

**Official Record**Recording requested By  
FIRST AMERICAN TITLE COMPANY

Lincoln County - NV

Leslie Boucher - Recorder

Fee: \$72.00 Page 1 of 34

RPTT Recorded By: AE

Book- 252 Page- 0557



0134970

APNs: 005-021-05

REQUESTED BY AND WHEN  
RECORDED RETURN TO:Southern Nevada Water Authority  
Attn: General Counsel  
1001 South Valley View Blvd.  
Las Vegas, NV 89153

Escrow NCS-419822-ms

MEMORANDUM OF RIGHTS, RESTRICTIVE COVENANT AND EQUITABLE  
SERVITUDE RUNNING WITH THE LAND, AND RIGHT OF FIRST OFFER

This Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer (this "*Instrument*") is made this 7<sup>th</sup> day of December, 2009, by and between the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada ("*SNWA*"), (ii) CAVE VALLEY RANCH, LLC, a Nevada limited liability company ("*CVR*"), and (iii) the individual members of CVR, CAVE VALLEY HORSE AND CATTLE, LLC, a Nevada limited liability company, Michael K. McBeath in his capacity as Manager of CVR and as an individual, and William McBeath individually (collectively, the "*CVR Related Entities*," and together with SNWA and CVR, the "*Parties*").

RECITALS

A. Cave Valley Ranch. On or about March 1, 2005, CVR purchased approximately 3,280 acres of land, BLM grazing permits, and water rights located in the Cave Valley Basin Nevada in portions of Lincoln and White Pine Counties. The Ranch purchase included, among other things, vested water rights in the form of springs and stream flows located on both deeded acreage and adjacent public lands and three stockwater wells that provide water for livestock operations. CVR thereafter filed applications to appropriate groundwater within Cave Valley Basin. As used herein, the term "*Ranch Property*" shall mean the land described in **Exhibit "1"** attached hereto and incorporated by this reference, which real property comprises all the real property currently owned by CVR in the Cave Valley Basin (assigned Hydrographic Basin No. 180 by the Nevada State Engineer). As used herein, the term "*Water Rights*" shall mean the water rights described in **Exhibit "2"** attached hereto and incorporated herein by this reference.



B. The Project. In October 1989, the Las Vegas Valley Water District (“LVVWD”) filed 146 groundwater appropriation applications in twenty-six central, eastern, and southern Nevada groundwater basins in connection with LVVWD’s effort to augment the water supply in fast-growing Southern Nevada. SNWA was created thereafter and acquired the rights to the applications. SNWA reduced the number of applications to thirty-four (the “*Applications*”). SNWA may develop water rights from at least seven basins, including Spring, Cave, Delamar, Dry Lake, Coyote Springs, Lake and Snake Valleys (the “*Source Basins*”). For the purposes of this Agreement, the term “*Project*” shall mean the Cooperative Water Project, now known as the Clark, Lincoln, and White Pine Counties Groundwater Development Project, which includes a system or systems of wells, pumps, motors, water transmission lines, and power infrastructure necessary to divert and transmit groundwater from the Source Basins to Las Vegas Basin pursuant to the Applications (or change applications thereof), together with all associated appurtenances, permitting, licensing, approvals, or other necessary authorizations.

C. Litigation Proceedings and Settlement. On or about August 29, 2007, CVR filed with the State Engineer written protests of SNWA’s two Cave Valley applications (Applications 53987 and 53988). An entity known as Carter Griffin, Inc. (“CG”) also protested the granting of SNWA applications by the State Engineer. The protests and subsequent requests by CVR to be treated as an “interested person” during hearings set by the State Engineer, together with the State Engineer’s ultimate decision in the matter of SNWA’s Cave Valley (and adjacent valley) applications in Ruling 5875, and the various lawsuits related to that Ruling and to the Project generally, resulted in discussions that led to that certain “Agreement Between the Southern Nevada Water Authority and Cave Valley Ranch, LLC, Regarding Settlement of Lawsuits and Forbearance of Future Challenges to Southern Nevada Water Authority’s Pipeline Project” (“*Agreement*”).

D. Memorialization and Creation of Rights. This Instrument is intended to memorialize certain of the Parties’ respective rights as set forth in the Agreement; to create a restrictive covenant and equitable servitude running with the Water Rights and the Ranch Property; and to grant SNWA a right of first offer on the Water Rights.

NOW, THEREFORE, in consideration of the mutual covenants, representations, disclosures, and agreements by and among the Parties, including, without limitation, those of the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Restrictive Covenant and Equitable Servitude Running With the Water Rights and the Ranch Property. This Instrument creates a restrictive covenant and equitable servitude running with the Water Rights and the Ranch Property, and any interest therein or portion thereof, the burdens of which shall run with the Water Rights and the Ranch Property, and any interest therein or portion thereof, and be enforceable by the successors of SNWA, and



enforceable against the successors of CVR, in law and in equity, in perpetuity. This restrictive covenant and equitable servitude is specifically intended by the Parties to be a running obligation, burdening and benefitting the Parties' respective successors and assigns. The value of the "**SNWA Ranches**", which are more particularly described on **Exhibit "3"** attached hereto and incorporated herein by this reference, derive a continuing benefit and increase in value from this restrictive covenant and equitable servitude because the SNWA Ranches were specifically purchased for use with the Project; the non-protest covenants and servitudes created herein increase the likelihood of the Project's completion and operation, thereby increasing the value of the SNWA Ranches to SNWA and any successor-in-interest to SNWA, which increased value is derived from the non-protest restrictions and servitudes burdening the Ranch Property and the Water Rights. The Parties further intend that, to the extent Nevada law requires privity of estate to allow the burden of a restrictive covenant to run with the land, that such requirement is met by SNWA's continuing right of first offer on the Water Rights. The following restrictive covenants and equitable servitudes (the "**Restrictions**") are hereby imposed upon the Water Rights and the Ranch Property:

(i) that CVR shall not protest or otherwise oppose any water rights change applications filed by SNWA with the Nevada State Engineer seeking to change the point of diversion, place of use, or manner of use of any portion of Permits 53987 and 53988, any permit or certificate for which Permits 53987 and 53988 are the base rights, or any other permit or certificate associated with the Project; provided, however, that this specific Restriction shall be deemed waived by SNWA or its successors or assigns if SNWA or its successor or assigns files an application with the Nevada State Engineer to change the point of diversion or otherwise locate a point of diversion of any Portion of Permits 53987 and 53988, or of any other Permit associated with the Project, to a location within five (5) miles of the Ranch Property and within Cave Valley Basin. The Ranch Property and the area within the Cave Valley Basin within which SNWA shall not file any application to change the point of diversion is depicted upon the map attached hereto as **Exhibit "4"** and incorporated herein by this reference. Notwithstanding anything to the contrary herein contained, in the event that SNWA files an application to change or otherwise locate a point of diversion within the area depicted on **Exhibit "4"**, CVR or a successor owner of such land, as applicable, shall provide written notice to SNWA that such application is improper pursuant to this Agreement and SNWA shall have thirty (30) days from the receipt of written notice to cure the alleged violation by withdrawing the improper application;

(ii) that CVR shall not protest or otherwise oppose any environmental review related to the Project, including, without limitation, any record of decision issued pursuant to the National Environmental Protection Act and any environmental impact statement, environmental assessment, biological assessment, or biological opinion related to the National Environmental Protection Act, or any other environmental review related to the Project such as, without limitation, those based on the Endangered Species Act, National Historic Preservation Act, Clean Water Act, Clean Air Act, National Environmental Protection Act, or any other federal, state, county, or municipal permitting or review



processes relating to the design, construction, operation, and maintenance of the Project; provided, however, that this specific Restriction shall be deemed waived by SNWA or its successors or assigns if SNWA or its successors or assigns files an application with the Nevada State Engineer to change the point of diversion or otherwise locate a point of diversion of any portion of Permits 53987 and 53988, or of any other Permit associated with the Project, to a location within five (5) miles of the Ranch Property and within Cave Valley Basin. The Ranch Property and the area within the Cave Valley Basin within which SNWA shall not file any application to change the point of diversion is depicted upon the map attached hereto as Exhibit "4". Notwithstanding anything to the contrary herein contained, in the event that SNWA files an application to change or otherwise locate a point of diversion within the area depicted on Exhibit "4", CVR or a successor owner of such land, as applicable, shall provide written notice to SNWA that such application is improper pursuant to this Agreement and SNWA shall have thirty (30) days from the receipt of written notice to cure the alleged violation by withdrawing the improper application;

(iii) that CVR, or any individual or business entity related to CVR, including, without limitation, the CVR Related Entities, shall not form, be a member or partner of, or be a major shareholder in, any formal or informal organization that challenges the Project through the methods prohibited in Restrictions (i) or (ii). For the purposes of this Restriction (iii), an individual or business entity shall be deemed related to CVR if such person or entity either owns an interest in CVR, or if CVR owns an interest in it; and an individual or business entity shall be deemed to be a "major shareholder" if it owns at least ten (10%) percent of a corporation's preferred or common stock.

