

125380

R.P.T.T. \$49,140.00
When recorded return to:
THE POUQOT WATER AND POWER
COMPANY, LLC
1349 Galleria Dr. #200
Henderson, Nevada 89014

FILED FOR RECORDING
AT THE REQUEST OF

First American Title

2005 OCT 18 PM 1 40

NCS-191893-WCLV(t1)

WATER RIGHTS DEED

LINCOLN COUNTY RECORDER
FEE 1900 ⁵⁰⁰ ~~400~~ ¹⁰⁰ ~~100~~ DEPAU
LESLIE BOUCHER

THIS INDENTURE, made this 24th day of September, 2005, by LINCOLN COUNTY WATER DISTRICT, a political subdivision of the State of Nevada and VIDLER WATER COMPANY, INC., a Nevada corporation, hereinafter collectively referred to as "GRANTOR," and THE POUQOT WATER AND POWER COMPANY, LLC, a Nevada Limited Liability Company ("Pouqot"), hereinafter referred to as "GRANTEE."

WITNESSETH:

That the GRANTOR, for good and valuable consideration delivered to them by the GRANTEE, the receipt and sufficiency of which is hereby acknowledged, subject to the conditions and restrictions set forth below, does hereby grant, bargain and sell to said GRANTEE, and to its successors and assigns forever, all right, title and interest of GRANTOR's right, title and interest in and under those certain water rights within Lincoln County in the state of Nevada set forth in Permit Number 66932 issued by the Nevada State Engineer and more particularly described in Exhibit "A" which is incorporated by this reference as if fully set forth herein.

The interest conveyed herein is subject to the following covenants, conditions and restrictions:

1. The water rights described in Exhibit "A" hereto may only be put to beneficial use within the boundaries of the real property known as the Lincoln County Conservation, Recreation and Development Act of 2004, comprising

13,300 acres more or less and located within the southeasterly most portion of Lincoln County, Nevada, the 110 acre site sold under the earlier Lincoln County Land Act, and in the area designated for the electric power plant referred to as the "Toquop Power Project" in Lincoln County, Nevada more particularly described in Exhibit "B" which is incorporated by this reference as if fully set forth herein or any alternate site for such power plant in Lincoln County, Nevada; and

2. Any action by GRANTEE or its successors or assigns to put the water rights described in Exhibit "A" hereto to beneficial use or to convey to a third party for use anywhere outside of the area described immediately above shall result in the immediate reversion of these water rights to GRANTOR.

The restrictive measures and provisions of this Deed and GRANTEE's acknowledgement and acceptance of all responsibilities and obligations, including groundwater monitoring requirements, set forth in or associated with Permit Number 66932 and GRANTEE's acknowledgement that the water is conveyed at the wellhead and GRANTEE is responsible for any and all costs associated with pumping, transporting and/or treating the water set forth in that certain agreement between GRANTOR and GRANTEE dated April 18, 2005 shall run with the water rights described on Exhibit "A" and shall be binding upon and shall inure to the benefit of the GRANTOR, their successors and assigns forever.

By its terms, the restrictive measures and provisions of this Deed are enforceable by the GRANTOR, their successors and assigns forever. The restrictive measures and provisions of this Deed may be enforced in accordance with and by the same means any similar provision, as well

as by any other means or proceeding as allowed or permitted under the laws of the state of Nevada.

EXCEPT AS SPECIFICALLY PROVIDED FOR ABOVE, TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder or remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said GRANTEE and to its successors and assigns forever.

IN WITNESS WHEREOF, the GRANTOR has executed this conveyance the day and year first above written.

GRANTOR:

LINCOLN COUNTY WATER DISTRICT
a political subdivision of the State of Nevada

VIDLER WATER COMPANY, INC.
a Nevada Corporation

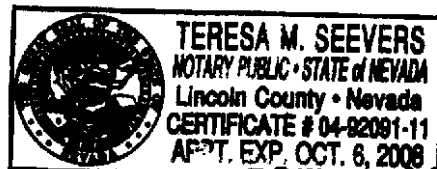
By: *Ronda Hornbeck*
Ronda Hornbeck
Chairperson

By: *Dorothy Timian-Palmer*
Dorothy Timian-Palmer P.E.
Chief Operating Officer

STATE OF NEVADA)
 : ss.
LINCOLN COUNTY)

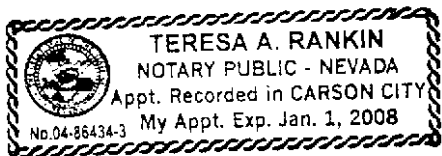
On the 26th day of September 2005, RONDA HORNBECK, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chairperson of the Lincoln County Water District, and who acknowledged to me that she executed the foregoing WATER RIGHTS DEED on behalf of said water district.

Teresa M. Seevers
NOTARY PUBLIC



STATE OF NEVADA)
 : ss.
CARSON CITY)

On the ___ day of September 2005, DOROTHY TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and known to me to be the Chief Operating Officer of Vidler Water Company, Inc, and who acknowledged to me that she executed the foregoing WATER RIGHTS DEED on behalf of said corporation.



Teresa A. Rankin

NOTARY PUBLIC

COPY

EXHIBIT "A"

Permit Number 66932, authorizing the appropriation of not to exceed 2,100 acre-feet of water annually with a rate of diversion not to exceed 6.0 cubic feet per second, for municipal purposes, including power plant cooling.

