

APR: 004-130-01

Recording Requested by:

WHEN RECORDED MAIL TO:

American AgCredit, FLCA
P.O. Box 2088
Elko, Nevada 89803

DOC# 225258

11/22/2013

03:19PM

Official Record

Requested By

STEWART TITLE ELKO

Eureka County - NV

Mike Rebaleati - Recorder

Page: 1 of 29 Fee: \$67.00

Recorded By FS RPTT: \$0.00

Book- 0557 Page- 0374



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The undersigned hereby affirm that there is no Social
Security number contained in this document.

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**DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE
FILING**

THIS DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING (hereinafter "Deed of Trust") is given this 14th day of November, 2013 by 26 RANCH, INC., a Colorado corporation, as trustor ("Trustor"), to American AgCredit, FLCA, as trustee ("Trustee"), for the benefit of American AgCredit, FLCA, a corporation existing and operating under the Farm Credit Act of 1971, as amended, having its principal place of business in Santa Rosa, California, as beneficiary ("Beneficiary").

WITNESSETH: That Trustor IRREVOCABLY GRANTS, CONVEYS AND ASSIGNS unto said Trustee, in trust, with power of sale together with right of entry and possession the following described real property situated in the Counties of Elko, Eureka, Humboldt and Lander, State of Nevada:

Refer to Exhibit "A" attached hereto and incorporated herein by reference thereto.

This Deed of Trust is executed in quadruplet, each of which is deemed to be an original, and all of which taken together shall constitute but one and the same instrument and are filed concurrently.

TOGETHER WITH:

(1) all buildings, structures, equipment, fixtures (including, but not limited to, trees, vines and shrubs), machinery and improvements of every kind and description now or hereafter constructed or placed thereon; all standing timber and timber to be cut located thereon; all pumping plants, electrical generators, wind machines, and fencing and storage tanks, now or hereafter used in connection with the property, all of which are hereby declared to be fixtures;

(2) all grazing rights, leases, permits and licenses; all oil, gas, and mineral leases, permits and rights used with the property; and all tenements, hereditaments, easements, rights-of-way, appurtenances to the property;

(3) all carbon credits, carbon sequestration units, carbon financial instrument contracts, renewal energy credits and the like arising out of methane capture, carbon sequestration and renewal energy systems, including without limitation credits tradable under any greenhouse gases commodity exchange such as, by way of example and not

limitation, trading units commonly referred to as Exchange Soil Offsets (XSOs), Exchange Methane Offsets (XMOs) and Exchange Forest Offsets (XFOs) under the Chicago Climate Exchange (CCX) (collectively, "Carbon Credits");

(4) the right, in the name of and on behalf of Trustor, to appear in and defend any action or proceeding brought with respect to the property and to commence any action or proceeding to protect the interest of Beneficiary in the Property;

(5) all proceeds, products, substitutions and accessions (including claims and demands therefor) of each of the elements of the property;

(6) all Water Assets (defined below);

(collectively, the "Property").

Water Assets: The Property shall also include all right, title, and interest at any time of Trustor (or any of its bailors, agents, or instrumentalities), whether now existing or hereafter arising or acquired, whether direct or indirect, whether owned legally, of record, equitably or beneficially, whether constituting real or personal property (or subject to any other characterizations), whether created or authorized under existing or future laws or regulations, and however arising in, including without limitation, the following, which shall collectively be called "Water Assets":

(a) All water (including any water inventory in storage), water rights and entitlements, other rights to water and other rights to receive water or water rights of every kind or nature whatsoever including (i) the groundwater on, under, pumped from or otherwise available to the Property, whether as the result of groundwater rights, contractual rights or otherwise, (ii) Trustor's right to remove and extract any such groundwater including any permits, rights or licenses granted by any governmental authority or agency or any rights granted or created by any use, easement, covenant, agreement, or contract with any person or entity, (iii) any rights to which the Property is entitled with respect to surface water, whether such right is appropriative, riparian, prescriptive, decreed or otherwise and whether or not pursuant to permit or other governmental authorization, or the right to store any such water, (iv) any water, water right, water allocation, distribution right, delivery right, water storage right, or other water-related entitlement appurtenant or otherwise applicable to the Property by virtue of the Property being situated within the boundaries of any district, agency, or other governmental entity or within the boundaries of any private water company, mutual water company, or other non-governmental entity;

(b) All stock, interest or rights (including any water allocations, voting or decision rights) in any entity, together with any and all rights from any entity or other person to acquire, receive, exchange, sell, lease, or otherwise transfer any Water Assets, to store, deposit or otherwise create water credits in a water bank or similar or other arrangement for allocating water, to transport or deliver water, or otherwise to deal with any Water Asset;

(c) All licenses, permits, approvals, contracts, decrees, rights and interests to acquire or appropriate any Water Assets, water bank or other credits evidencing any right to Water Assets, to store, carry, transport or deliver Water Assets, to sell, lease, exchange, or otherwise transfer any Water Asset, or to change the point for diversion of water, the location of any Water Asset, the place of use of any Water Asset, or the purpose of the use of any Water Asset;

(d) All rights, claims, causes of action, judgments, awards, and other judicial, arbiter or administrative relief in any way relating to any Water Asset;



(e) All storage and treatment rights for any Water Asset, whether on or off the Property or other property of Trustor, together with all storage tanks, and other equipment used or usable in connection with such storage and any water bank deposit credits, deposit accounts or other rights arising on account of the storage or nonuse of any Water Asset;

(f) All rights to transport, carry, allocate or otherwise deliver Water Assets by any means wherever located;

(g) All irrigation and watering equipment and all systems, ditches, laterals, conduits, and rights-of-way used to convey such water or to drain the Property;

(h) All guaranties, warranties, marketing, management or service contracts, indemnity agreements, and water right agreements, other water related contracts and water reallocation rights, all insurance policies regarding or relating to any Water Asset;

(i) All rents, issues, profits, proceeds and other accounts, instruments, chattel paper, contract rights, general intangibles, deposit accounts, and other rights to payment arising from or on account of any use, nonuse, sale, lease, transfer or other disposition of any Water Asset.

References to "water" and "water rights" are used herein in the broadest and most comprehensive sense of the term(s). The term "water" includes water rights and rights to water or whatever rights to money, proceeds, property or other benefits are exchanged or received for or on account of any Water Assets or any conservation or other nonuse of water, including whatever rights are achieved by depositing one's share of any Water Assets in any water bank or with any water authority, or any other water reallocation rights.

SECURITY AGREEMENT: To the extent that any of the Property, including without limitation any Water Asset or Carbon Credits, constitutes personal property, this Deed of Trust shall also be deemed to be a security agreement and Trustor does hereby create and grant to Beneficiary a security interest in all such personal property described herein and further grants to Beneficiary all of the rights and remedies of a secured party under the Uniform Commercial Code as may be amended from time to time and other applicable state law, which rights are cumulative.

TRUSTOR ABSOLUTELY AND UNCONDITIONALLY ASSIGNS, transfers, conveys and sets over to Beneficiary all the rents, royalties, issues, profits, revenue, income and other benefits of the Property arising from the use or enjoyment of all or any portion thereof, or from any lease, mineral lease, or agreement pertaining to the Property (collectively the "Rents"); **SUBJECT, HOWEVER,** to the right, power and authority given to and conferred upon Trustor by Paragraph B.3 hereof. This assignment shall be perfected automatically without appointment of a receiver or Beneficiary becoming a mortgagee in possession.

FOR THE PURPOSE OF SECURING: (1) payment of the indebtedness or obligations evidenced by the following promissory note(s) payable by Trustor and/or others to the Beneficiary at the times, in the manner and with interest as therein set forth (promissory notes may evidence a revolving line of credit and may contain variable or adjustable interest rate provisions and offer the ability to convert to other interest rate products):

Face Amount	Dated
\$10,000,000.00	November 14, 2013

(2) the payment of such additional loans or advances, including advances under a revolving line of credit, with interest thereon, as hereafter may be made to Trustor, or Trustor's successors or assigns, evidenced by a promissory note, guaranty or otherwise; **PROVIDED HOWEVER, THAT,** such additional loans or advances shall be secured by this Deed of Trust only if the promissory note, guaranty, or other document evidencing such loans or advances shall recite that it is to be secured by this Deed of Trust; (3) the payment of any substitute notes, renewals, reamortizations, conversion agreements and extensions of all indebtedness secured by this Deed of Trust; (4) the



performance of every obligation and agreement of Trustor whether contained or incorporated by reference in this Deed of Trust, or contained in any loan document or guaranty executed by Trustor in favor of Beneficiary, with respect to any loan or advance secured by this Deed of Trust; and (5) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms of this Deed of Trust, together with interest thereon as herein provided. The foregoing shall hereinafter collectively be referred to as the "Indebtedness". The continuing validity and priority of this Deed of Trust as security for future loans or advances shall not be impaired by the fact that at certain times hereafter there may exist no outstanding indebtedness from Trustor to Beneficiary or no commitment to make loans or advances.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To use loan proceeds solely for the purposes approved by Beneficiary.
2. To keep the Property in good condition, working order and repair; care for the Property in accordance with standards of good husbandry and to keep all trees, vines and crops on said land properly cultivated, irrigated, fertilized, sprayed, and fumigated; not to sell, transfer, assign, encumber or convey any water or water right from the Property, or to enter into an agreement for the nonuse of water, without the prior written consent of Beneficiary, not to remove, destroy or suffer the removal or destruction of any building, fence, canal, well or other improvements or fixtures thereon; not to remove, replace or alter any horticultural or viticultural tree, vine or shrub planted thereon without the prior written consent of Beneficiary, except in the ordinary course of business; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting the Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general; to observe and perform all obligations of Trustor under any lease of the Property.
3. To provide, maintain and deliver to Beneficiary, "All Risk" or "Special Form" coverage, flood and all other types of insurance in terms and amounts as may be required by law or Beneficiary, with lender's loss payable endorsements solely in favor of Beneficiary. In the event of loss, the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to reduce the indebtedness or restore or repair the property damaged. Failure to obtain, maintain or deliver to Beneficiary the insurance required shall constitute an event of default under this Deed of Trust.

At least thirty (30) days prior to the expiration of any such policy of insurance, Trustor will deliver a policy renewing or extending such expiring insurance and written evidence demonstrating payment of the premium for such insurance. If any such policy and evidence of payment (or copies of same, if originals cannot be delivered to Beneficiary) are not so delivered to Beneficiary, without notice to or demand upon Trustor and without releasing Trustor from any obligation under this Deed of Trust, Beneficiary may (but is not obligated to), at Trustor's expense, obtain insurance in such types, on such terms and in such amounts as Beneficiary in its sole discretion shall decide, through or from any insurance agency or company acceptable to it. Any insurance obtained by Beneficiary shall be for its sole benefit and to protect the security of this Deed of Trust. The expense and cost of such insurance shall, at Beneficiary's sole option, be payable on demand or added to the indebtedness as provided herein. Neither Trustee nor Beneficiary shall be chargeable with or responsible for the procurement or maintenance of any such insurance, the collection of any proceeds from such insurance, or the insolvency of any insurance company or underwriter.
4. To appear in and litigate any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Beneficiary or Trustee. Beneficiary or Trustee may appear in and litigate any such action or proceedings, including any bankruptcy, partition or condemnation proceeding, affecting the Property, or Beneficiary's interest therein, in which event Trustor agrees to pay all costs and expenses thereof, including attorney's fees and costs of securing evidence of title.
5. To pay on or before the due date all taxes and assessments affecting the Property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection

with the Property; to pay, when due, all encumbrances, charges, and liens, on the Property or any part thereof, which at any time appear to be prior or superior hereto.

