

Loan Number 4100088-503

NOTICE OF PLEDGE

STATE OF NEVADA
Division of Water Resources
901 S. Stewart Street
Carson City, NV 89701

Attention: State Engineer

Please be notified that the undersigned has this date executed a Deed of Trust in favor of Western AgCredit, FLCA, covering certain land in Elko County, State of Nevada, together with all of the Trustor's right to any and/or all water rights, ditch and ditch rights, appurtenant to the described land, including but not limited to,

WATER PERMIT NO. AND PURPOSE OF WATER USE

Water Proof No. 576 and Water Permit No(s): 37859 (Certificate # 10977), 60617, 60618 (Certificate #16090), 70331, 70332, 70333, 70334, 70335, 70336 and 70337.

Purpose(s): Livestock, Irrigation and Domestic

(See attached "Exhibit A" for legal description)

The said Real Estate Deed of Trust, given to secure a promissory note of even date, was recorded

May 30, 2007, in the office of the County Recorder of the above referenced County, as Instrument No. 573868.

Please file this notice with your records of the above referenced water rights and direct notice of any intended change of the place of use or other change which materially affects the beneficiary's security interest in the said rights to the Western AgCredit, FLCA at 406 West South Jordan Parkway, Suite 500, P.O. Box 95850, South Jordan, Utah 84095.

Dated: April 23, 2007

Signatures:

WAHOO RANCH, LLC, a Nevada Limited Liability Company

By: [Signature]
KENDLE BOWLER, Manager

By: [Signature]
ROBIN L. BOWLER, Manager

Western AgCredit, FLCA

By: [Signature]
David G. Brown
Vice President - Credit Services

Beneficiary hereby agrees to keep the DWR office notified of any changes of address and to forward any reconveyances within 30 days of proper recording dates to remove the above encumbrance from the chain of title records.

[Signature]
DWR employee signature

6-19-07
Date

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EXHIBIT "A"

PARCEL 1:

TOWNSHIP 39 NORTH, RANGE 58 EAST, M.D.B.&N.

Section 19: SW1/4;

EXCEPTING THEREFROM one-half of all coal, oil, gas, minerals, mineral deposits and other mineral rights of every kind and nature whatsoever, lying in and under said land, as reserved by ITCAINA LIVESTOCK, a co-partnership, in Deed recorded March 24, 1961 in Book 13, Page 10, Official Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM 50% of all minerals, royalties, mineral rights, mineral deposits, oil and gas, and oil and gas rights, and coal, lying in and under said land, as reserved by EARL EDGAR and DELORES EDGAR, His Wife, in Deed recorded September 15, 1972, in Book 168, Page 69, Official Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM one-half of all coal, oil, gas, minerals, mineral deposits and other mineral rights of every kind and nature whatsoever, lying in and under said land, as reserved by MARY P. GARIS, et al, in Deed recorded November 13, 2000 in Book 0, Page 28894, Official Records, Elko County, Nevada.

PARCEL 2:

TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&N.

Section 12: Lots 1, 2, 5 and 6;

Section 14: Lots 1 through 16, inclusive;

TOWNSHIP 38 NORTH, RANGE 58 EAST, M.D.B.&N.

Section 18: S1/2SE1/4SW1/4; S1/2NE1/4SE1/4; S1/2SE1/4;

Section 20: All;

Section 30: E1/2; E1/2W1/2;

EXCEPTING FROM Parcel 2 all the oil and gas in the lands so patented pursuant to the Act of October 21, 1976 (43 U.S.C 1719), and to it, its permittees, licensees, and lessees the right to prospect for, mine and remove the oil and gas owned by THE UNITED STATES under applicable law and such regulations as the SECRETARY OF THE INTERIOR may prescribe, as reserved by THE UNITED STATES OF AMERICA in Patent recorded August 22, 2000 in Book 0, Page 21061, Official Records, Elko County, Nevada.

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PARCEL 3:

TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.

