

JUN 20 1984

RECORDERS OFFICE

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GRANT, BARGAIN AND SALE DEED

FOR VALUABLE CONSIDERATION RECEIVED, SLAGOWSKI RANCHES, INC., a Nevada Corporation, "Grantor", grants, bargains and sells to HAMILTON MCCAUGHEY, "Grantee", a single man as his sole and separate property, and his heirs and assigns accordingly, forever, the ranch property located in the County of Elko, State of Nevada, described as follows:

Parcel 1

TOWNSHIP 33 NORTH, RANGE 58 EAST, M.D.B.&M.

- Section 3: Lot 4; SW $\frac{1}{4}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ SW $\frac{1}{4}$
- Section 4: Lots 1 and 2; S $\frac{1}{2}$ N $\frac{1}{2}$; S $\frac{1}{2}$
- Section 9: NE $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 10: NW $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$
- Section 15: All

TOWNSHIP 34 NORTH, RANGE 58 EAST, M.D.B.&M.

- Section 33: SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$
Also that certain tract more particularly described as follows: Beginning at the Northeast corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 33; thence East 50 rods; thence second course at right angles South 160 rods to a point; thence third course at right angles West 50 rods to a point; thence fourth course at right angles North 160 rods, to the point of beginning.

Documentary Transfer Tax \$ 1,210.00
 Computed on full value of property conveyed, or
 Computed on full value less liens and encumbrances re-
taining thereon at time of transfer.

Hamilton McCaughey
Under penalty of perjury,
Signature of declarant or agent designating
his firm name

ES 12768-EL

EXCEPTING THEREFROM Lots 1, 2, 3, 4, 5, 6, 7, 8, & 9, of V-7 Ranchos according to the map of the division of lands for Leo Damele and Sons Ranches, Inc., filed in the Office of the County Recorder of Elko County, Nevada as File No. 161269.

SUBJECT TO the reservation by LEO DAMELE AND SONS RANCHES, INC., a Nevada Corporation, its successors and assigns, of an easement and right of way on, in and across said lands in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9 and the W $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Section 10, T. 33 N., R. 58 E., M.D.B.&M. for all water rights for the V-7 Ranchos lots, and all existing ditches, dams, diversions, headgates, and all other means and improvements to apply such water to beneficial use and to maintain, repair, use, clean, enlarge and replace the same by reasonable means and in a reasonable manner from time to time, with access thereto.

TOGETHER with all buildings, fences, and other improvements on Parcel 1;

SUBJECT TO the provisions herein concerning water rights, TOGETHER with all and singular the tenements, hereditaments, easements, and appurtenances thereunto
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belonging or in anywise appertaining, and the reversions, remainders, rents, issues and profits thereof, or of any part thereof.

Parcel 1 - Water Rights

TOGETHER with the following specific water rights decreed to the lands in Parcel 1 above as set out and decreed to said lands or any portion thereof pursuant to the Decree entered in case number 2804 in the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Tributaries", Proof Number 00421, Page 56 of the Edwards Decree set out in the Blue Book edition of "The Humboldt River Adjudication - 1923-1938", (these water rights to remain bracketed separate from the other water rights in said Proof and Decree not included in this conveyance):

Claimant - HENRY VOIGHT
Source - Beaver or Thorpe Creek and Springs.
Ditch - Henry Voight Ditches

<u>Priority</u>	<u>Harvest Acres</u>
1867	100.00]
1873	98.20]
1874	34.20]
1876	202.40]
1877	68.00]
1878	72.62]

Source - Talbot Creek
Ditch - Wines No. 3

1870 25.00

EXPRESSLY RESERVING TO LEO DAMELE AND SONS RANCHES, INC., a Nevada Corporation, the following specific water rights for the V-7 Ranchos lots which are a part of said Decree and Proof:

Claimant - HENRY VOIGHT
Source - Beaver or Thorpe Creek and Springs.
Ditch - as hereinafter provided

