

GUIDE ROCK LTD.

2ND AMENDED LIMITED PARTNERSHIP AGREEMENT

THIS AGREEMENT made and entered this 8th day of August, 1998, by and between the FLYING X RANCH CORP., a Wyoming corporation (General Partner of Guide Rock, Ltd.) and the Limited Partners (see Exhibit "1") of Guide Rock, Ltd., a Wyoming Limited Partnership.

RECITALS

WHEREAS, Guide Rock Ltd., is a Wyoming Limited Partnership. The original Certificate of Limited Partnership was dated April 13, 1985 and was filed with the Wyoming Secretary of State on May 9, 1985. The initial Guide Rock-Limited Partnership Agreement was dated April 3, 1985. The general partner of the partnership was Flying X Ranch Ltd., a Colorado non-profit corporation. The partnership purchased real and personal property from Flying X Ranch, Ltd., pursuant to a Contract of Sale dated April 6, 1985 and an Addendum to Contract of Sale dated December 29, 1986, and

WHEREAS, on September 17, 1987 Guide Rock Ltd., adopted an Amended Certificate of Limited Partnership which was filed with the Wyoming Secretary of State on September 24, 1997. An Amended Limited Partnership Agreement was executed on September 17, 1987. Since September 24, 1987 the Certificate of Limited Partnership has been amended several times for the purpose of updating the limited partner ownership list, and

WHEREAS, the parties desire to amend the Guide Rock-Amended Limited Partnership Agreement and to file with the Wyoming Secretary of State the appropriate amended Certificate of Limited Partnership reflecting the changes set forth herein, and

WHEREAS, upon execution of this Agreement, the general partner of the partnership will be Flying X Ranch Corp., a Wyoming Corporation, and

WHEREAS, it is the intent of the parties that this 2nd Amended Limited Partnership Agreement replace, in its entirety, the Guide Rock-Amended Limited Partnership Agreement, dated September 17, 1987.

NOW THEREFORE, IT IS MUTUALLY AGREED between the parties as follows:

1. NAME: The name of the Limited Partnership shall continue to be Guide Rock, Ltd., a Wyoming Limited Partnership.
2. PRINCIPAL PLACE, OF BUSINESS: The principal place of business of this partnership shall be at 799 Halleck Canyon Road, Wheatland, Wyoming 82201, or at such other place or places as the General Partner may designate.
3. RESIDENT AGENT: The resident agent for service of process for the partnership shall be Rex E. Johnson of Sherard, Sherard & Johnosn, 602 10th Street, P.O. Box 69, Wheatland, Wyoming 82201.
4. CHARACTER OF BUSINESS: The business of this partnership shall be for the following purposes:
 - a. To acquire property and to hold said property for recreation and investment;
 - b. To conduct a ranching operation and to provide recreational opportunities for people in accordance with rules and regulations adopted by the General Partner.
 - c. To mortgage, sell, transfer and exchange or otherwise convey and encumber such property in furtherance of any and all of the objectives of the Limited Partnership.
 - d. To engage in and do any act concerning any or all businesses for which limited partnerships may be organized under the laws of the State of Wyoming.
5. TERM: The term of the partnership commenced as of the date the Certificate of Limited Partnership was filed with the Wyoming Secretary of State (5/9/85), and shall be perpetual, unless sooner terminated by any one of the following events:
 - a. The bankruptcy, resignation, dissolution or removal from the partnership of the general partner, unless within sixty days thereafter a successor general partner or partners shall be elected to continue the partnership business. A vote of a majority of the partnership units, entitled to vote, shall be required to elect a new general partner(s).
 - b. The sale or dispersal of all of the real and personal property.

- c. A vote to terminate the partnership by a majority of the partnership units, entitled to vote.

6. **GENERAL PARTNER:** The General Partner shall be Flying X Ranch Corp., a Wyoming corporation. The General Partner may be removed by a majority vote of the partnership units entitled to vote. The General Partner shall not be required to make contributions to the partnership, but shall contribute its services as General Partner.

7. **LIMITED PARTNERS:** The ownership of the partnership is presently divided into 311 "units", some of which are owned by the General Partner (the number owned by the General Partner varies from time to time). A limited partner may own one or more units. The names and addresses of the current limited partners, together with the number of units owned by each, are set forth on Exhibit "1".