In the event that any of the Restrictions are breached, or threatened to be breached, by CVR or the CVR Related Entities, SNWA shall have the right to obtain preliminary and permanent injunctions against such breaching party to ensure that the Water Rights and the Ranch Property are used in compliance with the Restrictions. CVR and the CVR Related Entities acknowledge that damages would not be a sufficient remedy to SNWA in the event of a breach and that injunctive relief is appropriate to ensure compliance with the Restrictions. CVR and the CVR Related Entities acknowledge that SNWA would not have executed either this Instrument or the Agreement if SNWA could not enforce the Restrictions through injunctive relief, and CVR and the CVR Related Entities hereby waive any challenge to SNWA's request for injunctive relief if any of the Restrictions are breached.

2. Continuing Right of First Offer. CVR hereby grants to SNWA a continuing right of first offer on the Water Rights, or any portion thereof or interest therein. Within five (5) days of marketing the Water Rights, or receiving an unsolicited offer from a third party to purchase the Water Rights, CVR, or CVR's successor-in-title or assign, as applicable, shall provide written notice to SNWA granting SNWA the right, but not the obligation, to make an offer to purchase the same quantity of Water Rights subject to sale. Should SNWA choose not to make an offer to purchase the Water Rights in any particular future sale (or should SNWA's offer be rejected), the new buyer from CVR (or from a subsequent new buyer, as applicable)





of the Water Rights shall affirm in writing to SNWA that each of the terms of this Instrument, including, without limitation, this continuing right of first offer, shall be enforceable against such new buyer and its successors-in-title. Such affirmation shall be in a form substantially similar to that attached to this Instrument as **Exhibit "5"**, and such affirmation must be recorded in the official records of White Pine County and Lincoln County, as well as filed with the Nevada State Engineer, for such sale or conveyance to have any force or effect. This right of first offer shall apply to all future conveyances of the Water Rights, or any portion thereof or interest therein. No future conveyance of the Water Rights shall have any force or effect unless SNWA was first given the opportunity to make an offer to purchase the Water Rights, and any purported conveyance not fully in compliance with the procedures and requirements of this paragraph shall be null and void. Pursuant to NRS 111.1031(1)(b), SNWA's right of first offer shall terminate three hundred and sixty four (364) years from the date of this Instrument.

3. Memorandum of Matters From the Agreement Running With the Ranch Property and the Water Rights and Binding Successor Owners. The Parties intend that the following terms of the Agreement shall be binding upon and run with the Ranch Property and the Water Rights and be binding upon all legal or beneficial owners of the Ranch Property and the Water Rights or any portion thereof or interest therein, and shall be binding upon SNWA, SNWA's successors, and any persons to whom SNWA assigns any water rights with a point of diversion in Cave Valley.

a. Geographic Limitation Affecting SNWA Change Applications. The Parties recognize that SNWA may file applications to change the points of diversion for many of the water rights that are part of the Project, including Applications/Permits 53987 and 53988 in Cave Valley Basin (assigned Hydrographic Basin No. 180 by the Nevada State Engineer). SNWA agrees, for the benefit of CVR and successor owners of any of the land currently owned by CVR within Cave Valley Basin (previously defined herein as the "Ranch Property"), that SNWA shall not file any application to change the point of diversion to or otherwise locate a point of diversion within the Cave Valley Basin and within five (5) miles of the Ranch Property. The Ranch Property and the area within the Cave Valley Basin within which SNWA shall not file any application to change the point of diversion is depicted upon the map attached hereto as Exhibit "4". Notwithstanding anything to the contrary herein contained, in the event that SNWA files an application to change or otherwise locate a point of diversion within the area depicted on Exhibit "4", CVR or a successor owner of such land, as applicable, shall provide written notice to SNWA that such application is improper pursuant to this Agreement and SNWA shall have thirty (30) days from the receipt of written notice to cure the alleged violation by withdrawing the improper application. Neither CVR nor any CVR Related Entities shall file a protest against any SNWA change application that is filed in compliance with this Section 3.a.

b. Monitoring and Mitigation. SNWA shall do and perform, at SNWA's sole cost and expense, all monitoring and mitigation required under Permits 53987 and 53988 or change applications thereto if and to the extent such monitoring or mitigation would have been required in the absence of any Change Application filed by CVR. This would include all "macro" level type work (e.g., species monitoring, groundwater modeling efforts, water quality and groundwater level monitoring, report preparation, and analysis caused by the use of 5000 afa in the basin, etc.) or the imposition of extraordinary requirements that the State Engineer would not normally impose on users under similar circumstances. If, on the other hand, there is a requirement of the State Engineer that specifically results from any Change Application that SNWA would not have had to perform in the absence of transferring the water to the Ranch (e.g., collecting and reporting water level measurements within a CVR well), such requirement would be complied with by CVR at CVR's cost.

c. Priority. The Parties agree that in the event of any underground water shortage or curtailment of Cave Valley pumping by the State Engineer, they will share in such shortage in proportion to their ownership of underground water rights in Cave Valley.

d. Covenant not to Protest Project Matters. CVR and CVR Related Entities will forbear from challenging in any way, by legal challenge or otherwise, all present and future actions related to the Project including any and all state and federal permitting activities and the design, construction, operation and maintenance of the Project throughout the operational lifetime of the Project. CVR and CVR Related Entities shall also refrain from assisting any other party, including CG, in any way, in any attempt to challenge or protest the Project. Project components covered by CVR's agreement to forbear from any challenge include, without limitation, the following:

i. Subject to CVR's right to enforce Section 3.a. above, CVR shall not protest or otherwise oppose any change applications filed by SNWA with the State Engineer seeking to change the point of diversion, place of use or manner of use of any portion of Permits 53987 and 53988 and any permit and/or certificate for which Permits 53987 and 53988 are the base rights;

ii. Subject to CVR's right to enforce Section 3.a. above, CVR shall not protest or otherwise oppose any change applications filed by SNWA with the State Engineer seeking to change the point of diversion, place of use or manner of use of any portion of any other permit or certificate associated with the Project.

iii. Any environmental review related to the Project including any claim based upon the National Environmental Policy Act, the Endangered Species Act, the National Historic Preservation Act, Clean Water Act, Clean



Air Act and any other federal, state or local permitting for the design, construction, operation and maintenance of the Project;

iv. Any Record of Decision issued pursuant to NEPA for the Project and any Environmental Impact Statement, Environmental Assessment, Biological Assessment or Biological Opinion related thereto;

v. The above restrictions will apply to any and all future heirs, executors, assigns, transferees and owners of the land and/or water rights currently owned by CVR, the water rights transferred to CVR by SNWA pursuant to this Agreement, or any water rights obtained by CVR as a New CVR Appropriation (as that term is defined in the Agreement). As such, all future owners, in perpetuity, of CVR's currently owned land and/or water rights, the water rights transferred to CVR by SNWA pursuant to the Agreement, or any water rights obtained by CVR as a New CVR Appropriation, may not, subject to Section 3.a above, challenge the Project in any way.

4. No Waiver of State Law Remedies for Pumping Impacts. Notwithstanding any contrary provision of Sections 1 and/or 2 above, CVR and its successors and assigns will have and retain all remedies available under State law if there are impacts to the Water Rights or any additional rights obtained pursuant to the Agreement caused by SNWA pumping of Project water.

