

OFFICIAL RECORD

Requested By:
STEWART TITLE OF DOUGLAS

COUNTY

Douglas County - NV
Werner Christen - Recorder

Page: 1 Of 31 Fee: 44.00
BK-0905 PG-11792 RPTT: # 3



APN 1420-00-001-001, 002, 003, 004, 005;
1420-00-002-003, 004, 005, 006, 007, 008, 009, 010;
1420-08-701-001; 1420-29-001, 002

When recorded, return to:

The Nature Conservancy
217 Pine Street, Suite 1100
Seattle, WA 98101
Attention: Legal Department
040803442

DEED OF CONSERVATION EASEMENT

(Carson River, NV-- Bently- Kirman Field)

THIS DEED OF CONSERVATION EASEMENT, effective as of the last date of signature hereto ("**Effective Date**"), is by and between Bently Family Limited Partnership, a Nevada limited partnership, d/b/a Bently Agrowdynamics, whose address is P.O. Box B, Minden, Nevada 89423 (the "**Grantor**") and THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation, whose principal address is 4245 North Fairfax Drive, Suite 100, Arlington, Virginia 22203 (the "**Conservancy**").

RECITALS

A. Grantor is the owner of certain real property in Douglas County, Nevada, consisting of 1027 acres, more or less, more particularly described in **Exhibit A** and depicted on the Property Map attached as **Exhibit B**, both attached hereto and incorporated herein by this reference (the "**Property**");

B. The Property currently remains in a substantially undisturbed, natural state and has significant natural, scenic and open space values as defined in Nevada Revised Statutes ("N.R.S.") Sections 111.400 to 111.440, and provides significant relatively natural habitat for native plants and wildlife;

C. Protection of the Property will contribute to the ecological integrity of the Carson River and associated riparian corridor and conserve significant relatively natural habitat for wildlife and plants;

D. All of these natural elements and ecological values are of great importance to Grantor and to the people of the State of Nevada, and are worthy of preservation;

E. Grantor, as owner of the Property, owns the affirmative rights to identify, preserve, and protect in perpetuity its open space character and its significant relatively natural features and values and Grantor desires and intends to transfer such rights to the Conservancy;

F. The State of Nevada has recognized the importance of private efforts toward the preservation of natural systems in the state by enactment of N.R.S. Sections 111.400 to 111.440; and

G. The Conservancy is a private organization organized to protect and conserve natural areas and ecologically significant land for scientific, charitable and educational purposes, and is a "holder" under the terms of N.R.S. Section 111.410(2)(b) and is a "qualified organization" within the provisions of Section 170(h) of the Internal Revenue Code of 1986, as amended (the "IRS Code"), qualified to acquire and hold conservation easements and meets the requirements of the IRS Code as a Sec. 501(c)(3) exempt organization.

H. To accomplish the Conservation Purposes (as defined in Paragraph 1 below), the Grantor desires to convey to the Conservancy and the Conservancy desires to obtain from the Grantor a conservation easement that restricts the uses of the Property and that grants rights to the Conservancy in order to preserve, protect, identify, monitor, enhance, and restore in perpetuity the Conservation Values (as defined in Paragraph 1 below).

I. In consideration for funding provided by the State of Nevada to acquire the conservation easement, third party enforcement rights are being granted to the State of Nevada as authorized by N.R.S. Section 111.410.

GRANT OF EASEMENT

NOW THEREFORE, in consideration of the recitals set forth above and of the mutual covenants, terms, conditions, and restrictions contained in this document and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and pursuant to the laws of the State of Nevada, and in particular N.R.S. Sections 111.400 to 111.440, the Grantor voluntarily conveys to the Conservancy, and to the Conservancy's successors and assigns, and the Conservancy hereby accepts, a perpetual conservation easement in, on, over, and across the Property, together with access thereto, restricting forever the uses that may be made of the Property and granting the Conservancy rights in the Property (the "**Conservation Easement**"), subject to the terms and conditions set forth in this document.

1. CONSERVATION PURPOSES; PROPERTY MANAGEMENT AREAS.

A. It is the purpose of the Conservation Easement to preserve and protect in perpetuity and, in the event of their degradation or destruction, to enhance and restore the Conservation Values of the Property, which include, but are not limited to, open space and significant relatively natural features and values of the Property, important habitat for wildlife; rare or unique native plants currently known or later identified; diverse forest, meadow, and riparian vegetative communities and the wildlife inhabiting these communities; a meandering river and its associated oxbows; and rare or unique aquatic species currently known or later identified (collectively, the "**Conservation**

Purposes”). In achieving the Conservation Purposes, it is the intent of the Easement to permit the continuation of such uses of the Property as may be conducted consistent with the Conservation Values protected herein. Pursuant to the terms of Nevada’s ‘Easements for Conservation’ statute, N.R.S. Sections 111.400 to 111.440, the Property preserved hereby as natural land may not be converted or directed to any uses other than those provided herein.

B. Property Management Areas. For the purposes of this Conservation Easement, the following two areas or zones are established on the Property as further identified on the Property Map:

(i). Natural Grazeland Area. The Natural Grazeland Area represents those portions of the Property that include moderate to high percentages of native plants and which shall be allowed to remain in their current condition, with continued managed grazing but no agricultural intensification.

(ii). Riparian Area. The Riparian Area represents those portions of the Property that may be appropriate for habitat enhancement beyond current conditions. The goal of the enhancement activities will be to restore hydrologic and natural biological processes and improve habitats for native plants and animals by restoring native forbs, grasses, shrubs and trees; reducing streambank erosion and protecting wetlands and natural flows, and increasing the numbers, usage and diversity of wildlife in the Riparian Area. Enhancement activities will be done in accordance with the Enhancement Plan required under Paragraph 3(D) below. Grazing will be permitted in the Riparian Area only as described in Exhibit C.

2. EASEMENT DOCUMENTATION REPORT. The parties acknowledge that the Carson River (Bently –Kirman Field) Easement Documentation Report dated September 27, 2005 (the “**Report**”) has been prepared by competent naturalists and that the Report has been approved in writing by the Conservancy and the Grantor. A copy of the Report is on file with the Grantor and the Conservancy at their respective addresses for notices set forth in Paragraph 12. Acknowledgement of the Report by the Conservancy and the Grantor is attached to this Conservation Easement as Exhibit E. The parties agree that the Report contains an accurate representation of the biological and physical condition of the Property at the time of this grant and of the historical uses of the Property. Notwithstanding the foregoing, if a controversy arises with respect to the nature and extent of the physical or biological condition of the Property, the parties shall not be foreclosed from utilizing any and all other relevant documents, surveys, or other evidence or information to assist in the resolution of the controversy.

The parties agree that the Report shall be supplemented with respect to the Riparian Area upon completion of the enhancement activities, as described below in Paragraph 3(D) below.

3. THE CONSERVANCY’S RIGHTS. In order to accomplish the Conservation Purposes, the rights and interests that are granted and conveyed to the Conservancy by this Conservation Easement include, but are not limited to, the following:

A. Preserve and Protect. The Conservancy may preserve, protect, identify, monitor, enhance, and restore in perpetuity the Conservation Values.



B. Entry and Access Rights. For the purposes of this Conservation Easement, the Conservancy is granted the following rights of access:

(i) Monitoring, Enforcement and Study. The Conservancy is, by this Conservation Easement, granted rights of access to enter upon the Property, using appurtenant easements and rights of way, if any, and may enter upon the Property at reasonable times in order to monitor compliance with and otherwise enforce the terms of this Conservation Easement, to study and make scientific observations of the Property and of natural elements and ecosystems and other features of the Property, to determine whether the Grantor's activities are in compliance with the terms of this Conservation Easement and to take all actions deemed necessary by the Conservancy to preserve, protect, identify, monitor, enhance, and restore in perpetuity the Conservation Values. Except in cases in which the Conservancy determines that immediate entry is required to prevent, terminate, or mitigate a violation of the Conservation Easement or to preserve or protect the Conservation Values, such entry will be upon giving notice to the Grantor at least seven (7) days in advance of such entry, as described in Paragraph 12, and will not unreasonably interfere with the Grantor's use and quiet enjoyment of the Property.

(ii) Access for Tours. Grantor hereby grants the Conservancy the right to bring members of the public onto the Riparian Area of the Property for no more than six (6) guided tours per year. Tours must be guided by a member of the Conservancy or by another public agency designated by the Conservancy. The Conservancy will give the Grantor notice at least seven (7) days in advance of such entry, and the tours will not unreasonably interfere with the Grantor's use and quiet enjoyment of the Property.

