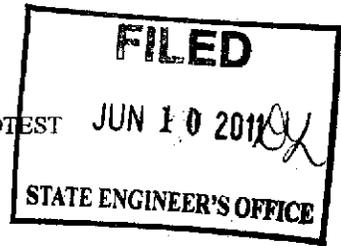


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 80737
FILED BY Julian Tomera Ranches, Battle Mountain Division
ON April 4, 20 11



Comes now Daniel and Eddyann Filippini (hereinafter referred to as Filippini)

Printed or typed name of protestant

whose post office address is HC-61, Box 65; Battle Mountain, NV 89820

Street No. or PO Box, City, State and ZIP Code

whose occupation is rancher

and protests the granting

of Application Number 80737

, filed on April 4

, 20 11

by Julian Tomera Ranches, Battle Mountain Division

for the

waters of Trout Creek

situated in Lander

an underground source or name of stream, lake, spring or other source

County, State of Nevada, for the following reasons and on the following grounds, to wit:

See Attachment 1 for Protest Grounds.

STATE ENGINEER'S OFFICE
2011 JUN 10 PM 4:56
PROTESTANT

THEREFORE the Protestant requests that the application be stayed, pending Trout Creek adjudication and/or issued subject to prior rights.

Denied, issued subject to prior rights, etc., as the case may be

and that an order be entered for such relief as the State Engineer deems just and proper.

Signed

Agent or protestant

Therese A. Ure, Schroeder Law Offices, P.C.

Printed or typed name, if agent

Address

440 Marsh Ave.

Street No. or PO Box

Reno, NV 89509

City, State and ZIP Code

775-786-8800

Phone Number

counsel@water-law.com

E-mail

Subscribed and sworn to before me this

10th

day of

June

, 20 11



CHRISTINA L. WOLF
Notary Public - State of Nevada
Recorded in Washoe County - Nonresident
No: 06-109123-2 - Expires August 22, 2014

Notary Public

State of Nevada

County of Washoe

† \$25 FILING FEE MUST ACCOMPANY PROTEST. PROTEST MUST BE FILED IN DUPLICATE.

ALL COPIES MUST CONTAIN ORIGINAL SIGNATURE.

Filippini's Protest to
Change Application 80737
In the name of Julian Tomera Ranches, Battle Mountain Division

Attachment 1

1) Filippini protests the change to the extent that it may cause injury to Filippini's vested claims and water rights for the surface waters of Trout Creek that hold a senior priority and are diverted downstream from the proposed point of diversion as requested in the change application.

Filippini's water rights and claims on Trout Creek include: V01563 and Certificate 901.

2) Filippini protests the change to the extent that it is premature and not ripe for determination by the State Engineer. Filippini filed a Complaint in Lander County District Court seeking the adjudication of the vested claims on Trout Creek.

The Complaint, at case number CV-10122, Department No. 02, entitled *Filippini v. Tomera v. Rand* was filed on June 7, 2011, and is in the process of being served upon the defendants. A copy of the Complaint is attached and incorporated by this reference. Any change to the vested claim will be adjudicated in the pending action.

Filippini files this conditional protest to ensure that its rights and claims are protected, as well as to bring the pending Complaint to the State Engineer's attention.

Filippini also holds an interest to the grazing allotment upon that change application is intended to serve. Thus, Filippini only conditionally protests this change application to ensure its downstream surface rights for Trout Creek are protected.

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JUN 10 2011
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FILED

2011 JUN -7 PM 4:01
MARY ANN GRAY
SABIE SULLIVAN
DIST. COURT CLERK

1 SCHROEDER LAW OFFICES, P.C.
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7 counsel@water-law.com
8 Attorneys for the Plaintiffs

9 IN THE SIXTH JUDICIAL DISTRICT COURT
10 OF THE STATE OF
11 NEVADA IN AND FOR THE
12 COUNTY OF LANDER

13 DANIEL AND EDDYANN FILIPPINI,

14 Plaintiff(s),

15 v.

16 PETER TOMERA dba JULIAN TOMERA
17 RANCHES, INC., BATTLE MOUNTAIN
18 DIVISION,

19 Defendant(s),

20 v.

21 MARTHA RAND dba RAND
22 PROPERTIES, LLC.,

23 Defendants(s).

Case No. 10122
Dept. No. 02

24 COMPLAINT

25 (Quiet Title, Declaratory Action, Water Rights Determination, Implied Easement,
26 Irrevocable License)

27 Plaintiffs allege as follows:

28 DANIEL AND EDDYANN FILIPPINI, owners and operators of Badger Ranch and
29 Chiara Ranch (collectively referred to herein as "Filippini"), by and through their counsel, Laura
30 A. Schroeder and Therese A. Ure of Schroeder Law Offices, P.C., bring this Complaint to
31 declare the relative rights to the waters of, and access to, Trout Creek, in Lander County south of



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1 Battle Mountain, Nevada. In addition, Filippini seeks a declaration regarding the relative use of
2 the Trout Creek Pipeline. Filippini seeks to access the point of diversion and stock watering
3 troughs associated with the Trout Creek Pipeline, Filippini seeks a declaration of an easement by
4 implication or in the alternative an irrevocable license. Finally, Filippini seeks a livestock
5 trailing easement to push livestock off the Trout Creek and Crippen Creek canyons over and
6 across a portion of Rand private property, Filippini seeks a declaration of an easement by
7 implication or in the alternative an irrevocable license.

8 **VENUE AND PARTIES**

9 1.

10 This Complaint concerns property located in Lander County, Nevada.

11 2.

12 Plaintiffs DANIEL AND EDDYANN FILIPPINI, husband and wife, own the real
13 property associated with the Badger and Chiara Ranches located near Battle Mountain, Nevada.

14 3.

15 Defendant PETER TOMERA holds the majority shareholder interest of JULIAN
16 TOMERA RANCHES, INC., BATTLE MOUNTAIN DIVISION, a corporation incorporated
17 under the Laws of the State of Nevada and whose principal place of business is located in Battle
18 Mountain, Nevada (hereinafter "Tomera"). Tomera owns the real property associated with
19 Tomera Ranches located near Battle Mountain, Nevada.

20 4.

21 Defendant MARTHA RAND holds the majority shareholder interest of RAND
22 PROPERTIES, LLC, a limited liability company incorporated under the Laws of the State of
23 Nevada doing business as the Trout Creek Ranch (hereinafter "Rand"). Rand owns the real
24 property associated with the Trout Creek Ranch located near Battle Mountain, Nevada.

25 ///

26 ///



1 **JURISDICTION AND CONTROVERSY**

2 5.

3 A case and controversy exists over the relative rights to Trout Creek, the stock water
4 pipeline, water allocation distributed from the Trout Creek Pipeline, and the ability to trail
5 livestock down the Trout Creek and Crippen Creek canyons.

6 6.

7 Rand recently filed an amendment to its vested water right claim thereby putting at issue
8 the historical priority of water use impacting all vested water claims on Trout Creek held by the
9 parties. Until the vested water right claims are adjudicated on Trout Creek, the Nevada State
10 Engineer's office will not enforce the relative priorities or volumes claimed in the vested claims.
11 At this time, the State of Nevada is not prepared to move forward with a state adjudication of
12 Trout Creek and has advised Filippini to seek a "private" adjudication of this Court.

13 7.

14 The Trout Creek Pipeline exists by virtue of a cooperative management agreement
15 ("Cooperative Agreement") entered into between the parties' predecessor-in-interest, LeRoy
16 Horn, and the United States Department of Interior, Bureau of Land Management ("BLM"). At
17 the time of Horn's conveyance to the parties, the relative rights to use the Pipeline were not
18 expressly allocated between the parties and specifically were not allocated pursuant to the
19 parties' relative livestock grazing permits upon the public land (providing relative cattle numbers
20 to support the water use). It is necessary to determine the relative rights to the Pipeline and/or
21 the Cooperative Agreement for purposes of determining the parties' relative rights and duties to
22 access, repair, maintain, and operate the Pipeline.

23 8.

24 As to the diversion of the water to the Trout Creek Pipeline, which occurs upon Rand's
25 private property, a controversy arose when Rand shut off water at the point of diversion
26 preventing the delivery of stock water to the Trout Creek Pipeline and the vested claims. In



1 addition, Rand prevented the parties' access to regulate the point of diversion. The State of
2 Nevada, through the State Engineer's office, is prepared to regulate the point of diversion along
3 the lines of keeping it open for diversion by the parties, but it cannot regulate the amounts of
4 water or priority to the relative rights to the water to be delivered from this point of diversion
5 until an adjudication of the vested claims is completed.

6 9

7 A controversy arose as to the ability to trail livestock down the Trout Creek and Crippen
8 Creek canyons when Rand fenced off its private property preventing Filippini and Tomera
9 livestock from trailing on the Argenta Allotment down the canyons to the flat lands.

10 10.

11 In summary, this court has jurisdiction, and Plaintiffs bring this action under NRS
12 30.030, Declaratory Judgment Act, and NRS 40.010, Quiet Title Act, to request the court to:

13 (A) determine the relative rights to waters of Trout Creek;

14 (B) determine the relative rights to access, repair, maintain, and operate the Trout Creek
15 Pipeline and/or the Cooperative Agreement;

16 (C) for a declaration of an implied easement or irrevocable license to use, access, repair
17 and maintain the points of diversion from Trout Creek located on Rand's property for the benefit
18 of the other parties; and

19 (D) for a declaration of an implied easement or irrevocable license to access and trail
20 livestock down the Trout Creek and Crippen Creek canyons over and across a portion of Rand
21 Private Property, for use by Argenta Allotment BLM Preference holders.

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1 **GENERAL ALLEGATIONS AND FACTS**

2 **THE REAL PROPERTY**

3 11.

4 In 1989,¹ LeRoy Horn transferred property under contract involving Filippini, and
5 Tomera. Under this contract, among other things, a) Horn conveyed real property to Filippini, b)
6 Filippini transferred to Tomera the Horn BLM grazing rights, railroad leases, and water rights
7 located east of SR305, and c) Tomera transferred to Filippini all BLM privileges, railroad leases,
8 and water rights held by Tomera west of SR305. *See Exhibit 1; see also Exhibit 2.*

9 12.

10 Filippini purchased private real property from Robert and Wanda Chiara in 1993 (Chiara
11 Ranch) including rights to the BLM preference in the Argenta Allotment. *See Lander County*
12 *Records at Book 393 Page 279.* Filippini purchased additional private property adjoining the
13 Badger Ranch and/or Chiara Ranch from Nevada Land and Resource Company, LLC ("Nevada
14 Land") in 1999, and in 2008. *See Lander County Records at Book 472 Page 432, and Book 585*
15 *Page 793.* Filippini's private real property includes lands purchased from LeRoy Horn, Robert
16 and Wanda Chiara, and Nevada Land, including that property generally described as being
17 located in Section 1 of Township 29 North, Range 43 East; portions of Section 24, Sections 25
18 and 35, and portions of Section 36 of Township 30 North, Range 43 East; Section 5 and portions
19 of Section 6 of Township 29 North, Range 44 East; and, Sections 19 and 30 of Township 30
20 North, Range 44 East ("Badger and Chiara Ranches"). *See Exhibit 8, at Exhibit 4 therein, for the*
21 *chain of title for Filippini parcels directly related to State of Nevada vested claim V01563.*

22 13.

23 Tomera purchased private real property from LeRoy Horn via the 1989 Contract,
24 including rights to: a) the Trout Creek Pipeline to convey Trout Creek water for stock watering;

25 _____
26 ¹ The Contract is dated May 1988 with a closing date of March 1989. This Contract is referred to herein as the "1989 Contract."



1 b) water right permit 39377 (now certificate 12160) for stock water; c) its BLM preference in the
2 Argenta Allotment; and d) via the rights transferred, the ability to later file, in 1996, a vested
3 water claim for stock watering from Trout Creek (*see* V07581).

4 14.

5 Tomera's private real property, includes, but is not limited to, portions of property within
6 Sections 18 and 19 of Township 30 North, Range 45 East; and Section 13 of Township 30 North,
7 Range 44 East. ("Tomera Ranch"). *See* Exhibit 2.

8 15.

9 In 1989, Horn retained what is known as the Trout Creek Ranch. All water rights and
10 BLM grazing permits associated with, appurtenant to, or used and enjoyed in connection to
11 Horn's private land as provided in the 1989 sales contract, were conveyed to Filippini and
12 Tomera. *See* Lander County Records at Book 328 Page 514, for the Horn to Filippini deed
13 record.

14 16.

15 LeRoy Horn owned the Trout Creek Ranch property from 1959 to 1991, when he
16 transferred it to The LeRoy and Barbara Horn Family Trust ("Horn's Trust"), William C. Horn
17 Successor Trustee. In 2003, Jack and Lori Broughton ("Broughton Trust") purchased the
18 property and owned it until it was sold to Rand Properties, LLC in September 2009.

19 17.

20 Rand's private real property includes, but is not limited to, portions of property within
21 Township 29 North, Range 44 East; Township 29 North, Range 44 ½ East; and Sections 7 and
22 19 of Township 29 North, Range 45 East ("Trout Creek Ranch"). *See* Lander County Records at
23 Book 600 Page 717.

24 18.

25 Since 1989 or earlier, the properties claiming water use from Trout Creek were owned
26 and operated by the following (excepting the Chiara Ranch):



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1. Portion of Badger Ranch: LeRoy Horn from 1973 - 1989; Filippini from 1989 to present;
2. Portion of Badger Ranch: Southern Pacific Land Company from 1988 - 1989; Santa Fe Pacific Realty Corporation from 1989 - 1995; Atchison, Topeka and Santa Fe Railway for two months in 1995; Nevada Land from 1995 - 1999; then Filippini from 1999 to present;
3. Tomera Ranch: LeRoy Horn from approximately 1952 to 1989; Tomera from 1989 to present; and
4. Trout Creek Ranch: LeRoy Horn from 1959 to 1991 (and Horn's Trust until 2003); Broughton Trust from 2003-2009; Rand from 2009 to present.

THE GRAZING PREFERENCE

19.

LeRoy Horn controlled a portion of the relevant BLM preference for the Argenta Allotment until its 1989 transfer to Tomera. Chiara also controlled a portion of this preference until 1993 when it transferred to Filippini.

20.

Tomera's and Filippini's grazing preference, administered by the U.S. Department of Interior, Bureau of Land Management, is located within the Argenta Allotment #20001, and includes the public land areas on or around Trout Creek and Crippen Creek ("the grazing preference"). Tomera's and Filippini's livestock graze in common on this allotment. *See Exhibit*

3.

21.

Rand's grazing preference in the Argenta Allotment is limited to 30 head of horses for grazing in the Trout Creek area, and specifically west of old Highway 8A.

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22.

Use of the allotment includes use of those public lands in the hills and canyons of Trout Creek and Crippen Creek above Rand Private Property. This land is rugged in nature and steep in topography.

23.

Use of the allotment includes the necessity of the BLM Preference Holders to trail their livestock down and off the hills and canyons a few times a year to the flat bottom lands in the valleys.

24.

One water delivery structure for water rights associated with the Argenta Allotment is the Trout Creek Pipeline, which was installed by LeRoy Horn for stock watering purposes under Cooperative Agreement #4607 with the BLM in 1979. See Exhibit 4.

25.

The existing troughs associated with the 1979 Cooperative Agreement for the Trout Creek Pipeline in the Argenta Allotment are located east of SR305 (current Highway 8A), and specifically in the:

- 1) SE1/4 of Section 12, Township 29 North, Range 44 East.
- 2) NW1/4 of Section 12, Township 29 North, Range 44 East.
- 3) SE1/4 of Section 2, Township 29 North, Range 44 East.
- 4) NW1/4 of Section 2, Township 29 North, Range 44 East.
- 5) NE1/4 of Section 33, Township 30 North, Range 44 East.

26.

Prior to the 1989 Sales Contract, the cattle authorized to graze in the Argenta Allotment accessed Trout Creek and Crippen Creek for livestock watering.

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27.

During Horn's ownership of the Trout Creek Ranch, Filippini's predecessor-in-interest, the Chiara Ranch, and later, Filippini and Tomera accessed the point of diversion on the Trout Creek Pipeline to deliver water for use of livestock exercising the BLM preference.

28.

When Horn sold water rights, the BLM preference, and other lands to Filippini and Tomera in 1989, the point of diversion for water delivery to the Trout Creek Pipeline under the water rights sold remained within Horn's Trout Creek Ranch parcel, which Rand purchased in 2009.

29.

When Rand purchased the Trout Creek Ranch property in 2009, Rand continued to allow Filippini and Tomera to access the point of diversion and pipeline, and trail cattle off the canyons a few times a year. Unfettered access to the point of diversion and trailing continued until shortly after John Rand's passing, on March 15, 2010.

30.

Shortly after John Rand's passing and during the summer of 2010, Rand shut off water to the Trout Creek Pipeline, prevented Filippini and Tomera from accessing the point of diversion, and jeopardized water delivery to Filippini's and Tomera's livestock.

31.

In the fall of 2010 and spring of 2011, Rand fenced a portion of its private property within the Argenta Allotment cutting off access to portions of the Trout Creek Pipeline.

32.

In addition to preventing access, Rand has prevented Filippini and Tomera from operating, maintaining and/or repairing the portion of the Trout Creek Pipeline lying within Rand's newly fenced private property.

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33.

Rands prevented Tomera from trailing livestock off the canyons within the last year and have threatened to interfere with trailing in the future.

34.

In the spring of 2011, Rand tapped into the Trout Creek Pipeline and installed three new troughs on Rand's private property, within the newly fenced area, without consideration, permission or consent from Tomera or Filippini.

35.

Filippini's cattle in the Argenta Allotment are authorized to graze between March 1st and November 30th. Without water in the Trout Creek Pipeline, the ability of cattle to graze in the Argenta Allotment, and thus exercise of the Tomera's and Filippini's grazing use, is significantly and adversely affected. See Exhibit 5, March 20, 2011 letter from United States Department of Interior, BLM to Rand Properties, LLC.

36.

Filippini's and Tomera's ability to exercise their BLM grazing permits in the Trout Creek and Crippen Creek canyon areas, including the Argenta Allotment, which includes trailing livestock off the canyons, will be significantly and adversely affected if access and trailing is not allowed because there is no other viable way to take cattle off the hills and canyons.

THE WATER CLAIMS

37.

Trout Creek originates to the east of the Trout Creek Ranch property in the Shoshone Mountain Range. All the parties claim an un-adjudicated vested interest to the waters of Trout Creek.

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38.

Filippini:

Filippini has one un-adjudicated claim to the use of Trout Creek waters that is recorded with the State of Nevada as claim number V01563 for the irrigation of 333.6 acres of land, as well as stock watering. See Exhibit 6. Philippini also has one certificated water right to Trout Creek for irrigation, Number 901, which is not at issue for adjudication, but further supports its easement and license claims. See Exhibit 7.

39.

Filippini accesses Trout Creek water through its recorded points of diversion located and described as being within Township 29 North Range 44 East, and Township 29 North Range 45 East.

40.

Tomera:

Tomera has one un-adjudicated claim to the use of Trout Creek waters that is recorded with the State of Nevada as claim number V07581 for stock watering. Tomera also has one certificated water right to Trout Creek for stock watering, Number 12160, which is for the use of water via the Trout Creek Pipeline.

41.

Tomera's points of diversion on Trout Creek are recorded as located at various points along the natural stream channels for claim V07581, and within Section 18 of Township 29 North, Range 45 East for Certificate 12160.

42.

Filippini and Tomera use Trout Creek water for stock watering purposes when exercising their BLM preference through a series of troughs connected by the Trout Creek Pipeline diverting water from Trout Creek in Section 18 of Township 29 North, Range 45 East, as well as along the natural stream channels. See Exhibit 8 at Exhibit 1 therein.



43.

Rand:

Rand holds one un-adjudicated claim to the use of Trout Creek waters that is recorded with the State of Nevada as claim number V02678 for stock watering, domestic use, and irrigation of 53.8 acres of land.

44.

Rand's point of diversion on Trout Creek is recorded as located within Section 18, Township 29 North, Range 45 East. Rand claims that this point of diversion is for the Trout Creek Pipeline and that the ditches were used prior to pipeline installation.

45.

Water Amendments and Changes:

The relative rights and claims to Trout Creek water are detailed as follows:

| Priority | As Amended | Number | Status | Owner of Record | Period of Use | Purpose of Use | Exhibit |
|----------|------------|----------------------|----------------------------------|-----------------|---------------------|--|---------|
| 1889 | | V07581 | Vested Claim | Tomera | 01/01 - 12/31 | Stock water: 150 Cattle 20 Horses 2000 Sheep | 9 |
| | | 80737 | Change Application Filed: 4/4/11 | | 01/01 - 12/31 | Stock water: 75 Cattle 10 Horses 1000 Sheep | 10 |
| 1896 | 1869 | V01563 | Vested Claim | Filippini | 03/01 - 07/15 | Irrigation: 333.6 Acres, and Stock water | 6 |
| | | | Claim Amendment | | 01/01 - 12/31 | Irrigation: 333.6 Acres Stock water: 538 Cattle | 8 |
| 1901 | 1878 | V02678 | Vested Claim | Horn (Rand) | 03/15 - | Irrigation: 53.8 acres | 11 |
| | | | Claim Amendment | Rand | 11/15 | Stock water and domestic | 12 |
| 1921 | | App: 6456, Cert: 901 | Certificated | Filippini | 03/01 - 09/01 | Irrigation: 27.49 acres | 7 |



| Priority | As Amended | Number | Status | Owner of Record | Period of Use | Purpose of Use | Exhibit |
|----------|------------|----------------------------------|--------------|------------------|---------------------|----------------------------|---------|
| 1979 | | App: 39377, Cert: 12160 | Certificated | Horn (Tomera) | 01/01 - 12/31 | Stock water: 600 Cattle | 13 |

46.

On January 11, 2011, Rand submitted an amendment to vested claim V02678 claiming an earlier priority date (amended to 1878). The amendment attempts to claim a superior right to that of Filippini and Tomera. The amendment is supported by the contention that the Pankey ditch was inadvertently mapped in the wrong township. See Exhibit 12.

47.

On April 4, 2011, Tomera submitted a change application to move a portion of its vested claim V07581 into the Trout Creek Pipeline. See Exhibit 10.

48.

On May 2, 2011, Filippini filed an amendment to vested claim V01563, claiming an earlier priority date (amended to 1869), and providing evidence that the Pankey ditch was correctly mapped and never served Rand's Trout Creek Ranch property. See Exhibit 8.

FIRST CLAIM FOR RELIEF

(Determination of Water Rights)

49.

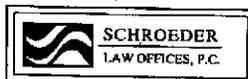
Filippini re-alleges and incorporates paragraphs 1 through 48 above as if fully expressed here.

50.

Pursuant to NRS 40.010, the Quiet Title Act and NRS 30.030, the Declaratory Judgment Act, Filippini seeks a determination of the water right claims on Trout Creek.

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51.

Filippini, Tomera, and Rand are the only parties or persons claiming any right, title, or interest to the waters of Trout Creek.

52.

Filippini's predecessors-in-interest were the first to use water from Trout Creek as evidenced under claim V01563 and its supplements and amendments. Philippini claims a right in priority of 1869.

53.

Rand claims an interest in Trout Creek water as evidenced under claim V02678 and its supplements and amendments. Rand claims a priority of 1878. Philippini calls into question this claimed priority as evidenced in Philippini's Amendment to V01563. See Exhibit 8 at pg. 2.

54.

Tomera claims an interest in Trout Creek water as evidenced under claim V07521 with a right in priority of 1889.

55.

Given these claims and the necessity of enforcement that may only occur once the claims are adjudicated, Philippini seeks an adjudication of the vested claims to set the priority and thus ability to use the waters of Trout Creek in priority and pursuant to Nevada Water Law.

56.

Filippini (and Tomera) further seek the right to access the entire length of the Trout Creek Pipeline, and the Trout Creek Pipeline's point of diversion, for its operation and maintenance, repair and monitoring.

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SECOND CLAIM FOR RELIEF

(Implied Easement – Trout Creek Pipeline)

57.

Filippini re-alleges and incorporates paragraphs 1 through 48 above as if fully expressed here.

58.

Pursuant to NRS 40.010, the Quiet Title Act and NRS 30.030, the Declaratory Judgment Act, Philippini seeks a determination of an easement for the purpose of access, operation, maintenance and repair to the Trout Creek Pipeline and the associated point of diversion on Rand's private property.

59.

The majority of the property in question was once under the ownership and control of LeRoy Horn, with the exceptions of the Chiara Ranch, as well as a portion of the Badger Ranch.

60.

From the four corners of the 1989 sales agreements, it is clear that Horn intended to provide an easement to access the Trout Creek Pipeline, and the Trout Creek Pipeline point of diversion to those using water in the Argenta Allotment, including Philippini and Tomera.

61.

At the time Horn split off and sold properties to Philippini and Tomera, an easement to access the Trout Creek Pipeline and the Trout Creek Pipeline point of diversion was necessary to exercise the property rights conveyed.

62.

At the time Horn sold properties to Philippini and Tomera, Tomera as well as Philippini's predecessor-in-interest to the Argenta Grazing Permit (the Chiara Ranch), all parties accessed, operated, maintained, and/or repaired all parts of the Trout Creek Pipeline and point of diversion.

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63.

Furthermore, Nevada law protects the rights-of-way for persons with water rights and ownership of infrastructure to access those water rights. See generally, NRS 536.060 – 536.090.

64.

Filippini, and Tomera, have established an easement to the Trout Creek Pipeline, and its points of diversion.

(ALTERNATIVE TO IMPLIED EASEMENT) THIRD CLAIM FOR RELIEF

(Irrevocable License – Trout Creek Pipeline)

65.

Filippini re-alleges and incorporates paragraphs 1 through 48 above as if fully expressed here.

66.

Pursuant to NRS 40.010, the Quiet Title Act and NRS 30.030, the Declaratory Judgment Act, Philippini seeks a determination of an irrevocable license to access the Trout Creek Pipeline and its point of diversion.

