

AMENDED BYLAWS
Of
SHELL CANAL COMPANY
A Wyoming Corporation

These Amended Bylaws, adopted the 8th day of February 2016, replace all prior bylaws of the Shell Canal Company (hereinafter, the "Company") with the following:

ARTICLE I
General Provisions

Section 1 – Purpose: The Company is a mutual ditch company organized and incorporated under the provisions of Wyoming Statutes §§ 17-16-201 et seq. and §§ 17-12-101 through 17-12-104 for the purpose of conveying water through the Shell Canal (the "Canal", as said canal is more specifically defined in the Company's ARTICLES OF INCORPORATION) for the irrigation of lands situated in Big Horn County, Wyoming.

Section 2 - Tax-exempt Organization: The Company shall qualify as a mutual ditch company under Section 501(c) (12) of the Internal Revenue Code; and as such, eighty-five percent (85%) or more of the Company's income shall consist of amounts collected from the Shareholders for the sole purpose of meeting the losses and expenses of the Company.

Section 3 - Principle Place of Business: The principle place of business shall be located in Big Horn County, Wyoming, and the Company may establish such other offices from time to time at any place where the Company is qualified to do business.

ARTICLE II
Shareholders

Section 1 – Right to Water: The Company shall only issue capital stock to, and recognize capital stock owned by, those owners of land having water rights adjudicated or permitted by the Wyoming State Engineer and using the Canal as a means of conveyance as permitted or adjudicated (such landowners having been issued Company stock referred to herein as the "Shareholders"). Shareholders are entitled to water from the Canal from the beginning of the irrigation season until the water is shut off in the fall, all as determined by the Board of Directors (the "Board"). Such right to water is conditioned on the Shareholder's payment of assessments, as provided herein, and subject to the Shareholders' respective rights and priorities as administered in accordance with the laws of the State of Wyoming

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Section 2 - Limitation on Control of Water: No Shareholder or other person, without first obtaining authority from the Board, shall open or close any head gate or interfere in any manner with the property of the Company or property which is under the Company's control.

Section 3 - Limitation on Control of Access: No Shareholder or other person shall interfere with the Company's right of access to maintain, repair, inspect, or control any of the Company's canals, ditches, head gates, diversion boxes, or any other device or waterworks used by the Company to convey, control, or divert the flow of water.

Section 4 - Duty to Provide Access: All Shareholders whose land is either adjacent to or traversed by the Canal or any lateral, waterworks or other property owned, under the control of, and/or operated by the Company, and who fence the same, shall be compelled to furnish a properly functioning gate or cattle guard for the use of the ditch rider, or for the passing through for purposes of canal or ditch maintenance as may be reasonably deemed necessary by the Board. After March 1, 2016, upon any transfer of land, to the extent the new land owner's property boundary intersects or is located within the canal right-of-way, the new land owner shall furnish a properly functioning metal pipe gate or cattle guard; and further, after March 1, 2016, the owner of any newly constructed fences that intersect or are on canal right-of-way shall furnish a properly functioning metal pipe gate or cattle guard.

Section 5 - Stock Ledger: The Company shall maintain a stock ledger in lieu of issuing stock certificates. The stock ledger shall represent the shares held by each Shareholder. The stock ledger shall reflect the name of each Shareholder, along with the number of Shares held by each Shareholder and the date of issuance to that Shareholder. The stock ledger shall reflect all transfers, conveyances, assignments, or adjustments of any Shareholder's shares in the Company. The stock ledger shall be kept with the Company records, and shall be maintained by the Secretary. Attached hereto as Exhibit "A" is the stock ledger reflecting ownership as of the date of these Amended Bylaws.

Section 6 - Transfer of Shares: Transfer or encumbrance of shares shall be allowed only after approval by the Board. Transfer of shares of the Company shall be recorded on the Company's stock ledger upon receipt by and approval of the Company of a document effectuating the legal transfer, assignment or sale of the share(s). The Shareholder, or the executor or administrator of a deceased Shareholder's estate, in whose name shares stand on the books of the Company shall be deemed by the Company to be the owner thereof for all purposes.

Section 7 - Shares to Reflect Ownership of Irrigable Acres: The number of shares held by any Shareholder shall equal the number of adjudicated or permitted, irrigable acres owned by that Shareholder, served by the Company's waterworks, and evidenced by a valid permit or certificate of appropriation issued by the Wyoming State Engineer (such land hereinafter referred to as "Acres"). To the extent the number of shares, as reflected in the stock ledger, held by any Shareholder shall, at any given time, exceed the number of Acres

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owned by that Shareholder, the Company shall redeem those shares in excess of the number of Acres owned by that Shareholder in consideration of \$1.00 per share. To the extent the number of shares, as reflected in the stock ledger, held by any Shareholder shall, at any given time, be less than the number of Acres owned that that Shareholder, that Shareholder shall purchase from the Company such number of shares necessary to reflect the number of Acres owned by that Shareholder in consideration of \$1.00 per share. All such adjustments in the number of shares shall be reflected in the stock ledger with appropriate notation by the Secretary.