(iii) Public Trails System. Pursuant to a Recreational Management Plan ("RMP") to be developed by the Conservancy, Grantor, and other public agencies within one year of the Effective Date, Grantor will permit members of the public onto portions of the Property developed as daytime use public access trails. The RMP shall provide for the development of a public parking lot (in the general location depicted on Exhibit B) and public access trails and will set forth the terms of that access and define roles and responsibility for management thereof. The Grantor, the Conservancy, and any additional partners taking on funding and/or management responsibilities will be responsible for approving the RMP, which approval will not be unreasonably denied, conditioned or delayed. The managing party or parties, to be defined in RMP, will be responsible for implementing the RMP. After its approval, the managing parties also have the right to review and modify the RMP every five years.

(iv) Hunting. Pursuant to the RMP, Grantor shall permit four hunt day events per year on the Property, which shall be conducted under the supervision of the Nevada Department of Wildlife. The hunt day events shall only occur between September 1st to November 30th of any calendar year.

C. Enforcement. The Conservancy may prevent any activity on or use of the Property that is inconsistent with the Conservation Purposes and may enforce the restoration of such areas or features of the Property that might be damaged by any inconsistent activity or use.



D. Habitat Enhancement Activities. The Conservancy is authorized, but is not obligated, to undertake riparian habitat enhancement activities in the Riparian Area, as further defined below and in a Habitat Enhancement Plan (“Enhancement Plan”) to be developed by the Conservancy, with input from the Grantor, appropriate federal, state and local governmental agencies and/or outside consultants possessing relevant expertise. The Enhancement Plan may include the following elements: (1) a detailed description of all the enhancement activities to be undertaken, including a description of the intended final hydrologic and habitat objectives of such actions; (2) the location within the Riparian Area upon which such enhancement activities shall be undertaken; and (3) a summary description and estimated cost of those activities that would be necessary to maintain the restored or enhanced condition of the affected Riparian Area following the Conservancy’s implementation of the Enhancement Plan. The Conservancy shall include Grantor in the process of developing the Enhancement Plan and shall reasonably attempt to address all reasonable concerns raised by Grantor. All enhancement activities conducted in the Riparian Area by the Conservancy shall be at the Conservancy’s sole cost and expense, and at no cost or expense to the Grantor during the implementation of the Enhancement Plan. The Grantor and the Conservancy agree that the Conservancy may designate another qualified organization, group or agency to implement the Enhancement Plan. If another organization, group or agency will implement the Enhancement Plan, the Conservancy shall solicit input from the Grantor regarding the selection of the organization, group or agency.

Following the Conservancy’s completion of enhancement activities set forth in the Enhancement Plan, and the Conservancy’s determination that the habitat objectives associated with such enhancement activities, as set forth in the Enhancement Plan, have been achieved, an addendum to the Report (the “Report Addendum”) shall be prepared to document the enhanced condition of the relevant portions of the Riparian Area. Following completion of the Report Addendum, the Grantor, at Grantor’s sole cost and expense, shall take all necessary actions to maintain the physical condition of the Riparian Area in the same or improved condition as exists as of the date of such Report Addendum; provided, that Grantor shall not be required to incur any material costs for acts of God that may impact the Riparian Area.

E. Additional Actions.

(i) Pesticides, Herbicides or Other Biocides. The Conservancy may, but is not obligated to, employ the use of pesticides, herbicides or other biocides or any other means, including grazing of cattle or other animals, to control noxious weeds on the Property if, as reasonably determined by the Conservancy, grazing has been ineffective or has been reduced to a level that fails to control such weeds.

All activities conducted by the Conservancy on the Property shall be conducted in full compliance with all applicable statutes, laws, ordinances, rules, regulations, codes, orders, guidelines or other restrictions or requirements which have been enacted or otherwise promulgated by any federal, state, county, municipal or other governmental or quasi-governmental agency, board, bureau, commission, court, department, panel or other official body (whether legislative, administrative or judicial), or by any competent official of any of the foregoing.



(ii) Prescribed Burning. The Conservancy may, but is not obligated to, employ the use of prescribed burning as a tool for management of the Riparian Zone on the Property provided that such practice shall be in accordance with all applicable laws, rules, and regulations.

4. PERMITTED USES OF THE PROPERTY. The Grantor and the Conservancy intend that this Conservation Easement shall confine the uses of the Property to the multiple natural resource conservation uses of ranching, open space, scenic, conservation, and plant and wildlife habitat, in accordance with the terms and conditions of this Conservation Easement, and to such other incidental uses as are expressly permitted in this Conservation Easement. Except as prohibited or otherwise limited by Paragraph 5 and by Exhibit D, the Grantor reserves the right to use and enjoy the Property in any manner that is consistent with the Conservation Purposes. In that regard, the uses set forth in Exhibit C, though not an exhaustive list of consistent permitted uses, are consistent with this Conservation Easement and shall not be precluded, prevented, or limited by this Conservation Easement, except as follows: (a) as provided in Paragraph 5 and in Exhibit D; (b) in those instances in which prior approval by the Conservancy is required under this Conservation Easement; and (c) in those instances in which any action or practice is or becomes inconsistent with the Conservation Purposes or diminishes or impairs the Conservation Values.

5. PROHIBITED USES OF THE PROPERTY. Any activity on or use of the Property that is inconsistent with the Conservation Purposes (including, without limitation, any activity or use that diminishes or impairs the Conservation Values) is prohibited. Though not an exhaustive list of prohibited uses, none of the uses described in Exhibit D shall be made of the Property. In making this grant, the Grantor has considered the possibility that uses prohibited by the terms of this Conservation Easement may become more economically valuable than permitted uses and that neighboring properties may in the future be put entirely to such prohibited uses. It is the intent of both the Grantor and the Conservancy that any such changes shall not be deemed to be circumstances justifying the termination, extinguishment, or modification of this Conservation Easement. In addition, the inability of the Grantor, or the Grantor's heirs, successors, or assigns, to conduct or implement any or all of the uses permitted under the terms of this Conservation Easement, or the unprofitability of doing so, shall not impair the validity of this Conservation Easement or be considered grounds for its termination, extinguishment, or modification.

6. REMEDIES.

A. Notice of Violation; Corrective Action. If the Conservancy becomes aware that a violation of the terms of this Conservation Easement has occurred or is threatened to occur, the Conservancy may give written notice to the Grantor of such violation. If the Grantor fails to cure the violation within thirty (30) days after receipt of notice from the Conservancy, or under circumstances where the violation cannot reasonably be cured within a thirty (30)-day period, fails to begin curing such violation within the thirty (30)-day period or fails to continue diligently to cure such violation until finally cured, the Conservancy shall have all remedies available at law or in equity to enforce the terms of this Conservation Easement, including, without limitation, the right to seek a temporary or permanent injunction with respect to such activity, to cause the restoration of that portion of the Property affected by such activity to the condition that



existed prior to the undertaking of such prohibited activity (regardless of whether the costs of restoration exceed the value of the Property), to pay monetary amounts which, if not paid, could result in extinguishment, modification, non-enforcement or impairment of this Conservation Easement, and/or to recover any additional damages arising from the violation. The Conservancy's rights under this Paragraph apply equally to actual or threatened violations of the terms of this Conservation Easement. The Grantor agrees that the Conservancy's remedies at law for any violation of the terms of this Conservation Easement are inadequate and that the Conservancy shall be entitled to the injunctive relief described in this Paragraph, both prohibitive and mandatory, in addition to such other relief to which the Conservancy may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. The remedies described in this Paragraph 6 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity. Furthermore, the provisions of N.R.S. Sections 111.390 to 440 are incorporated into this Conservation Easement by this reference, and this Conservation Easement shall include all of the rights and remedies set forth therein.

B. Costs of Enforcement. In any action, suit or other proceeding undertaken to enforce the provisions of this Conservation Easement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs and expenses including attorneys' fees, and if such prevailing party recovers judgment in any action or proceeding, such costs and expenses shall be included as part of the judgment. In addition, any costs of restoration shall be borne by the Grantor.

C. Emergency Enforcement. If the Conservancy, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values or to prevent breach or extinguishment of the Conservation Easement, the Conservancy may pursue its remedies under this Paragraph 6 without prior notice to the Grantor and without waiting for the cure period to expire.

D. The Conservancy's Discretion. Enforcement of the terms and provisions of this Conservation Easement shall be at the sole discretion of the Conservancy, and the failure of the Conservancy to discover a violation or to take action under this Paragraph 6 shall not be deemed or construed to be a waiver of the Conservancy's rights under this Conservation Easement with respect to such violation in the event of any subsequent breach. In no event shall any delay or omission by the Conservancy in exercising any right or remedy constitute an impairment of or a waiver of such right or remedy.