67.

The majority of the property in question was once under the ownership and control of LeRoy Horn, with the exceptions of the Chiara Ranch as well as a portion of the Badger Ranch.

68.

The Trout Creek Pipeline and its point of diversion are valid works specifically approved to deliver water under existing Nevada water rights, and these works were approved by the BLM under the Cooperative Agreement.

69.

When Horn sold properties to Philippini and Tomera in 1989, a license to access, operate, maintain and repair the Trout Creek Pipeline and point of diversion was necessary to the exercise of the property rights conveyed. This is evidenced by the deed from Horn to Philippini which



1 included all waters and water rights "appurtenant to the said property or any part thereof, or used
2 or enjoyed in connection therewith." See Lander County Records at Book 328, Page 514.

3 70.

4 It is clear from the 1989 Contract and the Deed, that Horn intended to give to Filippini
5 (and Tomera) an irrevocable license to the Trout Creek Pipeline and its point of diversion.

6 71.

7 Filippini and Tomera paid substantial consideration for the License under the 1989 Sales
8 Contract.

9 72.

10 Tomera has expended several thousand dollars in labor, equipment and supplies to
11 replace and repair Trout Creek Pipeline and its point of diversion.

12 73.

13 Tomera improved the Trout Creek Pipeline and point of diversion over time to allow for
14 the continued beneficial use of water rights and claims for stock watering.

15 74.

16 John Rand honored and further approved the existence and validity of this license until
17 his death upon which his heirs proceeded to interfere with Filippini's and Tomera's right to
18 exercise the license.

19 75.

20 The license remains a necessity for monitoring, operating, maintaining, and repairing all
21 portions of the Trout Creek Pipeline and its point of diversion, including that portion that lies
22 over and across Rand's newly fenced private property.

23 76.

24 Therefore, it should be confirmed that Filippini and Tomera hold an irrevocable license
25 for the access, operation, maintenance, repair, and use of the Trout Creek Pipeline and its point
26 of diversion over and across Rand's private property.



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FOURTH CLAIM FOR RELIEF
(Implied Easement – Livestock Trailing)

77.

Filippini re-alleges and incorporates paragraphs 1 through 48 above as if fully expressed here.

78.

Pursuant to NRS 40.010, the Quiet Title Act and NRS 30.030, the Declaratory Judgment Act, Philippini seeks an easement for the purpose of access and livestock trailing through portions of Rand Private Property situated in the bottom of the Trout Creek canyon and Crippen Creek canyon.

79.

The majority of the property in question was once under the ownership and control of LeRoy Horn, with the exceptions of the Chiara Ranch, as well as a portion of the Badger Ranch.

80.

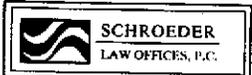
From the four corners of the 1989 sales agreements, it is implied that Horn intended to provide an easement to allow access for livestock trailing in the Trout Creek and Crippen Creek areas to those holding an interest in the Argenta Allotment BLM Preference, including Philippini.

81.

At the time Horn split off and sold properties to Philippini and Tomera, an easement to trail livestock down the Trout Creek and Crippen Creek canyons was necessary to exercise the property rights conveyed.

82.

At the time Horn sold properties to Philippini and Tomera, Tomera as well as Philippini's predecessor-in-interest to the Argenta Grazing Permit (the Chiara Ranch), all parties accessed, and trailed livestock down the Trout Creek and Crippen Creek canyons including that portion of private property now owned by Rand located at the bottom of each creek.



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83.

Filippini has established an easement for livestock trailing down Trout Creek and Crippen Creek canyons over and through Rand Private Property.

(ALTERNATIVE TO IMPLIED EASEMENT) FIFTH CLAIM FOR RELIEF

(Irrevocable License – Livestock Trailing)

84.

Filippini re-alleges and incorporates paragraphs 1 through 48 above as if fully expressed here.

85.

Pursuant to NRS 40.010, the Quiet Title Act and NRS 30.030, the Declaratory Judgment Act, Philippini seeks an irrevocable license to access and trail livestock down Trout Creek and Crippen Creek over and across Rand Private Property.

86.

The majority of the property in question was once under the ownership and control of LeRoy Horn, with the exceptions of the Chiara Ranch as well as a portion of the Badger Ranch.

87.

The Trout Creek Canyon and the Crippen Creek Canyon are part and parcel of the Agrenta BLM Grazing Preference held in part by Philippini and Tomera.

88.

When Horn sold properties to Philippini and Tomera in 1989, a license to access and trail livestock down the Trout Creek and Crippen Creek was necessary to exercise the property rights conveyed.

89.

Based on the 1989 Contract, and Deed that Horn conveyed, Horn permitted Philippini an irrevocable license for access and trailing over and across Horn's private lands located in the bottom of Trout Creek and Crippen Creek canyons.



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90.

Filippini paid substantial consideration for the BLM permits under the 1989 Sales Contract. Ongoing payments are required to continue livestock use under the BLM permits.

91.

Filippini has relied on the ability to access and trail cattle through these areas as any other method of trailing in this area is not practical, is unsafe, and contrary to the rights conveyed.

92.

John Rand honored and permitted this license for livestock access and trailing until his death. Upon John Rand's death, his heirs began to interfere with Philippini's right to exercise the license.

93.

The license remains a necessity for monitoring, operating, accessing and trailing livestock through the Trout Creek and Crippen Creek canyons, including that portion that lies over and across Rand's newly fenced private property.

94.

It is necessary to confirm that Philippini holds an irrevocable license for the access and trailing of livestock over and across Rand's Private Property located at the bottom of the Trout Creek and Crippen Creek canyons.

PRAYER FOR RELIEF

WHEREFORE, Daniel and Eddyann Filippini, operators of Badger Ranch and Chiara Ranch, respectfully request judgment against Peter Tomera dba Julian Tomera Ranches, Inc., Battle Mountain Division, and Martha Rand dba Rand Properties, LLC and Trout Creek Ranch, as follows:

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This court declare, adjudge, and decree via the Quiet Title Act, NRS 40.010, or the Declaratory Judgment Act, NRS 30.030, that the parties hold water rights and rights-of-way easements as follows:

1. **On Plaintiffs' first claim for relief:** An order adjudicating the relative rights to the use of Trout Creek waters in the following list of priorities:

| Priority | Number | Status | Owner of Record | Period of Use | Purpose of Use |
|----------|--------|--------------|-----------------|---------------------|---|
| 1869 | V01563 | Vested Claim | Filippini | 01/01 - 12/31 | Irrigation: 333.6 Acres; Stock water: 538 Cattle |
| 1889 | V07581 | Vested Claim | Tomera | 01/01 - 12/31 | Stock water: 75 Cattle, 10 Horses, 1000 Sheep |
| 1901 | V02678 | Vested Claim | Horn (Rand) | 03/15 - 11/15 | Irrigation: 53.8 Acres Stock water and domestic |

2. **On Plaintiffs' second claim for relief:** An order adjudicating and declaring the implied easement to the Trout Creek Pipeline and its point of diversion in favor of the water right holders, and the BLM preference holders on the Argenta Allotment, for the use, access, operation, maintenance, repair and replacement of said pipeline.

3. **On Plaintiffs' alternate third claim for relief:** If an order is not granted under claim two, and in the alternative, Plaintiffs seek an order adjudicating and declaring an irrevocable license to the Trout Creek Pipeline and its point of diversion in favor of the water right holders, and the BLM preference holders on the Argenta Allotment, for the use, access, operation, maintenance, repair and replacement of said pipeline.

4. **On Plaintiffs' fourth claim for relief:** An order adjudicating and declaring the implied easement to the Rand Private Property located in the bottom of Trout Creek and Crippen Creek canyons in favor of the BLM preference holders on the Argenta Allotment, for the access and trailing of livestock.

///

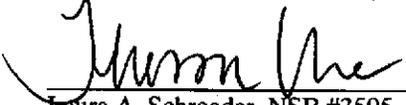


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5. **On Plaintiffs' alternate fifth claim for relief:** In the alternative to an implied easement (Claim Four), Plaintiffs seek an order adjudicating and declaring an irrevocable license to the Rand Private Property located in the bottom of Trout Creek and Crippen Creek canyons in favor of the BLM preference holders on the Argenta Allotment, for the access and trailing of livestock.

DATED this 6th day of June, 2011.

SCHROEDER LAW OFFICE, P.C.



Laura A. Schroeder, NSB #3595
Therese A. Ure, NSB #10255
440 Marsh Ave.
Reno, NV 89509
(775) 786-8800
Email: counsel@water-law.com
Attorneys for Plaintiff



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AFFIRMATION (Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the preceding COMPLAINT does not contain the social security number of any person.

DATED this 6th day of June, 2011.

SCHROEDER LAW OFFICE, P.C.



Laura A. Schroeder, NSB #3595
Therese A. Ure, NSB #10255
440 Marsh Ave.
Reno, NV 89509
(775) 786-8800
Email: counsel@water-law.com
Attorneys for Plaintiffs



E x i b i t L i t

| E x i b i t N u m b e r | D e s c r i p t i o n | N u m b e r o f p a g e s |
|------------------------------------|--|--------------------------------------|
| 1 | Overview Map | 1 |
| 2 | 1989 Contract for Sale | 12 |
| 3 | Argenta Allotment Grazing Permits | 8 |
| 4 | Cooperative Agreement | 4 |
| 5 | 3/20/11 letter from United States Department of Interior-BLM to Rand Properties, LLC | 2 |
| 6 | State of Nevada vested claim V01563 | 4 |
| 7 | Water Right Certificate 901 | 1 |
| 8 | Claim Amendment to State of Nevada vested claim V01563 | 41 |
| 9 | State of Nevada vested claim V07581 | 5 |
| 10 | Change Application 80737 | 2 |
| 11 | State of Nevada vested claim V02678 | 4 |
| 12 | Claim Amendment to State of Nevada vested claim V02678 | 7 |
| 13 | Water Right Certificate 12160 | 1 |

p a g e 2 - E x i b i t L i t



440 Marsh Avenue
 Reno, NV 89509
 PHONE (775) 786-8800 FAX (877) 600-4971

C O N T R A C T

THIS CONTRACT, made and entered into as of the 19th day of May, 1988, by and between FLOYD LEROY HORN and BARBARA HORN, husband and wife, of Lander County, Nevada, (HORN), JULIAN TOMERA RANCHES, INC., BATTLE MOUNTAIN DIVISION, a Nevada corporation, (TOMERA) and HENRY A. FILIPPINI and MARIAN FILIPPINI, husband and wife, and DANIEL EDWARD FILIPPINI and EDDYANN U. FILIPPINI, husband and wife, (FILIPPINI),

W I T N E S S E T H:

That for and in consideration of the sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), paid to Frontier Title Company (the Escrow Holder), by FILIPPINI and other good and valuable consideration, HORN does hereby agree to sell to FILIPPINI or TOMERA, and FILIPPINI and TOMERA agree to buy from HORN all of the following real and personal property situate in the County of Lander, State of Nevada, more particularly described as follows:

(See Exhibit A attached hereto and made a part hereof for a specific description of the real property the subject hereof.)

(See Exhibit B attached hereto and made a part hereof for a specific description of the personal property the subject hereof.)

1. Subject to Paragraph 3 below, either FILIPPINI or TOMERA agrees to pay to HORN the sum of FIVE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$525,000.00), as the full price of the above described real and personal property, all in the following manner:

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HELD, NEVADA 89801-0388

- A. \$25,000.00, being the \$25,000.00 above recited as paid into escrow by FILIPPINI. Upon request of FILIPPINI, the Escrow Holder will invest this payment in an interest bearing account. The accrued interest will be paid to FILIPPINI subject to Paragraph 15 below. The \$25,000.00 shall be delivered to HORN on closing date;
- B. \$25,000.00 without interest to be deposited into the aforesaid escrow on or before November 1, 1988. The investment and delivery of this deposit shall be governed by the same terms as set forth in Paragraph A above.
- C. \$75,000.00 without interest on closing date;
- D. \$400,000.00, being the remainder of the purchase price, shall be evidenced by a Promissory Note dated as of closing date, with interest thereon at the rate of nine per cent (9%) per annum on the declining balance from closing date, payable by either FILIPPINI or TOMERA to HORN in the following manner:

\$43,820.00, on or before one year from closing date including interest and a like sum on or before the same day of each year thereafter; provided however, that the entire principal and interest balance must be paid in full on or before March 1, 2001. All payments shall be applied first to accrued interest to date of payment and the balance to principal.

After January 1, 1990, additional payments may be made at any time provided however, that not more than \$150,000.00 shall be paid on principal in any calendar year. If additional payments are made, they shall be so identified in writing and shall be applied first to accrued interest to date of payment and the remainder upon the principal. The making of additional payments shall in no way waive the making of the annual payments as herein provided.

2. It is agreed between the parties for the purpose of this Contract that the real property, the subject hereof is valued

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at \$ 479,500.00. The personal property the subject hereof is valued at \$ 45,500.00.

3. Notwithstanding any provision herein to the contrary, FILIPPINI's obligations hereunder are dependent upon the completion of the right-of-way fence along Highway SR305 south of Battle Mountain to the existing Highway right-of-way fence approximately 20 miles south of Battle Mountain. If this fence is not completed during 1988, FILIPPINI may withdraw from this Contract without liability, by serving written notice upon the Escrow Holder, TOMERA and HORN on or before December 31, 1988.

Furthermore, FILIPPINI'S obligations hereunder are dependent upon the transferability to FILIPPINI from TOMERA of TOMERA'S railroad leasehold interests and Bureau of Land Management privileges west of Highway SR305. If the Southern Pacific Land Company and the Bureau of Land Management have not provided assurances of transferability to FILIPPINI by March 1, 1989, FILIPPINI may withdraw from this Contract without liability by serving written notice upon the Escrow Holder, TOMERA and HORN on or before February 28, 1989.

Upon withdrawal, the Escrow Holder shall refund the aforesaid \$50,000.00 to FILIPPINI together with accrued interest and TOMERA shall forthwith replace the deposit with \$50,000.00 of its own, which shall accrue interest in the same manner of the FILIPPINI deposit. In such event, TOMERA shall become the Buyer hereunder.

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If FILIPPINI does not withdraw, TOMERA shall have no further responsibility to HORN. In such event, FILIPPINI shall become the Buyer hereunder.

4. Closing date of this sale shall be on March 1, 1989, at the office of the Escrow Holder, 445 Fifth Street, Elko, Nevada.

5. On or before closing date, HORN shall execute and deposit in escrow for delivery to the Buyer the following documents:

- A. Grant, Bargain and Sale Deed to the real property described in Exhibit A, naming the Buyer as Grantee, with John Carpenter to pay Real Property Transfer Tax in the sum of \$ 5,290.00.
 - B. Warranty Bill of Sale to the personal property described in Exhibit B, naming the Buyer as purchaser.
 - C. Assignment of Southern Pacific Leases No. SPL 3556, SPL 4452 and SPL 4170 to Buyer as Assignee, subject to the consent of the Lessor.
 - D. Request for Permit Transfer covering 3,737 Aums of active use in the Argenta Unit Allotment in the Battle Mountain District of the Bureau of Land Management.
 - E. Assignment of all Section 4 permits and cooperative agreements with the Bureau of Land Management.
 - F. Assignment of title certificate to mobile home described in Exhibit B.
6. Likewise, on or before closing date, the Buyer

shall execute and deliver to HORN the following documents:

- A. Promissory Note dated as of closing date, described in Paragraph 1 D above.
- B. Deed of Trust to the above described real property from Buyer, Grantor, to Frontier Title Company, Trustee, naming HORN as Beneficiary, securing the

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payment of the Promissory Note described in the foregoing paragraph. Said Deed of Trust shall specifically provide a covenant that the Grantor will operate the ranch premises according to the dictates of good husbandry, as defined by ranch practice in the area in which the ranch is located, and that they will apply the water rights to beneficial use, all to the end that the same will not be lost by abandonment or forfeiture; that Grantor will apply for and use the grazing privileges or, if not used, Grantor will apply for proper non-use, all to the end that the same will not be terminated by the Bureau of Land Management and that the Grantor will maintain the premises in as good condition as they are now in, reasonable wear and tear excepted.

7. HORN agrees to give good and merchantable title to the above described real and personal property, subject only to Exceptions 2 through 11 on that Preliminary Title Report of Frontier Title Company #EL-17727-4, and easements, whether or not of record. FILIPPINI and TOMERA accept such title as good and merchantable.

HORN agrees to insure said title, subject only to the above exceptions, in the Buyer by title policy of Frontier Title Company in the sum of \$477,500, with premium to be paid by John C. Carpenter, which policy shall also insure the Deed of Trust from the Buyer to HORN.

8. The Buyer shall be entitled to possession of the real and personal property the subject of this Contract on closing date; save and except for the feed lot, possession of which shall be surrendered by HORN on April 1, 1989.

9. Until date of possession, HORN will operate the above described property at his own expense in the same manner as

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required of the Grantor in the Deed of Trust described in Paragraph 6 B above.

10. 1988-1989 real and personal property taxes shall be prorated as of closing date, with settlement between HORN and the Buyer on closing date.

11. The Buyer shall, throughout the life of the Deed of Trust, maintain fire insurance in at least the sum of \$108,800.00, naming HORN as first loss payee. If the fire insurance policies are assigned to said party, any prepaid premiums thereon shall be prorated as of closing date.

If the improvements or personal property the subject of this Contract, or any part thereof, are destroyed or damaged by fire between the date of this Contract and closing date, HORN shall either restore the property to its former condition or assign all losses payable to the Buyer. If such losses are paid prior to the closing date, they shall be deposited in escrow by HORN. HORN shall maintain his present insurance coverage through closing date.

12. All railroad lease fees, BIM permit fees, mineral lease payments and utilities and fuel costs shall be prorated as of closing date.

13. Escrow fees shall be paid half by John C. Carpenter and half by the Buyer. All recording costs, railroad lease transfer fees, and water right transfer fees, shall be paid by the Buyer. All parties shall pay their own attorney's fees.

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The parties acknowledge that HORN shall pay John Carpenter a brokers commission of \$25,000.00 from escrow upon closing date.

14. As between FILIPPINI and TOMERA, the following matters are understood and agreed:

- (a) If FILIPPINI becomes the Buyer, FILIPPINI will retain all of HORN's private lands, water rights, grazing privileges and railroad leases, or portions thereof west of SR305. FILIPPINI will transfer to TOMERA, all of HORN's private lands, water rights, grazing privileges and railroad leases or portions thereof east of SR305, rated at 4330 AUMs active use, railroad and BLM.
- (b) Coincidentally, TOMERA will transfer all its BLM privileges, railroad leases and water rights west of SR305 in the Copper Canyon and North Buffalo Allotments, rated at 6750 AUMs active use, railroad and BLM. TOMERA will obtain consents from its lenders, if any, to such transfer.
- (c) As additional consideration for this exchange and sale, FILIPPINI shall pay TOMERA \$121,000.00 in full upon March 1, 1989, being 2,420 AUMs at \$50.00 per AUM.
- (d) This exchange and sale shall close immediately after the HORN sale closing, at the office of Wilson and Barrows, Ltd., Elko, Nevada.
- (e) FILIPPINI and TOMERA agree to execute and deliver all documents necessary to accomplish the exchange and sale.
- (f) The parties recognize that the aforesaid transfers and payments depend upon the accuracy of the Bureau of Land Management files. John Carpenter will forthwith review such files to confirm accuracy. After his review, if the Bureau of Land Management determines that the aforesaid AUM ratings are in error, TOMERA and FILIPPINI will adjust the number of AUMs to be transferred and the payment therefor, accordingly.

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ELKO, NEVADA 89601-0888

(g) FILIPPINI and TOMERA will prorate BIM and railroad lease fees as of, and upon March 1, 1989.

15. Should HORN have performed all of the covenants of this Contract on their part to be performed to and including closing date, and should the Buyer have failed to make the payment due upon the purchase price on that date or failed to perform the other covenants to be performed by it to and including closing date, HORN may declare a default upon 10 days' written notice specifying the default or defaults of Buyer. If the default or defaults are not corrected within the 10-day period, HORN may terminate this Contract and retain the \$50,000.00 down payment together with any accrued interest as liquidated and stipulated damages. This shall be HORN's sole and exclusive remedy in the event of default.

Should Buyer have performed all of the covenants of this Contract on its part to be performed to and including closing date, and should HORN have failed to perform the covenants to be performed by them to and including closing date, the Buyer may declare a default upon 10 days' written notice specifying the default or defaults of HORN. If the default or defaults are not corrected within the 10-day period, the Buyer may terminate this Contract, and withdraw the \$50,000.00 down payment together with any accrued interest from the Escrow Holder. This is in addition to such other remedies as may be available to Buyer in law or equity.

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P. O. BOX 589
ELKO, NEVADA 89601-0589

16. Any notice provided for herein shall be deemed served if personally delivered or if mailed by certified mail to the party entitled to receive the same and the Escrow Holder, at the following address:

HORN: Floyd Leroy Horn and Barbara Horn
P. O. Box 490
Battle Mountain, NV 89820

FILIPPINI: Filippini Ranching Co.
P. O. Box 367
Battle Mountain, NV 89820

TOMERA: Julian Tomera Ranches, Inc.
Battle Mountain Division
P. O. Box 276
Battle Mountain, NV 89820

ESCROW HOLDER: Frontier Title Company
445 Fifth Street
P. O. Box 228
Elko, NV 89801

17. This Contract shall not be assigned by FILIPPINI or TOMERA without the prior written consent of HORN.

18. The parties agree to execute escrow instructions required by the Escrow Holder, but in the event of conflict, the terms of this Contract shall prevail.

Subject to the foregoing paragraph limiting assignment, this contract shall be binding upon and inure to the benefit of the heirs, executors, administrators and assigns of the respective parties hereto.

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

Floyd Leroy Horn
FLOYD LEROY HORN

Barbara Horn
BARBARA HORN

Henry A. Filippini
HENRY A. FILIPPINI

Marian Filippini
MARIAN FILIPPINI

Daniel Edward Filippini
DANIEL EDWARD FILIPPINI

Eddyann U. Filippini
EDDYANN U. FILIPPINI

JULIAN TOMERA RANCHES, INC.,
BATTLE MOUNTAIN DIVISION

BY Pete Tomera
Title PRESIDENT

CONSENT

I hereby consent to the terms and conditions of the foregoing Contract.

John C. Carpenter
JOHN C. CARPENTER

88051033.JMH

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ATTORNEYS AT LAW
P. O. BOX 388
ELKO, NEVADA 89801-0388

EXHIBIT A

PARCEL 1:

TOWNSHIP 30 NORTH, RANGE 43 EAST, M.D.B.&M.

Section 35: S1/2
Section 36: N1/2; SW1/4

TOWNSHIP 29 NORTH, RANGE 44 EAST, M.D.B.&M.

Section 6: Lots 1, 2, 3, and 4; SE1/4 NE1/4; SW1/4 NE1/4; NE1/4
SE1/4

PARCEL 2:

TOWNSHIP 29 NORTH, RANGE 44 EAST, M.D.B.&M.

Section 6: S1/2 NW1/4

TOGETHER WITH all improvements situate thereon.

TOGETHER WITH all waters, water rights, rights to the use of water, dams, ditches, canals, pipelines, reservoirs and all other means for the 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.

TOGETHER WITH Federal grazing privileges consisting of 3,737 AUMs of active use in the Argenta Unit Allotment in the Battle Mountain District of the Bureau of Land Management, being all but 300 of HORN'S active use AUMs in the Argenta Unit.

TOGETHER WITH 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 of HORN'S right, title and interest in Southern Pacific Land Leases No. SPL 3556, SPL 4452, and SPL 4170.

88060561.JMH

EXHIBIT B

- A. All pumps, troughs, water lines or stock watering devises presently in place at or near the residence situate on the subject property.
- B. All crop sprinkling systems and parts associated therewith.
- C. Water system with gas pump.
- D. Old windmill in field.
- E. All grazing land or range stock watering devises.
- F. One each, diesel and gasoline above ground storage tanks.
- G. One cattle squeeze chute and scales.
- H. One mobile home with appliances and furnishings.
- I. Propans cook-stove and water heater in residence.
- J. All gates, fences and corrals.
- K. All wooden shelves or cabinets; anvil, two vises in shop.
- L. "Little pump" in field.
- M. Pile of cedar posts.

The parties recognize that the following described items are specifically excluded from this sale.

- N. Pile of railroad ties and pile of lumber.
- O. Old building (torn down).
- P. Motor described as "one-lunger".
- Q. Old windmill near residence.
- R. All hay stacked.
- S. Three water troughs (not in use) and 1 galvanized water trough.
- T. One liquid feed supplement tank.
- U. Pile of Poles.
- V. One manger constructed from a tire.

STATE ENGINEERS OFFICE
2010 OCT -4 PM 1:07

RECEIVED

CASE FILE COPY

ALTM NUMBER: 2708008
DATE PRINTED: 2/14/2007

FORM 4130-25
(February 1998)
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
GRAZING PERMIT

RECEIVED-MAIL ROOM

2007 FEB 14 PM

STATE: NV
OFFICE: 060
MAIL NUMBER: 1706008
PREFERENCE CODE: 03
DATE PRINTED: 02/14/2007
PERM: 03/01/2007 TO 02/28/2012

BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN FIELD OFFICE

BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN FO
50 BASTIAN RD
BATTLE MOUNTAIN NV 89820

CHIARA RANCH
C/O DAN WILBERT
HC-61, BOX 85
BATTLE MOUNTAIN NV 89820

THIS GRAZING PERMIT IS OFFERED TO YOU UNDER 43 CFR PART 4100 BASED ON YOUR RECOGNIZED QUALIFICATIONS. YOU ARE AUTHORIZED TO MAKE GRAZING USE OF LANDS UNDER THE JURISDICTION OF THE BUREAU OF LAND MANAGEMENT AND COVERED BY THIS PERMIT, UPON YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS PERMIT AND PAYMENT OF GRAZING FEES WHEN DUE. CONTACT YOUR LOCAL BLM OFFICE AT 775-533-4000 IF YOU HAVE QUESTIONS.