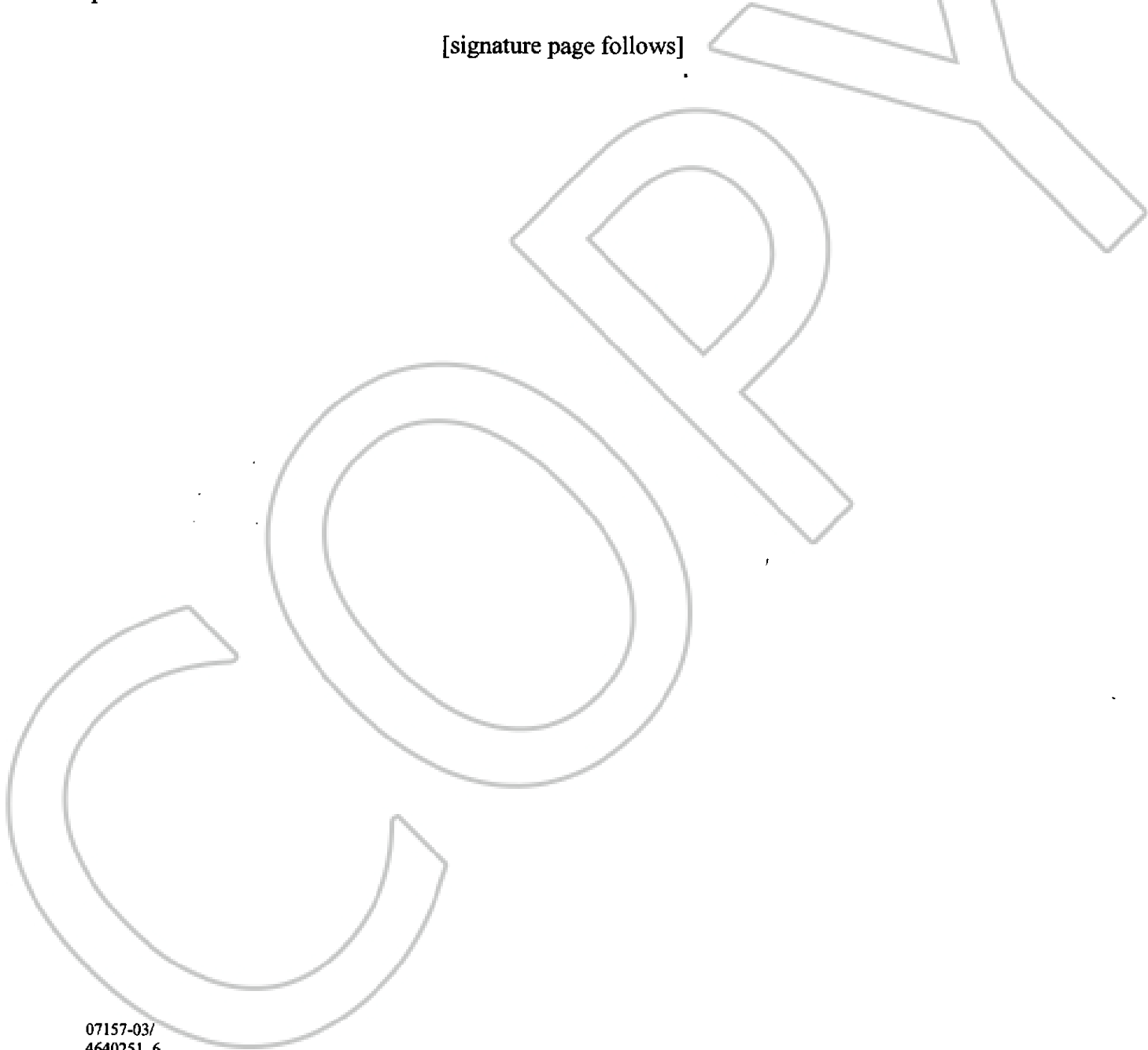
5. Notice to Future Owners. CVR covenants and agrees to provide a copy of this Instrument to any new buyer of the Water Rights or the Ranch Property, as applicable, from CVR, and the new buyer from CVR (or from a subsequent new buyer, as applicable) of the Water Rights or the Ranch Property, as applicable, shall affirm in writing to SNWA that each of the terms of this Instrument shall be enforceable against such new buyer and its successors-in-title. Such affirmation shall be in a form substantially similar to that attached to this Instrument as **Exhibit "5"**, and such affirmation must be recorded in the official records of White Pine County and Lincoln County, as well as filed with the Nevada State Engineer for such sale, transfer, or conveyance to have any force or effect. SNWA covenants and agrees to provide a copy of this Instrument to any person to whom SNWA assigns any water right with a point of diversion in Cave Valley, and such assignee (or any subsequent assignee as the case may be) shall affirm in writing to CVR (and any person then owning any portion of the Ranch Property or the Water Rights) that each of the terms of this Instrument shall be enforceable against such assignee and its successors-in-title. Such affirmation shall be in a form substantially similar to that attached to this Instrument as **Exhibit "6"**, and such affirmation must be recorded in the official records of White Pine County and Lincoln County, as well as filed with the Nevada State Engineer for such sale, transfer, or conveyance to have any force or effect.



6. Counterparts. This Instrument may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. Severability. The provisions of this Instrument are severable and the invalidity or unenforceability of any provision of this Instrument, as determined by a non-appealable judicial determination, shall not affect the validity or enforceability of the remaining provisions.

[signature page follows]







IN WITNESS WHEREOF, the Parties execute this Instrument as of the day and year first written above.

SOUTHERN NEVADA WATER AUTHORITY, a governmental agency formed under the laws of the State of Nevada

By: *Patricia Mulroy*  
Name: Patricia Mulroy  
Its: General Manager

By: *Charles K. Hauser*  
Name: Charles K. Hauser  
Its: General Counsel  
Charles K. Hauser

CAVE VALLEY RANCH, LLC, a Nevada limited liability company,

By: *Signed in counterpart*  
Michael K. McBeath  
Its: Manager

CAVE VALLEY HORSE AND CATTLE, LLC, a Nevada limited liability company

By: *Signed in Counterpart*  
Michael K. McBeath

Its: Manager

*Signed in counterpart*  
Michael K. McBeath (individually)

*Signed in counterpart*  
William McBeath (individually)



IN WITNESS WHEREOF, the Parties execute this Instrument as of the day and year first written above.

SOUTHERN NEVADA WATER AUTHORITY, a governmental agency formed under the laws of the State of Nevada

By: Signed in counterpart  
Name: Patricia Mulroy  
Its: General Manager

By: Signed in counterpart  
Name: Charles K. Hauser  
Its: General Counsel

CAVE VALLEY RANCH, LLC, a Nevada limited liability company,

By: Michael K. McBeath  
Michael K. McBeath  
Its: Manager

CAVE VALLEY HORSE AND CATTLE, LLC, a Nevada limited liability company

By: Michael K. McBeath  
Michael K. McBeath

Its: Manager

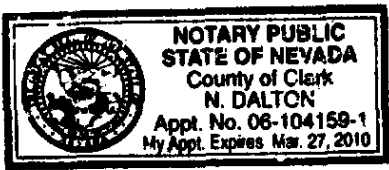
Michael K. McBeath  
Michael K. McBeath (individually)

William McBeath  
William McBeath (individually)



STATE OF NEVADA )  
 )  
 ) ss.  
COUNTY OF CLARK )

On this 11th <sup>December</sup> ~~day of November~~, 2009, personally appeared before me, a notary public, Michael K. McBeath, as Manager of CAVE VALLEY RANCH, LLC, a Nevada limited liability company, as Manager of CAVE VALLEY HORSE AND CATTLE, LLC, a Nevada limited liability company, and as an individual, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged that he executed the instrument.

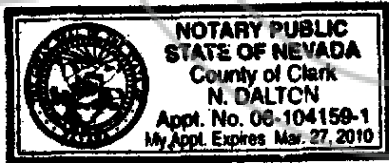


N. Dalton  
NOTARY PUBLIC

N. Dalton  
No. 06-104159-1  
Expires March 27, 2010

STATE OF NEVADA )  
 )  
 ) ss.  
COUNTY OF CLARK )

On this 11th <sup>December</sup> ~~day of November~~, 2009, personally appeared before me, a notary public, William McBeath, in his capacity as an individual, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged that he executed the instrument.



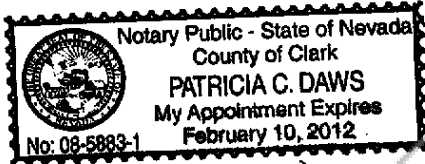
N. Dalton  
NOTARY PUBLIC

N. Dalton  
No 06-104159-1  
Expires March 27, 2010



STATE OF NEVADA )  
 )  
 ) ss.  
COUNTY OF CLARK )

On this 7<sup>th</sup> day of ~~November~~ December, 2009, personally appeared before me, a notary public, Patricia Mulroy, in her capacity as General Manager of the Southern Nevada Water Authority, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged that she executed the instrument.