E. Acts Beyond the Grantor's Control. Nothing contained in this Conservation Easement shall be construed to entitle the Conservancy to bring any action against the Grantor for any injury to or change in the Property resulting from causes beyond the Grantor's control, including fire, flood, storm, and earth movement.

F. Third Party Enforcement Rights. Pursuant to N.R.S. Section 111.410, in the event that the Conservancy fails to enforce the terms and conditions of the Conservation Easement created by this Deed, as determined in the sole discretion of the State of Nevada, the State of Nevada shall have the same rights of enforcement as the Conservancy, including the right of

access to monitor compliance; provided, however, that the State of Nevada agrees that it shall not exercise the enforcement rights granted herein with respect to any act, conduct or activity which:

(1) was the subject of a prior enforcement action by the Conservancy, regardless of the resolution of the enforcement action, whether by judgment of a court, order of an administrative body, or through compromise and a written settlement between the Conservancy and Grantor; or

(2) the Conservancy approved, or was deemed to have approved, pursuant to the terms and conditions of the Conservation Easement.

7. **ASSIGNMENT.** The Conservancy may, without Grantor's consent, assign this Conservation Easement, provided that: (a) the Grantor is given written notice of the Conservancy's intent to assign this Conservation Easement; and (b) any assignment shall be made only to an organization qualified, at the time of assignment, as an eligible donee under Internal Revenue Code Section 170(h)(3) or its successor or under any regulations issued thereunder, and such organization shall be an entity qualified, at the time of assignment, pursuant to N.R.S. Section 111.410 or any subsequent Nevada law governing the creation, transfer, and enforcement of conservation easements.

8. **RUNNING WITH THE LAND.** The Conservation Easement created by this Deed shall burden and run with the Property in perpetuity. Every provision of this Conservation Easement that applies to the Grantor or the Conservancy shall also apply forever to and shall burden or benefit, as applicable, their respective agents, heirs, devisees, administrators, employees, personal representatives, lessees, and assigns, and all other successors as their interest may appear. The Grantor agrees that transfer by the Grantor of any interest in the Property shall be in accordance with the terms of Paragraph 10 of Exhibit C.

9. **REPRESENTATIONS AND WARRANTIES.**

A. **Hazardous Materials.** The Grantor represents and warrants to the best of its knowledge after reasonable inquiry that the Property (including, without limitation, soil, groundwater, and surface water) is free of any conditions that individually or in the aggregate: (1) constitute a present or potential threat to human health, safety, welfare, or the environment; or (2) violate any Environmental Law, as that term is defined in Paragraph 15. The Grantor represents and warrants that there are no underground tanks located on the Property. The Grantor represents and warrants that the Grantor shall comply with all Environmental Laws in using the Property and that the Grantor shall keep the Property free of any material environmental defect, including, without limitation, contamination from Hazardous Materials, as that term is defined in Paragraph 15.

B. **State of Title.** The Grantor represents and warrants that the Grantor has good and sufficient title to the Property and that the Grantor has full right and authority to grant this Conservation Easement.



C. Compliance with Laws. The Grantor represents and warrants that the Grantor has not received notice of and has no knowledge of any material violation of any federal, state, county, or other governmental or quasi-governmental statute, ordinance, rule, regulation, law, or administrative or judicial order with respect to the Property.

D. No Litigation. The Grantor represents and warrants that there is no action, suit, or proceeding that is pending or threatened against the Property or any portion thereof relating to or arising out of the ownership or use of the Property, or any portion thereof, in any court or before or by any federal, state, county, or municipal department, commission, board, bureau, agency, or other governmental instrumentality.

E. Authority To Execute Conservation Easement. The person or persons executing this Conservation Easement on behalf of the Conservancy represent and warrant that the execution of this Conservation Easement has been duly authorized by the Conservancy. The person or persons executing this Conservation Easement on behalf of the Grantor represent and warrant that the execution of this Conservation Easement has been duly authorized by the Grantor.

10. COSTS, LEGAL REQUIREMENTS, AND LIABILITIES. The Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and overall maintenance of the Property, except for the cost of the public trails system and the Riparian Habitat Enhancement activities authorized in Paragraph 4 above, and agrees that the Conservancy shall have no duty or responsibility for the operation or maintenance of the Property, the monitoring of hazardous conditions on the Property, or the protection of the Grantor, the public, or any third parties from risks relating to conditions on the Property. The Grantor agrees to pay before delinquency any and all real property taxes and assessments levied on the Property and agrees that the Grantor shall keep the Conservancy's interest in the Property free of any liens, including those arising out of any work performed for, materials furnished to, or obligations incurred by the Grantor. The Grantor shall be solely responsible for any costs related to the maintenance of general liability insurance covering Grantor's acts on the Property. The Grantor remains solely responsible for obtaining any applicable governmental permits and approvals for any activity or use reserved by Grantor and permitted by this Conservation Easement, and any activity or use shall be undertaken in accordance with all applicable federal, state, and local laws, rules, regulations, and requirements. If more than one person or entity constitutes the Grantor, the obligations of each and all of them under this Conservation Easement shall be joint and several.

11. CROSS INDEMNIFICATION. Notwithstanding any other provision of this Conservation Easement to the contrary, the parties agree to indemnify, defend, and hold each other, including, without limitation, each party's members, directors, officers, employees, agents, and contractors, and their successors and assigns (collectively, the "**Indemnified Parties**"), harmless from and against any costs, liabilities, penalties, damages, claims (whether based on negligence or strict liability), or expenses (including reasonable attorneys' fees) and litigation costs that the Indemnified Parties may suffer or incur as a result of or arising out of: (a) the activities of the party on the Property; (b) the inaccuracy of any representation or warranty made by the party; or (c) any breach of this Conservation Easement caused by said party.



Notwithstanding the foregoing, the Grantor shall indemnify, defend, and hold harmless the Conservancy and its Indemnified Parties for all of the following:

A. Approvals. Any claim, liability, damage, or expense suffered or incurred by or threatened against the Conservancy by any person other than the Grantor related solely to any approvals requested by the Grantor, whether given or withheld by the Conservancy under this Conservation Easement, except as such claim, liability, damage, or expense is the result of the Conservancy's unreasonableness, negligence or intentional misconduct.

B. Taxes. Any real property taxes, insurance, utilities, or assessments that are levied against the Property, including those for which exemption cannot be obtained, or any other costs of maintaining the Property.

C. Hazardous Materials. Except where caused by the act of the Conservancy and/or its Indemnified Parties, any Hazardous Material, as that term is defined in Paragraph 15, present, alleged to be present, or otherwise connected in any way to the Property, whether by, on, or after the date of this Conservation Easement.

12. NOTICE; APPROVAL.

A. Notice for Entry. Where notice to the Grantor of the Conservancy's entry upon the Property is required under this Conservation Easement, the Conservancy shall notify any of the persons constituting the Grantor or their authorized agents by telephone or in person or by written notice in the manner described in Paragraph 12(C) prior to such entry.

B. Approval Request. Except as provided in Paragraph 12(A), whenever express agreement or consent is required by this Conservation Easement, the initiating party shall give written notice, in the manner described in Paragraph 12(C), and detailed information to the other party. The receiving party shall review the proposed activity and notify the initiating party within forty five (45) days after receipt of notice of any objections to such activity. Any objections by a party shall be based upon its opinion that the proposed activity is inconsistent with the terms of this Conservation Easement.

C. Written Notices. Any written notice called for in this Conservation Easement shall be delivered: (1) in person; (2) by certified mail, return receipt requested, postage prepaid; (3) by facsimile with the original deposited with the United States Post office, postage prepaid on the same date as sent by facsimile; or (4) by next-business-day delivery through a reputable overnight courier that guarantees next-business-day delivery and provides a receipt. Notices shall be addressed as follows:

To the Conservancy:

The Nature Conservancy
Nevada Field Office
1 East First Street, Suite 1007
Reno, NV 89501
Attn: Protection Staff
Fax: 775 322-5132

With a copy to

The Nature Conservancy
217 Pine Street, Suite 1100
Seattle, WA 98101
Attn: Legal Department
Fax: 206 233-1628

and

State of Nevada
Department of Conservation and Natural Resources
Division of State Lands
901 South Stewart Street, Suite 5003
Carson City, NV 89701

To the Grantor:

Family Limited Partnership, d/b/a Bently Agrowdynamics
Attn: Donald Bently
P.O Box B
Minden, Nevada 89423
Fax: 775-783-4650

With a copy to

Bill Shaw
Brooke Shaw Zumpft
1590 4th Street
Minden, Nevada 89423
Fax: 775-782-3081

Either party may, from time to time, by written notice to the other, designate a different address that shall be substituted for the relevant address or addresses set forth above. Notice is deemed to be given upon receipt.

