

DOUGLAS COUNTY, NV

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Easement for Conservation

This page added to provide additional information required by NRS 111.312 Section 1-2

This cover page must be typed or printed clearly in black ink only.

EASEMENT FOR CONSERVATION
Van Sickle Station Ranch – Douglas County, Nevada

THIS EASEMENT FOR CONSERVATION (the “**Conservation Easement**” or “**Deed**”) is granted this 12 day of MAY, 2023, by Gail P. Teig, **Surviving Trustee of The Teig Family 1995 Trust under trust agreement dated November 30, 1995 and TEIG FAMILY INVESTMENTS, LLC**, a Nevada **limited liability company** (collectively referred to as the “**Grantor**”), the address of which is 1974 Foothill Road, Minden, Nevada 89423, in favor of **THE UNITED STATES OF AMERICA** and its assigns (the “**Grantee**”), for the purpose of forever preserving the open space character of the subject property, as well as preserving the availability of the subject property for agricultural use. The acquiring federal agency is the U.S. Department of the Interior, Bureau of Land Management. The Grantor and the Grantee are referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

The following Exhibits are attached hereto and made a part of this Conservation Easement:

- Exhibit A - Legal Description of Property
- Exhibit A-1 - Land Description for Exclusion Area
- Exhibit B - Maps of Property and Exclusion Area
- Exhibit C - Description of Water Rights
- Exhibit D - Acknowledgement of Baseline Documentation Report

RECITALS:

A) The Grantor is the sole owner in fee simple of certain real property totaling 419.94 acres, more or less, located in Douglas County, Nevada, free of mortgage or other encumbrance, except those encumbrances that have been expressly approved by the Grantee, more particularly described in **Exhibit A (“Legal Description of Property”)** and on **Exhibit A-1 (“Land Description for Exclusion Area”)**, attached hereto and incorporated herein by this reference. For the purposes of convenience only and not as a substitute for the legal description of the Property, a **Map of Property (“Conservation Easement Map”)** and a **Map of Exclusion Area (“Exclusion Area Map”)** are attached to this Deed and are depicted on **Exhibit B**. The property encumbered by this Conservation Easement excludes the 2.1 acre, more or less, **Exclusion Area** described in the attached Exhibit A-1 and depicted on the attached Exhibit B, for a total of 417.84 acres, more or less, encumbered by this Conservation Easement (the 417.84 acres, is referred to herein as the “**Property**”). It is the intention of the Parties that the Exclusion Area be considered wholly separate from the Conservation Easement and that none of the restrictions enumerated herein apply to the Exclusion Area.

B) The Property is currently used for livestock grazing and grass hay production by the Grantor. The Grantor seeks to protect the agricultural use and future viability by limiting nonagricultural uses of the Property. The Grantee seeks to acquire only those interests in the Property which are necessary to protect environmentally sensitive land and to accomplish the administrative goals and objectives of the approved Round 17 Nomination for Southern Nevada Public Land Management Act of 1996, as amended (Public Law 105-263), Project BL64 (“**Nomination**”), referred to as the “Van Sickle Station Ranch Conservation Easement.”

C) The Property possesses open space and agricultural conservation values, as described in Nevada Revised Statute (NRS) §111.410 (collectively, the “**Conservation Values**”), of importance to the people of Douglas County, the people of the State of Nevada, and the people of the United States of America, which are worthy of protection. The Conservation Values are further detailed in the Baseline Documentation Report (“**Baseline Report**”). Other natural and scenic values that would benefit from protecting open space and agricultural Conservation Values are summarized below:

- 1) The historic Van Sickle Station, for which the Property is named, was founded in 1855, nearly a decade before Nevada became a state, and included a popular hotel along the California National Historic Trail between Mormon Station (present-day Town of Genoa) and Woodford’s Station. The Property includes irrigated grassland pastures, wet meadows, wetlands, and a comparatively large amount of riparian habitat within the Carson River floodplain between the West Fork of the Carson River and the eastern slope of the Sierra Nevada Mountains. The Grantor uses an extensive system of canals and control gates, fed by the West Fork of the Carson River, West Brockliss Slough, East Brockliss Slough, and underground well water, to irrigate the pastures to grow grass for rotational cattle grazing and hay production.
- 2) The current Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM Map Number 32005C0230G, January 20, 2010) for the National Flood Insurance Program shows that the Property is within Special Flood Hazard Areas that are subject to inundation by the 1% annual chance flood. The Property is crossed by the West and East Brockliss Sloughs, and is approximately 1/8 mile west of the West Fork of the Carson River. During natural flood events, waters from the three main tributaries of the main Carson River (East Fork, West Fork, and Brockliss Sloughs) coningle within the larger floodplain. The open agricultural landscape of the Property allows flood water to spread naturally without being confined by human development or putting structures at risk of damage.
- 3) The Property is a working agricultural landscape that has been operated as a cattle ranch for many decades. Ranching is a significant aspect of life in the West; however, residential and industrial development pressure has decreased the availability of undeveloped land for rotational cattle grazing and grassland hay production within the Carson Valley. Protection of the Property would ensure that the historic agricultural use can continue in perpetuity.
- 4) The Property provides outstanding open space that is used by a variety of migratory waterfowl species for staging during migration through the Carson Valley and as a corridor for wildlife species migrating between the lowlands of Carson Valley and the conifer forests in higher Sierra elevations, including mule deer, black bear, bobcat, and mountain lion. The Property is also within the Audubon Society-designated “Carson Valley Important Bird Area” that is regarded for providing habitat for many raptor and owl species, including bald eagles and red-tailed hawks which hunt abundant rodents in the open pastures, and wetland-associated species such as white-faced ibis, sandhill crane, snowy and common egret, American avocet, and numerous waterfowl species including Canada goose.
- 5) The Property shares a common boundary with the Nature Conservancy’s “River Fork Ranch”, on which the Grantee owns a conservation easement (Douglas County Recorder Document 2007-703062), that further connects unfragmented resource rich meadows and pasture lands forever protected by conservation easements for nearly five miles between the Town of Genoa and the Town of Minden.

