# GRANT, BARGAIN AND SALE DEED

FOR VALUABLE CONSIDERATION RECEIVED, LEO DAMELE AND SONS RANCHES, INC., a Nevada Corporation, "Grantor", grants, bargains and sells to DENNIS B. JOURNIGAN and MARY A. JOURNIGAN, husband and wife as community property with right of survivorship, and their assigns, and the heirs and assigns of the survivor, forever, "Grantee", the ranch property located in the County of Elko, State of Nevada, described as follows:

Documentary Transfer Tax $ 52.80
☒ Computed on full value of property conveyed; or
☐ Computed on full value less liens and encumbrances remaining thereon at time of transfer.
Under penalty of perjury,
Signature of declarant or agent determining tax-firm name

Lot 7 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 right, title, and interest of Grantor herein in and to all minerals, oil, gas and other hydrocarbons of every kind and nature whatsoever, existing upon, beneath the surface of, or within the above described lands, with all leases thereof.

TOGETHER WITH all improvements thereon.

EXPRESSLY RESERVING TO GRANTOR, its successors and assigns, an easement and right of way on, in and across said lands for all water rights and for 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.

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.

## Water Rights

This conveyance includes ONLY the following specific water rights and easements, diversions and ditch rights, and other rights relating thereto for the V-7 Ranchos lot described herein:

1. TOGETHER WITH ONLY the following listed portion of those water rights decreed to said lands pursuant to

E 5 150693

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":

| V-7 Ranchos Lot | Priority | Harvest Acres |
|---|---|---|
| 7 | 1880 | 27.94 |

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 SW¼SW¼, 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 SE¼NE¼ Section 9, and the SW¼NW¼ 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 NE¼NE¼ 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.

EXPRESSLY RESERVING TO GRANTOR, its successors and assigns, however, all other water rights and rights appurtenant to the land conveyed herein and all other lands and all other water rights and rights listed or referred to for claimant HENRY VOIGHT, on page 56 of the Edwards Decree as set out in the Blue Book Edition of "The Humboldt River Adjudication - 1923-1938", and Proof 00421.

These water rights herein conveyed to the lot described herein 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 and diversion and ditch rights, 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 NE¼NE¼ of Section 9, lying outside the external boundary of the V-7 Ranchos and the land in the NW¼ of Section 10 lying outside the external boundary of the V-7 Ranchos, both T. 33 N., R. 58 E., M.D.B.&M., in, on and across Lots 3, 4, 5, 6 and 7 of said V-7 Ranchos, and the portions of the NE¼NE¼ of Section 9 and the NW¼ 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 lot 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:

| V-7 Ranchos Lot | Harvest Acre | Percent |
|---|---|---|
| 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 NE¼NE¼ 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 W½ of NW¼ 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.

The provisions of subparagraph 2 of 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 the date hereof, and those relating to the V-7 Ranchos roads and water rights.

TO HAVE AND TO HOLD the property, together with the appurtenances, to the Grantees as community property with right of survivorship and their assigns, and the heirs and assigns of the survivor, accordingly, forever.

Signed this 29th day of January, 1986.

GRANTOR:

LEO DAMELE AND SONS RANCHES, INC., a Nevada Corporation

BY: Leo J. Damele
LEO J. DAMELE

TITLE: President



VAUGHAN, HULL, COPENHAVER & HANSEN, LTD.
ATTORNEYS AND COUNSELORS
530 IDAHO STREET
ELKO, NEVADA 89801

ATTEST:

Ellen M. Damele

ELLEN M. DAMELE, Secretary

STATE OF NEVADA )
) SS.
COUNTY OF ELKO )

On January 29, 1986, personally appeared before me, a Notary Public, LEO J. DAMELE, who acknowledged that he executed the above instrument on behalf of said corporation.

Shirley Mensink

NOTARY PUBLIC

SHIRLEY MENSINK
Notary Public - State of Nevada
Elko County, Nevada
My appointment expires Nov. 12, 1986

GRANTEE'S ADDRESS:

Rural Route
Lamoille, NV 89828

$10.00
FEE ... 212855
FILED FOR RECORD
AT REQUEST OF

Frontier Title Co.

86 FEB 3 A10: 28

RECORDED BK 515 PG 364
JERRY D. REYNOLDS
ELKO CO. RECORDER

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, [illegible] that this is a true, full and [illegible] of [illegible] now on record in this [illegible] IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office, in Elko, Nevada this
___ day of FEB 03 1986 A.D. 19___
JERRY D. REYNOLDS, COUNTY RECORDER
By [signature]
(SEAL)

212855

VAUGHAN, HULL, COPENHAVER & HANSEN, LTD.
ATTORNEYS AND COUNSELORS
530 IDAHO STREET
ELKO, NEVADA 89801

6.

BOOK 515 PAGE 369