D. Subsequent Activities. Permission to carry out, or failure to object to, any proposed use or activity shall not constitute consent to any subsequent use or activity of the same or any different nature.

13. SEVERABILITY AND ENFORCEABILITY. The terms and purposes of this Conservation Easement are intended to be perpetual. If any provision or purpose of the Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions and purposes of the Conservation Easement, and the application of such provision or purpose to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

14. CONDEMNATION. If all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this



Conservation Easement, the Grantor and the Conservancy shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the proportionate value of the Conservancy's and the Grantor's interests at the time of this grant, it being expressly agreed that this Conservation Easement constitutes a compensable property right. All expenses incurred by the Grantor and the Conservancy in such action shall be paid out of the recovered proceeds.

15. INTERPRETATION.

A. Liberally Construed. It is the intent of this Conservation Easement to preserve the condition of the Property and each of the Conservation Purposes, notwithstanding economic or other hardship or changes in circumstances or conditions. The provisions of this Conservation Easement shall be liberally construed to effectuate the Conservation Purposes and to allow the Grantor's use and enjoyment of the Property to the extent consistent with those Conservation Purposes. Liberal construction is expressly required for purposes of effectuating this Conservation Easement in perpetuity, notwithstanding changed conditions of any kind. The Conservation Purposes are the intended best and most productive use of the Property. No remedy or election given by any provision in this Conservation Easement shall be deemed exclusive unless so indicated, but it shall, wherever possible, be cumulative with all other remedies at law or in equity. The parties acknowledge that each party and its counsel have reviewed and revised this Conservation Easement and that no rule of construction that ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Conservation Easement. In the event of any conflict between the provisions of this Conservation Easement and the provisions of any use and zoning restrictions of the State of Nevada, the county in which the Property is located, or any other governmental entity with jurisdiction, the more restrictive provisions shall apply.

B. Governing Law. This Conservation Easement shall be interpreted in accordance with the laws of the State of Nevada.

C. Captions. The captions have been inserted solely for convenience of reference and are not part of the Conservation Easement and shall have no effect upon construction or interpretation.

D. No Hazardous Materials Liability. Subject to Paragraph 11.C. of this Conservation Easement, nothing in this Conservation Easement shall be construed such that it creates in or gives to the Conservancy: (1) the obligations or liabilities of an "owner" or "operator" as those words are defined and used in Environmental Laws (as that term is defined below), including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC Section 9601 et seq.) ("CERCLA"); (2) the obligations or liabilities of a person described in 42 USC Section 9607(a)(3); (3) the obligations of a responsible person under any applicable Environmental Law; (4) any obligation to investigate or remediate any Hazardous Materials, as defined below, associated with the Property; or (5) any control over the Grantor's ability to investigate, remove, remediate or otherwise clean up any Hazardous Materials associated with the Property.



E. Definitions.

(i) The terms “**Grantor**” and “**Conservancy**,” wherever used in this Conservation Easement, and any pronouns used in place thereof, shall mean and include, respectively, the Grantor and the Grantor’s personal representatives, heirs, devisees, personal representatives, and assigns, and all other successors as their interest may appear and the Conservancy and its successors and assigns.

(ii) The term “**Hazardous Materials**” includes, without limitation, any of the following wastes, materials, chemicals, or other substances (whether in the form of liquids, solids, or gases, and whether or not airborne) which are ignitable, reactive, corrosive, toxic, or radioactive, or which are deemed to be pollutants, contaminants, or hazardous or toxic substances under or pursuant to, or which are to any extent regulated by or under or form the basis of liability under any statute, regulation, rule, ordinance, order, or requirement concerning such wastes, materials, chemicals, or other substances (in each case, an “**Environmental Law**”), including, but not limited to, petroleum-based products and any material containing or producing any polychlorinated biphenyl, dioxin, or asbestos, as well as any biocide, herbicide, insecticide, or other agricultural, at any level that may (a) constitute a present or potential threat to human health, safety, welfare, or the environment, (b) exceed any applicable or relevant and appropriate cleanup standard, or (c) cause any person to incur any investigation, removal, remediation, maintenance, abatement, or other cleanup expense; it being understood that such Environmental Laws include, but are not limited to CERCLA, as defined above; the Hazardous Materials Transportation Act (49 USC Sections 6901 et seq.); similar Nevada state environmental laws; and any rule, regulation, or other promulgation adopted under any of the foregoing laws.

16. SUBSEQUENT LIENS ON PROPERTY. No provision of this Conservation Easement should be construed as impairing the ability of the Grantor to use the Property as collateral for subsequent borrowing, provided that any mortgage or lien arising from such a borrowing must, at all times, be subordinated to the Conservation Easement by means of a subordination document acceptable to the Conservancy in the Conservancy’s sole discretion.

17. RE-RECORDING. The Conservancy is authorized to record or file any notices or instruments appropriate to assuring the perpetual enforceability of this Conservation Easement; for such purpose, the Grantor appoints the Conservancy to be the Grantor’s attorney-in-fact to execute, acknowledge, and deliver any necessary instrument on the Grantor’s behalf. Without limiting the foregoing, the Grantor agrees to execute any such instruments upon request.

18. ACCESS. Nothing contained in this Conservation Easement shall give or grant to the public a right to enter upon or use the Property or any portion of the Property where no such right existed in the public immediately prior to the execution of this Conservation Easement and where such right is not explicitly granted in this easement. The Grantor shall undertake all reasonable actions to prevent the unlawful entry and trespass by persons whose activities might diminish or impair the Conservation Values.

19. **SUBSEQUENT TRANSFERS.** The Grantor agrees that the terms, conditions, restrictions, and purposes of this Conservation Easement or reference thereto will be inserted by the Grantor in any subsequent deed or other legal instrument by which the Grantor divests either the fee simple title or a possessory interest (including, but not limited to, any leases) of the Property; and the Grantor further agrees to notify the Conservancy of any pending transfer (including, without limitation, leases) at least forty five (45) days in advance of the transfer. Leasing all or any portion of the Property for a period of five (5) or more years is subject to prior written approval by the Conservancy, which approval shall not be unreasonably withheld, conditioned, or delayed. The failure of the Grantor to comply with this Paragraph 19 shall not impair the validity of this Conservation Easement or limit its enforceability in any way. Any successor in interest of the Grantor, by acceptance of a deed, lease, or other document purporting to convey an interest in all or any portion of the Property, shall be deemed to have consented to, reaffirmed, and agreed to be bound by all of the terms, covenants, restrictions, and conditions of this Conservation Easement.

Notwithstanding the above paragraph, Grantor reserves the right to convey (i) an easement to Douglas County for purposes of installing an underground sewer line and (ii) an easement for railroad access. These easements shall be located within a corridor running along the east and north boundaries of the Property, as shown on **Exhibit B**, and the width of both easements together shall not exceed 60 feet. Grantor agrees to notify the Conservancy prior to granting the easements. In addition, Grantor reserves the right to convey an easement for a spur to the railroad access to be located within a corridor running from east to west on the Property, as shown on **Exhibit B**, provided that (1) the construction design of the railroad spur is not inconsistent with the Conservation Purposes or does not diminish or impair the Conservation Values; and (2) the construction design of the railroad spur does not impede the natural flow of water and does not withhold waters during a flood event, and (3) the construction design is subject to approval by the Conservancy, which approval shall not be unreasonably denied.

20. **ENTIRE AGREEMENT.** This Conservation Easement, together with the attached exhibits and schedules, if any, and any documents incorporated herein by reference, constitutes the entire agreement of the parties with respect to the subject matter of this Conservation Easement and supersedes all prior agreements and understandings of the parties.

21. **EXHIBITS.** The following exhibits are attached to and are incorporated into this Conservation Easement:

Exhibit A:	Legal Description of the Property;
Exhibit B:	Map of the Property;
Exhibit C:	Permitted Uses of the Property;
Exhibit D:	Prohibited Uses of the Property;
Exhibit E:	Acknowledgement of the Report.

IN WITNESS WHEREOF, the parties have executed this Conservation Easement as of the Effective Date.

