

Lincoln County

LEASE AGREEMENT

1 THIS AGREEMENT made and entered into this 5 day of April,  
2 1977, by and between OTELIA HENRIE, a widow, of Caliente, Lincoln  
3 County, Nevada; WILLIAM T. HENRIE, a single man, of Lincoln Coun-  
4 ty, Nevada; PAUL S. HENRIE, and JOYCE V. WADE and JON V. HENRIE,  
5 his sister and brother, by PAUL S. HENRIE, Attorney in fact, all  
6 of Clark County, Nevada; hereinafter called LESSORS; and KEVIN D.  
7 OLSON and SANDRA OLSON, Husband and Wife, of Las Vegas, Clark  
8 County, Nevada, hereinafter called Lessees:

9 WITNESSETH that the parties hereto, in consideration of their  
10 mutual promises to each other, hereinafter stated, have agreed,  
11 and by these presents do agree, as follows, to-wit:

12 LESSORS agree to lease to LESSEES the property hereinafter  
13 described, with option to buy, under the following conditions;  
14 said property being situate in Lincoln County, Nevada, described  
15 as:

16 The East Half (E $\frac{1}{2}$ ) and the East Half of the West Half (E $\frac{1}{2}$ W $\frac{1}{2}$ )  
17 of Section 27, Township 9 South, Range 67 East, MDB&M, con-  
18 taining 430 acres, more or less; together with and all water,  
19 water rights, or water certificates used on or in connection  
20 therewith, and all grazing rights that are attached there-  
21 to and the improvements situate thereon, saving and excepting  
22 therefrom the East Half of the Southeast Quarter of the North-  
23 east Quarter of the Southeast Quarter (E $\frac{1}{2}$  SE $\frac{1}{4}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$ ) and  
24 the East Half of the North Quarter of the Southeast Quarter  
25 of the Southeast Quarter (E $\frac{1}{2}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$  SE $\frac{1}{4}$ ), Section 27, Town-  
26 ship 9 South, Range 67 East, MDB&M, Lincoln County, Nevada,  
27 containing 10 acres, more or less, together with any and all  
28 improvements on said ten (10) acres.

29 The East Half of the Northeast Quarter (E $\frac{1}{2}$  NE $\frac{1}{4}$ ) and the North  
30 Half of the Southeast Quarter (N $\frac{1}{2}$  SE $\frac{1}{4}$ ) of Section 22, Town-  
31 ship 9 South, Range 67 East, MDB&M, containing 160 acres; to-  
32 gether with all water rights pertaining; ditches, canals and  
all improvements thereof belonging, subject to any and all  
provisions and provisos contained in Patent #985857 from the  
Government of the United States of the aforesaid grounds, and  
any and all State or County reservations on said premises.

All of the West Half of the Northwest Quarter of Section 23,  
Township 9 South, Rang 67 East, MDB&M; together with all wa-  
ter and water rights, ditches, the usage rights of water,  
thereto belonging, subject to any and all provisions and pro-  
visos contained in the Patent #985858 from the Government of  
the United States, to the foressaid grounds, also to any and  
all State or County reservations lawfully laid or levied ag-

Lincoln County

ainst said premises.

1 Ridden Spring, Application No. 10553, Certificate No. 2641,  
2 situate within the Southwest Quarter of the Southeast Quarter  
(SW $\frac{1}{4}$  SE $\frac{1}{4}$ ), Section 34, Township 8 South, Range 66 West, MDB&M,  
3 Lincoln County, Nevada.

4 Averett Spring and Reservoir, Application No. 10652, Certifi-  
5 cate No. 2642, situate within the Northwest Quarter of the  
Northwest Quarter (NW $\frac{1}{4}$  NW $\frac{1}{4}$ ), Section 34, Township 8 South,  
6 Range 67 East, MDB&M, Lincoln County, Nevada.

7 Averett Well and Windmill, Application No. 10645, Certificate  
8 No. 2641, situate within the Southeast Quarter of the South-  
9 east Quarter (SE $\frac{1}{4}$  SE $\frac{1}{4}$ ), Section 15, Township 9 South, Range  
10 67 East, MDR&M, Lincoln County, Nevada.

11 Hackberry Springs, Application No. 5917, Certificate No. 1157,  
12 situate within the Northeast Quarter of the Northwest Quar-  
13 ter, Section 13, Township 12 South, Range 67 East, MDB&M,  
14 Lincoln County, Nevada.

15 Together with the following personal property, to-wit:

16 One (1) Power Plow  
17 One (1) Massey Ferguson Tractor with scraper blade  
18 One (1) John Deere Laler, Model 214 W  
19 One (1) ton-and-a-half, 1952 Ford Stock Truck (not running)  
20 One (1) Farm Hand Saws  
21 One (1) 4-foot Disc  
22 One (1) power  
23 One (1) Fresno-type scraper  
24 One (1) Plover (cultivator type)  
25 One (1) wood saw  
26 One (1) 4-wheel wagon  
27 One (1) Mister plow  
28 Two (2) 500-gallon gas tanks  
29 One (1) Diesel fuel tank (used for well)  
30 One (1) 10-inch Bearless Pump  
31 One (1) industrial Ford diesel pump motor  
32 One (1) blade  
One-half (1/2) interest in:  
old Grader  
post hole Jigger  
stock scales  
One (1) border-making disc  
One (1) John Deere Mower

33 TOGETHER with all and singular the tenements, hereditaments  
34 and appurtenances thereunto belonging or in anywise appertaining,  
35 and the reversion and reversions, remainder and remainders, rents,  
36 issues and profits thereof.

