

PROOF OF APPROPRIATION OF WATER

(Statutory vested water rights are those with a priority date prior to: March 1, 1905 for All Surface Sources; March 22, 1913 for Underground Artesian Waters; March 25, 1939 for Underground Percolating Water)

USE(S):.

Primary (Please select only one):

Irrigation	<input checked="" type="checkbox"/>	Stock water	<input type="checkbox"/>	Mining and Milling	<input type="checkbox"/>	Domestic	<input type="checkbox"/>
Municipal	<input type="checkbox"/>	Industrial	<input type="checkbox"/>	Quasi-Municipal	<input type="checkbox"/>	Commercial	<input type="checkbox"/>
Federal Reserved Right	<input type="checkbox"/>	Other (OTH) _____					

Secondary (Select all that may be applicable):

Stock water	<input checked="" type="checkbox"/>	Domestic	<input type="checkbox"/>
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NAME OF CLAIMANT Huntsman Ranch, LLC

Address 13400 HWY 400 City of Imlay County of Pershing

State of Nevada Telephone No. 775-538-7588 Email Address coyotecreekranch@yahoo.com

1. Source of water Coyote Creek and Tributaries
Name of natural water source (use separate proofs for each major source such as a spring, creek, river or underground)

2. The means of diversion upper main ditch, concrete head gate
Dam and ditch, pipeline, flume, natural channel, underground, etc.

3. The water is diverted from the following point(s):
NE1/4 NW1/4 Section 11, T.30N., R. 34E., MDB&M or at a point from which the North 1/4 corner of section 1, T.30N., R34E. bears N. 43 degree 05' 30" W. 7962ft.

(List all points of diversion from the source, attaching a sheet if necessary. Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner for any other use than stock water. If on unsurveyed land, it should be stated.)

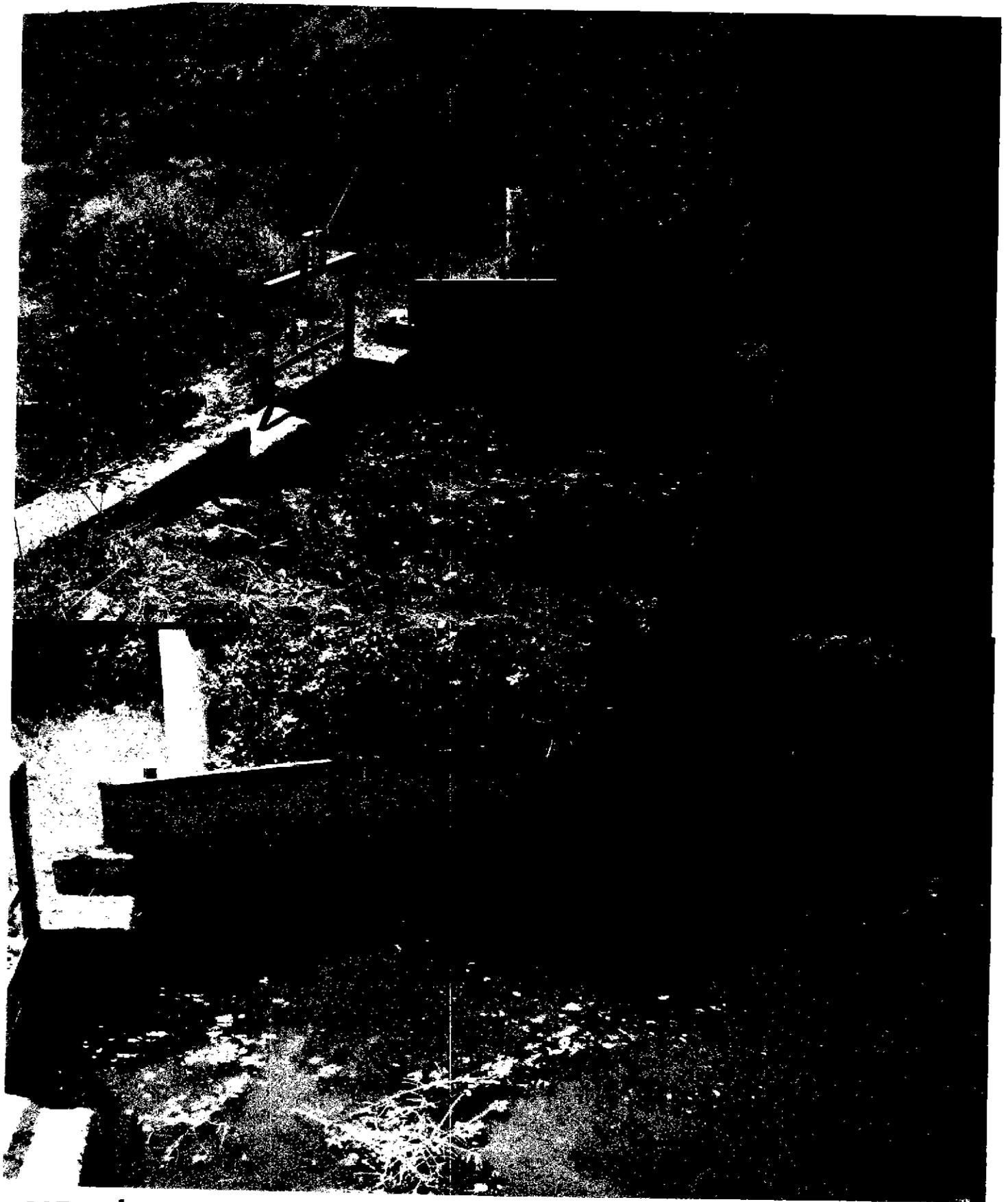
4. The date of construction of the ditch or other works was begun prior to 1903
and completed prior to 1926 due to realignment and modification (see Proof of Appropriation 01322)

5. The nature of the claimant's title to the land upon which the source of water and place of use is located:
deeded
Patented, deeded, public domain with grazing permit, etc.