ACCEPTED THIS 26 DAY OF Sept., 2005

GRANTOR:

THE CONSERVANCY:

BENTLY FAMILY LIMITED PARTNERSHIP, a Nevada limited partnership

THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation

By: Donald E. Bently

By: Janet Bair

Name: Donald E. Bently

Name: Janet Bair

Title: General Partner

Title: Director of Conservation Programs

Date: 28 Sept. 2005

Date: 9/26/05

ACCEPTED THIS _____ DAY OF _____, 2005 AS TO THIRD PARTY ENFORCEMENT RIGHTS:

STATE OF NEVADA

By _____

Name: _____

Title: _____

Date: _____





STATE OF NEVADA)
) ss.
COUNTY OF Douglas)

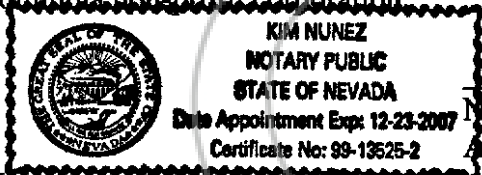
The foregoing instrument was acknowledged before me this 28 day of Sept. 2005, by Donald E. Bently, the GENERAL PARTNER of the Bently Family Limited Partnership, a Nevada limited partnership.

Theresa Lether
Notary Public
Address: 1711 DEBIT WAY, Bldg 2, Minden NV 89410

My commission expires: 08 August '07

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

The foregoing instrument was acknowledged before me this 26th day of September 2005, by Janet Bair the NV Dir. of Cons. of The Nature Conservancy, a District of Columbia non-profit corporation Programs



Kim Nunez
Notary Public
Address: One E. First St. Reno NV 89501 # 1007

My commission expires: Dec. 23, 2007

STATE OF NEVADA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2005, by _____, the _____ of the State of Nevada

Notary Public
Address: _____

My commission expires: _____

IN WITNESS WHEREOF, the parties have executed this Conservation Easement as of the Effective Date.

ACCEPTED THIS _____ DAY OF _____, 200__

GRANTOR:

THE CONSERVANCY:

BENTLY FAMILY LIMITED PARTNERSHIP, a Nevada limited partnership

THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ACCEPTED THIS 28th DAY OF September 2005 AS TO THIRD PARTY ENFORCEMENT RIGHTS:

STATE OF NEVADA

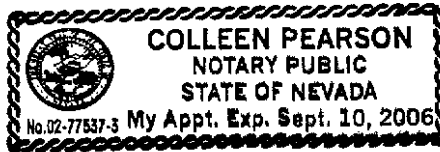
By *[Signature]*

Name: PAMELA B. WILCOX

Title: ADMINISTRATOR

Date: 9/28/05

STATE OF NEVADA)
) ss.
COUNTY OF Carson)



The foregoing instrument was acknowledged before me this 28th day of Sept., 2005, by Pam Wilcox, the Administrator of the State of Nevada

Colleen Pearson

Notary Public

Address: 901 S. Stewart St. Ste 5003

My commission expires: 9/10/06

COOPER



EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

All that portion of Sections 8, 17, 18, 19, 20, 29 and 30 of Township 14 North, Range 20 East, M.D.M., in Douglas County, State of Nevada, described as follows:

The Southeast one-quarter of said Section 8 lying westerly of the VT Railroad right-of way. Excepting therefrom the Northwest one-quarter of the Northwest one-quarter of the Southeast one-quarter of said Section 8.

Together with the East one-half of Section 17 lying westerly of the VT Railroad right-of-way.

Together with the East one-half of the Northeast one-quarter of the Northwest one-quarter of said Section 17.

Together with the Southeast one-quarter of the Northwest one-quarter of said Section 17.

Together with the East one-half of the Southwest one-quarter of the Northwest one-quarter of said Section 17.

Together with the Southwest one-quarter of said Section 17, excepting therefrom the Northwest one-quarter of the Northwest one-quarter of the Southwest one-quarter of said Section 17.

Together with the Southeast one-quarter of the Southeast one-quarter of said Section 18, excepting therefrom the Northwest one-quarter of the Southeast one-quarter of the Southeast one-quarter of said Section 18.

Together with the Northeast one-quarter of the Northeast one-quarter of said Section 19.

Together with the North one-half of the Northwest one-quarter of said Section 20.

Together with the North one-half of the Northwest one-quarter of the Northeast one-quarter of said Section 20 lying westerly of the VT Railroad right-of-way.

Together with the following described parcel:

Beginning at the Southeast corner of the Northwest one-quarter of said Section 29; thence, along the easterly line of said Northwest one-quarter, North 0°53'06" East 662.59 feet, to the Northeast corner of the South one-half of the Southeast one-quarter of the Northwest one-quarter of said Section 29; thence, North 89°44'15" West 1323.29 feet, along the north line of said South one-half of the Southeast one-quarter of the Northwest one-quarter to the

Northwest corner of said South one-half of the Southeast one-quarter of the Northwest one-quarter; thence North $0^{\circ}54'27''$ East 168.49 feet to a point on a non-tangent 960.00 foot radius curve concave to the east having a radial bearing of North $19^{\circ}07'12''$ East; thence northerly along the arc of said curve, through a central angle of $143^{\circ}34'57''$, an arc distance of 2405.75 feet to a point on the easterly line of the Northwest one-quarter of the Northwest one-quarter of said Section 29; thence along said easterly line, North $0^{\circ}43'01''$ East 9.37 feet to the Northeast corner of said Northwest one-quarter of the Northwest one-quarter of Section 29; thence along the easterly line of the West one-half of the Southwest one-quarter of said Section 20, North $0^{\circ}43'01''$ East 1813.86 feet to a point on the arc of a non-tangent 960.00 foot radius curve, concave to the East, having a radial bearing of North $43^{\circ}00'12''$ East; thence, northerly, along the arc of said curve, through a central angle of $95^{\circ}25'46''$, an arc distance of 1598.94 feet to a point on the easterly line of the Southwest one-quarter of the Northwest one-quarter of said Section 20; thence, along said easterly line, North $0^{\circ}43'11''$ East 764.03 feet to the Northeast corner of said Southwest one-quarter of the Northwest one-quarter of Section 20; thence, along the northerly line of the Southwest one-quarter of the Northwest one-quarter of said Section 20, North $89^{\circ}05'49''$ West 1335.00 feet, to the Northwest corner of the Northwest one-quarter of the Northwest one-quarter of Section 20; thence, along the northerly line of the Southeast one-quarter of the Northeast one-quarter of said Section 19, North, $89^{\circ}31'25''$ West 1329.23 feet to the Northwest corner of said Southeast one-quarter of the Northeast one-quarter of Section 19; thence, along the westerly line of said Southeast one-quarter of the Northeast one-quarter of Section 19, South $0^{\circ}30'48''$ West 1330.95' to the Southwest corner of said Southeast one-quarter of the Northeast one-quarter of Section 19; thence, along the westerly line of the East one-half of the Southeast one-quarter of said Section 19, South $0^{\circ}30'49''$ West 2659.43 feet to the Southwest corner of said East one-half of the Southeast one-quarter of Section 19; thence along the line common to said Sections 19 and 30, North $89^{\circ}08'17''$ West 663.78 feet to the Northwest corner of the West one-half of the Northwest one-quarter of the Northeast one-quarter of said Section 30; thence, along the westerly line of said West one-half of the Northwest one-quarter of the Northeast one-quarter of Section 30, South $0^{\circ}42'25''$ West 1334.34 feet to the Southwest corner of said West one-half of the Northwest one-quarter of the Northeast one-quarter of said Section 30; thence, along the northerly line of the Southwest one-quarter of the Northeast one-quarter of said Section 30, North $88^{\circ}52'04''$ West 658.73 feet, more or less, to the easterly line of State Highway 395; thence, along said westerly line of State Highway 395, South $0^{\circ}29'20''$ West 1331.25 feet to a point on the southerly line of the Northeast one-quarter of said Section 30; thence, along the southerly line of said Northeast one-quarter of Section 30, South $88^{\circ}35'43''$ West 2634.72 feet to the Southeast corner of said Northeast one-quarter of said Section 30; thence, along the southerly line of the North one-half of said Section 29, South $89^{\circ}56'15''$ East 2647.23 feet, to the point of beginning.

