Book 20 7
Pages 207 - 208

00304

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STATE ENGINEER'S OFFICE

File No. 33525

Frank Giurlani and Mary Giurlani
to
Joe Pieretti and Pietro Bianucci

GRANT, BARGAIN AND SALE DEED (U.S.I.R. Stamps affixed and cancelled $38.50)

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made and entered into this 6th day of September, 1955, by and between FRANK GIURLANI and MARY GIURLANI, his wife, of the County of Elko, State of Nevada, First Parties, and JOE PIERETTI and PIETRO BIANUCCI, also known as PETE BIANUCCI, of the County of Elko, State of Nevada, Second Parties,

W I T N E S S E T H:

That the said First Parties, for and in consideration of the sum of TEN DOLLARS ($10.00), lawful money of the United States of America, to them in hand paid by the said Second Parties, the receipt whereof is hereby acknowledged, and other good and valuable consideration, do by these presents grant, bargain, sell, convey and confirm unto the said Second Parties, and to their heirs and assigns forever, all the First Parties' right title and interest in and to that certain real property situate in the County of Eureka, State of Nevada, particularly described as follows, to-wit:

PARCEL I

IN T. 29 N., R. 52 E., M.D.B. & M.

Section 4: E½NW¼; SW¼
5: SE¼; SW¼ NE¼
8: E½
9: W½
16: NW¼; W½ SW¼
17: NE¼
21: NW¼
Containing 1,640 acres, more or less.

00304

PARCEL II

IN T. 29N., R. 52 E., M.D.B.& M.

Section 20: SE¼NE¼; SE¼SE¼; SW¼SE¼
32: E½NW¼NW¼; W½NW¼NW¼

IN T. 30 N., R. 52 E., M.D.B. & M.

Section 28: NW¼SW¼
Containing 200 acres, more or less

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions remainder and remainders, rents, issues and profits thereof.

Together with all waters, water rights, rights to the use of water, dams, ditches canals, pipe lines and reservoirs for the use of waters, and all other means for diversion or use of waters appurtenant to the said property or any part thereof, or used or enjoyed in connection therewith, and together with all stockwatering rights used or enjoyed in connection with the use of any of said lands, and in addition all range rights, grazing rights, and in particular, but without limitation thereto, all rights to graze livestock on the Public Domain under what is commonly known as the Taylor Grazing Act, owned by the First Parties or used or enjoyed in connection with the use of any of said property.

Together with all buildings, dwellings houses, barns, sheds, garages and fences, and all other improvements situate on said real property.

Reserving, However, unto the said FRANK GIURLANI, one of the First Parties named herein, an undivided one-sixth interest in and to all oil, gas, casinghead gas, or other petroleum products in or under the lands described hereinabove as Parcel No. I, for a period of ten (10) years from the date hereof, and so long thereafter as oil, gas, casinghead gas, or other petroleum products is or can be produced therefrom in commercial quantities.

And, Subject to the following covenants to be performed by the said parties in relatinn to said oil, gas, casinghead gas or other petroleum products:

If, at the end of ten years from the date hereof, no oil, gas, casinghead gas or other petroleum products is being produced from said lands in commercial quantities, or the said lands have not been developed and [illegible] herein reserved unto the said FRANK GIURLANI shall

the said FRANK GIURLANI shall continue until such time as such well is completed, so long as drilling operations are conducted continuously, to determine whether such well will produce oil, gas, casinghead gas, or other petroleum products in commercial quantities, and if not, said estate shall then cease, as hereinabove provided, It is further understood and agreed that in the event any drilling lease or contract, or oil and gas lease, is negotiated to drill, prospect for or to explore for oil, gas, casinghead gas, or other petroleum products,that all rentals paid by such lessee or cont ractor, for the right to enter upon such lands and drill, prospect for, or to explore for such petroleum products specified hereinabove, shall be paid to and be the sole property of the second parties, the right of the Said FRANK GIURLANI to share in any such rentals, payments, royalties or other compensation being limited to the right to share in royalties and rentals from producing wells which may be situate on said property. It is further understood and agreed that in the event any oil, gas, casinghead gas or other petroleum products are discovered in commercial quantities in the Pine Valley area in Eureka County, Nevada, said Pine Valley area being defined by the parties as a strip of land five miles on each side of Pine Creek along its course, and should such discovery occur within two years prior to the termination of the said FRANK GIURLANI'S ten year reservation of a one-sixth interest in said oil, gas, casinghead gas or other petroleum products, the parties agree to cooperate in good faith to secure a lessee or contractor to drill the said lands involved to explore for such valuable minerals hereinabove specified, prior to the lapse of the said ten year period. That none of them, nor their successors in interest, will arbitrarily refuse to enter into such a lease or contract within the time period expressed herein so as to allow the estate of the said FRANK GIURLANI to lapse if it appears reasonable that such minerals may exist in or under the lands herein sold by the said FRANK GIURLANI, In determining whether any party shall have breached this provision of this agreement, due consideration shall be given to whether such proposed lease or contract is of a standard form used in the vicinity, and to whether such proposed lease or contract has a definite committment requiring such lessee or contractor to commence drilling operations prior to the lapse of said ten year period reserved to the said FRANK GIURLANI. Nothing contained herein shall be deemed or construed as requiring any party to bear any expense or cost in drilling upon such lands or in entering into any such lease or contract.

TO HAVE AND TO HOLD the said premises, and improvements and appurtenances to the Second Parties forever.

EXECUTED by the Grantees on the 6th day of September, 1955.

State of Nevada,
County of Eureka } ss.

I, Willis A. DePaoli, County Recorder of Eureka County, State of Nevada, do hereby certify that the annexed is a full, true and correct copy of FILE NO. 33525 - GRANT, BARGAIN AND SALE DEED - FRANK GIURLANI, ET UX, GRANTOR - JOE PIERETTI, ET AL, GRANTEE.

as appears as of record and on file in my office, Recorded in Book 25 of DEEDS

Pages 207-208.

IN TESTIMONY WHEREOF, I Have hereunto set my hand officially and affixed the Seal of said office, at my office in the town of Eureka, this 11TH day of JANUARY, A. D. 19 78.