<u>V-7 Ranchos</u>	<u>Priority</u>	<u>Harvest Acres</u>
<u>Lot</u>		
1	None	None ✓
2	1901	24.00 ✓
2	1890	13.59 ✓
3	1890	27.61 ✓
3	1887	14.49 ✓
4	1887	26.71 ✓
4	1884	11.48 ✓
5	1884	29.72 ✓
5	1881	11.51 ✓
6	1880	11.19 ✓
6	1878	32.48 ✓
7	1880	27.94 ✓
8	1880	24.71 ✓
9	1881	29.79 ✓
9	1880	9.06 ✓

as shown upon the "Water Right Distribution Map of Division Into Large Parcels of V-7 Ranchos for LEO DAMELE AND SONS RANCHES, INC.," dated October 28, 1981, (A copy of which has been delivered to the Elko, Nevada office of the Nevada Division of Water Resources.), with the diversions, dams, ditches, headgates and easements therefor to apply such water to beneficial use.

SUBJECT TO the provisions herein relating to the water rights for the V-7 Ranchos lots, TOGETHER WITH: all applications, proofs, permits, maps and certificates relating to such above described decreed water and water rights with all dams, ditches, diversions, licenses, easements, pipelines, structures, measuring devices, headgates, culverts, ponds, reservoirs, devices and controls used to apply such decreed water and water rights to beneficial use on the lands above described in Parcel 1 and for the repair, cleaning, replacement and maintenance of any or all of such facilities and improvements by reasonable means and in a reasonable manner from time to time and for access thereto.

TOGETHER WITH: all other springs, wells, water, water rights and stockwater rights in addition to said decreed rights, applied for, appropriated for and appurtenant to said Parcel 1 lands, or any portion thereof; with all applications, proofs, permits, maps and certificates relating to such water and water rights; all dams, ditches, diversions, licenses, easements, pipelines, structures, measuring devices, headgates, culverts, ponds, and reservoirs, and all devices and controls used to apply such water and water rights to beneficial use and for the repair, cleaning, replacement and maintenance of any or all of such facilities and improvements by reasonable means and in a reasonable manner from time to time and for access thereto.

TOGETHER WITH: all stockwater equipment, facilities, troughs, tanks, pumps, reservoirs, ponds and other stockwater improvements on said lands.

Parcel 2

Lots 1, 2, 8, & 9, of V-7 Ranchos according to the map of the division of lands for Leo Damele and Sons Ranches, Inc., filed in the Office of the County Recorder of Elko County, Nevada as File No. 161269.

TOGETHER WITH all improvements thereon.

SUBJECT TO the provisions herein concerning water rights, together with all and singular the tenements, hereditaments, easements, and appurtenances thereunto belonging or in anywise appertaining, and the reversions, remainders, rents, issues and profits thereof, or of any part thereof.

Parcel 2 - Water Rights

This conveyance includes ONLY the following specific water rights and easements and rights relating thereto

for the V-7 Ranchos lots described as Parcel 2 herein:

1. TOGETHER WITH ONLY the following listed portion of those water rights decreed to said lands pursuant to the Decree entered in case number 2804 of the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Tributaries", Proof Number 00421, Claimant HENRY VOIGHT, Page 56 of the Edwards Decree as set out in the Blue Book Edition's compilation of "The Humboldt River Adjudication - 1923-1938":

