

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

**LIONEL SAWYER & COLLINS**  
1700 Bank of America Plaza  
300 South Fourth Street  
Las Vegas, Nevada 89101  
Attn: David C. Whittemore, Esq.

**AGREEMENT FOR ASSIGNMENT AND ASSUMPTION OF LEASE**

This AGREEMENT FOR ASSIGNMENT AND ASSUMPTION OF LEASE (this "Agreement") is made and entered into and shall be effective as of May 27, 1998 by and among Harrich Investments, LLC, a Nevada limited liability company ("Harrich"), whose address is 50 West Liberty Street, Suite 1100, Reno, NV 89501, and Coyote Springs Investment LLC, a Nevada limited liability company ("CSI"), whose address is 7755 Spanish Springs Rd., Sparks, NV 89436.

**RECITALS**

A. Aerojet-General Corporation, an Ohio corporation ("Aerojet"), entered into that certain Land Lease Agreement dated July 14, 1988 (the "Lease") with the United States of America, acting through the Secretary of the Interior ("United States"), pursuant to which the United States leased the real property, a portion of which is located in Clark County, Nevada, and a portion of which is located in Lincoln County, Nevada, described on Exhibit A, attached hereto and incorporated by reference herein, to Aerojet (the "Leasehold Estate").

B. Aerojet, Harrich and CSI are parties to that certain Real Estate Purchase, Sale, Assignment and Assumption Agreement, dated June 14, 1996, as amended by a First Amendment dated July 12, 1996, a Second Amendment dated September 27, 1996, a Third Amendment dated as of February 5, 1997, and a Fourth Amendment dated as of May, 1997 (collectively the "Purchase Agreement"), pursuant to which Aerojet agreed to sell to Harrich, and Harrich agreed to purchase from Aerojet, the Leasehold Estate.

C. Pursuant to the terms of the Purchase Agreement, Aerojet and Harrich are parties to that certain Assignment and Assumption of Lease, dated as of May 27, 1998, pursuant to which Aerojet assigned all of its right, title and interest in and to the Lease to Harrich.

D. Harrich desires to assign, sell, transfer, and convey to CSI all of its right, title and interest in and to the Lease, and CSI desires to accept such assignment upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, for valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Harrich and CSI mutually agree as follows::

1. **Assignment.** Harrich hereby assigns, sells, transfers, and conveys to CSI all of Harrich's right, title and interest in and to the Lease and all of Harrich's obligations for the performance of all the terms, covenants, warranties, indemnities and conditions contained therein (collectively, the "Assignment") as of the Effective Date (as defined below).

2. **CSI's Acceptance.** CSI hereby accepts the Assignment, and CSI hereby agrees it shall become bound by the terms, covenants, warranties, indemnities and conditions contained therein as of the Effective Date. CSI hereby promises and agrees to perform all of Harrich's obligations under the Lease accruing on or after the Effective Date, or otherwise attributable to the period commencing on the Effective Date and continuing thereafter.

3. **Effective Date.** At such time as the parties hereto obtain the written consent of the United States to the Assignment in accordance with the terms of the Lease, the Assignment shall automatically and immediately become effective and be in full force and effect (the "Effective Date"), without the need of any further acts to be taken by any party hereto. At such time, the parties hereto may record this Agreement in the Official Records, Clark County, Nevada, and the Official Records, Lincoln County, Nevada.

4. **CSI's Benefit.** Harrich hereby agrees that, upon execution of this Agreement but prior to the Effective Date of the Assignment, Harrich shall hold legal title to the Lease and the Leasehold Estate for the benefit of CSI and shall remain obligated for the performance of all the terms, covenants, warranties, indemnities and conditions contained therein on behalf of CSI. Harrich agrees that Harrich shall grant CSI a general easement, substantially in the form attached hereto as Exhibit "B", in the Leasehold Estate for the purpose of developing and appropriating any water rights CSI may hold or acquire in Coyote Spring valley and for the purpose of ingress and egress, transportation and usage which shall terminate on the Effective Date.

5. **Binding Effect.** This Agreement shall be binding upon, and shall inure to the benefit of, all of the parties hereto and their respective successors and assigns. The parties shall execute and deliver such further and additional instruments, agreements, and other documents as may be necessary to evidence or carry out the provisions of this Agreement.

6. **Non-waiver.** No delay or failure by either party to exercise any right under this Agreement shall constitute a waiver of that or any other right.

7. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Nevada, without giving effect to principles of conflict of laws of that state.

8. **Counterparts.** Any number of counterparts of this Agreement may be executed. Each counterpart will be deemed to be an original instrument, and all counterparts taken together will constitute one agreement. Facsimile copies hereof and facsimile signatures hereon shall have the force and effect of originals.

