

After Recordation Return To:  
SIERRA PACIFIC POWER COMPANY  
Right-of-Way Department  
PO Box 10100  
Reno, Nevada 89520

A.P.N.  
007-050-05

~~NO TAX DUTY EASEMENT~~

**GRANT OF EASEMENT  
FOR  
OVERHEAD ELECTRIC DISTRIBUTION AND COMMUNICATION**

THIS INDENTURE, made and entered into this 18<sup>th</sup> day of August, 1997, by and between RICHARD WELZE, individually, and as Trustee of the Richard Welze Trust, (hereinafter referred to as "Grantor"), and SIERRA PACIFIC POWER COMPANY, a Nevada corporation, (hereinafter referred to as "Grantee"),

**WITNESSETH:**

GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00), in hand paid by Grantee, and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby grant to Grantee, its successors, assigns and agents, permanent and exclusive easements and rights of way to construct, alter, maintain, inspect, repair, reconstruct and operate one or more overhead electric distribution and communication facilities, consisting of one or more circuits, together with the appropriate poles, necessary guys and anchors, supporting structures, insulators and cross-arms, wires and cables, fixtures, and other necessary or convenient appurtenances connected therewith, (hereinafter called "Utility Facilities"), across, upon, over, and through the following described property situate in the County of DOUGLAS, State of NEVADA, to-wit:

A portion of the Southwest ¼ of Section 23, Township 13 North, Range 18 East, MDB&M, Douglas County, Nevada.

An easement 20.0 feet in width lying 10.0 feet each side of the following described centerline:

COMMENCING at the Westerly most corner of Parcel A as shown on the "Parcel Map for the Estate of Elizabeth Schulz Rabe," filed for record in the Office of the County Recorder September 21, 1990 in Book 990, page 3206 as Document No. 235099;

THENCE South 86° 06' 41" East, 456.20 feet along the Northerly property line to center of an existing powerline the TRUE POINT OF BEGINNING;

THENCE South 04° 14' 00" East, 126.38 feet along the existing powerline;

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THENCE South 03° 01' 47" East, 179.84 feet;

THENCE South 03° 37' 16" East, 264.23 feet to the Southerly property line and the terminus of this easement.

**IT IS FURTHER AGREED:**

1. Grantee shall have at all times ingress and egress to the above-described land for the purpose of constructing, altering, maintaining, inspecting, repairing, reconstructing and operating said Utility Facilities.

2. Grantee shall be responsible for any damage to personal property or improvements, suffered by Grantor by reason of constructing, altering, maintaining, inspecting, repairing, reconstructing and operating said Utility Facilities by Grantee.

3. Grantee will at all times save and hold harmless Grantor with respect to any and all loss, damage or liability suffered or sustained by reason of any injury or damage to any person or property, caused by the constructing, altering, maintaining, inspecting, repairing, reconstructing and operating of said Utility Facilities by Grantee.

4. Grantor shall not erect or construct, nor permit to be erected or constructed any buildings, fences or structures, nor permit any activity which in the reasonable judgment of Grantee is inconsistent with Grantee's use of said easement.

5. Grantee shall have the right to remove or clear any and all buildings, fences, structures, combustible materials, trees, brush, debris, or any other obstruction from said easement, which in the reasonable judgment of Grantee may interfere with or endanger the constructing, altering, maintaining, inspecting, repairing, reconstructing and operating of said Utility Facilities.

6. Grantee shall have the right to cut down or trim all trees within, adjacent to and outside said easement which may in the reasonable judgment of Grantee endanger the constructing, altering, maintaining, inspecting, repairing, reconstructing and operating of said Utility Facilities.

7. Grantor shall have the right to require Grantee to underground or relocate its lines in strict accordance with and subject to all the terms and conditions set forth in the Mutual Release and Settlement Agreement, attached hereto as Exhibit "A", which exhibit is fully incorporated by reference as though fully restated herein.

**THIS GRANT OF EASEMENT** and the terms contained herein shall be binding upon the successors, agents and assigns of Grantor and Grantee, and all rights herein granted may be assigned.

TO HAVE AND TO HOLD all and singular the said premises, granted together with the appurtenances, unto said Grantee, its successors, agents and assigns forever.

IN WITNESS WHEREOF, Grantor has caused these presents duly to be executed the day and year first above written.

Richard H. Welze  
RICHARD WELZE, individually, and as  
Trustee of the Richard Welze Trust

STATE OF NEVADA )  
COUNTY OF Douglas )

This instrument was acknowledged before me, a Notary Public, on the 18 day of August, 1997, by RICHARD WELZE, individually, and as Trustee of the Richard Welze Trust.