37 1. Lessee will pay Lessor, OTTIE HENRIE, as her sole and  
38 separate property, the sum of Five Thousand Dollars (\$5,000.00) on  
39 the day this agreement is signed and takes effect.

40 2. All income derived from the sale of cattle will be divid-

Lincoln County

as follows: forty percent (40%) of the gross sales shall go to  
1 Lessor, OTELLIA HENRIE, as her sole and separate property; sixty  
2 percent (60%) of the gross sales shall go to Lessees.

3 1. All expenses, including grazing fees and taxes, shall be  
4 absorbed by Lessees.

5 4. In the event, the expenses are not paid by Lessees within  
6 thirty (30) days after Lessors notify Lessees of default, the  
7 property shall immediately revert to Lessors.

8 5. On the 5 day of April, 1982, Lessees may exer-  
9 cise an option to buy the property described herein for the sum  
10 of One Hundred Fifty Thousand Dollars (\$150,000.00), plus the mar-  
11 ket value established on the cows, by tendering Forty-five Thou-  
12 sand Dollars (\$45,000.00) to Lessors: OTELLIE HENRIE to receive  
13 fifty percent (50%), WILLIAM T. HENRIE to receive twenty-five per-  
14 cent (25%), and PAUL S. HENRIE to receive twenty-five percent  
15 (25%), to be divided among PAUL S. HENRIE, JOHN V. HENRIE and JOYCE  
16 V. WADE, in accordance with the agreement between PAUL S. HENRIE,  
17 JOHN V. HENRIE and JOYCE V. WADE.

18 6. Lessors shall make payments in the sum of Ten thousand  
19 Dollars (\$10,000.00), or more at the option of the Lessees, year-  
20 ly, one year and one day from the date of the exercise of the op-  
21 tion, and on each year thereafter, at the rate of six percent (6%)  
22 interest.

23 7. It is mutually understood and agreed that if said Lessors,  
24 their heirs or assigns, shall fail to make any of the payments  
25 herein provided to be made in the amount or at the time same shall  
26 be due and payable, or shall violate or fail to comply with any  
27 other terms, conditions or provisions hereof, in the manner or  
28 form as herein provided, then Lessors shall have the option to ter-  
29minate this contract upon given written notice of default, allowi-  
30ng, nevertheless, a grace period of ninety (90) days during which  
31time Lessors may avoid said default; and, upon the expiration of  
32

Lincoln County

1 said grace period, Lessor shall have the option immediately to de-  
2 clare this agreement terminated and said Lessors shall be entitled  
3 to retain, as their own property, any and all payments that may  
4 have been made hereunder prior to such default, as liquidated dam-  
5 ages and as rental for the occupation and use of the said premises  
6 and Lessors, their heirs and assigns, shall and will, immediately  
7 upon any such default, deliver up and surrender to Lessors, their  
8 legal representatives or assigns, the possession of said premises,  
9 and the whole thereof, upon demand, with all person property re-  
10 placed; but the option hereby granted to Lessors to declare this  
11 agreement terminated, as aforesaid, shall not be exclusive and  
12 shall not prevent Lessors from insisting upon the proper perform-  
13 ance by Lessees, nor interfere in any way with any other redress  
14 or action on their part.

14 7. The value of the cows on the property will be counted  
15 and established in May or June of 1977, and the fair market value  
16 of the cattle shall be added to the total purchase price.

17 8. Included with the above-described property are the "Four  
18 S" brand, owned by OTILIA HENRIE and the "Reversed Five Five"  
19 Brand, owned by WILLIAM E. SMITH. However, title to said brands  
20 will remain in their respective owners until the purchase price  
21 shall have been paid in full, and will then be transferred to the  
22 LESSEES.

23 10. LESSORS do hereby grant to Lessees the use, possession  
24 and enjoyment of said premises from and after the date hereof and  
25 continuing during the life of this agreement and Lessees hereby  
26 covenant and agree that they will not commit or permit any willful  
27 or voluntary waste in connection therewith, or erect, construct or  
28 maintain any nuisance thereon. Lessees may, at their own expense,  
29 make improvements thereon. Lessees further agree to operate the  
30 ranch and raise the cattle according to livestock raising prac-  
31 tices in the County of Lincoln, State of Nevada.  
32

Lincoln County

11. Lessees will, at their own cost and expense, keep the improvements on said premises in good repair, reasonable wear thereof and damage by the elements excepted; that no building or improvement now existing or that may be hereafter placed or erected upon said premises shall be removed therefrom until the said purchase price shall have been paid in full, but shall remain on said ground and, in case of forfeiture or default, revert to Lessors. Lessees may nevertheless make improvements thereon, but shall save and hold harmless the Lessors from any and all workmen and materialmen liens, and shall cause to be posted a notice of non-responsibility of the Lessors for repairs and improvements.