6. In the event that Beneficiary utilizes the services of attorneys, accountants, appraisers, consultants, or other professional or outside assistance, including the services of in-house counsel or any other attorney or professional who is a direct employee of Beneficiary, the reasonable amount of expenses incurred by Beneficiary to utilize such persons in connection with the following shall be payable on demand and Beneficiary may, at its option, add the amount of such expenses to any portion of the Indebtedness, and charge interest on such amount at the interest rate applicable to such portion of the Indebtedness:

(a) The preparation or modification of this Deed of Trust, or any other agreement or document incident to the Indebtedness;

(b) Advising Beneficiary concerning its legal rights and obligations with regard to the Deed of Trust, the other agreements incident to the Indebtedness, or the Property, including advising Beneficiary with regard to the extent of Trustor's rights, if any, under the provisions of the Farm Credit Act, any policy or program of Beneficiary, or any state or federal law;

(c) Any litigation, dispute, proceeding, or action, whether instituted by Beneficiary, Trustor or any other person, relating to the Indebtedness, the Property or Trustor's affairs;

(d) The furtherance of Beneficiary's interest in any bankruptcy, insolvency, or reorganization case or proceeding instituted by or against Trustor, including any steps to (i) modify or terminate the automatic stay, (ii) prohibit or condition Trustor's use of cash collateral, (iii) object to any disclosure statement or plan, (iv) propose or confirm a plan, and (v) prosecute or defend adversary proceedings or contested matters, and take or defend examinations or discovery, whether or not related to any adversary proceeding or contested matter;

(e) The inspection, verification, protection, collection, processing, sale, liquidation, or disposition of the Property, and

(f) Any of the type of expenses referred to in (a) through (e) above incurred by Beneficiary in connection with any guaranty of the Indebtedness.

The fees and costs described herein and elsewhere in this Deed of Trust shall be in addition to those set forth in the loan agreement or any other written agreement between Trustor and Beneficiary.

7. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the Property, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; commence, appear in and litigate any action or proceeding purporting to affect the Property or the rights or powers of Beneficiary or Trustee, including any bankruptcy proceeding affecting the Property; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; pay such fees, charges, rents or other payments accruing under the grazing permits described in Paragraph 10 below; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including attorney's, accountant's, and appraisal fees, environmental fees, costs of securing evidence of title, and the costs of obtaining a third party contract to monitor the payment of taxes and assessments affecting the Property and all amounts so expended shall be obligations of Trustor secured by this Deed of Trust and shall bear interest at the rate of 15% per annum from the date expended until paid. Nothing contained herein shall prohibit Beneficiary from entering the Property, at a reasonable time and upon reasonable notice to Trustor, without incurring or assuming any obligations or liabilities whatsoever, for the sole purpose of inspecting the Property, with the exception of gross negligence on the part of Beneficiary.



8. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the same rate as is provided for in the note or notes secured by this Deed of Trust or guarantied by the continuing guaranty or continuing guaranties secured by this deed of trust. In the event that such sums are not immediately paid, they shall be added, along with the appropriate amount of capital stock or participation certificates, to the principal balance of the Indebtedness and shall accrue interest as therein set forth. All such sums shall be secured hereby.

9. Environmental Laws and Hazardous Substances.

(a) As used in this Paragraph 9:

(i) "Environmental Laws" shall mean all federal, state and local laws, ordinances, rules and regulations now or hereafter in force, as amended from time to time, in any way relating to or regulating human health or safety, industrial hygiene or protection of the environment.

(ii) "Hazardous Substances" shall mean any substance or material that is described, designated or regulated as a toxic or hazardous substance, waste or material or a pollutant or contaminant, or words of similar import, in any of the Environmental Laws.

(iii) "Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including continuing migration, of Hazardous Substances into, onto or through the soil, surface water or groundwater of the Property, whether or not caused by, contributed to, permitted by, acquiesced to or known to Trustor.

(iv) "User" means any person other than Trustor who occupies, uses or comes onto or has occupied, used or come onto the Property or any part thereof and any agent or contractor of such a person.

(b) Trustor represents and warrants to Beneficiary that as of the date of this Deed of Trust and to the best of Trustor's actual knowledge, based on due inquiry and investigation:

(i) except as previously disclosed in writing by Trustor to Beneficiary (A) no Hazardous Substances in excess of permitted levels or reportable quantities under applicable Environmental Laws are present in, on or under the Property or any nearby real property which could migrate to the Property, (B) no Release or threatened Release exists or has occurred, (C) neither Trustor nor any User has ever used the Property or any part thereof for the production, manufacture, generation, treatment, handling, storage, transportation or disposal of Hazardous Substances, (D) no underground, surface or elevated storage tanks of any kind, wells (except domestic water wells), septic tanks, pits, ponds or other impoundments ("Tanks") are or ever have been located in or on the Property, and (E) no investigation, claim, demand, action or proceeding of any kind relating to any Release or threatened Release or any past or present violation of any Environmental Laws relating to the Property has been made or commenced, or is pending, or is being threatened by any governmental authority or other person;

(ii) all operations and activities at, and the use and occupancy of, the Property comply with all applicable Environmental Laws;

(iii) Trustor and every User has, and is in strict compliance with, every permit, license and approval required by all applicable Environmental Laws for all activities and operations at, and the use and occupancy of, the Property;

(iv) neither the Property, nor any portion thereof, nor any adjacent property or portion thereof, has been or is proposed to be listed under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et seq.), or any analogous state law; and



(v) any written disclosure submitted by or on behalf of Trustor to Beneficiary at Beneficiary's request concerning any Release or threatened Release, past or present compliance by Trustor, User or any other person of any Environmental Laws applicable to the Property, the past and present use and occupancy of the Property, any environmental concerns relating to the Property and the like was true and complete when submitted.

(c) Trustor agrees that:

(i) Except in the ordinary course of business, in a good and husbandlike manner and in strict compliance with all applicable Environmental Laws, Trustor promises that neither Trustor nor any User shall use, produce, manufacture, generate, treat, handle, store, transport, or dispose of any Hazardous Substances in, on or under the Property, or use the Property for any such purposes;

(ii) Trustor shall not cause, contribute to, permit or acquiesce to any Release or threatened Release;

(iii) Trustor shall comply fully, and shall cause every User to comply fully, with all Environmental Laws applicable to the Property, and all other laws, ordinances and regulations applicable to the use or occupancy thereof, or any operations or activities therein or thereon;

(iv) With respect to any Tanks disclosed in writing to Beneficiary, Trustor shall comply with all Environmental Laws and any requirements of city or county fire departments, applicable to the maintenance and use of such Tanks, including, without limitation, Title 40 of the Code of Federal Regulations part 112;

(v) To facilitate performance of Trustor's obligations under Paragraph 9(c)(i), (ii), (iii) and (iv) of this Deed of Trust, Trustor shall regularly inspect the Property, monitor the activities and operations of every User and confirm that every User has obtained and fully complies with all permits, licenses and approvals required by all applicable Environmental Laws;

(vi) Immediately after Trustor obtains any information indicating any Release or threatened Release, or that Hazardous Substances in, on or under any nearby property could migrate to the Property or a violation of any Environmental Laws may have occurred or could occur regarding the Property, Trustor shall give notice thereof to Beneficiary with a reasonably detailed description of the event, occurrence or condition in question;

(vii) If Beneficiary obtains any information that Beneficiary believes in good faith indicates a reasonable possibility of a Release or threatened Release, or that Hazardous Substances in, on or under any nearby real property could migrate to the Property or any violation of any Environmental Laws may have occurred or could occur regarding the Property, then Trustor shall, at the expense of Trustor, promptly after a request by Beneficiary, or Beneficiary may at Trustor's expense any time prior to completion of a judicial or nonjudicial foreclosure, engage a qualified environmental engineer to conduct a comprehensive environmental assessment of the Property and prepare and submit to Beneficiary a written report containing the findings and conclusions resulting from such investigation. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in connection with any such comprehensive environmental assessment, together with interest thereon after such demand at the interest rate as set forth in the applicable promissory note(s) evidencing the Indebtedness;

(viii) Trustor shall permit, or cause any User to permit, Beneficiary or its agents or independent contractors to enter and inspect the Property (including the taking of building materials, soil and groundwater samples) at any reasonable time and after reasonable notice, except in an emergency, whether or not a default has occurred under this Deed of Trust, and including after the commencement of judicial or nonjudicial foreclosure proceedings, for purposes of determining, as Beneficiary deems necessary or desirable: the existence, location or nature of any Hazardous Substances into, onto, or spread beneath or from the Property, that is located or has been spilled, disposed of, discharged or released on, under or about the Property. Trustor acknowledges that all inspections and reviews undertaken by Beneficiary are solely for the benefit and protection of Beneficiary and agrees that Beneficiary shall have no duty to Trustor with respect to Hazardous Substances or Environmental Laws as a result of any such inspections, and such inspections shall not result in a waiver of any default by Trustor. If



Trustor or any User fails to comply fully with the terms of this section, Beneficiary may obtain affirmative injunctive relief to compel such compliance; and

(ix) If any Release or threatened Release exists or occurs before this Deed of Trust is reconveyed or foreclosed upon, or if Trustor is in breach of any of its representations, warranties or covenants as set forth in this Section 9, Trustor shall immediately give notice of the condition to Beneficiary, and Trustor shall at its own expense cause all Hazardous Substances to be cleaned up and removed from the Property, and the Property shall be restored, in compliance with all applicable Environmental Laws and other laws, ordinances, rules and regulations (the "Remediation Work"). If requested by Beneficiary, Trustor shall submit to Beneficiary, for Beneficiary's prior approval, complete plans and specifications for all Remediation Work to be done before any Remediation Work is performed, except in an emergency. Alternatively, Beneficiary may cause such Remediation Work to be completed at Trustor's expense.

(d) Beneficiary shall have the right, but not the obligation, to advise appropriate governmental authorities of any environmental condition on or affecting the Property that constitutes or may constitute a breach of Trustor's obligations hereunder.