The basis of bearings for this description is the Nevada State Plane Coordinate System, West Zone;

LESS AND EXCEPTING the bed of the Carson River from high water mark to high water mark;

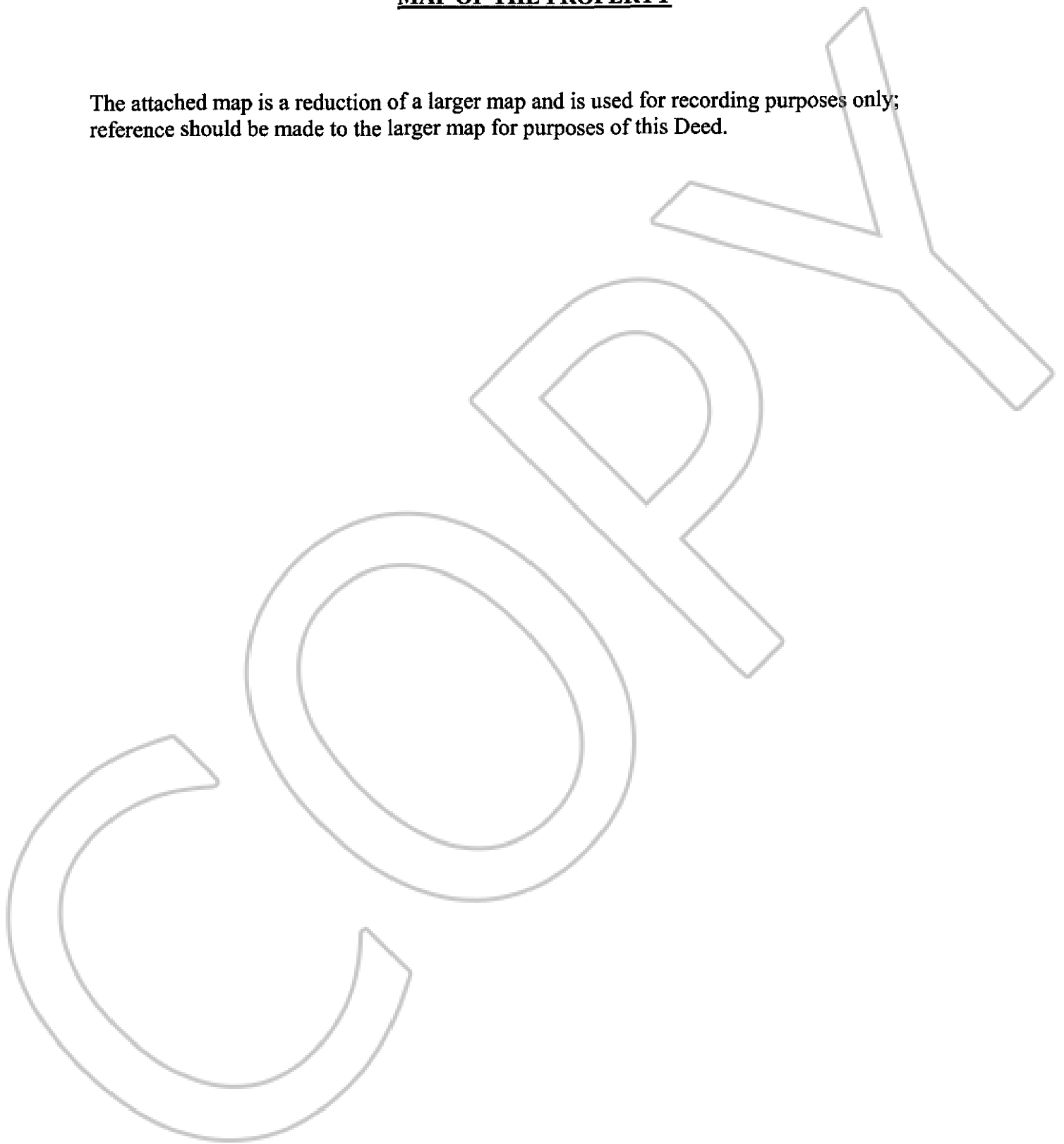
Containing 1027 acres more or less.

Pursuant to N.R.S. 111.312, this legal description was prepared by Mike Bailey of Mactec Engineering and Consulting Inc., 1572 East College Parkway, Suite 162, Carson City, NV 89706.

END OF EXHIBIT A

EXHIBIT B
MAP OF THE PROPERTY

The attached map is a reduction of a larger map and is used for recording purposes only; reference should be made to the larger map for purposes of this Deed.



BENTLY KIRMAN FIELD CONSERVATION EASEMENT

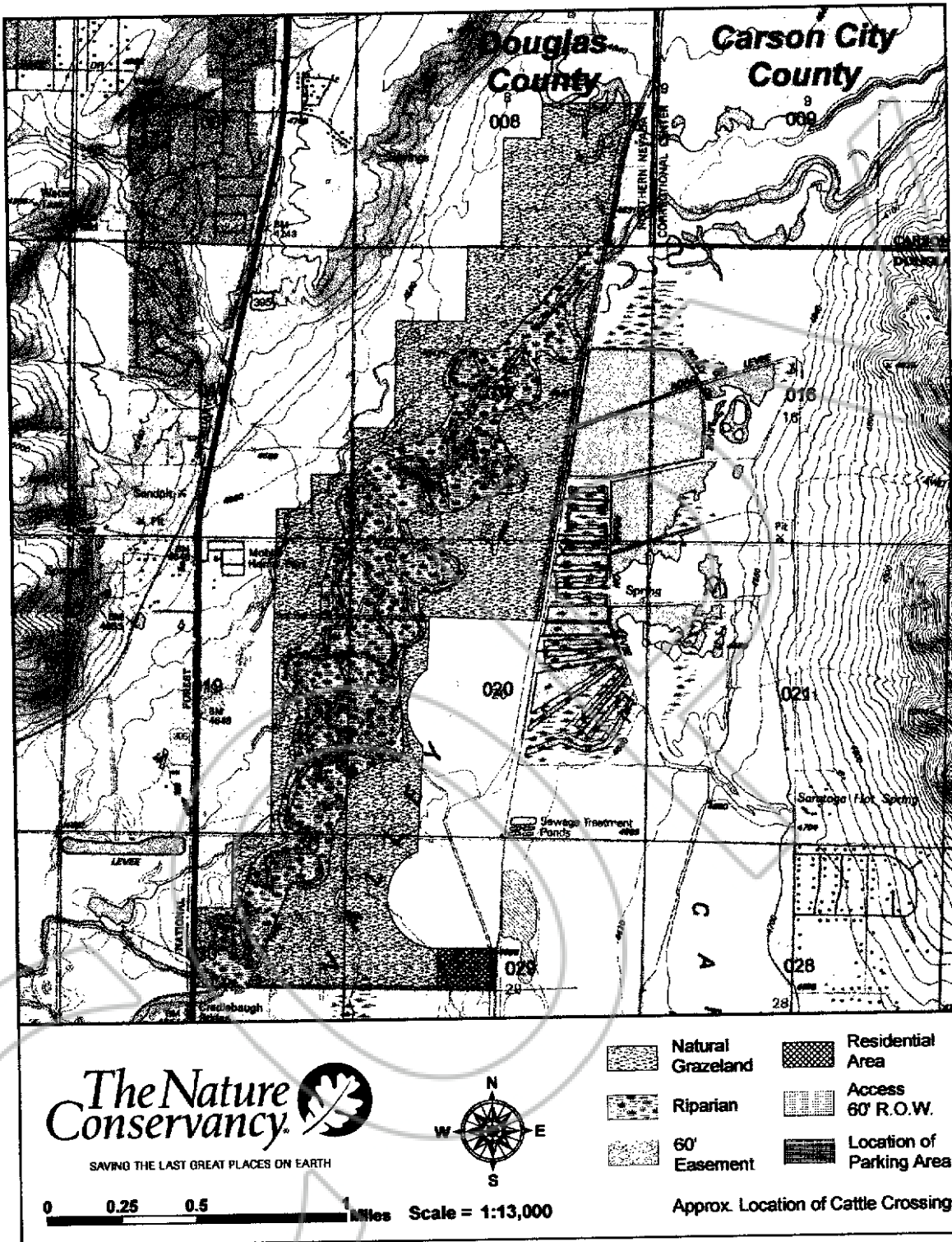


EXHIBIT C

PERMITTED USES OF THE PROPERTY

The uses set forth in this **Exhibit C** detail specific activities that are permitted under the Conservation Easement. The uses set forth in this **Exhibit C** are also intended to provide guidance in determining the consistency of other activities with the Conservation Purposes. Notwithstanding the uses set forth in this **Exhibit C** and, notwithstanding any provision of this Conservation Easement to the contrary, in no event shall any of the permitted uses of the Property (whether set forth in this **Exhibit C** or elsewhere in this Conservation Easement) be conducted in a manner or to an extent that diminishes or impairs the Conservation Values or that otherwise violates this Conservation Easement.

1. **GRAZING ACTIVITIES.**

A. **Livestock Grazing within the Natural Grazeland Area.** The Natural Grazeland Area may be used for commercial breeding, raising, pasturing, and grazing of livestock solely as follows and in compliance with the terms and conditions of this Conservation Easement (collectively "**Grazing Operations**").

