

BOOK 439 PAGE 339-344
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Devil's Gate GID Board
2006 JUL 31 PM 4:38
EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. 205527
FEES *No Fee*

Eureka, Nevada

July 20, 2006

AMENDED
WATER SUPPLY AGREEMENT

THIS AGREEMENT is made the 20th day of July, 2006, by and between William A. Crane and John A. Gourley and Ruby Hill Ranch, LLC, jointly and severally (hereinafter "Ruby Hill") and Devil's Gate General Improvement District, a political subdivision of the State of Nevada (hereinafter "Devil's Gate"). The Parties agree:

1. Ruby Hill and Devil's Gate agree the Water Supply Agreement dated September 19, 1997, recorded on October 1, 1997, in Book 313 Official Records, Pages 547 - 550 in the Office of the Eureka County Recorder, Eureka, Nevada, under File Number 168696 (the "1997 Water Supply Agreement") shall no longer have any force or effect, and future conduct shall be in accordance with this amended water supply agreement. Ruby Hill does hereby confirm the conveyance of Devil's Gate General Improvement District 2, Well 1, the well house, pump, and all water works, together with the mainline extension installed referenced in the 1997 Water Supply Agreement, and does hereby waive all claims of ownership thereto.
2. Ruby Hill and Devil's Gate agree their mutual abandonment of the 1997 Water Supply Agreement described in Paragraph One has no effect on the transfer of water rights, land and improvements described by the Grant, Bargain and Sale Deed dated November 23, 1998,

recorded January 6, 1999, in Book 324 of the Official Records, Pages 396 - 399, in the Office of the Eureka County Recorder, Eureka, Nevada, under File Number 171618 (the "1998 Grant, Bargain and Sale Deed"), or the rights and duties described therein; specifically, the Parties agree that the connection charge waiver for the forty-one (41) lots to be developed by Ruby Hill shall remain in full force and effect.

3. By the 1998 Grant, Bargain, and Sale Deed described in paragraph 2, William A. Crane, John A. Gourley and Ruby Hill Ranch, LLC conveyed to Devil's Gate forty-six (46.00) acre feet of water from Water Rights Permit No. 63247. This Amended Water Supply Agreement does not effect the conveyance of said water rights or the uses therefore.
4. The forty-six (46) acre feet described in Paragraph Three may only be used to provide water to land within, or land that successfully petitions to be within, the Devil's Gate districts, for domestic use, and may only be applied to forty-one (41) lots developed or to be developed by Ruby Hill. Until necessary for use for lots developed or to be developed by Ruby Hill, Devil's Gate may use the water for other customers of Devil's Gate within the District.
5. Devil's Gate agrees to waive a connection fee of \$1,200.00 per lot for up to forty-one (41) lots served by a portion of the forty-six (46) acre feet of water, described in Paragraph 3, provided Ruby Hill installs all of the infrastructure, including, but not limited to mainlines and fire hydrants, to serve the lots; all installation must be in accordance with established governmental requirements, including Devil's Gate requirements. Ruby Hill shall install any infrastructure required for service at the time each lot is transferred to any third party for service to that lot; thereafter the third party may make application for membership and water service a later time.

6. All users served by water pumped from the wells owned and operated by Devil's Gate shall pay the monthly service charges equal to that paid by all customers of Devil's Gate, regardless of whether the lots are located inside or outside the districts.
7. Ruby Hill agrees to petition for inclusion into the Devil's Gate districts all land to be developed by Ruby Hill and to be served by the Devil's Gate at the time the lots are developed for residential use. At the time of sale to a third party, Ruby Hill will inform the purchaser that the purchaser must apply for membership in the district, and obtain water from Devil's Gate. Said petitions may be made on lot by lot basis, and, as those petitions are submitted, Devil's Gate will accept the lots into the district and allow the owner to connect to the system.
8. As consideration of and for the terms of this Agreement, Devil's Gate agrees to pay Ruby Hill the sum of One Hundred Thousand (\$100,000.00) Dollars as soon as practical after adoption of this agreement by all necessary parties.
9. The terms of this Agreement shall run with the land described in paragraph 11, and may be assigned or transferred to a successor developer. Ruby Hill must provide written confirmation to Devil's Gate of the name and address of the successor developer. At the time of close of sale of a lot by Ruby Hill or its successors and inclusion of the lot within the district, the owner shall be treated the same as all other customers of the Devil's Gate.
10. Infrastructure built by Ruby Hill to service the forty-one (41) lots described herein shall be conveyed to Devil's Gate upon completion of installation and delivery of certificate of completion by the appropriate governmental entity, and thereafter, any and all obligation owing by Ruby Hill for repair, upkeep, maintenance or repair shall transfer to Devil's Gate.

11. This Agreement applies only to lands owned by Ruby Hill, described as being located in Section 21, T.20N., R53E, M.D.B. &M., west of State Route 278 and lands contiguous to Section 21, located in Sections 22 or 28, which are owned by Ruby Hill and located west of State Route 278 and contiguous to the Section 21 property, and the rights described herein shall inure to the benefit of the successor developer of Ruby Hill.
12. This document may be signed in counterparts.

DEVIL'S GATE:

Devil's Gate General Improvement District,
a political subdivision of the State of Nevada

By: 

DAVE PASTORINO, Chairman

Attest: 

Secretary

RUBY HILL:

Ruby Hill Ranch, LLC

By: William A. CraneWILLIAM A. CRANE, individual, co-manager
and member, severallySTATE OF MICHIGAN)
) ss.
COUNTY OF SAGINAW)

On this 21st day of July, 2006, there appeared before me, a Notary Public in and for the state and county, a person known or satisfactorily identified to me to be WILLIAM A. CRANE, who then and there affirmed to me that he executed the foregoing instrument freely and voluntarily and for the purposes therein set forth, and that he is authorized to so act on behalf of Ruby Hill, LLC.

Dawn Madley
NOTARY PUBLIC
Commission Expires: 12-15-06

RUBY HILL:

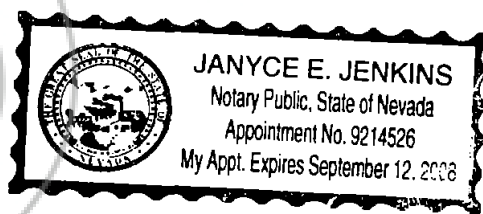
Ruby Hill Ranch, LLC

By: [Signature]
JOHN A. GOURLEY, individual, co-manager
and member, severally

STATE OF NEVADA)
) ss.
COUNTY OF NEVADA)

On this 25th day of July, 2006, there appeared before me, a Notary Public in and for the state and county, a person known or satisfactorily identified to me to be JOHN A. GOURLEY, who then and there affirmed to me that he executed the foregoing instrument freely and voluntarily and for the purposes therein set forth, and that he is authorized to so act on behalf of Ruby Hill, LLC.

Janyce E. Jenkins
NOTARY PUBLIC
Commission Expires: 9/12/08



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