6. The claimant's water right was / was not recorded in the office of the County Recorder of
(circle one)
_____ County, at Page _____ of Book _____ of _____

7. The amount of water diverted for the claim's purpose has been measured at
up to 10.0 cfs cubic feet per second.
448.83 gallons per minute equals 1 cubic foot per second

ATTACHMENT "A"



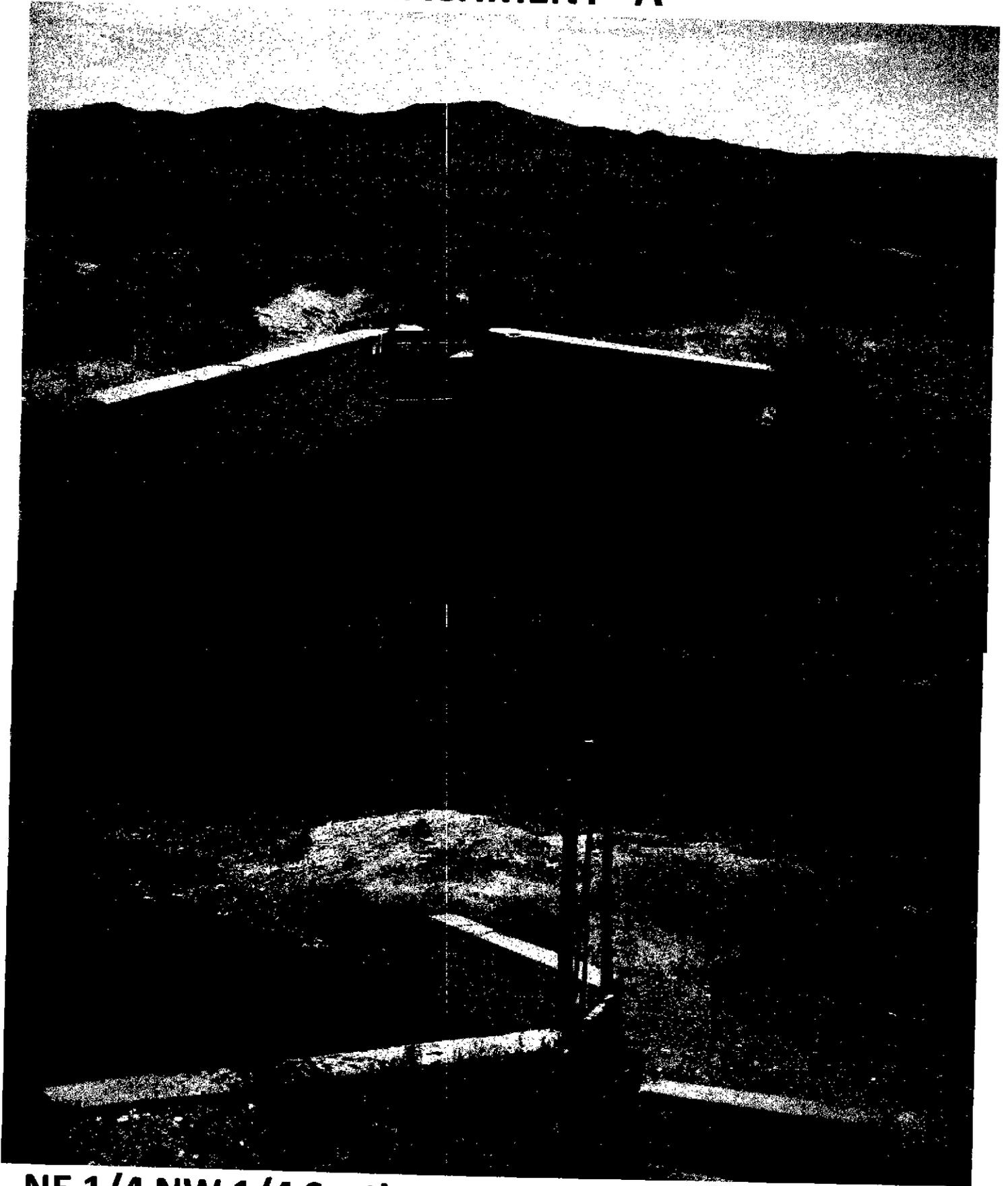
**NE 1/4 NW 1/4 Section 11, T.30N., R.24 E., MDB&M
Main Coyote Creek diversion structure into 15" pipeline**

ATTACHMENT "A"