Section 8 – Change of Land Ownership: When a change in land ownership occurs, where the land involved has adjudicated or permitted water rights, it is the responsibility of the new land owner to notify the Company within 60 days of the transfer or before April 1st of the current assessment year, whichever comes first. The Company will continue invoicing the previous owner until proper documentation for water transfer is provided to the Company.

Section 9 – Issuance of Additional Stock: Upon the approval of the Board of Directors, any person having obtained Acres not previously served by the Canal may become a shareholder so long the Canal is the permitted or adjudicated means of conveyance for those Acres. Any such person shall subscribe for or otherwise acquire shares reflecting the number of Acres owned by that person upon such reasonable terms and conditions as may be imposed by the Board of Directors consistent with law and these bylaws. Upon admittance of a shareholder, that shareholder shall sign such agreements as may be reasonably required by the Board of Directors, and these bylaws shall be binding upon that shareholder, its heirs, personal representatives, successors and assigns. Provided, however, that no person otherwise eligible shall be permitted to subscribe for or acquire shares if the capacity of the Company's facilities is exhausted by the need of its then existing shareholders.

Section 10 – Entitlement to Vote: Each Shareholder shall be entitled to one vote for each share of stock, recorded in his or her name on the books of the company, and each vote shall be cast only by the owner or lessee of the stock represented by said vote. All entities shall be voted by one person only, or by a duly authorized proxy; which proxy must be in writing, and in no case shall verbal proxies be recognized. A proxy form is appended to these Bylaws. For purposes of this Section, an entity shall include, but not be limited to, multiple owner ranches, partnerships, limited liability companies, corporations, and/or subdivisions. Any Shareholder may provide a signed proxy form to the Secretary, who shall keep said proxy form with the records of the Company until the adjournment of the annual shareholders' meeting.

Article III

Assessments

Section 1 - Annual Assessments: As further provided herein, the Board shall at the annual meeting of Shareholders make and submit an estimate of the amount of money required to be raised for necessary expenditures for the operation, maintenance and management of the Company. That amount shall be voted by

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the Shareholders to be levied in equal assessments upon the outstanding shares of the Company, subject to the provisions of Article V, Section 13, paragraph H. In addition, the Board may levy assessments for the acquisition by the Company by purchase, lease, or otherwise of additional land, improvements thereto, and machinery and equipment; provided, however, no such levy shall be made unless two-thirds of the shares have given their affirmative approval.

Section 2 - Special Assessments: The Board of Directors shall have power to levy special assessments from time to time to provide for extraordinary expenditures which may be necessary, or in case the assessments levied at the annual meeting are insufficient to pay any lawful obligation of the Company or the expenses of operation, maintenance and management of the Company's waterworks, machinery and equipment, and debt retirement. In the event a special assessment is made, the Secretary shall give written notice thereof to all Shareholders and include in said notice the amount and due date of the special assessment.

Section 3 - Payment of Assessment: Assessments shall be due on or before such date as reasonably determined by the Board at its regular meeting immediately following the annual meeting of Shareholders. The Secretary shall notify in writing each Shareholder of the amount due and date the assessment is due. Payments shall be made in cash, check or work as may be determined by the Board. Assessments shall be payable in full, within thirty days after notice has been sent.

Section 4 - Failure to Pay Assessment: In case of failure to pay any assessments by the day called for, a penalty shall be added thereto of 18% percent and thereafter the same shall bear interest at the rate of 18% per annum until paid. At any time thereafter the Board may commence action against such defaulting Shareholder for the forcible collection of the amount due. In addition to other remedies provided herein or by the laws of Wyoming, the Board may suspend a Shareholder's right to receive water from the Company's waterworks in accordance with Wyoming Statute § 41-5-105 upon that Shareholder's failure to pay any amount assessed to that Shareholder. Such suspension may be enforced until said Shareholder has paid all assessments, outstanding bills, and interest due. Before any such suspension, the Shareholder shall receive ten (10) days prior written notice sent via certified mail, return receipt requested, to the last known address of the defaulting Shareholder.

ARTICLE IV

Meeting of Shareholders

Section 1 - Annual Meeting: The annual meeting of the Shareholders shall be held on the second Monday of the month of February for the purpose of electing Directors, determining the assessments to be levied upon the stock of the Company, to determine the work needed to be carried out by the Company and a schedule for said work, and for the transaction of such other business as may come before the meeting. If there is not a quorum at the annual meeting, the Board of Directors will serve another term until the next annual meeting.

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Section 2 – Special Meetings: Special meetings of the members, for any purpose or purposes may be called by the President, by resolution of the Board, or by not less than one-fourth of all Shareholders; notice to be provided as prescribed below.

Section 3 – Place of Meetings: All meetings of the Shareholders shall be held at the principal office of the Company, as then reflected by the records of the Wyoming Secretary of State, or at such other convenient location as may be designated in the notice of the meeting. But if all Shareholders shall meet at any time and place and consent to the holding of a meeting, such meeting shall be valid without call or notice, and any business may be transacted which might have been transacted at a meeting properly called.