IN WITNESS WHEREOF, the parties hereto have subscribed to this Agreement as of the date first set forth above.

"HARRICH"

HARRICH INVESTMENTS, LLC, a Nevada limited liability company

By: *Harvey Whittemore*  
Harvey Whittemore, Manager

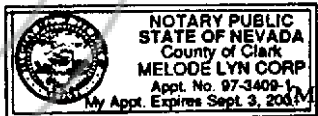
"CSI"

COYOTE SPRINGS INVESTMENT LLC, a Nevada limited liability company

By: *Gary Derek*  
Gary Derek, Manager

STATE OF NEVADA     )  
                                  ) :SS  
COUNTY OF CLARK    )

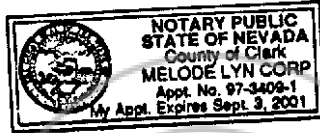
This instrument was acknowledged before me on May 26<sup>th</sup>, 1998, by Harvey Whittemore as Manager of Harrich Investments, LLC, a Nevada limited liability company.



*Melode L. Corp*  
NOTARY PUBLIC  
My Commission expires: 9/3/2001

STATE OF NEVADA )  
 ) :SS  
COUNTY OF CLARK )

This instrument was acknowledged before me on May 27<sup>th</sup>, 1998, by Gary Derck as  
Manager of Coyote Springs Investment LLC, a Nevada limited liability company.



*Melode L. Corp*  
NOTARY PUBLIC

(My Commission expires: 9/3/2001)

**EXHIBIT A**

A leasehold estate in and to the following:

**Mount Diablo Meridian Nevada:**

**Township 11 South, Range 63 East, (Lincoln County, Nevada):**

Sections 19, 30 and 31, that portion lying Easterly of the Centerline of U.S. Highway 93 and the Western boundary of the transmission corridor, that boundary being ½ mile Easterly from the Centerline of U.S. Highway 93.

**Township 12 South, Range 63, (Lincoln County Nevada):**

Section 4, all

Sections 5, 9, 16, 21, 28, 33, that portion lying Easterly of the Eastern boundary of the transmission corridor, that boundary being 1 ½ miles Easterly of the Centerline of U.S. Highway 93.

The North Half (N ½) of the North Half (N ½) of Section 6 lying Easterly of the Centerline of U.S. 93 and Westerly of the Westerly boundary of the transmission corridor, that boundary being ½ mile Easterly of the Centerline of U.S. Highway 93.

Section 15, all;  
Section 22, all;  
Section 23, Southwest Quarter (SW 1/4);  
Section 26, West Half (W ½);  
Section 27, all;  
Section 34, all;  
Section 35, all.

**Township 13 South, Range 63 East, (Clark County, Nevada).**

Section 1, West Half (W ½) of the West Half (W ½) of the East Half (E ½), and the West Half (W ½);

Section 2, all;

Sections 3, 4, 10 and 15, that portion lying Easterly of the eastern boundary of the transmission corridor, that boundary being 1 ½ miles from the Centerline of U.S. Highway 93;

Section 11, all;  
Section 12, all;

**Section 13, all;  
Section 14, all;**

**Section 22, that portion lying Northerly of a boundary  $\frac{1}{2}$  mile from the Centerline of State Highway 168 and Easterly of the eastern boundary of the transmission corridor, that boundary being  $1 \frac{1}{2}$  miles Easterly of the Centerline of U.S. Highway 93;**

**Sections 23 and 24, that portion lying Northerly of a boundary  $\frac{1}{2}$  mile from the Centerline of State Highway 168.**

**EXHIBIT**

COPY

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

STEWART TITLE COMPANY  
3800 Howard Hughes Pkwy, Suite 200  
Las Vegas, Nevada 89109-0913  
Attn: Linda J. Jones, Vice-President

### GRANT OF EASEMENT AGREEMENT

(CSI's Water Easement)

This GRANT OF EASEMENT AGREEMENT ("Agreement") is made as of May \_\_, 1998, by Harrich Investments, LLC, a Nevada limited liability company ("Harrich"), whose address is 50 West Liberty Street, Suite 1100, Reno, NV 89501, and Coyote Springs Investment LLC, a Nevada limited liability company ("CSI"), whose address is 7755 Spanish Springs Rd., Sparks, NV 89436.