(e) Trustor and its successors and assigns shall indemnify, defend, protect, and hold harmless Beneficiary, and/or Trustee, its directors, officers, employees, agents, shareholders, successors and assigns and their officers, employees or agents ("Beneficiary Parties"), from and against any and all claims, suits, damages, foreseeable and unforeseeable consequential damages, liens, losses, liabilities, interest, judgments, cleanup costs, demands, actions, causes of action, injuries, administrative proceedings and orders, consent agreements and orders, penalties, costs and expenses (including any fees and expenses incurred in enforcing this indemnity, any out-of-pocket litigation costs, sums paid in settlement of claims, and all consultant, expert and the reasonable fees and expenses of counsel, including in-house legal services) of any kind whatsoever, with the exception of Beneficiary Parties' gross negligence ("Claims") paid, incurred or suffered by, or asserted against Beneficiary and/or Trustee, including but not limited to Claims arising out of loss of life, injury to persons, trespass or damage to or contamination of property or natural resources, or injury to business, in connection with or arising out of the activities of Trustor on the Property, Trustor's predecessors in interest, third parties who have been invited, permitted or trespassed on the Property, or parties in a contractual relationship with Trustor, or any of them, or which directly or indirectly arise out of or result from or in any way connected with the Property, whether or not caused by Trustor or within the control of Trustor, including without limitation: (i) the presence, use, generation, treatment, storage, disposal, Release, threatened Release, or discharge of any Hazardous Substances at or from said Property and/or the cleanup of Hazardous Substances within, on or under said Property; (ii) Trustor's breach of any of the representations, warranties and covenants contained herein; and (iii) Trustor's violation or alleged violation of any applicable Environmental Law, regulation or ordinance.

(f) Trustor's representations, warranties, covenants and indemnities contained herein shall survive the occurrence of any event whatsoever, including without limitation the payoff of the Indebtedness secured hereby, the reconveyance or foreclosure of this Deed of Trust, the acceptance by Trustee of a deed in lieu of foreclosure, or any transfer or abandonment of the Property.

10. Grazing Rights. If any portion of the Property described in this Deed of Trust is used by Trustor as the basis for obtaining grazing permits or other grazing rights issued by any governmental agency, including without limitation the Forest Service, U.S. Department of Agriculture or the Bureau of Land Management, U.S. Department of Interior, Trustor covenants and agrees as follows:

(a) Said grazing permits or other rights are in good standing and have not been modified, reduced or limited in any other respect, except as fully disclosed in writing to Beneficiary;

(b) Trustor will perform all obligations imposed as a requirement of exercise of said grazing permits or other rights and will comply with all laws, rules and regulations applicable thereto;



(c) Trustor will take such timely action as may be required to cause the renewal or reissuance of said grazing permits or rights from time to time as they expire during the term thereof. Trustor agrees and acknowledges that the failure to renew or cause the reissuance of any said permits for any reason, whether the result of an act or omission of Trustor or for reasons beyond Trustor's control, is an event of default hereunder and Beneficiary shall have the right to exercise the rights set forth in this Deed of Trust; and

(d) Trustor agrees to pay all fees, charges, rents or other payments accruing under said permits or any renewals thereof prior to delinquency. In the event Trustor fails to pay any such payment, the amount unpaid shall become a part of the Indebtedness and shall be immediately due and payable.

11. **Water Rights.** All water used on, or water rights arising from or related to the Property is deemed to be real property and is not personal property. Trustor represents that Trustor is not in the business of transferring water and, therefore, any sale or transfer of any water or water rights is not a transfer of goods in the ordinary course of business. Trustor further agrees that in no event will any water or water rights be goods identified to a contract. Trustor hereby acknowledges that any severance of water or water rights from the Property would materially harm the Property.

12. Trustor shall not remove any of the Property from its present location, except in the ordinary course of its business as presently conducted, without first notifying the Beneficiary.

13. Trustor represents, warrants, covenants and agrees that:

(a) To the extent that any Trustor is a corporation, partnership, joint venture, or limited liability company, Trustor will not change Trustor's principal place of business, registration or incorporation.

(b) Trustor will not deliver any Property under any consignment or bailment without first obtaining the consent of Beneficiary and executing such additional documents as Beneficiary may require to continue and perfect the security interests granted herein. Trustor agrees to cooperate with Beneficiary in obtaining control agreements, bailee acknowledgements and/or other acknowledgements and agreements deemed necessary or advisable by Beneficiary.

(c) To the extent that any Trustor is a corporation, Trustor's name and state of incorporation as stated in the introductory paragraph of this Deed of Trust is its exact legal name and state of incorporation, it is duly organized, existing and in good standing under the laws of said state, and the officers executing this Deed of Trust and all agreements relating to the Indebtedness are duly in office and fully authorized to execute them.

B. IT IS MUTUALLY AGREED THAT:

1. Any award of damages in connection with any taking or condemnation or injury to the Property by reason of public use, or for damages resulting from private trespass or injury to the Property, is absolutely and unconditionally assigned and shall be paid to Beneficiary, under the terms and conditions of this Deed of Trust pertaining to Rents. Upon receipt of such money Beneficiary may apply the same on the Indebtedness. Trustor agrees to execute such further documents as may be required to effect the assignments herein made as Beneficiary or Trustee may require.

2. At any time, without affecting the liability of any person for the payment of the Indebtedness, and without otherwise affecting the security hereof, Trustee may (a) consent to or join in the making of any map or plat of the Property; (b) grant any easement or create any restriction thereof; (c) subordinate this Deed of Trust; (d) extend or modify the term of the loan or loans secured hereby; and (e) reconvey without warranty, all or any part of the Property. Trustor agrees to pay reasonable Trustee's fees for any of the foregoing services.

3. Prior to any default by Trustor in the payment, observance, performance and discharge of any condition, obligation, covenant, or agreement of Trustor contained herein, Trustor may, as the agent and fiduciary



representative of Beneficiary for collection and distribution purposes only, collect and receive the Rents as they come due and payable; the Rents are to be applied by Trustor to the payment of the principal and interest and all other sums due or payable on any promissory note or guaranty secured by this Deed of Trust and to the payment of all other sums payable under this Deed of Trust and, thereafter, so long as aforesaid has occurred, the balance shall be distributed to the account of Trustor. However, Beneficiary shall have the right after the occurrence of any default to notify any account debtor to pay all amounts owing with respect to Rents directly to Beneficiary. Upon any such default, Beneficiary may at any time by a receiver to be appointed by a court, and without regard to the adequacy of any security for the Indebtedness, enter upon and take possession of the Property or any part thereof, in his own name, sue for or otherwise collect such Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any Indebtedness, and in such order as Beneficiary may determine; also perform such acts of repair, cultivation, irrigation or protection, as may be necessary or proper to conserve the value of the Property; also lease the same or any part thereof for such rental, term, and upon such conditions as its judgment may dictate; also prepare for harvest, remove, and sell any crops that may be growing upon the Property, and apply the proceeds thereof upon the Indebtedness.

4. The entering upon and taking possession of the Property, the collection of such Rents, or the proceeds of fire and other insurance policies, or compensation or awards for any taking of or damage to the Property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. Upon default by Trustor in payment of all or a portion of the Indebtedness or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary and in accordance with applicable state law. In the event of default, Beneficiary may employ counsel to enforce payment of the Indebtedness, may cause the Trustee to sell the Property in accordance with the power of sale granted herein and the applicable state law, and may exercise such other rights and remedies granted under this Deed of Trust or by law and equity, including, but not limited to, California Code of Civil Procedure Sections 726.5 and 736, or similar state law, which rights and remedies shall be cumulative and not exclusive. Trustee may sell the Property either as a whole or in separate parcels, and in such order as it may determine. The purchase price shall be payable in lawful money of the United States at the time of the sale. In exercising the power of sale contained herein, Trustee may hold one or more sales of all or any portion of the Property by public announcement at the time and place of sale set forth in the notice thereof, and from time to time thereafter may postpone such sale or sales of all or any portion of the Property to the same or separate days by public announcement at such time fixed by the preceding postponement. Any person, including Trustee or Beneficiary, may purchase at such sale. Beneficiary may credit bid at any such sale, and if Beneficiary is the successful purchaser, it may apply any of the outstanding Indebtedness in settlement of the purchase price. Beneficiary may resort to and realize upon the security hereunder and any other real or personal property security now or hereafter held by Beneficiary for the obligations secured hereby in such order and manner as Beneficiary may, in its sole discretion, determine; or may resort to any or all such security may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawful nonjudicial proceedings, or both. If the Indebtedness is also secured by personal property, fixtures or crops, Beneficiary may enforce its security interest in the personal property, fixtures and crops and its lien under this Deed of Trust in any manner and in any order or sequence permitted by applicable law and the Uniform Commercial Code. Beneficiary shall have no duty or obligation to clean-up or otherwise prepare the personal property for sale. If Beneficiary elects to sell all or any portion of the personal property, Beneficiary is authorized to disclaim all warranties in connection with said sale. All remedies are cumulative and none are exclusive; no election by Beneficiary to pursue one remedy or item of collateral shall be deemed to be a release or waiver of any other item of collateral or a release or modification of the inability of Trustor or any guarantor to pay all Indebtedness or perform in full all obligations to Beneficiary. The procedures governing the enforcement by Beneficiary of its foreclosure and provisional remedies against Trustor shall be governed by the laws of the state in which the Property is located. Nothing contained herein shall be construed to provide that the substantive law of the state in which the Property is located shall apply to the Beneficiary's rights and the Trustor's obligations hereunder or under the promissory note(s), which are and shall continue to be governed by the substantive law of the state in which the promissory note was executed.



6. The failure on the part of the Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent defaults. Subsequent acceptance of any payment by the holder hereof shall not be deemed a waiver of any default by Trustor, or of Beneficiary's rights hereunder as the result of any sale, agreement to sell, conveyance, or alienation, regardless of holder's knowledge of such default, sale, agreement to sell, conveyance, or alienation at the time of acceptance of such payment.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of any note or guaranty secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Trustor hereunder are joint and several.

8. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee. This provision shall not act as a waiver of Trustor's right to notification of the Beneficiary's sale of personal property as granted in the Uniform Commercial Code.

9. Beneficiary may, from time to time or at any time, substitute a Trustee or Trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office the recorder of the county in which the Property herein described is situated, it shall be conclusive evidence of the appointment of such Trustee or Trustees, and such new Trustee or Trustees shall succeed to all of the powers and duties of the Trustee or Trustees named herein.

10. (a) In the event the herein-described Property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed, alienated or further encumbered subject to any lien or charge, voluntarily or involuntarily, contractual or statutory, or transferred, including any sale of Carbon Credits or any water transfer as defined in subsection (b) below, by Trustor, or by operation of law or otherwise, without Beneficiary's prior written consent, all Indebtedness, regardless of the maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance or alienation.

(b) A water transfer is any transfer, assignment, sale, agreement to sell, conveyance, exchange, gift, encumbrance, pledge, hypothecation, alienation, grant of option to purchase, or other disposition of, directly, indirectly or in trust, voluntarily or involuntarily, by operation of law or otherwise, or the entry into a binding agreement to do any of the foregoing with respect to all or any part of any existing or hereafter created or acquired Water Assets.