Section 4 – Notice of Meetings: Written or printed notice stating the time and place of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than thirty days before the date of the meeting. Such notice shall be delivered either personally or by mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each Shareholder of record. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Shareholder at his address as it appears on the Company stock ledger, with postage prepaid.

Section 5 – Quorum of Shareholders: A majority of the outstanding shares of the Company constitutes a quorum at a meeting of Shareholders. Duly authorized proxies shall be considered in determining the existence of a quorum, which proxies must be in writing; in no case and for no purpose shall verbal proxies be recognized.

Section 6 – Vote Required for Action: If a quorum is present, the affirmative vote of a majority of the shares at the meeting shall be the act of the Shareholders, unless the vote of a greater number is required by law, the Company's articles of incorporation, or these bylaws. The Shareholders may continue to transact business until adjournment, notwithstanding the early departure of some Shareholders so as to leave less than a quorum.

Section 7 - Order of Business: The following shall be the order of business at the annual meetings of the Shareholders of the Company, to wit:

1. Meeting called to order.
2. Reading of minutes of previous meetings.
3. Report of Secretary/Treasurer, Directors, other Officers.
4. General business of the Company.
5. Vote on annual assessment.
6. Set tentative date to fill Canal for irrigation.
7. Election of Directors.

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8. Election of Officers by the Board of Directors.

Provided however, that in the absence of objection, the presiding officer may vary the order of business at his discretion.

Section 8 – Right to Vote: Each Shareholder shall be entitled to vote upon each matter submitted to a vote at a meeting of Shareholders. Cumulative voting shall not be allowed. Proxy voting is permitted, provided a written proxy is provided to the Secretary, who shall keep said proxy with the records of the Company until the adjournment of the annual Shareholders' meeting. Shares held by an administrator, executor, guardian, conservator, receiver or trustee may be voted by him without a transfer of such shares into his name if authority to do so is contained in appropriate documentation provided to the Secretary.

Section 9 – Shareholder Election of Directors: At each election for Director(s), every Shareholder shall have the right to vote the shares held by that Shareholder for each Director to be elected. Secret balloting shall be had on each Director, from nominations made at the meeting, and each nominee receiving a majority of votes represented by shares in attendance shall be declared elected as a Director for a four year term.

Section 10 – Robert's Rules of Order: All meetings of the Shareholders and meetings of the Board shall follow ROBERT'S RULES OF ORDER, unless expressly provided otherwise in these bylaws, the Company's articles of incorporation then in effect, or as may be expressly forbidden by applicable law.

ARTICLE V

Board of Directors

Section 1 – Board of Directors, Generally: The Board is to supervise and direct all the affairs of the Company, including the operation and maintenance of the Canal, and all other management concerns of the Company. Each Director must be a Shareholder (or in the case of a Shareholder which is an entity, a controlling principal of that entity; and in the case of a trust being a Shareholder, a currently acting trustee of that trust).

Section 2 – Meetings of Board of Directors: A regular meeting of the Board shall be held without notice immediately after the annual meeting of the Shareholders, and at the same place as the said annual meeting of Shareholders. The Board may provide by resolution the time and place for the holding of additional regular meetings without notice other than any such resolution.

Section 3 – Special Meetings of Board of Directors: Special meetings of the Board may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board shall fix the time and place of the holding of any such meeting.

Section 4 – Notice of Special Meeting of Board of Directors: Notice of a special meeting of the Board shall be delivered personally at least two days previously thereto, or mailed at least five days previous thereto to each Director at his address as shown by the Company's records. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such a meeting. In case of urgent necessity, and notwithstanding the foregoing, meetings of the Board may be called, and upon meeting any two Directors may transact business, without the advance notice required above provided a reasonable attempt to give notice to each Director is made. Urgent necessity, as used in this Section, shall be present where immediate action by the Company is reasonably deemed necessary to prevent imminent damage to person or property.

Section 5 – Quorum of Directors: A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board. But if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 6 – Approval Required for Action: The act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law, the Company's articles of incorporation, or these bylaws.

Section 7 – Vacancy on Board of Directors: Any vacancy or vacancies occurring on the Board for any reason other than the removal of a Director by the Shareholders may be filled by the affirmative vote of the remaining Directors. In the case where the remaining Directors do not constitute a quorum, a vacancy may be filled by the affirmative vote of a majority of the remaining Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 8 – Removal of Director: A Director may be removed from office, but only for good cause shown, by a majority vote of the shares represented at any meeting of Shareholders at which there is a quorum; provided that notice of such proposed action shall have been duly given to the Shareholders in the notice of the meeting. The Director involved shall be given full opportunity to be heard at such meeting, in person or by counsel. Any vacancy created by the removal of a Director shall be filled by the vote of the Shareholders at the same meeting at which such removal may take place.

Section 9 – Resignation of Director: Any Director may resign from his position as Director and any office to which he has been elected by the Board by making a simple statement to that effect in a letter addressed to the Secretary. Such resignation shall take effect immediately upon receipt of said letter by the Secretary, who shall thereupon notify the remaining Directors.

