

After Recording Return to:
SIERRA PACIFIC POWER COMPANY
Right-of-Way Dept.
P.O. Box 10100
Reno, NV 89520

APN 04-200-12
Work Order No.
87-3567-23-12
Gold Quarry

119965

GRANT OF EASEMENT FOR
OVERHEAD ELECTRIC DISTRIBUTION

THIS DEED, made this 5th day of MAY, 1988, by SOUTHERN PACIFIC LAND COMPANY, a Corporation of the State of California, hereinafter called Grantor, unto SIERRA PACIFIC POWER COMPANY, a Nevada Corporation, hereinafter called Grantee,

WITNESSETH: That Grantor, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, does hereby grant to Grantee, subject to the provisions hereof, a right of way to construct, erect, alter, maintain, inspect, repair, reconstruct and operate one or more overhead electric distribution facilities not to exceed 120 Kv, together with the appropriate poles, necessary guys and anchors, supporting structures, insulators and cross-arms, wires, fixtures, and other necessary or convenient appurtenances connected therewith, over, upon, across and through the following lands situated in the County of Eureka, State of Nevada, (the "Property") described as follows:

A portion of Section 27, Township 34 North, Range 51 East, M.D.M., Eureka County, Nevada.

A right-of-way 90 feet wide being more particularly described as follows:

COMMENCING at the East one-quarter corner of said Section 27 and proceeding thence Northerly along the East line of the Northeast one-quarter of said Section 27, North 00° 24' 57" East 683.22 feet to the true point of beginning, said point lying on the centerline of said 90-foot wide right-of-way. Thence along said centerline North 41° 19' 20" West 2,514.41 feet. Thence North 16° 55' 34" West 104.81 feet to the point of ending, said point lying on the North line of the Northeast one-quarter of said Section 27.

The side of said right-of-way shall be lengthened or shortened so as to terminate on the end lines.

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Reserving unto Grantor, its affiliates, successors and assigns, the right to use the property for any and all purposes which will not interfere with Grantee's enjoyment of the easement hereby granted, including without limiting the generality of the foregoing, the exclusive reserved right to explore for, extract, mine and remove all minerals and mineral ores therein of every kind and character, including but not limited to, oil, natural gas, hydrocarbon substances, and geothermal steam, brines and minerals in solution, sand, gravel and aggregates, in and underlying the Property.

The easement granted herein is subject to the following conditions:

1. Grantee shall not fence the rights of way hereby conveyed.
2. Any and all underground facilities constructed hereunder shall be laid and maintained at least three (3) feet but not more than ten (10) feet below the surface of the ground and trenches shall be filled in and the ground maintained in its natural condition. In the event that the Grantee has the right to construct electric power lines hereunder the Grantee shall prevent the leakage of electric currents from Grantee's wires to such extent as may be necessary to avoid interference with other electrical transmission or communication lines.
3. Grantee shall have at all times ingress and egress to the Property across lands owned by Grantor for the purpose of constructing, repair, renewing, altering, changing, patrolling and operating said distribution facilities.
4. Grantee shall have the right to remove or clear any and all buildings, structures, combustible materials, trees, brush, debris, or any other obstruction from said right of way, which in the judgment of Grantee may interfere with or endanger the construction, operation, and maintenance of said facilities.
5. In the event of failure of Grantee to fully perform and comply with each and all of the provisions herein set forth, or in the event that the Property shall be used by Grantee for any other purpose than for the easement herein expressly granted, or in the event of non-use by Grantee of said rights of way for a continuous period of two (2) years then and in any of such events the rights of way hereby granted, or such part of parts thereof as shall be used for such other purposes, or the use of which shall have been discontinued, shall thereupon immediately cease and determine and the right of use and possession thereof and the title thereto shall immediately revert to and revest in Grantor.