(c) Trustor shall provide to Beneficiary upon request copies of any and all instruments in its possession or control, or to which it has access, pursuant to which the Trustor, or any predecessor-in-interest to Trustor, reserved, conveyed or leased any coal, oil, petroleum, gas or other mineral rights (collectively, "mineral rights"), or any portion thereof, in, on or under the Property to any third party, including any modifications, amendments, or addenda to said instruments. Trustor shall provide to Beneficiary prompt notice of (a) any reservation, sale, lease or other transfer of any minerals in, on or under the Property occurring after the date hereof, and (b) the commencement by Trustor or any third party of any action to exploit any mineral rights in, on or under the Property, including the mining or other removal thereof and further including any preparatory work such as, without limitation, the installation of roads, wells, pipelines or other equipment (individually and collectively, a "Mineral Exploitation Event"). If any Mineral Exploitation Event occurs after the date hereof, Beneficiary may at its sole option, exercisable by written notice to Trustor, to declare a portion of the Indebtedness (the "Accelerated Loan Amount") immediately due and payable equal to 110% of the value of the parcel or parcels (the "Exploited Parcels") overlying the mineral estate (whether created by reservation, grant or lease) within which the Mineral Exploitation Event occurred or is occurring, or if the collateral value of the remaining Property is not materially impaired, Beneficiary may release the Exploited Parcel from the lien of this Deed of Trust without additional payment. The



value of the Exploited Parcel(s) shall be determined by Beneficiary in its sole but reasonable discretion using any reasonable method of valuation. Beneficiary shall, subject to receipt of the Accelerated Loan Amount, release the Exploited Parcels from the lien of this Deed of Trust.

11. If Trustor is an entity other than a natural person (such as a corporation or other organization), then any Indebtedness, irrespective of the maturity date, at the option of the Beneficiary, and without demand or notice, shall become immediately due and payable if: (a) a beneficial interest in Trustor equal to 50% or more in the aggregate is sold or transferred; (b) there is a change in either the identity or number of the managing members, partners or managers of Trustor if Trustor is a partnership or similar entity; or (c) there is a change in ownership of more than 50% of the voting stock of Trustor if Trustor is a corporation or similar entity.

12. If any portion of the Property is determined to be personal property, the Trustor has granted the Beneficiary a security interest therein and Beneficiary shall have all of the rights and remedies of a secured creditor under the Uniform Commercial Code. Trustor hereby authorizes Beneficiary to file the required Uniform Commercial Code financing statements, amendments, continuation statements and/or termination statements to perfect, amend, continue or terminate its security interest in the Property or any part thereof. Trustor further authorizes Beneficiary to file, with or without any additional signature from Trustor, as Beneficiary may elect, such amendments and continuation statements as Beneficiary may deem necessary or desirable from time to time to perfect or continue such lien.

13. In the event any one or more of the provisions contained in this Deed of Trust or in any promissory note or guaranty hereby secured shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceable shall not affect any other provision of this Deed of Trust or said promissory note or guaranty, but this Deed of Trust and said promissory notes or guaranties shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

14. The undersigned Trustor agrees that he/she is entitled only to those notices required by applicable law and requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth below.

ALL SIGNATURES MUST BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC.

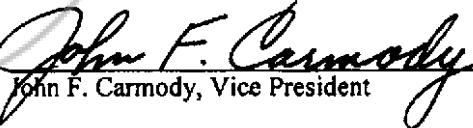
1546 Cole Blvd., Suite 270
Lakewood, Colorado 80401

26 RANCH, INC., a Colorado corporation

By:


Stephen D. Alfors, President

By:

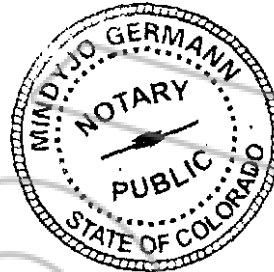

John F. Carmody, Vice President



STATE OF COLORADO
COUNTY OF JEFFERSON

This instrument was acknowledged before me on 11/20/2013 by Stephen D. Alferts, as President of 26 RANCH, INC., a Colorado corporation.

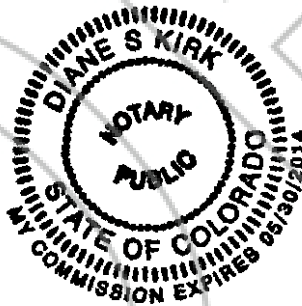
Mindy Jo German
Notary Public 08/31/2014



STATE OF Colorado
COUNTY OF JEFFERSON

This instrument was acknowledged before me on 11/20/13 by John F. Carmody, as Vice President of 26 RANCH, INC., a Colorado corporation.

Diane S. Kirk
Notary Public



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Exhibit "A"
LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of Elko, Eureka, Humboldt, and Lander, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 46 EAST, M.D.B.&M. (Lander County)

Section 6: N1/2SW1/4;

EXCEPTING THEREFROM all those portions of said land conveyed to the Central Pacific Railway Company and the Western Pacific Railway Company, by deeds recorded in Book 50, Pages 5, 8 and 11, in Book 51, Page 557 and 633, Deed Records, Lander County, Nevada.

PARCEL 2:

TOWNSHIP 35 NORTH, RANGE 45 EAST, M.D.B.&M. (Lander County)

Section 10: E1/2SW1/4; SE1/4;

EXCEPTING THEREFROM all the oil and gas lying in and under said lands as reserved in Patent from the United States of America, recorded January 14, 1971, in Book 102, Page 24, Official Records, Lander County, Nevada.

PARCEL 3:

TOWNSHIP 37 NORTH, RANGE 49 EAST, M.D.B.&M. (Elko County)

Section 25: N1/2NE1/4; S1/2SE1/4; NE1/4NW1/4; SE1/4SW1/4;

Section 35: E1/2NE1/4;

Section 36: N1/2NE1/4; NW1/4NW1/4;

TOWNSHIP 37 NORTH, RANGE 50 EAST, M.D.B.&M. (Elko County)

Section 18: SW1/4SE1/4;

Section 19: NE1/4NE1/4;

Section 20: NW1/4NW1/4;

Section 28: N1/2SE1/4; N1/2NW1/4;

Section 29: N1/2N1/2;

Section 30: NW1/4NE1/4; N1/2NW1/4;

Section 31: S1/2N1/2;

Section 32: NW1/4;

EXCEPTING THEREFROM one-half of all oil, gas, gasoline, and other hydro-carbon substances and minerals of every kind and nature lying in and under said land, as reserved in deed from Horseshoe Cattle Company, a Nevada Corporation, recorded September 19, 1955, in Book 68, Page 304, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM one-eighth (1/8) of all oil, gas, gasoline and other hydrocarbon substances and minerals of every kind and nature lying in and under said land reserved by S.A. Camp Ginning Company and Kenneth Mebane by Deed recorded November 21, 1961, in Book 20, Page 105, Official Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 34 NORTH, RANGE 48 EAST, M.D.B.&M. (Eureka County)



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Section 5: Lots 1, 2, 3 and 4; S1/2N1/2; SW1/4;

EXCEPTING FROM the above described land in TOWNSHIP 34 NORTH, RANGE 48 EAST, M.D.B.&M., all petroleum, oil, natural gas, and products derived therefrom, within or underlying said land or that may be produced therefrom and all rights thereto, together with the exclusive right at all times to enter upon or in said land to prospect for and to drill, bore, recover and remove the same reserved by Southern Pacific Company by Deed recorded in Book 25, Page 279, Deed Records, Eureka County, Nevada.

PARCEL 5:

TOWNSHIP 32 NORTH, RANGE 45 EAST, M.D.B.&M. (Lander County)

Section 1: All;

Section 2: NE1/4; SE1/4; SW1/4; W1/2NW1/4; SE1/4NW1/4;

TOWNSHIP 32 NORTH, RANGE 46 EAST, M.D.B.&M. (Lander County)

Section 6: Lots 3 & 4;

TOWNSHIP 33 NORTH, RANGE 44 EAST, M.D.B.&M. (Lander County)

Section 3: W1/2NW1/4; SW1/4SE1/4; SW1/4;

Section 4: E1/2E1/2E1/2;

Section 9: E1/2E1/2E1/2;

Section 10: All;

Section 12: N1/2NE1/4; SW1/4NE1/4; W1/2; SE1/4;

EXCEPTING THEREFROM 4.5 acres, more or less, as conveyed by Deed dated August 9, 1907, executed by Russell Land and Cattle Company to Western Pacific Railway Company, recorded in Book 51, Page 183, Deed Records of Lander County, Nevada.

Section 14: NW1/4NW1/4; S1/2NW1/4; S1/2;

Section 15: All;

Section 16: E1/2E1/2E1/2;

Section 21: E1/2E1/2NE1/4;

Section 22: N1/2; SE1/4; N1/2SW1/4; SE1/4SW1/4;

Section 23: All;

Section 24: All;

Section 25: All;

Section 26: All;

Section 36: All;

EXCEPTING THEREFROM 30 acres, more or less, as conveyed by Deed dated April 22, 1903, executed by Russell and Bradley Land and Cattle Company to Central Pacific Railway Company, recorded in Book 49, Page 754, Deed Records of Lander County, Nevada.

TOWNSHIP 33 NORTH, RANGE 46 EAST, M.D.B.&M. (Lander County)

Section 1: All;

Section 3: All;

Section 5: All;

Section 7: All;

Section 9: All;

Section 11: All;

Section 13: All;

Section 15: All;

Section 17: All;

Section 19: All;



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Section 21: All;

Section 23: Lots 1, 2, 3, 4, 7, 8, 9 and 10; NW1/4;

Section 25: All that portion of Lots 1, 2 and 7, lying westerly and northwesterly of the following described line: Commencing at the south quarter corner of said Section 25; THENCE northerly along the east line of the southwest quarter of said Section 25, a distance of 493.70 feet THENCE North 36°16' West, 2,205.80 feet; THENCE North 46°22' East, 1,796.00 feet, more or less to a point of intersection with the west line of northeast quarter of said Section 25, said point being the actual point of beginning of the line to be described; THENCE continuing North 46°22' East, 1,712.00 feet; THENCE North 28°30' East, 689.50 feet, more or less, to a point of intersection with the north line of said Section 25.

Also, all that part of the southwest quarter of said Section 25, lying westerly and southwesterly of the following described line. Beginning at the south quarter corner of said Section 25; THENCE northerly along the east line of the southwest quarter of Section 25, a distance of 493.70 feet; THENCE North 36°16' West, 2,205.80 feet; THENCE North 46°22' East, 572.30 feet, more or less, to a point of intersection with the north line of the southwest quarter of said Section 25.

Section 29: N1/2SW1/4; Lots 1 & 2; N1/2;

Section 33: Lots 1, 2, 7, 8, 9, 10, 11 and 12;

EXCEPTING FROM the above described land in TOWNSHIP 33 NORTH, RANGE 48 EAST, M.D.B.&M., all petroleum, oil, natural gas, and products derived therefrom, within or underlying said land or that may be produced therefrom and all rights thereto, together with the exclusive right at all times to enter upon or in said land to prospect for and to drill, bore, recover and remove the same reserved by Southern Pacific Company by Deed recorded in Book 67, Page 265, Deed Records, Lander County, Nevada.