Coyote Creek Ranch



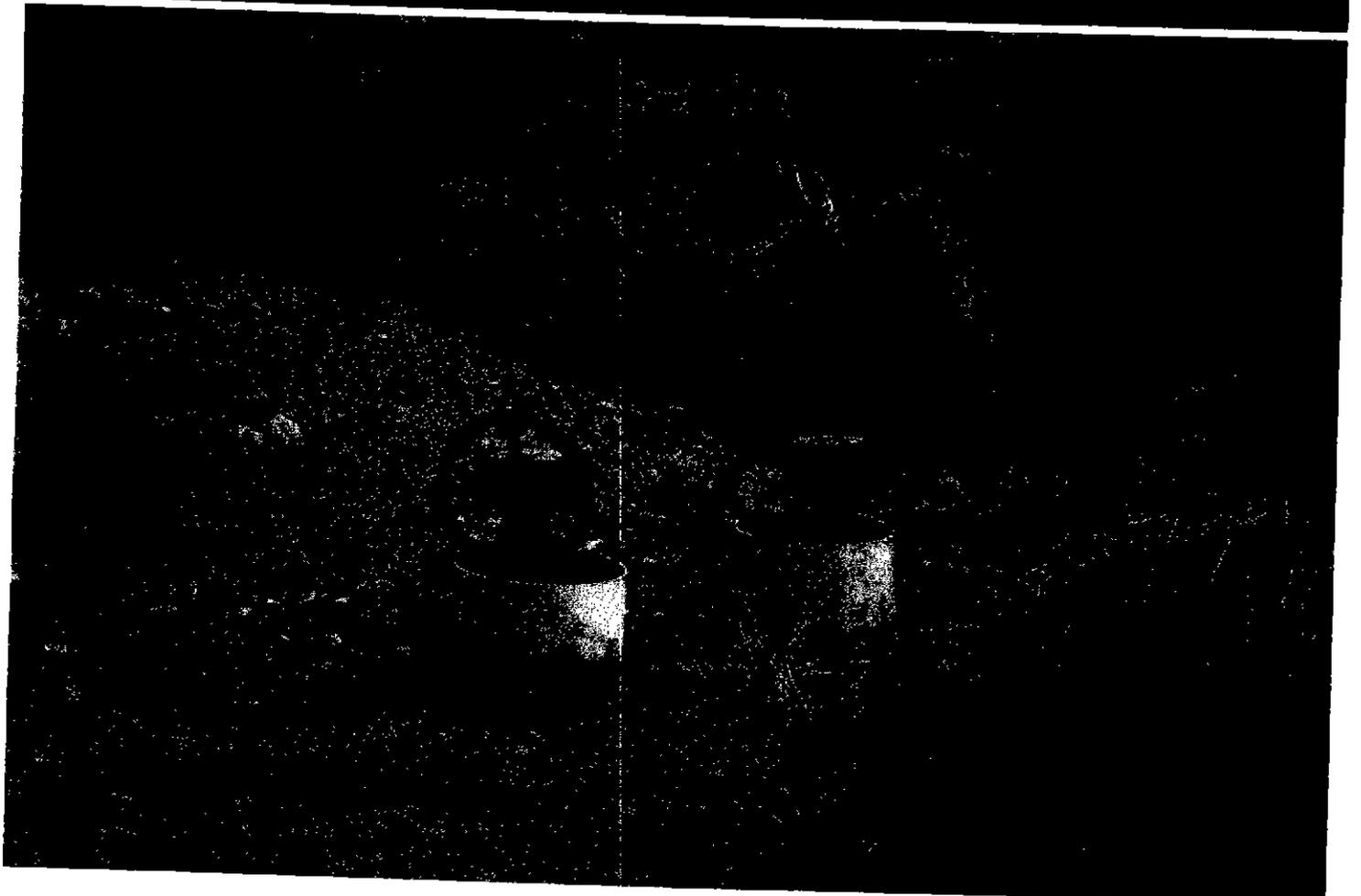
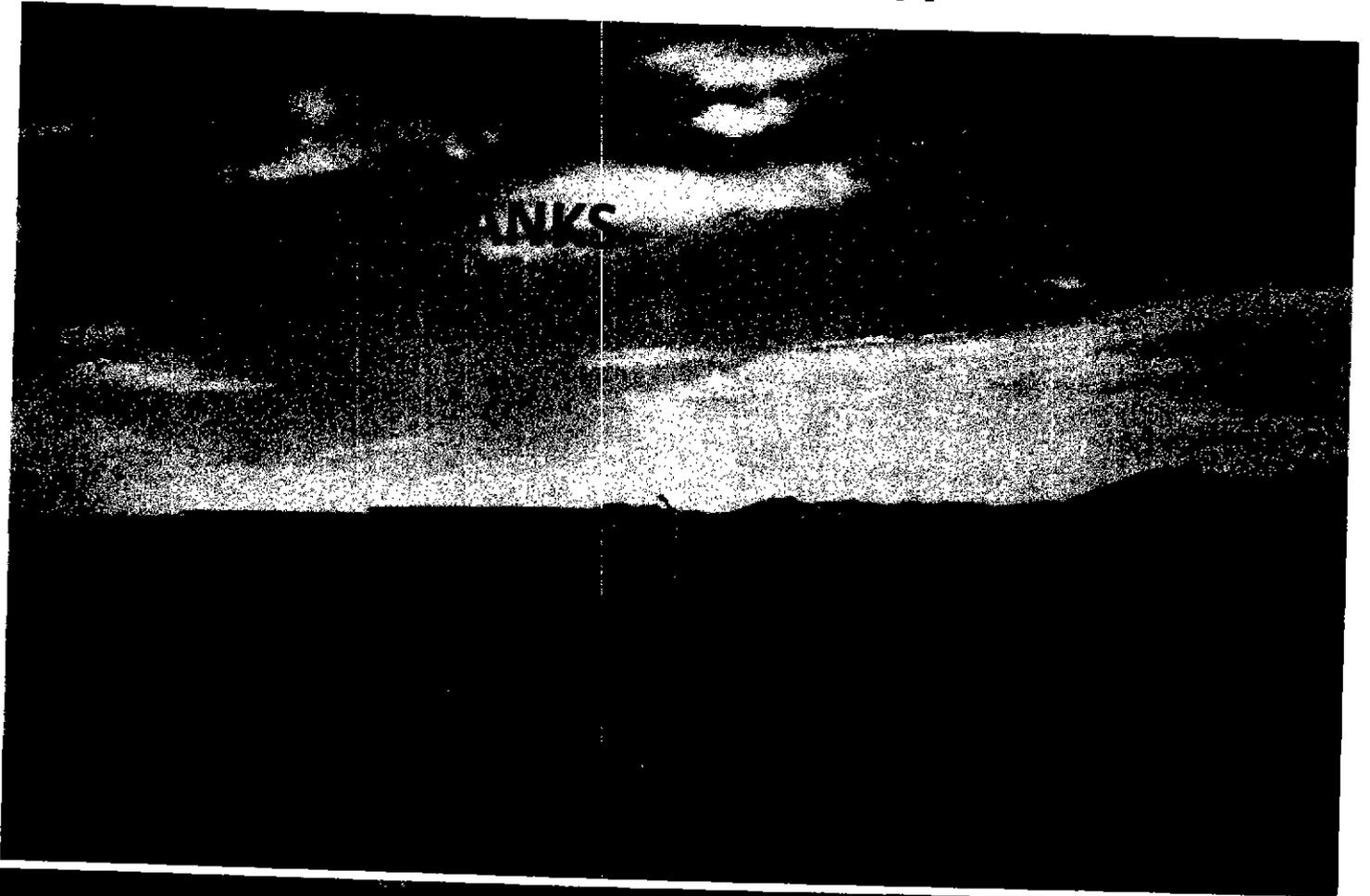
ATTACHMENT "A"



NE 1/4 NW 1/4 Section 12, T.30N., R.34 E., MDB&M

Coyote Creek water at the lower diversion into 15" pipeline

ATTACHMENT "A"



PRELIMINARY REPORT

Assessor's Parcel No.: Various
Property Address: Coyote Creek Ranch
Buyers/Borrowers: Huntsman Ranch, LLC

Order No.: 012850-BAL
Escrow Officer: Betty Lawrence
Office Location: Western Title Company, Inc.
Winnemucca Office
401 S. Bridge St.
Winnemucca NV
Reference No.:

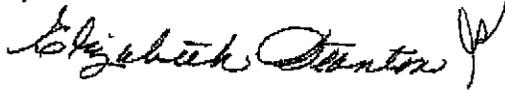
In response to the above referenced application for a Policy of Title Insurance, Lawyers Title Insurance Corporation hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein, hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms. The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth on the attached cover. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the Exceptions and Exclusions set forth on the attached cover of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this Preliminary Report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of 07/05/2007 at 07:30 am

Western Title Company, Inc., an authorized agent
By:



(Authorized Agent)

The form of Policy of Title Insurance contemplated by this report is:

ALTA Standard Owner's

The estate or interest in the land hereinafter described or referred to covered by this Report is:

Fee Simple

Title to said estate or interest at the date hereof is vested in: Kirk D. Mader and MaDonna L. Mader, husband and wife as tenants in common holding equal individual interests, as to an undivided 13.3334 % interest; L. Franklin Mader, a married man dealing with his sole and separate property, as to an undivided 30.0000% interest; LaVonne Mader, spouse of L. Franklin Mader, dealing with her sole and separate property, as to an undivided 30.0000% interest; Shannon L. Rust, a married woman dealing with her sole and separate property, as to an undivided 13.3333% interest, all as tenants in common as to an undivided 75% interest;

and

Kirk D. Mader and MaDonna L. Mader, his wife as tenants in common holding equal individual interests, as to an undivided 25% interest, as to Parcel One.

L. Franklin Mader and LaVonne Mader, husband and wife and Kirk D. Mader and MaDonna L. Mader, husband and wife, all as joint tenants, as to Parcel Two.

Kirk D. Mader and MaDonna L. Mader, husband and wife as community property with right of survivorship, as to an undivided 1/2 interest and L. Franklin Mader and LaVonne Mader, husband and wife as community property with right of survivorship, as to an undivided 1/2 interest, as to Parcel Three.

Kirk D. Mader and MaDonna L. Mader, et al, as to Parcel Four.