OTHER TERMS AND CONDITIONS:

IN ACCORDANCE WITH SEC. 325, TITLE XIX, H.R. 2601, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2004 (P.L. 108-108), WHICH WAS ENACTED ON NOVEMBER 10, 2003, THIS GRAZING PERMIT OR LEASE IS RENEWED UNDER SECTION 402 OF THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976, AS AMENDED (43 U.S.C. 1752), TITLE III OF THE BANKHEAD-JONES PACT TENANT ACT (7 U.S.C. 1010 ET SEQ.), OR, IF APPLICABLE, SECTION 510 OF THE CALIFORNIA DESERT PROTECTION ACT (16 U.S.C. 410AAA-50). TERMS AND CONDITIONS CONTAINED IN THE IMMEDIATELY PRECEDING PERMIT OR LEASE HAVE BEEN INCORPORATED INTO THIS PERMIT OR LEASE IN TOTAL, OR, IF THIS PERMIT OR LEASE IS ISSUED AS A RESULT OF A PREFERENCE TRANSFER, IN-AS-FAR AS THEY REFLECT THE TRANSFER ACTION. THESE TERMS AND CONDITIONS SHALL CONTINUE IN EFFECT UNTIL SUCH TIME AS THE SECRETARY OF THE INTERIOR COMPLETES PROCESSING OF THIS PERMIT OR LEASE IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS, AT WHICH TIME THIS PERMIT OR LEASE MAY BE CANCELED, SUSPENDED OR MODIFIED, IN WHOLE OR IN PART, TO MEET THE REQUIREMENTS OF SUCH APPLICABLE LAWS AND REGULATIONS.

IN ACCORDANCE WITH 43 CFR 4130.5-1(F): FAILURE TO PAY GRAZING BILLS WITHIN 15 DAYS OF THE DUE DATE SPECIFIED IN THE BILL SHALL RESULT IN A LATE FEE ASSESSMENT OF \$25.00 OR 10 PERCENT OF THE GRAZING BILL, WHICHEVER IS GREATER, BUT NOT TO EXCEED \$250.00. PAYMENT MADE LATER THAN 15 DAYS AFTER THE DUE DATE, SHALL INCLUDE THE APPROPRIATE LATE FEE ASSESSMENT. FAILURE TO MAKE PAYMENT WITHIN 30 DAYS MAY BE A VIOLATION OF 43 CFR SEC. 4140.108(c)(1) AND SHALL RESULT IN ACTION BY THE AUTHORIZED OFFICER UNDER 43 CFR SECTIONS 4130.1 AND 4150.1-2.

IN ACCORDANCE WITH 43 CFR 4130.3-2(d): ACTUAL USE INFORMATION, FOR

CASE FILE COPY

AUTH NUMBER: 2705008
DATE PRINTED: 11/22/07

EACH PASTURE/USE AREA, WILL BE SUBMITTED TO THE AUTHORIZED OFFICER WITHIN 15 DAYS OF COMPLETING GRAZING USE AS SPECIFIED ON THE GRAZING PERMIT AND/OR GRAZING LICENSES.

IN ACCORDANCE WITH 43 CFR 4130.3-1(A): ALL RANGE IMPROVEMENTS SHALL BE INSTALLED, USED, MAINTAINED, AND/OR MODIFIED ON THE PUBLIC LANDS, OR REMOVED FROM THESE LANDS, IN A MANNER CONSISTENT WITH MULTIPLE-USE MANAGEMENT.

IN ACCORDANCE WITH 43 CFR 4130.3-2(C): IN ORDER TO IMPROVE LIVESTOCK AND RANGELAND MANAGEMENT ON THE PUBLIC LANDS, ALL SALT AND/OR MINERAL SUPPLEMENTS WILL NOT BE PLACED WITHIN 1/4 MILE OF ANY RIPARIAN AREA, WET MEADOW, OR WATERING FACILITY (EITHER PERMANENT OR TEMPORARY) UNLESS STIPULATED THROUGH A WRITTEN AGREEMENT OR DECISION.

IN ACCORDANCE WITH 43 CFR 4130.3-2(H): ALL GRAZING PERMITTEES SHALL PROVIDE REASONABLE ACCESS ACROSS PRIVATE AND/OR LEASED LANDS TO THE BUREAU OF LAND MANAGEMENT FOR THE ORDERLY MANAGEMENT AND PROTECTION OF THE PUBLIC LANDS.

IN ACCORDANCE WITH 43 CFR 4130.3-3: THE AUTHORIZED OFFICER MAY MODIFY TERMS AND CONDITIONS OF THE PERMIT OR LEASE WHEN THE ACTIVE USE OR RELATED MANAGEMENT PRACTICES ARE NOT MEETING THE LAND USE PLAN, ALLIOTMENT MANAGEMENT PLAN OR OTHER ACTIVITY PLAN, OR MANAGEMENT OBJECTIVES, OR IS NOT IN CONFORMANCE WITH THE PROVISIONS OF SUBPART 4180 BAC STANDARDS AND GUIDELINES.

PURSUANT TO 43 CFR 10.4(C) THE HOLDER OF THIS AUTHORIZATION MUST NOTIFY THE AUTHORIZED OFFICER, BY TELEPHONE, WITH WRITTEN CONFIRMATION, IMMEDIATELY UPON THE DISCOVERY OF HUMAN REMAINS, FUNERARY OBJECTS, SACRED OBJECTS, OR OBJECTS OF CULTURAL PATRIMONY (AS DEFINED AT 43 CFR 10.2). FURTHER, PURSUANT TO 43 CFR 10.4(C) AND (D), YOU MUST STOP ACTIVITIES IN THE IMMEDIATE VICINITY OF THE DISCOVERY AND PROTECT IT FROM YOUR ACTIVITIES FOR 30 DAYS OR UNTIL NOTICED BY THE AUTHORIZED OFFICER.

IN ACCORDANCE WITH 43 CFR 4130.3-1 (B) - ALL PERMITS AND LEASES SHALL BE MADE SUBJECT TO CANCELLATION, SUSPENSION, OR MODIFICATION FOR ANY VIOLATION OF THESE REGULATIONS OR OF ANY TERM OR CONDITION OF THE PERMIT OR LEASE.

ALLIOTMENT SUMMARY (ACRES)

| ALLIOTMENT | ACTIVE AUMS | SUSPENDED AUMS | GRAZING PREFERENCE |
|---------------------|-------------|----------------|--------------------|
| 10007 COPPER CANYON | 50 | 0 | 50 |
| 20001 ARGENTA | 1018 | 0 | 1,018 |
| | <u>1068</u> | | |

CASE FILE COPY

AUTH NUMBER: 2706008
DATE PRINTED: 1/12/2007

Standard
Terms and Conditions

1. Grazing permits or lease terms and conditions and the fees charged for grazing use are established in accordance with the provisions of the grazing regulations. Now or hereafter approved by the Secretary of the Interior.
2. They are subject to cancellation, in whole or in part, at any time because of:
 - a. Noncompliance by the permittee/lessee with rules and regulations.
 - b. Loss of control by the permittee/lessee of all or a part of the property upon which it is based.
 - c. A transfer of grazing preference by the permittee/lessee to another party.
 - d. A decrease in the land administered by the Bureau of Land Management with the allotment(s) described.
 - e. Revoked or nullified grazing use.
 - f. Loss of qualifications to hold a permit or lease.
3. They are subject to the terms and conditions of allotment management plans if such plans have been prepared. Allotment management plans MUST be incorporated in permits or leases when completed.
4. Those holding permits or leases MUST own or control and be responsible for the management of livestock authorized to graze.
5. The authorized officer may require halting and/or additional or special feeding or tending of the livestock authorized to graze.
6. The permittee/lessee's grazing fees file is available for public inspection as required by the Freedom of Information Act.
7. Grazing permits or leases are subject to the nondiscrimination clause set forth in Executive Order 12848 of September 24, 1984, as amended. A copy of the order may be obtained from the authorized officer.
8. Livestock grazing use that is different from that authorized by a permit or lease MUST be applied for prior to the grazing period and MUST be filed with and approved by the authorized officer before grazing use can be made.
9. Billing notices are issued which specify fees due. Billing notices, when paid, become a part of the grazing permit or lease. Grazing use cannot be authorized during any period of delinquency in the payment of amounts due, including settlement for unauthorized use.
10. Grazing fee payments are due on the date specified on the billing notice and MUST be paid in full within 15 days of the due date, except as otherwise provided in the grazing permit or lease. If payment is not made within that time frame, a late fee (the greater of \$25 or 10 percent of the amount owed but not more than \$250) will be assessed.
11. No Member of, or Delegate to, Congress or Federal Commissioner, after further election of appointment, or after being or after having been qualified, and during his/her continuation in office, and his officer, agent, or employee of the Department of the Interior, after being or after having been appointed in accordance with the Federal Advisory Committee Act (5 U.S.C. Act 1) and Sections 508 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) shall be admitted to any state or part in a permit or lease, or during any period of time transferred and the provision of Section 5744 Revised Statutes (41 U.S.C. 22), 18 U.S.C. Sections 431-433, and 45 CFR Part 7, shall not apply with a part of a grazing permit or lease, so far as the same may be applicable.

THIS PERMIT OR LEASE CONVEYS NO RIGHT, TITLE OR INTEREST HELD BY THE UNITED STATES IN ANY LANDS OR RESOURCES AND IS SUBJECT TO (A) MODIFICATION, SUSPENSION OR CANCELLATION AS PROVIDED BY LAND PLANS AND APPLICABLE LAW; (B) REVIEW AND MODIFICATION OF TERMS AND CONDITIONS AS APPROPRIATE; AND (C) THE TAYLOR GRADING ACT, AS AMENDED, THE FEDERAL LAND POLICY AND MANAGEMENT ACT, AS AMENDED, THE PUBLIC RANGE LANDS IMPROVEMENT ACT, AND THE RULES AND REGULATIONS NOW OR HEREINAFTER PROMULGATED THEREUNDER BY THE SECRETARY OF THE INTERIOR.

ACCEPTED:
SIGNATURE OF PERMITTEE:
APPROVED:
BLM AUTHORIZED OFFICER:

Eugene J. Stappione
[Signature]

DATE: Feb 12, 2007
DATE: 2/13/2007

CASE FILE COPY

AUTH NUMBER: 2706026
DATE PRINTED: 02/28/2007

Form 4130-2a
(February 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

GRAZING PERMIT

STATE OFFICE: NV
OFFICE: 060
AUTH NUMBER: 2706026
PREFERENCE CODE: 03
DATE PRINTED: 05/28/2007
TERM: 04/17/2008 TO 03/28/2016

BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN FO
50 EASTIAN RD
BATTLE MOUNTAIN NV 89820

JULIAN TORERA SANCHEZ, INC.
C/O TORERA PETER
BOX 176
BATTLE MOUNTAIN NV 89820

THIS GRAZING PERMIT IS OFFERED TO YOU UNDER 43 CFR PART 4100 BASED ON YOUR RECOGNIZED QUALIFICATIONS. YOU ARE AUTHORIZED TO MAKE GRAZING USE OF LANDS, UNDER THE JURISDICTION OF THE BUREAU OF LAND MANAGEMENT AND COVERED BY THIS PERMIT, UPON YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS PERMIT AND PAYMENT OF GRAZING FEES WHEN DUE. CONTACT YOUR LOCAL BLM OFFICE AT 775-635-4000 IF YOU HAVE QUESTIONS.

MANDATORY TERMS AND CONDITIONS

| ALLOTMENT | PASTURE | LIVESTOCK NUMBER | SPECIES | GRAZING PERIOD | | S.P. TYPE/USE | ACRES |
|---------------|---------|------------------|---------|----------------|-------|---------------|-------|
| | | | | BEGIN | END | | |
| 20001 ARGENTA | | 1538 | CATTLE | 03/01 | 03/30 | 55 ACTIVE | 10478 |
| | | 11 | HORSE | 03/01 | 12/01 | 55 ACTIVE | 62 |
| | | 4 | CATTLE | 03/01 | 04/30 | 55 ACTIVE | 4 |

OTHER TERMS AND CONDITIONS:

IN ACCORDANCE WITH SEC. 325, TITLE III, H.R. 2692, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2004 (P.L. 108-208), WHICH WAS ENACTED ON NOVEMBER 10, 2003, THIS GRAZING PERMIT OR LEASE IS RENEWED UNDER SECTION 402 OF THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976, AS AMENDED (43 U.S.C. 1752), TITLE IXX OF THE BANKHEAD-JONES FARM TENANT ACT (7 U.S.C. 1010 ET SEQ.), OR, IF APPLICABLE, SECTION 310 OF THE CALIFORNIA DESERT PROTECTION ACT (16 U.S.C. 410AAA-50). TERMS AND CONDITIONS CONTAINED IN THE IMMEDIATELY PRECEDING PERMIT OR LEASE HAVE BEEN INCORPORATED INTO THIS PERMIT OR LEASE IN TOTAL, OR, IF THIS PERMIT OR LEASE IS ISSUED AS A RESULT OF A PREFERENCE TRANSFER, IN-SO-FAR AS THEY REFLECT THE TRANSFER ACTION. THESE TERMS AND CONDITIONS SHALL CONTINUE IN EFFECT UNTIL SUCH TIME AS THE SECRETARY OF THE INTERIOR COMPLETES PROCESSING OF THIS PERMIT OR LEASE IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS, AT WHICH TIME THIS PERMIT OR LEASE MAY BE CANCELED, SUSPENDED OR MODIFIED, IN WHOLE OR IN PART, TO MEET THE REQUIREMENTS OF SUCH APPLICABLE LAWS AND REGULATIONS.

TO GRAZE ON FEDERAL RANGE IN ARGENTA ALLOTMENT SUBJECT TO EXISTING EXISTING RANGELINE AGREEMENTS. ALL HORSE USE WILL BE ON THE FLAT IN HERSE RIVER VALLEY, WEST OF THE BEACON LIGHT ROAD, NORTH OF THE ROAD BETWEEN THE BEACON LIGHT ROAD AND THE MARTIN RANCH, AND WEST OF THE OLD HIGHWAY RUNNING SOUTH FROM THE MARTIN RANCH. THE WEST OF THE BEACON LIGHT ROAD, NORTH OF THE ROAD BETWEEN THE BEACON LIGHT ROAD AND THE MARTIN RANCH AND WEST OF THE OLD HIGHWAY RUNNING SOUTH FROM THE MARTIN RANCH.

CASE FILE COPY

AUTH NUMBER: 2708089
DATE PRINTED: 02/26/07

THIS PERMIT IS A STATEMENT OF YOUR ADJUDICATED ACTIVE PREFERENCE IN THE ABOVE ALLOTMENT, AND SEASON OF USE AS STATED IN THE BISHOP-BURENA RESOURCE MANAGEMENT PLAN DOCUMENT. ACTUAL NUMBERS OF LIVESTOCK WILL BE ADJUSTED WITH EACH APPLICATION TO CORRESPOND WITH YOUR AUTHORIZED PREFERENCE.

THIS PERMIT WAS UPDATED DECEMBER 7, 1993 TO SHOW TRANSFER OF 2540 AUMS FROM JOHN MARVEL TO PETE TAMERA AND CHANGE IN PERCENT FEDERAL RANGE FROM 78% TO 80%.

THIS PERMIT AGAIN UPDATED 1/97 TO SHOW 351 PRIVATE AND 9121 LEASE AUMS FROM NEVADA LAND & LIVESTOCK CO. WHICH CHANGED THE PERCENT PUBLIC LAND FROM 80% TO 56%.

THE TERM OF THIS PERMIT IS 10 YEARS OR UNTIL A CHANGE OF THE PRIVATE LEASED AUMS, WHICHEVER IS FIRST.

IN ACCORDANCE WITH 43 CFR 4130.8-1(C): FAILURE TO PAY GRAZING BILLS WITHIN 15 DAYS OF THE DUE DATE SPECIFIED IN THE BILL SHALL RESULT IN A LATE FEE ASSESSMENT OF \$25.00 OR 10 PERCENT OF THE GRAZING BILL, WHICHEVER IS GREATER, BUT NOT TO EXCEED \$250.00. PAYMENT MADE LATER THAN 15 DAYS AFTER THE DUE DATE, SHALL INCLUDE THE APPROPRIATE LATE FEE ASSESSMENT. FAILURE TO MAKE PAYMENT WITHIN 30 DAYS MAY BE A VIOLATION OF 43 CFR SEC. 4130.1(C)(3) AND SHALL RESULT IN ACTION BY THE AUTHORIZED OFFICER UNDER 43 CFR SECTIONS 4150.1 AND 4150.1-2.

IN ACCORDANCE WITH 43 CFR 4130.3-2(D): ACTUAL USE INFORMATION FOR EACH PASTURE/USE AREA, WILL BE SUBMITTED TO THE AUTHORIZED OFFICER WITHIN 15 DAYS OF COMPLETING GRAZING USE AS SPECIFIED ON THE GRAZING PERMIT AND/OR GRAZING LICENSES.

IN ACCORDANCE WITH 43 CFR 4130.3-1(A): ALL RANGE IMPROVEMENTS SHALL BE INSTALLED, USED, MAINTAINED, AND/OR MODIFIED ON THE PUBLIC LANDS, OR REMOVED FROM THESE LANDS, IN A MANNER CONSISTENT WITH MULTIPLE-USE MANAGEMENT.

IN ACCORDANCE WITH 43 CFR 4130.3-2(C): IN ORDER TO IMPROVE LIVESTOCK AND RANGELAND MANAGEMENT ON THE PUBLIC LANDS, ALL SALT AND/OR MINERAL SUPPLEMENTS WILL NOT BE PLACED WITHIN 1/4 MILE OF ANY RIPARIAN AREA, WET MEADOW, OR WATERING FACILITY (EITHER PERMANENT OR TEMPORARY) UNLESS STIPULATED THROUGH A WRITTEN AGREEMENT OR DECISION.

IN ACCORDANCE WITH 43 CFR 4130.5-2(D): ALL GRAZING PERMITTEES SHALL PROVIDE REASONABLE ACCESS ACROSS PRIVATE AND/OR LEASED LANDS TO THE BUREAU OF LAND MANAGEMENT FOR THE ORDERLY MANAGEMENT AND PROTECTION OF THE PUBLIC LANDS.

PURSUANT TO 43 CFR 10.4(C) THE HOLDER OF THIS AUTHORIZATION MUST NOTIFY THE AUTHORIZED OFFICER, BY TELEPHONE, WITH WRITTEN CONFIRMATION, IMMEDIATELY UPON THE DISCOVERY OF HUMAN REMAINS, BURIAL OBJECTS, SACRED OBJECTS, OR OBJECTS OF CULTURAL PATRIMONY (AS DEFINED AT 43 CFR 10.2). FURTHER, PURSUANT TO 43 CFR 10.4(C) AND (D), YOU MUST STOP ACTIVITIES IN THE IMMEDIATE VICINITY OF THE DISCOVERY AND PROTECT IT FROM YOUR ACTIVITIES FOR 30 DAYS OR UNTIL NOTIFIED BY THE AUTHORIZED OFFICER.

ALLOTMENT SUMMARY (AUMS)

| ALLOTMENT | ACTIVE AUMS | SUSPENDED AUMS | GRAZING PREFERENCE |
|---------------|-------------|----------------|--------------------|
| 20001 ARGENTA | 10542 | 0 | 10,542 |

CASE FILE COPY

AUTH NUMBER: 2708028
DATE PRINTED: 3/29/2007

Standard
Terms and Conditions

1. Grazing permit or lease terms and conditions and the fees charged for grazing use are established in accordance with the provisions of the grazing regulations now or hereafter approved by the Secretary of the Interior.
2. They are subject to cancellation, in whole or in part, in any time because of:
 - a. Noncompliance by the permittees/lessees with rules and regulations.
 - b. Loss of control by the permittees/lessees of all or a part of the property upon which it is based.
 - c. A transfer of grazing preference by the permittees/lessees to another party.
 - d. A decrease in the lands administered by the Bureau of Land Management within the allotment(s) described.
 - e. Disputed or unenforced grazing use.
 - f. Loss of qualifications to hold a permit or lease.
3. They are subject to the terms and conditions of allotment management plans if such plans have been prepared. Allotment management plans MUST be incorporated in permits or leases when completed.
4. Those holding permits or leases MUST own or control and be responsible for the management of livestock authorized to graze.
5. The authorized officer may require razing and/or additional or special fencing or tagging of the livestock authorized to graze.
6. The permittee/lessee's grazing case file is available for public inspection as required by the Freedom of Information Act.
7. Grazing permits or leases are subject to the nondiscrimination clauses set forth in Executive Order 11248 of September 24, 1964, as amended. A copy of this order may be obtained from the authorized officer.
8. Livestock grazing use that is different from that authorized by a permit or lease MUST be applied for prior to the grazing period and MUST be filed with and approved by the authorized officer before grazing use can be made.
9. Billing notices are issued which specify fees due. Billing notices, when paid, become a part of the grazing permit or lease. Grazing use cannot be authorized during any period of delinquency in the payment of amounts due, including arrearages for unenforced fees.
10. Grazing fee payments are due on the date specified on the billing notice and MUST be paid in full within 15 days of the due date, except as otherwise provided in the grazing permit or lease. If payment is not made within that time frame, a late fee (the greater of \$25 or 10 percent of the amount owed but not more than \$250) will be assessed.
11. No Member of, or Delegate to, Congress or Member of Executive Commission; after neither session of appointment, or after before or after having been qualified, and while neither continues in office, and no officer, agent, or employee of the Department of the Interior, other than members of Advisory Commissions appointed in accordance with the Federal Advisory Commission Act (5 U.S.C. App. 1) and Sections 308 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) shall be admitted to any class or part in a permit or lease, or derive any benefit to arise therefrom and the provision of Section 3741 Revised Statute (41 U.S.C. 25, 18 U.S.C. Sections 481-483, and 48 CFR Part 7, under into and form a part of a grazing permit or lease, so far as the same may be applicable.

THIS PERMIT: (A) CONVEYS NO RIGHT, TITLE OR INTEREST HELD BY THE UNITED STATES IN ANY LANDS OR RESOURCES AND IS SUBJECT TO (A) MODIFICATION, SUSPENSION OR CANCELLATION AS PROVIDED BY LAND PLANS AND APPLICABLE LAW; (B) REVIEW AND MODIFICATION OF TERMS AND CONDITIONS AS APPROPRIATE; AND (C) THE TAYLOR GRAZING ACT, AS AMENDED, THE FEDERAL LAND POLICY AND MANAGEMENT ACT, AS AMENDED, THE PUBLIC RANGELANDS IMPROVEMENT ACT, AND THE RULES AND REGULATIONS NOW OR HEREAFTER PROMULGATED THEREUNDER BY THE SECRETARY OF THE INTERIOR.

ACCEPTED: _____ DATE: 3/29/07
 SIGNATURE OF PERMITTEE: *Pete Adams*
 APPROVED: _____ DATE: 3/29/07
 BLM AUTHORIZED OFFICER: *[Signature]*

CASE FILE COPY

AUTH NUMBER: 2703388
DATE PRINTED: 09/25/2009

Form 4150-2a
(February 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
GRAZING PERMIT

STATE: NV
OFFICE: LLW/01000
AUTH NUMBER: 2703388
PREFERENCE CODE: 03
DATE PRINTED: 09/25/2009
TERM: 09/30/2009 TO 12/30/2018

BUREAU OF LAND MANAGEMENT
MOUNT LEWIS FO
30 EASTMAN RD
BATTLE MOUNTAIN NV 89620

RAND PROPERTIES LLC
P.O. BOX 2703
ELKO NV 89803-2703

THIS GRAZING PERMIT IS OFFERED TO YOU UNDER 43 CFR PART 4100 BASED ON YOUR RECOGNIZED QUALIFICATIONS. YOU ARE AUTHORIZED TO MAKE GRAZING USE OF LANDS UNDER THE JURISDICTION OF THE BUREAU OF LAND MANAGEMENT AND COVERED BY THIS GRAZING PERMIT, UPON YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS GRAZING PERMIT AND PAYMENT OF GRAZING FEES WHEN DUE. CONTACT YOUR LOCAL BLM OFFICE AT 775-635-4000 IF YOU HAVE QUESTIONS.

MANDATORY TERMS AND CONDITIONS

| ALLIANCE | PASTURE | LIVESTOCK | | GRAZING PERIOD | | S.P.L. TYPE USE | AINS | |
|----------|---------|-----------|-------|----------------|-------|-----------------|--------|-----|
| | | NUMBER | KIND | BEGIN | END | | | |
| 20081 | ARGENTA | 30 | HORSE | 03/01 | 12/30 | 100 | ACTIVE | 301 |

OTHER TERMS AND CONDITIONS:

"THIS PERMIT OR LEASE IS ISSUED UNDER THE AUTHORITY OF SECTION 424, AS PUBLIC LAW 111-8 AND CONTAINS THE SAME MANDATORY TERMS AND CONDITIONS OF THE EXPIRED OR TRANSFERRED PERMIT OR LEASE. THIS PERMIT OR LEASE MAY BE CANCELED, SUSPENDED, OR MODIFIED, IN WHOLE OR IN PART TO MEET THE REQUIREMENTS OF APPLICABLE LAWS AND REGULATIONS."

ALL HORSE USE WILL BE ON THE FLAT OF THE REESE RIVER VALLEY AND TO THE WEST OF OLD HIGHWAY 8A.

IN ACCORDANCE WITH 43 CFR 4130.2-1(P): FAILURE TO PAY GRAZING BILLS WITHIN 15 DAYS OF THE DUE DATE SPECIFIED IN THE BILL SHALL RESULT IN A LATE FEE ASSESSMENT OF \$25.00 OR 10 PERCENT OF THE GRAZING BILL, WHICHEVER IS GREATER, BUT NOT TO EXCEED \$250.00. PAYMENT MADE LATER THAN 15 DAYS AFTER THE DUE DATE, SHALL INCLUDE THE APPROPRIATE LATE FEE ASSESSMENT. FAILURE TO MAKE PAYMENT WITHIN 30 DAYS MAY BE A VIOLATION OF 43 CFR SEC. 4140.1(B)(1) AND SHALL RESULT IN ACTION BY THE AUTHORIZED OFFICER UNDER 43 CFR SECTIONS 4150.1 AND 4160.1-2.