Section 12: Lots 3, 4 and 7;

EXCEPTING THEREFROM all the oil and gas in the lands so patented pursuant to the Act of October 21, 1976 (43 U.S.C. 1719), and to it, its permittees, licensees, and lessees the right to prospect for, mine and remove the oil and gas owned by THE UNITED STATES under applicable law and such regulations as the SECRETARY OF THE INTERIOR may prescribe, as reserved by THE UNITED STATES OF AMERICA in Patent recorded May 22, 2001, in Book 1, Page 14964, Official Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 37 NORTH, RANGE 57 EAST, M.D.B.&M.

**Section 1: Lots 2, 3 and 4; E1/2NW1/4; SW1/4;
 Section 2: SE1/4NE1/4; E1/2SE1/4;
 Section 11: NE1/4; S1/2;
 Section 12: W1/2NW1/4; NW1/4SW1/4;
 Section 14: W1/2NE1/2; W1/2;
 Section 15: E1/2SE1/4;
 Section 22: E1/2E1/2;
 Section 23: W1/2;
 Section 26: W1/2;
 Section 27: NE1/4NE1/4; S1/2NE1/4; SE1/4;
 Section 34: E1/2W1/2; E1/2;
 Section 35: W1/2W1/2;**

TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.

**Section 1: E1/2; NE1/4SW1/4; SW1/4SW1/4; SW1/4NW1/4;
 Lot 4 (NW1/4NW1/4);
 Section 11: All;
 Section 13: NW1/4NW1/4; S1/2NW1/4; N1/2NE1/4; SE1/4NE1/4; S1/2;
 Section 23: All;
 Section 24: E1/2E1/2;
 Section 25: All;
 Section 35: All;
 Section 36: All;**

TOWNSHIP 38 NORTH, RANGE 58 EAST, M.D.B.&M.

**Section 17: S1/2; S1/2NE1/4; E1/2NE1/4NE1/4; S1/2NW1/4NE1/4;
 E1/2SE1/4NW1/4; SW1/4SE1/4NW1/4;
 Section 19: Lots 1, 2, 3 and 4 (W1/2W1/2); E1/2W1/2; E1/2;
 Section 21: All;
 Section 29: All;
 Section 30: Lots 1, 2, 3 and 4 (W1/2W1/2);**

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PARCEL 5:**TOWNSHIP 37 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 11: NW1/4
Section 15: W1/2SE1/4; NE1/4;
Section 27: NW1/4NE1/4;****EXCEPTING FROM Parcel 5 one-half of all oil, gas, mineral and other hydrocarbon substances lying in and under said land as reserved by STRATHEARN CATTLE CO. in Deed recorded November 19, 1957, in Book 73 of Deeds at Page 38, Elko County, Nevada.****FURTHER EXCEPTING FROM Parcel 5 all petroleum, oil, natural gas, and products derived therefrom, within or underlying said lands or that may be produced therefrom, as reserved by SOUTHERN PACIFIC COMPANY, in Deed recorded July 22, 1939, in Book 76 of Deeds at Page 520, Elko County, Nevada records.****FURTHER EXCEPTING FROM Parcel 5 one-half of all oil, gas or mineral rights of any nature owned by the grantor as reserved by A. B. MCKINLEY AND SONS, INC., in deed recorded June 14, 1960 in Book 4 of Official Records at Page 268, Elko County, Nevada.****PARCEL 6:****TOWNSHIP 37 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 2: Lots 1 and 2 (W1/2NE1/4); SW1/4NE1/4; W1/2SE1/4;****EXCEPTING THEREFROM all the oil and gas lying in and under said land as reserved by UNITED STATES OF AMERICA in Patent recorded in Book 38 of Official Records at Page 219, Elko County, Nevada.****TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 24: W1/2; W1/2E1/2;****PARCEL 7:****TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 27: E1/2NW1/4NE1/4;****PARCEL 8:****TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 27: W1/2SE1/4NE1/4;****PARCEL 9:****TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 27: W1/2NW1/4NE1/4;**