EXCEPTIONS

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows: -

1. Taxes for the fiscal year July 1, 2007 to June 30, 2008, a lien, not yet due and payable. (NO AMOUNTS AVAILABLE AT THIS TIME)
2. Rights of way for any existing roads, trails, canals, streams, ditches, drain ditches, pipe, pole or transmission lines traversing said premises.
3. Water rights, claims or title to water, whether or not recorded.
4. Any facts that may be disclosed by an accurate survey of said land.
5. The fact that the ownership of said land does not include rights of access to or from any road, street or highway, nor to be served by any contiguous rights of way or easements over adjoining property to any such public road or highway. The following exception will be included in any policy of title insurance concerning the subject property: Notwithstanding the insuring clauses of the policy, the Company does not insure against loss or damage by reason of a lack of a right of access to and from the land.

Parcel One

6. Provisions, Reservations, Easements and the effect thereof, contained in the Deed from the **Central Pacific Railroad Company**, recorded on **May 4, 1887, in Book 27, Page 411** as Deed Records, Humboldt County, Nevada.
7. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **November 30, 1891, in Book 30, Page 213** as Deed Records of Humboldt County, Nevada.
8. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **January 28, 1897, in Book 33, Page 213** as Deed Records of Humboldt County, Nevada.
9. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **September 1, 1900, in Book 36, Page 314** as Deed Records of Humboldt County, Nevada.
10. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **July 23, 1902, in Book 38, Page 419** as Deed Records of Humboldt County, Nevada.
11. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **June 28, 1903, in Book 39, Page 105** as Deed Records of Humboldt County, Nevada.
12. Provisions, Reservations, Easements and the effect thereof, contained in the Deed from the **Central Pacific Railroad Company**, recorded on **September 1, 1905, in Book 41, Page 29** as Deed Records of Humboldt County, Nevada.
13. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **January 14, 1921, in Book 1, Page 21** as Patent Records of Pershing County, Nevada.
14. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **June 11, 1953, in Book 1, Page 404** as Patent Records of Pershing County, Nevada.
15. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **June 16, 1966, in Book 3, Page 412** as Document No. 62232, Official Records of Pershing County, Nevada.
16. Easement to construct, operate and maintain communication and electric facilities, and incidental purposes, granted to **Sierra Pacific Power Company and Bell Telephone Company of Nevada**, recorded on **May 20, 1980, in Book 14, Page 323** as Document No. 51624, Official Records of Pershing County, Nevada.

17. Easement to construct, operate and maintain electric facilities, and incidental purposes, granted to **Sierra Pacific Power Company**, recorded on **May 11, 1999**, in **Book 342, Page 59** as Document No. **223981**, Official Records of **Pershing County, Nevada**.
18. Matters as disclosed on Record of Survey filed in the office of the County Recorder of **Pershing County, State of Nevada** on **March 24, 1988**, as Document No. **162326**.
19. Matters as disclosed on Record of Survey filed in the office of the County Recorder of **Pershing County, State of Nevada** on **April 29, 2004**, as Document No. **239933**.

Parcel Two

20. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **January 28, 1897**, in **Book 33, Page 213** as Deed Records of **Humboldt County, Nevada**.
21. Easement across North 30 feet for public roadway, and incidental purposes, reserved by **Nevada Rancheros, Inc.**, recorded on **May 29, 1958**, in **Book 13, Page 57** as Document No. **66941**, Official Records of **Pershing County, Nevada**.

Parcel Three

22. Provisions, Reservations, Easements and the effect thereof, contained in the Patent from the **United States of America**, recorded on **April 27, 1904**, in **Book 40, Page 196** as Deed Records of **Humboldt County, Nevada**.
23. Matters as disclosed on Record of Survey filed in the office of the County Recorder of **Pershing County, State of Nevada** on **July 17, 2003**, as Document No. **237257**.
24. The possible community or homestead interest of the spouse of the herein vested title holder, **Shannon Rust**, if said holder is a married person.
25. Prior to the issuance of any policy of title insurance, the following must be furnished to the Company with respect to **Huntsman Ranch, LLC, a limited liability company**:

This Company will require a copy of the articles of organization for **Huntsman Ranch, LLC**, and any certificates of amendments filed with the Secretary of State, together with copies of any management agreements or operating agreements, together with a current list of all members of said limited liability company.

THE FOLLOWING NOTE IS FOR INFORMATION PURPOSES ONLY:

A search of the Official Records for the county referenced in the above order number, for the 24 months immediately preceding the date above discloses the following instruments purporting to convey the title to said land:

NONE

- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$7,952.35 have been paid in full. (APN 12-050-05)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$3.76 have been paid in full. (APN 12-050-02)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$29.12 have been paid in full. (APN 12-050-01)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$242.43 have been paid in full. (APN 12-050-16)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$484.86 have been paid in full. (APN 12-050-20)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$242.43 have been paid in full. (APN 12-050-21)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$15.03 have been paid in full. (APN 12-050-15)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$22.55 have been paid in full. (APN 08-560-71)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$14.52 have been paid in full. (APN 09-390-30)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$31.80 have been paid in full. (APN 08-420-22)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$36.14 have been paid in full. (APN 09-400-04)
- NOTE: Taxes for the fiscal year 2006-2007, in the amount of \$357.80 have been paid in full. (APN 08-560-70)
- NOTE: According to the records of the Pershing County Assessor's Office there is Personal Property, a Mobile Home, on APN 12-050-05, which is included on the secured roll.
- NOTE: According to the records of the Pershing County Assessor's Office there is Personal Property, a Mobile Home, APN 08-560-70, which is included on the secured roll.
- NOTE: The map, if any, attached hereto is subject to the following disclaimer: WESTERN TITLE COMPANY, INC. does not represent this plat as a survey of the land indicated hereon, although believed to be correct, no liability is assumed as to the accuracy thereof.
- NOTE: This report makes no representations as to water, water rights, minerals or mineral rights and no reliance can be made upon this report or a resulting title policy for such rights or ownership.

Order No. 012850-BAL

Legal Description

All that real property situate in the County of Pershing, State of Nevada, described as follows:

Parcel One

TOWNSHIP 30 NORTH, RANGE 35 EAST, M.D.B.&M.

Section 4: S 1/2

Section 5: SE 1/4; W 1/2 SW 1/4; E 1/2 SW 1/4;
EXCEPTING THEREFROM all that portion conveyed to the State of Nevada by Deed recorded February 24, 1958,
in Book 5, Page 302, Official Records of Pershing County, Nevada, as Document No. 47971.

Section 6: All

Section 9: N 1/2 NW 1/4; E 1/2 SW 1/4; W 1/2 NE 1/4; S 1/2 NW 1/4; E 1/2 NE 1/4

Section 10: N 1/2

TOWNSHIP 31 NORTH, RANGE 35 EAST, M.D.B.&M.

Section 32: W 1/2; N 1/2 NE 1/4; S 1/2 SE 1/4

TOWNSHIP 31 NORTH, RANGE 37 EAST, M.D.B.&M.