Section 10 – Director Conflict of Interest: If any Director or Officer participates in the proceeds realized by an outside business firm or organization from dealings with the Company without the full knowledge and

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support of the Board, or if he competes in any way to the detriment of the business of the Company on his private account without the prior knowledge of the Board, he shall immediately be vacated from his position as Director and any other office he may hold in the Company.

Section 11 – Director Dissent: A Director who is present at a meeting of the Board at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent be entered in the minutes of the meeting, or unless he files his written dissent to such action with the person acting as secretary of the meeting prior to adjournment thereof or forwards such dissent by registered mail to the Secretary of the Company within twenty-four hours after adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of the action.

Section 12 – Director Compensation: No Director or Officer of the Company shall be paid or receive, directly or indirectly, due to his office, any profit or pecuniary advantage from the Company unless there is prior approval of the Board by unanimous consent. In no case shall any profit or pecuniary advantage exceed \$2,000.00 per project. Directors and Officers shall be reimbursed by the Company for any authorized expenses actually incurred by them in the performance of the official business of the Company.

Section 13 – Powers of Board: The Board may:

- A. Delegate to the Officers the powers necessary for them to operate the Company.
- B. Direct audit of the Company expenditures and appropriations.
- C. Create and delegate duties to committees to see that the powers of the Board are carried into effect.
- D. Authorize the obtaining of credit and obtain loans not to exceed the amount authorized by majority vote of the Shareholders of the Company.
- E. Employ employees or engage the services of contractors as required for operation, maintenance, and improvement of Company controlled property. The duties and responsibilities of such employee(s) and/or contractor(s) shall be determined by the Board
- F. Authorize the repair for damages caused by the Company or the Company's facilities and sustained by any person (including an entity), provided such damage was not occasioned by that person's negligence, including such portion of damages that may be caused by that person's contributory negligence, and provided such damage was not occasioned in whole or in part by that person's intentional or wrongful act.
- G. Require that measuring devices and head gates in proper working order are provided by Shareholders where in the Board's discretion any such device is needed to properly allocate the water to those entitled thereto. Upon any failure of a Shareholder to comply with the provisions of this paragraph, and not less than ten days following service of a notice to the Shareholder, the Board may repair and/or install such measuring device and/or head gate as deemed necessary by the Board to properly allocate water. Should the Board expend money or labor in such repair or installation, then the Shareholder shall be sent an invoice for the value of that money and labor. If the Shareholder fails to pay the amount due, then the Board shall be entitled to a lien upon the Shareholder's lands served by

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the Company's facilities to secure payment, and the Shareholder shall not be entitled to continued delivery of water through the Company's facilities until all amounts due to the Company are paid in full; said remedies being in addition to all other remedies available to the Company in law or in equity.

- H. The Board may create separate categories of assessment based upon the number of acres so long as not done in an arbitrary or capricious fashion. Those assessment categories shall be approved by the Shareholders and shall be published as rate and/or fee schedules in rules and regulations published by the Board.
- I. The Board may establish reasonable processing fees to be levied upon Shareholders with respect to transfers of land associated with or affecting shares or such other transactions that cause additional transactional costs to be incurred by the Company, so long as said fees are uniformly applied and not arbitrary.
- J. Enact whatever rules, regulations, policies and/or procedures as may be deemed advisable for the operation and maintenance of the Canal and the Company and enforce the same, so long such promulgation and enforcement is not arbitrary or capricious. Any such rules, regulations, policies and procedures shall be published and made available to all Shareholders.

Section 14 – Affirmative Duties of Board of Directors: The Board shall:

- A. Act for and represent the Company in all matters having to do with the Company's welfare.
- B. Prior to January 15th of each year, and no less than two weeks prior to the annual meeting of Shareholders, an audit of the affairs of the Company must be had; or said audit may be had at any time requested by the majority members of the Board.
- C. Each year prior to the annual meeting of the Shareholders, the Board shall establish a budget for the year, which budget shall be presented to the Shareholders at the annual meeting.
- D. The Board shall recommend the level of Shareholder assessments for operation and maintenance of the Canal and the apportionment of those assessments among the Shareholders; such assessments subject to the approval of the Shareholders at the annual meeting.
- E. The Board shall order approved assessment be paid before water is delivered to any Shareholder.
- F. The Board shall employ a Ditch Rider and Secretary and set their wages.
- G. The Board shall authorize the Ditch Rider to deliver water to the Shareholders in accordance with these bylaws and such Company rules, regulations, policies and procedures as may be in place. In the case of water shortage, and with the approval of the Board, the Ditch Rider shall have authority to allocate the available water proportionately to those entitled thereto; provided such allocation or other delivery of water is not in violation of applicable law of the State of Wyoming or any lawful rule or regulation of the Wyoming Board of Control.
- H. The Board shall require prior approval for any alteration to the canal or the canal right-of-way. Alterations without prior approval will be removed at land owners' expense, and the Company shall be entitled to the protections of Wyoming Statute § 41-5-111, et. seq., in addition to all other remedies available at law or in equity.

