

OFFICIAL RECORD

Requested By:

STEWART TITLE OF DOUGLAS

COUNTY

Douglas County - NV

Werner Christen - Recorder

Page: 1 Of 7 Fee: 20.00

BK-0806 PG-11572 RPTT: 780.00



Adjusted from A.P.N. 1220-03-000-004
to A.P.N. 1220-10-601-003

Recording Requested By
and Return by Mail to:

Barton Healthcare System, Inc.
Jeff Rahbeck, Esq.
P.O. Box 435
Zephyr Cove, Nevada 89448

060101193

**BOUNDARY LINE ADJUSTMENT
GRANT, BARGAIN AND SALE DEED SUBJECT TO RESERVED EASEMENT**

THIS BOUNDARY LINE ADJUSTMENT GRANT, BARGAIN AND SALE DEED SUBJECT TO RESERVED EASEMENT, made this 30th day of August, 2006, between Park Cattle Company, a Nevada corporation, "Grantor", and Barton Healthcare System, Inc., a California public benefit corporation, "Grantee."

WITNESSETH:

Grantor, in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States of America, in hand paid by Grantee, and additional consideration, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell unto Grantee, and to Grantee's successors and assigns forever, that certain parcel of real property situate in Douglas County, Nevada, and more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein (the "Real Property").

EXCEPT AS EXPRESSLY RESERVED BELOW, TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

RESERVING an easement as follows:

ARTICLE I

Easement

Section 1.1 Reservation of Easement. Grantor reserves for the Allerman-Upper Virginia Irrigation Company, Inc. ("Irrigation Company"), its successors and assigns, in gross and for the benefit of the shareholders of Irrigation Company, their successors and assigns, under the terms and conditions herein contained, a perpetual easement for an open ditch (the "Virginia Ditch") and for connecting the Allerman Canal to the Virginia Ditch, for the conveyance and distribution of water, and for the purpose of inspecting, cleaning, maintenance, operation, repair and reconstruction of said ditch along and across

the Real Property as described in Exhibit "A" attached hereto and made a part hereof. Said strip of land is hereinafter referred to as the "Easement Area." The water conveying portion of the Easement Area shall be an exclusive easement. The balance of the Easement Area shall be non-exclusive.

Section 1.2 Grantee's Rights Within the Easement Area. Grantee shall have the right to fully use and enjoy the Easement Area at all times, including the right to remove material removed from the Virginia Ditch and deposited on its banks by Irrigation Company, provided that such use and removal does not unreasonably interfere with the rights of Irrigation Company in the Easement Area or with the purposes for which the easement is granted. Within the Easement Area, Grantee shall not:

- (a) Plant or permit to be planted vegetation of any nature or description; and
- (b) Subject to the provisions of Sections 1.3 and 1.4, erect or construct or permit to be erected or constructed any building, structure or other improvement of any nature or description.

This designation of restrictions on Grantee's use of the Easement Area shall not be considered as an exclusive designation.

Section 1.3 Fences. Grantee may construct a fence across the Easement Area, provided that at the upstream and downstream ends of the Easement Area and on both the upper and lower banks of the Easement Area the fence includes a 16 foot minimum metal gate which can be easily opened and/or removed during inspection, cleaning, maintenance, repair and reconstruction of the Virginia Ditch and within the Easement Area, and further provided that any such fence shall not in any way obstruct or interfere with the flow of water in the Virginia Ditch within the Easement Area.

Section 1.4 Crossing. Grantee may not construct a crossing over the Virginia Ditch without the prior written consent of Irrigation Company, which consent will not be withheld unreasonably. In seeking the written consent of Irrigation Company for a crossing, Grantee shall provide Irrigation Company with detailed plans and specifications showing the nature of the proposed crossing, its size and location. Under no circumstances shall Irrigation Company be required to approve a crossing which consists of a pipe or other structure which in any way interferes with or obstructs or may interfere with or obstruct the flow of water within the Virginia Ditch, or which interferes with or may interfere with Irrigation Company's ability to inspect, clean, maintain, repair and operate the Virginia Ditch.