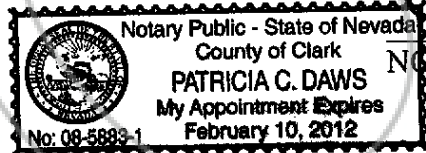


*Patricia C. Daws*  
NOTARY PUBLIC

*Patricia C. Daws*  
*No. 08-5883-1*  
*Expires February 10, 2010*

STATE OF NEVADA )  
 )  
 ) ss.  
COUNTY OF CLARK )

On this 7<sup>th</sup> day of ~~November~~ December, 2009, personally appeared before me, a notary public, Charles Hauser, in his capacity as General Counsel of the Southern Nevada Water Authority, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged that she executed the instrument.



*Patricia C. Daws*  
NOTARY PUBLIC

*Patricia C. Daws*  
*No. 08-5883-1*  
*Expires February 10, 2012*



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**Exhibit "1"**  
**(to Memorandum of Rights, Restrictive Covenant and  
Equitable Servitude Running with the Land, and Right of First Offer)**

COPY





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### DESCRIPTION OF EXISTING CAVE VALLEY RANCH LANDS

White Pine County:

Township	Range	Section	¼ Section	Lots
10N	63E	25	E ½ NE ¼	
10N	64E	19		2,3, & 4
10N	64E	22	SE ¼ SE ¼	
10N	64E	26		
10N	64E	27	SE ¼ SW ¼	
10N	64E	27	S ½ NW ¼	
10N	64E	27	NW ¼ NE ¼	
10N	64E	27	S ½ NE ¼	
10N	64E	28	S ½ NE ¼	
10N	64E	30		1,2, & 3
10N	64E	31	W ½ NW ¼	
10N	64E	31	SW ¼ SW ¼	
10N	64E	31	S ½ SW ¼	
10N	64E	31	N ½ SW ¼	
10N	64E	34	E ½ SE ¼	



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Page 15 of 34**Lincoln County:**

Township	Range	Section	¼ Section	Lot
9N	63E	12	S ½ SW ¼	
9N	64E	4	NW ¼ NE ¼	
9N	64E	4	NE ¼ NE ¼	
9N	64E	4	SW ¼ SW ¼	
9N	64E	5	SW ¼ SE ¼	
9N	64E	5	SE ¼ SW ¼	
9N	64E	5	SW ¼ NE ¼	
9N	64E	6	N ½ NW ¼	
9N	64E	6	SE ¼ NW ¼	
9N	64E	6	W ½ NE ¼	
9N	64E	6	SW ¼ SE ¼	
9N	64E	6	NE ¼ SW ¼	
9N	64E	6	SW ¼ NW ¼	
9N	64E	6	NW ¼ SE ¼	
9N	64E	8	SW ¼ SE ¼	
9N	64E	8	NE ¼ NW ¼	
9N	64E	8	NW ¼ NE ¼	
9N	64E	8	E ½ NE ¼	
9N	64E	8	E ½ SW ¼	
9N	64E	8	NW ¼ SE ¼	
9N	64E	8	SW ¼ NW ¼	
9N	64E	8	NW ¼ SW ¼	
9N	64E	8	SE ¼ NW ¼	
9N	64E	8	SW ¼ NE ¼	
9N	64E	8	NE ¼ SE ¼	
9N	64E	9	W ½ NW ¼	
9N	64E	9	NW ¼ SW ¼	
9N	64E	15	SW ¼ NW ¼	
9N	64E	15	NW ¼ SW ¼	
9N	64E	16	SE ¼ NW ¼	
9N	64E	16	NE ¼ SW ¼	
9N	64E	16	S ½ NE ¼	
9N	64E	16	SE ¼	
9N	64E	16	W ½ NW ¼	
9N	64E	16	NE ¼ NW ¼	
9N	64E	16	W ½ SW ¼	
9N	64E	16	SE ¼ SW ¼	
9N	64E	17	W ½ NE ¼	
9N	64E	17	N ½ SE ¼	
9N	64E	17	SE ¼ SE ¼	
9N	64E	20	NE ¼ NE ¼	
9N	64E	21	NW ¼ NW ¼	



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**Exhibit "2"**  
**(to Memorandum of Rights, Restrictive Covenant and  
Equitable Servitude Running with the Land, and Right of First Offer)**

COPY

**Water Rights:**

Name of Source	Application/ Proof No.	Status	Certificate/Permit No.	Use
Cave Spring	4881	Certificate	1060	Irrigation
Antelope Spring	5071	Certificate	540	Stockwater
Rosebud Spring	5073	Certificate	542	Stockwater
Cave Valley Well No. 2	73168	Permit		Stockwater
Harris Well	73169	Permit		Stockwater
Urrutia Well	73170	Permit		Stockwater
Quartzite Spring No. 1	V01659	Vested		Stockwater
Brush Spring	V1675	Vested		Stockwater
North Branch Sheep Creek	V1678	Vested		Stockwater
Sheep Creek	V1680	Vested		Stockwater
North Creek	V1681	Vested		Stockwater
Mohogany Spring	V1697	Vested		Stockwater
Cave Valley or Sheep Creek	V1807	Vested		Irrigation
Wall Spring	V9522	Vested		Stockwater
South Branch Sheep Creek	V9523	Vested		Stockwater
Sage Hen Spring	V9524	Vested		Stockwater
Quartzite Spring No. 2	V9525	Vested		Stockwater
Cabin Spring	V9526	Vested		Stockwater
Canyon Spring	V9527	Vested		Stockwater

**Water Right Applications:**

<b>Name of Source</b>	<b>Application No.</b>	<b>Source</b>	<b>Use</b>
Homestead Well	75779	Underground	Quasi Municipal
Sheep Creek and its tributaries	76124	Stream	Fire Protection
Sheep Creek and its tributaries	76125	Stream	Recreation
Homestead Well	76126	Underground	Stockwater
Homestead Well	76127	Underground	Recreation
Homestead Well	76128	Underground	Fire Protection
Parker Station Well No. 1	76248	Underground	Irrigation
Cave Valley Wash Well No. 2	76249	Underground	Irrigation
Parker Station Well No. 2	76250	Underground	Irrigation
Cave Valley Wash Well No. 1	76251	Underground	Irrigation
Homestead Well No. 2	76252	Underground	Irrigation
Mike Urrutia Well No. 2	76257	Underground	Irrigation
Cave Spring Well	76258	Underground	Irrigation
Sheep Creek and its tributaries	76281	Stream	Stockwater





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**Exhibit "3"**  
**(to Memorandum of Rights, Restrictive Covenant and**  
**Equitable Servitude Running with the Land, and Right of First Offer)**

COPY



**WAHOO RANCH**

THE EAST HALF (E ½) OF THE SOUTHEAST QUARTER (SE ¼) OF SECTION 27, TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M.

THE SOUTHEAST QUARTER (SE ¼) OF THE NORTHEAST QUARTER (NE ¼) OF SECTION 27, TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M.

THE WEST HALF (W ½) OF THE NORTHEAST QUARTER (NE ¼) OF THE NORTHWEST QUARTER (NW ¼) OF SECTION 26, TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M., EXCEPTING THEREFROM ALL THAT REAL PROPERTY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE NORTHWEST QUARTER (NW ¼) OF THE NORTHWEST QUARTER (NW ¼) SECTION 26, TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SECTION 26, TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 26, BEARS NORTH 89°31'W. 991.35 FEET DISTANT, THENCE SOUTH 89°31' EAST, ALONG THE NORTH BOUNDARY OF SAID SECTION 26, A DISTANCE OF 215.71 FEET; THENCE SOUTH 32°31' EAST, ALONG THE WESTERLY RIGHT OF WAY LINE OF STATE ROUTE 23, A DISTANCE OF 400.00 FEET; THENCE NORTH 89°31' WEST, 453.57 FEET, THENCE NORTH 0°29' EAST, 335.47 FEET TO THE POINT OF BEGINNING.

TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M.

SECTION 26: SE ¼ NW ¼; W ½, NW ¼

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT A POINT ON THE NORTH LINE OF SECTION 26, T.13 N., R 67 E., M.D.B.&M., THENCE THE NORTHWEST CORNER OF SAID SECTION 26, BEARS N. 89°31' W., 991.35 FEET DISTANT, THENCE S. 89 °31' E., ALONG THE NORTH BOUNDARY OF SAID SECTION 26, A DISTANCE OF 215.71 FEET; THENCE S. 32°31' E., ALONG THE WESTERLY RIGHT OF WAY LINE OF STATE ROUTE 23 A DISTANCE OF 400.00 FEET; THENCE N. 89 °31' W., 453.57 FEET; THENCE N. 0°29' E., 335.47 FEET TO THE POINT OF BEGINNING, BEING A PORTION OF THE NW ¼ NW ¼ OF SAID SECTION 26.

