any of the acreage which comprises the subject property.

4.10 No animal feed lot commercial operation or enterprise shall be maintained upon any of the acreage which comprises the subject property.

4.11 Any prohibition, term or condition contained in or on the Plat of the Property, or contained herein otherwise.

4.12 Water Wells: (a) Blanket Water Well Easement: Declarant reserves the right to drill, redrill, open, operate, produce from and maintain water wells upon the property, or any tract within the property, at such times and locations as Declarant may find convenient and necessary. Declarant therefore reserves a blanket easement upon all the property for this purpose, with all appurtenant rights and privileges necessary to carry out the intent of this provision, along with the right to remove and transport the water by any means deemed appropriate by Declarant. Such easement shall include not only access to and control of such wells, but also all necessary and appropriate easements for water pipelines throughout the property to distribute the water. Likewise, all water wells and associated equipment and facilities existing on the property as of the date hereof are hereby declared to be fully subject to these provisions. The owners of any tract having situated thereon, whether presently or in the future, a water well or associated equipment and facilities established under or otherwise subject to this provision shall at all times allow Declarant and the Association, as the case may be, and their representatives, employees and contractors, access to any such water wells, equipment and facilities for the purpose of maintenance, operation, repair, replacement and similar purposes.

(b) Association to Manage Water Well System: Once responsibility for the control and maintenance of the subdivision roads is transferred to the Association, the rights hereby reserved to Declarant regarding the opening, mining, producing and operating of water wells, unless then further reserved by Declarant, are likewise fully and automatically transferred to the Association. The water wells shall then be for the use and benefit of all Owners, acting through the Association, which has an unrestricted right to water produced therefrom, including the right to distribute the water by pipeline throughout the property. Any owner of said tracts takes title subject to these matters which run with the land.

(c) Owner's Wells: Notwithstanding the foregoing, any water well drilled solely at the cost of an Owner of a tract, and not by Declarant or the Association, shall be absolutely and exclusively the property of said Owner, and neither the Declarant nor the Association shall have any rights with respect to said well.

4.13 Grazing Lease: For Declarant's exclusive use, possession and benefit as a lessee, Declarant reserves a grazing lease upon all of the property, to be used and operated in accordance with all applicable provisions in this Declaration. In order to preserve the current agricultural or open-space land valuation for

ad valorem tax purposes, each Owner of any tract not fully enclosed by fencing sufficient to turn cattle shall, upon acquisition of title to the tract, become a lessor under this provision with Declarant (or its assigns) as lessee. Said grazing lease is for a term of one year from the date title to a tract is conveyed to an Owner or Owners, the lease permits the grazing of cattle only and no other livestock, and the term of the lease shall be automatically renewed on its anniversary date each year for an additional one year period until terminated as provided herein. This lease is made between Declarant and each Owner upon an annual rental of \$10.00 per individual tract and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by Declarant and Owner upon and by virtue of title to a tract being conveyed to an Owner. The lease shall be without right of termination by an Owner/Lessor unless the Owner/Lessor's tract is separately qualified for open-space/agricultural land valuation by the Edwards County and other tax authorities having jurisdiction. Likewise, the grazing lease may be terminated once a tract qualifies for open-space/agricultural land valuation through wildlife management. Declarant (or its assigns) may terminate the grazing lease unilaterally, with or without cause and without obligation or liability to the affected Owners, as to any part or portion of the property by filing a statement indicating such termination in the Official Public Records of Edwards County, Texas.

4.14 Caliche Pits: Declarant reserves the right to open, mine, produce and operate caliche and road material pits or locations at such times and at such locations on the property, and any tract therein, as Declarant may find convenient and necessary. Declarant reserves a blanket easement upon all of the property for this purpose, including the right of access to such pits and for the removal of material therefrom. The product from such pits is to be removed and exclusively used for construction and maintenance of platted roads within the property or adjacent lands developed by Declarant. Once responsibility for the control and maintenance of the subdivision roads is transferred to the Association, the rights hereby reserved to Declarant regarding the opening, mining, producing and operating of caliche and road material pits are likewise fully transferred to the Association. The owners of tracts within the subdivision upon which a caliche or road material pit is opened shall at all times allow the Association and their representatives, employees and contractors, access to such pits for the purpose of working, mining and removing material. The pits are for the use and benefit of all Owners, acting through the Association, which has an unrestricted right to material produced therefrom. Any owner of said tracts takes title subject to these matters which run with the land.