

120556

FILED FOR RECORDING
AT THE REQUEST OF

Marlene Delmuc
2003 JUL 25 AM 9 47

LINCOLN COUNTY RECORDER
FEE \$10.00 DEP
LESLIE BOUCHER AB

LEASE OF LAND FOR PASTURE AND GRAZING

LEASE OF LAND FOR PASTURE AND GRAZING

This Pasture and Grazing lease made the 25 day of July, 2003, between Albert Pete Delmue, of the City of Pioche, State of Nevada, hereinafter referred to as "Lessor", and Frank Joseph Delmue, Rose Marie Delmue, and Pete Tony Delmue, jointly and severally of the City of Pioche, State of Nevada, hereinafter referred to as "Lessee".

**SECTION ONE
PROPERTY AND TERM**

Lessor leases to Lessee Lessor's two-thirds (2/3) life estate interest in the premises of Lessor located in the County of Lincoln, State of Nevada, as described on the attached Exhibit "A", and equal to approximately four hundred twenty-eight (428) acres. This lease commences the July 25-2003, and is for a term of ten (10) years, until the 31st day of May, 2013, or until terminated as provided herein, on the terms and conditions set forth herein. Provided however, that Lessor may continue to graze and pasture his cattle on the same property as described above, as at present, until December 31, 2003.

Lessee understands and acknowledges that the property interest owned by the Lessor is pursuant to a life estate. Therefore, Lessee agrees that upon the death of Lessor this lease shall terminate, and all rental payments previously made shall be deemed to be previously earned, with no refund for any partial year, pursuant to such termination in the event of the death of Lessor. It is further understood and agreed that in the event that Frank Joseph Delmue and Pete Tony Delmue die prior to the expiration of the term of this lease, this lease shall terminate upon the death of Frank Joseph Delmue and Pete Tony Delmue. Therefore, Lessees agree that upon the death of Frank Joseph Delmue and Pete Tony Delmue, this lease shall terminate, and all rental payments previously made shall be deemed to be previously earned, with no refund for any partial year, pursuant to such termination, in the event of the death of Frank Joseph Delmue and Pete Tony Delmue.

It is further understood and agreed that in the event of the condemnation by any governmental authority of the demised premises or any part thereof, said lease shall terminate.

**SECTION TWO
RENTAL**

Lessee shall pay as rental to Lessor the sum of ninety-two thousand dollars (\$92,000.00), with four thousand dollars (\$4,000.00) payable upon execution of this lease agreement, which shall pay the rental from 7-25-03, to and including October 31, 2003. Thereafter, the rent schedule payable by Lessee to Lessor for the lease of the demised premises shall be according to the following schedule:

- November 1, 2003, a rental payment of \$4,000 shall be paid;
- November 1, 2004, a rental payment of \$8,000 shall be paid;
- November 1, 2005, a rental payment of \$8,000 shall be paid;
- November 1, 2006, a rental payment of \$8,000 shall be paid;
- November 1, 2007, a rental payment of \$10,000 shall be paid;
- November 1, 2008, a rental payment of \$10,000 shall be paid;

Lincoln County

November 1, 2009, a rental payment of \$10,000 shall be paid;
November 1, 2010, a rental payment of \$10,000 shall be paid;
November 1, 2011, a rental payment of \$10,000 shall be paid;
November 1, 2012, a rental payment of \$10,000 shall be paid.

It is intended that said lease payments shall be payable in advance as described above, and shall be payable to Lessor at Box 457 Highway 93, City of Pioche, State of Nevada, or to any other person or agent and at any other time that Lessor may designate.

**SECTION THREE
TAXES**

Lessee shall pay any and all real property or personal property taxes associated with the demised premises, during the entire term of this lease.

**SECTION FOUR
USE OF LAND**

*PTD. RMR 5/10
+ LS. APD*
~~The premises shall be used by the Lessee solely and exclusively for the pasturage and grazing of cattle. Lessee shall not permit others to use the land for pasturage, nor permit Lessee's cattle to graze or run at large over lands belonging to Lessor not under lease to Lessee.~~

**SECTION FIVE
CONSTRUCTION**

Lessee shall not build structures or any character upon the leased premises without the prior written consent of Lessor, except as provided in Section Six below.

**SECTION SIX
REMOVAL OF FENCES**

Lessee shall not remove or relocate any fences that are on the leased premises at the commencement of this lease without the prior written consent of Lessor.

**SECTION SEVEN
BUILDING OF FENCES**

Lessee shall, at his own expense, build neat, stock proof, lawful fences and gates enclosing the leased premises, and shall keep the same in good repair to the satisfaction of Lessor. At the termination of the lease, Lessee shall remove any such fences built by Lessee.

**SECTION EIGHT
LABOR AND MATERIALS**

Lessee shall pay for all materials joined or affixed to the premises pursuant to this lease and pay in full all persons who perform labor on the premises, and will not permit or suffer any mechanics liens or materialmen's liens of any kind or nature to be enforced against the premises for any work done or materials furnished thereon at Lessee's instance or request.