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Section 15 – Election of Board of Directors: At each annual meeting of Shareholders following adoption of these bylaws, including the year these bylaws are adopted, there shall be an election of Directors to fill those terms expiring pursuant to the bylaws in effect at the time of their election. All Directors elected subsequent to the adoption of these bylaws shall serve for a term of four years. Balloting shall be had upon nomination for the Directors in accordance with Section 9 of Article IV. Nominations and balloting for a Director position shall be made and voted upon individually in accordance with the following paragraph.

- A. To the extent there is not a majority vote cast in favor of a Director nominee, then there shall be a re-cast of votes for election of that position. Should the Shareholders fail to elect a Director by majority after a vote for a Director position has been re-cast twice in accordance with this paragraph, then the incumbent Director shall be deemed to have been nominated and elected for a new four year term.

Sec. 16 – Board Duty to Cooperate with State of Wyoming: The Board of Directors shall work in cooperation with the Wyoming State Engineer, the Board of Control, and any other governmental entity or agency or agent with authority to regulate the use and administration of the waters of the State of Wyoming.

ARTICLE VI

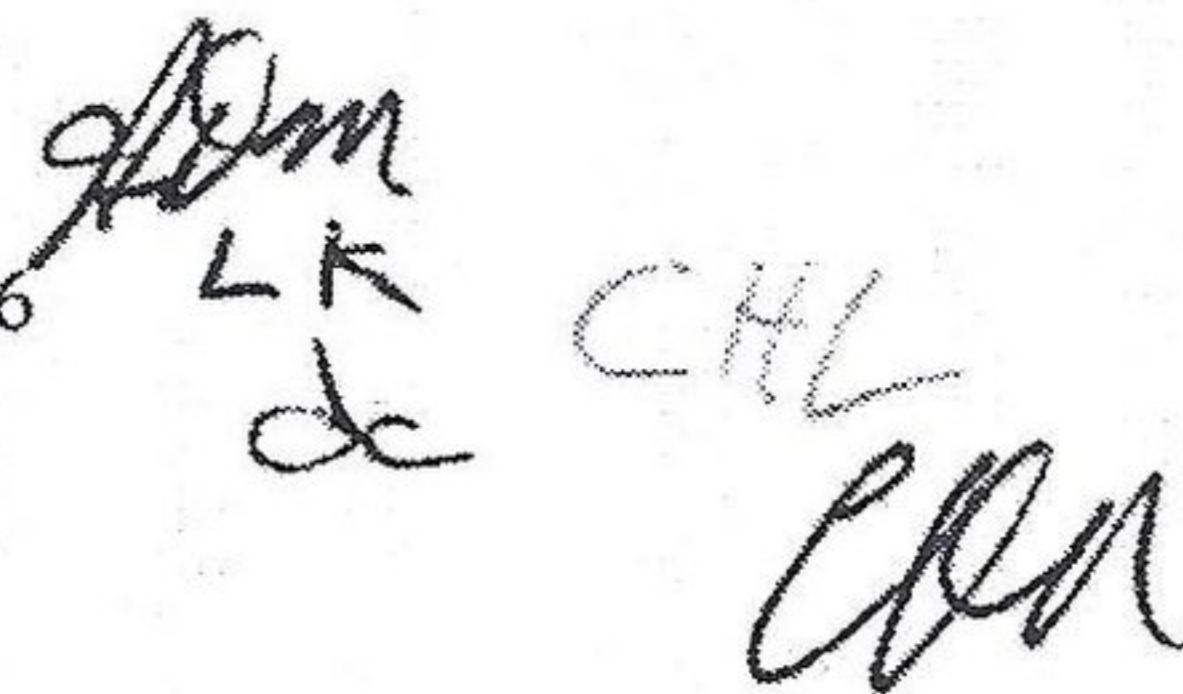
Officers

Section 1 – Officers, Generally: The officers of the Company (referred to herein collectively as the “Officers” and each individually as an “Officer”) shall be a President, a Vice President, a Secretary, and a Treasurer (which said Secretary and Treasurer may be one and the same person), each of whom shall be elected by the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board.

Section 2 – Election of Officers: The Officers of the corporation shall be elected by the Board at the first meeting of the Board and annually thereafter at the regular meeting of the Board held immediately after each annual meeting of the Shareholders. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. An Officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinbefore provided.

Section 3 – Removal of Officers: Any Officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Company would be served thereby. A vacancy in any office from any cause shall be filled by the Board for the unexpired portion of the term.

Section 4 – Duties of the President: The President shall have the following powers and duties:



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- A. He shall be the principal executive officer of the Company and, subject to the control of the Board, shall have the general supervision and management of the business of the Company.
- B. He shall preside at all meetings of Shareholders and of the Board.
- C. He shall see that all orders and resolutions of the Board are carried into effect.
- D. He may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these bylaws to some other officer or agent of the Company or as may be required by law to be otherwise signed or executed. Provided, however, the Board may, with or without cause, restrict in any manner the ability of any officer to bind the Company, including the President.