IN ACCORDANCE WITH 43 CFR 4130.3-2(D): ACTUAL USE INFORMATION, FOR EACH PASTURE/USE AREA, WILL BE SUBMITTED TO THE AUTHORIZED OFFICER WITHIN 15 DAYS OF COMPLETING GRAZING USE AS SPECIFIED ON THE GRAZING PERMIT AND/OR GRAZING LICENSES.

IN ACCORDANCE WITH 43 CFR 4120.3-1(A): ALL RANGE IMPROVEMENTS SHALL BE INSTALLED, USED, MAINTAINED, AND/OR MODIFIED ON THE PUBLIC LANDS, OR REMOVED FROM THESE LANDS, IN A MANNER CONSISTENT WITH MULTIPLE-USE MANAGEMENT.

IN ACCORDANCE WITH 43 CFR 4130.3-2(C): IN ORDER TO IMPROVE LIVESTOCK

info only

CASE FILE COPY

**AUTH NUMBER: 2703388
DATE PRINTED: 02/22/09**

1. Grazing permits or lease terms and conditions and the fees charged for grazing use are established in accordance with the provisions of the grazing regulations now or hereafter approved by the Secretary of the Interior.

2. They are subject to revocation, in whole or in part, at any time because of:
- a. Noncompliance by the permittee/lessee with rules and regulations.
 - b. Loss of control by the permittee/lessee of all or a part of the property upon which it is based.
 - c. A transfer of grazing preference by the permittee/lessee to another party.
 - d. A decrease in the lands administered by the Bureau of Land Management within the allotment(s) described.
 - e. Repealed without substituted grazing use.
 - f. Loss of qualifications to hold a permit or lease.

3. They are subject to the terms and conditions of allotment management plans if such plans have been prepared. Allotment management plans MUST be incorporated in permits or leases when completed.

4. Those holding permits or leases MUST own or control and be responsible for the management of livestock authorized to graze.

5. The authorized officer may require branding and/or additional or special marking or tagging of the livestock authorized to graze.

6. The permittee/lessee's grazing case file is available for public inspection as required by the Freedom of Information Act.

7. Grazing permits or leases are subject to the nondelegation clauses set forth in Executive Order 11204 of September 24, 1964, as amended. A copy of this order may be obtained from the authorized officer.

8. Livestock grazing use that is different from that authorized by a permit or lease MUST be applied for prior to the grazing period and MUST be filed with and approved by the authorized officer before grazing use can be made.

9. Billing notices are issued which specify fees due. Billing notices, when paid, become a part of the grazing permit or lease. Grazing use cannot be authorized during any period of delinquency in the payment of amounts due, including extension for unauthorized use.

10. Grazing fee payments are due on the date specified on the billing notice and MUST be paid in full within 15 days of the due date, except as otherwise provided in the grazing permit or lease. If payment is not made within that time frame, a late fee (the greater of \$25 or 10 percent of the amount owed but not more than \$200) will be assessed.

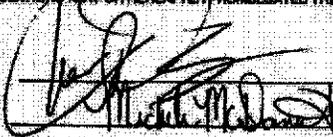
11. No Member of, or Delegate to, Congress or President's Commissioner, after his/her election or appointment, or either before or after he/she has qualified, and during his/her continuance in office, and no officer, agent, or employee of the Department of the Interior, other than members of Advisory committees appointed in accordance with the Federal Advisory Committee Act (5 U.S.C. App. 1) and Section 505 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1705 et seq.) shall be admitted to any share or part in a permit or lease, or derive any benefit in whole or in part from the provision of Section 3741 Revised Statute (41 U.S.C. 25), 16 U.S.C. Sections 451-455, and 43 CFR Part 7, either in or from a part of a grazing permit or lease, so far as the same may be applicable.

THIS GRAZING PERMIT:

1. CONVEYS NO RIGHT, TITLE OR INTEREST HELD BY THE UNITED STATES IN ANY LANDS OR RESOURCES

2. IS SUBJECT TO (A) MODIFICATION, SUSPENSION OR CANCELLATION AS REQUIRED BY LAND PLANS AND APPLICABLE LAW; (B) ANNUAL REVIEW AND MODIFICATION OF TERMS AND CONDITIONS AS APPROPRIATE; AND (C) THE TAYLOR GRAZING ACT, AS AMENDED, THE FEDERAL LAND POLICY AND MANAGEMENT ACT, AS AMENDED, THE PUBLIC RANGELANDS IMPROVEMENT ACT, AND THE RULES AND REGULATIONS NOW OR HEREFTER PROMULGATED THEREUNDER BY THE SECRETARY OF THE INTERIOR.

ACCEPTED:
SIGNATURE OF PERMITTEE:



DATE: 9/25/09

APPROVED:
BLM AUTHORIZED OFFICER:



DATE: 9.25.09

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
COOPERATIVE AGREEMENT
RANGE IMPROVEMENTS AND CONSERVATION PRACTICES

| OFFICE USE ONLY | |
|----------------------|-------------|
| Expires | EXTENDED TO |
| Indefinite | |
| Job Number(s) | |
| 4607 | |
| Job Name(s) | |
| Trout Creek Pipeline | |

1. I, (We) **Leroy Horn** of **Battle Mountain, Nevada 89820**
of
of
and

hereinafter called cooperator(s) and the United States of America, by the Bureau of Land Management, hereinafter called the Bureau, for and in consideration of the mutual benefits hereunder, and in accordance with the Taylor Grazing Act (43 U.S.C. 315, 315a-c), as amended, the National Soil Conservation Act (16 U.S.C. 590a-g(1)), as amended, and the Federal Land Policy and Management Act (43 U.S.C. 1701, et. seq.) do enter into this cooperative agreement for the construction and/or maintenance of range improvements, installation of conservation works or establishment of conservation practices, hereinafter referred to collectively as improvements, for the benefit of the public lands and of the cooperator(s).

2. The improvements known as the **Trout Creek Pipeline**

will be are located upon: **1/4, Sec(s). (See attached map)** **T.** Meridian,
County of **Lander**, State of **Nevada**

3. IT IS MUTUALLY AGREED:

(a) The parties hereto will furnish labor, materials, and equipment as required, the total cost or value not to exceed the amount listed below for each of the parties respectively for the initial construction and/or installation of the improvements indicated in paragraph 2.

| NAME(S) OF COOPERATOR(S) | ITEMS | TOTAL COST OR VALUE |
|---------------------------|----------------------------|---------------------|
| Leroy Horn | Installation & Maintenance | \$ |
| | | |
| | | |
| | | |
| BUREAU OF LAND MANAGEMENT | | |
| AGGREGATE COST | | \$ |

Bureau, cooperator(s) will promptly supply labor, materials, and equipment as specified in paragraph 3(a) as required. Contributed materials in excess of the amount required shall be returned to the contributor. Equipment contributed shall be returned promptly following completion of the work. Work will be conducted under the supervision and direction of the authorized officer and shall be pursued with diligence until completed.

4(a) The cooperator(s) shall be liable, jointly and severally, for the repair and maintenance of the improvements following completion, in good and serviceable condition. The cooperator(s), without further notice from the authorized officer shall do the necessary work promptly. If work is not performed as necessary, the authorized officer shall notify the cooperator(s) and specify a period within which to complete the work as required.

(b) In event the cooperator(s) default in the repair and maintenance of the improvements the authorized officer may do or cause such work to be done for and in behalf of the cooperator(s); and the necessary cost and expense thereof shall become a charge and obligation upon and shall be paid by the cooperator(s). It is further understood in case of default that any grazing permit or lease may be cancelled and may not be renewed or extended or any assignment thereof may not be approved unless and until all charges and costs owed by the cooperator(s) hereunder shall have been paid; and provided that the Bureau may pursue such other remedies, legal or administrative, as may be authorized.

(c) Repair and maintenance, as herein required, shall mean normal upkeep and maintenance necessary to preserve, protect, and prolong the useful life of the improvements, but shall not include major repairs where the damage is due to floods, earthquakes, or other acts of God, or fire not the result of fault or negligence of the cooperator(s) as determined by the authorized officer.

5. IT IS FURTHER AGREED:

(a) Title to the said improvements in place, together with all labor and materials furnished by either party and used in the construction and maintenance thereof, shall be in the United States of America. The improvements may be removed, in whole or in part, during the term of this agreement or any extension thereof, by mutual consent of the parties or by direction of the authorized officer; such removal shall be made by the cooperator(s), or by the Bureau at its option. Upon removal of the improvements, any salvageable materials, after deducting an amount to compensate for the actual cost of removal, shall be available for distribution to the parties then subject to this agree-

ment in proportion to the amount of their respective contributions to the initial construction of the improvements. The parties shall take possession and remove their portion of the salvaged materials within ninety (90) days after first notification in writing that such material is available; upon failure to do so within the time allowed, the materials shall be deemed to have been abandoned and title thereto shall thereupon vest in the United States.

(b) During the course of salvaging material, the United States assumes no responsibility for the protection or preservation of said material.

6. If the cooperator(s) shall assign or transfer his interest in any grazing permit or lease embracing the lands upon which the improvements are constructed or in connection with which they are used, the cooperator(s) may include in such assignment or transfer his interest in this Cooperative Agreement, involving his right to the use of the improvements and to his proportionate share of the salvageable material. Before the assignee or transferee will be recognized as successor to the cooperator(s)'s interest hereunder, such assignee or transferee will be required by the authorized officer to accept an assignment of this agreement and agree to be bound by the provisions respecting the use and maintenance of the improvements.

7. The cooperator(s) use of the improvements will be in conformance with any stipulations or grazing permit or lease and regulations of the Secretary of the Interior.

8. This agreement shall not accord to cooperator(s) any preference, privilege, or consideration with respect to any grazing permit or lease not expressly provided herein or in the rules and regulations governing such grazing permit or lease.

9. Items 2, 3, and 4(a) of this agreement may be modified or cancelled by written agreement of the parties, which agreement shall become a part hereof.

10. This contract is subject to the provisions of Executive Order No. 11246 of September 24, 1965, as amended, which sets forth the nondiscrimination clauses. A copy of this order may be obtained from the authorized officer.

11. This agreement shall remain in full force and effect until Indefinitely, 19 unless (1) sooner terminated by mutual written consent of parties, or (2) is terminated by the authorized officer after notice in writing because of the cooperator(s) default or violation, or (3) is terminated by the authorized officer after notice in writing because the improvements are not compatible with adopted land use plans or classification under the public land laws.

12. Special conditions

Leroy Horn will install and maintain the pipeline and troughs to Bureau of Land Management specifications. Materials will be furnished by the Advisory Board.

COOPERATOR(S)

THE UNITED STATES OF AMERICA

Leroy Horn Aug 17 / 1979
(Signature) (Date) State of Nevada

(Signature) (Date) District BATTLE MOUNTAIN

(Signature) (Date) By [Signature]
(Signature) (Date) (Signature)

(Signature) (Date) Area Manager
(Signature) (Date) (Title)

(Signature) (Date) 10/11/79
(Signature) (Date) (Date)



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Battle Mountain District Office
50 Bastian Road
Battle Mountain, Nevada 89820
Phone: 775-635-4000 Fax: 775-635-4034
http://www.blm.gov/nv/st/en/fo/battle_mountain_field.html

In Reply Refer To:
4120 (NVB0100)

MAR 29 2011

Rand Properties, LLC
C/O Martha Rand
P.O. Box 2703
Elko, NV 89803-2703

Dear Mrs. Rand

I am writing in regards to the current conditions of the range improvements within your permitted area of use in the Argenta allotment. As you were made aware in a letter issued to you on January 13, 2011, the maintenance responsibility of the Trout Creek pipeline and Harry Canyon drift fence are assigned to Julian Tomera Ranches, Inc. We are aware that providing water in this pipeline remains a point of contention between you, Julian Tomera Ranches, Inc, and Chiara Ranch. As a result of water not being provided in the pipeline, proper management of this portion of the allotment is also being jeopardized.

The terms and conditions of your grazing permit state that, "All horse use will be made on the flat of the Reese River Valley and to the west of old highway 8A". This is a term and condition that was implemented in 1994 when LeRoy Horn held the permit. Mr. Horn was also the individual who constructed the Trout Creek pipeline with authorization by the Bureau of Land Management to properly distribute livestock within this portion of the allotment. As a result, the Trout Creek pipeline is the only water development that provides a consistent source of water for your permitted area of use. Its condition and functionality directly affect the potential for proper management and aid in the attainment of the standards and guidelines for grazing administration as stated in 43 CFR §4180.2.

If found that water is not being adequately provided for proper grazing management and standards are not being met within your permitted area of use, action may be taken on your permitted AUMs for the Argenta Allotment. 43 CFR §4180.2 (c) states that, "The authorized officer shall take appropriate action as soon as practicable but not later than the start of the next grazing year upon determining that existing grazing management practices or levels of grazing use on public lands are significant factors in failing to achieve the standards and conform with the guidelines that are made effective under this section".

Exhibit 5
Page 1 of 2

Exhibit 1
Page 50 of 116

Monitoring will take place to determine the condition and functionality of the Trout Creek Pipeline. If you would like to take part in the monitoring process, please contact Casey Johnson, the assigned Rangeland Management Specialist at (775) 635-4059. If you have any questions, comments, or concerns in regards to matters associated with the Trout Creek pipeline or other livestock permitting issues, please contact Michele McDaniel, Supervisory Rangeland Management Specialist for the Mount Lewis Field Office at (775) 635-4083.

Sincerely,



Douglas W. Furtado
District Manager
Battle Mountain District Office

cc:

Chiara Ranch c/o Dan Filippini
Julian Tomera Ranches, Inc. c/o Pete Tomera
Josh Smith

Exhibit 5
Page 2 of 2

Exhibit 1
Page 51 of 116

THE STATE OF NEVADA
 PROOF OF APPROPRIATION OF WATER FOR IRRIGATION

From Trout Creek
Name of natural water source
 Through Ditch
Name of ditch, flume, or pipe line
 Mrs. Wm. Schwin, the undersigned, being first
 duly sworn, deposes and says that the facts relative to the appropriation of water by her
 are full and correct to the best of his
 knowledge and belief.

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

- (1) Name of claimant Mrs. Wm. Schwin
 Address Battle Mountain County of Lander
 State of Nevada
- (2) The means of diversion employed Head gate 3x6 ft.
Dam and ditch, pipe line, flume, etc.
- (3) The date of the survey of ditch, canal, or pipe line was 1896
- (4) The construction of the ditch or other works was begun 1896
 and completed 1896
- (5) The dimensions of the ditch or canal as originally constructed were: Width on bottom 2.0
 feet, width on top 4.0 feet, depth 1.0 feet, on a grade of 3.0 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 1909
 and completed 1909
- (8) The dimensions of the ditch or canal as enlarged are: Width on bottom 1.5 feet, width on
 top 5.0 feet, depth 1.0 feet, on a grade of 3.0 feet per thousand feet.
- (9) The claimant is (is not) an owner in the above-described conduit.

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 State Contract
 and lease from C.P. Ry. Co.
- (11) Crops of Red Top Hay
 have been grown upon the land irrigated.
- (12) The water has been used for irrigation from March 1st to July 15th
Day of month Day of month
 of each year.
- (13) The water was first used for irrigation by claimant or her grantors in the year 1896
 when 2.3370 acres were irrigated in the Sections 35 & 36
 T.30N. R.43 E. M.D.M.

The additional number of acres first irrigated in subsequent years was as follows:

1909 ^{Year} 5.93 acres in the N 1/2 NW 1/4 of Sec. 1, T29N, R.43 E.
 " 47.40 acres in the SW 1/4 of Sec. 36, T30N, R.43 E.
 " 46.57 acres in the W 1/2 NW 1/4 of Sec. " , T " , R " E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
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 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.
 acres in the of Sec., T....., R..... E.

Remarks:
Append a sheet if necessary

(15) The maximum acreage irrigated in any year was 3,336.60 acres.

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

(17) 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

(18) 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 (18)

(19) The map provided by the State Engineer and attached hereto as a part of this proof is hereby accepted as correctly showing the ditch lines or irrigation works diverting or conveying the water claimed and the lands irrigated.

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

(21) The character of the soil is Sandy, gravelly loam (Sandy, gravelly, loam). The soil needs 1.5 acre-feet per annum to properly irrigate the crops. A continuous flow of 1.5 cubic feet of water per second, during the irrigation season of 5 months, is needed to irrigate each 100 acres of land.

Remarks: _____

Mrs. Wm. Schwinn

Subscribed and sworn to before me this 11th day of May, 1918

J. M. Great Notary Public in and for the County of Lander State of Nevada
My commission expires March 3rd 1922

This part of form to be left blank by claimant

Filing Serial No. 01563

STATE OF NEVADA
PROOF OF APPROPRIATION OF
WATER FOR IRRIGATION

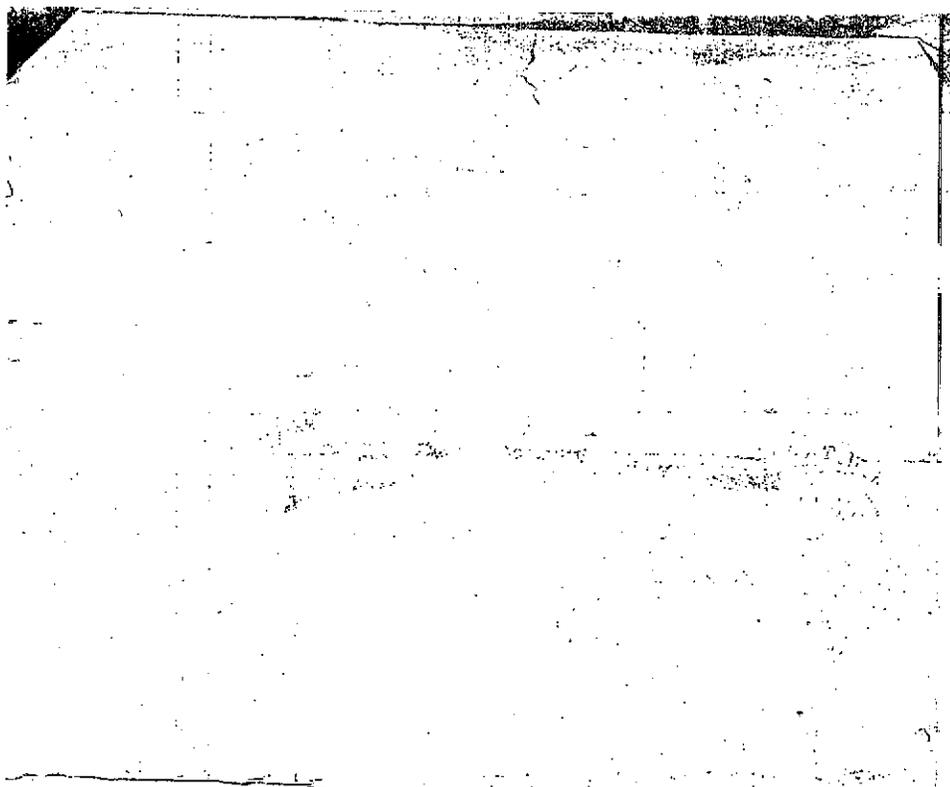
Water Source Trout Creek
Through Ditches
Claimant Mrs. W. E. Schmitz
Battle Mountain, Nev.

Filed in the office of the State Engineer on
MAY 13 1918

Seymour C. ...
State Engineer

Certificate No. _____ issued hereunder
_____ 191_____

Form No. 8 28-10-11



**Amendment to Proof of Appropriation #01563
(Claim #01563 for Irrigation & Stock Watering)**

The undersigned agent for owner (Filippini, Daniel E. and Eddyann U.) submits additional and/or amending information regarding Claim #01563, originally filed in the office of State Engineer May 13, 1918, as follows:

- 1) To more completely describe the point of diversion for irrigation water from Trout Creek, as declared on Claim #01563, item #2 and map referenced under item #19;
- 2) To submit evidence that irrigation water from Trout Creek has historically been diverted into a ditch running in the general vicinity of the Trout Creek Diversion Ditch described herein since as early as 1869; and,
- 3) To more completely describe the place of use by livestock, as declared on Claim #01563, item #20.

1) Point of Diversion and Place of Use, Irrigation

For efficient management and delivery of the irrigation water appropriated under Claim #01563, water is diverted from the stream channel into the Trout Creek Diversion Ditch by means of a small boulder/earth embankment (Claim #01563, item 2) at a point located within the following described land, more particularly shown on the attached Exhibit 1 (Map 1), Exhibit 2 (Map 2), and Exhibit 3 (Deed of Right-of-Way Easement, recorded with the office of Lander County Recorder on February 1, 1989 as file #158632):

T.29N.,R.44E., M.D.B.&M.
Section 12: SE $\frac{1}{4}$ SW $\frac{1}{4}$

Water then flows through the Trout Creek Diversion Ditch described herein along a course adjacent to and crossing the natural channel in a guided manner to minimize flow loss due to percolation/infiltration into the more porous substrate of the natural channel. The water is then used for irrigation purposes at the place of use described under Claim #01563, item #13. The irrigated lands that were farmed under state contract and lease by the original claimant (Claim #01563, item 10) are now a part of the owner of record's deeded land, as shown by the chain-of-title documents summarized in Exhibit 4 (Chain-of-Title Documents Related to Vested Claim #01563; Filippini, Daniel E. and Eddyann U.). Claim #01563, item 11 is amended to include alfalfa and meadow hay as the crops irrigated (depicted on the map referenced under item #19, but not described under item #2), and Claim #01563, item 21 is amended to reflect a need for 3.0 acre-feet per acre per annum to properly irrigate said crops.

The above-described point of diversion is the principal diversion point on Trout Creek. However, the original downstream headgate system depicted in the map filed with Claim #01563 (referenced under item #19) is used during periods of sufficient water flow in the natural channel, and is used to direct water flow when the Trout Creek Diversion Ditch described herein is in use.

2) Trout Creek Diversion, Irrigation History

1869-1872

A March 1, 1869 "Water Right Claim" by Reinhard Roth claiming use of Trout Creek from "the head to the sink for mining and farming purposes" was filed with the Lander County Recorder on April 2, 1872, as shown in Exhibit 5 (Reinhard Roth Water Right Claim). A cadastral survey plat approved on December 21, 1872 shows that Roth's house was located in Section 15, with fields located in Sections 9, 10, and 15, all in Township 29 North, Range 44 East, Mount Diablo Meridian, as shown in Exhibit 6, page 1 (Cadastral Survey Plat and Notes). Cadastral Survey notes for a survey started on November 14, 1872 of the boundaries of Township 29 North, Range 44 East, Mount Diablo Baseline and Meridian (M.D.B.&M.) did not identify any ditches crossing the eastern boundary into Sections 12 and 13 (the boundary with Sections 7 and 18 of Township 29 North, Range 45 East, M.D.B.&M.), as shown in Exhibit 6, pages 3-5. Cadastral Survey notes for a survey started on November 20, 1872 of the subdivision lines of Township 29 North, Range 44 East, M.D.B.&M. describe the locations of Roth's house and corral in Section 15, barley fields in Sections 9, 10, and 15, and Pankey's house in Section 8, as shown in Exhibit 6, pages 6-9.

1878

A ditch claim was filed by William Pankey on November 6, 1878 in the office of the Recorder of Lander County (Book 3, Page 53, Miscellaneous Records) for the diversion of irrigation water from Trout Creek into a ditch in Township 29 North, Range 44 East, M.D.B.&M., which ran adjacent to Trout Creek in the general vicinity of the Trout Creek Diversion Ditch described herein, as shown in attached Exhibit 7 (Pankey Ditch Claim). Remnants of the Pankey Ditch are still evident on the ground in the N $\frac{1}{2}$ SE $\frac{1}{4}$ and SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10, and in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15 just north of where Roth's house was located, all in Township 29 North, Range 44 East, M.D.B.&M. The 1872 Cadastral Survey Plat attached as page 1 of Exhibit 6 also shows that Pankey's house was located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 8 in Township 29 North, Range 44 East, M.D.B.&M. Exhibits 5, 6, and 7 are submitted as evidence that Trout Creek has been diverted into ditch systems for irrigation purposes in the general vicinity of the Trout Creek Diversion Ditch described herein since at least 1878, and perhaps as early as 1869.

1886

A Cadastral Survey commenced on August 24, 1886 of the subdivision lines in Township 29 North, Range 45 East, M.D.B&M. noted that the only settlements in the Township were located along Mill Creek, with Mr. Ruffly's settlement located in Section 32 and Mr. Davis's settlement located in Section 31, as shown in Exhibit 6, pages 10-11. The general description also noted "There are no other settlers in the Township", as shown in Exhibit 6, page 11. Thus, if any water was diverted from Trout Creek in Township 29 North, Range 45 East, M.D.B&M. for irrigation purposes at the time of this 1886 survey, it was delivered to places of use in Township 29 North, Range 44 East, M.D.B&M, or further downstream.

1901

Cadastral Survey notes for a survey started on August 28, 1901 of the subdivision lines in Township 29 North, Range 45 East, M.D.B&M. describe the locations of the Dobbs house, ranch, and alfalfa fields with respect to the boundary between Sections 7 and 18, as shown in Exhibit 6, pages 13-14. The Dobbs settlement referenced during this 1901 survey was not present during the earlier 1886 survey discussed above.

3) Place of Use, Stock Watering

The place of use for watering stock as declared on Claim #01563, item 20, is amended to include the above described Trout Creek Diversion Ditch, and the natural channel when water is not diverted into the ditch, within portions of the following described land, more particularly shown on attached Exhibits 1 and 2, marked Map 1 and Map 2 respectively:

T.29N., R.43E., M.D.B.&M.
Section 1: NW $\frac{1}{4}$, E $\frac{1}{2}$

T.29N., R.44E., M.D.B.&M.