TOWNSHIP 33 NORTH, RANGE 47 EAST, M.D.B.&M. (Lander County)

Section 5: Lots 1, 2, 3 and 4; S1/2N1/2; SW1/4;

Section 7: Lots 1, 2, 3 and 4; NE1/4; E1/2W1/2;

Section 9: All that portion of the northeast quarter lying westerly and northwesterly of the following described line; Commencing at the southwest corner of said Section 9; THENCE South 89°54' East, 518.00 feet; THENCE North 45°30' East, 3,759.10 feet, more or less, to a point of intersection with the south line of the northeast quarter of said Section 9 and the actual point of beginning of the line to be described; THENCE from said point continuing North 45°30' East, 2,894.20 feet more or less, to a point of intersection with the east line of said Section 9.

Section 17: All that portion of NE1/4 lying northerly and northwesterly of the following described line; beginning at a point on the east line of said Section 17, that is distant southerly thereon, 667.50 feet from the northeast corner of said Section 17; THENCE South 38°51' West, 1,400.00 feet; THENCE South 63°15' West, 1,960.00 feet more or less to a point of intersection with the south line of the northeast quarter of said Section 17.

EXCEPTING FROM the above described land in TOWNSHIP 33 NORTH, RANGE 47 EAST, M.D.B.&M., all petroleum oil, natural gas, and products derived therefrom, within or underlying said land or that may be produced therefrom and all rights thereto, together with the exclusive right at all times to enter upon or in said land to prospect for and to drill, bore, recover and remove the same reserved by Southern Pacific Company by Deed recorded in Book 67, page 265, Deed Records, Lander County, Nevada.

TOWNSHIP 34 NORTH, RANGE 44 EAST, M.D.B.&M. (Lander County)

Section 26: NW1/4; N1/2SW1/4; SE1/4SW1/4;

Section 33: E1/2E1/2E1/2;

Section 36: SW1/4NW1/4; N1/2SW1/4; SE1/4SW1/4;

Section 36: NW1/4SE1/4; E1/2SE1/4;

TOWNSHIP 34 NORTH, RANGE 46 EAST, M.D.B.&M. (Lander County)

Section 1: All;

Section 3: All;



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Section 5: All;
Section 7: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: All;
Section 29: All;
Section 31: All;
Section 33: All;
Section 35: All;

EXCEPTING FROM the above described land in TOWNSHIP 34 NORTH, RANGE 46 EAST, M.D.B.&M., all petroleum, oil, natural gas, and products derived therefrom, within or underlying said land or that may be produced therefrom and all rights thereto, together with the exclusive right at all times to enter upon or in said land to prospect for and to drill, bore, recover and remove the same reserved by Southern Pacific Company by Deed recorded in Book 67, Page 265, Deed Records, Lander County, Nevada.

TOWNSHIP 34 NORTH, RANGE 47 EAST, M.D.B.&M. (Lander County)

Section 1: All;
Section 3: All;
Section 5: All;
Section 7: All;
Section 9: All;
Section 11: All;
Section 13: Lots 1 and 2; W1/2NE1/4; W1/2;
Section 15: All;
Section 17: All;
Section 19: All;
Section 21: All;
Section 23: Lots 1 and 2; N1/2SW1/4; N1/2;
Section 25: Lots 1 and 2 of NE1/4; Lots 6 & 7 of SW1/4; and that portion of the south half of northeast quarter lying westerly and northwesterly of the following described line; beginning at a point on the east line of said Section 25, that is distant southerly thereon 1,690.20 feet from the northeast corner of said Section 25 THENCE South 44°00' West, 1,320.30 feet, more or less, to a point of intersection with the south line of the northeast quarter of said Section 25. And that portion of the east half of southwest quarter lying westerly and northwesterly of the following described line; commencing at the northeast corner of said Section 25; THENCE southerly along the east line of said Section 25, a distance of 1,690.20 feet; THENCE South 44°00' West, 3,762.80 feet, more or less, to a point of intersection with the east line of the southwest quarter of said Section 25 and the actual point of beginning of the line to be described; THENCE from said point, continuing South 44°00' West, 1,253.00 feet, more or less, to a point of intersection with the south line of said Section 25.

Section 27: Lots, 1, 2, 4 and 5; W1/2NE1/4; NW1/4; N1/2SW1/4;
Section 29: All;
Section 31: All;
Section 33: All;
Section 35: Lots 1 and 2 of NE1/4; Lots 6 and 7 of SW1/4; and that portion of the S1/2 of NE1/4 lying westerly and northwesterly of the following described line; commencing at the southwest corner of said Section 35; THENCE easterly along the south line of said Section 35, a distance of 1,801.80 feet; THENCE North 44°30' East, 3,758.80 feet, more or less, to a point of intersection with the south line of the northeast quarter of said Section 35, and the actual point of beginning of the line to be described; THENCE from said point continuing North 44°30' East, 1,255.40 feet, more or less to a point of



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intersection with the east line of said Section 35. And that portion of the E1/2 of SW1/4 lying westerly and northwesterly of the following described line; beginning at a point on the south line of said Section 35, that is distant easterly thereon 1,801.80 feet from the southwest corner of said Section 35; THENCE North 44° 30' East, 1,251.60 feet, more or less, to a point of intersection with the east line of the southwest quarter of said Section 35.

EXCEPTING FROM the above described land in TOWNSHIP 34 NORTH, RANGE 47 EAST, M.D.B.&M., all petroleum, oil, natural gas, and products derived therefrom within or underlying said land or that may be produced therefrom and all rights thereto, together with the exclusive right at all times to enter upon or in said land to prospect for and to drill, bore, recover and remove the same reserved by Southern Pacific Company by Deed recorded in Book 67, Page 265, Deed Records, Lander County, Nevada.

TOWNSHIP 34 NORTH, RANGE 48 EAST, M.D.B.&M. (Lander County)

Section 7: Lots 1, 2, 3 and 4; NE1/4; E1/2W1/2;

EXCEPTING FROM the above described land in TOWNSHIP 34 NORTH, RANGE 48 EAST, M.D.B.&M., all petroleum, oil, natural gas, and products derived therefrom, within or underlying said land or that may be produced therefrom and all rights thereto, together with the exclusive right at all times to enter upon or in said land to prospect for and to drill, bore, recover and remove the same reserved by Southern Pacific Company by Deed recorded in Book 67, Page 265, Deed Records, Lander County, Nevada.

TOWNSHIP 35 NORTH, RANGE 45 EAST, M.D.B.&M. (Lander County)

Section 9: E1/2SE1/4; SW1/4SE1/4;
Section 10: N1/2; W1/2SW1/4;
Section 16: N1/2NE1/4; SW1/4NE1/4; S1/2NW1/4; NW1/4SW1/4; NE1/4NW1/4;
Section 20: NW1/4NE1/4; N1/2NW1/4;

TOWNSHIP 36 NORTH, RANGE 45 EAST, M.D.B.&M. (Elko County)

Section 4: SE1/4NE1/4; E1/2SE1/4;
Section 10: NW1/4NW1/4; SE1/4NW1/4; NE1/4SW1/4; SW1/4SW1/4;
Section 16: NW1/4NE1/4;

TOWNSHIP 36 NORTH, RANGE 46 EAST, M.D.B.&M. (Elko County)

Section 1: Lot 1; SE1/4NE1/4;
Section 5: SW1/4SE1/4; NW1/4SW1/4; S1/2SW1/4;
Section 6: Lots 1, 2, 3 and 4; SE1/4NE1/4; NW1/4SE1/4;
Section 6: NE1/4SE1/4;
Section 7: N1/2SE1/4; SE1/4SE1/4; NE1/4SW1/4; Lot 2 and Lot 3;
Section 8: NW1/4NE1/4; S1/2NE1/4; NE1/4NW1/4;
Section 9: SE1/4SW1/4;
Section 17: SW1/4NE1/4; N1/2NW1/4; SE1/4NW1/4;

TOWNSHIP 36 NORTH, RANGE 46 EAST, M.D.B.&M. (Lander County)

Section 16: SW1/4SE1/4; N1/2SW1/4;
Section 17: NE1/4SE1/4;

TOWNSHIP 36 NORTH, RANGE 47 EAST, M.D.B.&M. (Elko County)

Section 6: Lot 5; W1/2SW1/4;
Section 7: W1/2W1/2;
Section 10: SE1/4SE1/4;
Section 11: N1/2SE1/4; SW1/4;
Section 12: N1/2NE1/4; NE1/4NW1/4; S1/2NW1/4; NW1/4SW1/4;
Section 15: N1/2NE1/4; SW1/4NE1/4; NE1/4NW1/4; S1/2NW1/4

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Section 16: SE1/4NE1/4;
Section 18: Lot 1 and Lot 2;

TOWNSHIP 36 NORTH, RANGE 47 EAST, M.D.B.&M. (Lander County)

Section 16: N1/2SE1/4; S1/2SW1/4; SW1/4SE1/4;
Section 18: Lot 3 (NW1/4SW1/4); Lot 4 (SW1/4SW1/4);
Section 19: NW1/4; W1/2SE1/4; N1/2SW1/4; SE1/4SW1/4;
Section 20: NE1/4NE1/4; S1/2NE1/4; NW1/4SE1/4; NE1/4SW1/4; S1/2SW1/4;
Section 21: N1/2NW1/4;
Section 29: NW1/4NW1/4;
Section 30: NE1/4NE1/4; W1/2E1/2;
Section 30: SE1/4NE1/4; SE1/4NW1/4; E1/2SW1/4;

TOWNSHIP 36 NORTH, RANGE 48 EAST, M.D.B.&M. (Elko County)

Section 5: Lots 2, 3 and 4; S1/2NW1/4;
Section 6: Lots 6 and 7; SE1/4NE1/4; E1/2SW1/4; N1/2SE1/4;

TOWNSHIP 36 NORTH, RANGE 51 EAST, M.D.B.&M. (Elko County)

Section 5: NW1/4SW1/4; SE1/4SW1/4;
Section 6: SE1/4NE1/4; SW1/4NW1/4; NE1/4SE1/4; W1/2SW1/4; Lots 2, 3 and 4; SW1/4NE1/4;
Section 8: N1/2NW1/4;

TOWNSHIP 37 NORTH, RANGE 45 EAST, M.D.B.&M. (Elko County)

Section 26: NW1/4NW1/4;
Section 36: SE1/4NE1/4; SW1/4SE1/4;

TOWNSHIP 37 NORTH, RANGE 46 EAST, M.D.B.&M. (Elko County)

Section 13: SE1/4SE1/4;
Section 24: E1/2E1/2; SW1/4NE1/4; W1/2SE1/4;
Section 25: E1/2E1/2; W1/2NE1/4; SW1/4SE1/4; E1/2W1/2; NW1/4SE1/4;
Section 28: S1/2NW1/4;
Section 29: S1/2N1/2;
Section 30: NW1/4NE1/4; SE1/4NE1/4; NE1/4NW1/4;
Section 36: E1/2E1/2;
Section 36: NW1/4NE1/4; NE1/4NW1/4;

TOWNSHIP 37 NORTH, RANGE 47 EAST, M.D.B.&M. (Elko County)