<u>V-7 Ranchos Lot</u>	<u>Priority</u>	<u>Harvest Acres</u>
1	None	None
2	1901	24.00
2	1890	13.59
8	1880	24.71
9	1881	29.79
9	1880	9.06

as shown on the "Water Right Distribution Map of Division Into Large Parcels of V-7 Ranchos for LEO DAMELE AND SONS RANCHES, INC.," dated October 28, 1981, (a copy of which has been delivered to the Elko, Nevada office of the Nevada Division of Water Resources). The source shall be Beaver or Thorpe Creek through the diversion into Franke Ditch, and the springs in the lots of V-7 Ranchos (to the extent a spring supplies any water to a lot). The ditches shall be the Franke Ditch and the ditches from said springs in said lots of V-7 Ranchos to the extent such ditches serve a lot. Franke Ditch for the purpose of this conveyance shall include Franke Ditch from the point of diversion in Thorpe or Beaver Creek in the SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 10, T. 33 N., R. 58 E., M.D.B.&M., to the division or fork of said Ditch in the vicinity of the boundary line between the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 9, and the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 10, T. 33 N., R. 58 E., M.D.B.&M., both the West Fork and the East Fork of Franke Ditch and the Middle Fork of Franke Ditch which begins in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, T. 33 N., R. 58 E., M.D.B.&M. Such water shall be used subject to and in accordance with such Decree and Proof, and the regulations and administration of the State Engineer of the State of Nevada, the laws of the State of Nevada, and this Deed.

These water rights herein conveyed to Parcel 2 lots are hereby separated from all other water rights with which they are bracketed in said Decree and Proof so that these water rights are no longer bracketed with the other water rights and lands in said Decree and Proof and the brackets shall be as though these water rights herein conveyed are bracketed individually to the lot to which they are conveyed.

2. Together with a non-exclusive, common easement and right of way as a tenant in common with the owners of Lots 2, 3, 4, 5, 6, 7, 8 and 9 of said V-7 Ranchos, and the owner or owners of the land in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, lying outside the external boundary of the V-7 Ranchos and the land in the NW $\frac{1}{4}$ of Section 10 lying outside the external boundary of the V-7 Ranchos, both

ELKO COUNTY

T. 33 N., R. 58 E., M.D.B.&M., conveyed to Grantees herein, in, on and across Lots 3, 4, 5, 6 and 7 of said V-7 Ranchos, and the portions of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9 and the NW $\frac{1}{4}$ of Section 10, lying outside the external boundaries of the V-7 Ranchos, both T. 33 N., R. 58 E., M.D.B.&M., in shares equal to each respective tenant's ownership of water right harvest acres, in and to those portions of the Franke Ditch Diversion and headgate, the Franke Ditch including the the West Fork, East Fork and Middle Fork of the Franke Ditch and the ditches that are fed by the springs in the lots of V-7 Ranchos, by and through which the water rights herein conveyed are applied to beneficial use on the lots herein conveyed, and to maintain, repair, use, clean, enlarge and replace the same by reasonable means and in a reasonable manner from time to time, and to make reasonable use of the same to apply the water herein conveyed to beneficial use on the lands herein conveyed, on condition that each tenant shall clean, maintain and repair the area of each such ditch located on such tenant's property and the tenants shall share in the cost of cleaning, repairing, maintaining, enlarging and replacing the diversion and headgate and the Franke Ditch from point of diversion where it is on lands owned by persons or entities other than the tenants in common in this easement in proportion to such tenant's ownership of water right harvest acres; and if any tenant in common fails to perform or pay these obligations after written demand by any other tenant in common, the tenant in common giving notice may perform such other tenant's obligations at the defaulting tenant's reasonable expense and be entitled to reimbursement upon demand.

As of the date of recording this conveyance the respective shares are:

<u>V-7 Ranchos Lot</u>	<u>Harvest Acre</u>	<u>Percent</u>
1	-0-	-0-
2	37.59	.11
3	42.10	.13
4	38.19	.12
5	41.23	.13
6	43.67	.13
7	27.94	.09
8	24.71	.08
9	38.85	.12

That portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, T. 33 N., R. 58 E., M.D.B.&M. lying outside the external boundaries of the V-7 Ranchos. 5.9 .02

That portion of the W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Section 10, T. 33 N., R. 58 E., M.D.B.&M. lying outside the external boundaries of the V-7 Ranchos. 23.5 .07
100%

The provisions in this Deed shall not preclude rotation or other agreements for the use of water and ditch use and maintenance.