The limited partners may be natural persons, corporations, trusts, partnerships or any other recognized business entity, subject to the approval of the General Partner. The General Partner has the sole discretion to accept or reject an individual or entity as a limited partner. The death or withdrawal of a limited partner shall not dissolve the partnership or terminate the partnership business.

The General Partner shall have the right to sell/assign limited partnership units. In addition, the limited partners shall have the right to sell/assign their various partnership units subject to the terms of this Agreement and the approval of the General Partner.

8. **PARTNERSHIP CONTRIBUTIONS:** It shall be the responsibility of the General Partner to establish the financial needs (budget) of the partnership, subject to the approval of a majority of the limited partners, and to thereafter assess each unit of ownership its proportional amount (budgeted amount divided by the number of units owned by the limited partners). Units owned by the General Partner, if any, shall not be subject to assessment.

The General Partner may establish the budget on a yearly or on a multi-year basis. The General Partner shall, in its discretion, establish when the payments are due from the limited partners and is further authorized to impose late charges, penalties and interest on any late payment.

All assessments imposed by the General Partner shall be paid by the limited partners in a timely fashion. In the event an assessment, together with all late charges, penalties and interest imposed thereon, shall remain unpaid for a period of six (6) months after the assessment was due and payable, then the unit of ownership shall be deemed forfeited and shall become the property of the General Partner, by operation of law. In the event a unit of ownership is forfeited, then said limited partner also forfeits to the General Partner said limited partner's share(s) of stock in Flying X Ranch Corp.

9. LIMITED PARTNERS ENTITLED TO VOTE: Each unit of ownership shall be entitled to one vote, except that units of ownership owned by the General Partner shall not be entitled to a vote.

The limited partners shall designate in writing the individual who will be casting the vote for each unit of ownership owned by said limited partner. A failure to designate an individual to vote the partnership unit may result in the loss of the right to vote.

When this agreement calls for a vote of a majority, then said majority shall be based on the ownership units entitled to vote and not on the number of individual limited partners.

10. COMPENSATION FOR SERVICES: Guide Rock, Ltd., shall pay to the General Partner a reasonable amount for the purpose of compensating the General Partner for services rendered and for the purpose of reimbursing the General Partner for expenses incurred on behalf of the partnership. The General Partner shall determine the amount of the compensation to be paid.

11. INCOME, LOSSES AND DISTRIBUTION OF AVAILABLE CASH: All profits, gains, losses and available cash flow shall be allocated and distributed to the limited partners on an equal per unit basis.

In the event of a sale, exchange or other disposition of all or substantially all of the assets of the partnership, then the General Partner shall be entitled to 2% of the net gains realized by the partnership, after all expenses have been paid. The remaining net gains, as determined herein, shall be distributed to the limited partners on an equal per unit basis.

All distributions to partners shall be allocated to partners entitled to participate, to the

extent allowable by the I.R.S. Profits and losses for all purposes of this agreement shall be determined in accordance with the accounting method followed by the partnership.

No partner shall receive any interest on his contribution to the partnership.

12. **ADMISSION OF ADDITIONAL PARTNERS:** The General Partner may not admit to the partnership additional General Partners without the consent of a majority of the units entitled to vote. Upon admission of additional General Partners, an amendment to this agreement and certificate reflecting such admission shall be filed with the Wyoming Secretary of State.

The General Partner may admit to the partnership additional limited partners (See Paragraph 7 above). Upon admission of additional limited partners, an amendment to the certificate reflecting such admission shall be filed with the Wyoming Secretary of State.

13. **MANAGEMENT POWERS, DUTIES AND RESTRICTIONS:** The General Partner shall manage the partnership business and shall devote such time to the partnership as shall be reasonably required for its welfare and success. Without limitation on any power that may be conferred upon the General Partner by law, the General Partner shall have the power to:

- a. Enter into leases with respect to all or any portion of the partnerships property, at such rental amount, and upon such terms, as it deem proper.
- b. Compromise, submit to arbitration, sue on or defend all claims in favor of or against the partnership.
- c. Make or revoke any election permitted by any taxing authority, except as otherwise provided for herein.
- d. Do all acts it deems necessary or appropriate for the protection and preservation of the partnership assets.
- e. Obtain and keep in force the appropriate insurance policies (property, casualty and liability) in such amounts and upon such terms and with such carriers, as the General Partner deems reasonable and prudent, for the purpose of protecting the partnership, the property and the general partner.
- f. With the consent of a majority of the units entitled to vote:
 - i. Sell or exchange all or substantially all of the property owned by the partnership.
 - ii. Refinance, recast, modify or extend any mortgages or other indebtedness

which may affect any property owned by the partnership or enter into a new mortgage affecting the same.