Section 6: SW $\frac{1}{4}$

Section 9: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 12: SW $\frac{1}{4}$

Section 7: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 10: S $\frac{1}{2}$

Section 15: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 8: W $\frac{1}{2}$, SE $\frac{1}{4}$

Section 11: S $\frac{1}{2}$

Section 16: N $\frac{1}{2}$ N $\frac{1}{2}$

Additionally, some of the water that was historically used by livestock from Trout Creek and its associated ditch works declared on Claim #01563, item #20, has been diverted into a livestock watering pipeline (certificate #39377), where it continues to be accessible and used by claimant's livestock. Such Trout Creek livestock water pipeline and its troughs are located within the following described land, as more particularly shown on attached Exhibits 1 and 2, marked Map 1 and Map 2 respectively:

T.29N., R.44E., M.D.B.&M.

Section 2: SE $\frac{1}{4}$, W $\frac{1}{2}$

Section 3: NE $\frac{1}{4}$

Section 11: NE $\frac{1}{4}$

Section 12: SE $\frac{1}{4}$, W $\frac{1}{2}$

T.30N., R.44E., M.D.B.&M.

Section 33: SE $\frac{1}{4}$

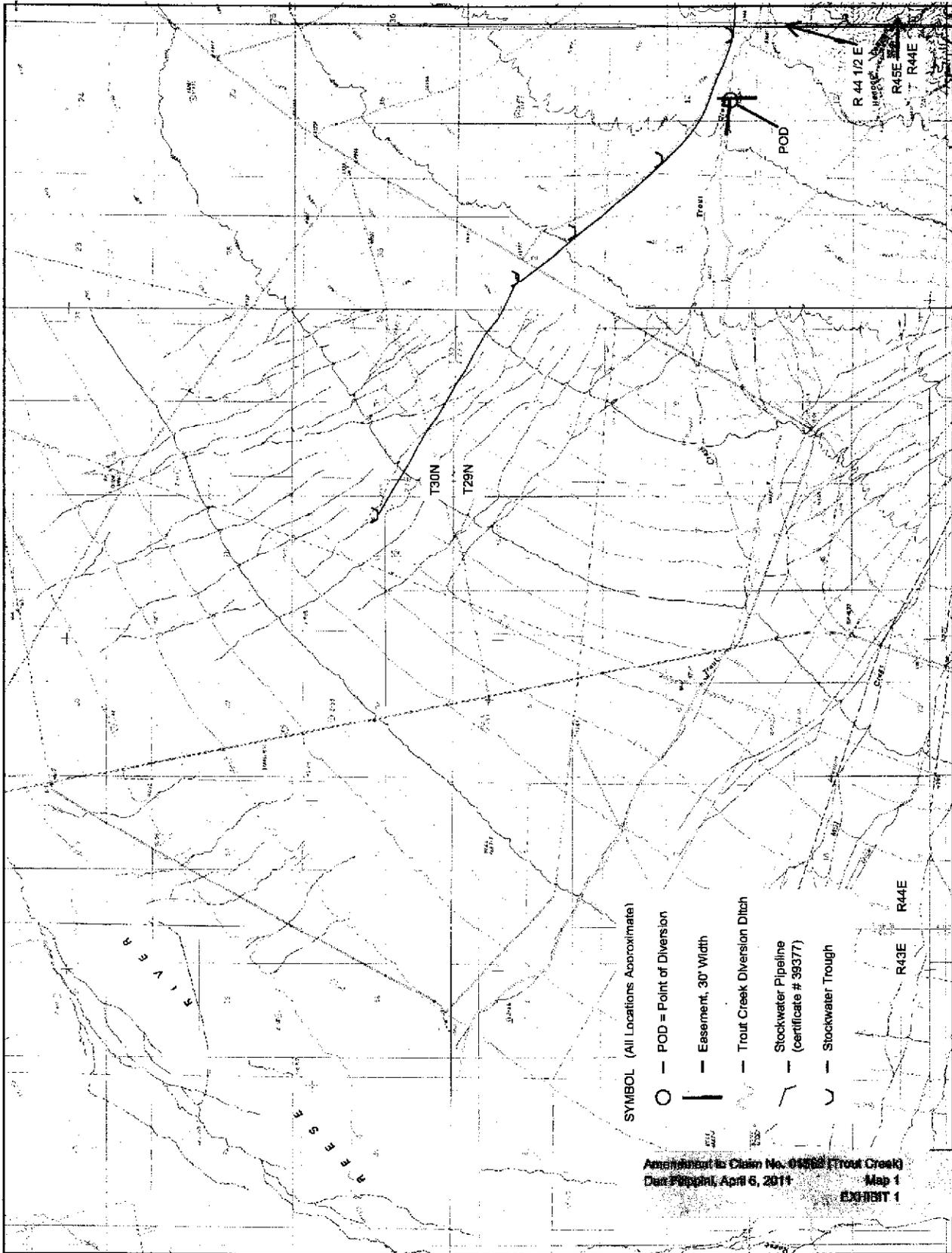
Section 34: S $\frac{1}{2}$

Authorization for the owner to place cattle upon the open range of the United States, including up to 340 cattle within the Copper Canyon BLM Allotment (west of State Route 305) and up to 198 cattle within the Argenta BLM Allotment (east of State Route 305), and upon certain leased private lands is confirmed by the following attached United States Bureau of Land Management documents:

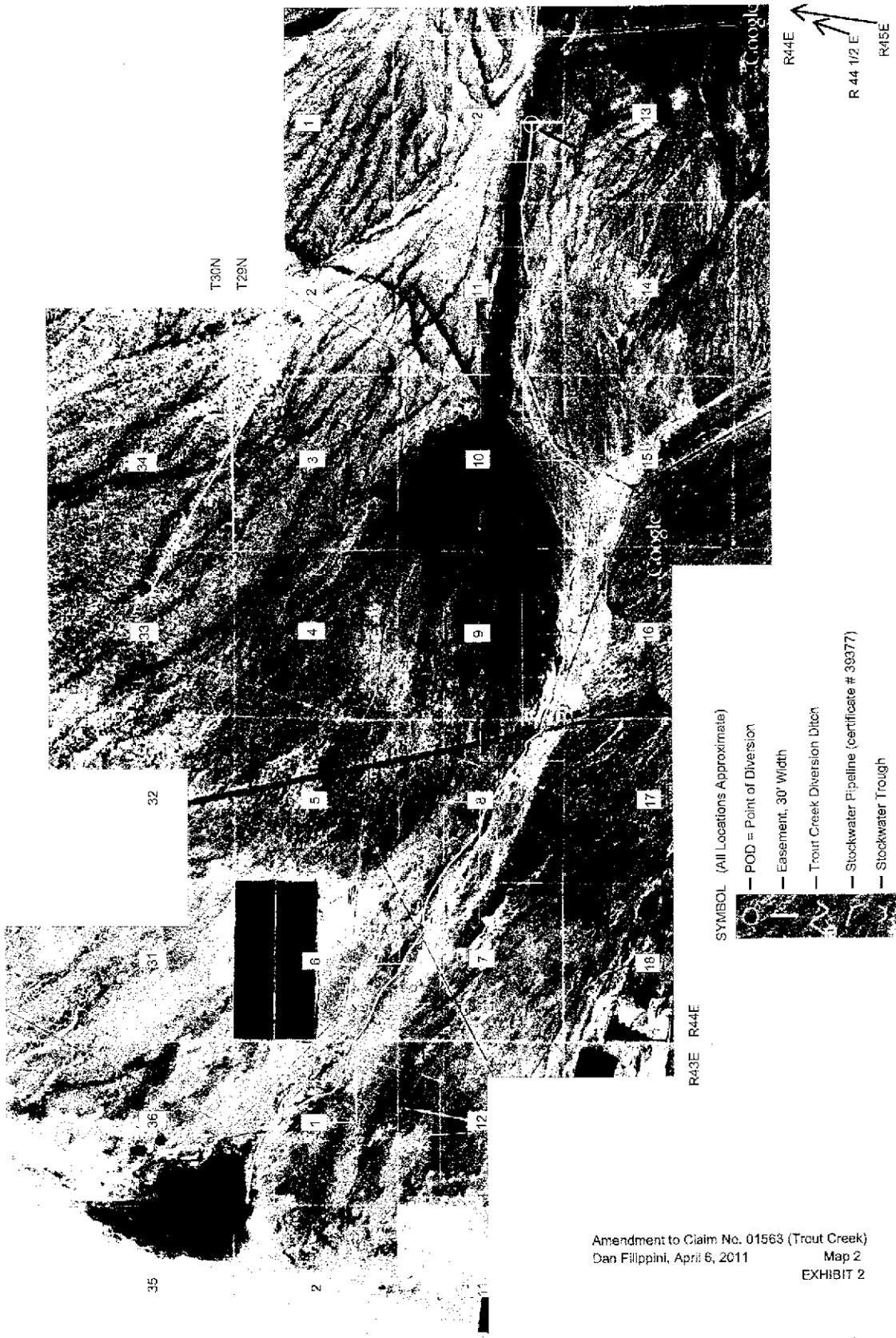
- 1) BLM Term Grazing Permit for the Copper Canyon and Argenta grazing allotments, authorization number 2706006, issued for the term March 1, 2007 through February 28, 2017 (Exhibit 8).;
- 2) BLM Term Grazing Permit for the Copper Canyon and North Buffalo grazing allotments, authorization number 2706029, issued for the term March 1, 2007 through February 28, 2017 (Exhibit 9);
- 3) BLM Exchange-of-Use Grazing Agreement associated with the North Buffalo and Copper Canyon allotments, dated 1/30/06 (Exhibit 10); and,
- 4) Two BLM Exchange-of-Use Grazing Agreements associated with the North Buffalo and Copper Canyon allotments, dated 2/28/06 (Exhibits 11 and 12).

Attachments:

- Exhibit 1: Map 1 of 2, Topographic Map
- Exhibit 2: Map 2 of 2, Google Earth Satellite Image
- Exhibit 3: Deed of Right-of-Way Easement, Schneider, Bergeron, and Horn, filed in the office of Lander County Recorder February 1, 1989, as file #158632
- Exhibit 4: Chain-of-Title Documents Related to Vested Claim #01563; Filippini, Daniel E. and Eddyann U.
- Exhibit 5: Reinhard Roth Water Right Claim, Lander County Recorder, Miscellaneous Records, Book 2, Page 578, April 2, 1872
- Exhibit 6: Cadastral Survey Plat and Notes; T29N, R44E and T29N, R45E, M.D.B.&M.; 1872, 1886, and 1901
- Exhibit 7: Pankey Ditch Claim, Lander County Recorder, Miscellaneous Records, Book 3, Page 53, November 6, 1878
- Exhibit 8: BLM Term Grazing Permit, Cooper Canyon and Argenta Allotments, Chiara Ranch, c/o Dan Filippini, February 13, 2007
- Exhibit 9: BLM Term Grazing Permit, Cooper Canyon and North Buffalo Allotments, Badger Ranch, c/o Dan Filippini, February 13, 2007
- Exhibit 10: BLM Exchange-of-Use Agreement, North Buffalo and Copper Canyon Allotments, Badger Ranch, c/o Dan Filippini, Jan. 30, 2006
- Exhibit 11: BLM Exchange-of-Use Agreement, North Buffalo and Cooper Canyon Allotments, Badger Ranch, c/o Dan Filippini, Feb. 28, 2006
- Exhibit 12: BLM Exchange-of-Use Agreement, North Buffalo and Cooper Canyon Allotments, Badger Ranch, c/o Dan Filippini, Feb. 28, 2006



Amendment to Claim No. 04566 (Trout Creek)
 Don Pippen, April 6, 2011



Amendment to Claim No. 01563 (Trout Creek)
 Dan Filippini, April 6, 2011
 Map 2
 EXHIBIT 2

Exhibit 8
Page 7 of 41
Exhibit 1
Page 63 of 116

DEED OF
RIGHT-OF-WAY EASEMENT

THIS INDENTURE made this 23rd day of January, 1989, by and between RUPERT C. SCHNEIDER and SHARRON SCHNEIDER, husband and wife, of 101-6 Carson Road 152-6, Battle Mountain, Nevada 89820, and BURTON BERGERON and BARBARA BERGERON, husband and wife, whose mailing address is P.O. Box 24, Baudette, Minnesota 56623, hereinafter referred to as "GRANTORS", and F. LEROY HORN and BARBARA HORN, husband and wife, whose mailing address is P.O. Box 490, Battle Mountain, Nevada 89820, hereinafter referred to as "GRANTEES".

W I T N E S S E T H:

WHEREAS, the Grantors are seized in fee simple and in actual possession of a parcel of land (hereafter the "servient tenement") situate, lying and being in the County of Lander, State of Nevada and more particularly described as follows, to-wit:

TOWNSHIP 29 NORTH, RANGE 44 EAST, M.D.B.&M.

Section 12: SE1/4 of SW1/4

Said parcel being more particularly shown and described as 38.49 acres of the SE1/4 of the SW1/4 on that Map Record of Survey for BURTON & BARBARA BERGERON within Section 12, T.29N., R.44E., M.D.B.&M., Lander County, Nevada recorded October 28, 1982 as File No. 114981, in Book 219, at Page 168 of Official Records of Lander County, Nevada.

across, over and upon which there is a thirty-foot (30') easement along the easterly boundary of said parcel (hereafter the "existing easement") as more particularly shown on the above-described Map Record of Survey, and across, over and upon which there runs a portion of the natural course and creek bed of Trout Creek (hereafter "Trout Creek") situate in the County of Lander, State of Nevada, and across, over and upon which there runs a portion of the course and bed of a man-made diversion ditch from Trout Creek (hereafter the "Trout Creek diversion ditch"), together with the man-made diversion structure to divert water from Trout Creek to the Trout Creek diversion ditch (hereafter the "Trout Creek diversion structure"); located within the servient tenement at a point adjacent to the easterly boundary of the servient tenement where Trout Creek intersects with the easterly boundary line of the servient tenement; and

WHEREAS, the Grantees are seized in fee simple and in possession of various parcels of land (hereafter the "dominant tenement") situate, lying and being in the County of Lander, State of Nevada, more particularly described as follows, to-wit:

O. Kent Mahan
Attorney at Law
BATTLE MOUNTAIN, NEVADA

TOWNSHIP 29 NORTH, RANGE 44 EAST, M.D.B.&M.

Section 2: SE1/4 of NW1/4
Section 12: NW1/4 of NW1/4
Section 13: NE1/4 of NE1/4

TOWNSHIP 29 NORTH, RANGE 44-1/2 EAST, M.D.B.&M.

Section 12: Lot 4
Section 13: Lot 1

TOWNSHIP 29 NORTH, RANGE 45 EAST, M.D.B.&M.

Section 7: SW1/4 of SW1/4; SE1/4 of SW1/4
Section 18: NE1/4 of NW1/4; NW1/4 of NW1/4

TOWNSHIP 30 NORTH, RANGE 43 EAST, M.D.B.&M.

Section 35: S1/2
Section 36: NE1/4; W1/2

TOWNSHIP 30 NORTH, RANGE 44 EAST, M.D.B.&M.

Section 30: SE1/4 of NE1/4; NE1/4 of SE1/4

which dominant tenement lands are the places of beneficial use of water appropriated by the Grantees from Trout Creek and the Trout Creek diversion ditch running across the servient tenement land; and

WHEREAS, Grantees use and maintain the Trout Creek diversion structure and the Trout Creek diversion ditch to beneficially appropriate irrigation water and stock water originating from Trout Creek on the dominant tenement lands of Grantees; and

WHEREAS, the Trout Creek diversion structure and Trout Creek diversion ditch can only be accessed, used and maintained by traversing over, upon and across the servient tenement; and

WHEREAS, the Grantors have agreed to grant Grantees nonexclusive right-of-way easements for driveway, access, use, repair and maintenance purposes over, upon and across the existing thirty-foot (30') easement lying adjacent to the easterly boundary of the servient tenement as shown upon the above-described Map Record of Survey for the servient tenement, and over, upon and across the servient tenement land lying on either side of the course and bed of the Trout Creek diversion ditch to enable Grantees, their successors and assigns, to use and maintain the Trout Creek diversion structure, the Trout Creek diversion ditch and incidents thereto, now, therefore,

THIS INDENTURE WITNESSETH: For and in consideration of the sum of ONE DOLLAR (\$1.00), in lawful money of the United States of America, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantors do hereby grant

O. Kent Mahan
Attorney at Law
P.O. Box 271

unto Grantees, their successors and assigns forever, perpetual, nonexclusive right-of-way easements for driveway, access, use, repair and maintenance purposes, and incidents thereto, over, upon, across and through the servient tenement hereinabove described, and situate, lying and being in the County of Lander, State of Nevada, said easements being more particularly described as follows, to-wit:

(1) An easement thirty feet (30') in width situate along the easterly boundary of the SE1/4 of SW1/4 of Section 12, T.29N., R.44E., M.D.B.&M., extending from the northerly boundary of said SE1/4 of SW1/4 of Section 12, T.29N., R.44E., M.D.B.&M., along the entire easterly boundary thereof to the southerly boundary of said SE1/4 of SW1/4 of Section 12, T.29N., R.44E., M.D.B.&M.; said easement being the same as shown upon the Map Record of Survey for Burton and Barbara Bergeron within Section 12, T.29N., R.44E., M.D.B.&M., Lander County, Nevada recorded October 28, 1982 as File No. 114981, in Book 219, at Page 168 of the Official Records of Lander County, Nevada; and

(2) An easement thirty feet (30') in width situate along the existing Trout Creek diversion ditch within the SE1/4 of SW1/4 of Section 12, T.29N., R.44E., M.D.B.&M., said easement extending fifteen feet (15') on either side of the center line of the source and bed of the Trout Creek diversion ditch, and beginning at a point on the easterly boundary of the SE1/4 of SW1/4 of Section 12, T.29N., R.44E., M.D.B.&M., where Trout Creek intersects said boundary line and the Trout Creek diversion ditch begins, and extending along the entire course of the Trout Creek diversion ditch to a point where the Trout Creek diversion ditch exits on the southerly boundary of the SE1/4 of SW1/4 of Section 12, T.29N., R.44E., M.D.B.&M.

Concomitant and co-extensive with the grant of the perpetual, nonexclusive right-of-way easements is the further right in Grantees, their officers, employees, invitees, licensees and agents, in common with all others having the like right at all times hereafter with or without vehicles and equipment of any description, for all purposes connected with the use and maintenance of the existing Trout Creek diversion structure and the use and maintenance of the Trout Creek diversion ditch served by said diversion structure, to pass and repass along the existing private roadway on the servient tenement for the purpose of going from and to and to and from the Trout Creek diversion structure and Trout Creek diversion ditch to use, operate, inspect, Creek diversion ditch and incidents thereto.

TO HAVE AND TO HOLD the perpetual, nonexclusive right-of-way easements hereby granted unto the Grantees, their successors and assigns, as an appurtenance to the dominant tenement and the right to beneficially appropriate the water from Trout Creek thereon.

IN WITNESS WHEREOF, Grantors have executed this instrument as of the day and year first above written.

Rupert C. Schneider
Rupert C. Schneider

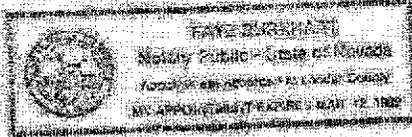
Burton Bergeron
Burton Bergeron

Sharron Schneider
Sharron Schneider

Barbara Bergeron
Barbara Bergeron

STATE OF NEVADA,)
COUNTY OF LANDER.) SS.

On this 16 day of January, 1989, personally appeared before me, a Notary Public, RUPERT C. SCHNEIDER and SHARRON SCHNEIDER, who acknowledged that they executed the foregoing document.



Spive Buckhart
Notary Public

STATE OF MINNESOTA,)
COUNTY OF St. Louis) SS.

On this 23 day of January, 1989, personally appeared before me, a Notary Public, BURTON BERGERON and BARBARA BERGERON, who acknowledged that they executed the foregoing document.



Sharon L. Anderson
Notary Public

158632

OFFICIAL RECORD
LAND RECORDS
C. Kent Maher
FEB - 1 1989

DAVE K. FARR
RECORDER

FEE \$8.00 REC'D St

C. Kent Maher
Attorney at Law
No. 80363
WHEATLAND, NEVADA 89421

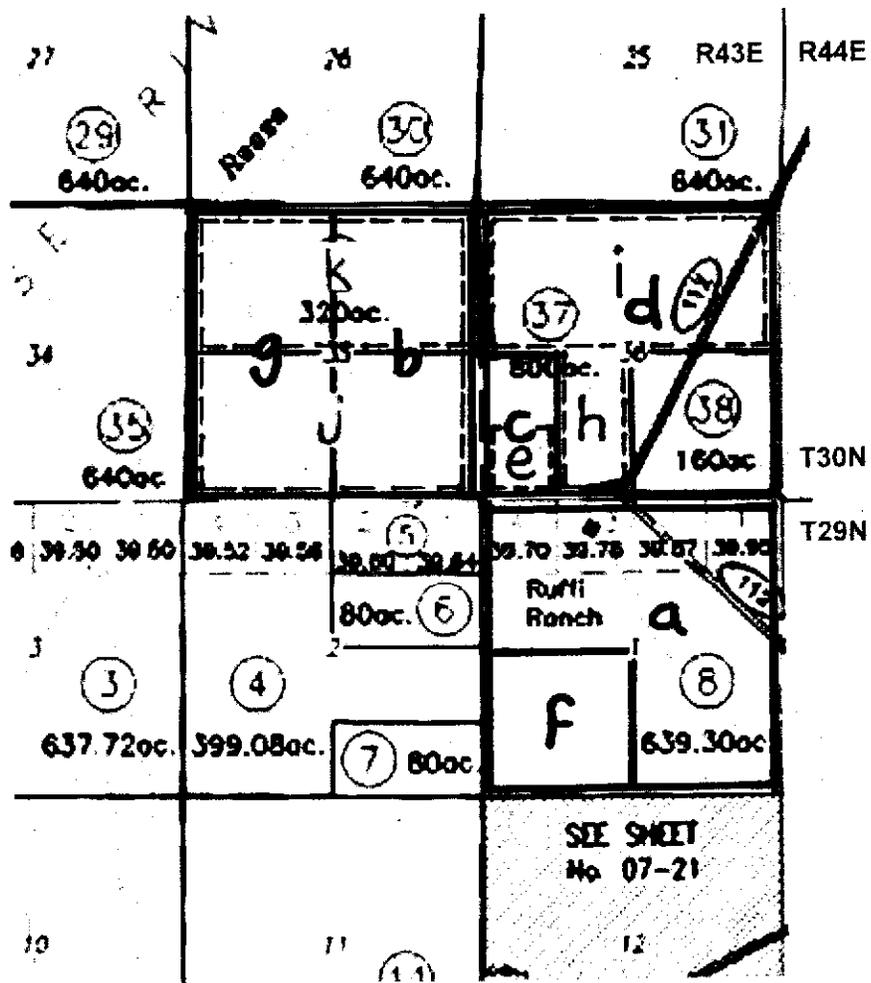
Chain-of-Title Documents Related to Vested Claim #01563; Filippini, Daniel E. and Eddyann U.

| | | | | | | | | |
|--|--|---|------------------------------|-----------------|------------|-----|-----------------------|---|
| USA | Central Pacific Railroad Company | Sec.1 N½, SE¼ | Sec.35 E½ | a b | 12-5-1876 | 49 | 2 | With Appurtenances. |
| State of Nevada | David Walker | | Sec.36 W½SW¼ | c | 8-1-1888 | 47 | 494 | With Appurtenances. |
| David Walker | John A. Blossom | | Sec.36 All | c+d | 8-1-1888 | 47 | 485 | With Appurtenances. |
| Mrs. E.M. Blossom, R.C. Blossom, and Grace Blossom | G. Hoffman | | Sec.36 SW¼SW¼ | e(*c) | 10-4-1900 | 49 | 514 | Trout Creek Ranch water rights described in deed from Wm. Pankey to J.A. Blossom dated 9-27-1883. |
| USA | Central Pacific Railroad Company | Sec.1 SW¼ | Sec.35 W½ | f g | 6-20-1902 | 49 | 665 | With Appurtenances. |
| State of Nevada | William Schwin | | Sec.36 E½SW¼ | h(*d) | 8-5-1907 | 53 | 18 | With Appurtenances. |
| William Schwin | Lizette Schwin | | Sec.36 E½SW¼ | h | 4-8-1911 | 53 | 155 | Every part and parcel thereof. |
| State of Nevada | Ruby E. Ide | | Sec.36 N½ | i(*d) | 6-6-1916 | 54 | 183 | With Appurtenances. |
| Ruby E. Ide and W.H. Ide | John Cross and Della Cross | | Sec.36 N½ | i | 12-14-1915 | 54 | 184 | With Appurtenances. |
| Lander County, C.F. Littrell, County Treasurer | Mrs. Lizetta Schwin | | Sec.36 N½ | i | 9-26-1925 | 56 | 487 | With Appurtenances. |
| Central Pacific Railroad Company | Lizette Schwin | | Sec.35 S½ | j(*b+*g) | 10-10-1929 | 58 | 148 | With Appurtenances. |
| Central Pacific Railroad Company | Southern Pacific Land Company | All Nevada Lands | | a+f k(*b+*g) | 9-2-1930 | 58 | 256 | All rights. |
| Lander County, C.F. Littrell, County Treasurer | Lizette Schwin | | Sec.36 W½SW¼ | c | 3-19-31 | 58 | 287 | With Appurtenances. |
| Mrs. Lisette Schwin | Mrs. Rose Eva Johnson | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 3-31-1943 | 63 | 34 | Undivided 1/9th part. With all water rights. |
| | Mrs. Nellie Lilian Coleman | 35 | | | | | Undivided 1/9th part. | |
| | John Henry Ruffi | 36 | | | | | Undivided 3/9th part. | |
| | Fred John Ruffi | 37 | | | | | Undivided 4/9th part. | |
| Southern Pacific Land Company | Southern Pacific Company | All Nevada Lands | | a+f k | 7-1-1955 | 65 | 502 | All water rights. |
| Rose Eva Johnson | Jean L. Anderson and Shirley Davis | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 8-25-1966 | 12 | 386 | Undivided 1/9th part. With all rights. |
| Fred J. Ruffi, Grace Ruffi and John H. Ruffi, Gregory Johnson and Jean Anderson, Shirley Davis, and Nellie Coleman | Warren L. Nelson & Norma K. Nelson | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 8-16-1966 | 29 | 115 | All 9th parts reunited. With all water and water rights. |
| Southern Pacific Company | Southern Pacific Transportation Co. | | | a+f k | 12-17-1969 | 95 | 236 | Merger. |
| Southern Pacific Transportation Co. | Southern Pacific Company | Sec.1 (All) | Sec.35 N½ | a+f k | 6-30-1971 | 105 | 313 | |
| Southern Pacific Company | Southern Pacific Land Company | Sec.1 (All) | Sec.35 N½ | a+f k | 7-15-1971 | 105 | 480-A | |
| Warren L. Nelson & Norma K. Nelson | Floyd Leroy Horn and Barbara Horn | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 5-12-1973 | 117 | 478 | With all water and water rights. |
| Floyd Leroy Horn and Barbara Y. Horn | Floyd Leroy Horn and Barbara Y. Horn | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 12-20-1974 | 173 | 29 | With Appurtenances. |
| Southern Pacific Land Company | Santa Fe Pacific Realty Corporation | All Lands | | a+f k | 9-29-1988 | 320 | 561 | Merger. |
| Floyd Leroy Horn and Barbara Horn | Henry A. Filippini and Marian Filippini and Daniel Edward Filippini and Eddyann U. Filippini | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 3-1-1989 | 328 | 514 | With all water and water rights. |
| Santa Fe Pacific Realty Corporation | Atchison, Topeka and Santa Fe Railway Company | Sec.1 (All) | Sec.35 N½ | a+f k | 12-29-1989 | 341 | 115 | With Appurtenances. |
| Atchison, Topeka and Santa Fe Railway Company | Silver State Land Company LLC | Reference to Deed at Book 341, Page 115 | | a+f k | 10-4-1995 | 421 | 83 | All water rights. |
| Silver State Land Company LLC | Nevada Land and Resource Company, LLC | All Lands | | a+f k | 12-11-1995 | 431 | 362 | Certificate of Name Change. |
| Henri A. Filippini and Marian Filippini | Daniel Edward Filippini and Eddyann U. Filippini | | Sec. 35 S½ Sec.36 N½, SW¼ | j c+h+i | 5-3-1999 | 465 | 186 | With all water and water rights. |
| Nevada Land and Resource Company, LLC | Daniel E. Filippini and Eddyann U. Filippini | Sec.1 (All) | Sec.35 N½ | a+f k | 12-1-1999 | 472 | 432 | With Appurtenances. |

* = A portion of Plat ID segment.