Section 5 – Duties of the Vice President: The Vice President, in the absence of the President, or in the event of the President's death, inability or refusal to act, shall perform the duties of the President, and when so acting, the Vice President shall have all the powers and be subject to all of the restrictions applicable to the President, and he shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 6 – Duties of the Secretary: The Secretary shall have the following powers and duties:

- A. He shall attend all meetings of the members of the Board and preserve in the books of the Company true minutes of the proceedings of all such meetings.
- B. He shall conduct or supervise the correspondence of the Company and see that all notices are duly given in accordance with the bylaws and as otherwise may be required by law.
- C. He shall have general charge of and maintain the Company stock ledger; the issuance and transfer of stock having been authorized by resolution of the Board and appropriate notations in the ledger shall be made and attested to by the Secretary.
- D. He shall be custodian of the records of the Company and see that the execution of documents on behalf of the Company are duly authorized and attested thereto, as necessary.

Section 7 – Duties of the Treasurer: The Treasurer shall have the following powers and duties:

- A. He shall receive, and give receipts for, monies due and payable to the corporation from any source whatsoever, and shall deposit all funds of the corporation not otherwise employed to the credit of the corporation in such depositories as may be selected by the Board.
- B. He shall give to the Board, wherever requested, an account of all his transactions as Treasurer and of the financial condition of the Company.
- C. He shall in general perform all other duties and exercise all powers incident to the office of Treasurer and as may be prescribed by the Board.
- D. In the complete discretion of the Board, the Treasurer shall deliver to the Board and shall keep in force a bond in form, amount, and with sufficient sureties satisfactory to the Board, conditioned for the faithful performance of the duties of his office, and for the restoration to the Company, in case

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of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, monies and property of whatever kind in his possession or under his control belonging to the Company. The Company shall reimburse the Treasurer for his expenses, including any premiums, in obtaining and keeping in force any such bond.

Section 8 – Performance Bonds, Generally: Any officer of the corporation authorized to receive or disburse money for or on the behalf of the Company may, in the unfettered discretion of the Board, be required to give the Company such bond for the proper discharge of his duties.

ARTICLE VII

Contracts, Loans, Checks, and Deposits

Section 1 – Board Authorization, Generally: The Board may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the names of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2 – Indebtedness: No loans shall be contracted on behalf of the Company, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the Board.

Section 3 – Checks, Drafts, Etc.: All checks, drafts, or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer, officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the Board.

Section 4 – Deposit Accounts: All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies, or other depositories as the Board may select.

ARTICLE VIII

General Management and Fiscal Policies

Section 1 – Fiscal Year: The fiscal year of the Company shall commence on the first day of January of each year and shall end on the thirty-first day of December of that year.

Section 2 – Financial Reporting: The Treasurer shall, after the end of each fiscal year, prepare and submit to the Company a statement of the finances of the Company including such items as total income from all

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sources, total expenses, reserves, and net worth. The Board shall, prior to the annual meeting, prepare a budget and submit the same at the annual meeting.

Section 3 – Annual Audit: The books of the Treasurer shall be audited at least annually by an internal audit committee made up of two Directors and two non-Directors as the Board may designate, and the report of the audit shall be submitted to the corporation at each annual meeting. The books of the Treasurer shall be open at any reasonable time for inspection by any Shareholder.

Section 4 – Receipts for Disbursements: All disbursements of Company funds, when paid in cash, shall be evidenced by proper receipt.

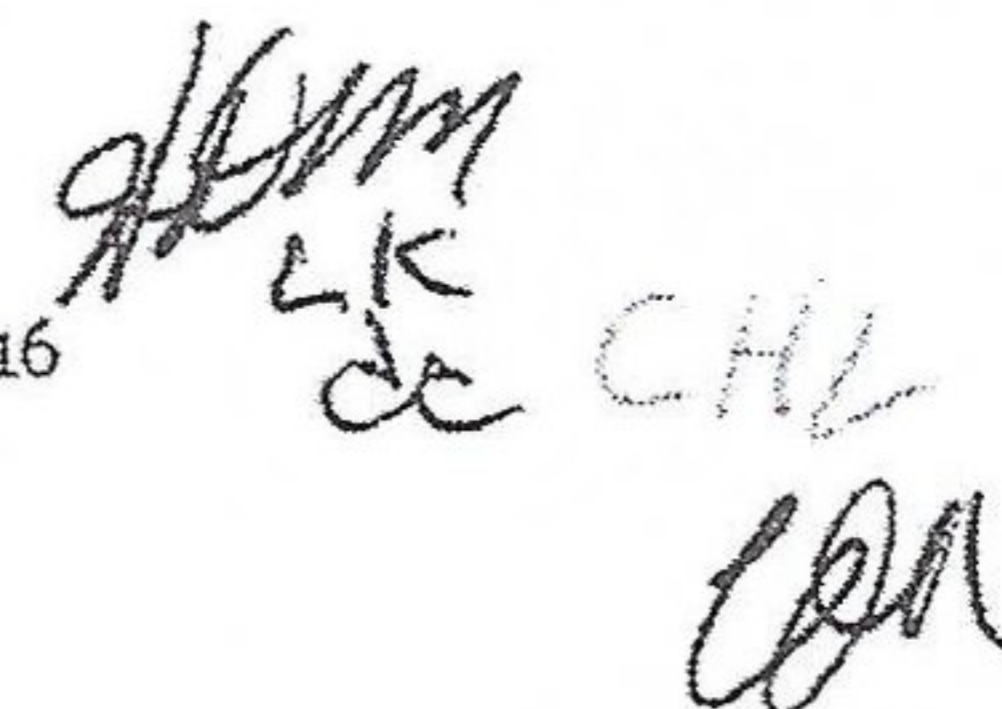
Section 5 – Fees for Non-Shareholder Use of Company Assets: The Board may establish and collect such fees as it determines proper for the use of the facilities, machinery, equipment and/or other assets of the Company by non-Shareholders if such use is permitted by the Board. Provided, however, such fees shall be pursuant to separate agreement apart from any assessment levied upon Shareholders, and nothing in this Section shall be construed to conflict with or violate in any manner the provisions of W.S. § 41-5-105.