SECTION 27: W ½, NE ¼; NE ¼, NE ¼

SECTION 34; NE ¼

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 34, T.13 N., R. 67 E., M.D.B.&M., AND RUNNING THENCE WESTERLY 150 FEET; THENCE SOUTHERLY 200 FEET; THENCE EASTERLY 150 FEET; THENCE NORTH 200 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH A 33 FOOT RIGHT OF WAY ALONG THE EAST SIDE OF SAID EXCEPTED PARCEL.

BEGINNING AT A POINT ON THE NORTH LINE OF SECTION 26, T. 13 N., R. 67 E., M.D.B.&M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 26, BEARS N. 89°31' W., 991.35 FEET DISTANT, THENCE S. 89 °31' E., ALONG THE NORTH BOUNDARY OF SAID SECTION 26, A DISTANCE OF 215.71 FEET; THENCE S. 32°31' E., ALONG THE WESTERLY RIGHT OF WAY LINE OF STATE ROUTE 23 A DISTANCE OF 400.00 FEET; THENCE N. 89°31' W., 453.57



FEET; THENCE N. 0°29' E., 335.47 FEET TO THE POINT OF BEGINNING, BEING A PORTION OF THE NW ¼ NW ¼ OF SAID SECTION 26.

BEGINNING AT THE NORTHEAST CORNER OF SECTION 34, T. 13 N., R. 67 E., M.D.B.&M., AND RUNNING THENCE WESTERLY 150 FEET; THENCE SOUTHERLY 200 FEET; THENCE EASTERLY 150 FEET; THENCE NORTH 200 FEET TO THE POINT OF BEGINNING.

THE SOUTHEAST QUARTER (SE ¼) OF THE SOUTHEAST QUARTER (SE ¼) OF SECTION 31; AND THE WEST HALF (W ½) OF THE SOUTHWEST QUARTER (SW ¼) THE SOUTHEAST QUARTER (SE ¼) OF THE SOUTHWEST QUARTER (SW ¼), AND THE SOUTH HALF (S ½) OF THE NORTHEAST QUARTER (NE ¼) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 32, ALL IN TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M.

NOTE: THE ABOVE LEGAL DESCRIPTION APPEARED IN DEED RECORDED FEBRUARY 17, 2004 IN BOOK 378, PAGE 268 AS INSTRUMENT NO. 319700.

TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M. SECTION 27: THE EAST HALF (E ½) OF THE NORTHWEST QUARTER (NW ¼) AND THE WEST HALF (W ½) OF THE SOUTHEAST QUARTER (SE ¼)

NOTE: THE ABOVE DESCRIPTION APPEARED IN DEED RECORDED JANUARY 22, 2003 IN BOOK 353, PAGE 330 AS INSTRUMENT NO. 315969.

**HARBECKE RANCH**

THE NORTHWEST QUARTER (NW ¼) OF THE SOUTHWEST QUARTER (SW ¼) AND THE SOUTH HALF (S ½) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 15;

LOTS 1, 2, 3 AND THE EAST HALF (E ½) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 16;

THE EAST HALF (E ½) OF THE NORTHWEST QUARTER (NW ¼) OF SECTION 21;

THE NORTH HALF (N ½) OF THE NORTHEAST QUARTER (NE ¼); THE SOUTHEAST QUARTER (SE ¼) OF THE NORTHEAST QUARTER (NE ¼) AND THE NORTHEAST QUARTER (NE ¼) OF THE SOUTHEAST QUARTER (SE ¼) OF SECTION 21;

THE SOUTHWEST QUARTER (SW ¼) OF THE NORTHEAST QUARTER (NE ¼) OF SECTION 21;

THE NORTHWEST QUARTER (NW ¼) AND THE SOUTH HALF (S ½) OF SECTION 22;

THAT PORTION OF SECTIONS 21 AND 23, DESCRIBED AS FOLLOWS:

PARCELS 1 AND 2 AS SHOWN UPON PARCEL MAP NO. 181 FOR JAMES B. RASMUSSEN RECORDED JUNE 28, 2001 AS FILE 311828;

THAT PORTION OF THE WEST HALF (W ½) OF THE NORTHEAST QUARTER (NE ¼) OF SECTION 22 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH ¼ CORNER OF SAID SECTION 22; THENCE SOUTH 00°18'57" EAST 2,729.78 FEET, THENCE SOUTH 89°49'40" WEST 84.29 FEET TO THE CENTER OF SAID SECTION 22, THENCE NORTH 01°27'10" EAST 2,731.00 FEET ALONG THE CENTERLINE OF SAID SECTION 22 TO THE POINT OF BEGINNING.

NOTE: METES AND BOUNDS DESCRIPTION APPEARED IN DOCUMENT RECORDED JANUARY 25, 2005 IN BOOK 407, PAGE 3 AS FILE 324695.



ALL OF THE ABOVE IN TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B.&M, WHITE PINE COUNTY, NEVADA.

**EL TEJON RANCH**

TOWNSHIP 11 NORTH, RANGE 67 EAST, M.D.B. &M.

SECTION 1 : ALL THEREOF

SECTION 2: ALL THEREOF EXCEPT THE NW 1/4 OF NW 1/4

SECTION 3: SE 1/4 OF SE 1/4

SECTION 10: E 1/2 OF NE 1/4

SECTION 11: ALL THEREOF EXCEPT THE S 1/2 OF SW 1/4

SECTION 12: ALL THEREOF EXCEPT THE E 1/2 OF NE 1/4 OF SE 1/4

SECTION 13: NE 1/4, SE 1/4, NW 1/4, N 1/2 OF SW 1/4,

SECTION 14: NE 1/4

SECTION 24: E 1/2

TOWNSHIP 11 NORTH, RANGE 68 EAST, M.D.B. &M.

SECTION 5: S 1/2 OF NW 1/4, NE 1/4 OF SW 1/4

SECTION 6: S 1/2 OF N 1/2

SECTION 18: LOTS 2, 3 AND 4, ALSO DESIGNATED AS SW 1/4 OF NW 1/4, NW 1/4 OF SW 1/4, SW 1/4 OF SW 1/4, LOT 1, ALSO DESIGNATED AS NW 1/4 OF NW 1/4

SECTION 7: S 1/2 OF S 1/2 OF S 1/2 OF LOT 4, (LOT 4 ALSO DESIGNATED AS SW 1/4 OF SW 1/4)

TOWNSHIP 12 NORTH, RANGE 67, M.D.B. &M.

SECTION 7: SE 1/4 OF SE 1/4

SECTION 17: NW 1/4 OF NW 1/4

SECTION 35: SW 1/4 OF NE 1/4, SE 1/4 OF NW 1/4, SE 1/4, E 1/2 OF SW 1/4

SECTION 36: W 1/2

TOWNSHIP 13 NORTH, RANGE 65 EAST, M.D.B. &M.

SECTION 3: SE 1/4 OF SW 1/4

SECTION 4: SE 1/4 OF NE 1/4

SECTION 10: W 1/2 OF NE 1/4, E 1/2 OF NW 1/4

SECTION 14: NE 1/4 OF SW 1/4

SECTION 21: SW 1/4 OF SW 1/4

SECTION 34: E 1/2 OF SW 1/4

TOWNSHIP 13 NORTH, RANGE 67 EAST, M.D.B. &M.



SECTION 35: N 1/2 OF N 1/2, S 1/2 OF NW 1/4

TOWNSHIP 14 NORTH, RANGE 65 EAST, M.D.B. &M.

SECTION 1: LOT 3 (ALSO DESIGNATED AS NE 1/4 OF NW 1/4), SW 1/4 OF SW 1/4

SECTION 2: SE 1/4 OF NE 1/4, SE 1/4 OF SE 1/4

SECTION 11: N 1/2 OF NE 1/4

TOWNSHIP 15 NORTH, RANGE 65 EAST, M.D.B. &M.