**SECTION NINE
INDEMNIFICATION**

Lessee shall indemnify Lessor against all liability, cost and expense for loss of or damage to property, and for injuries to or deaths of persons arising directly or indirectly from the use of the premises by Lessee.

**SECTION TEN
ASSIGNMENT OR SUBLEASE**

This lease shall inure to the benefit and be binding upon the heirs, executors, successors, and assigns of the parties hereto; provided however, Lessee shall not sublease all or any part of the leased premises, or assign this lease, without the prior written consent of Lessor; and in the event that Lessee does sublease the premises or part thereof or assign this lease, such sublease or assignment shall be void unless Lessor has given his prior written consent.

**SECTION ELEVEN
ATTORNEY'S FEES**

In the event either Lessor or Lessee shall bring suit to compel the performance of or to recover for breach of any covenant, agreement, or condition herein, the prevailing party shall be entitled to recover from the other party costs and reasonable attorney's fees.

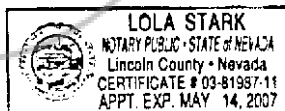
**SECTION TWELVE
SURRENDER OF PREMISES**

Lessee shall, at the termination of this lease, vacate the let premises in as good condition as they are in at the time of entry thereon by Lessee, except for reasonable use and wear thereof, acts of God, or damage by casualty beyond the control of Less, and upon vacating shall leave the demised premises free and clear of all rubbish and debris.

**SECTION THIRTEEN
ADDITIONAL CONSIDERATION**

As additional consideration for the herein lease, upon execution of the herein lease agreement and the payment of the total rental payment of eighty-four thousand dollars (~~584,000.00~~) *APD* *P.T.D.* *RMD* *\$92,000.00 LS.* Albert Pete Delmue will assign, transfer and convey to Frank Joseph Delmue, or as directed by Frank Joseph Delmue, all right, title and interest owned by Albert Pete Delmue in and to water well permit no. 13803, without warranty of title and without warranty of availability of water using such documents as may be necessary, which documents and transfer of said permit shall be at the expense of Frank Joseph Delmue.

LESSOR:



Albert P. Delmue
ALBERT PETE DELMUE

LOLA STARK
NOTARY PUBLIC • STATE OF NEVADA
Lincoln County • Nevada
CERTIFICATE # 03-81987-11
APPT. EXP. MAY 14, 2007

LESSEE:

Frank Joseph Delmue
FRANK JOSEPH DELMUE

LOLA STARK
NOTARY PUBLIC • STATE OF NEVADA
Lincoln County • Nevada
CERTIFICATE # 03-81987-11
APPT. EXP. MAY 14, 2007

Rose Marie Delmue
ROSE MARIE DELMUE

LOLA STARK
NOTARY PUBLIC • STATE OF NEVADA
Lincoln County • Nevada
CERTIFICATE # 03-81987-11
APPT. EXP. MAY 14, 2007

Pete Tony Delmue
PETE TONY DELMUE

STATE OF NEVADA)
)
) ss.
COUNTY OF Lincoln)

On the 25th day of July, 2003, personally appeared before me Albert Pete Delmue, the signer of the within instrument, who duly acknowledged to me that he executed the same.

LOLA STARK
NOTARY PUBLIC • STATE OF NEVADA
Lincoln County • Nevada
CERTIFICATE # 03-81987-11
APPT. EXP. MAY 14, 2007

Lola Stark
Notary Public

STATE OF NEVADA)
)
) ss.
COUNTY OF Lincoln)

On the 25th day of July, 2003, personally appeared before me Frank Joseph Delmue, the signer of the within instrument, who duly acknowledged to me that he executed the same.

LOLA STARK
NOTARY PUBLIC • STATE OF NEVADA
Lincoln County • Nevada
CERTIFICATE # 03-81987-11
APPT. EXP. MAY 14, 2007

Lola Stark
Notary Public

Lincoln County

STATE OF NEVADA)
)
) ss.
COUNTY OF Lincoln)

On the 25th day of July, 2003, personally appeared before me Rose Marie Delmue, the signer of the within instrument, who duly acknowledged to me that she executed the same.



Lola Stark
Notary Public

STATE OF NEVADA)
)
) ss.
COUNTY OF Lincoln)

On the 25th day of July, 2003, personally appeared before me Pete Tony Delmue, the signer of the within instrument, who duly acknowledged to me that he executed the same.



Lola Stark
Notary Public

Exhibit 'A'

ASSESSMENT NOTICE			BILL LLOYD LINCOLN CO ASSESSOR P.O. BOX 420 PIOCHE NV, 89043 (775) 962-5890		PRE-SORTED FIRST CLASS US POSTAGE PAID PIOCHE, NV PERMIT #
DISTRICT	APPRAISAL YEAR	MAILING DATE			
5.0	1996	12/17/02			
THIS FISCAL YEAR 2002-03	NEXT FISCAL YEAR 2003-04				
ASSESSED VALUES	ASSESSED VALUES				
LAND 6,393	LAND 6,048				
IMPROVEMENTS 15,147	IMPROVEMENTS 15,374				
PERSONAL PROPERTY	PERSONAL PROPERTY				
NEW CONSTRUCTION	NEW CONSTRUCTION				
EXEMPTIONS	EXEMPTIONS				
ASSESSED TOTAL 21,540	ASSESSED TOTAL 21,422				
TAXABLE TOTAL 61,543	TAXABLE TOTAL 61,206				
		PARCEL NO: 012-070-03 PROPERTY LOCATION 468E, T15, SEC 13. 200 A. SUBDIVISION: BLOCK: LOT: AG LAND VALUE OF 5,587 INCLUDED. *** DEFERRED TAXES WILL BECOME DUE IF THIS PARCEL IS CONVERTED TO A HIGHER USE.			
		DELMUE, PETE T & JOE ET AL P.O. BOX 457 PIOCHE, NV 89043			

