

DEED OF CORRECTION - WATER RIGHTS

THIS INDENTURE, made and entered into as of the 14th day of Feb., 2002, by and between DANIEL E. KENNEDY, (First Party), a single man, of Lamoille, Nevada; and KEN ETCHEMENDY, a single man, of Lamoille, Nevada, (Second Party);

Box 281457
Lamoille, Nev. 89828

RECITALS:

WHEREAS, First Party conveyed certain water rights to Second Party by a Deed dated July 9, 1998, recorded Book 0 Official Records Page 16607, as File #459951 in the Recorder's Office, Elko County, Nevada. (Hereinafter referred to as the "Deed"; and

WHEREAS, the Parties have been informed and believe that certain water rights described in the Deed were erroneously described therein, based on information received from the State of Nevada Division of Water Resources; and,

WHEREAS, by means of this Deed of Correction, the Parties intend to correct the description of water rights to confirm with the Division of Water Resources; and,

WHEREAS, it is the intent of the Parties that this Deed of Correction replace the Deed; and it is solely for the purpose of clarifying the description of certain water rights in the Deed; NOW THEREFORE,

WITNESSETH:

For good and valuable consideration, the receipt of which is hereby acknowledged by the First Party, he does by these presents, grant, bargain, sell, convey and confirm unto the Second Party, and to the heirs, personal representatives and assigns of the Second Party, the following described water rights:

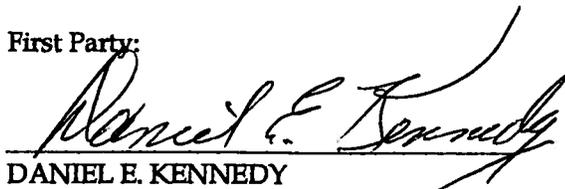
47/100ths (.47) harvest acres of First Party's 1914 priority, 2 80/100ths (2.8) harvest acres of First Party's 1912 priority, 1 18/100ths (1.18) harvest acres of First Party's 1904 priority, 11 507/1000ths (11.507) harvest acres of First Party's 1901 priority, and 4 43/1000ths (4.043) harvest acres of First Party's 1900 priority, all under the Bartlett Decree printed in the Humboldt River Adjudication 1923 - 1938 ("Blue Book") and amended by the Edwards Decree on pages 52 and 103 of the Blue Book, on on file in the Humboldt River Adjudication in the Sixth Judicial District Court, State of Nevada, being parts of proof 00405. RESERVING THEREFROM to the First Party any and all other water rights which may be appurtenant or owned by First Party.

To be applied to a parcel of land in the W1/2 SW1/4, Section 19, T33N, R58E, MDM.

TO HAVE AND TO HOLD, all and singular, the said water rights unto Second Party, his heirs, successors and assigns forever.

IN WITNESS WHEREOF, the Parties have hereunto set their hands as of the day and year first above written.

First Party:


DANIEL E. KENNEDY