SECTION 9: W 1/2 OF NE 1/4, SE 1/4 OF NE 1/4, NE 1/4 OF SE 1/4

SECTION 10: S 1/2 OF SE 1/4, SE 1/4 OF SW 1/4, NW 1/4 OF SW 1/4

SECTION 16: NE 1/4 OF NE 1/4

SECTION 20: NE 1/4 OF SE 1/4

SECTION 21: NW 1/4 OF SW 1/4

SECTION 22: SW 1/4 OF NW 1/4, NW 1/4 OF SW 1/4, SE 1/4 OF SE 1/4

SECTION 23: SW 1/4 OF SW 1/4, E 1/2 OF SW 1/4

SECTION 24: SW 1/4 OF NW 1/4, NW 1/4 OF SW 1/4, SE 1/4 OF SW 1/4

SECTION 26: NW 1/4 OF NW 1/4, NW 1/4 OF NE 1/4

SECTION 27: NE 1/4 OF NE 1/4, SW 1/4 OF NE 1/4, NW 1/4 OF SE 1/4, SE 1/4 OF NW 1/4, NE 1/4 OF SW 1/4

SECTION 34: E 1/2 OF NW 1/4, W 1/2 OF NE 1/4, NE 1/4 OF NE 1/4, SW 1/4 OF SE 1/4

SECTION 35: SW 1/4

TOWNSHIP 14 NORTH, RANGE 67 EAST, M.D.B. &M.

SECTION 3: W 1/2 OF W 1/2

SECTION 4: E 1/2 OF NE 1/4, SE 1/4 OF SE 1/4

SECTION 20: SE 1/4 OF SE 1/4

SECTION 21: SW 1/4 OF SW 1/4

SECTION 28: W 1/2 OF NW 1/4

SECTION 29: NE 1/4 OF SE 1/4, NE 1/4

SECTION 32: N 1/2 OF NE 1/4, SW 1/4 OF NE 1/4

TOWNSHIP 15 NORTH, RANGE 67 EAST, M.D.B. &M.

SECTION 4: NE 1/4 OF NW 1/4 (LOT 3), SW 1/4 OF NW 1/4, W 1/2 OF SW 1/4

SECTION 9: N 1/2 OF NW 1/4

SECTION 17: SW 1/4, S 1/2 OF NW 1/4, S 1/2 OF NE 1/4, SW 1/4 OF SE 1/4, E 1/2 OF SE 1/4

SECTION 18: SE 1/4

SECTION 19: W 1/2 OF NE 1/4, NE 1/4 OF NE 1/4, W 1/2





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SECTION 20: SE 1/4 OF NW 1/4, N 1/2 OF NW 1/4, NW 1/4 OF NE 1/4

SECTION 23: S 1/2 OF SW 1/4

SECTION 26: W 1/2, SUBJECT TO RIGHT OF WAY IN SE 1/4 OF SW 1/4 OF SAID SECTION TO STATE OF NEVADA FOR HIGHWAY PURPOSES BY DEED RECORDED IN BOOK 131 OF REAL ESTATE RECORDS, PAGE 328

SECTION 27: E 1/2 OF SE 1/4, SW 1/4 OF SE 1/4, SE 1/4 OF SW 1/4

SECTION 29: W 1/2 OF SE 1/4

SECTION 33: SE 1/4 OF NE 1/4, E 1/2 OF SE 1/4

SECTION 34: NE 1/4 OF NE 1/4, SW 1/4 OF SW 1/4, E 1/2 OF NW 1/4, N 1/2 OF SW 1/4, W 1/2 OF NE 1/4, SW 1/4 OF NW 1/4

TOWNSHIP 16 NORTH, RANGE 66 EAST, M.D.B. &M.

SECTION 24: NW 1/4 OF NE 1/4, SUBJECT TO RIGHT OF WAY TO STATE OF NEVADA FOR HIGHWAY PURPOSES BY DEED RECORDED IN BOOK 162 OF REAL ESTATE RECORDS, WHITE PINE COUNTY, PAGE 12.

E 1/2 OF NW 1/4, NE 1/4 OF SW 1/4, SW 1/4 OF SW 1/4

SECTION 26: NE 1/4 OF NE 1/4, SW 1/4 OF NE 1/4, N 1/2 OF SW 1/4

SECTION 27: N 1/2 OF SE 1/4, SW 1/4 OF NE 1/4

TOWNSHIP 15 NORTH, RANGE 66 EAST, M.D.B. &M.

SECTION 24: NE 1/4, NE 1/4 OF SW 1/4, N 1/2 OF SE 1/4, N 1/2 OF SE 1/4 OF SE 1/4

TOWNSHIP 16, NORTH, RANGE 67 EAST, M.D.B. &M.

SECTION 32: SW 1/4 OF NE 1/4, W 1/2 OF SE 1/4

(COUNTY OF LINCOLN)

TOWNSHIP 9 NORTH, RANGE 67 EAST, M.D.B. & M.

SECTION 10: SE 1/4 OF SW 1/4, S 1/2 OF SE 1/4

SECTION 15: NW 1/4 OF NE 1/4, NE 1/4 OF NW 1/4, W 1/2 OF NW 1/4, NW 1/4 OF SW 1/4

TOWNSHIP 2 NORTH, RANGE 63 EAST, M. D. B. & M.

SECTION 13: E 1/2 OF SW 1/4, SE 1/4 OF SE 1/4

TOWNSHIP 15 NORTH, RANGE 66 EAST, M.D.B. &M.

SECTION 24: NW 1/4 OF SE 1/4

**HUNTSMAN RANCH**

THE LAND REFERRED TO IS SITUATED IN THE COUNTY OF WHITE PINE, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

THE NORTHWEST QUARTER (NW 1/4) OF THE SOUTHEAST QUARTER (SE 1/4) AND THE EAST HALF (E 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 11, THE SOUTH HALF (S 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) AND THE WEST HALF (W 1/2) OF THE SOUTHWEST QUARTER (SW 1/4) AND THE SOUTHEAST QUARTER (SE 1/4) OF THE

SOUTHWEST QUARTER (SW ¼) OF SECTION 12, THE NORTH HALF (N ½) AND THE SOUTHWEST QUARTER (SW ¼) AND THE WEST HALF (W ½) OF THE SOUTHEAST QUARTER (SE ¼) AND NORTHEAST QUARTER (NE ¼) OF THE SOUTHEAST QUARTER (SE ¼) OF SECTION 13, THE EAST HALF (E ½) OF THE NORTHEAST QUARTER (NE ¼) AND THE NORTHEAST QUARTER (NE ¼) OF THE SOUTHEAST QUARTER (SE ¼) OF SECTION 14, THE SOUTH HALF (S ½) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 22, THE NORTHWEST QUARTER (NW ¼) OF THE NORTHEAST QUARTER (NE ¼) AND THE NORTHWEST QUARTER (NW ¼) AND THE NORTH HALF (N ½) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 24, THE NORTHWEST QUARTER (NW ¼) OF SECTION 27 ALL IN TOWNSHIP 12 NORTH, RANGE 67 EAST, M.D.B.&M.

**PHILLIPS RANCH**

TOWNSHIP 13 NORTH, RANGE 67 EAST. MDB&M:

SECTION 13: SE 1/4 of SE 1/4

SECTION 24: NE 1/4 of NE 1/4

SECTION 24: S 1/2 of NE 1/4

SECTION 24: N 1/2 of SE 1/4

SECTION 24: SW 1/4 of SE 1/4

SECTION 24: S 1/2 of SW 1/4

SECTION 25: NE 1/4 of NW 1/4

SECTION 26: NE 1/4 of NE 1/4

**BRANSFORD RANCH**

THE SOUTHWEST QUARTER (SW ¼) OF THE NORTHWEST QUARTER (NW ¼) AND THE NORTHEAST QUARTER (NE ¼) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 12, TOWNSHIP 12 NORTH, RANGE 67 EAST, M.D.B. & M., WHITE PINE COUNTY, NEVADA

**ROBISON RANCH**

TOWNSHIP 11 NORTH, RANGE 66 EAST, M.D.B.&M.

SECTION 01: NE ¼ NE ¼

SECTION 35: NW ¼ SE ¼

TOWNSHIP 12 NORTH, RANGE 66 EAST. M.D.B.&M.

SECTION 36: E ½ SE ¼

TOWNSHIP 17 NORTH, RANGE 66 EAST, M.D.B.&M.

SECTION 12: E ½ E ½

TOWNSHIP 17 NORTH. RANGE 67 EAST, M.D.B.&M.

SECTION 05: LOT 3 (NE ¼ NW ¼), S ¼ NW ¼, N ½ SW ¼, NW ¼ NW ¼, S ½ S ½, SW ¼ NE ¼, NW ¼ SE ¼

SECTION 06: SE ¼ NE ¼, NE ¼ SE ¼, W ½, W ½ E ½, NE ¼ NE ¼, SE ¼ SE ¼

SECTION 07: W ½, W ½ E ½



TOWNSHIP 18 NORTH, RANGE 66 EAST, M.D.B.&M.