Section 13: SE1/4NE1/4;

TOWNSHIP 37 NORTH, RANGE 48 EAST, M.D.B.&M. (Elko County)

Section 6: Lot 1; S1/2NE1/4; E1/2SW1/4; NW1/4SE1/4;
Section 7: SW1/4NE1/4; E1/2NW1/4; W1/2SE1/4;
Section 17: N1/2SW1/4;
Section 18: Lot 2 of NW1/4; N1/2NE1/4; SE1/4NE1/4; SE1/4NW1/4; NE1/4SE1/4;
Section 20: NE1/4NE1/4;
Section 25: S1/2S1/2; NE1/4SE1/4;
Section 26: S1/2SE1/4; SE1/4SW1/4;
Section 28: W1/2SE1/4; SE1/4SW1/4;
Section 32: NE1/4SE1/4; S1/2SE1/4;
Section 33: NE1/4; E1/2NW1/4; N1/2SW1/4;
Section 34: N1/2N1/2;
Section 35: NW1/4NW1/4;



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TOWNSHIP 37 NORTH, RANGE 49 EAST, M.D.B.&M. (Elko County)

Section 2: Lot 4 (NW1/4NW1/4);
Section 3: Lots 1, 2, 3 and 4 (N1/2N1/2);
Section 4: Lots 1, 2 and 3; S1/2NW1/4; W1/2SW1/4;
Section 5: Lot 2 (NW1/4NE1/4); SW1/4NE1/4; NW1/4SE1/4; S1/2SE1/4; E1/2SW1/4;
Section 6: Lots 4 and 7;
Section 7: Lot 4;
Section 8: W1/2NE1/4; E1/2W1/2;
Section 13: NE1/4SE1/4; S1/2SE1/4; SE1/4SW1/4;
Section 16: N1/2NE1/4;
Section 17: W1/2NE1/4; E1/2NW1/4; SE1/4;
Section 18: Lot 4;
Section 19: Lot 4;
Section 20: E1/2;
Section 24: NE1/4NW1/4; W1/2W1/2;
Section 25: W1/2W1/2;
Section 26: SE1/4SE1/4;
Section 29: NW1/4NE1/4; N1/2NW1/4; SW1/4NW1/4;
Section 30: NE1/4NE1/4; S1/2NE1/4; NW1/4SE1/4; NE1/4SW1/4; Lot 3 (NW1/4SW1/4); Lot 4 (SW1/4SW1/4);

TOWNSHIP 37 NORTH, RANGE 50 EAST, M.D.B.&M. (Elko County)

Section 3: Lots 1 and 3; S1/2SW1/4; S1/2SE1/4;
Section 6: Lots 2 and 5; SE1/4NW1/4; E1/2SW1/4;
Section 7: E1/2NW1/4; NE1/4SW1/4; SE1/4SW1/4; SW1/4SE1/4;
Section 8: NE1/4SE1/4; SW1/4SE1/4;
Section 9: NE1/4NE1/4; S1/2NE1/4; N1/2SW1/4;
Section 10: NE1/4NW1/4; S1/2NW1/4; NW1/4SE1/4; SE1/4SE1/4;
Section 15: Lots 1 and 2 (E1/2NE1/4); SW1/4NE1/4; NE1/4SW1/4; S1/2SW1/4; NW1/4SE1/4;
Section 16: SW1/4SE1/4;
Section 17: E1/2NW1/4; SW1/4;
Section 18: Lots 2 and 3; E1/2NW1/4; NE1/4SW1/4; N1/2SE1/4;
Section 20: E1/2SE1/4; NE1/4NW1/4; N1/2NE1/4; SE1/4NE1/4; SE1/4NW1/4; E1/2SW1/4;
Section 21: W1/2NW1/4; N1/2NE1/4; NE1/4NW1/4; N1/2SW1/4; SE1/4SW1/4; S1/2SE1/4;
Section 22: SW1/4SW1/4; Lot 2 (SE1/4NE1/4); NW1/4NE1/4; N1/2NW1/4; N1/2SW1/4; SE1/4SW1/4; W1/2SE1/4;
Section 27: E1/2SW1/4; W1/2NW1/4; NW1/4SW1/4;
Section 28: SE1/4NW1/4; N1/2SW1/4; SW1/4SW1/4;
Section 29: SE1/4NW1/4; NE1/4SW1/4; W1/2SE1/4;
Section 30: NE1/4NE1/4;
Section 32: NW1/4NE1/4; NE1/4NE1/4; S1/2NE1/4; NE1/4SW1/4; NW1/4SE1/4;
Section 33: NW1/4NE1/4; N1/2NW1/4;
Section 34: Lots 1 and 2 (E1/2NE1/4); W1/2SE1/4; NW1/4NE1/4; NE1/4NW1/4;

TOWNSHIP 37 NORTH, RANGE 51 EAST, M.D.B.&M. (Elko County)

Section 3: W1/2W1/2;
Section 4: Lot 1 (NE1/4NE1/4); SW1/4NW1/4; S1/2;
Section 5: Lot 2 (NW1/4NE1/4); SE1/4NE1/4;
Section 7: Lots 1 and 2 (W1/2NW1/4); Lot 3 (NW1/4SW1/4); NW1/4NE1/4; NE1/4NW1/4; SW1/4SE1/4; S1/2SW1/4;
Section 8: NW1/4NE1/4; S1/2NE1/4; NE1/4NW1/4;
Section 9: S1/2SW1/4; S1/2NE1/4; SW1/4NW1/4; N1/2SW1/4; NW1/4SE1/4;
Section 10: All;
Section 12: W1/2NE1/4; E1/2NW1/4;
Section 13: SW1/4SW1/4;
Section 14: S1/2NE1/4; NW1/4; NE1/4SW1/4; SE1/4;



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Section 15: NW1/4SW1/4;
Section 16: SW1/4SW1/4; NW1/4NW1/4; E1/2SW1/4; N1/2SE1/4; SW1/4SE1/4;
Section 17: SW1/4SE1/4; N1/2SW1/4; SE1/4SW1/4; NW1/4SE1/4; SE1/4SE1/4; SW1/4NE1/4;
E1/2NE1/4;
Section 18: SW1/4NE1/4; NW1/4NE1/4; SW1/4SE1/4; SE1/4SW1/4; Lot 4 (SW1/4SW1/4);
Section 18: N1/2SE1/4;
Section 19: NE1/4SW1/4;
Section 20: SW1/4SW1/4; E1/2W1/2;
Section 21: NE1/4NW1/4; NW1/4SE1/4; S1/2SE1/4; SW1/4NE1/4; SE1/4NW1/4;
Section 22: SE1/4NE1/4; SE1/4NW1/4;
Section 24: N1/2; W1/2SE1/4;
Section 27: NW1/4NW1/4; SW1/4SW1/4;
Section 28: E1/2NE1/4; NE1/4SE1/4; S1/2S1/2;
Section 29: SW1/4NW1/4; SE1/4SE1/4; E1/2W1/2; W1/2E1/2;
Section 30: Lot 3 (NW1/4SW1/4);
Section 31: NW1/4SE1/4; SE1/4NW1/4; E1/2SW1/4; NE1/4SE1/4;
Section 32: NE1/4NE1/4; W1/2NE1/4; N1/2S1/2; SE1/4SE1/4;

TOWNSHIP 37 NORTH, RANGE 52 EAST, M.D.B.&M. (Elko County)

Section 2: Lot 2 (NW1/4NE1/4); SW1/4NE1/4; SE1/4NW1/4; N1/2SW1/4; SW1/4SW1/4; NW1/4SE1/4;
Section 3: SE1/4; N1/2SW1/4;
Section 4: SW1/4NE1/4; S1/2NW1/4; SW1/4; N1/2SE1/4;
Section 5: Lots 1 and 2 (N1/2NE1/4); S1/2NE1/4; SE1/4;
Section 7: S1/2S1/2;
Section 8: S1/2S1/2;
Section 9: NW1/4; SE1/4; S1/2SW1/4;
Section 10: E1/2NE1/4; S1/2;
Section 11: NW1/4NW1/4; W1/2SW1/4; SW1/4NW1/4; NW1/4SE1/4;
Section 18: W1/2E1/2;
Section 19: W1/2NE1/4; S1/2NW1/4; N1/2SW1/4; SE1/4;

TOWNSHIP 37 NORTH, RANGE 53 EAST, M.D.B.&M. (Elko County)

Section 5: Lot 1 (NE1/4NE1/4);

TOWNSHIP 38 NORTH, RANGE 47 EAST, M.D.B.&M. (Elko County)

Section 12: NW1/4NW1/4; SE1/4NW1/4; W1/2SE1/4;
Section 13: NE1/4NE1/4; NW1/4SW1/4;

TOWNSHIP 38 NORTH, RANGE 48 EAST, M.D.B.&M. (Elko County)

Section 1: SW1/4NE1/4; NW1/4SE1/4;
Section 4: W1/2SW1/4;
Section 12: SE1/4NW1/4; N1/2SW1/4;
Section 17: NW1/4NW1/4;

TOWNSHIP 38 NORTH, RANGE 49 EAST, M.D.B.&M. (Elko County)

Section 1: S1/2NE1/4; N1/2NW1/4; SE1/4NW1/4; N1/2SE1/4; SE1/4SE1/4;
Section 2: NE1/4NE1/4;
Section 7: SE1/4NE1/4;
Section 8: S1/2N1/2;
Section 9: W1/2SW1/4;
Section 16: SW1/4SW1/4; W1/2NW1/4; E1/2SW1/4;
Section 17: SE1/4SE1/4; SE1/4SW1/4;
Section 19: Lot 4 (SW1/4SW1/4); SE1/4SE1/4;
Section 21: W1/2NW1/4; NW1/4SW1/4; SE1/4SW1/4;



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Section 22: NE1/4SE1/4; S1/2SE1/4;
Section 23: NW1/4SE1/4; S1/2SE1/4; N1/2SW1/4;
Section 24: SW1/4SW1/4;
Section 25: SW1/4NW1/4; NE1/4; N1/2NW1/4;
Section 26: SE1/4NE1/4; N1/2SW1/4;
Section 27: W1/2NE1/4; SE1/4NW1/4; NE1/4SW1/4; S1/2SW1/4;
Section 28: E1/2NW1/4; NW1/4SW1/4; S1/2SW1/4;
Section 29: SE1/4SE1/4; NE1/4SW1/4;
Section 30: NE1/4SE1/4;
Section 31: Lot 1 (NW1/4NW1/4);
Section 32: E1/2NE1/4; SE1/4NW1/4; S1/2SE1/4; NE1/4SW1/4;
Section 33: NE1/4SE1/4; S1/2SE1/4;
Section 34: W1/2W1/2; NE1/4SE1/4; S1/2SE1/4;
Section 35: SW1/4NE1/4; N1/2S1/2; SW1/4SW1/4;
Section 36: N1/2S1/2;

TOWNSHIP 38 NORTH, RANGE 50 EAST, M.D.B.&M. (Elko County)