Section 29: S 1/2

TOWNSHIP 32 NORTH, RANGE 35 EAST, M.D.B.&M.

Section 13: All

Parcel Two

TOWNSHIP 33 NORTH, RANGE 35 EAST, M.D.B.&M.

Section 27: W 1/2 NW 1/4 NE 1/4

Parcel Three

TOWNSHIP 31 NORTH, RANGE 35 EAST, M.D.B.&M.

Section 32: S 1/2 NE 1/4; N 1/2 SE 1/4

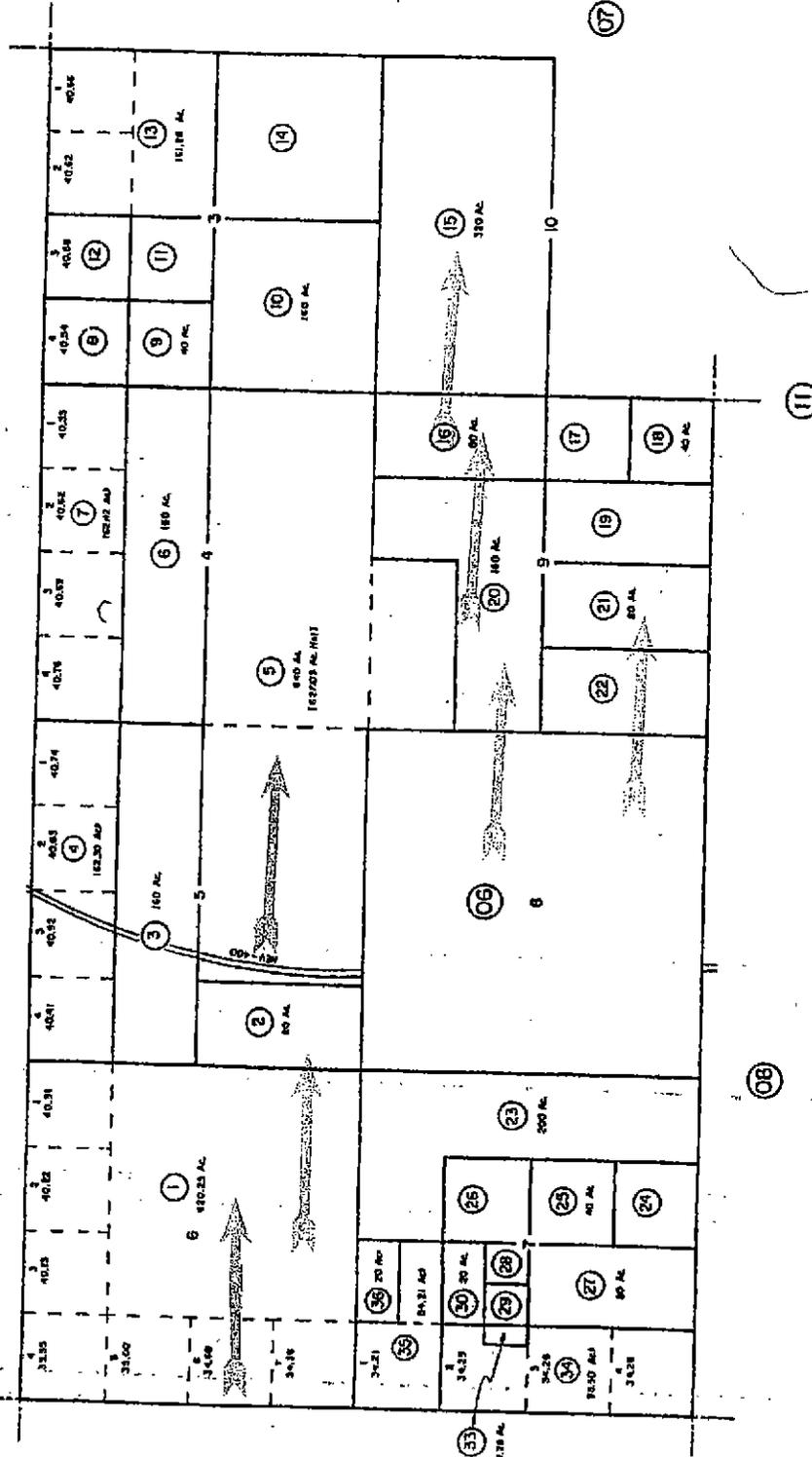
Excepting therefrom all that portion conveyed to the State of Nevada for highway purposes.

Parcel Four

Together with easements for the purpose of water pipelines over and across portions of Sections 15 and 21, Township 30 North, Range 36 East and Section 31, Township 31 North, Range 36 East, as disclosed by document recorded January 5, 2004, in Book 380, Page 127, Document No. 238705, Official Records, Pershing County, Nevada

R35E, T30N, M.D.B. & M.

Bk. 08



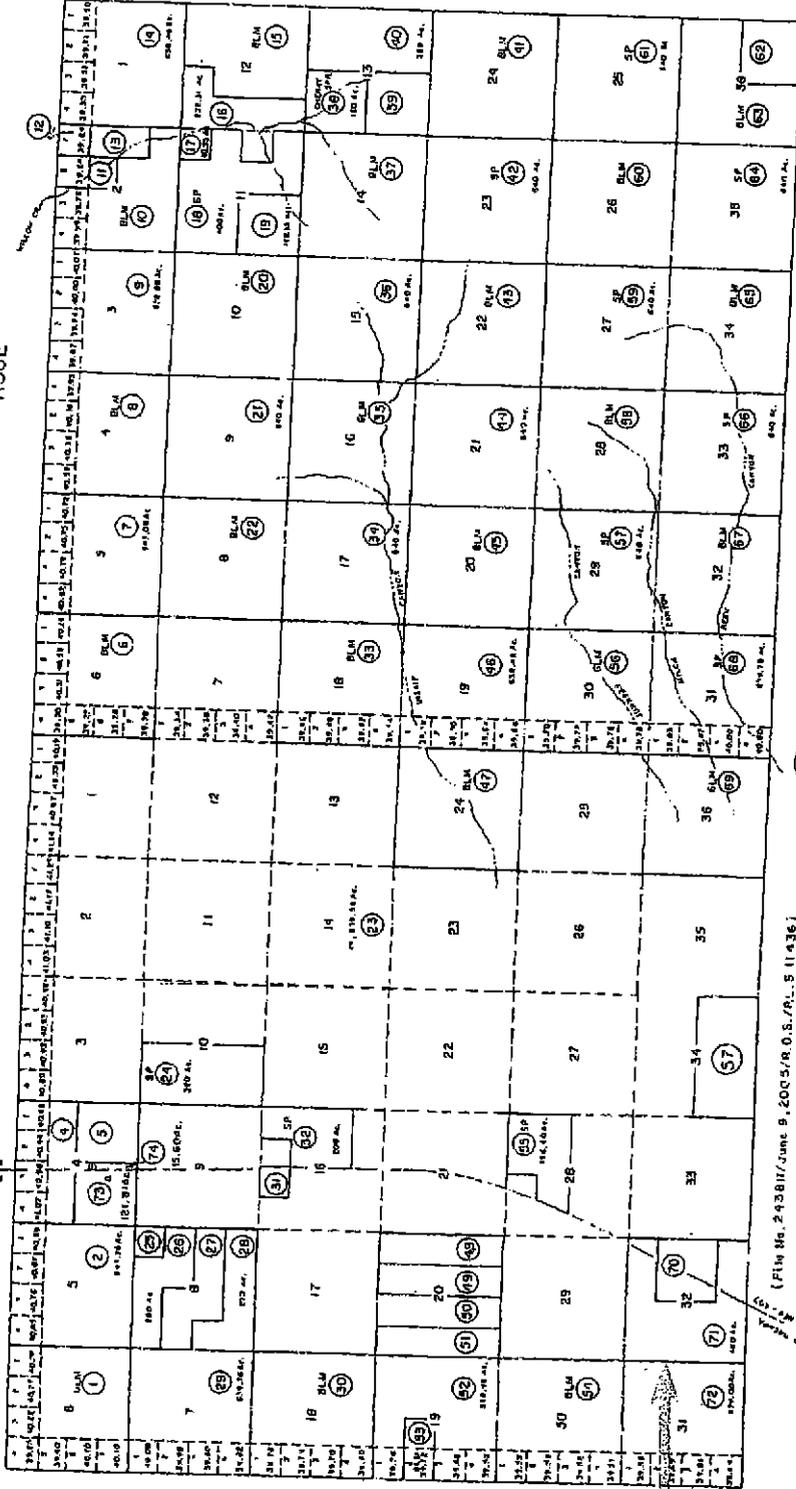
NOTE: This plat is for assessment use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated herein. Use of this plat for other than assessment purposes is forbidden unless approved by the Dept. of Taxation, Division of Assessment Standards.