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ELKO COUNTY

The provisions of subparagraph 2 of Parcel 2 - Water Rights, above may be amended by agreement of the tenants in common from time to time.

SUBJECT TO:

Any lien for deferred taxes and penalties, pursuant to Chapter 361A, Nevada Revised Statutes, which become due and payable upon conversion of said land to a higher use as defined by said statute, disclosed by an application for Agricultural Use Assessment, recorded December 11, 1980, in Book 341, Page 77, Official Records, Elko County, Nevada.

Reservations and conditions contained in various deeds from Central Pacific Railway Company, recorded in the office of the County Recorder of Elko County, Nevada, which recite as follows:

EXCEPTING AND RESERVING, however, from the lands hereby conveyed, a strip of land four hundred feet in width, having for its center line the main railroad track of the Central Pacific Railway Company, as the same may hereafter be located on or near the said land; and also reserving similar right-of-way for each spur-track and side-track of said Company that may hereafter be located on or near the said land, and the right to use all water needed for the operating and repairing of said Railroad which rises on said land, and the right-of-way to conduct water rising on other lands across said land in pipes or aqueducts for said purposes; and subject also to the reservation and condition that the said purchaser, his heirs and assigns, shall erect and maintain good and sufficient fences on both sides of said strip or strips of land.

A right-of-way for existing county roads disclosed by Deed dated May 22, 1918, from Central Pacific Railway Company, recorded November 16, 1918, in Book 37, Page 464, Deed Records, Elko County, Nevada.

An Oil and Gas Lease, dated September 25, 1978, executed by Leo J. Damele and Ellen Marie Damele, as Lessor and Shell Oil Company as Lessee, for the term and upon terms, covenants and conditions therein provided, recorded January 8, 1979, in Book 284, Page 222, File No. 119487, Official Records, Elko County, Nevada.

Easements as shown on said map of division of lands filed in the office of the County Recorder of Elko County, Nevada, on March 12, 1982, as File No. 161269. (Affects Parcel 2)

All easements and rights of way existing on June 17, 1983, and those relating to the V-7 Ranchos roads and water rights.

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TO HAVE AND TO HOLD the property, together with the appurtenances, to the Grantee, and his heirs and assigns, forever.

Signed this 19th day of September, 1983.

GRANTOR:

SLAGOWSKI RANCHES, INC., a Nevada Corporation

BY: [Signature]

TITLE: PRESIDENT

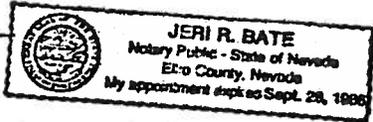
ATTEST:

[Signature]
Secretary

STATE OF NEVADA)
) SS.
COUNTY OF ELKO)

On Sept. 19, 1983, personally appeared before me, a Notary Public, FLOYD C. SLAGOWSKI & BRUCE J. SLAGOWSKI, who acknowledged that they executed the above instrument on behalf of said corporation.

[Signature]
NOTARY PUBLIC



GRANTEE'S ADDRESS:

Lansville
Nevada

CERTIFICATION OF COPY
STATE OF NEVADA)
COUNTY OF ELKO) SS.
I, JERRY D. REYNOLDS, the duly elected and qualified Recorder of Elko County, in the State of Nevada, do hereby certify that this is a true and correct copy of the original instrument as recorded in this office. My office is located at _____ in Elko, Nevada and I have hereunto set my hand and affixed the seal of my office, in Elko, Nevada this 19th day of September, 1983.
JERRY D. REYNOLDS, COUNTY RECORDER
[Signature]

411.00 FILE # 182681
FILED FOR RECORD
AT REQUEST OF
Frontier Title Co.
83 SEP 30 A10: 45 INDEXED
RECORDED BK 437 PG 532
JERRY D. REYNOLDS
ELKO CO. RECORDER

182681
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