A ptn. 1220-03-000-024 When Recorded, Return to:

Scarpello, Huss & Oshinski, Ltd. 600 East William St., Ste. 300 Carson City, NV 89701

EASEMENT FOR IRRIGATION AND DRAINAGE

This Irrigation and Drainage Easement is made on this <u>15</u> day of <u>APPL</u>, 2003, by and between Sierra Nevada SW Enterprises, Ltd., a Nevada limited liability company, by Corporate Management Services, Inc., a Nevada corporation, its manager, (herein "Grantor") and Terry and Linda Jacobsen, husband and wife (herein "Grantee").

WITNESSETH:

For good and valuable consideration, the receipt of which is hereby acknowledged, Grantor, owner of certain real property more particularly described in Exhibit "1" as Parcel 1, hereby grants to Grantee, owner of certain real property more particularly described in Exhibit "1" as Parcel 2, the following easements for irrigation and drainage pertaining to irrigation ditches and water therein located on Parcel 1, which easements are more particularly described in Exhibit "1" attached hereto and incorporated herein by this reference.

- 1. The easements granted herein provide to Grantee continuing rights to irrigation water. No additional or diminished rights to irrigation water are granted herein.
- 2. The easements granted herein include the right of access to perform incidental maintenance, repair, and replacement. The width of the easements shall be as specified in Exhibit "1".
- 3. The easements granted herein are appurtenant to Grantee's real property described in Exhibit "1" as Parcel 2.
- 4. The easements granted herein are perpetual, exclusive and run with the land.
- 5. The easements granted herein are subject to the following restrictions:
- (a) The maintenance rights and obligations noted in paragraph 2 above, are subject to Grantee being responsible for the repairs and restoration of the property in a manner that does not

unreasonably interfere with business of Grantor; Grantee also waives all claims, demands or causes of action for death, personal injury, or property damages against Grantor, its agents, employees, officers, directors, and affiliates, which Grantee may have by virtue of Grantee entering and going upon Grantor's property, except injuries and damages caused by the negligent or intentional acts of Grantor.

- (b) The easements shall be used in a manner which does not constitute a nuisance to the property of Grantor.
- (c) The easements shall not be paved, lighted, or otherwise improved, except as permitted specifically by written agreement by the Grantor.
- 6. Grantor reserves the right to relocate the irrigation ditches described herein at Grantor's expense, provided that the following conditions are satisfied:
- (a) The relocated irrigation ditch(es) terminates at its present point of delivery, unless otherwise agreed to in writing by both parties; and
- (b) The relocated ditch(es) does not diminish the capacity of the irrigation ditch(es).
- 7. Grantor reserves the right to install a pipe or culvert system, above or below ground, in lieu of the irrigation ditch(es) described herein, provided that the following conditions are satisfied:
- (a) The pipe or culvert system terminates at the present point of delivery, unless otherwise agreed to in writing by both parties; and
- (b) The pipe or culvert system does not diminish the capacity of the irrigation ditch(es).
- 8. If the Grantor exercises Grantor's rights to install a pipe or culvert system pursuant to paragraph 7 above, upon completion of the installation of the pipe or culvert system, the easement width pursuant to paragraph 2 above, shall be immediately reduced to a twenty-foot (20') easement pursuant to Douglas County ordinances.
- 9. Grantor reserves the right to discharge storm drainage water into the irrigation ditch(es), provided that the discharge does not exceed the capacity of the irrigation ditch(es).

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- 10. This instrument contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent modification in writing, signed by the party or parties to be charged.
- 11. In the event of any controversy, claim, or dispute relating to this instrument or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees, and costs.
- 12. This instrument shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

EXECUTED on the dates set forth below.

Dated: 4/15/03 "GRANTOR" Sierra Nevada SW Enterprises, Ltd., a Nevada limited liability company By: Corporate Management Services, Inc., a Nevada corporation Dated: 4/5/03 "GRANTEE" Terry Jacobsen Linda Jacobsen
Sierra Nevada SW Enterprises, Ltd., a Nevada limited liability company By: Corporate Management Services, Inc., a Nevada Terry Jacobsen Luda laceluse
Ltd., a Nevada limited liability company By: Corporate Management Services, Inc., a Nevada Ltd., a Nevada Terry Jacobsen Luculation
By: Corporate Management Services, Inc., a Nevada
That Manager
Its: Manager
By: James S. Bradshaw President
President
State of Nevada)
County of carson CITY) ss:
On this 15 day of APRIL , 2003, before me, the
undersigned, a Notary Public in and for said state, personally appeared JAMES S. BRADSHAW, personally known or proved to me to

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be the person whose name is subscribed to the within instrument

and acknowledged to me that he executed the same in his

authorized capacity, and that by his signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

State of Nevada

ss:

County of CARSON CITY

The above-instrument was subscribed before me this <u>IS</u> day of Apple, 2003 by Terry and Linda Jacobsen.

Notary Public

K. HOWELL

Notary Public - State of Nevada

Appointment Recorded in Carson City

No: 98-0430-3 - Expires December 29, 2005