- i) **Type of Animal:** Only cattle and horses may be grazed as set forth below. Sheep and/or goats may be grazed to meet specific biological management objectives, with approval by the Conservancy.
- ii) **Location:** Grazing of livestock is permitted in the Natural Grazeland Area only after installation of fencing on the border of the Riparian Area and the Natural Grazeland Area, as depicted on the Property Map in **Exhibit B**. The Grantor will be solely responsible for the cost of installing and maintaining this fencing.
- iii) **Forage Utilization:** Forage utilization will be managed by the Grantor to prevent soil erosion, to maintain or improve the existing plant diversity structure, and to minimize the cover of invasive exotic species.
- iv) **Season of Grazing.** Grazing shall be limited to the period of July 1 to November 1st of any calendar year. There shall be no grazing during the growing season, which is defined as March 1st – June 1st of any calendar year. Grazing between the growing season and the grazing season, which is defined as June 1st – July 1st and November 1st – March 1st, will be permitted only with the approval of the Conservancy.
- v) **Herd Size.** Grazing on the property will be limited to an average herd size of from 1500 to 1750 Animal Unit Months ("AUMs"), with the maximum of 2000 AUMs to allow more grazing during those calendar years which have more rain and therefore more forage.
- vi) **Grazing Management.** All livestock grazing shall be conducted consistent with sound livestock management practices in the area which do not create erosion above the

normal and natural levels for the area, and shall be conducted in a manner that is consistent with the purposes of this Conservation Easement and, notwithstanding any provision of this Conservation Easement to the contrary, shall not adversely affect the Conservation Values of this Conservation Easement.

B. Grazing within the Riparian Area. Limited grazing in the Riparian Area shall be permitted only after development of a Grazing Management Plan for the Riparian Area. The Grazing Management Plan will be updated each calendar year by the Grantor and the Conservancy, with final approval authority resting with the Conservancy, which approval will not be unreasonably denied, conditioned or delayed. The Grazing Management Plan will define the location and intensity of grazing in the Riparian Area, and any other terms or conditions for grazing. At its sole discretion, the Conservancy has the right to periodically rest areas of the Riparian Area from grazing and/or vary the intensity of grazing within the Riparian Area. The Conservancy also has the right to indefinitely exclude grazing from sensitive portions of the Riparian Area. In the case that temporary fences are needed to implement the Grazing Management Plan, the Grantor will be solely responsible for the reasonable cost of installing and removing this fencing.

Grantor may cross cattle through the Riparian Area utilizing only those five (5) cattle crossing areas identified in Exhibit B. The frequency of crossings and duration of time that cattle are in the Riparian Area will be minimized to the extent reasonably practical.

2. RESIDENTIAL AREA.

A. Structures; Residence. Grantor shall have the right to build, rebuild, construct and modify structures within the Residential Area as identified on Exhibit B. The Grantor shall have the right to construct one single-family residence in a rural agriculture architecture style along with a garage and storage structures, provided that the total square footage of all structures (inclusive of the residence, garage and other storage structures) shall not exceed 15,000 square feet. The total square footage of any one of these structures shall not exceed 7,500 square feet.

B. Pets and Domestic Animals. The Grantor may keep and raise domestic animals and pets in the Residential Area and may keep and raise chickens, goats, and other farm animals in the Residential Area, provided that all such animals and pets are confined to the Residential Area.

C. Gardens and Landscaping. Grantor shall have the unrestricted right to landscape the areas within the Residential Area, including, but not limited to, movement of dirt, soil and rocks, planting and propagation of non-native plants, construction of ponds, retaining walls, roadways, paths and other natural and artificial structures and features.

D. Fertilizers, Pesticides, Herbicides, and other Biocides. Pesticides, herbicides, and other biocides associated with permitted residential activities, and in quantities consistent with permitted residential activities, are permitted in the Residential Area in compliance with all applicable laws, rules, and regulations.

3. MAINTENANCE, REPAIR AND REPLACEMENT.

A. Agricultural, Non-Residential Structures. The Grantor retains the right to maintain, repair, reasonably enlarge, and replace ranching, non-residential improvements that exist on the Property as of the date of this Conservation Easement, in the same locations that they currently exist, without any further permission of the Conservancy.

Fences that exist on the Property as of the date of this Conservation Easement may be repaired and replaced, and new fences may be built anywhere on the Natural Grazeland Area for purposes of reasonable and customary management of livestock, without any further permission of the Conservancy, provided that such fencing does not unreasonably impair the movement of wildlife to and from the Riparian Area. No fencing shall be permitted in the Riparian Area except as specifically provided for in Paragraph 1.B. of this Exhibit C.

B. Roads and Trails. The construction, reconstruction, or replacement of any roads and trails is prohibited, except as set forth in the remainder of this Paragraph 3(B) and as identified and developed as part of the RMP, as defined in Paragraph 4(B) of the Conservation Easement. The Grantor may maintain roads and trails that exist on the Property as of the date of this Conservation Easement at the levels of improvement for each that exist as of the date of this Conservation Easement. The Grantor may construct and maintain new roads and trails on the Natural Grazeland Area, provided that: (1) such new roads and trails shall be reasonably necessary for the permitted Grazing Operations; (2) the Grantor shall have obtained the Conservancy's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed, for the construction of such new roads and trails; and (3) any new roads shall not be constructed within the high water mark of any natural or artificial water feature and shall also comply with all terms and conditions of this Conservation Easement. No new roads shall be permitted within the Riparian Area. New trails within the Riparian Area must be approved in the RMP in connection with the public trail system.

3. PRESCRIBED BURNING. Grantor may use prescribed burning as a tool for management of the Natural Grazeland of the Property provided that such practice, including, but not limited to, the amount, frequency, and manner of application, shall be in accordance with all applicable laws, rules, and regulations and only upon obtaining the approval of the Conservancy.

4. FERTILIZERS, PESTICIDES, HERBICIDES, AND OTHER BIOCIDES.

(i) Herbicides may be applied on the Natural Grazeland Area only for the control of noxious weeds and in compliance with all applicable laws, rules, and regulations, provided that aerial application is not allowable. No other pesticides, herbicides, fertilizers or biocides are permitted on the Natural Grazeland Area, unless approved by the Conservancy as part of a weed management plan.

(iii) Herbicides may be applied on the Riparian Area only with the prior consent of the Conservancy for the control of non-native noxious weeds as required by Nevada law and in compliance with all applicable laws, rules, and regulations; provided, however, that application by aerial spraying is prohibited.



5. **FISHING AND HUNTING.** The Grantor may fish and hunt for personal use.
6. **CONTROL OF PREDATORY ANIMALS.** The Grantor shall use selective control techniques, which shall be limited to specific animals which have caused documented damage to livestock. control of predatory and problem animals.
7. **WATER RESOURCES.** Grantor retains all rights to use and enjoy the water resources on the Property permissible under State and Federal laws. The Grantor may develop and maintain such resources on the Property as are necessary solely for permitted Grazing Operations. For Grazing Operations, water resources may be pumped only at a rate sufficient to maintain stock ponds. There shall be no more than one (1) source of water per square mile of Property, unless otherwise approved by the Conservancy in its sole discretion. All water resources shall be developed in a manner consistent with the Conservation Values.

At any time, Grantor may construct a system for providing water to cattle outside of the Riparian Area (e.g., with troughs and a solar pump). If Grantor decides not to construct a system for providing water to cattle outside the Riparian Area, the Conservancy may, but is not obligated to, construct such a system and would be solely responsible for the cost of construction. Following construction, the Grantor will be responsible for maintaining the alternative water source system.
8. **PASSIVE RECREATIONAL USES.** The Grantor may conduct passive recreational activities on the Property, including, but not limited to, bird watching, hiking, horseback riding, and picnicking.
9. **SIGNS.** The Grantor may erect a reasonable number of signs or other appropriate markers not to exceed dimensions of four feet (4') by eight feet (8') in a prominent location on the Property, visible from a public road, which identify ranching or open space activities on the Property and/or which state that no trespassing or no hunting is allowed on the Property.
10. **TRANSFER OF PROPERTY.** Except as otherwise set forth in Paragraph 1 of Exhibit D and elsewhere in this Conservation Easement, the Grantor may transfer the Property in its entirety (but not in any portion less than its entirety), provided that the transfer is in accordance with Paragraph 20 of the Conservation Easement and is not prohibited in Exhibit D.
11. **RESIDUAL RIGHTS; PRIOR APPROVAL.** Except as expressly limited by this Conservation Easement, the Grantor may exercise and enjoy all rights as owner of the Property, including the right to use the Property for any purpose that is consistent with this Conservation Easement.
12. **QUESTIONABLE ACTIVITIES.** If any question exists regarding whether new practices or activities are permitted or would be inconsistent with the Conservation Purposes or would diminish or impair the Conservation Values, the Grantor shall notify the Conservancy in writing and obtain the Conservancy's written approval prior to engaging in such practices or activities.