Sandy Dombrowski  
Notary Signature



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WITNESS CORNER  
FND 3" ALUM. CAP  
STAMPED 1/4 S22/S23 1/4 SEC.  
WC 156  
1974

N00°45'00"E  
156.00'

1/4 CORNER  
NOT FND

HWY 50

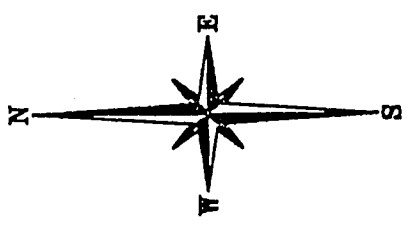
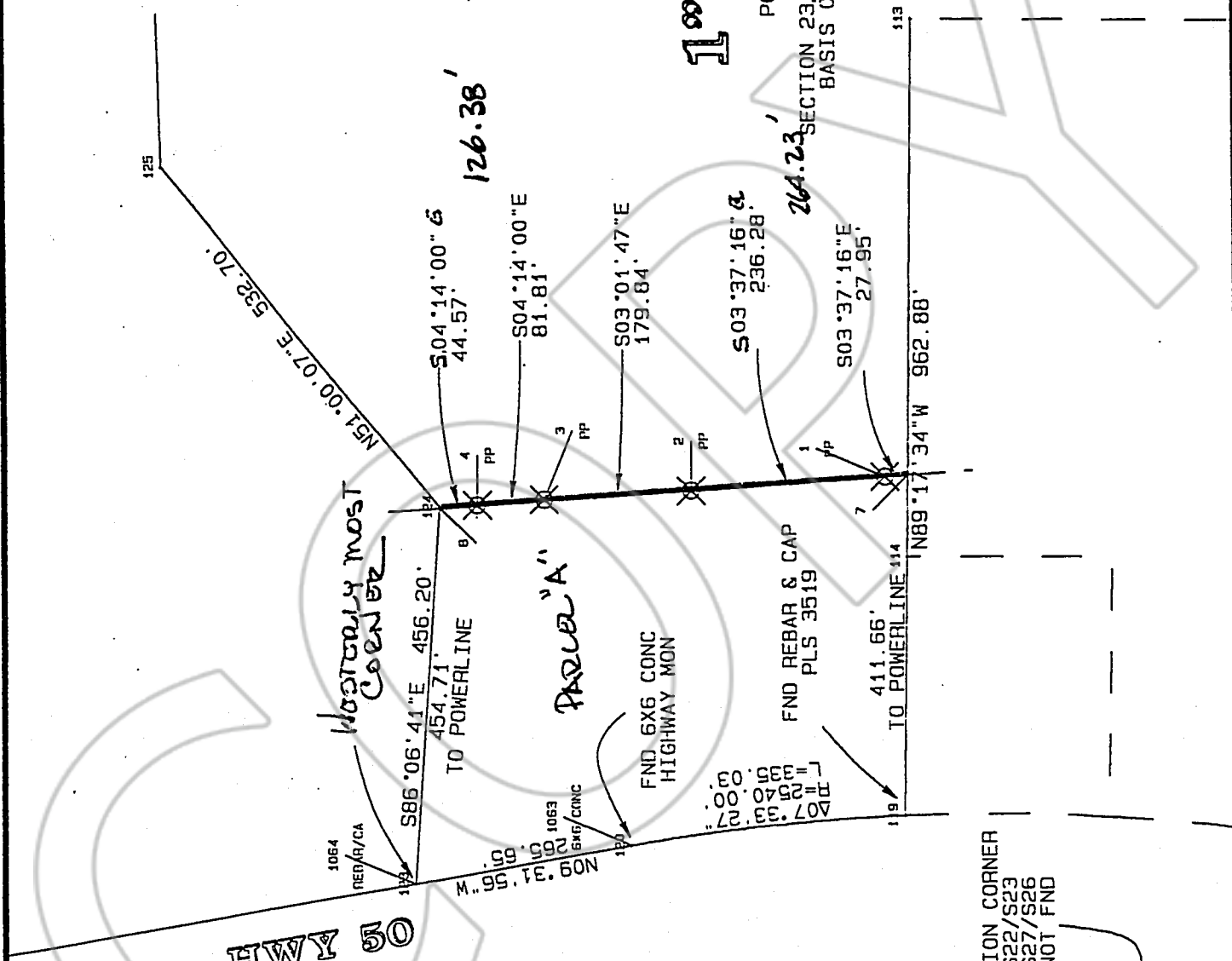
N00°45'24"E 2635.84'

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WC  
NOT FND

SECTION CORNER  
S22/S23  
S27/S26  
NOT FND



100' x 200'