Section 3: All;
Section 4: All;
Section 5: Lots 1, 2, 3 and 4 (N1/2N1/2); SE1/4NE1/4; SE1/4; SE1/4SW1/4;
Section 6: SW1/4SW1/4;
Section 7: N1/2NW1/4; SE1/4NW1/4; SE1/4; NE1/4SW1/4;
Section 8: NE1/4; E1/2NW1/4; S1/2;
Section 9: All;
Section 10: All;
Section 15: All;
Section 16: All;
Section 17: All;
Section 18: E1/2;
Section 19: E1/2; E1/2SW1/4;
Section 20: All;
Section 21: All;
Section 22: All;
Section 27: N1/2NE1/4; SW1/4NE1/4; NW1/4; NW1/4SW1/4;
Section 28: N1/2; NW1/4SE1/4; SW1/4;
Section 29: All;
Section 30: All;
Section 31: N1/2; N1/2S1/2;
Section 32: N1/2; N1/2S1/2;

TOWNSHIP 38 NORTH, RANGE 51 EAST, M.D.B.&M. (Elko County)

Section 6: N1/2; SE1/4; N1/2SW1/4; SW1/4SW1/4;
Section 7: N1/2NE1/4; SE1/4NE1/4; NW1/4; SE1/4SW1/4; SE1/4;
Section 18: NE1/4; SE1/4NW1/4; E1/2SE1/4; SW1/4;
Section 19: SE1/4SE1/4; E1/2NE1/4; SE1/4NW1/4; N1/2SE1/4; SE1/4SW1/4; Lots 1 and 2
(W1/2NW1/4); Lot 4 (SW1/4SW1/4)
Section 20: S1/2S1/2;
Section 21: S1/2SE1/4;
Section 22: SW1/4SE1/4;
Section 23: S1/2SW1/4;
Section 27: N1/2; N1/2S1/2;
Section 28: NE1/4NE1/4; NW1/4NE1/4; S1/2NE1/4; NW1/4; N1/2SE1/4;
Section 29: NE1/4; N1/2NW1/4;
Section 30: W1/2; NE1/4NE1/4; W1/2NE1/4;
Section 34: W1/2SW1/4;

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Section 1: Lot 1 (NE1/4NE1/4); SE1/4NE1/4; N1/2SE1/4; SW1/4SE1/4;
Section 2: Lot 4 (NW1/4NW1/4); SE1/4NW1/4; SW1/4; S1/2SE1/4;
Section 4: S1/2N1/2; S1/2;
Section 5: Lots 1 and 2 (N1/2NE1/4);
Section 6: Lot 3 (NE1/4NW1/4); Lots 4, 5, 6 and 7 (W1/2W1/2); SE1/4NW1/4; E1/2SW1/4;
Section 7: NE1/4; NE1/4NW1/4;
Section 8: SW1/4NW1/4; SW1/4;
Section 9: All;
Section 10: All;
Section 11: All;
Section 12: W1/2NE1/4; SW1/4SE1/4;
Section 13: NW1/4NE1/4; S1/2N1/2; N1/2S1/2; SE1/4SW1/4; SW1/4SE1/4;
Section 14: N1/2NE1/4; SE1/4NE1/4; SE1/4NW1/4; N1/2SW1/4; SW1/4SW1/4;
Section 15: NE1/4; SW1/4; E1/2NW1/4;
Section 16: W1/2NW1/4; SE1/4;
Section 17: SW1/4NE1/4; N1/2NW1/4; SE1/4NW1/4; NE1/4SW1/4; S1/2SW1/4; NW1/4SE1/4;
Section 18: W1/2NE1/4; S1/2SE1/4; W1/2;
Section 19: SE1/4SE1/4;
Section 20: NW1/4NE1/4; SE1/4NW1/4; NE1/4SW1/4; Lot 4 (SW1/4SW1/4); SE1/4;
Section 21: E1/2NW1/4; NW1/4SE1/4; SW1/4SE1/4; S1/2SW1/4; W1/2NW1/4; N1/2SW1/4; E1/2SE1/4;
Section 22: W1/2NW1/4;
Section 24: W1/2E1/2; E1/2W1/2; W1/2NW1/4; NW1/4SW1/4;
Section 25: SE1/4SE1/4; W1/2E1/2; E1/2W1/2;
Section 26: SW1/4NE1/4; NW1/4; S1/2;
Section 27: N1/2NW1/4; SE1/4NW1/4; SW1/4NE1/4; N1/2SE1/4;
Section 28: E1/2NW1/4; NE1/4SW1/4; SW1/4SW1/4; W1/2NW1/4; NW1/4SW1/4; SE1/4SW1/4;
Section 29: W1/2SE1/4; E1/2SE1/4; SW1/4;
Section 30: S1/2NW1/4;
Section 31: N1/2N1/2;
Section 32: N1/2; NE1/4SW1/4; SE1/4;
Section 33: N1/2NE1/4; SW1/4NE1/4; W1/2; N1/2SE1/4;

TOWNSHIP 38 NORTH, RANGE 53 EAST, M.D.B.&M. (Elko County)

Section 17: W1/2NW1/4;
Section 32: NE1/4NE1/4; SW1/4NE1/4;
Section 33: SE1/4SW1/4; SW1/4SE1/4; N1/2NE1/4; NW1/4; N1/2SW1/4;
Section 34: NW1/4NW1/4;

TOWNSHIP 39 NORTH, RANGE 49 EAST, M.D.B.&M. (Elko County)

Section 8: SE1/4SE1/4;
Section 9: S1/2S1/2;
Section 10: S1/2S1/2;
Section 11: S1/2S1/2;
Section 12: S1/2SW1/4;
Section 13: S1/2NE1/4; NW1/4;
Section 14: NE1/4; E1/2NW1/4;
Section 15: N1/2NE1/4; E1/2SE1/4; NE1/4SW1/4;
Section 16: NW1/4NW1/4; SE1/4NW1/4; NW1/4SE1/4; S1/2SE1/4; NE1/4SW1/4; SW1/4SW1/4;
Section 17: E1/2E1/2;
Section 20: E1/2NE1/4; SE1/4;
Section 21: S1/2NE1/4; NE1/4NW1/4; SW1/4NW1/4; W1/2SE1/4; SW1/4;
Section 22: W1/2NW1/4; N1/2SE1/4; SE1/4SE1/4; SW1/4;
Section 23: S1/2S1/2;
Section 24: S1/2SE1/4; SW1/4;
Section 25: All;
Section 26: All;



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Section 27: All;
Section 28: N1/2N1/2; SE1/4NE1/4;
Section 29: NE1/4;
Section 31: S1/2NE1/4;
Section 34: N1/2NE1/4; SE1/4NE1/4; NE1/4NW1/4;
Section 35: N1/2; SE1/4; N1/2SW1/4;
Section 36: All;

TOWNSHIP 39 NORTH, RANGE 50 EAST, M.D.B.&M. (Elko County)

Section 7: S1/2S1/2;
Section 10: Lot 3 (NE1/4SE1/4); W1/2SE1/4;
Section 15: SW1/4; W1/2SE1/4; Lots 3 and 4 (E1/2SE1/4);
Section 16: W1/2W1/2; N1/2SE1/4; NE1/4SW1/4;
Section 17: All;
Section 18: N1/2; SE1/4; NE1/4SW1/4; S1/2SW1/4;
Section 19: N1/2; NW1/4SE1/4; SE1/4SE1/4; N1/2SW1/4; SW1/4SW1/4;
Section 20: NW1/4NW1/4; SE1/4; SE1/4SW1/4;
Section 21: E1/2SE1/4; N1/2; W1/2SE1/4; SW1/4;
Section 22: N1/2NW1/4; W1/2NE1/4; S1/2NW1/4; SW1/4; W1/2SE1/4; Lots 1 and 2 (E1/2NE1/4);
Section 27: S1/2SW1/4; SW1/4SE1/4; NW1/4NE1/4; NW1/4; N1/2SW1/4; Lots 3 and 4 (E1/2SE1/4);
Section 28: NE1/4NE1/4; S1/2NE1/4; SE1/4NW1/4; N1/2SW1/4; SW1/4SW1/4; NW1/4SE1/4;
NE1/4SE1/4; S1/2SE1/4; SE1/4SW1/4; NW1/4NE1/4; N1/2NW1/4; SW1/4NW1/4;
Section 29: SE1/4SE1/4; NE1/4NE1/4; NE1/4SE1/4; W1/2E1/2; W1/2;
Section 30: Lots 1, 2, 3 and 4 (W1/2W1/2); E1/2SW1/4; S1/2SE1/4;
Section 31: N1/2; SE1/4; NW1/4SW1/4; S1/2SW1/4;
Section 32: SW1/4NE1/4; SE1/4NW1/4; SE1/4NE1/4; SW1/4NW1/4; N1/2N1/2; S1/2;
Section 33: NW1/4NE1/4; NW1/4NW1/4; E1/2NE1/4; NE1/4NW1/4; SW1/4NW1/4; SW1/4NE1/4;
SE1/4NW1/4; S1/2;
Section 34: S1/2NE1/4; E1/2NW1/4; S1/2; NW1/4NE1/4; NW1/4NW1/4; SW1/4NW1/4; Lot 1
(NE1/4NE1/4);

TOWNSHIP 39 NORTH, RANGE 51 EAST, M.D.B.&M. (Elko County)

Section 36: E1/2E1/2;

TOWNSHIP 39 NORTH, RANGE 52 EAST, M.D.B.&M. (Elko County)

Section 21: SE1/4SE1/4;
Section 22: E1/2NE1/4; SW1/4SW1/4; SE1/4SE1/4; E1/2W1/2; W1/2E1/2;
Section 23: NW1/4NE1/4; S1/2NE1/4; NE1/4NW1/4; SW1/4NW1/4; N1/2SE1/4;
SW1/4SE1/4; S1/2SW1/4;
Section 24: S1/2S1/2;
Section 25: NE1/4SW1/4; S1/2SW1/4;
Section 26: NE1/4;
Section 26: E1/2SE1/4;
Section 28: NE1/4; NE1/4NW1/4; SE1/4SW1/4;
Section 29: NE1/4SE1/4;
Section 30: Lots 1, 2, 3 and 4 (W1/2W1/2);
Section 31: Lots 1, 2, 3 and 4 (W1/2W1/2); SW1/4NE1/4; SE1/4NW1/4; E1/2SW1/4;
Section 32: SW1/4NE1/4; NW1/4SW1/4; S1/2S1/2;
Section 33: NE1/4NE1/4; S1/2NE1/4; N1/2SE1/4; SW1/4SE1/4;
Section 34: NW1/4; E1/2SE1/4;
Section 34: W1/2SE1/4;
Section 35: E1/2NE1/4; NW1/4; S1/2SW1/4;
Section 35: N1/2S1/2;
Section 36: All;

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Section 30: SW1/4NE1/4; NE1/4NW1/4;

PARCEL 6:

TOWNSHIP 36 NORTH, RANGE 46 EAST, M.D.B.&M. (Elko County)

Section 5: SE1/4SE1/4;
Section 7: SE1/4NW1/4;
Section 8: SW1/4SW1/4;

PARCEL 7:

TOWNSHIP 33 NORTH, RANGE 44 EAST, M.D.B.&M. (Humboldt County)

Section 4: W1/2E1/2E1/2; W1/2E1/2; W1/2;
Section 5: All;
Section 8: N1/2NE1/4;
Section 9: W1/2E1/2E1/2; W1/2E1/2; E1/2SW1/4; NW1/4;
Section 16: W1/2E1/2E1/2; W1/2E1/2; E1/2NW1/4;
Section 21: W1/2E1/2NE1/4;

TOWNSHIP 34 NORTH, RANGE 44 EAST, M.D.B.&M. (Humboldt County)

Section 31: All;
Section 32: All;
Section 33: W1/2E1/2; W1/2; W1/2E1/2E1/2;

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 43 EAST, M.D.B.&M. (Humboldt County)

Section 13: SE1/4SE1/4;

EXCEPTING THEREFROM a strip of land 100 feet in width being 50 feet on each side of the parallel with the located center line of the Western Pacific Railway Company's line of railroad as the same is staked out and located over and across Section 13, as set forth in Deed recorded in Book 41, Page 221, Deed Records of Humboldt County, Nevada.

