

**SALES AGREEMENT**

0133812

**THIS SALES AGREEMENT dated this 24 day of MAY, 2004****BETWEEN:****GORDON LYTLE and BETTY LYTLE of Eagle Valley, Pioche, Lincoln County, Nevada (collectively the 'Seller')****OF THE FIRST PART****-AND-****PATRICK JOSEPH GLOECKNER and KENA LYTLE GLOECKNER of Eagle Valley, Pioche, Lincoln County, Nevada (collectively the 'Purchaser')****OF THE SECOND PART****IN CONSIDERATION OF THE COVENANTS and agreements contained in this Sales Agreement, the parties to this Agreement agree as follows:****SALE OF GOODS**

1. The Seller will sell, transfer and deliver to the Purchaser the following goods (the 'Goods'):

**Animal Unit Monthly (AUMs)****Dry Lake - 1058 @ \$50.00 = \$52,900.00****Mt. Wilson Burn - 269 @ \$50.00 = \$13,450.00****Craw Creek N. Seeding - 84 @ \$50.00 = \$4,200.00****Craw Creek S. Seeding - 83 @ \$50.00 = \$4,150.00****21-Mile Seeding - 234 @ \$40.00 = \$9,360.00****15-Mile Seeding - 226 @ \$40.00 = \$9,040.00****Meadow Wash Seeding (Camp Valley) - 127 @ \$35.00 = \$4,445.00****Willow Wash Seeding - 114 @ \$35.00 = \$3,990.00****White Rock Seeding - 168 @ \$35.00 = \$5,880.00****Bull Seeding - 23 @ \$40.00 = \$920.00****Summer (Native) - 758****Water base- 521 @ \$50.00 = \$26,050.00****Land base- 237 @ \$40.00 = \$9,480.00****Brown Spring - 162 @ \$40.00 = \$6,480.00****Simpson - 187 @ \$50.00 = \$9,350.00****Deed - To all stock watering rights inside of the Wilson Creek allotment  
Any suspended or nonuse AUMs****Total Cost of AUMs: \$159,695.00****Cattle****Cow - 37 @ \$700.00 = \$25,900.00****Bull - 1 @ \$700.00 = \$700.00****Total Cost of Cattle = \$26,600.00****Total Cost = \$186,295.00**



## **PURCHASE PRICE**

2. The Purchaser will accept the Goods and pay for the Goods with the sum of one hundred seventy-four thousand, five hundred five dollars (\$186,295.00) USD, paid as follows:
  - a. An annual minimum payment of \$20,000.00 due and payable on December 1, 2004 and continuing thereafter on the 1<sup>st</sup> of December until said balance is paid in full.
  - b. Sellers agree to finance \$186,295.00 at 0% interest.
  - c. In case of unforeseen circumstances, purchasers may delay total payment for up to ten years. In this case 2c will exempt 2a.
  - d. In case of Sellers passing before payment completion, payment will continue to be made to their respective successors.

## **WARRANTIES**

3. The Seller warrants that (1) the Seller is the legal owner of the Goods; (2) the Goods are free from all liens and encumbrances; (3) the Seller has the right to sell the Goods; and (4) the Seller will warrant and defend the title of the Goods against any and all claims and demands of all persons.
4. **THE SELLER EXPRESSLY DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** The Purchaser has been given the opportunity to inspect the Goods or to have it inspected and the Purchaser has accepted the Goods in its existing condition. Further, the Seller disclaims any warranty as to the condition of the Goods.
5. The Seller makes no warranty, and no warranty will be deemed to exist, that the Purchaser holds the Goods free of the claim of any third person that may arise from patent or trademark infringement.
6. **EXCEPT FOR THE ABOVE WARRANTIES, NO OTHER WARRANTY (WHETHER EXPRESSED, IMPLIED OR STATUTORY) IS MADE BY THE SELLER REGARDING THE GOODS.**

## **SECURITY INTEREST**

7. The Seller retains a security interest in the Goods until paid in full.

## **CLAIMS**

8. The Purchaser's failure to give notice of any claim within 10 days from the date of delivery will constitute an unqualified acceptance of the Goods and a waiver by the Purchaser of all claims with respect to the Goods.

## **CANCELLATION**

9. The Seller reserves the right to cancel this Agreement:
  - a. If the Purchaser fails to pay balance as delineated in clause (2) of this Agreement.
  - b. In the event of the Purchaser's insolvency or bankruptcy.




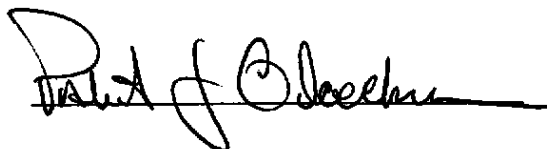
## GENERAL PROVISIONS

10. Headings are inserted for the convenience only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.
11. All representations and warranties of the Seller contained in this Agreement will survive the closing of this Agreement.
12. Either party to this Agreement may assign its rights under this Agreement, but the assignment will not change the duty of either party, increase the burden or risk involved, or impair the chances of obtaining the performance of the Agreement. However, no obligation for performance imposed on either party by this Agreement may be delegated to any other person without the prior written consent of the other party. Each party has a substantial interest in having the other party perform or control the acts required by this Agreement.
13. This Agreement cannot be modified in any way except in writing signed by all the parties to this Agreement.
14. This Agreement will be governed by and construed in accordance with the laws of the State of Nevada, including the Nevada Uniform Commercial Code and the Seller and the Purchaser hereby attorn to the jurisdiction of the Courts of the State of Nevada.
15. Except where otherwise stated in this Agreement, all terms employed in this Agreement will have the same definition as set forth in the Uniform Commercial Code in effect in the State of Nevada on the date of execution of this Agreement.
16. If any clause of this Agreement is held unconscionable by any court of competent jurisdiction, arbitration panel or other official finder of fact, the clause will be deleted from this Agreement and the balance of this Agreement will remain in full force and effect.
17. This Agreement will inure to the benefit of and be binding upon the Seller and the Purchaser and their respective successors and assigns.
18. This Agreement may be executed in counterpart.
19. This Agreement constitutes the entire agreement between the parties and there are no further items or provisions, either oral or otherwise. The Purchaser acknowledges that it has not relied upon any representations of the Seller as to prospective performance of the Goods, but has relied upon its own inspection and investigation of the subject matter.

**IN WITNESS WHEREOF** the parties have executed this Sales Agreement on this 24 day of May, 2004.

  
GORDON LYTLE

  
BETTY LYTLE





PATRICK JOSEPH GLOECKNER

*Kena Lytle Gloeckner*  
KENA LYTLE GLOECKNER

STATE OF NEVADA )  
  ) ss  
COUNTY OF LINCOLN )

On 24 day of May, 2004, personally appeared before me, a Notary Public, GORDON LYTLE and BETTY LYTLE, husband and wife, and PATRICK JOSEPH GLOECKNER and KENA LYTLE GLOECKNER, husband and wife who acknowledged to me that they executed the above Sales Agreement.

*Alyson Hammond*  
NOTARY PUBLIC