POWERLINE SURVEY  
PARCEL A  
SECTION 23, T.13N., R.18E., M.D.M.  
BASIS OF BEARINGS = NAD27 &  
ROS 12-13-18

WITNESS CORNER

PARCEL "A"

FND 6X6 CONC  
HIGHWAY MON

FND REBAR & CAP  
PLS 3519

SECTION CORNER

WC  
NOT FND

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103

113

TO POWERLINE 411.66'

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N89°17'34"W 962.88'

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N51°00'07"E 532.70'

S04°14'00"E  
44.57'

S04°14'00"E  
81.81'

S03°01'47"E  
179.84'

S03°37'16"E  
236.28'

S03°37'16"E  
27.95'

126.38'

264.23'

TO POWERLINE  
454.71'

S86°06'41"E 456.20'

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RED/RY/CA

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# MUTUAL RELEASE AND SETTLEMENT AGREEMENT

## IDENTIFICATION OF PARTIES

1. Whenever used in this Mutual Release and Settlement Agreement ("Release"), the word "Welze" is understood to refer, individually and collectively, to Richard Welze, individually and as Trustee of the Richard Welze Trust, and to all of their contractors and subcontractors, predecessors in interest, successors in interest, associates, attorneys, partners, agents, representatives, employees, trustors, trustees, beneficiaries, insurers, heirs and assigns.

2. Wherever used in this Release, the word "Sierra" is understood to refer, individually and collectively, to Sierra Pacific Power Company, a Nevada corporation, and to all of their contractors and subcontractors, predecessors in interest, successors in interest, associates, attorneys, partners, agents, representatives, employees, insurers, officers, directors, and shareholders.

## RECITALS

3. Welze owns a certain piece of real property, 18.01 acres, more or less (the "property"), in Douglas County, Nevada, located adjacent to U.S. Highway 50, and more particularly described in Exhibit A to the complaint filed by Welze in Richard Welze, etc. v. Sierra Pacific, etc., Case No. 94-CV-0153 (the "action"). Sierra, at some point in time past, installed and currently maintains power lines which transverse said real property, roughly bisecting the property, south to north. By way of the complaint in this action, Welze has sought removal of these power lines and/or compensation for the land they cover. Sierra has denied Welze's claims. There are, therefore, unresolved differences and disputes existing between the parties hereto with respect to the matters described above, which are collectively referred to hereinbelow as "the dispute." Nevertheless, the parties desire to fully and finally compromise and settle any and all pending or potential claims between the parties hereto (including potential counterclaims), whether known or unknown, arising out of or related in any way whatsoever to the dispute, and all other causes of action, suits, debts, contracts, controversies, claims and demands, whatsoever, whether known or unknown, suspected, claimed or concealed, which the parties ever had, now have, or may have in the future (from the beginning of time and throughout the universe), arising out of the dispute, except as explicitly provided for pursuant to the obligations contained in this Release.

EXHIBITA 1

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NOW, THEREFORE, in consideration of the mutual promises and covenants herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

## TERMS AND PROVISIONS

1. Incorporation of Recitals. The foregoing Identification of Parties and Recitals are incorporated herein by this reference as if set forth at length.

2. Consideration.

a. Upon execution of this Release, and execution of the attached Exhibit A easement (for the portion of the property currently covered by the overhead transverse power lines), Sierra shall pay the sum of Twenty-Five Thousand Dollars (\$25,000.00) to "Richard Welze", in full and complete settlement of the dispute.

b. Each party shall bear its own costs and attorneys' fees in connection with the dispute.

c. Upon execution of this Release and the Exhibit A easement and payment of the \$25,000, the parties shall cause the action to be dismissed, with prejudice.

d. In the event the property is sold and/or developed, and the power lines need to be relocated overhead or undergrounded, such relocation or undergrounding will be entirely at Welze's or the developer/buyer's expense, subject to all governing rules and regulations. In such event, Sierra will, if asked, cooperate with Welze, and/or the developer/buyer, in relocating the power lines, either underground or overhead to a new location on the property, it being understood that if the lines are to be relocated, Welze or his successors must provide Sierra, at no expense to Sierra, a new or substituted easement fully efficient for the purpose and satisfactory to Sierra, and shall execute a new easement conveying the same on the same terms and conditions as those as set forth in Exhibit A, it being understood that the purpose and intent of this paragraph d is that Sierra shall incur no direct or indirect cost or expense in effectuating any relocation or undergrounding and that all such costs and expense shall be borne by Welze. If a new easement is conveyed, then the Exhibit A easement shall be expunged.