Section 1.5 Irrigation Company's Rights Within the Easement Area. Irrigation Company and its employees and agents shall have the right of ingress

and egress to and from the Easement Area for any and all purposes reasonably necessary to the exercise of Irrigation Company of the rights reserved herein, including, without limitation, to inspect, clean, maintain, repair, reconstruct as necessary and operate the Virginia Ditch. Irrigation Company shall have the right to remove or clear any and all buildings, structures, combustible materials, trees, brush, willows, other vegetation, debris or any other obstruction within the Easement Area. Irrigation Company's inspections, cleanings, maintenance, repairs and reconstructions of the Virginia Ditch and the Easement Area may be undertaken as frequently or infrequently as Irrigation Company, in its reasonable discretion, determines reasonable and appropriate and without any prejudice to or limitation of the easement granted hereby.

Section 1.6 Irrigation Company's Methods of Maintenance, etc. Irrigation Company may accomplish its inspection, cleaning, maintenance, repair and reconstruction of the Virginia Ditch and the Easement Area pursuant to methods which are consistent with good ranching practices, including, without limitation, by the use of hand tools, trucks and heavy equipment (including both rubber-tired and track-laying vehicles). Irrigation Company shall also have the right to chop or cut down willows, trees and other plants growing on or within the Easement Area which, in Grantee's reasonable judgment, impede or interfere with Irrigation Company's access to, and/or the flow of water within, the Virginia Ditch or with Irrigation Company's ability to exercise its rights to inspect, clean, maintain, repair or reconstruct as necessary the Virginia Ditch.

Within the Easement Area, Irrigation Company shall have the right to create and maintain a vehicular pathway and work area, and shall further be entitled to deposit any and all silt, dirt, rocks and debris removed from the Virginia Ditch or its banks on the banks of the Virginia Ditch anywhere within the Easement Area. Irrigation Company shall not be obligated to remove or relocate any of the silt, dirt, rocks and debris removed from the Virginia Ditch and placed within the Easement Area on the banks of the Virginia Ditch. Irrigation Company shall maintain the Easement Area in a manner consistent with good ranching practices and in a neat condition.

ARTICLE II General Provisions

Section 2.1 Compliance with Law. The activities of Irrigation Company, its successors and assigns, in connection with the easement reserved hereby, shall be:

(a) accomplished in a good and workmanlike manner, in accordance with all applicable laws, ordinances and regulations;



(b) Irrigation Company shall obtain all licenses, permits and other governmental approvals required by law in connection with its activities to be undertaken in the Easement Area; and

(c) Irrigation Company shall maintain the Virginia Ditch and Easement Area in a safe condition and in compliance with all applicable licenses, permits, approvals, regulations, ordinances, laws and this Agreement.

Section 2.2 Liens. Irrigation Company, its successors and assigns, will not create or permit to exist any lien or other encumbrance on the Easement Area resulting from any acts or omissions by Irrigation Company, its successors and assigns, with respect to inspection, cleaning, maintenance, operation, repair and reconstruction of the Virginia Ditch and Easement Area, or any other work performed thereon by Irrigation Company, its successors and assigns.

Section 2.3 Headings. The section and other headings contained in this Reservation of Easement are for reference purposes only, and shall not affect the meaning or interpretation of it.

Section 2.4 Rules of Construction. In this Reservation of Easement, unless the context otherwise requires, words in the singular include the plural, and in the plural include the singular, and words of the masculine gender include the feminine and the neuter, and, when the sense so indicates, words of the neuter gender may refer to any gender. All references to Sections or Exhibits shall refer to Sections and Exhibits of this Reservation of Easement unless expressly stated otherwise. All references to Sections include all subsections thereof.

Section 2.5 Governing Law. This Reservation of Easement is to be governed by and construed in accordance with the laws of the State of Nevada applicable to contracts made and to be performed wholly within such State, and without regard to the conflicts of laws principles thereof.

Section 2.6 Attorneys' Fees. The prevailing party in any proceedings arising in connection with this Reservation of Easement shall be entitled to reimbursement for its reasonable costs incurred in connection therewith, including attorneys' fees.