ASSESSMENT NOTICE			BILL LLOYD LINCOLN CO ASSESSOR P.O. BOX 420 PIOCHE NV, 89043 (775) 962-5890		PRE-SORTED FIRST CLASS US POSTAGE PAID PIOCHE, NV PERMIT #
DISTRICT	APPRAISAL YEAR	MAILING DATE			
5.0	1996	12/17/02			
THIS FISCAL YEAR 2002-03	NEXT FISCAL YEAR 2003-04				
ASSESSED VALUES	ASSESSED VALUES				
LAND 6,638	LAND 6,253				
IMPROVEMENTS	IMPROVEMENTS				
PERSONAL PROPERTY	PERSONAL PROPERTY				
NEW CONSTRUCTION	NEW CONSTRUCTION				
EXEMPTIONS	EXEMPTIONS				
ASSESSED TOTAL 6,638	ASSESSED TOTAL 6,253				
TAXABLE TOTAL 18,966	TAXABLE TOTAL 17,866				
		PARCEL NO: 012-070-06 PROPERTY LOCATION 469E, T15, SEC 7 & 18 148.8 A. SUBDIVISION: BLOCK: LOT: AG LAND VALUE OF 6,253 INCLUDED. *** DEFERRED TAXES WILL BECOME DUE IF THIS PARCEL IS CONVERTED TO A HIGHER USE.			
		DELMUE, PETE TONY ET AL P.O. BOX 457 PIOCHE, NV 89043			

Exhibit "A"

ASSESSMENT NOTICE			BILL LLOYD LINCOLN CO ASSESSOR P.O. BOX 420 PIOCHE NV, 89043 (775) 962-5890		PRE-SORTED FIRST CLASS US POSTAGE PAID PIOCHE, NV PERMIT #
DISTRICT	APPRAISAL YEAR	MAILING DATE	PARCEL NO.	PROPERTY LOCATION	SUBDIVISION:
5.0	1998	12/17/01	012-020-03	358E, T1S, SEC 13. 200 A.	
THIS FISCAL YEAR 2002-03	NEXT FISCAL YEAR 2003-04		BLOCK:	LOT:	
ASSESSED VALUES	ASSESSED VALUES		AG LAND VALUE OF 5,587 INCLUDED. *** DEFERRED TAXES WILL BECOME DUE IF THIS PARCEL IS CONVERTED TO A HIGHER USE.		
LAND 6,393	LAND 6,068				
IMPROVEMENTS 15,147	IMPROVEMENTS 15,374				
PERSONAL PROPERTY	PERSONAL PROPERTY				
NEW CONSTRUCTION	NEW CONSTRUCTION				
EXEMPTIONS	EXEMPTIONS				
ASSESSED TOTAL 21,540	ASSESSED TOTAL 21,442		DELMUE, PETE T & JOE ET AL P.O. BOX 457 PIOCHE, NV 89043		
TAXABLE TOTAL 61,543	TAXABLE TOTAL 61,206				

ASSESSMENT NOTICE			BILL LLOYD LINCOLN CO ASSESSOR P.O. BOX 420 PIOCHE NV, 89043 (775) 962-5890		PRE-SORTED FIRST CLASS US POSTAGE PAID PIOCHE, NV PERMIT #
DISTRICT	APPRAISAL YEAR	MAILING DATE	PARCEL NO.	PROPERTY LOCATION	SUBDIVISION:
5.3	1998	12/17/01	012-070-06	359E, T1S, SEC 7 & 10 148.8 A.	
THIS FISCAL YEAR 2002-03	NEXT FISCAL YEAR 2003-04		BLOCK:	LOT:	
ASSESSED VALUES	ASSESSED VALUES		AG LAND VALUE OF 6,253 INCLUDED. *** DEFERRED TAXES WILL BECOME DUE IF THIS PARCEL IS CONVERTED TO A HIGHER USE.		
LAND 6,638	LAND 6,253				
IMPROVEMENTS	IMPROVEMENTS				
PERSONAL PROPERTY	PERSONAL PROPERTY				
NEW CONSTRUCTION	NEW CONSTRUCTION				
EXEMPTIONS	EXEMPTIONS				
ASSESSED TOTAL 6,638	ASSESSED TOTAL 6,253		DELMUE, PETE TONY ET AL P.O. BOX 457 PIOCHE, NV 89043		
TAXABLE TOTAL 18,966	TAXABLE TOTAL 17,866				