3. **Release.**

a. For valuable consideration, the parties hereby release and forever discharge one another, individually and collectively, and each, every, and all of their agents, heirs, successors, assigns or representatives, from any and all claims, demands, suits, damages, expenses, costs, attorneys' fees, actions, causes of action, judgments, or liability in any capacity whatsoever, foreseen and unforeseen, and the consequences thereof arising out of or in any way connected with the dispute, including, but not limited to, any derivative claims for sanctions, costs and attorneys' fees.

b. The parties hereby release and forever discharge one another, individually and collectively, and each, every, and all of their agents, heirs, successors, assigns, trustors, trustees, beneficiaries, officers, directors, shareholders, attorneys and representatives, from all claims asserted, or that could have been asserted, by way of complaint, counterclaim, cross-claim, or otherwise, based upon or related in any way to the facts and issues raised by the dispute.

c. In granting the releases hereinabove set forth in foregoing paragraphs 3a and 3b, the parties agree to waive and release any and all claims, whether known or unknown, even such claims as the parties do not know or suspect to exist in their favor, including such claims which, if known by the parties, would have materially affected this settlement.

d. The undersigned covenant and agree to indemnify and hold harmless the persons and parties released herein from and against any and all loss, claim or expense which might arise out of the claims released herein, or from any breach of this agreement by any person, including the undersigned, or any person claiming by or through the undersigned.

4. **Final Settlement.** The parties warrant and agree that this document is the result of a final settlement of any and all liability between Sierra and Welze in the dispute, and any potential litigation between Sierra and Welze which relates in any way whatsoever to the dispute.

5. **Exclusive Judgment.** In making this Release, the parties understand and agree that they rely wholly upon their own judgment, belief and knowledge of the nature, extent, effect, and duration of the dispute, and this Release is made without reliance upon any statement or representation of the parties hereby released or their representatives or employees.

6. **Full Agreement.** The parties hereby warrant and agree that no promise, inducement, or consideration, other than as set forth herein, has been made and agreed upon by or on behalf of the parties hereby released, or any of

them; further, that this document therefore constitutes the entire, complete, sole, and only understanding and agreement of, by and between the parties.

7. **Nevada Law.** This Release shall be deemed to be entered into, performed, and the consideration recited herein paid and received in the County of Douglas, State of Nevada, and shall be interpreted under the laws of the State of Nevada.

8. **Assigns.** This Release, and the rights and responsibilities herein described, shall inure to and be binding upon the successors, designees, trustees, trustors, beneficiaries, assigns, contractors, subcontractors, partners, attorneys, administrators, officers, directors, shareholders, executors, and personal representatives of the parties, and each of them. Each of the settling parties hereby represents and warrants that they have not heretofore assigned or transferred or purported to assign or transfer to any person any claim, contention, demand, action, cause of action, debt, agreement, obligation, or liability of any nature, character or description whatsoever, which is or purports to be released herein.

9. **Further Documents.** The parties hereby agree that they shall execute such further documentation as may be reasonably required to give effect to this Release.

10. **Attorneys' Fees.** Should an action be initiated, as between the settling parties hereto, to enforce any or all of the terms of this Release, or to declare any rights, duties, and/or obligations hereunder, or should an action be initiated by any settling party to assert a claim released by this Release, the prevailing party in such action shall be awarded costs of suit, including attorneys' fees incurred, through all appeals and enforcement of judgment or award. However, the filing of any complaint or demand for arbitration in connection with this Release shall be preceded by mandatory formal non-binding mediation of the disputed matter.

11. **Release Read and Understood by Parties.** By executing this document, the parties hereby acknowledge and warrant that this document was completely and thoroughly translated and explained to them in its entirety by their respective counsel, and was and is understood and known by them to be the result of a full and final compromise and settlement and is a discharge of all claims, actions, and causes of action as herein stated; further, that each party executes this document voluntarily, with full knowledge of its significance.

12. **Advice of Counsel.** The parties are respectively represented by counsel, and each party has been fully advised by counsel in connection with the execution of this Release. Therefore, the doctrine of construction against the drafting party shall not apply to the interpretation and/or enforcement of this Release.



13. Compromise. This settlement is in the spirit of compromise, and shall not constitute an admission of liability by the parties.

14. Execution. This Release may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

Dated: 8-18-97

Richard H. Welze  
Richard Welze, individually and as  
Trustee of the Richard Welze Trust

Dated: 8-27-97

William E. Peterson  
Sierra Pacific Power Company,  
by William E. Peterson, Senior Vice  
President, General Counsel and Corporate  
Counsel

WELZE.AGR

REQUESTED BY  
Sierra Pacific Power  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

'97 AUG 28 A10:59

EXHIBIT A

50420416

LINDA SLATER  
RECORDER

\$15.00 PAID K2 DEPUTY

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