### RECITALS

A. Harrich and CSI are parties to that certain Assignment and Assumption of Lease, dated as of May 27, 1998 (the "Assignment"), pursuant to which Harrich assigned all of its interest in and to a certain Lease by and between the United States of America (the "United States") and Harrich, as successor in interest to Aerojet-General Corporation, an Ohio corporation ("Aerojet"), dated July 14, 1988 (the "Lease"), of certain real property located in the Coyote Spring valley described on Exhibit "A" attached hereto (the "Leasehold Property") to CSI. Such assignment of the Lease by Harrich to CSI does not become effective until such time as the United States provides written consent as is required under the terms of the Lease.

B. Prior to the assignment becoming effective, under the terms of the Assignment, Harrich shall hold legal title to the Lease and the Leasehold Property for the benefit of CSI and shall remain obligated for the performance of all the terms, covenants, warranties, indemnities and conditions contained therein on behalf of CSI.

C. CSI owns certain water rights which are appurtenant to the Coyote Spring valley including, without limitation, the Leasehold Property.

D. In accordance with the terms of the Assignment, CSI shall receive a general easement over the Leasehold Property for purposes relating to CSI's water rights; Harrich desires to grant such easement to CSI.

NOW, THEREFORE, for valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Harrich and CSI mutually agree as follows:

1. Grant of Easement. Harrich hereby grants, transfers and conveys to CSI and any successor or assign of CSI, a general easement (the "Easement") on, over, across, under and through



the Leasehold Property for the purpose of developing and appropriating any water rights CSI may hold or acquire in Coyote Spring valley and for the purpose of ingress and egress, transportation and usage, including, without limitation, building, constructing, operating, using, maintaining, and repairing wells and water delivery systems.

2. **Indemnification.** Except as specifically set forth in this Agreement, CSI shall be responsible for, and shall indemnify and hold Harrich harmless from, all personal injury and property damage claims, losses, damages, liens, mechanic liens, causes of action and expenses (including reasonable attorneys' fees and costs) arising from or in any manner connected with the relocation, construction, operation, maintenance, reconstruction or removal of any improvement made by CSI within the Water Contract Easement which do not result from the intentional or negligent acts or omissions of Harrich.

3. **Effective Term.** The Easement shall be of no force and effect unless and until CSI shall have recorded this Agreement in the Official Records, Clark County, Nevada, and the Official Records, Lincoln County, Nevada, as provided herein. In the event CSI records this Agreement, the Water Contract Easement shall be effective as of the date of recordation.

4. **Termination.** The Water Contract Easement shall expire at the earlier of (i) the expiration of the term of the Lease or (ii) the parties hereto receiving the consent of the United States to the assignment of the Lease by Harrich to CSI in accordance with the terms of the Lease, in which event the Easement shall automatically and immediately terminate and be of no force and effect (the "Termination Date"), and without the need of any further acts to be taken by any party hereto.

5. **Cooperation.** The parties hereto, for themselves and their successors and assigns, agree to execute and deliver, in recordable form, any instrument reasonably deemed necessary or desirable, by any party hereto, to carry out the intent of this Agreement.

6. **Binding Effect.** The Easement and the provisions of this Agreement shall be covenants running with land and shall be binding upon the Harrich and CSI and their respective heirs, successors and assigns or anyone claiming under them.

7. **Governing Law.** This Agreement shall be governed by, construed and enforced under the laws of the State of Nevada.

8. Counterparts. Any number of counterparts of this Agreement may be executed. Each counterpart will be deemed to be an original instrument, and all counterparts taken together will constitute one agreement. Facsimile copies hereof and facsimile signatures hereon shall have the force and effect of originals.

IN WITNESS WHEREOF, the parties hereto have subscribed to this Agreement as of the date first set forth above.

"HARRICH"

HARRICH INVESTMENTS, LLC, a  
Nevada limited liability company

By: \_\_\_\_\_  
Harvey Whittemore, Manager

"CSI"

COYOTE SPRINGS INVESTMENT LLC,  
a Nevada limited liability company

By: \_\_\_\_\_  
Gary Derck, Manager

STATE OF NEVADA     )  
                              ) :SS  
COUNTY OF CLARK    )

This instrument was acknowledged before me on May \_\_\_\_\_, 1998, by Harvey Whittemore as Manager of Harrich Investments, LLC, a Nevada limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC

(My Commission expires: \_\_\_\_\_)

COPY

NO. 113137

FILED AND RECORDED AT REQUEST OF  
Lionel Sawyer & Collins  
Aug. 2, 1999

AT 25 MINUTES PAST 10 O'CLOCK  
AM      IN BOOK 143 OF OFFICIAL  
RECORDS PAGE 102 LINCOLN

COUNTY, NEVADA  
Leslie Boucher  
COUNTY RECORDER

BY Jensen Seaver, deputy