Chain-of-Title Plat



Amendment to Chain No. 01883 (Toua Creek)
 Dan Philipp, April 6, 2011
 Page 2 of 2
 EXHIBIT #

N. 13 VOL 2 / 1858

Water Right Claim
of
Richard Roth.

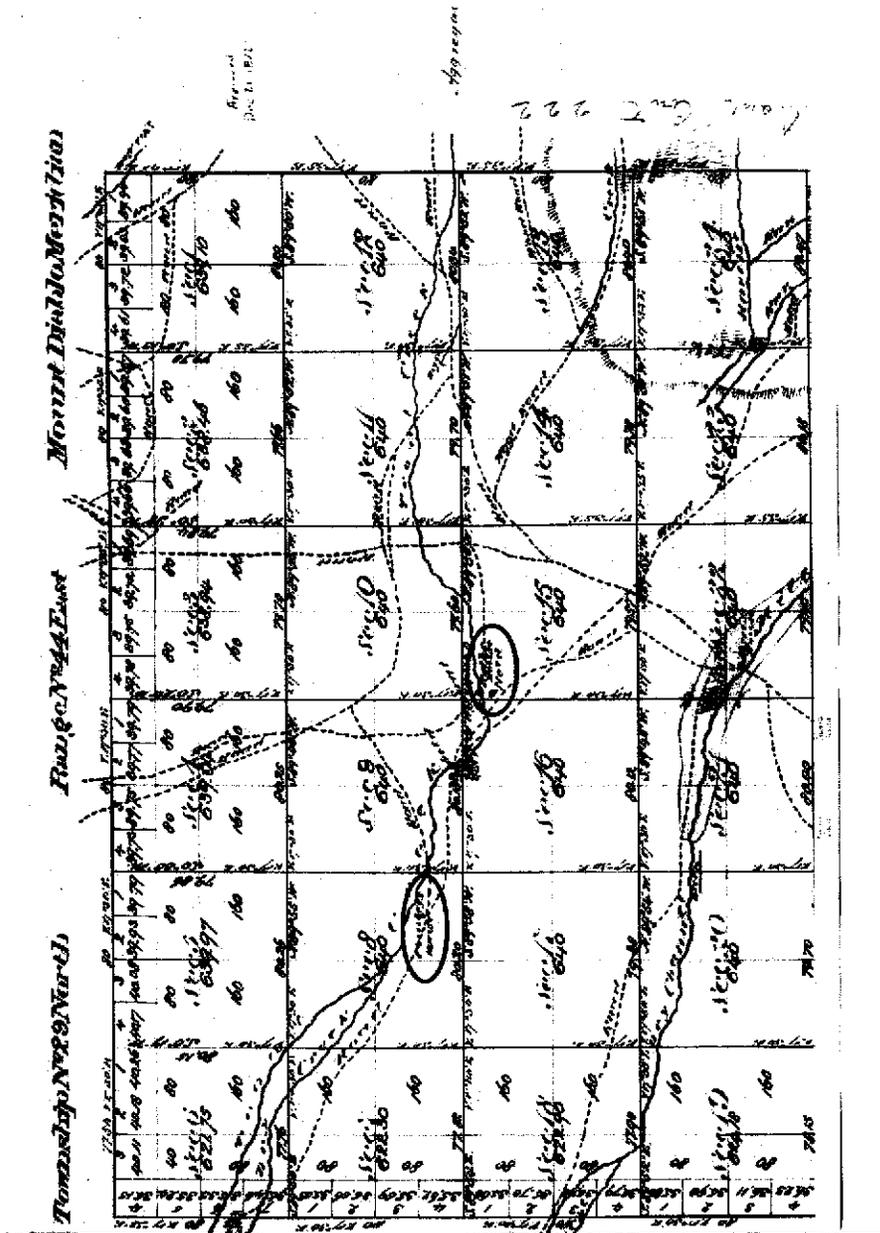
Notice: I the undersigned do claim
the creek and water rights from
the head to the sink for mining
and farming purposes. Known
as Trout Creek, situated on the Argenta and Austin -
Stage Road in Lincoln County, State of Nevada.
Trout Creek March 1st 1869.

R. Roth

Recorded at request of Richard Roth
April 2nd A. D. 1870. at 9. A. M.
H. J. Williamson Recorder.

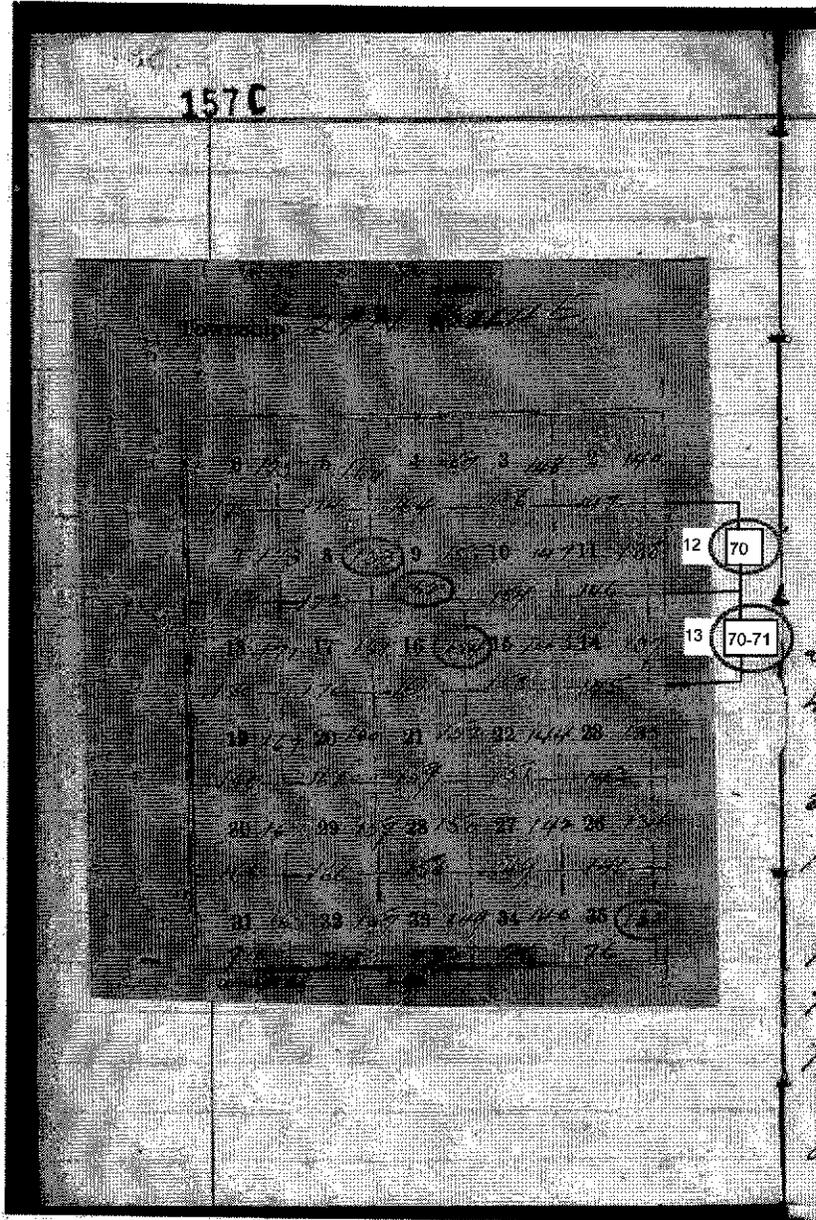


1872 Cadastral Survey Plat



Amendment to Claim No. 01563 (Trust Check)
 Dan Filippi, April 6, 2011 Page 1 of 14
 EXHIBIT 8

Exhibit 8
 Page 15 of 41
 Exhibit 1
 Page 71 of 116



69

86

E. Boundary T. 39 N. R. 44 E. M. D. 11

Notes notes of the survey of the Eastern
 Boundary of Township 39 North, Range
 44 East, about T. 39 N. R. 44 E. M. D. 11

Begin Corner 1/4 Sec 18 7/8 of the Town
 of Township 39 N. R. 44 E. M. D. 11
 45 East, 1/4 mi between sec 18 & 19
 South, between sections 1 & 6
 Eas. 1/4 mi East

- 10.00 Dry Channel 1 ch wide, Run N.W.
- 40.00 Betn channel post in amount with pit as per
 instructions for 1/4 Sec. 18
- 46.50 Post to Scripps, Run N.W. 20 S.E.
- 80.00 Betn channel post in amount with pit as per
 instructions for Sec. to Sec. 1-6 7/8 mi 12
 East, undulating. Slope N. Sec. 3 to sec
 6, Run N.W.

79

87

Boundary S. 27 N. W. 4 E. N. D. M.

South, between sections 7th & 13th

Sec. 17 25 East

- 38.75 Wood, Pines N. E. 1/4 Sec 13*
- 40.00 Set a chain post in corner with pins for instructions for Sec. 13*
- 49.75 Wood, Pines E. 1/4 W*
- 78.00 Sand Creek, 20' wide runs N. E.*
- 82.00 Set a chain post in corner with pins for instructions for Sec. 13, 14, 15, 16, 17, 18*
- Land rolling slope W. side 2' onto*
- dry bank - Crossroad*

South, between sections 13th & 18th

Sec. 17 25 East

- 1.00 Row of hills, Sec. 13 W. corner*
- 38.25 A wood road, Pines E. 1/4 W*
- 40.00 Set a chain post in corner with pins for instructions for Sec. 13. Row of mountains*
- bank W. corner N. E. corner*

41

88-

E. Boundary S. 29 N. R. 46. N. D. 16

73.50 Creek 20th wide, across 20
 76.25 Wood road, across 6th W
 80.00 Set a line 10 x 12 x 11 as per instructions
 for line to Sect. 13, 18, 19 and 24
 Land mostly fully in Transition. Soil 2nd rate
 Log brush. Rural grass. Scattered Red Pine
 and Spruce

South, between sections 19 and 24
 Line 17th East

6.00 Summit of ridge, bears 1st W on 6th E. corner
 10.00 Set a line 16 x 14 x 8 as per instructions
 for 1/2 Sec. 6
 18.00 Fences, across 2nd W across
 80.00 Set a line of posts in ground with 1st as per
 instructions for line to Sect. 19, 24, 25 and 30
 on summit of ridge bears 6th on E. corner
 Land Transition. Soil 2nd rate
 Log brush. Rural grass. Scattered Red Pine and Spruce

158

T. J. N. P. & C. M. D. Co.

These Notes of the Subdivision Lines
in Township 39 North, Range 44 East
Mount Diablo Base & Meridian

Subdivisions begun November 30, 1873
From the corner to post 1-2-30 to 36 on
the South Boundary, Dunes
North, between Courses 35th & 36th
The 17° 35' East

Dunes

| | |
|-------|---|
| 36.50 | Woods. Pine N. W. corner |
| 40.00 | Set a cross stake 16 x 10 x 8, as per instructions for the Co. |
| 54.70 | Summit of ridge, base N 5 th & S W. dunes |
| 74.00 | Base of ridge base N 70° 29' 40" E 70° 6' into hill Creek bottom, base same |
| 76.50 | Hill Creek 10 th wide, runs N 70° 20' |
| 76.65 | Base cultivated field base N 70° 25' 40" E 70° 6' |
| 79.00 | Wood course N 70° 29' 40" E 70° 6' base field Creek bottom base same, as usual |
| 80.00 | Set a cross stake 20 x 10 x 9, as per instructions |



M. D. M.

180

154

North between sections 15 and 16

Jan. 17 '86 East

40.00 Set a cleared post in mound with pit as per instructions for 1/2 line Co.

53.80 Road to Mill Creek Run, Run N 41° W 6 E

64.30 Road Run N 41° W 6 E

67.00 West edge of barby pits, base 6 71° E

68.50 South edge of pits, base 6 runs

69.50 Stage road to Section base S 30° E 1/2 130° W

71.10 Spout Creek 5" wide, runs S 75° W

72.90 Corral 5 1/2 feet

75.00 Road N 45° W 8 1/2 E

80.00 Set a cleared post in mound with pit as per instructions for 1/2 to Sect. 9-10-16 1/2 1/4

Delmar Wells house base S 14 1/2° E 1/2 58° E dist

Land survey level - Soil mostly 1-foot

Woods brush - Scattered dry grass

November 22, 1872

East on random line bet Sects 10 and 15

Jan. 17 '86 East



M. D. L.

188

162

Lead lines. Lead 2' inside
Limestone White logs

East on a true line bet Coast 9th 16
Jan 17th 30' East

40.00 Set a post for temporary to the Co.

42.40 Cut a Barbicuta, base N 40° E

51.70 Leave field, base N 20° W 40' E

51.90 Day amount of Lead Cuts 5th inside, Course N 40° E

62.40 Head, Course N 80° W 40' E

74.05 Head, Course N 70° W 40' E 70' E

74.85 North Mountain 2nd Austria Stop, Course N 40° W
40' E 60' E

80.15 Distance at 40' E line 30' E of the corner
to C. 9-10-15 40' 16

From which Co. I run

689.51 W. on a true line between Coast 9th 16

Jan 17th 30' East

40.08 Set a charred post in ground with pits as per
instructions for the Co.



169

189

S 29 N. R 44 E.

80.15 The corner bet. 8-9-16 and 17
Slightly west. One 1/2 mile
Guasswood - Rye grass

North, between Sections 8 and 9

True 17° 30' East

Plunket's line bears N 45 1/2° W

7.95 A good cross 8 and 9

9.50 Cross, course N 35° W and S 25° E

14.25 Cross, course S 25° W

16.70 Div. Channel of Trout-bank 30' wide course
S 60° W.

40.00 Set a corner post in mound with pit as
per instructions for 16 line. Course - Unknown

Plunket's line bears S 45 1/2° W.

80.00 Set a corner post in mound with pit as per
instructions for 16 to bet. 14-5-8 and 9
Slightly west. One 1/2 half mile 1/2 mile
between 8° east
Guasswood - Rye grass

e. 22/4

GENERAL DESCRIPTION.

This Township is rough and mountainous but covered with good brush grass.

It is well watered by several creeks and numerous springs. There are some juniper and fir in the northern mountain portions of the Township.

There are several small bottoms along the creeks capable of cultivation in grain & vegetables with a rich soil and easily irrigated.

Mr Ruffly in Dec 32 has a large tract of corn, etc and about 40 acres fenced and under cultivation.

Mr Harris in Dec 31 has a large tract of corn and about five acres under cultivation.

There are no other settlers in the Township.



Township 29 N. R. 45 E.

| | | | | | |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 299 | 300 | 301 | 302 | 303 | 305 |
| 404 ⁰ | 528 ⁰ | 487 ⁰ | 475 ⁰ | 464 ⁰ | 451 ⁰ |
| 507 | 526 | 486 | 474 | 463 | 462 |
| 404 ¹ | 524 ⁸ | 487 ⁰ | 473 ¹⁰ | 462 ¹¹ | 449 ¹² |
| 509 | 521 | 486 | 472 | 461 | 448 |
| 401 ¹⁸ | 500 ¹⁷ | 485 ¹⁶ | 471 ¹⁵ | 460 ¹⁴ | 446 ¹³ |
| 499 | 498 | 483 | 470 | 458 | 445 |
| 398 ¹⁹ | 497 ²⁰ | 484 ²¹ | 469 ²² | 457 ²³ | 444 ²⁴ |
| 496 | 495 | 480 | 468 | 456 | 443 |
| 396 ³⁰ | 494 ²⁸ | 479 ²⁸ | 467 ²⁷ | 455 ²⁶ | 442 ²⁵ |
| 493 | 492 | 478 | 466 | 454 | 441 |
| 395 ³¹ | 491 ³² | 476 ³³ | 465 ³⁴ | 452 ³⁵ | 439 ³⁶ |
| 491 | 490 | 475 | 463 | 451 | 440 |



439

Subst. 439 N. R. 45 E

Aug 28, 1901 At 7:15 A.M. I went
Set off 40° 21' in S. arc
9° 52' N in back arc and determine
a true meridian by solar
observation at the cor. ³⁵
and 36 on S. Bdy. ^{10° 35' E}

Then a Drain
N. 1° 4' W. bet. sec 35 and 36.
With land scattering brush.

3.00 Descend N. E. slope of ridge

40.00 Cor. point falls on a Rock in
place 5 x 5 x 3 ft upon which
I cut a cross (X) at
exact cor. point, 1/4 W. of
cross raise a mound of
stone 3 ft base 2 ft high W.
of cor.

445.00 ^{Site impracticable}
West Fork of Mill Creek land W.

54.00 Spar E

60.00 Drain S. E.

80.00 Set a granite stone 14 x 10 x 9 in
in a mound of stone 3 ft base
2 ft high for cor. of sec 35, 36
25 and 26 marked with 1 inch
on S and E edges.

^{Site impracticable}

64

502

Subdivisions of T. 9 N. R. 45 E.

See also West random line bet
lines 7 and 10

| | |
|-------|---|
| 40.00 | Set a trap 40 ac cor |
| 41.90 | Intersect W. Bdy 20 lbs S of cor of lines 12 and 13 Thence down S 89° 53' E on true line bet lines 7 and 10 W. land scattering scrub brush |
| 3.00 | Fence N. W. and S. E. |
| 8.00 | Ridge N. E. and S. W. <small>Aluminum Dobbins mark line N. 5 lbs</small> |
| 15.00 | Alfalfa field |
| 29.00 | Creek 20 lbs wide N. W. |
| 33.00 | Leave field |
| 33.50 | Migration ditch N. W. |
| 34.40 | Fence N. W. and S. E. |
| 41.90 | Set a granite stone 12 X 10 X 8 in in a mound of stone 3 ft base 2 ft high for 44 ac cor marked 1/4 mi N. from Site impracticable |
| 42.10 | Ridge N. and S. |
| 47.50 | Drain S. W. |
| 50.00 | Ridge N. E. and S. W. |
| 52.50 | Drain S. W. |
| 57.00 | Drain S. W. |
| 81.00 | The cor of lines 7, 8, 11 and 12 |

Page 18 of 116
Exhibit 1

of any mine or stream and to provide for the right of way through the land of Miss. Deborah M. March 1849. I do hereby certify and declare that the name of said water ditch and stream shall be the Pearly Water Ditch and all lands near the termini of the same described as follows to wit: commencing at Stake number one in Section Township Pearly Ditch and on the left bank of Sweet brook in the same Township and near the mouth of Sweet brook having the same

| | | | |
|------------------|----------------------|----------|--|
| 1st | to 31 st | 3 chains | |
| 2 ^d | to 61 st | 36 | |
| 3 ^d | to 91 st | 67 | |
| 4 th | to 121 st | 101 | |
| 5 th | to 151 st | 135 | |
| 6 th | to 181 st | 170 | |
| 7 th | to 211 st | 204 | |
| 8 th | to 241 st | 238 | |
| 9 th | to 271 st | 272 | |
| 10 th | to 301 st | 306 | |
| 11 th | to 331 st | 340 | |
| 12 th | to 361 st | 374 | |

from the corner of the house to wit 9-11-16-17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

in witness whereof I have hereunto set my hand and seal the 6th day of November 1878.

H. Pearly

Subscribed and sworn to before me this 6th day of November 1878.

EXHIBIT 8

CASE FILE COPY

AUTH NUMBER: 2706006
DATE PRINTED: 02/14/2007

Form 4130-23
(February 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

GRAZING PERMIT

RECEIVED-MAIL ROOM

2007 FEB 14 PM

BUREAU OF LAND MANAGEMENT
FIELD OFFICE

STATE NY
OFFICE 060
PREFERENCE CODE 1706006
DATE PRINTED 02/14/2007
03/01/2003 TO 02/28/2017

BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN PO
50 BASTIAN RD
BATTLE MOUNTAIN NY 20820

CHIARA RANCH
C/O DAN EXLERRENE
HC-61, BOX 65
BATTLE MOUNTAIN NY 20820

THIS GRAZING PERMIT IS OFFERED TO YOU UNDER 43 CFR PART 4100 BASED ON YOUR RECOGNIZED QUALIFICATIONS. YOU ARE AUTHORIZED TO MAKE GRAZING USE OF LANDS, UNDER THE JURISDICTION OF THE BUREAU OF LAND MANAGEMENT AND COVERED BY THIS PERMIT, UPON YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS PERMIT AND PAYMENT OF GRAZING FEES WHEN DUE. CONTACT YOUR LOCAL BLM OFFICE AT 775-935-4000 IF YOU HAVE QUESTIONS.

MANDATORY TERMS AND CONDITIONS

| ALLOTMENT | PASTURE | LIVESTOCK NUMBER | GRAZING PERIOD | | % A.M. TYPE USE | ACRES |
|---------------------|---------|------------------|----------------|-------|-----------------|-------|
| | | | BEGIN | END | | |
| 10002 COPPER CANYON | | 30 CATTLE | 11/01 | 08/28 | 42 ACTIVE | 50 |
| 20001 ARGENTA | | 180 CATTLE | 03/01 | 11/30 | 61 ACTIVE | 1008 |
| | | 15 CATTLE | 08/01 | 08/30 | 61 ACTIVE | 8 |

OTHER TERMS AND CONDITIONS:

IN ACCORDANCE WITH SEC. 325, TITLE XII, H.R. 2692, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2004 (P.L. 108-108), WHICH WAS ENACTED ON NOVEMBER 30, 2003, THIS GRAZING PERMIT OR LEASE IS RENEWED UNDER SECTION 402 OF THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976, AS AMENDED (43 U.S.C. 1752), TITLE XII OF THE BANKHEAD-JONES FARM TENANT ACT (7 U.S.C. 1010 ET SEQ.), OR, IF APPLICABLE, SECTION 510 OF THE CALIFORNIA DESERT PROTECTION ACT (16 U.S.C. 410AAA-30). TERMS AND CONDITIONS CONTAINED IN THE IMMEDIATELY PRECEDING PERMIT OR LEASE HAVE BEEN INCORPORATED INTO THIS PERMIT OR LEASE IN TOTAL, OR, IF THIS PERMIT OR LEASE IS ISSUED AS A RESULT OF A PREFERENCE TRANSFER, IN SO FAR AS THEY REFLECT THE TRANSFER ACTION. THESE TERMS AND CONDITIONS SHALL CONTINUE IN EFFECT UNTIL SUCH TIME AS THE SECRETARY OF THE INTERIOR COMPLETES PROCESSING OF THIS PERMIT OR LEASE IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS, AT WHICH TIME THIS PERMIT OR LEASE MAY BE CANCELED, SUSPENDED OR MODIFIED, IN WHOLE OR IN PART, TO MEET THE REQUIREMENTS OF SUCH APPLICABLE LAWS AND REGULATIONS.