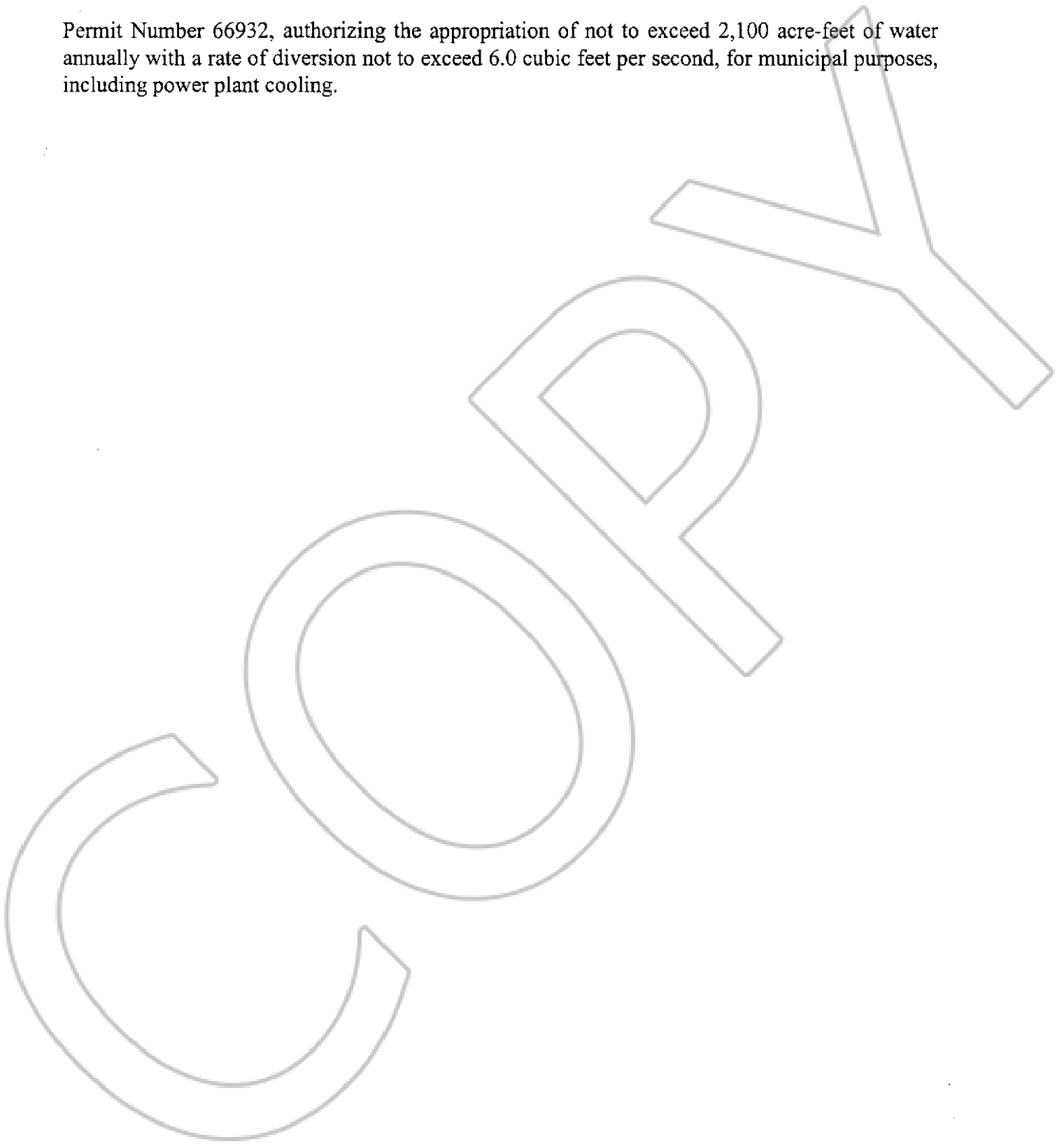


EXHIBIT "B"

All that certain parcel of real property situate in the county of Lincoln, state of Nevada, described as follows:

T. 11S., R. 69E. Sec 36, S1/2NW1/4, N1/2SW1/4, NE1/4SE1/4SW1/4,
SW1/4SE1/4.



**STATE OF NEVADA
DECLARATION OF VALUE FORM**

1. Assessor Parcel Number(s)

- a) Water Rights Deed
- b) _____
- c) _____
- d) _____

2. Type of Property:

- a) Vacant Land
- b) Single Fam. Res.
- c) Condo/Twnhse
- d) 2-4 Plex
- e) Apt. Bldg
- f) Comm'l/Ind'l
- g) Agricultural
- h) Mobile Home
- Other Water Rights

FOR RECORDER'S OPTIONAL USE ONLY
 Book: 207 Page: 442-447
 Date of Recording: Oct 18, 2005
 Notes: #175380

3. Total Value/Sales Price of Property \$ 12,600,000.00
 Deed in Lieu of Foreclosure Only (value of property) (_____)
 Transfer Tax Value: \$ 49,140.00
 Real Property Transfer Tax Due \$ _____

4. If Exemption Claimed:

- a. Transfer Tax Exemption per NRS 375.090, Section _____
- b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature Sandy McAlexander Capacity Authorized Agent
 Signature _____ Capacity _____

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Vidler Water Company
 Address: 704 W. Nye Lane, #201
 City: Carson City
 State: NV Zip: 89703

BUYER (GRANTEE) INFORMATION
(REQUIRED)

Print Name: The Pougot Water and Power Company
 Address: 1349 Galleria Dr, #200
 City: Henderson
 State: NV Zip: 89014

COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)

Print Name: First American Title Co. Escrow #: 191893 TL
 Address: 9960 W. Cheyenne Ave, #240
 City: Las Vegas State: NV Zip: 89129

AN ADDITIONAL RECORDING FEE OF \$1.00 WILL APPLY FOR EACH DECLARATION OF VALUE FORM PRESENTED TO CLARK COUNTY, EFFECTIVE JUNE 1, 2004.

BOOK **207** PAGE **448**