SECTION 01: SE ¼ SW ¼, SW ¼ SE ¼, LESS PORTION IN N ½ SW ¼ SE ¼

SECTION 12: NE ¼ NW ¼, NW ¼ NW ¼, S ½ NW ¼, W ½ NE ¼, NW ¼ SE ¼, SE ¼ NE ¼, E ½ SE ¼

SECTION 13: W ½ NE ¼, NW ¼ SE ¼

SECTION 24: S ½ NE ¼, SE ¼ NW ¼, SW ¼ NW ¼, NW ¼ SE ¼, SW ¼ SE ¼, SW ¼

SECTION 25: N ½ NW ¼

TOWNSHIP 18 NORTH, RANGE 67 EAST, M.D.B.&M.

SECTION 06: LOTS 3 AND 4 (N ½ NW ¼)

SECTION 07: LOTS 2 AND 3 (SW ¼ NW ¼, NW ¼ SW ¼)

SECTION 30: W ½ SE ¼, SE ¼ NW ¼, NE ¼ SW ¼, NW ¼ NE ¼

SECTION 31: S ½, S ½ N ½

SECTION 32: S ½ SW ¼

TOWNSHIP 19 NORTH, RANGE 66 EAST, M.D.B.&M.

SECTION 11: SE ¼ SW ¼, NE ¼ SW ¼, E ½, E ½ NW ¼, NW ¼ NW ¼

SECTION 12: W ½ W ½, W ½ NE ¼, E ½ NW ¼, NE ¼ SW ¼

SECTION 13: NW ¼ NW ¼

SECTION 14: N ½ NE ¼, SW ¼ NE ¼, NE ¼ NW ¼

SECTION 24: NW ¼ NE ¼

SECTION 25: NW ¼, SE ¼

SECTION 26: E ½ NE ¼

SECTION 36: NE ¼ SE ¼, NW ¼ SE ¼, SE ¼ SE ¼, E ½ SW ¼, NE ¼, SW ¼ SE ¼

TOWNSHIP 19 NORTH, RANGE 67 EAST, M.D.B.&M.

SECTION 30: LOT 4 (SW ¼ SW ¼)

SECTION 31: W ½ NW ¼, SE ¼ NW ¼, SW ¼, SW ¼ SE ¼

TOWNSHIP 21 NORTH, RANGE 66 EAST, M.D.B.&M.

SECTION 09: NW ¼

TOWNSHIP 22 NORTH, RANGE 66 EAST, M.D.B.&M.

SECTION 08: SW ¼ NW ¼, W ½ SW ¼

SECTION 17: W ½ NW ¼, SE ¼ NW ¼, NW ¼ SW ¼, E ½ SW ¼, SW ¼ SE ¼

SECTION 20: W ½ NE ¼

SECTION 29: W ½ NE ¼, SE ¼

SECTION 32: NW ¼ NE ¼, E ½ NE ¼



**Exhibit "4"**  
**(to Memorandum of Rights, Restrictive Covenant and  
Equitable Servitude Running with the Land, and Right of First Offer)**

COPY



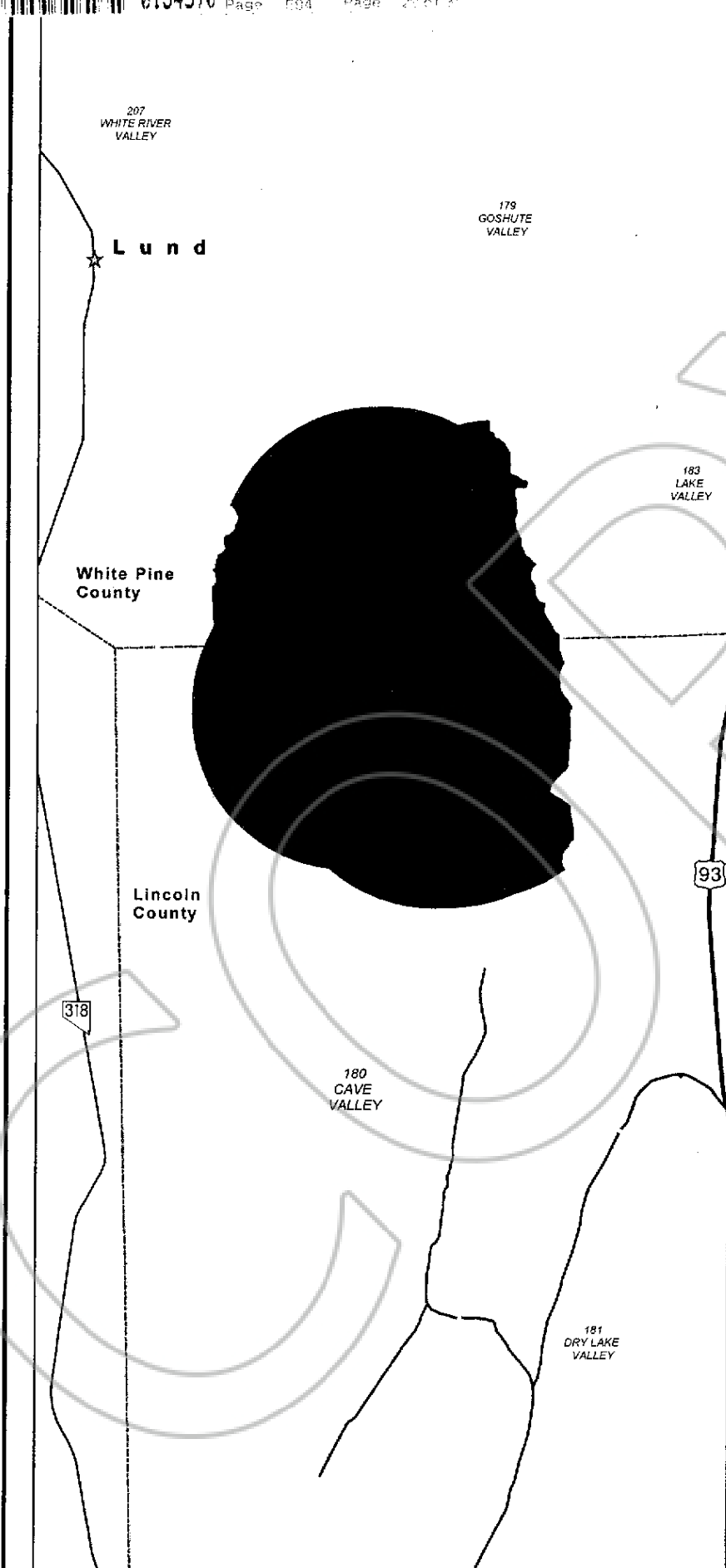
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







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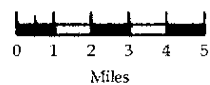
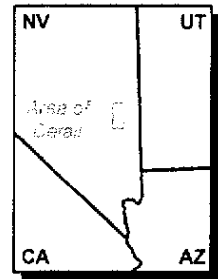
# Cave Valley Ranch LLC Parcels in Lincoln & White Pine Counties

## Groundwater Development Project



-  Cave Valley Ranch LLC Parcel
-  Cave Valley Ranch LLC Parcel:  
5 Mile Buffer within Cave Valley
-  Town
-  Proposed Pipeline Alignment
-  County Boundary
-  Hydrographic Basin
- Roads**
-  U.S. Highway
-  State Route

Pipeline Iteration 258 - Last Updated 10/17/2008



1983 NORTH AMERICAN DATUM  
UTM ZONE 11 NORTH





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**Exhibit "5"**  
**(to Memorandum of Rights, Restrictive Covenant and  
Equitable Servitude Running with the Land, and Right of First Offer)**

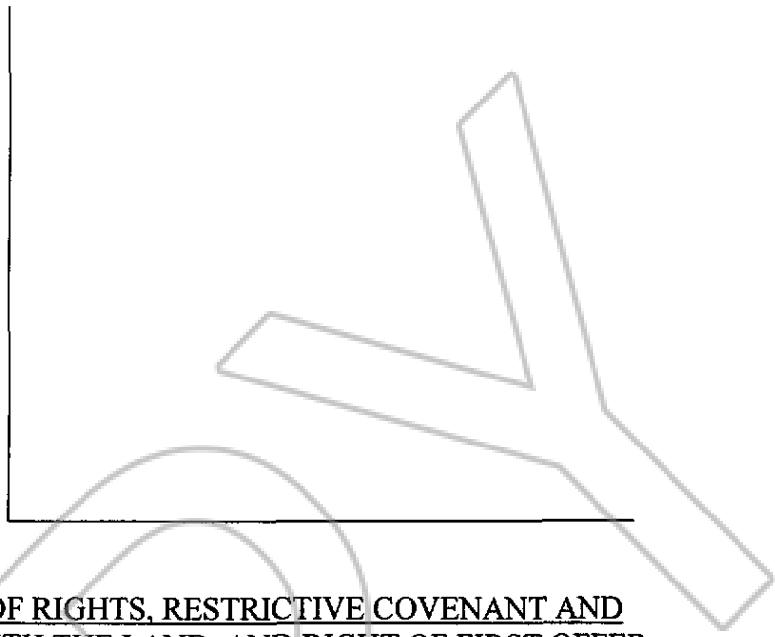
COPY



APNs:

REQUESTED BY AND WHEN  
RECORDED RETURN TO:

Santoro, Driggs, Walch et al.  
400 S. Fourth Street, Third Floor  
Las Vegas, NV 89101  
Attn: Gregory J. Walch, Esq.