- iii. Change the nature of the partnership business.

The limited partners agree that the General Partner may employ a managing agent who will manage the affairs of the partnership. The managing agent shall be hired and controlled by the General Partner. The limited partners further agree that the managing agent for the partnership can, at the same time, be the managing agent for the General Partner. The management fee shall be an expense of the partnership.

No limited partner may participate in the management of the partnership business except as herein provided or as specifically provided for by Wyoming Statute. No limited partner shall have priority over any other limited partner.

14. **BANKING:** All funds of the partnership shall be deposited in its name in such checking account(s) as shall be designated by the General Partner. All withdrawals therefrom are to be made upon checks signed by a person(s) designated by the General Partner.

15. **BOOKS, RECORDS AND FISCAL PERIOD:** The fiscal year and accounting period of the partnership shall be November 1st to October 31st. At all times during the continuance of the partnership, the General Partner shall keep, or cause to be kept, full and true books of account in which shall be entered fully and accurately each transaction of the partnership.

The books of account, copies of the partnerships tax returns and reports for the three most recent years, copies of all then effective written contracts entered into by the partnership, financial statements of the limited partnership for the three most recent years, a current list of the full name and last known business addresses of each partner set forth in alphabetical order, together with an executed copy of the limited partnership agreement and certificate of limited partnership and amendments thereto, shall at all times be maintained on file at the principal office of the partnership and shall be open to inspection by any of the limited partners or their authorized representatives at reasonable times during normal business hours.

The General Partner agrees to deliver to the limited partners, as soon as possible, the

appropriate internal revenue form (K-1) showing the taxable profit or loss of the partnership and the allocation thereof to each limited partner for the preceding fiscal year,

It shall be the responsibility of the General Partner to hire an independent certified public accountant to assist the General Partner on accounting matters.

All elections under the Internal Revenue Code shall be made by the General Partner and all limited partners shall be bound thereby.

16. DISTRIBUTIONS UPON DISSOLUTION: Upon dissolution of the partnership, the General Partner shall proceed to the liquidation and termination of the partnership, and the proceeds of such liquidation shall be applied and distributed in the following order:

- a. To the payment of all debts and liabilities of the partnership and expenses of liquidation.
- b. To the setting up of a reserve account, if the General Partner deems it reasonably necessary, for any contingent or unforeseen liabilities or obligations of the partnership. After the General Partner is satisfied that there is no longer a need for the reserve account, then these funds shall be distributed as set forth in Paragraph 16(c).
- c. The General partner shall be distributed 2% and the Limited partners shall be distributed 98% of all remaining funds. The amount distributed to the limited partners shall be distributed on an equal per unit basis.

A reasonable time shall be allowed for the orderly liquidation of the assets of the partnership and the discharge of liabilities to creditors so as to enable the General Partner to minimize the losses generally associated with liquidations.

The General Partner shall not be liable for the return of the contributions or advancements of limited partners or any portion thereof. Any such return shall be made solely from partnership assets.

17. TRANSFER OF PARTNERSHIP INTERESTS: Except for limited partnership units which it owns, the General Partner may not sell, assign or mortgage, in whole or in part, its interest in the partnership without first obtaining the consent of a majority of the units of ownership entitled to vote.

Except for a transfer of a limited partnership interest by a valid will, under the laws of

intestacy or by operation of law, no transfer of a limited partnership interest, or any portion thereof, may be made without the prior consent of the General Partner. Said consent shall not be unreasonably withheld.

A limited partner desiring to sell/assign a partnership unit shall mail or deliver a written Request to Sell/Assign, to the General Partner, setting forth the price and the terms of the transaction to the third party (whose name must be stated), together with sufficient information about the assignee, so that the General Partner can reasonably determine the assignees ability to pay the required contributions. The General Partner shall have 30 days from the receipt of the Request to Sell/Assign and accompanying information to either consent to or deny the transaction.