12. All payments to be made hereunder shall be made to the Nevada National Bank, Pioche, Nevada 89043 hereinafter called escrowee, the set up fee to be borne equally between Lessors and Lessees, and the collection fee shall be paid by the Lessee.

13. When Lessees, their heirs or assigns shall have fulfilled all of the terms and conditions of this agreement, as specified herein, unless otherwise modified in writing, and the said purchase price shall have been paid in full, the Escrowee shall deliver to the Lessees the Warranty Deed executed simultaneously herewith and deposited in escrow at the said Escrowee. Three Bills of Sale have also been executed simultaneously herewith and shall all be delivered with said Warranty Deed.

14. Lessees have simultaneously herewith executed a good and sufficient Quitclaim Deed, conveying title to the premises to Sellers, which said Quitclaim Deed shall be delivered to Lessors by Escrowee in the event of default of the Lessees under provisions of this Agreement and such default continues for a period of Ninety (90) days after written notice thereof to Lessees and proof of notice served by Lessors upon Lessees and such proof being delivered to the Escrowee.

Lincoln County

15. It is specifically understood and agreed that the Lessees shall be authorized to depreciate the personal property herein agreed to be conveyed over a period, not in excess of five (5) years and shall further have the right to dispose of any of the said personal property provided said personal property is replaced with personal property of equivalent value as of the date of this agreement and any such replacement shall become the property of the Lessors and subject to this agreement.

16. It is specifically understood and agreed that the Lessees shall not, without the written consent of the Lessors, encumber, hypothecate, pledge or borrow against any of the property herein agreed to be conveyed unless it be in the family organization of the Lessors.

17. Time is specifically made the essence hereof.

18. This agreement shall inure to the benefit of, and shall bind the heirs, executors, administrators and assigns of the respective parties hereto; however, no transfer or assignment hereof shall be made unless Lessors shall be paid in full.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

*Celia Henrie*  
CELIA HENRIE, Lessor

*William T. Henrie*  
WILLIAM T. HENRIE, Lessor

*Paul S. Henrie*  
PAUL S. HENRIE, Lessor

JOYCE V. WADE and JOHN V. HENRIE,

by *Paul S. Henrie*  
PAUL S. HENRIE  
Attorney in Fact.

*Karin P. Olson*  
KARIN P. OLSON, Lessee

*Sandra Olson*  
SANDRA OLSON, Lessee

ACKNOWLEDGMENTS ATTACHED

Lincoln County

STATE OF NEVADA)

1 COUNTY OF LINCOLN)

2 On this 5 day of April, 1977, personally appeared before  
3 me, Notary Public, OTILIA HENRIE, who acknowledged to me that  
4 she executed the foregoing instrument.

INEZ C. THOMAS  
Notary Public - State of Nevada  
Lincoln County  
My Commission Expires Aug. 14, 1977

*Inez C. Thomas*  
Notary Public

6 COUNTY OF LINCOLN)

7 On this 5 day of April, 1977, personally appeared before me, a  
8 Notary Public, WILLIAM T. GIBSON, who acknowledged to me that he  
9 executed the foregoing instrument.

INEZ C. THOMAS  
Notary Public - State of Nevada  
Lincoln County  
My Commission Expires Aug. 14, 1977

*Inez C. Thomas*  
Notary Public

11 STATE OF NEVADA)

12 COUNTY OF CLARK)

13 On this 5 day of April, 1977, personally appeared before me, a  
14 Notary Public, PAUL J. HENRIE, known to me to be the person whose  
15 name is subscribed to the within instrument for himself and as the  
16 attorney in fact for JOYCE W. HENRIE and JOYCE W. HENRIE and acknow-  
17 ledged to me that he subscribed the names of JOYCE W. HENRIE and JOYCE  
18 W. HENRIE thereto as principal and his own name as attorney in  
19 fact, freely and voluntarily and for the uses and purposes therein  
20 mentioned.

INEZ C. THOMAS  
Notary Public - State of Nevada  
Lincoln County  
My Commission Expires Aug. 14, 1977

*Inez C. Thomas*  
Notary Public

20 COUNTY OF CLARK)

21 On this 5 day of April, 1977, personally appeared before me, a  
22 Notary Public, KEVIN D. GIBSON and SARITA OLSON, Husband and Wife,  
23 who acknowledged to me that they executed the foregoing instru-  
24 ment.

INEZ C. THOMAS  
Notary Public - State of Nevada  
Lincoln County  
My Commission Expires Aug. 14, 1977

*Inez C. Thomas*  
Notary Public

No. 74957  
FILED AND RECORDED AT REQUEST OF  
NEVADA BANK & TRUST  
APRIL 7, 1982  
AT 1 MINUTES PAST 9 O'CLOCK  
A.M. IN BOOK 49 OF OFFICIAL  
RECORDS, PAGE 331 LINCOLN  
COUNTY, NEVADA.  
*Yvonne Setzer*  
COUNTY RECORDER