IN ACCORDANCE WITH 43 CFR 4130.8-1(f): FAILURE TO PAY GRAZING BILLS WITHIN 15 DAYS OF THE DUE DATE SPECIFIED IN THE BILL SHALL RESULT IN A LATE FEE ASSESSMENT OF \$25.00 OR 10 PERCENT OF THE GRAZING BILL, WHICHEVER IS GREATER, BUT NOT TO EXCEED \$250.00. PAYMENT MADE LATER THAN 15 DAYS AFTER THE DUE DATE, SHALL INCLUDE THE APPROPRIATE LATE FEE ASSESSMENT. FAILURE TO MAKE PAYMENT WITHIN 30 DAYS MAY BE A VIOLATION OF 43 CFR SEC. 4140.1(b)(1) AND SHALL RESULT IN ACTION BY THE AUTHORIZED OFFICER UNDER 43 CFR SECTIONS 4150.1 AND 4160.1-2.

IN ACCORDANCE WITH 43 CFR 4130.1-2(d): ACTUAL USE INFORMATION, FOR



CASE FILE COPY

AUTH NUMBER 2708008
DATE PRINTED 1/12/2007

EACH PASTURE/USE AREA, WILL BE SUBMITTED TO THE AUTHORIZED OFFICER WITHIN 15 DAYS OF COMPLETING GRAZING USE AS SPECIFIED ON THE GRAZING PERMIT AND/OR GRAZING LICENSES.

IN ACCORDANCE WITH 43 CFR 4120.3-1(A): ALL RANGE IMPROVEMENTS SHALL BE INSTALLED, USED, MAINTAINED, AND/OR MODIFIED ON THE PUBLIC LANDS, OR REMOVED FROM THESE LANDS, IN A MANNER CONSISTENT WITH MULTIPLE-USE MANAGEMENT.

IN ACCORDANCE WITH 43 CFR 4130.3-2(C): IN ORDER TO IMPROVE LIVESTOCK AND RANGELAND MANAGEMENT ON THE PUBLIC LANDS, ALL SALT AND/OR MINERAL SUPPLEMENTS WILL NOT BE PLACED WITHIN 1/4 MILE OF ANY RIPARIAN AREA, WET MEADOW, OR WATERING FACILITY (EITHER PERMANENT OR TEMPORARY) UNLESS STIPULATED THROUGH A WRITTEN AGREEMENT OR DECISION.

IN ACCORDANCE WITH 43 CFR 4130.3-2(H): ALL GRAZING PERMITTEES SHALL PROVIDE REASONABLE ACCESS ACROSS PRIVATE AND/OR LEASED LANDS TO THE BUREAU OF LAND MANAGEMENT FOR THE ORDERLY MANAGEMENT AND PROTECTION OF THE PUBLIC LANDS.

IN ACCORDANCE WITH 43 CFR 4130.3-3: THE AUTHORIZED OFFICER MAY MODIFY TERMS AND CONDITIONS OF THE PERMIT OR LEASE WHEN THE ACTIVE USE OR RELATED MANAGEMENT PRACTICES ARE NOT MEETING THE LAND USE PLAN, ALLOTMENT MANAGEMENT PLAN OR OTHER ACTIVITY PLAN, OR MANAGEMENT OBJECTIVES, OR IS NOT IN CONFORMANCE WITH THE PROVISIONS OF SUBPART 4180 BAC STANDARDS AND GUIDELINES.

PURSUANT TO 43 CFR 10.4(G) THE HOLDER OF THIS AUTHORIZATION MUST NOTIFY THE AUTHORIZED OFFICER, BY TELEPHONE, WITH WRITTEN CONFIRMATION, IMMEDIATELY UPON THE DISCOVERY OF HUMAN REMAINS, FUNERARY OBJECTS, SACRED OBJECTS, OR OBJECTS OF CULTURAL PATRIMONY (AS DEFINED AT 43 CFR 10.2). FURTHER, PURSUANT TO 43 CFR 10.4(C) AND (D), YOU MUST STOP ACTIVITIES IN THE IMMEDIATE VICINITY OF THE DISCOVERY AND PROTECT IT FROM YOUR ACTIVITIES FOR 30 DAYS OR UNTIL NOTIFIED BY THE AUTHORIZED OFFICER.

IN ACCORDANCE WITH 43 CFR 4130.3-1 (E) - ALL PERMITS AND LEASES SHALL BE MADE SUBJECT TO CANCELLATION, SUSPENSION, OR MODIFICATION FOR ANY VIOLATION OF THESE REGULATIONS OR OF ANY TERM OR CONDITION OF THE PERMIT OR LEASE.

ALLOTMENT SUMMARY (AUMS)

| ALLOTMENT | ACTIVE AUMS | SUSPENDED AUMS | GRAZING PREFERENCE |
|---------------------|-------------|----------------|--------------------|
| 10002 COPPER CANYON | 50 | 0 | 50 |
| 20003 ARGENTA | 1018 | 0 | 1,018 |

1068

CASE FILE COPY

ALTH NUMBER: 2768008
DATE PRINTED: 11/2/2007

Standard
Terms and Conditions

1. Grazing permits or lease terms and conditions and the fees charged for grazing use are established in accordance with the provisions of the grazing regulations now or hereafter approved by the Secretary of the Interior.
2. They are subject to cancellation, in whole or in part, at any time because of:
 - a. Noncompliance by the permittee/lessee with rules and regulations.
 - b. Loss of control by the permittee/lessee of all or a part of the property upon which it is based.
 - c. A transfer of grazing preference by the permittee/lessee to another party.
 - d. A decrease in the lands administered by the Bureau of Land Management within the allotment(s) described.
 - e. Receipt of wild/unauthorized grazing use.
 - f. Loss of qualifications to hold a permit or lease.
3. They are subject to the terms and conditions of allotment's management plans if such plans have been prepared. Allotment management plans MUST be incorporated in permits or leases when completed.
4. Those holding permits or leases MUST own or control and be responsible for the management of livestock authorized to graze.
5. The authorized officer may require branding and/or additional or special marking or tagging of the livestock authorized to graze.
6. The permittee/lessee's grazing uses file is available for public inspection, as required by the Freedom of Information Act.
7. Grazing permits or leases are subject to the nondiscrimination clauses set forth in Executive Order 11248 of September 26, 1964, as amended. A copy of this order may be obtained from the authorized officer.
8. Livestock grazing use that is different from that authorized by a permit or lease MUST be applied for prior to the grazing period and MUST be filed with and approved by the authorized officer before grazing use can be made.
9. Billing notices are issued which specify fees due. Billing notices, when paid, become a part of the grazing permit or lease. Grazing use cannot be authorized during any period of delinquency in the payment of amounts due, including penalties for unauthorized use.
10. Grazing fee payments are due on the date specified on the billing notice and MUST be paid in full within 15 days of the due date, except as otherwise provided in the grazing permit or lease. If payment is not made within that time frame, a late fee (the greater of \$25 or 10 percent of the amount owed but not more than \$250) will be assessed.
11. No Member of, or Delegate to, Congress or Resident Commissioner, after his/her election of appointment, or after his/her or after he/she has qualified, and during his/her tenure in office, and no officer, agent, or employee of the Department of the Interior, other than members of Advisory committees appointed in accordance with the Federal Advisory Committee Act (5 U.S.C. App. 1) and Sections 306 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 170) or any other law, shall be entitled to any share or part of a permit or lease, or derive any benefit or other privilege, and the provision of Section 1741 (43 U.S.C. 22), 18 U.S.C. Sections 431-435, and 43 CFR Part 7, enter into and form a part of a grazing permit or lease, so far as the same may be applicable.

THIS PERMIT: 1. CONVEYS NO RIGHT, TITLE OR INTEREST HELD BY THE UNITED STATES IN ANY LANDS OR RESOURCES AND 2. IS SUBJECT TO (A) MODIFICATION, SUSPENSION OR CANCELLATION AS PROVIDED BY LAND PLANS AND APPLICABLE LAW, (B) REVIEW AND MODIFICATION OF TERMS AND CONDITIONS AS APPROPRIATE, AND (C) THE TAYLOR GRAZING ACT, AS AMENDED, THE FEDERAL LAND POLICY AND MANAGEMENT ACT, AS AMENDED, THE PUBLIC RANGELANDS IMPROVEMENT ACT, AND THE RULES AND REGULATIONS NOW OR HEREAFTER PROMULGATED THEREUNDER BY THE SECRETARY OF THE INTERIOR.

ACCEPTED:
SIGNATURE OF PERMITTEE:
APPROVED:
BLM AUTHORIZED OFFICER:

Eugene J. Steppin
[Signature]

DATE: Feb 12, 2007
DATE: 2/13/2007



CASE FILE COPY

Form 4130-2a
(February 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

GRAZING PERMIT

BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN FO
50 BASTIAN RD
BATTLE MOUNTAIN, NV 89820

RECEIVED-MAILROOM

2007 FEB 14 PM 3:08

BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN
FILE

AUTH NUMBER: 2706029
DATE PRINTED: 2/14/2007

STATE NY
OFFICE 060
AUTH NUMBER 2706029
PREFERENCE CODE 01
DATE PRINTED 02/14/2007
TERM 03/01/2007 TO 02/28/2017

BADGER RANCH
C/O DAN FILIPPINI
MC-61, BOX 63
BATTLE MOUNTAIN, NV 89820

THIS GRAZING PERMIT IS OFFERED TO YOU UNDER 43 CFR PART 4100 BASED ON YOUR RECOGNIZED QUALIFICATIONS. YOU ARE AUTHORIZED TO MAKE GRAZING USE OF LANDS UNDER THE JURISDICTION OF THE BUREAU OF LAND MANAGEMENT AND COVERED BY THIS PERMIT, UPON YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS PERMIT AND PAYMENT OF GRAZING FEES WHEN DUE. CONTACT YOUR LOCAL BLM OFFICE AT 775-835-4000 IF YOU HAVE QUESTIONS.

MANDATORY TERMS AND CONDITIONS

| ALLOTMENT | PASTURE | LIVESTOCK | | GRAZING PERIOD | | % PL TYPE USE | ALMS |
|-----------|---------------|-----------|--------|----------------|-------|---------------|------|
| | | NUMBER | KIND | BEGIN | END | | |
| 10002 | COPPER CANYON | 200 | CATTLE | 03/01 | 02/28 | 100 ACTIVE | 2670 |
| | | 12 | CATTLE | 02/01 | 02/28 | 100 ACTIVE | 11 |
| 02148 | NORTH BUFFALO | 12 | CATTLE | 03/01 | 02/28 | 100 ACTIVE | 144 |
| | | 10 | CATTLE | 02/01 | 02/28 | 100 ACTIVE | 8 |

OTHER TERMS AND CONDITIONS:

IN ACCORDANCE WITH SEC. 325, TITLE III, H.R. 2691, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2004 (P.L. 108-108), WHICH WAS ENACTED ON NOVEMBER 10, 2003, THIS GRAZING PERMIT OR LEASE IS RENEWED UNDER SECTION 402 OF THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976, AS AMENDED (43 U.S.C. 1732), TITLE III OF THE BANKHEAD-JONES FARM TENANT ACT (7 U.S.C. 1010 ET SEQ.), OR, IF APPLICABLE, SECTION 510 OF THE CALIFORNIA DESERT PROTECTION ACT (15 U.S.C. 410AAA-50). TERMS AND CONDITIONS CONTAINED IN THE IMMEDIATELY PRECEDING PERMIT OR LEASE HAVE BEEN INCORPORATED INTO THIS PERMIT OR LEASE IN TOTAL, OR, IF THIS PERMIT OR LEASE IS ISSUED AS A RESULT OF A PREFERENCE TRANSFER, IN SO FAR AS THEY REFLECT THE TRANSFER ACTION. THESE TERMS AND CONDITIONS SHALL CONTINUE IN EFFECT UNTIL SUCH TIME AS THE SECRETARY OF THE INTERIOR COMPLETES PROCESSING OF THIS PERMIT OR LEASE IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS, AT WHICH TIME THIS PERMIT OR LEASE MAY BE CANCELED, SUSPENDED OR MODIFIED, IN WHOLE OR IN PART, TO MEET THE REQUIREMENTS OF SUCH APPLICABLE LAWS AND REGULATIONS.

YOUR EXCHANGE OF USE AUMS FROM YOUR NEVADA LANDS AND SANTA FE GOLD LEASES ARE REFLECTED ON THE EXCHANGE OF USE FORMS AND IN YOUR BASIC SCHEDULE.

THIS PERMIT IS A STATEMENT OF YOUR ADJUDICATED ACTIVE PREFERENCE IN THE ABOVE ALLOTMENTS, AND SEASON OF USE AS STATED IN THE SNOSHONE-BUREAU RESOURCE MANAGEMENT PLAN DOCUMENT. ACTUAL NUMBERS OF LIVESTOCK WILL BE ADJUSTED WITH EACH APPLICATION TO CORRESPOND WITH

514 02B1P00002101 021000000111 HONKY NEGROB WOLF H02100 0002-5-NV1

CASE FILE COPY

**AUTH NUMBER: 3706028
DATE PRINTED: 1/12/2007**

YOUR AUTHORIZED PREFERENCE.

YOU ARE AUTHORIZED 67 AIMS IN BATTLE MOUNTAIN TRIANGLE ALLOTMENT AS EXCHANGE OF USE.

THE 124 AIM REDUCTION IN THE COPPER CANYON ALLOTMENT (10002) IS IN EFFECT AS OF 03/01/94 PER THE FINAL DECISION ISSUED 03/19/93.

THE TERMS AND CONDITIONS OF THIS PERMIT MUST BE CONSISTENT WITH THE STANDARD AND GUIDELINES APPROVED FEBRUARY 12, 1997 FOR THE NEVADA NORTHEASTERN GREAT BASIN RESOURCE ADVISORY COUNCIL (NRAC) AREA.

ACTIVE AUTHORIZED GRAZING USE FOR THE COPPER CANYON ALLOTMENT IS 3,587 AIMS AND ACTIVE AUTHORIZED GRAZING USE FOR THE NORTH BUFFALO ALLOTMENT IS 353 AIMS.

IN ACCORDANCE WITH THE RANGELAND PROGRAM SUMMARY (RPS) FOR COPPER CANYON, UTILIZATION NOT TO EXCEED 50% ON KEY SPECIES BY SEED DISSEMINATION, AND 50% BY THE END OF THE GRAZING YEAR.

IN ACCORDANCE WITH THE RPS FOR COPPER CANYON, UTILIZATION OF RIPARIAN HABITAT TO BE IMPROVED WILL NOT EXCEED 30% ON KEY SPECIES.

IN ACCORDANCE WITH THE RPS FOR COPPER CANYON, UTILIZATION OF KEY BROWSE SPECIES NOT TO EXCEED 50% IN TERRESTRIAL RANGELAND HABITAT AREAS.

IN ACCORDANCE WITH THE RPS FOR NORTH BUFFALO, UTILIZATION NOT TO EXCEED 50% ON KEY SPECIES BY SEED DISSEMINATION, AND 50% BY THE END OF THE GRAZING YEAR.

IN ACCORDANCE WITH THE RPS FOR NORTH BUFFALO, UTILIZATION ON RIPARIAN VEGETATION SHALL NOT EXCEED 50% ON KEY SPECIES.

IN ACCORDANCE WITH 43 CFR 4130.8-1(F): FAILURE TO PAY GRAZING BILLS WITHIN 15 DAYS OF THE DUE DATE SPECIFIED IN THE BILL SHALL RESULT IN A LATE FEE ASSESSMENT OF \$25.00 OR 10 PERCENT OF THE GRAZING BILL, WHICHEVER IS GREATER, BUT NOT TO EXCEED 1250.00. PAYMENT MADE LATER THAN 15 DAYS AFTER THE DUE DATE SHALL INCLUDE THE APPROPRIATE LATE FEE ASSESSMENT. FAILURE TO MAKE PAYMENT WITHIN 30 DAYS MAY BE A VIOLATION OF 43 CFR SEC. 4140.1(C)(1) AND SHALL RESULT IN ACTION BY THE AUTHORIZED OFFICER UNDER 43 CFR SECTIONS 4150.1 AND 4160.1-2.

IN ACCORDANCE WITH 43 CFR 4130.3-2(D): ACTUAL USE INFORMATION FOR EACH PASTURE/USE AREA WILL BE SUBMITTED TO THE AUTHORIZED OFFICER WITHIN 15 DAYS OF COMPLETING GRAZING USE AS SPECIFIED ON THE GRAZING PERMIT AND/OR GRAZING LICENSES.

IN ACCORDANCE WITH 43 CFR 4130.3-1(A): ALL RANGE IMPROVEMENTS SHALL BE INSTALLED, USED, MAINTAINED, AND/OR MODIFIED ON THE PUBLIC LANDS, OR REMOVED FROM THESE LANDS, IN A MANNER CONSISTENT WITH MULTIPLE USE MANAGEMENT.

IN ACCORDANCE WITH 43 CFR 4130.3-2(C): IN ORDER TO IMPROVE LIVESTOCK AND RANGELAND MANAGEMENT ON THE PUBLIC LANDS, ALL SALT AND/OR MINERAL SUPPLEMENTS WILL NOT BE PLACED WITHIN 1/4 MILE OF ANY RIPARIAN AREA, WET MEADOW, OR WATERING FACILITY (EITHER PERMANENT OR TEMPORARY) UNLESS STIPULATED THROUGH A WRITTEN AGREEMENT OR DECISION.

IN ACCORDANCE WITH 43 CFR 4130.3-2(H): ALL GRAZING PERMITTEES SHALL PROVIDE REASONABLE ACCESS ACROSS PRIVATE AND/OR LEASED LANDS TO THE BUREAU OF LAND MANAGEMENT FOR THE ORDERLY MANAGEMENT AND PROTECTION OF THE PUBLIC LANDS.

IN ACCORDANCE WITH 43 CFR 4130.3-3: THE AUTHORIZED OFFICER MAY

0 0

101-1008141833

1775291833

JUN-5-2008 07:22A FROM:ROGER RANKIN

CASE FILE COPY

AUTH NUMBER: 2708029
DATE PRINTED: 11/19/2017

MODIFY TERMS AND CONDITIONS OF THE PERMIT OR LEASE WHEN THE ACTIVE USE OR RELATED MANAGEMENT PRACTICES ARE NOT MEETING THE LAND USE PLAN, ALLOTMENT MANAGEMENT PLAN OR OTHER ACTIVITY PLAN, OR MANAGEMENT OBJECTIVES, OR IS NOT IN CONFORMANCE WITH THE PROVISIONS OF SUBPART 4180 RAC STANDARDS AND GUIDELINES.

PURSUANT TO 43 CFR 10.4(C) THE HOLDER OF THIS AUTHORIZATION MUST NOTIFY THE AUTHORIZED OFFICER, BY TELEPHONE, WITH WRITTEN CONFIRMATION, IMMEDIATELY UPON THE DISCOVERY OF HUMAN REMAINS, FUNERARY OBJECTS, SACRED OBJECTS, OR OBJECTS OF CULTURAL PATHWAYS (AS DEFINED AT 43 CFR 10.2). FURTHER, PURSUANT TO 43 CFR 10.4(C) AND (D), YOU MUST STOP ACTIVITIES IN THE IMMEDIATE VICINITY OF THE DISCOVERY AND PROTECT IT FROM YOUR ACTIVITIES FOR 30 DAYS OR UNTIL NOTIFIED BY THE AUTHORIZED OFFICER.

IN ACCORDANCE WITH 43 CFR 4130.3-1 (B) - ALL PERMITS AND LEASES SHALL BE MADE SUBJECT TO CANCELLATION, SUSPENSION, OR MODIFICATION FOR ANY VIOLATION OF THESE REGULATIONS OR OF ANY TERM OR CONDITION OF THE PERMIT OR LEASE.

ALLOTMENT SUMMARY (AUMS)

| <u>ALLOTMENT</u> | <u>ACTIVE AUMS</u> | <u>SUSPENDED AUMS</u> | <u>GRAZING PREFERENCE</u> |
|---------------------|--------------------|-----------------------|---------------------------|
| 02145 NORTH BUFFALO | 153 | 0 | 153 |
| 10602 COPPER CANYON | 3587 | 224 | 3,811 |
| | <u>3740</u> | | |



27

1012883641831

1775931852

JUN-5-2008 07:59 FROM: BUDGER RANCH

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
EXCHANGE-OF-USE GRAZING AGREEMENT

FOR BLM USE ONLY

State: NV

Office: 660

Operator Number: 6029

Name (last, first, middle initial): BADGER RANCH c/o DAN FILIPPINI

Address (include street, city, State, and zip code): HC 61 Box 65 BATTLE MOUNTAIN, NV 89830

I own/lease the following described lands (Not by legal subdivision and for those lands which are leased, indicate the effective and expiration dates of the lease)

- NEVADA LAND AND RESOURCE COMPANY
NEW MOUNT MINING CORPORATION
- NORTH BUFFALO 36,575.1 ACRES @ 16.4 ACRES/ANNU
 - COPPER CANYON 23,299.24 ACRES @ 12.2 ACRES/ANNU

Estimated grazing capacity 4124 (Animal Unit Months) of all lands described above.

I. These lands are situated within the NV & CO Allotment, State of Nevada District and are susceptible and suitable for livestock grazing during the same periods as the public lands. I understand that the grazing use allowed cannot exceed the livestock grazing capacity of the private lands offered. I will confine my livestock to the number, kind, period or periods of time, and areas of use authorized.

2. I hereby apply for the following grazing use on intermingled and adjacent public lands to be effective for a period of Six Years years from March 1, 1996, to March 1, 1998, unless sooner terminated by either party in written notification.

| ALLOTMENT NAME AND NUMBER | LIVESTOCK NUMBER/KIND | PERIOD | | ANIMAL UNIT MONTHS |
|---------------------------|-----------------------|------------|-------------|--------------------|
| | | BEGIN | END | |
| <u>NORTH BUFFALO</u> | <u>185</u> | <u>3/1</u> | <u>2/28</u> | <u>2230</u> |
| <u>COPPER CANYON</u> | <u>157</u> | <u>3/1</u> | <u>2/28</u> | <u>1,894</u> |
| | | | | <u>4124</u> |

This agreement (1) conveys no right, title, or interest held by the United States in any lands or resources, and (2) is subject to (a) modification, suspension, or cancellation as required by land use plans and subject to applicable law, (b) annual review and to modification of terms and conditions as appropriate, (c) cancellation in whole or in part upon loss of control of all or part of the land upon which it is based, (d) the Taylor Grazing Act, as amended, the Federal Land Policy and Management Act, as amended, the Public Rangelands Improvement Act, and the rules and regulations now or hereafter promulgated thereunder by the Secretary of the Interior.

ACCEPTED BY: Dan Filippini Date: 01/24/06

Title 18, U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations in any matter within its jurisdiction.

APPROVED: [Signature] Date: 1/30/06

(Continued on reverse)

Form 4130-4
(June 1993)

FORM APPROVED
OMB NO. 1004-0005
Expires March 31, 1996

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
EXCHANGE-OF-USE GRAZING AGREEMENT

FOR BLM USE ONLY

| | |
|-----------------|------|
| State | NV |
| Office | D60 |
| Operator Number | 6029 |

Name (last, first, middle initial)
Badger Ranch % Dan Filippini

Address (include street, city, State, and zip code)
H.C. 61 Box 65
Bealla Mountain NV 89820

1. I own/lease the following-described lands (list by legal subdivision and for those lands which are leased, indicate the effective and expiration dates of the lease):

Newmont Mining Corporation lease Agreement

North Buffalo : 15,635 Acres @ 16.4 Acres/AUM

Copper Canyon : 12,700 Acres @ 12.3 Acres/AUM

Estimated grazing capacity 986 (Animal Unit Months) of all lands described above.

2. These lands are situated within the _____ Allotment _____ District, and are accessible and suitable for livestock grazing during the same periods as the public lands. I understand that the grazing use allowed cannot exceed the livestock grazing capacity of the private lands offered. I will confine my livestock to the number, kind, period or periods of time, and areas of use authorized.

3. I hereby apply for the following grazing use on unappropriated and adjacent public lands to be effective for a period of See Lease years from period of lease 19__ to 19__, unless sooner terminated by either party on written notification.

| ALLOTMENT NAME AND NUMBER | LIVESTOCK NUMBER/KIND | PERIOD | | ANIMAL UNIT MONTHS |
|---------------------------|-----------------------|--------|------|--------------------|
| | | BEGIN | END | |
| North Buffalo | 79 | 3/1 | 2/28 | 953 |
| Copper Canyon | 86 | 3/1 | 2/28 | 1033 |
| | | | | 1986 |

This agreement (1) conveys no right, title, or interest held by the United States in any lands or resources, and (2) is subject to (a) modification, suspension, or cancellation as required by land use plans and subject to applicable law, (b) annual review and to modification of terms and conditions as appropriate, (c) cancellation in whole or in part upon loss of control of all or part of the land upon which it is based, (d) the Taylor Grazing Act, as amended, the Federal Land Policy and Management Act, as amended, the Public Rangelands Improvement Act, and the rules and regulations now or hereafter promulgated thereunder by the Secretary of the Interior.

ACCEPTED BY: [Signature] Date 2/28/06

Title (8 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction)

APPROVED: [Signature] Date 2/28/06

(Continued on reverse)

8-P 328163891832 25102152 11N-5-2868 07-165 FROM BRODER RANCH

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
EXCHANGE-OF-USE GRAZING AGREEMENT

FORM APPROVED
COMB NO. 1004-0020
Expires: March 31, 1996

FOR BLM USE ONLY

| | |
|-----------------|-------|
| State | NV |
| Office | 060 |
| Operator Number | 26029 |

Name (last, first, middle initial)
Boyer Ranch Yo Dan Filippini

Address (include street, city, State, and zip code)
HCO Box 65
Battle Mountain, NV 89820

I own/lease the following described lands (list by legal subdivision and for those lands which are leased, indicate the effective and expiration dates of the lease)

Nevada Land + Resource Company Lease, Lease Assignments, + unfenced private -
North Buffalo : 21,449.22 Acres @ 16.4 Acres/AUM
Copper Canyon : 12,556.90 Acres @ 12.3 Acres/AUM

Estimated grazing capacity 2,327 (Animal Unit Months) of all lands described above.

