

LEASE/SALE AGREEMENT

Charles E. Reynolds being the owner of the herein described land does hereby agree to lease the property located in Diamond Valley, County of Eureka, Nevada, known as:

South $\frac{1}{2}$, Section 11, T20N, R53E, M.D.B. & M.

to Floyd W. Klindt, Kolbe K. Klindt and Judith A. Klindt for the terms and conditions and the period of time hereinafter set forth in this lease contract and lessees do hereby lease the same from the Lessor upon such terms and conditions.

The term of this lease shall be five years commencing on the 1st day of January 1977 and terminating on the 31st day of December 1981.

As rent for the use of said premises Lessee will pay to Lessor 15% (fifteen percent) of the gross farm income or one-thousand dollars (\$1000.00) per annum, whichever amount is the greater.

Lessee will farm the land in a good and farmerlike way and in accordance with accepted practices in the area.

The Lessee shall furnish his own motors to be used in connection with the operation of the irrigation wells and Lessee shall pay all expenses of maintenance and repair in connection with the operation of the irrigation wells, motors and gear heads. It is agreed that any irrigation sprinkler and/or other irrigation equipment placed upon the premises shall belong to the Lessee together with motors and panels and accessories and may be removed by the Lessee upon the termination of this lease.

Lessee agrees to furnish all of his own farming equipment with the exception of the personal property of the Lessor herein listed and Lessee will pay all expenses in connection with the agricultural operation of the leased premises.

Lessee agrees to provide liability insurance and to indemnify Lessor from any liabilities which could result from Lessees' occupancy and farming operations under the provisions of this lease.

Lessor grants Lessee permission to move the frame house now located on the southeast corner of the premises to another location on the premises if Lessee finds such a move necessary to good farming practice.

Lessee agrees during the term of this lease to pay all ad valorem and real and personal property taxes upon the premises.

All terms on this lease agreement shall be binding upon the heirs, successors and assigns of the parties hereto.

At the completion of the term of this lease or at any time prior thereto the Lessee may purchase the property described for the amount of Sixty Four thousand (\$64,000) with all monies paid by the Lessee to the Lessor in rent to apply to and reduce the purchase price by a like amount, or may extend this lease for a like term commencing upon the expiration of this lease term. In no case shall the Lessor sell or lease the property during the term without the Lessee's prior permission.

The above selling price shall include the following personal property:

- (1) International Utility 460 Diesel Tractor (inoperative)

- (1) 12 ft. Case Tandem Disc

- 1800 ft. steel irrigation pipe (rusted and abused)

- (1) Johnston right-angle Gear Head, 98 HP (frozen bearings)

- (1) Johnston right-angle Gear Head, 110 HP

- (3) Misc. Diesel Engines (unsable)

A small framehouse in poor condition is also located on the premises.

All of the above is contingent upon good and valid water rights and shall also be null and void if for any reason the Lessees find the irrigation wells when tested to be unsatisfactory for the purposes of irrigation of agricultural crops whether in volume of water obtainable, clarity of water (water must be free of sand and gravel) or condition of well casings.

Lessees: Lloyd W. Klindt 8/18/76 P.O. Box 307
Floyd W. Klindt 8/18/76 Eureka, Nevada 89316
Kelli K. Klindt 8/18/76 same
Kolbe K. Klindt 8/18/76 same
Judith A. Klindt 8/18/76 same

The undersigned accepts the above offer and agrees to lease the above described property upon the terms and conditions herein set forth and acknowledges the receipt of a copy hereof:

Lessor: Charles E. Reynolds 8/20/76 Box 438 J, Route 4
Charles E. Reynolds 8/20/76 Escondido, Calif. 92025
Jeannette C. Reynolds 8/20/76 same
Mrs. Charles E. Reynolds 8/20/76

The Lessee has permission to enter property and do anything necessary, for testing wells and preparing property for farming

C.E.R.
J.C.R.

W.H.
 C. E. Horton
 RECORDED AT THE REQUEST OF
 on November 18, 19 76, at 46 mins. past 10 A.M. In
 Book 57 of OFFICIAL RECORDS, page 293-295, RECORDS OF
 EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
 File No. 62452 Fee \$ 5.00

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