Article IX Dissolution

Section 1 – Generally: Upon proposal by the Board, the Company may be dissolved if such dissolution is approved by a majority of the votes cast by Shareholders on that proposal. Before any such dissolution, the Board shall notify each Shareholder that there will be a meeting, the purpose of which is to consider dissolving the Company.

Section 2 - Articles of Dissolution: Upon dissolution of the Company, articles of dissolution shall be delivered to the Wyoming Secretary of State setting forth the name of the Company, the date dissolution was authorized, the number of votes entitled to be cast on the proposal to dissolve, and the total number of votes cast for and against dissolution, together with such further information as may be required by applicable law.

Section 3 - Distribution of Assets upon Dissolution: Upon dissolution, the Company shall dispose of claims against it according to Wyoming Statutes §§ 17-16-1406 and 17-16-1407. All remaining assets shall be distributed to the Shareholders according to their interests, and the Company shall do every other act necessary to wind up and liquidate its business and affairs.



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ARTICLE X
Miscellaneous Provisions

Section 1 – Waiver of Notice: Unless otherwise specifically provided herein or by statute, whenever any notice is required to be given to any Shareholder or Director of the Company under the provisions of these bylaws, the Articles of Incorporation, or the laws of Wyoming, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notices.

Section 2 – Action without a Meeting: Any action required by these bylaws, the Articles of Incorporation, or the laws of Wyoming to be taken at a meeting of the Shareholders or Directors of the Company, or any action which may be taken at a meeting of Shareholders or Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Shareholders or all the Directors, as the case may be.

Section 3 – Conflict of Interest, Generally: The provisions of Sub-article F of the Wyoming Business Corporation Act shall apply in regards to any “Director’s conflicting interest transaction”, as that term is defined in W.S. § 17-16-860. Accordingly, neither a Director nor the Company shall be held liable for any transaction, including a Director’s conflicting interest transaction, to the extent the transaction, judged according to the circumstances at the relevant time, is established to have been fair to the Company.

Section 4 – Titles: Titles are for convenience of reference and do not change the meaning of the contents of these bylaws and sentences.

Section 5 – Amendment: These bylaws may be amended, altered, or repealed and new bylaws may be adopted at any meeting of the Shareholders by resolution adopted by the affirmative vote of two-thirds of the shares present and constituting a quorum.

Section 6 – Severability: In the event any provision of these bylaws, or any Article, Section, title, paragraph, sentence, or word, or the application thereof in any circumstance shall be invalidated, such invalidity shall not affect the validity of the remainder of these bylaws. The application of any such invalidated provision in any other circumstance shall not be affected thereby.

IN WITNESS WHEREOF, the Board of Shell Canal Company states that the above Amended Bylaws were adopted on the 8th day of February 2016.

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Section 2 - Limitation on Control of Water: No Shareholder or other person, without first obtaining authority from the Board, shall open or close any head gate or interfere in any manner with the property of the Company or property which is under the Company's control.

Section 3 - Limitation on Control of Access: No Shareholder or other person shall interfere with the Company's right of access to maintain, repair, inspect, or control any of the Company's canals, ditches, head gates, diversion boxes, or any other device or waterworks used by the Company to convey, control, or divert the flow of water.

Section 4 - Duty to Provide Access: All Shareholders whose land is either adjacent to or traversed by the Canal or any lateral, waterworks or other property owned, under the control of, and/or operated by the Company, and who fence the same, shall be compelled to furnish a properly functioning gate or cattle guard for the use of the ditch rider, or for the passing through for purposes of canal or ditch maintenance as may be reasonably deemed necessary by the Board. After March 1, 2016, upon any transfer of land, to the extent the new land owner's property boundary intersects or is located within the canal right-of-way, the new land owner shall furnish a properly functioning metal pipe gate or cattle guard; and further, after March 1, 2016, the owner of any newly constructed fences that intersect or are on canal right-of-way shall furnish a properly functioning metal pipe gate or cattle guard.