Section 24: E1/2E1/2;

TOWNSHIP 33 NORTH, RANGE 44 EAST, M.D.B.&M. (Humboldt County)

Section 9: W1/2SW1/4;

Parcel A of that certain Parcel Map for Nevada Land and Resource Company, L.L.C. lying within Section 17, TOWNSHIP 33 NORTH, RANGE 44 EAST, M.D.B.&M., recorded in the Office of the Humboldt County Recorder on July 16, 1997, under File No. 1997-6509, Humboldt County, Nevada.

TOWNSHIP 34 NORTH, RANGE 44 EAST, M.D.B.&M.

Section 18: Lot 4 of the SW1/4;
Section 19: All;
Section 20: SW1/4SW1/4;
Section 29: All;
Section 30: E1/2SW1/4; Lot 3 SW1/4; E1/2; NW1/4;

EXCEPTING FROM the W1/2SW1/4 of Section 34, TOWNSHIP 38 NORTH, RANGE 51 EAST, M.D.B.&M., W1/2W1/2 of Section 3, Lot 1, S1/2; SW1/4NW1/4; of Section 4, TOWNSHIP 37 NORTH,



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RANGE 51 EAST, M.D.B.&M., all of the Barite mineral estate conveyed to Peabody Calada Inc., a California Corporation by Quitclaim Deeds recorded in Book 342, Page 632, Book 343, Page 201, Book 372, Page 448 and Book 375, Page 354, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land except that portion within all of Sections 1, 11, 13 and 23, TOWNSHIP 34 NORTH, RANGE 47 EAST, M.D.B.&M., and the W1/2 and NE1/4 of Section 5 and the N1/2N1/2 and SW1/4 of Section 7, TOWNSHIP 34 NORTH, RANGE 48 EAST, M.D.B.&M., all metals, ores, and minerals of every kind and character whatsoever, precious and base, metallic and non-metallic, lying in and under said land, including, but in no way limited to, gold, silver, barite, coal, oil, gas, associated hydrocarbon substances, and geothermal resources, as reserved by Echo Bay Exploration, Inc., a Delaware corporation, et al, in Deeds recorded May 8, 1990 in Book 720, Page 862, Official Records, Elko County, Nevada, May 21, 1990 in Book 210, Page 363, Official Records, Eureka County, Nevada, recorded May 22, 1990 in Book 345, Page 449, Official Records, Lander County, Nevada and May 21, 1990 in Book 289, Page 418, Official Records, Humboldt County, Nevada.

FURTHER EXCEPTING FROM all of the above parcels, all the lands lying within the rights of way of the Western Pacific Railroad Company and the Southern Pacific Transportation Company whether specifically excepted above.

FURTHER EXCEPT the barite in the following described land:

TOWNSHIP 37 NORTH, RANGE 51 EAST M.D.B.&M.

Section 3: W1/2W1/2
Section 4: Lot 1; S1/2; SW1/4NW1/4;

TOWNSHIP 38 NORTH, RANGE 51 EAST, M.D.B.&M.

Section 34: W1/2SW1/4;

FURTHER EXCEPTING FROM all of the above described land the mineral estate as conveyed to Western States Minerals Corporation, a Utah corporation, by deed recorded June 7, 2006, Book 556, Page 771, Official Records of Lander County, Nevada, and as Document No. 2006-3848, Official Records of Humboldt County, Nevada, and Recorded June 8, 2006 as Document No. 554272, Official Records of Elko County, Nevada, and in Book 437, Page 143, Official Records of Eureka County, Nevada.

TOGETHER WITH all of Grantor's right, title and interest to divert and use 7.049 c.f.s. (1,849.08 acre feet) of water from the Humboldt River for the irrigation of 871.53 acres of the above described land as allotted to W. T. Jenkins under Proof No. 00166 in the Humboldt River Adjudication, as shown in the Findings of Facts, Conclusions of Law and Decree of the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, Case No. 2804, entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Its Tributaries" (the "Bartlett Decree"). (page 116-117 and 235)

TOGETHER WITH all of Grantor's right, title and interest to divert and use 1.5970 c.f.s. (2,856.43 acre feet) of water from the Humboldt River for the irrigation of 1,865.78 acres of the above described land as allotted to Russell Land and Cattle Co. under Proof No. 00172 in the Humboldt River Adjudication, as shown in the Findings of Facts, Conclusions of Law and Decree of the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, Case No. 2804, entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Its



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Tributaries" (the "Bartlett Decree"). (page 134)

ALSO TOGETHER WITH all of Grantor's right, title and interest to divert and use 50.3527 c.f.s. (9,003.79 acre feet) of water from the Humboldt River for the irrigation of 4,102.68 acres of the above described land as allotted to Russell Land and Cattle Co. under Proof No. 00172 in the Humboldt River Adjudication, as shown in the Findings of Facts, Conclusions of Law and Decree of the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, Case No. 2804, entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Its Tributaries" (the "Bartlett Decree"). (page 134-139)

ALSO TOGETHER WITH all of Grantor's right, title and interest to divert and use 2.868 c.f.s. (408.74 acre feet) of water from the Humboldt River for the irrigation of 352.51 acres of the above described land as allotted to Lulu Kattenhorn Burch under Proof No. 00176 in the Humboldt River Adjudication, as shown in the Findings of Facts, Conclusions of Law and Decree of the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, Case No. 2804, entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Its Tributaries" (the "Bartlett Decree"). (page 140-141)

ALSO TOGETHER WITH all of Grantor's right, title and interest to divert and use 4.503 c.f.s. (1,116.12 acre feet) of water from the Humboldt River for the irrigation of 383.05 acres of the above described land as allotted to Lulu Kattenhorn Burch under Proof No. 00323 in the Humboldt River Adjudication, as shown in the Findings of Facts, Conclusions of Law and Decree of the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, Case No. 2804, entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Its Tributaries" (the "Bartlett Decree"). (page 157-158)

ALSO TOGETHER WITH the Grantor's right to use both surface and underground water for irrigation, domestic and stockwater use of said land, as evidenced by the following enumerated Applications to Appropriate Water, and Certificates of Appropriation of Water on file with, and issued by the State Engineer:

<u>Application No.</u>	<u>Certificate No.</u>	<u>Source:</u>	<u>Use:</u>
19	97	Rock Creek	Irrig., Stockwater & domestic
1905	140	Rock Creek	Irrig., Stockwater & domestic
2473	11156	Coon Creek	Irrigation
2772	285	South Branch Coon Creek	Irrigation & domestic
2781	623	Coon Creek	Irrigation
19673		Well	Irrigation
22976		Well	Irrigation
24682		Well	Irrigation
28524		Well	Irrigation



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27455	Alkali Springs	Stockwater
27456	Chicken Springs	Stockwater
27457	Sagebrush Springs	Stockwater
27658	Santa Rita Spring	Stockwater
27659	Izzenhood Spring	Stockwater
27693	Cottonwood Springs	Stockwater
27695	Pond	Stockwater
05620	Coal Creek	Stockwater
05621	Coyote Creek	Stockwater
05622	Crooked Creek	Stockwater
05625	Adams Creek	Stockwater
05626	Summit Creek	Stockwater
05627	Taylor Creek	Stockwater
05628	Carlin Creek	Stockwater
06227	Battle Creek	Stockwater
06228	26 Ranch Channel	Stockwater
06229	Sagebrush Springs	Stockwater
06230	Sheep Creek	Stockwater
06231	26 Ranch Spring #3	Stockwater
06232	6 Mile Creek	Stockwater
06233	Izzenhood Spring	Stockwater
06234	Old Timer Channel	Stockwater
06235	Mud Spring	Stockwater
06236	26 Ranch Spring #5	Stockwater
06237	26 Ranch Spring #6	Stockwater
06238	26 Ranch Spring #7	Stockwater
06239	26 Ranch Spring #4	Stockwater
06240	26 Ranch Spring #8	Stockwater
06241	26 Ranch Spring #8A	Stockwater
06242	26 Ranch Spring #9	Stockwater
06243	26 Ranch Spring #10	Stockwater
06244	Barber Canyon Spring 1	Stockwater
06245	Barber Canyon Spring 2	Stockwater
06246	26 Ranch Spring #12	Stockwater
06247	26 Ranch Spring #13	Stockwater
06248	26 Ranch Spring #14	Stockwater
06249	26 Ranch Spring #15	Stockwater
06250	26 Ranch Spring #15A	Stockwater
06251	26 Ranch Spring #16	Stockwater
06252	26 Ranch Spring #17	Stockwater
06253	26 Ranch Spring #18	Stockwater
06254	26 Ranch Spring #19	Stockwater
06255	26 Ranch Spring #20	Stockwater
06256	26 Ranch Spring #21	Stockwater
06257	26 Ranch Spring #22	Stockwater
06258	26 Ranch Spring #23	Stockwater



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06259	Coyote Spring	Stockwater
06260	Granite Spring	Stockwater
06261	26 Ranch Spring #24	Stockwater
06262	26 Ranch Spring #25	Stockwater
06263	26 Ranch Spring #26	Stockwater
005623	Road Canyon	Stockwater
005624	Indian Creek	Stockwater
3930	Ivanhoe Spring	Stockwater

ALSO TOGETHER WITH all existing and future water rights, dams, ditches, canals, pipelines, headgates, diversions, reservoirs, springs, wells, pumps, pumping stations, rights of way, easements and all other means for the diversion or use of water appurtenant to the said property or any part thereof, or now or hereafter used or enjoyed in connection therewith, for irrigation, stock watering, domestic or any other use, or drainage of all or any part of said lands, including vested water rights, permitted water rights, decreed water rights and certificated water rights arising under the laws of the State of Nevada, together with all certificates of appropriation, applications, proofs, permits and maps relating to such water and water rights which are appurtenant to the above-described real property, or any part thereof, or used or enjoyed in connection therewith or with federal domain grazing lands appurtenant or attached thereto.



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