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OFFICIAL RECORDS
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Mark Moyle
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EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 43⁰⁰

APN# 07-400-02

Recording Requested by:

186730

Name MARK MOYLE

Address P.O. Box 842

City/State/Zip Fallon, NV 89407

LEASE AND RIGHT OF SECOND REFUSAL AGREEMENT

(Title of Document)

This page added to provide additional information required by NRS 111.312 Sections 1-2.
(Additional recording fee applies)

This cover page must be typed or printed.

BOOK 379 PAGE 27

LEASE AND RIGHT OF SECOND REFUSAL AGREEMENT

THIS LEASE AGREEMENT, is made and entered into as of this 1st day of April 2004, by and between Kenneth N. Stenton, his heirs, beneficiaries, and interests, hereinafter called "Lessor", and Mark Moyle Farms, LLC, hereinafter called "Lessee."

WITNESSETH

For and in consideration of the rents, covenants and agreements hereinafter contained and agreed to be paid, kept and performed by the Lessee, the Lessor does hereby demise, rent and lease unto the Lessee, and the Lessee does hereby lease, hire and take from the Lessor, those certain properties and premises situated in the County of Eureka, State of Nevada, more particularly described as:

**Township 21 North, Range 53 East, MDB&M
Section 18: The North East Quarter of said Section lying East
of Highway 278 – 186.6 acres more or less (APN 07-400-02)**

Including 186.6 acres of land, hay barn, pivot, pump, panels, crops, corrals, fertilizer tank, and water tank.

This Lease is made upon the following terms and conditions:

TERM: This Lease shall be for a one year term commencing with the 1st day of April, 2004 and continuing until the 1st day of April, 2005. It is stipulated that the Hay Barn will remain available to the Lessee until the 31st of May, 2005. It is also stipulated that the Hay Barn will be empty and available to the Lessee by the 1st day of May, 2004. Lessee shall have the right and authority to remove all hay from the barn and the property as of the 2nd day of May, 2004. Lessor shall have the right to terminate this lease upon an event of nonpayment of the rent or any breach forthwith. In the event that the Lessor sells the property during the duration of this

lease agreement, the Lessor shall be held to the obligations set forth in this agreement.

RENT: The Lessee shall pay the Lessor \$1.00 upon execution hereof in consideration of this right of second refusal to purchase and lease agreement. The rent payment in the amount of \$12,000.00 shall be made in three installments as follows:

- 1st installment – April 15, 2004 in the amount of \$4, 000.00
- 2nd installment – August 15, 2004 in the amount of \$4,000.00
- 3rd and final installment – December 15, 2004 in the amount of \$4,000.00

1. The Lessor shall remain responsible for the payment of the following:

- Property Taxes
- Property Insurance
- Parts and Supplies Required to Repair or Replace any Component of the Irrigation System –such as the pivot, well, pump, electrical panel (Any expense incurred by the Lessee to keep the irrigation equipment operational and that is paid by the Lessee for this purpose, shall be deducted from the next installment. Copies of bills/invoices for said purchases shall be provided to the Lessor by the Lessee).

2. The Lessee shall assume responsibility for the payment of the following:

- Farm Operating Expenses
- Irrigation Power/Utility Expense
- Labor Both To Maintain the Property and the Irrigation Equipment

- Hay Fire Insurance on the Barn and the Hay in the Barn – Beginning May 1, 2004 and Continuing until the Barn is Empty or until May 31, 2005 whichever comes first

FARM EXPENSES: Lessee shall hold the Lessor harmless from all expenses they incur as a Lessee. Lessee agrees to maintain and surrender at the end of the lease the irrigation and water equipment leased hereunder in good condition and repair, normal wear and tear expected. Any leasehold improvements to the land or the buildings shall become part of the leasehold estate and shall belong to the Lessor on termination of this lease. At the Lessor's expense, the Lessor shall replace or redrill any well that fails as soon as reasonably possible so as to produce such amount of water as needed for the premises served. Lessee agrees to operate the leased irrigation equipment to irrigate the leased land, which is covered by water rights to keep the water rights current under the laws of the State of Nevada.

WASTE: The Lessee covenants and agrees that they will not suffer or commit waste or a nuisance on said premises and shall conduct and handle said premises in a lawful and orderly manner for farming purposes only. They shall not permit or allow on the premises any business or activity in violation of the laws of the United States of America, the State of Nevada, or the County of Eureka. Lessor agrees not to encumber either the crops or personal property belonging to the Lessee. Lessee agrees no junk, unlicensed vehicles, or other personal property not related to the farming operation shall be stored, accumulated and placed on the leased premises.

INSURANCE: Under the terms of the Lease, Hay Fire and Barn Insurance shall be provided by the Lessee. A certificate of insurance shall be furnished to Lessor evidencing this coverage and payment of premiums. Lessor shall be named as the loss payee in regard to the Hay Barn insurance.

DEFAULT: Upon any breach or default of this Lease Agreement by either party, the other party shall have all the rights and remedies at law or in equity for damages or otherwise.

Alternatively either party may submit any dispute hereunder to arbitration in accordance with the rules of the American Arbitration Association. It is further agreed that in the event of any court proceeding or arbitration proceedings growing out of the Lease Agreement for damages, specific performance or otherwise, the court may award costs and attorney fees to the prevailing party, in such sums as the court or the arbitrator may determine as reasonable.

FIRST RIGHT OF REFUSAL TO LEASE: Lessor shall grant Lessee a first right of refusal to lease said property again.

SECOND RIGHT OF REFUSAL TO PURCHASE: In the event that Lessor sells said property, Lessee shall be granted the second right of refusal to purchase said property.

LEASE RENEWAL: Both parties will entertain discussion of a long-term lease of said property. The terms and conditions of said lease shall be determined by August 1, 2004.

NOTICES: Any notices which are required or desired to be given in connection with this Lease Agreement shall be give by personal service or by certified mail address to the respective parties as follows:

Lessor:

- Kenneth N. Stenton
- Blair House Inn and Suites
- 344 East Desert Inn Road
- Las Vegas, NV 89109

Lessee:

- Mark Moyle Farms, LLC
- P.O. Box 842
- Fallon, NV 89407

The Notice shall be deemed given from the date of personal service or from the date of mailing.

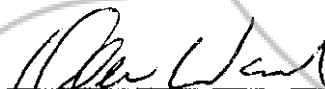
TIME OF ESSENCE: It is understood that time is made the essence of this Agreement.

AGREEMENT BINDING: This Agreement is binding upon and shall insure to the benefit of the heirs, executors, administrators and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereunto set their hands on the 10th day of April in the year 2004.

Lessor: Kenneth N. Stenton

Lessee: Mark Moyle Farms, LLC


POWER OF ATTORNEY FOR
KENNETH STENTON

Mark Moyle Farms LLC
by Mark S Moyle Member