RS 162323 Sec 9.

REV/DOAS/JAN 98/DA
DOT/DOAS/MAR 89/DA

08-56

R35E R36E



(File No. 243811/June 9, 2005/R.O.S./R.L.S 114361)

NOTE: This plat is for assessment use only and does not represent a warranty of accuracy. It is assumed as to the accuracy of the data delineated hereon. Use of this plat for other assessment purposes is forbidden unless approved by the Dept. of Taxation, Division of Assessment Standards.

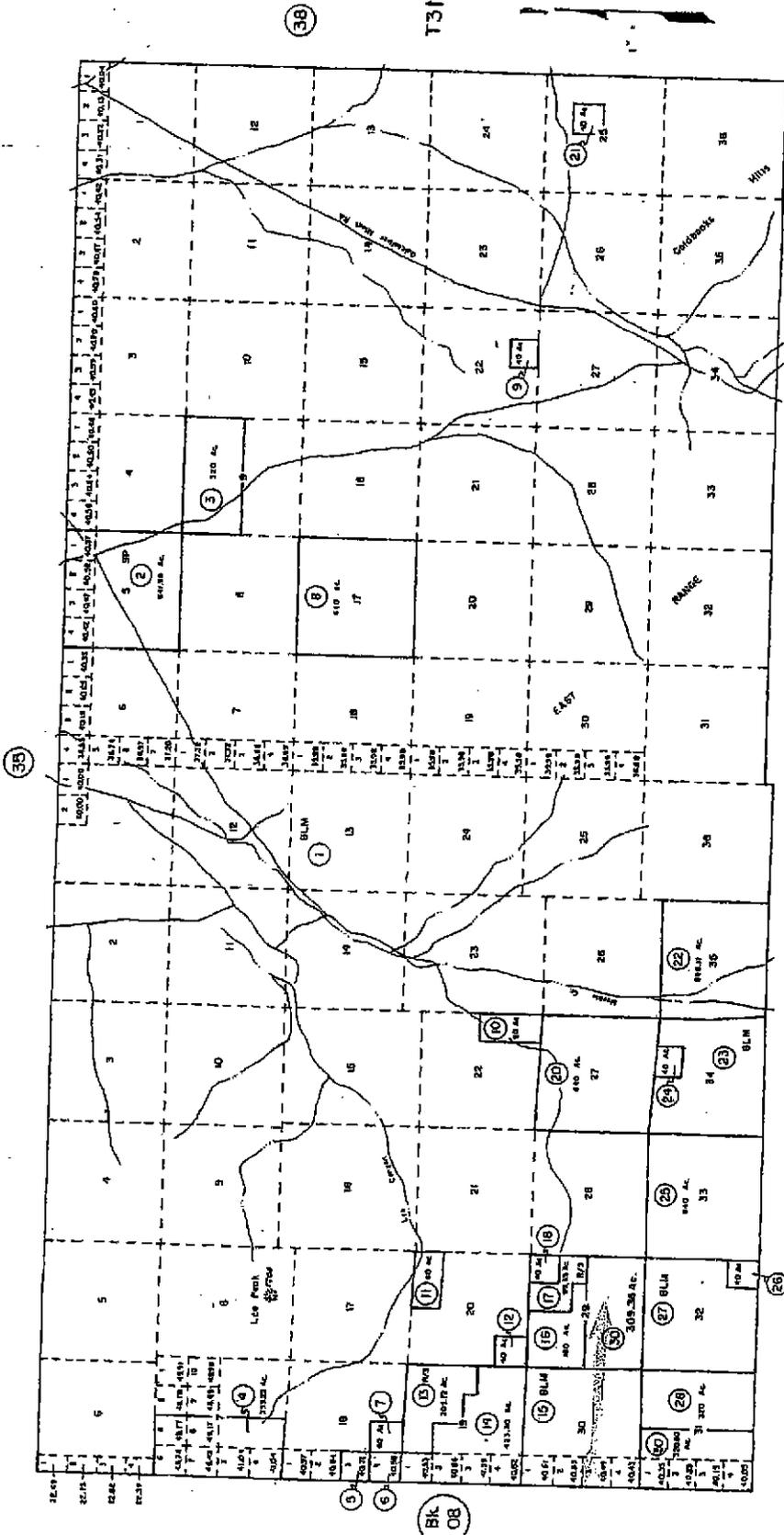
REVISED, JUNE 04, 2004
087,0049, DEC 07/RL

PERSHING COUNTY

09-39

R38E

R37E



T31

38

38

Bk 13

[File No. 239633/April 29, 2004/R.O.S./P.L.S. 11436]