These lands are situated within the _____ Allotment, _____ District, and are accessible and suitable for livestock grazing during the same periods as the public lands. I understand that the grazing use allowed cannot exceed the livestock grazing capacity of the private lands offered. I will confine my livestock to the number, kind, period or periods of use, and areas of use authorized.

I hereby apply for the following grazing use on intermingled and adjacent public lands to be effective for a period of two years from period of lease, 19 to 19 , unless sooner terminated by either party in written notification.

| ALLOTMENT NAME AND NUMBER | LIVESTOCK NUMBER/KIND | PERIOD | | ANIMAL UNIT MONTHS |
|---------------------------|-----------------------|--------|------|--------------------|
| | | BEGIN | END | |
| North Buffalo | 108 | 3/1 | 2/28 | 1306 |
| Copper Canyon | 85 | 3/1 | 2/28 | 1021 |
| | | | | <u>2330</u> |

This agreement (1) conveys no right, title, or interest held by the United States in any lands or interests, and (2) is subject to (a) modification, suspension, or cancellation as required by land use plans and subject to applicable law; (b) annual review and to modification of terms and conditions as appropriate; (c) cancellation in whole or in part upon loss of control of all or part of the land upon which it is based; (d) the Taylor Grazing Act, as amended, the Federal Land Policy and Management Act, as amended, the Public Rangelands Improvement Act, and the rules and regulations now or hereafter promulgated thereunder by the Secretary of the Interior.

ACCEPTED BY
Signature of Applicant [Signature] Date 2/28/06

Title 18, U.S.C., Section 1061, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations in any matter within its jurisdiction.

APPROVED:
Signature of Authorized Officer [Signature] Date 2/28/06
(Printed on reverse)

STATE OF NEVADA

PROOF OF APPROPRIATION OF WATER FOR STOCK WATERING
OR WILDLIFE PURPOSES

(1) Name of Claimant Julian Tomera Ranches, Battle Mountain Division

P.O. Box 276 of Battle Mountain
Street and No. or P.O. Box No. City or town
Nevada 89820
State and Zip code No.

(2) Source of water Trout Creek and springs, branches and tributaries
Name of natural water source.

(3) The water is diverted by natural channel
Dam, ditch, pipe line, natural channel, spring area, etc.

(4) The water is diverted at the following point(s) Headwaters of Trout Creek rising in the SW¼NW¼
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.

Section 30, T. 29 N., R. 46 E., MDM, and following the natural channel to its confluence with
Diversion over a channel reach must be described by course and distance to a section corner for both the beginning and end of such reach.

Unnamed Tributary No. 1 in the SE¼SE¼ Section 24, T. 29 N., R. 45 E., MDM, at a point from
which the NW corner of Section 5, T. 29 N., R. 45 E., MDM, bears N. 52°17' W., 33.340 feet;

thence following the natural channel to the divergence of the North Branch of Trout Canyon Creek
in the NE¼SE¼ Section 10, T. 29 N., R. 44 E., MDM, at a point from which the NE corner of said

Section 10 bears N. 10°01' E., 2.923 feet; thence following the natural channel to its intersection
with SR 305 at the limit of the grazing boundary in the SE¼SE¼ Section 8, T. 29 N., R. 44 E.,

MDM, at a point from which the NE corner of said Section 8 bears N. 4°37' E., 4.483 feet; and
Unnamed Tributary No. 1 rising in the NW¼SW¼ Section 19, T. 29 N., R. 46 E., MDM, and

following the natural channel to its confluence with Trout Creek; and Unnamed Tributary No. 2
rising in the SE¼SE¼ Section 14, T. 29 N., R. 45 E., MDM, following the natural channel to its

Pa
54-LA

confluence with Trout Creek in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 25, T. 29 N., R. 45 E., MDM; and Unnamed Tributary No. 3 rising in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 26, T. 29 N., R. 45 E., MDM, following the natural channel to its confluence with Trout Creek in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 23, T. 29 N., R. 45 E., MDM; and Unnamed Tributary No. 4 rising in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 23, T. 29 N., R. 45 E., MDM, following the natural channel to its confluence with Trout Creek in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 23; and Unnamed Tributary No. 5 rising in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 27, T. 29 N., R. 45 E., MDM, following the natural channel to its confluence with Trout Creek in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22, T. 29 N., R. 45 E., MDM; and Unnamed Tributary No. 6 rising in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 21, T. 29 N., R. 45 E., MDM, following the natural channel to its confluence with Trout Creek in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ said Section 21; and Unnamed Tributary No. 7 rising in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 21, following the natural channel to its confluence with Trout Creek in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 16, T. 29 N., R. 45 E., MDM; and Unnamed Tributary No. 8 rising in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 18, T. 29 N., R. 45 E., MDM, following the natural channel to its confluence with Trout Creek in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 12, T. 29 N., R. 44 E., MDM; and Unnamed Tributary No. 9 rising in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 11, T. 29 N., R. 44 E., MDM, following the natural channel to its confluence with Trout Creek in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 10, T. 29 N., R. 44 E., MDM; and Unnamed Tributary No. 10 rising in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 11, T. 29 N., R. 44 E., MDM, following the natural channel to its confluence with Trout Creek in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 9, T. 29 N., R. 44 E., MDM; and Unnamed Tributary No. 11 rising in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 11, T. 29 N., R. 44 E., MDM, following the natural channel to its confluence with Unnamed Tributary No. 10 in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 15, T. 29 N., R. 44 E., MDM; and the North Branch of Trout Creek at its divergence from the Main Stem of Trout Creek and following the natural channel to the SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 33, T. 30 N., R. 44 E., MDM, at a point from which the SW corner of said Section 33 bears S. 81 $^{\circ}$ 38' W.,

1,648 feet; and Unnamed Tributary No. 12 rising in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 10, T. 29 N., R. 44 E., MDM, and following the natural channel to its confluence with the North Branch of Trout Creek in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 3, T. 29 N., R. 44 E., MDM; and Unnamed Tributary No. 13 rising in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 11, T. 29 N., R. 44 E., MDM, following the natural channel to its confluence with Unnamed Tributary No. 12 in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 10, T. 29 N., R. 44 E., MDM; and Unnamed Tributary No. 14 rising in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ said Section 10, following the natural channel to its confluence with Unnamed Tributary No. 12 in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 3, T. 29 N., R. 44 E., MDM; and Unnamed Tributary No. 15 rising in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 4, T. 29 N., R. 44 E., MDM, following the natural channel to its confluence with the North Branch of Trout Creek in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 4.

(5) The water is impounded in natural channel
Troughs, tanks, pools, reservoir, natural channel, etc.

(6) The construction of the ditch or other works was begun none and completed _____
Date Date

(7) The nature of the claimant's title to the land upon which the source of water and place of use are located is A combination of private lands and public domain with grazing permits
Patented, deeded, public domain with grazing permit, etc.

(8) The claimant's water right was (was not) recorded in the office of the County Recorder of _____ County, at Page _____ of Book _____ of _____
NOTE-Failure to record in the county in no way invalidates a water right, but if water right was so recorded, supply full information under (8).

(9) The approximate number of animals watered by the claimant during the first year _____ was cattle _____ horses _____ sheep or wildlife (describe) _____
Date Other

The watering was conducted during each of the following months _____
This portion of Trout Creek is in the historical range of the W. T. Jenkins ranching operation. Stock operations for the Jenkins Ranch date back to 1889. Water usage and rights therefore date back at least to that period. This portion of the ranch is now a part of the Julian Tomera Ranches,

Battle Mountain Division, whose Argenta Unit Grazing Allotment now encompasses these same grazing areas previously operated by W. T. Jenkins. In addition, the Ruffi ranch operated cattle in this area beginning in the late 1880's and according to a deposition by Leroy Horn (see accompanying letter), who sold AUM'S and railroad land leases to the Tomera Ranches, the livestock were watered in Trout Creek.

- (10) The approximate number of animals watered by the claimant in subsequent years was as follows:

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.

- (11) The amount of water which has been necessary to be diverted for this purpose has been

cubic feet per second.

448.83 gallons per minute equals 1 cubic foot per second.

- (12) The works are located at. The Place of Use is as follows: W $\frac{1}{2}$ NW $\frac{1}{4}$ Section 30 and W $\frac{1}{2}$ SW $\frac{1}{4}$

Describe as being within a 40-acre subdivision, section, township and range of public survey. If on unsurveyed

Section 19 all in T. 29 N., R. 46 E., MDM; E $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$

land, it should be stated.

Section 24 and N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 25 and SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 14 and E $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 23 and E $\frac{1}{2}$ NE $\frac{1}{4}$ Section 26 and N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 27 and SE $\frac{1}{4}$, S $\frac{1}{2}$ N $\frac{1}{2}$,

NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 22 and E $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ Section 21 and SW $\frac{1}{4}$ SE $\frac{1}{4}$,

S $\frac{1}{2}$ SW $\frac{1}{4}$ Section 16 and N $\frac{1}{2}$ S $\frac{1}{2}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 17 and S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$,

NE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, Lots 1, 2, 3 & 4 Section 18 and SE $\frac{1}{4}$ SW $\frac{1}{4}$, Lot 4 Section 7 all in T. 29 N.,

R. 45 E., MDM; and Lot 4 Section 12 and Lot 2 Section 13 all in T. 29 N., R. 44 $\frac{1}{2}$ E., MDM;

E $\frac{1}{2}$ NE $\frac{1}{4}$ Section 13 and S $\frac{1}{2}$ S $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 12 and N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 11 and N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 10 and S $\frac{1}{2}$ S $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 3 and NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 4 and S $\frac{1}{2}$ S $\frac{1}{2}$ Section 9 and

NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 15 and N $\frac{1}{2}$ NE $\frac{1}{4}$ Section 16 and SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 8 all in T. 29 N.,

R. 44 E., MDM; SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 33, T. 30 N., R. 44 E., MDM.

Remarks

07581

The undersigned, being first duly sworn, deposes and says that the facts relative to the appropriation of water by Julian Tomera Ranches, Battle Mountain Division are full and correct to the best of his knowledge and belief.

The undersigned deponent is acting as Agent for the claimant
If proof is not made by claimant, deponent should state on this line by virtue of what authority he represents the claimant.

Julian Tomera Ranches, Battle Mountain Division
Claimant

Telephone No. (702) 635-5610

By William C. Aisbit Agent

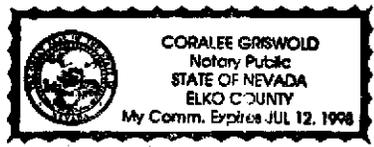
421 Court Street
Street and No., or P.O. Box No.
Elko, NV 89801
City, State, Zip Code No.
Telephone No. (702) 738-2121

Subscribed and sworn to before me this 20 day of February, 19 96.
by William A. Nesbitt Coralie Griswold

Notary Public in and for the County of Elko

My commission expires July 12, 1998

\$\$0 FILING FEE MUST ACCOMPANY PROOF



Application No. 80737

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

| | |
|---|------------------------------|
| THIS SPACE FOR OFFICE USE ONLY | |
| Date of filing in State Engineer's Office | <u>APR 04 2011</u> |
| Returned to applicant for correction | _____ |
| Corrected application filed | Map filed <u>APR 04 2011</u> |

The applicant Julian Tomera Ranches, Battle Mountain Division
Box 276 of Battle Mountain
Street Address or PO Box City or Town
Nevada 89820-0276 hereby make(s) application for permission to change the
State and ZIP Code

Point of diversion Place of use Manner of use of a portion
of water heretofore appropriated under (Identify existing rights by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)
claim #07581

- The source of water is Trout Creek
Name of stream, lake, underground, spring or other sources.
- The amount of water to be changed 0.015 cfs
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
- The water to be used for stock watering (75 cattle, 10 horses, 1,000 sheep)
Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use
- The water heretofore used for stock watering (150 cattle, 10 horses, 2,000 sheep)
If for stock, state number and kind of animals.
- The water is to be diverted at the following point (Describe as being within a 40-acre subdivision of public survey and by course and distance to a found section corner. If on unsurveyed land, it should be stated.)
within the SW 1/4 NE 1/4 Section 18, T.29N., R.45E., M.D.M., from which the NW corner of said section 18 bears N.68°21'W., 4,187.0 ft. (same point of diversion as claim #02678 & permit #39377).
- The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
multiple locations on the natural stream channel of Trout Creek & tributaries (see claim #07581)

Exhibit 10
Page 1 of 2 *59-LA*

Exhibit 1
Page 103 of 116

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

T.29N., R.44E., M.D.M. Sec. 2: SW¼SE¼, SE¼NW¼; Sec. 3: Lots 1 & 2; Sec. 12: W¼NW¼, SE¼SE¼
T.30N., R.44E., M.D.M. Sec. 33: SE¼NE¼ & NE¼SE¼

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)

see claim #07581 for details - generally central portions of T.29N., R.44E. & R.45E., M.D.M. (all existing place of use is retained, new place of use is added)

9. Proposed use will be from Jan. 1 to Dec. 31 of each year.
Month and Day Month and Day

10. Existing use permitted from Jan. 1 to Dec. 31 of each year.
Month and Day Month and Day

11. Description of proposed works. (Under the provision of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) (State manner in which water is to be diverted, i.e., diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.)

Applicant seeks to place additional stock water into an existing pipeline system, as described under permit #39377, and is proposing the addition of one or more additional watering troughs in the proposed place of use.

12. Estimated cost of works \$5,000.00

13. Estimated time required to construct works three years

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use five years

15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

Only short pipeline additions and additional watering troughs are contemplated, to tap into the existing pipeline distribution system, authorized by BLM for livestock on public and leased land.

16. Miscellaneous remarks:

Please send copies of notices & correspondence to undersigned agent.

RECEIVED
2011 APR - 4 PM 12:16
STATE ENGINEERS OFFICE

wnisbet@chilton-inc.com
E-mail Address
(775)738-2121 111
Phone No. Ext.

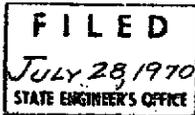
APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

William A. Nisbet
Type or print name clearly
William A. Nisbet
Signature, applicant or agent
Chilton Engineering & Surveying
Company Name
421 Court Street
Street Address or PO Box
Elko, Nevada 89801-3527
City, State, ZIP Code

Revised 07/09 \$200 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

Exhibit 10
Page 2 of 2

Exhibit 1
Page 104 of 116



Filing Serial No. 02678

THE STATE OF NEVADA
PROOF OF APPROPRIATION OF WATER FOR IRRIGATION

From TROUT CREEK
Name of natural water source

Through UNNAMED PIPELINE
Name of ditch, flume, or pipe line

LEROY HORN Leroy Horn the undersigned, being first

duly sworn, deposes and says that the facts relative to the appropriation of water by
are full and correct to the best of his
knowledge and belief.

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

(1) Name of claimant LEROY HORN

Address P.O. BOX 118, County of LANDER
Battle Mountain
State of NEVADA

(2) The means of diversion employed CONCRETE DIVERSION BOX AND PIPELINES
Dam and ditch, pipe line, flume, etc.

(3) The date of the survey of ditch, canal, or pipe line was MAY 18, 1960 FOR PIPELINE

(4) The construction of the ditch or other works was begun NOVEMBER 1960
and completed MARCH 1961

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

(6) The conduit has (has not) been enlarged. SEE REMARKS
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 OWNERSHIP
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

(11) Crops of ALFALFA AND GRAIN
have been grown upon the land irrigated.

(12) The water has been used for irrigation from MARCH 15 to NOVEMBER 15
of each year. Day of month Day of month

(13) The water was first used for irrigation by claimant or HIS grantors in the year 1901
when 3.7 acres were irrigated in the NW 1/4 NE 1/4 of Sec. 18
T. 29N R. 45 E.

Exhibit 11
Page 1 of 4

Exhibit 1
Page 105 of 116

(14) The additional number of acres first irrigated in subsequent years was as follows:

PRIOR TO 1901, ^{Year} 13.3 acres in the NE 1/4 NW 1/4 of Sec. 18, T. 29N., R. 45 E.

PRIOR TO 1901, 4.6 acres in the NW 1/4 NW 1/4 of Sec. 18, T. 29N., R. 45 E.

PRIOR TO 1901, 4.3 acres in the SE 1/4 SW 1/4 of Sec. 7, T. 29N., R. 45 E.

PRIOR TO 1901, 26.6 acres in the SW 1/4 SW 1/4 of Sec. 7, T. 29N., R. 45 E.

PRIOR TO 1901, 0.5 acres in the LOT 1 of Sec. 13, T. 29N., R. 44 1/2 E.

PRIOR TO 1901, 0.6 acres in the LOT 4 of Sec. 12, T. 29N., R. 44 1/2 E.

PRIOR TO 1901, 0.2 acres in the NE 1/4 NE 1/4 of Sec. 13, T. 29N., R. 44 E.

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

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

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

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

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

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

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

Remarks:
Append a sheet if necessary

(15) The maximum acreage irrigated in any year was 53.8 acres.

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

(17) 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

(18) 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 (19)

(19) The map provided by the State Engineer and attached hereto as a part of this proof is hereby accepted as correctly showing the ditch lines or irrigation works diverting or conveying the water claimed and the lands irrigated.

(20) Water from the source given and through the works described is also used for the following purposes other than irrigation: STOCKWATER AND DOMESTIC

(21) The character of the soil is LOAM (Sandy, gravelly, loam) The soil needs 4.0 acre-feet per annum to properly irrigate the crops. A continuous flow of 2.0 cubic feet of water per second, during the irrigation season of 9 months, is needed to irrigate each 100 acres of land.

(22) Remarks: THE POINT OF DIVERSION IS LOCATED WITHIN THE SW 1/4 NE 1/4 OF SECTION 18, T. 29 N., R. 45 E., M.D.B. & M. OR AT A POINT FROM WHICH THE NW CORNER OF SAID SECTION 18 BEARS N. 88° 21' W., 4187 FEET

DITCHES WERE USED EARLIER AND IN 1960 THE PIPELINE WAS INSTALLED.

Leroy Horn

Subscribed and sworn to before me this 27th day of July, 1970

Elizabeth M. Rieck



Notary Public in and for the County of Lander

My Commission Expires May 10 - 1973

This part of form to be left blank by claimant

Filing Serial No. 02678

STATE OF NEVADA
PROOF OF APPROPRIATION OF
WATER FOR IRRIGATION

Water Source.....

Through.....

Claimant.....

Filed in the office of the State Engineer on

..... 19.....

State Engineer.....

Certificate No. issued hereunder

..... 19.....

Form B 5-11-58-1M

RECEIVED
JUL 2 8 1970
STATE ENGINEER'S OFFICE

**AMENDMENT
TO
PROOF OF APPROPRIATION OF WATER FOR IRRIGATION
SERIAL NO. 02678**

**RECEIVED
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STATE ENGINEERING**

On July 28, 1990, Leroy Horn filed a Proof of Appropriation of Water for Irrigation which set forth a priority of irrigation use on 53.8 acres of "Prior to 1901" and in answer to Question 18 of said proof indicated the water right was not recorded.

The undersigned, as the successor to Leroy Horn has conducted a search of available records which evidences a much earlier priority of use and files this amendment to be attached to the original proof.

Attached is a chain of title with references to documents recorded in the office of the County Recorder of Lander County Nevada. This chain of title includes a ditch claim by William Pankey recorded in Book 3 of Miscellaneous Records at page 53, in which Pankey sets forth a diversion from Trout Creek dated November 6, 1878. The plat attached appears to be in error as it shows the land to be located in Township 29 North, Range 44 East instead of Township 29 North, Range 45 East (copy attached) His claim also states that it is at the mouth of Trout Creek Canyon. As to either location, the ditch claim evidences diversion of water by 1878. In 1883, William Pankey conveys 160 acres by Quit Claim Deed to J. A. Blossom situate on Trout Creek plus all water rights and Pankeys Water Ditch. A successor to Blossom was Walter Dobbs who obtained a patent to 160 acres in Section 18, T29NR45E, MDB&M and is a predecessor to the undersigned.

The claim of Leroy Horn lists irrigated lands as being Sections 7 and 18, T29NR45E, MDB&M, although lands in Section 7 were not acquired until 1938.

Early deeds include lands lying within "our fences" and a cadastral survey plat prepared in 1901 shows a fenced field and Dobb's house within both sections. Based upon this, the Pankey

Ditch also provided water to lands in Section 7.

The 1880 tax roll of Lander County (copy attached) assesses Wm. Pankey for 80 acres on Trout Creek which further evidences a possessory interest.

Based on the above, the priority claimed in the original proof of Leroy Horn of 1901 is amended to 1878 and the recordation of the water rights is in Book 3 of Miscellaneous Records at page 53, Lander County, Nevada.

RAND PROPERTIES, LLC

by: *Martha A. Rand*
MARTHA A. RAND

Proof 02678

| GRANTOR | GRANTEE | DATE | BOOK | PAGE | REMARKS |
|---------------------------------------|---|----------|-----------|------|--|
| William Pankey | John W. McWilliams | 12-28-76 | 2 | 771 | Brand Bill of Sale |
| William Pankey | | 11-6-78 | 3 misc | 53 | Ditch Claim |
| 1980 Tax Roll | Wm Pankey | - | - | - | Assesses 80 acres on Trout Creek, 20 horses and 75 cattle + 0 Pankey |
| William Pankey Mary Ann Pankey | J. A. Blossom | 9-28-83 | 46 | 364 | 160 acres on Trout Creek |
| Mrs. E. M. Blossom, et al | G. Hoffman | 3-4-01 | 49 | 514 | Deed-Possessory interest in Trout Cr. Ranch Deed |
| Gottf Hoffman Lisette Hoffman | Walter Dobbs | 3-30-09 | 52 | 170 | Trout Cr. Ranch Deed |
| United States | Walter Dobbs | 10-26-08 | 52 | 171 | Patent - 160 acres - Sec 18 |
| Walter Dobbs May Sabine Dobbs | Herstle Jones Byron E. Morris | 3-19-43 | 62 | 24 | Deed |
| Byron E. Morris Florence Morris | Herstle Jones | 9-22-43 | 62 | 25 | Deed |
| Herstle Jones | F. Leroy Horn Barbara Horn | 7-29-59 | 67 | 364 | Deed |
| Floyd Leroy Horn Barbara J. Horn | The Leroy and Barbara Horn Family Trust | 12-19-91 | 365 | 626 | Deed |
| The Leroy & Barbara Horn Family Trust | Jack and Lori Broughton Trust | 3-5-03 | 510 | 611 | Deed |
| Jack & Lori Broughton Trust | Rand Properties LLC | 9-16-09 | 600 | 717 | Deed |



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It is further agreed that if the parties of the second part shall suffer the said bond premises to remain for fifteen days without working the same, the said party of the second part shall thereby forfeit this lease and all rights and privileges thereunder. And at the expiration of said term of 15 days to surrender the possession of the said premises to said parties of the first part, their heirs or assigns. If any of the conditions therein specified shall be violated, or not complied with, then this lease shall terminate and be void.
In Witness Whereof, the parties hereto have hereunto set their hands and seals the day and year first above written.

Witness my hand and seal
John Bondy
William Phillips
John B. Harris
Thomas J. Jones

State of Maryland
County of Howard

On this Eight day of December A.D. one thousand eight hundred and twenty eight, before me, Charles S. Bondy, County Recorder for said County, personally appeared John Bondy, William Phillips, John B. Harris and Thomas J. Jones, to me personally known to be the individuals described in a certain deed, the contents of which instrument and they acknowledged to me that they executed the same freely and voluntarily for the use and purposes therein contained. In Witness Whereof, I have hereunto set my hand and affixed my official seal, the day and year first above written.

Recorded at request of John B. Harris, Recorder
A.D. 1878 at 6 P.M. Charles S. Bondy, Recorder

Witness my hand and seal
John Bondy
William Phillips
John B. Harris
Thomas J. Jones

THE STATE OF NEVADA
CERTIFICATE OF APPROPRIATION OF WATER

WHEREAS, William A. Nisbet, Agent has presented to the State Engineer of the State of Nevada Proof of Application of Water to Beneficial Use, from Trout Creek

through a creek, pipeline and stockwatering troughs for Stockwater

purposes. The point of diversion of water from the source is as follows: SW 1/4 NE 1/4 Section 18, T.29N., R.45E., M.D.B.&M., or at a point from which the NW corner of said Section 18 bears N. 68° 21' W., a distance of 4,187.0 feet

situated in Lander County, State of Nevada.

NOW KNOW YE That the State Engineer, under the provisions of NRS 533.425, has determined the date, source, purpose, amount of appropriation, and the place where such water is appurtenant, as follows:

Name of appropriator Leroy & Barbara Horn

Post-office address Battle Mountain, Nevada

Amount of appropriation 0.0167 c.f.s., or sufficient to water 600 head of cattle

Period of use, from January 1st to December 31st of each year

Date of priority of appropriation October 22, 1979

Description of works of diversion, manner and place of use:

Water is diverted from an existing steel pipeline and intake from Trout Creek, thence the water is conveyed approximately 5 miles by 1-1/4" pipeline to two troughs 2' x 4' x 14' where 600 head of cattle water within the NW 1/4 NW 1/4 of Section 12, SE 1/4 NW 1/4 of Section 2, T.29N., R.44E., M.D.B.&M.; SE 1/4 NE 1/4 and the NE 1/4 SE 1/4 of Section 33, T.30N., R.44E., M.D.B.&M.

This certificate is issued subject to the terms of the permit.

The right to water hereby determined is limited to the amount which can be beneficially used, not to exceed the amount above specified, and the use is restricted to the place and for the purpose as set forth herein.

In Testimony Whereof, I PETER G. MORROS, State Engineer

Compared bc/bk of Nevada, have hereunto set my hand and the seal of my office, this

Recorded BK Page 6th day of JUNE A.D. 19 89

County Records

Peter G. Morros
State Engineer

Exhibit 13
Page 1 of 1

Exhibit 1
Page 116 of 116