No sale/assignment of all or part of an interest in this partnership shall occur if it would cause the termination of the partnership for federal income tax purposes, unless a majority of the units entitled to vote agree to do so.

For tax purposes, the transfer of limited partnership interests and/or the admission of additional or substituted limited partners shall be deemed to have taken place on the first day of the taxable year in which said transfers and/or admission occurs.

Whenever a transfer of a partnership interest takes place, then the appropriate amendment to the partnership agreement and certificate shall be filed with the Wyoming Secretary of State. The transferee of the partnership interest shall be responsible for paying a transfer fee to the General Partner in amount established by the General Partner.

18. AMENDMENTS: Subject to the limitations hereinafter set forth, material amendments to this agreement may be proposed by the General Partner or a majority of the units entitled to vote. Following such proposal, the General Partner shall submit to the limited partners a statement of the proposed amendment and included therewith, the General Partner shall set forth the pros and cons of the proposal and its recommendations. The affirmative vote of a majority of the units entitled to vote, will be required to amend this agreement.

The General Partner, as the true and lawful attorney in fact for the limited partners (see power of attorney) shall have the authority to make non-material amendments or changes in this agreement. Non-material shall be defined as any change which does not affect the rights, duties, liabilities or investments of the limited partners.

19. POWER OF ATTORNEY: The Flying X Ranch Corp., as general partner, shall

be, and is hereby, appointed the true and lawful attorney in fact for the limited partners, and each of them, with full power and authority to make, execute, acknowledge, publish and file:

- a. Any amendments to this limited partnership agreement and certificate of limited partnership pursuant to the laws of any state in which such documents are required to be filed.
- b. Any other instrument which may be required to be filed by the partnership under the laws of any state or by a governmental agency or which the general partner deems it advisable to file.
- c. Any document which may be required to insure the continuation of the partnership, the admission of additional or substituted limited partners, or the dissolution and termination of the partnership pursuant to the terms of this agreement.

The foregoing grants of authority are special powers of attorney, coupled with an interest, and shall survive the death of any limited partner; may be exercised by the General Partner for each and every limited partner; and shall survive the delivery of an assignment by a limited partner of his interest.

20. RECREATIONAL USE OF PARTNERSHIP PROPERTY: The General Partner, at its sole discretion, may authorize the limited partners to use the partnership property for recreational purposes under terms and conditions established by the General Partner, subject to the following:

- a. One family group, as defined by the General Partner, shall be allowed to use the partnership property for recreation purposes for each unit of ownership owned by the limited partners.
- b. The limited partner owning each unit of ownership shall designate the family group which will be allowed to use the partnership property for recreational purposes. The designation must be made in writing and delivered to the General Partner and is subject to the approval of the General Partner.
- c. The assessments imposed by the General Partner on each unit of ownership must be paid in advance for the year before the designated family group shall be allowed to use the partnership property.
- d. The designated family group must execute all required waivers and releases and must comply with the by-laws, rules and regulation of the General Partner and this partnership. A failure to so comply may result in expulsion of the family group and a forfeiture of the limited partner's unit of ownership and share(s) of stock in Flying X Ranch Corp.

21. MISCELLANEOUS PROVISIONS:

- a. This agreement shall be binding upon and inure to the benefit of all the parties and their estates, heirs, successors or assigns.
- b. All notices provided for in this agreement shall be directed to the parties at the address set forth on Exhibit 1, as amended, and to the partnership at its principal office.
- c. This agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of Wyoming.
- d. Any cause of action brought to enforce or interpret the terms and provisions contain herein shall be venued in Platte County, Wyoming. The limited partners hereby submit themselves to the jurisdiction of the courts of the State of Wyoming.
- e. The parties agree to execute all documents needed for the purpose of carrying out the terms of this agreement.

IN WITNESS WHEREOF the undersigned have read and examined this Guide Rock Ltd., 2nd Amended Limited Partnership Agreement and to the best of their knowledge and belief, as a party hereto, it is true, correct and complete.

FLYING X RANCH CORP.

BY: Michael A. Calkins
President

Attest:

Lowell L. Shickell
Secretary