[END OF EXHIBIT C]

EXHIBIT D

PROHIBITED USES OF THE PROPERTY

Though not an exhaustive list of prohibited uses, none of the uses described below shall be made of the Property. The following are set forth both to list specific prohibited activities on the Property and to provide guidance in determining whether or not other activities are inconsistent with the Conservation Purposes.

1. **NO SUBDIVISION.** The legal or de facto division, subdivision, or partitioning of the Property is prohibited. Notwithstanding the fact that, as of the Effective Date, the Property might be comprised of separate legal parcels, the terms and conditions of this Conservation Easement shall apply to the Property as a whole, and the Property shall not be sold, transferred, or otherwise conveyed except as a whole, intact, single piece of real estate; it being expressly agreed that neither the Grantor nor the Grantor's personal representative, heirs, successors, or assigns shall sell, transfer, or otherwise convey any portion of the Property that constitutes less than the entire Property. The existence of any separate legal parcels, if any, as of the Effective Date shall not be interpreted to permit any use or activity on an individual legal parcel that would not have been permitted on such individual legal parcel under the terms and conditions of this Conservation Easement as applied to the Property as a whole. Notwithstanding the remainder of this Paragraph 1, ownership of the Property may be held in the form of undivided interests as tenants in common, whether by choice or by operation of any applicable laws, but no owner of an undivided interest in the Property shall have the right of exclusive occupancy or exclusive use of any separate portion of the Property, or any right to have the Property partitioned in kind, whether pursuant to Nevada statute or otherwise.

2. **NO NON-RANCHING COMMERCIAL USES.** The establishment of any commercial or industrial uses on the Property, other than the continuation of the permitted Grazing Operations, as described in Exhibit C, is prohibited. Examples of prohibited commercial or industrial uses include, but are not limited to: (a) the establishment or maintenance of any commercial confined animal feeding operations, which are defined as any open or enclosed area where domestic livestock that are owned by a person or entity other than the Grantor are grouped together for intensive feeding purposes; (b) wild game ranching; (c) the planting and cultivation of commercial orchards; (d) the establishment or maintenance of any commercial greenhouses or plant nurseries; (e) the establishment or maintenance of any dairies; (f) the establishment or maintenance of any commercial bee hives; (g) the establishment or maintenance of any mineral extraction activities; and (h) the establishment of any overnight lodging business, day lodge, dude ranch, guiding, hunting or fishing service, restaurant or other eating establishment. The establishment of any apartment buildings or other multi-family dwellings on the Property is prohibited.

3. **NO USE OR TRANSFER OF DEVELOPMENT RIGHTS.** Except as expressly permitted by the terms of Exhibit C of this Conservation Easement, the exercise of any development rights associated with the Property is prohibited, including, without limitation, the construction or placement of any residential or other buildings, golf courses, camping accommodations, boat ramps, bridges, mobile homes, house-trailers, permanent tent facilities,

quonset huts or similar structures, underground tanks, or billboards, signs, or other advertising, and/or other structures or improvements, street lights, utility structures or lines, sewer systems or lines.

Except as expressly permitted by the terms of Exhibit C of this Conservation Easement, all development rights that are now or hereafter allocated to, implied, reserved, or inherent in the Property are terminated and extinguished and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described or to any other property adjacent or otherwise nor used for the purpose of calculating permissible lot yield of the Property or any other property; provided, however, that, with prior written permission of the Conservancy, this Paragraph 3 shall not preclude such transfer of development rights resulting from the destruction or demolition of any new or existing residential or agricultural buildings on the Property.

4. NO NATURAL RESOURCE DEVELOPMENT. To the extent controlled by Grantor, its individual members, directors, subsidiary or affiliated entities, the exploration for or extraction of minerals, gas, hydrocarbons, soils, sands, gravel, or rock, or any other material on or below the surface of the Property is prohibited. The Grantor shall not grant any rights to any minerals, oil, gas, or hydrocarbons, including exploration or extraction rights in or to the Property, and the Grantor shall not grant any right of access to the Property to conduct exploration or extraction activities for minerals, oil, gas, or hydrocarbons, or other substances on any other property.

5. NO HAZARDOUS MATERIALS. The use, dumping, storage, or other disposal of non-compostable refuse, trash, sewer sludge, or unsightly or toxic or Hazardous Materials or agrichemicals is prohibited, except in connection with the Grazing Operations as permitted in Paragraph 1 of Exhibit C

6. NO LONG-TERM LEASES. Leasing the Property for a period of greater than five (5) or more years without the consent of the Conservancy, as provided in Paragraph 19 of the Conservation Easement, is prohibited.

7. NO ALTERATION OF NATURAL WATER COURSES; NO DEGRADATION OF WATER QUALITY. The manipulation or alteration of any natural water course, wetland, streambank, shoreline, vernal pool or body of water is prohibited, except as permitted in the Enhancement Plan. Activities or uses detrimental to water quality, including, but not limited to, degradation or pollution of any surface or subsurface waters, are prohibited.

8. VEHICLES. The use of any motorized vehicles off designated roadways, except for the purposes of carrying on the permitted Grazing Operations, is prohibited. The use of motorized vehicles for recreational purposes is prohibited.

9. INTRODUCTION OF GRASSES, PLANT, ANIMAL SPECIES OR EXOTICS. Except as expressly permitted by the terms of Exhibit C, no seeding, planting, or introduction of grasses, clovers, or any other plant species is permitted. Except as expressly permitted by the terms of Exhibit C, the introduction of any non-native plant or non-native animal species is prohibited.

10. **NO PLOWING, DISKING, ALTERATION OF TOPOGRAPHY.** The plowing, disking, cultivation, ripping, planting, sowing, irrigation, or any other conversion or disturbance of the Property is prohibited, except for: (i) the grazing of livestock as permitted by the terms of **Exhibit C**; (ii) the construction of permitted structures on the Property pursuant to the terms and conditions of this Conservation Easement; or (iii) the implementation of Habitat Enhancement Activities, as permitted by the terms of **Paragraph 4(D)**. Any change in the topography of the Property through the placement on the Property of soils, land fill, dredging spoils, or other materials is prohibited, except as incidental and necessary to the activities permitted under this Conservation Easement. Notwithstanding any provision of this **Paragraph 10** or the remainder of this Conservation Easement to the contrary, in no event shall any permitted plowing, disking, cultivation, ripping, planting, sowing, irrigation, or any other conversion or disturbance of the Property diminish or impair the Conservation Values.

11. **NO CONVERSION OF PROPERTY.** The use of the Property for, or conversion of the Property to, crops, orchards, vineyards, or any other agricultural or commercial purpose is prohibited.

12. **INCONSISTENT OR ADVERSE ACTIONS.** Any action or practice that is or becomes inconsistent with the Conservation Purposes or that diminishes or impairs the Conservation Values is strictly prohibited.

13. **JUNK YARDS.** The storage or disassembly of inoperable automobiles, machinery, equipment, trucks, and similar items for purposes of storage, sale, or rental of space for any such purpose is prohibited.(include within the Residential Area)

14. **DESTRUCTION OF NATIVE VEGETATION.** Except as otherwise specifically permitted in **Exhibit C**, the removal, cutting or destruction of native vegetation is prohibited.

15. **TIMBER HARVESTING.** Except as otherwise specifically permitted in **Exhibit C**, the taking or harvesting of timber, standing or downed, on the Property, except for disease or insect control or to prevent property damage or personal injury, is prohibited. In no event may timber be collected for or used for commercial purposes.

[END OF EXHIBIT D]

EXHIBIT E

ACKNOWLEDGEMENT OF THE REPORT

Grantor and the Conservancy acknowledge that each has read the Carson River (Bently – Kirman Field) Easement Documentation Report dated September 27, 2005, and that the Report accurately reflects the condition of the Property subject to the Conservation Easement as of the date of conveyance of the Conservation Easement.

GRANTOR:

BENTLY FAMILY LIMITED
PARTNERSHIP, a Nevada limited partnership

By: Donald E Bently

Name: DONALD E. BENTLY

Title: GENERAL PARTNER

Date: 28 Sept. 2005

THE CONSERVANCY:

THE NATURE CONSERVANCY, a District
of Columbia nonprofit corporation

By: Janet Bair

Name: Janet Bair

Title: Director of conservation Programs

Date: 28 Sept. 2005