Section 2.7 Successors and Assigns. This Reservation of Easement and all terms and provisions stated herein shall be binding upon the heirs, legal representatives, successors and assigns of the parties hereto and upon the successors in title to the Real Property described in Exhibit "A."

Section 2.8 Approvals. Whenever the approval or consent of the Grantee or the Irrigation Company is required for any purpose under this Reservation of Easement, that approval or consent will not be unreasonably withheld or delayed. Without limiting the foregoing, if any approval or consent is

requested by either party, unless the consenting party notifies the requesting party within sixty (60) days that it will not grant the approval or consent, the consenting party will be deemed to have given the approval or consent on the sixty first (61st) day.

Section 2.9 Inndemnity. Grantee and Irrigation Company each shall indemnify and hold harmless the other against any claim of liability or loss from personal injury or property damage related to the use of the Easement Area and resulting from or arising out of the negligence or willful misconduct of the indemnifying party, its employees, contractors or agents, except to the extent that such claims or damages may be due to or caused by the negligence or willful misconduct of the other party, or its employees, contractors or agents.

TO HAVE AND TO HOLD the said Real Property Subject to the Reserved Easement, unto Grantee, and to Grantee's successors and assigns, forever.

THIS DEED IS PLACED OF RECORD FOR THE PURPOSE OF FACILITATING A BOUNDARY LINE ADJUSTMENT BETWEEN EXISTING PARCELS OF LAND, AS FURTHER DEPICTED AND SET FORTH ON THAT CERTAIN RECORD OF SURVEY IN SUPPORT OF BOUNDARY LINE ADJUSTMENT, RECORDED CONCURRENTLY HEREWITH.

In witness whereof, Grantor has executed this conveyance the day and year first hereinabove written.

GRANTOR:

PARK CATTLE COMPANY,
a Nevada corporation

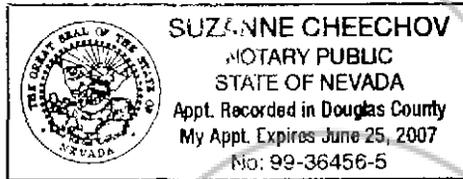
By: Frank Bishop
Its: President FRANK BISHOP

STATE OF NEVADA)
)
COUNTY OF Douglas) ss.

On the 30th day of August, 2006, before me, a Notary Public in and for said County and State, personally appeared Franklin M. Bishop, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed this instrument.

WITNESS my hand and official seal.

Suzanne Cheechov
NOTARY PUBLIC



DESCRIPTION
ADJUSTED FROM A.P.N. 1220-03-000-004 TO A.P.N. 1220-10-601-003

All that real property situate in the County of Douglas, State of Nevada, described as follows:

A parcel of land located within a portion of Section 10, Township 12 North, Range 20 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the west corner of Adjusted Parcel B as shown on the Record of Survey to Support a Boundary Line Adjustment for Peri Enterprises, LLC filed for record October 19, 2005 in the office of Recorder, Douglas County, Nevada as Document No. 658211, said point also falling on the east right-of-way line of U.S. Highway 395, a found 5/8" rebar with aluminum cap PLS 3519, the POINT OF BEGINNING;

thence along said east right-of-way line of U.S. Highway 395, North 44°45'21" West, 87.52 feet;

thence North 29°35'16" East, 1417.43 feet to the southwesterly terminus of Mathias Parkway as shown on the Final Subdivision Map for Jewel Commercial Park – Phase 2 filed for record July 24, 1997 in said office of Recorder as Document No. 417846;

thence South 44°45'21" East, 73.55 feet to the north corner of said Adjusted Parcel B;

thence along the boundary of said Adjusted Parcel B, South 29°02'43" West, 1421.26 feet to the POINT OF BEGINNING, containing 2.52 acres, more or less.

The Basis of Bearing of this description is South 44°45'21" East, the east right-of-way of U.S. Highway 395 as shown on the Record of Survey for Jacobsen Family Survivors/Residual Trust filed for record May 11, 2000 in said office of Recorder as Document No. 491782.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2229
Minden, Nevada 89423