Section 5 - Stock Ledger: The Company shall maintain a stock ledger in lieu of issuing stock certificates. The stock ledger shall represent the shares held by each Shareholder. The stock ledger shall reflect the name of each Shareholder, along with the number of Shares held by each Shareholder and the date of issuance to that Shareholder. The stock ledger shall reflect all transfers, conveyances, assignments, or adjustments of any Shareholder's shares in the Company. The stock ledger shall be kept with the Company records, and shall be maintained by the Secretary. Attached hereto as Exhibit "A" is the stock ledger reflecting ownership as of the date of these Amended Bylaws.

Section 6 - Transfer of Shares: Transfer or encumbrance of shares shall be allowed only after approval by the Board. Transfer of shares of the Company shall be recorded on the Company's stock ledger upon receipt by and approval of the Company of a document effectuating the legal transfer, assignment or sale of the share(s). The Shareholder, or the executor or administrator of a deceased Shareholder's estate, in whose name shares stand on the books of the Company shall be deemed by the Company to be the owner thereof for all purposes.

Section 7 - Shares to Reflect Ownership of Irrigable Acres: The number of shares held by any Shareholder shall equal the number of adjudicated or permitted, irrigable acres owned by that Shareholder, served by the Company's waterworks, and evidenced by a valid permit or certificate of appropriation issued by the Wyoming State Engineer (such land hereinafter referred to as "Acres"). To the extent the number of shares, as reflected in the stock ledger, held by any Shareholder shall, at any given time, exceed the number of Acres

Handwritten initials:
JSM
LK
CHL
COM

SHELL CANAL COMPANY

By: Homer D. Morris
Homer (Dave) Morris, President

By: Deb Craft
Deb Craft, Vice President

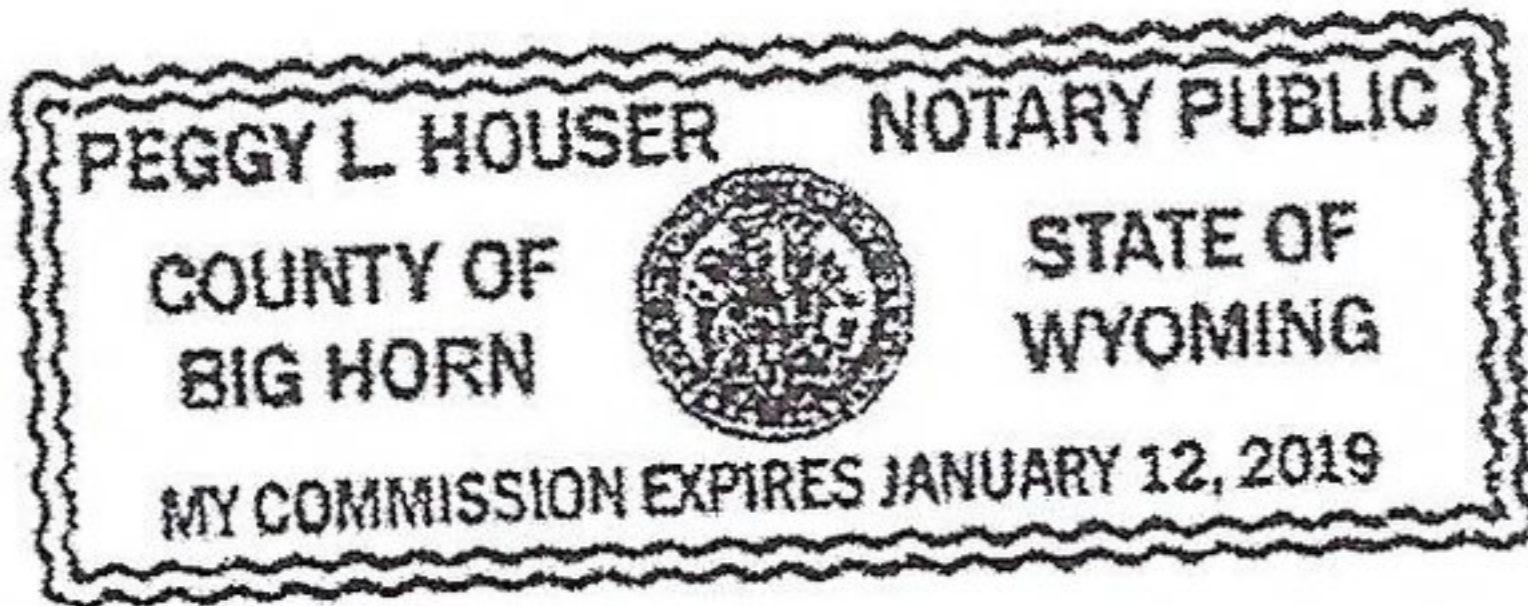
By: Quint Noyes
Quint Noyes, Secretary/Treasurer

By: LeRoy Klitzke
LeRoy Klitzke, Member

By: Clark Letellier
Clark Letellier, Member

ATTEST:

Dori Noyes
Dori Noyes, Book Keeper



Peggy L. Houser
1-12-19

Handwritten initials and signatures:
LK
de
CAL
CRA