PERSHING COUNTY

REVISED/NOV 04/RSAT
REV/01/05/MAX 04/DAK
DPT/02/05/OCT 05/DAK

08-42

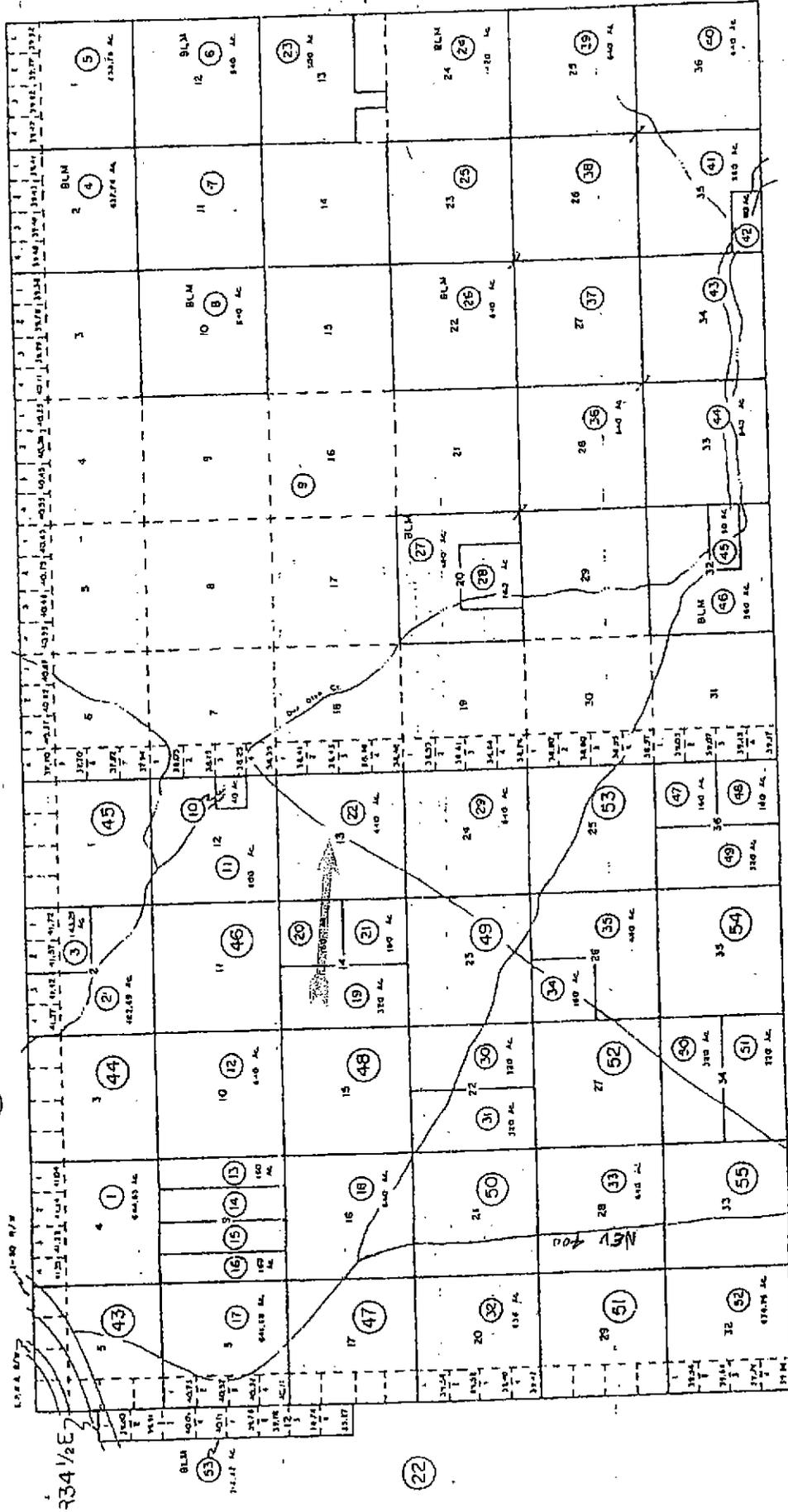
R36E

06

T32

R35E

07



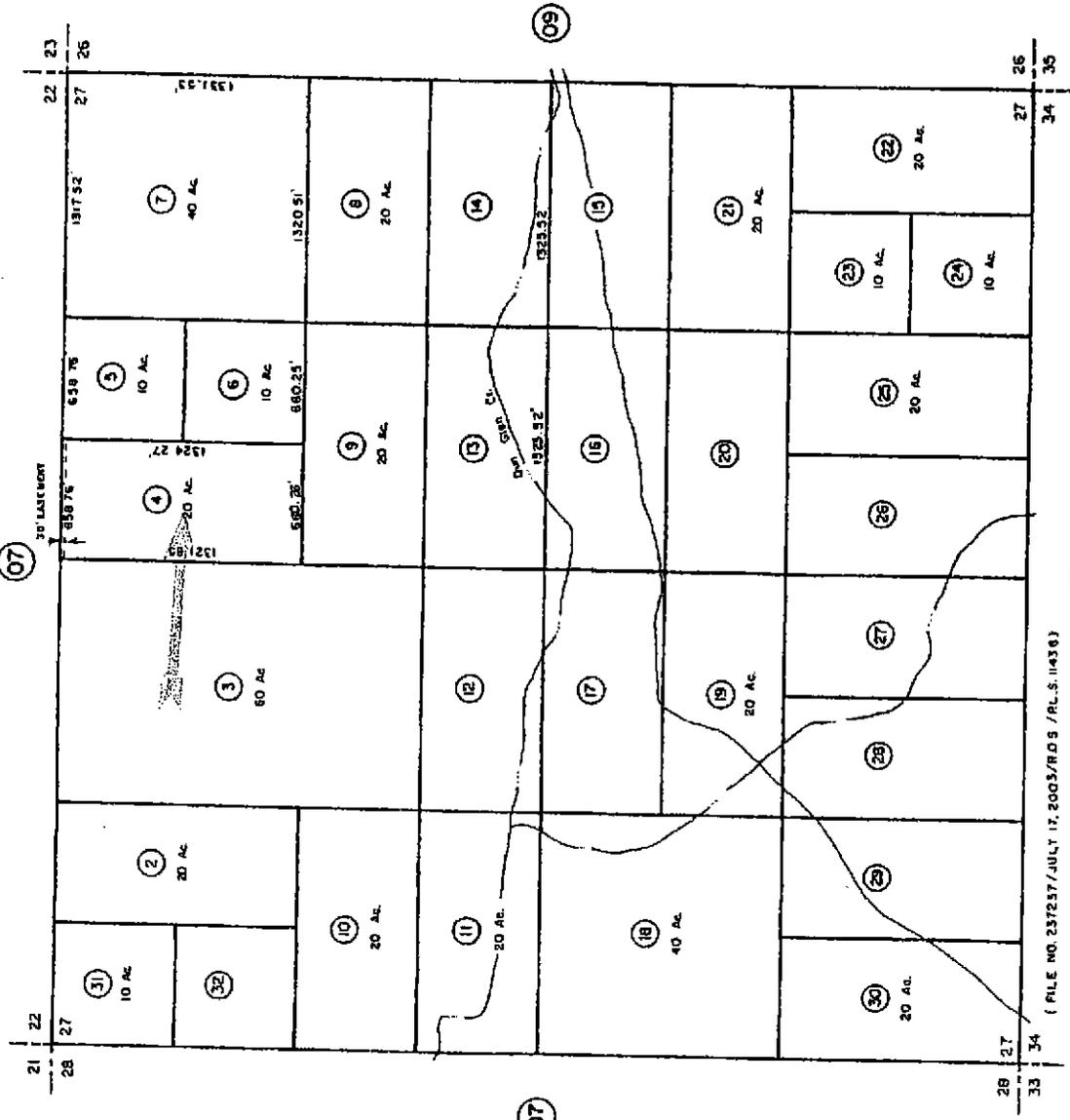
PERSHING

56

NOTE: This plat is for assessment use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated hereon. Use of this plat for other than assessment purposes is forbidden unless approved by the Dept. of Taxation, Division of Assessment Standards.