AFFIRMATION OF MEMORANDUM OF RIGHTS, RESTRICTIVE COVENANT AND  
EQUITABLE SERVITUDE RUNNING WITH THE LAND, AND RIGHT OF FIRST OFFER

This Affirmation of Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer (this "**Affirmation**") is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, a \_\_\_\_\_ ("Assignee"), as successor-in-title [or assignee] of \_\_\_\_\_ [initially, SOUTHERN NEVADA WATER AUTHORITY], a \_\_\_\_\_ ("Assignor").

RECITALS

A. Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer. Southern Nevada Water Authority, a political subdivision of the State of Nevada ("Original Assignor"), entered into that certain Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer ("Agreement"), with Cave Valley Ranch, LLC, a Nevada limited liability company ("CVR"), which Agreement was dated December \_\_, 2009, and recorded in the official records of White Pine County, Nevada, on \_\_\_\_\_, \_\_\_\_\_, as Document Number \_\_\_\_\_, and also recorded in the official records of Lincoln County, Nevada, on \_\_\_\_\_, \_\_\_\_\_, as Document Number \_\_\_\_\_.

B. Agreement Rights and Obligations Run With the Land. The Agreement creates certain rights and obligations running with the real property and the water rights described in the Agreement (the "Agreement Property"), all of which rights and obligations are described in the Agreement. Among other things, the Agreement requires that any successor-in-title or assignee of Original Assignor (or of an assignee of Original Assignor) affirm to CVR [or CVR's successor-in-interest, if applicable] that it will be bound by each of the terms of the Agreement before any sale or conveyance of the Agreement Property may have any force or effect. Assignee has reviewed the Agreement.





C. Chain of Title. Assignee desires to purchase or otherwise obtain the Agreement Property [or portion thereof or interest therein] from Assignor, which Assignor is a successor-in-title or assignee of Original Assignor [or of an assignee from Original Assignor]. Accordingly, and in compliance with the terms of the Agreement, Assignee hereby affirms to CVR that each of the terms of the Agreement will be binding on, and enforceable against, Assignee, following Assignee's acquisition of the Agreement Property [or portion thereof or interest therein].

NOW, THEREFORE, in consideration of the matters stated in the Recitals, which are true and correct and incorporated herein as material terms by this reference, and of the rights and obligations created in the Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Assignee covenants and warrants as follows:

Assignee hereby affirms, covenants, and warrants to CVR that each of the terms of the Agreement shall be binding on, and enforceable against, Assignee, and the assignees and successors-in-title of Assignee. Assignee intends that this Affirmation create privity of contract between CVR and Assignee regarding the Agreement.

**IN WITNESS WHEREOF**, the Assignee has executed this Affirmation as of the day and year first written above.

**[ASSIGNEE:]**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

SUBSCRIBED and SWORN to before  
me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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



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**Exhibit "6"**  
**(to Memorandum of Rights, Restrictive Covenant and  
Equitable Servitude Running with the Land, and Right of First Offer)**

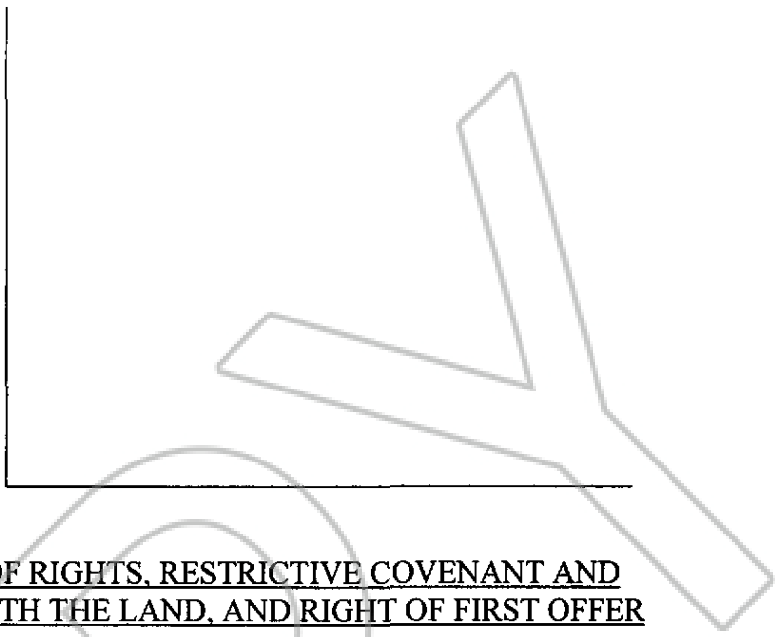
COPY



APNs:

REQUESTED BY AND WHEN  
RECORDED RETURN TO:

Southern Nevada Water Authority  
Attn: General Counsel  
1001 South Valley View Blvd.  
Las Vegas, NV 89153



AFFIRMATION OF MEMORANDUM OF RIGHTS, RESTRICTIVE COVENANT AND  
EQUITABLE SERVITUDE RUNNING WITH THE LAND, AND RIGHT OF FIRST OFFER

This Affirmation of Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer (this "*Affirmation*") is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, a \_\_\_\_\_ ("Assignee"), as successor-in-title [or assignee] of \_\_\_\_\_ [initially, CAVE VALLEY RANCH, LLC], a \_\_\_\_\_ ("Assignor").

RECITALS

A. Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer. Cave Valley Ranch, LLC, a Nevada limited liability company ("Original Assignor"), entered into that certain Memorandum of Rights, Restrictive Covenant and Equitable Servitude Running With the Land, and Right of First Offer ("Agreement"), with Southern Nevada Water Authority, a political subdivision of the State of Nevada ("SNWA"), which Agreement was dated December \_\_\_\_\_, 2009, and recorded in the official records of White Pine County, Nevada, on \_\_\_\_\_, \_\_\_\_\_, as Document Number \_\_\_\_\_, and also recorded in the official records of Lincoln County, Nevada, on \_\_\_\_\_, \_\_\_\_\_, as Document Number \_\_\_\_\_.

B. Agreement Rights and Obligations Run With the Land. The Agreement creates certain rights and obligations running with the real property and the water rights described in the Agreement (the "Agreement Property"), all of which rights and obligations are described in the Agreement. Among other things, the Agreement requires that any successor-in-title or assignee of Original Assignor (or of an assignee of Original Assignor) affirm to SNWA [or SNWA's successor-in-interest, if applicable] that it will be bound by each of the terms of the Agreement before any sale or conveyance of the Agreement Property may have any force or effect. Assignee has reviewed the Agreement.



C. Chain of Title. Assignee desires to purchase or otherwise obtain the Agreement Property [or portion thereof or interest therein] from Assignor, which Assignor is a successor-in-title or assignee of Original Assignor [or of an assignee from Original Assignor]. Accordingly, and in compliance with the terms of the Agreement, Assignee hereby affirms to SNWA that each of the terms of the Agreement will be binding on, and enforceable against, Assignee, following Assignee's acquisition of the Agreement Property [or portion thereof or interest therein].

NOW, THEREFORE, in consideration of the matters stated in the Recitals, which are true and correct and incorporated herein as material terms by this reference, and of the rights and obligations created in the Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Assignee covenants and warrants as follows:

Assignee hereby affirms, covenants, and warrants to SNWA that each of the terms of the Agreement shall be binding on, and enforceable against, Assignee, and the assignees and successors-in-title of Assignee. Assignee intends that this Affirmation create privity of contract between SNWA and Assignee regarding the Agreement.

**IN WITNESS WHEREOF**, the Assignee has executed this Affirmation as of the day and year first written above.

**[ASSIGNEE:]**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

SUBSCRIBED and SWORN to before  
me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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