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PARCEL 10:**TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 27: SW1/4SW1/4;**

EXCEPTING FROM Parcel 7, 8, 9 and 10 one-half of all oil, gas, mineral and other hydrocarbon substances lying in and under said land as reserved by STRATHEARN CATTLE CO., in Deed recorded November 19, 1957, in Book 73, Page 38, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 7, 8, 9 and 10 all petroleum, oil, natural gas and products derived therefrom lying in and under said land as reserved by SOUTHERN PACIFIC COMPANY in deed recorded July 22, 1959, in Book 76, Page 520, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 7, 8, 9 and 10 one-half of all oil, gas or minerals rights of any nature lying in and under said land, as reserved by A. B. MCKINLEY & SONS, INC., a California corporation, in deed recorded June 14, 1960, in Book 4, Page 268, Official Records, Elko County, Nevada.

FURTHER EXCEPTING from Parcel 10 all mineral and oil rights as reserved by W. W. BEACOM in Deed recorded March 30, 1970, in Book 122, Page 19, Official Records, Elko County, Nevada.

PARCEL 11:**TOWNSHIP 38 NORTH, RANGE 58 EAST, M.D.B.&M.****Section 31: SE1/4NW1/4;****PARCEL 12:****TOWNSHIP 38 NORTH, RANGE 58 EAST, M.D.B.&M.****Section 31: SE1/4SW1/4NE1/4;**

EXCEPTING FROM Parcels 11 and 12 50% of all minerals, royalties, mineral rights, mineral deposits, oil and gas, and oil and gas rights and coal, lying in and under said land, as reserved by HARL EDGAR and DELORES EDGAR, his wife, doing business as ITCAINA LIVESTOCK, in Deeds recorded January 21, 1974, in Book 189, Pages 216 and 218, Official Records Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 12 50% of all oil, mineral and products derived therefrom, lying in and under said land, as reserved by EUGENE FOX in Deed recorded March 29, 1979 in Book 289, Page 293, Official Records, Elko County.

FURTHER EXCEPTING FROM Parcel 11 all oil, gas, mineral and products derived therefrom, lying in and under said land, as reserved by GREGORY D. FOX, TRUSTEE to EUGENE A. FOX TRUST in Deed recorded October 9, 1987, in book 583, Page 583, Official Records, Elko County, Nevada.

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PARCEL 13:**TOWNSHIP 39 NORTH, RANGE 58 EAST, M.D.B.&M.****Section 31: SW1/4NE1/4;**

EXCEPTING THEREFROM 50% of all minerals, royalties, mineral rights, mineral deposits, oil and gas, and oil and gas rights and coal lying in and under said land as reserved by EARL EDGAR and DELORES EDGAR, his wife, doing business as ITCAINA LIVESTOCK in Deed recorded July 26, 1973, in Book 181, Page 119, Official Records, Elko County, Nevada.

PARCEL 14:**TOWNSHIP 37 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 22: W1/2E1/2;****TOWNSHIP 38 NORTH, RANGE 57 EAST, M.D.B.&M.****Section 26: Lots 1 through 12, inclusive; NE1/4;**

EXCEPTING THEREFROM all the oil and gas in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded July 30, 1997, in Book 1001, Page 528, Official Records, Elko County, Nevada.

TOGETHER WITH the following water rights registered with the State of Nevada Division of Water Resources: Water Proof No. 576 and Water Permit Number(s): 37859 (Certificate #10977), 60617, 60618 (Certificate #16090), 70331, 70332, 70333, 70334, 70335, 70336 and 70337.

ALSO TOGETHER with all U.S. Bureau of Land Management grazing privileges within the DEVILS GATE, MORGAN HILL and STAG MOUNTAIN allotment(s) and the FENCED FEDERAL RANGE pasture.

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