DOT/DOAS/NOV 85/DA

Sec. 27, T33N, R35E



NOTE - This plat is for assessment use only and does not represent a survey. No liability is assumed as to the accuracy of the data herein. Use of this plat for other than assessment purposes is prohibited.

PERSHING COUNTY

(FILE NO. 237257 / JULY 17, 2003 / R/S / R.L.S. 11436)

THE STATE OF NEVADA
PROOF OF APPROPRIATION OF WATER FOR IRRIGATION

AS PER BLM
TOPO MAP
TC 4/19/87

Source Coyote Creek Name of natural water source

The water is diverted from its source unnamed ditch Name of ditch, flume or pipe line

at the following point(s) in the NE 1/4 NW 1/4 Sec. 11, T.30N., (R.35E) M.D.B.&M.;

or a point from which the North 1/4 corner of Sec. 1 T.30N., (R.35E) R.34E.

Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner. If on unsurveyed land, it should be stated bears N.43°05'30"W. 7962 ft.

E 805/15/78

(1) Name of claimant Duncan and Michiels

Address 221 Hindry Way, County of Inglewood

State of California 90301

(2) The means of diversion employed concrete headgate

Dam and ditch, pipe line, flume, etc.

(3) The date of the survey of ditch, canal, or pipe line was prior to 1903

(4) The construction of the ditch or other works was begun 1903
and completed prior to 1926

(5) The dimensions of the ditch or canal as originally constructed were: Width on bottom.....
feet, width on top 6 feet, depth 3 feet, on a grade of varies feet per thousand feet.

(6) The conduit has (has not) been enlarged.
NOTE—If enlargement or extension of ditch was made, supply information under (7) and (8)

(7) The work of enlargement of the ditch or canal was begun.....
and completed.....

(8) The dimensions of the ditch or canal as enlarged are: Width on bottom.....feet, width on
top.....feet, depth.....feet, on a grade of.....feet per thousand feet.

(9) The claimant is (~~is not~~) an owner in the above-described conduit.

Full interest

If claimant is an owner in the conduit, state interest held on this line

(10) The nature of the title to the land for which the water right is claimed is fee simple

Fee simple, public domain, etc.

(11) Crops of pasture, meadow hay, timothy hay, grains and alfalfa
have been grown upon the land irrigated.

(12) The water has been used for irrigation from March 1st to September 30th
of each year. Day of month Day of month

FILED
May 15, 1978
STATE ENGINEER'S OFFICE

(13) List the year of priority for acreages irrigated prior to March 1, 1905, from all points of diversion previously described, with corresponding subdivisions, appending extra sheets if necessary.

..... acres in the of Sec. T. R. E.
 Year
 acres in the of Sec. T. R. E.
 acres in the of Sec. T. R. E.

Section	Subdivision	Township	Range	Acres	Culture	1 st Date
5	NE 1/4 SW 1/4	30N	35E	6.89	Orchard	8/20/02
"	NW 1/4 SE 1/4	"	"	35.15	Pasture	
"	NE 1/4 SE 1/4	"	"	40.00	"	
"	SE 1/4 SE 1/4	"	"	37.70	"	
"	"	"	"	2.30	Hay	
"	SW 1/4 SE 1/4	"	"	40.00	Pasture	
4	NW 1/4 SW 1/4	"	"	10.61	"	
"	"	"	"	3.79	Hay	
"	NE 1/4 SW 1/4	"	"	10.40	"	
"	SE 1/4 SW 1/4	"	"	40.00	"	
"	SW 1/4 SW 1/4	"	"	39.15	"	
"	NW 1/4 SE 1/4	"	"	12.73	"	
"	NE 1/4 SE 1/4	"	"	35.62	"	
"	SE 1/4 SE 1/4	"	"	39.50	"	
"	SW 1/4 SE 1/4	"	"	40.88	"	
9	NW 1/4 NW 1/4	"	"	40.00	"	
"	NE 1/4 NW 1/4	"	"	40.00	"	
10	NW 1/4 NW 1/4	"	"	37.50	"	
"	SW 1/4 NW 1/4	"	"	7.40	"	
				519.62		

..... acres in the of Sec. T. R. E.

(14) The maximum acreage irrigated in any year was 519.62 acres.

(15) The water claimed has ~~(has not)~~ been used for irrigation each and every year since the right was initiated. Strike out one not wanted

(16) The years during which no water was used for irrigation or during which the full water right was not used were.....
If water was not used, or used in reduced quantity at any time, full information as to causes and duration of non-use should be given, appending a sheet if necessary

(17) The claimant's water right was (was not) recorded in the office of the County Recorder of County, said record being at page of Book of and being a claim for.....

..... of water for the irrigation of.....
 acres of land in the following legal subdivisions:.....

NOTE: Failure to record in the county in no way invalidates a water right, but if ditch or right was so recorded, supply full information under (17)

(18) Water from the source given and through the works described is also used for the following purposes other than irrigation: stock water

(19) The character of the soil is gravelly to fine loam acre-feet per acre per annum have been used to irrigate the crops. A continuous flow of 10.0 cubic feet of water per second has been used to irrigate 519.62 acres of land.
(Sandy, gravelly, loam)

(20) Remarks: The flow from this stream varies yearly, seasonally, daily and hourly. Except for extreme storm waters and run-off the irrigation system can beneficially use all of the stream flow.

The undersigned, being first duly sworn, deposes and says that the facts relative to the appropriation of water by Duncan & Michiels are full and correct to the best of his knowledge and belief. State Water Right Surveyor, agent for Duncan & Michiels

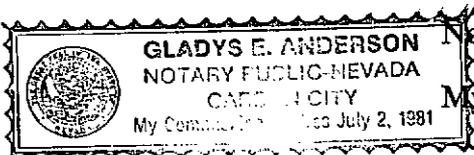
If proof is not made by claimant, deponent should state on this line by virtue of what authority he represents the

claimant

J.P. Caldwell

Subscribed and sworn to before me this 15th day of May, 19 78.

Gladyce E. Anderson



Notary Public in and for the County of Parson

My commission expires July 2, 1981

\$10 FILING FEE MUST ACCOMPANY PROOF