

When recorded, mail to the Grantee as follows:
WALLEY'S PARTNERS LIMITED PARTNERSHIP
1702 County Road, Suite D
Minden, NV 89423
APN: 17-212-05
RPTT: \$24.70

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this 27 day of August, 1999, by and between GARDNERVILLE TOWN WATER COMPANY, hereinafter referred to as "GRANTOR," and WALLEY'S PARTNERS LIMITED PARTNERSHIP, hereinafter referred to as "GRANTEE."

WITNESSETH:

That GRANTOR, in consideration of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the GRANTEE, the receipt of which is hereby acknowledged, does by these presents grant, bargain, and sell to the GRANTEE, and to its successors and assigns forever, all of its right, title and interest in and to those certain water rights appurtenant to real property, lying and situate in Douglas County, state of Nevada, more particularly described as follows:

All right, title and interest under Permit No. 64881 issued by the Office of the State Engineer for the State of Nevada, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference.

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and any reversion or reversions, remainder or remainders, rents, issues or profits thereof so long as said water rights are used in the Carson Valley Basin as such is defined on the date of this deed.

TO HAVE AND TO HOLD all and singular the said rights together with the appurtenances, unto the said GRANTEE, and to its successors and assigns forever.

THIS DOCUMENT IS RECORDED AS AN ACCOMMODATION ONLY and without liability for the consideration thereof, or as to the validity or sufficiency of said instrument, or for the effect of such recording on the title of the property involved.

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IN WITNESS WHEREOF, the GRANTOR has set its hand on the day and year first above written.

GARDNERVILLE TOWN WATER COMPANY

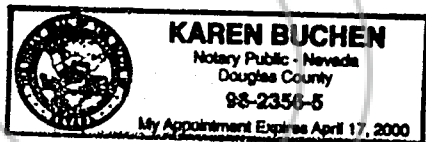
By: *DALE BOHLMAN*
DALE BOHLMAN, Chairman

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On this 27th day of August, 1999, before me, a notary public in and for the State of Nevada, personally appeared DALE BOHLMAN personally known (or proved) to me to be the person who executed the above instrument, who acknowledged to me that he is the Chairman of GARDNERVILLE TOWN WATER COMPANY, GRANTOR herein, and who further acknowledged to me that he executed the foregoing instrument on behalf of said entity.

Karen Buchen
Notary Public

F:\util\CORPORAT\GTWC\GRANTDEED



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EXHIBIT A

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**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**

Date of filing in State Engineer's Office MAR 01 1999

Returned to applicant for correction _____

Corrected application filed _____

Map filed AUG 17 1984 under 48320

The applicant **Gardnerville Town Water Company**, hereby makes application for permission to change the Point of Diversion and Place of Use of a portion of water heretofore appropriated under Permit 60576

1. The source of water is **Underground**
2. The amount of water to be changed **.014 c.f.s., 10.0 acre-feet**
3. The water to be used for **Municipal**
4. The water heretofore permitted for **Municipal**
5. The water is to be diverted at the following point **SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15, T.13N., R.19E., MDM, or at a point from which the S $\frac{1}{4}$ corner of said Section 15 bears South 5°26' West, 1125 feet**
6. The existing permitted point of diversion is located within **NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 4, T.12N., R.20E., MDB&M, or at a point from which the NE corner of said Section 4 bears North 86°15' East, 3,946 feet**
7. Proposed place of use **NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15, T.13N., R.19E., MDM**
8. Existing place of use **See Attached**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **well, pump, motor, storage tank, and domestic fire distribution system**
12. Estimated cost of works **existing**
13. Estimated time required to construct works **existing**
14. Estimated time required to complete the application of water to beneficial use **5 years**
15. Remarks: **See Attached**

Bruce R. Scott, Resource Concepts, Inc.
By s/Bruce R. Scott
340 North Minnesota Street
Carson City, Nevada 89703

Compared dl/cms dl/bk

Protested _____

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 60576 is issued subject to the terms and conditions imposed in said Permit 60576 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The total combined duty of water under Permits 48320, 48321 and 64881 shall not exceed 45.84 acre-feet annually.

The issuance of Permit 64881 reduces the total combined duty of Permits 60576; 60607; 60608; 60609; 60610; 60611, Certificate 15122; 60612; 60613, Certificate 15123; 60614 and 60615, Certificate 15124 to 1,996.82 million gallons annually.

(CONTINUED ON PAGE 3)

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The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.014 cubic feet per second, but not to exceed 10.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

N/A

Proof of completion of work shall be filed before:

N/A

Water must be placed to beneficial use on or before:

October 16, 2001

Proof of the application of water to beneficial use shall be filed on or before:

November 16, 2001

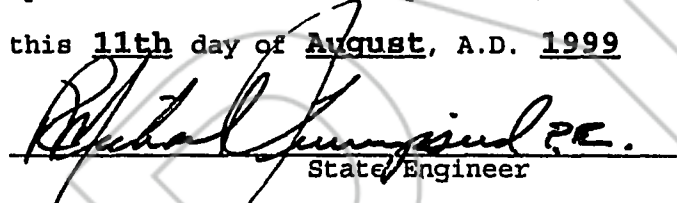
Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office,

this 11th day of August, A.D. 1999


State Engineer

Completion of work filed _____ N/A

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

REQUESTED BY
STEWART TITLE of DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

1999 SEP -8 PM 3: 25

LINDA SLATER
RECORDER

\$ 12.00 PAID. ML DEPUTY

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