6. In the event said facilities shall interfere with Grantor's, its affiliates, successors or assigns use of the Property, Grantee agrees to relocate said facilities at Grantee's cost and expense, within sixty (60) days after the receipt of written notice from Grantor to do so, to a satisfactory location designated by Grantor upon Grantor's property, provided that the necessary right of way therefor is granted to Grantee without additional consideration therefor. Upon relocation of said facilities all of the right, title and interest of Grantee in the portion of the right of way from which such facilities are relocated shall forthwith cease and determine and Grantee shall execute and deliver to Grantor such written relinquishment thereof as Grantor may require.
7. Grantee shall, at Grantee's expense, promptly comply with all applicable statutes, ordinances, rules, regulations and orders of every applicable governmental jurisdiction, including, without limitation, those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality. Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Property or on any other property arising out of or in any way connected with Grantee's use and occupancy of the Property, Grantee, at its expense, shall be obligated to clean all the property affected thereby, whether owned or controlled by Grantor or any third person, to the satisfaction of Grantor (insofar as the property owned or controlled by Grantor is concerned) and any governmental body having jurisdiction thereover.
8. Grantee shall indemnify, defend (with counsel acceptable to Grantor) and hold Grantor harmless from and against all losses, claims, suits, judgments, liabilities, damages, costs and expenses, including without limitation attorneys' and experts' fees and expenses and court costs (collectively, "Liabilities"), except for Liabilities caused by the sole, active negligence of Grantor, which arise directly or indirectly out of Grantee's use of the Property, any default by Grantee under this easement, any discharge, leakage, spillage, emission or pollution of any type upon or from the Property or on any other property arising out of or in any way connected with Grantee's use or occupancy of the Property, or any act or omission of Grantee, or any of its agents, employers, contractors or invitees ("Invitees").

Grantee hereby assumes all risk, waives any claim against and releases Grantor from liability, and agrees that Grantor shall not be liable to Grantee, or to any affiliate, partner, officer or director of Grantee, for injury to Grantee's business or any loss of income therefrom or for damage to the property of Grantee, Grantee's Invitees or of third parties or for injury to or the death of Grantee, any of Grantee's Invitees or any other person in or about the Property except when caused by sole, active negligence of Grantor.

The term "Grantor" as used in this Section 8 shall include the affiliates of Grantor in addition to Grantor. The obligations of Grantee under this Section 8 shall survive the termination of this easement with respect to any event giving rise to liability which occurs prior to such termination.

9. Upon termination, in any manner, of the rights herein granted the Grantee within sixty (60) days after written notice from Grantor so to do shall remove its structures and other property from the Property, or such part or parts thereof as shall have reverted to and revested in Grantor as herein provided, and in connection with such removal shall fill all excavations and restore the ground to substantially its original condition, failing in which the Grantor may do such work and dispose of said structures and property, the entire cost of which the Grantee covenants and agrees to pay to Grantor upon demand.
10. This grant of easement is subject to all contracts, leases, liens, easements and encumbrances or claims of title which may affect the Property and nothing herein contained shall be construed as a covenant against the existence of any thereof.
11. All of the terms, covenants and provisions hereof shall inure to the benefit of and be binding upon the respective heirs, personal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, Grantor has caused its name to be hereunto subscribed by its officer thereunto duly authorized, and its corporate seal to be hereunto affixed and attested by its Secretary or Assistant Secretary, on the day and year first hereinabove written.

By G. M. Oberst
Regional Director

Attest Larry W. Telford

SEAL
Affixed

STATE OF CALIFORNIA
City and County of San Francisco }

On this 5th day of MAY in the year One Thousand Nine Hundred and Eighty EIGHT
before me, J. L. LYONS, a Notary Public in and for the City and County of San Francisco, State of California, personally appeared

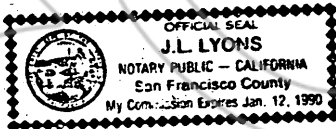
G. M. OBERST

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who

executed the within instrument as the REGIONAL DIRECTOR and

LARRY W. TELFORD personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the

Secretary or on behalf of the Corporation therein named and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.
WITNESS my hand and official seal.



Corporation

My Commission Expires January 12, 1990

J. L. Lyons
Notary Public in and for the City and County of San Francisco, State of California.

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RECORDED AT THE REQUEST OF

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Sierra Pacific Power Co.
'88 JUL 19 P142

OFFICIAL RECORDS
CLERK OF DISTRICT COURT
HUMBOLDT COUNTY, CALIFORNIA
FILE NO. 180-466-142

113967

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