- 6) The Property is crossed by two public highways that allow transit between the Town of Genoa, the Town of Minden, and Kingsbury Grade. The Nevada Department of Transportation (“NDOT”) is the State of Nevada transportation agency which administers the public highway rights-of-way crossed by Muller Lane (State Route 757) and Foothill Road (State Route 206). In accordance with the Nomination, the Grantor has voluntarily donated a multi-use trail easement for construction of a path to improve public access between the Town of Genoa and the Town of Minden along Muller Lane.
- 7) The Grantor has voluntarily donated funding that provides for Douglas County to monitor the terms and conditions of the Conservation Easement hereinafter granted and to monitor other conservation easements owned by the Grantee in Douglas County. It is the intention of the Parties that this funding be used by Douglas County to perform annual, on-the-ground monitoring and to prepare monitoring reports for the Grantee. Nothing contained in this Conservation Easement will be construed to create a requirement for the Grantor, or their assigns, to provide additional funding to Douglas County or the Grantee for monitoring.

D) The open space, agricultural, and other characteristics of the Property, and its current use and state of improvement, are described in a Baseline Report dated May 10, 2023. The Baseline Report has been acknowledged in writing by the Parties to be complete and accurate as of the date of the Conservation Easement. The Baseline Report will be used by the Grantee to assure that any future changes in the use of the Property will be consistent with the terms of the Conservation Easement. As acknowledged in Exhibit D attached hereto, the Baseline Report has been approved in writing by the Parties. A copy of the Baseline Report is on file with the Parties at their respective addresses as stated in this instrument. If a controversy arises with respect to the nature and extent of the historical and/or present uses of the Property, or the physical or biological conditions of the Property, the Parties agree that the Baseline Report will be presumed to be conclusive evidence of the existing conditions at the time of this grant. Other relevant documents, surveys, or other evidence or information may assist in the resolution of any controversy. The Parties agree that the current uses of and improvements to the Property described in the Baseline Report are consistent with the Conservation Values and purposes of the Conservation Easement.

E) The Grantee has the authority to acquire this Conservation Easement pursuant to Section 205 of the Federal Land Policy and Management Act of 1976 as amended (43 U.S.C. § 1715; 90 Stat. 2755), and the Southern Nevada Public Land Management Act of 1998 (P.L. 105-263, unclassified in part and classified in part to 16 U.S.C. § 460ccc-1(a)(2) and 31 U.S.C. § 6901 and 6901 note), which provides for the acquisition of interests in “environmentally sensitive land” in the State of Nevada for purposes including the protection of wildlife habitat, riparian, open space, watershed values, and encouragement of biological diversity.

F) The United States of America, as Grantee, is a qualified “Holder”, as defined in NRS §111.410, of an Easement for Conservation.

NOW, THEREFORE, for the sum of \$2,290,000.00 U.S. Dollars and other good and valuable consideration paid by the Grantee to the Grantor and the mutual covenants, terms and conditions set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

EASEMENT FOR CONSERVATION:

Grantor hereby voluntarily grants and conveys to Grantee, its successors and assigns, a perpetual Easement for Conservation (the "**Conservation Easement**"), consisting of the rights and restrictions enumerated herein, over and across the Property, exclusively for the purpose of conserving and forever maintaining the natural, scenic, open space, historical and cultural character of the Property as well as preserving the availability of the Property for compatible use, including, specifically, agricultural use.

1. **Purpose.** The purpose of this Conservation Easement is to preserve the ability of the Property to be agriculturally productive, such as in the manner it has historically been used; to preserve the continued natural, scenic, open space and/or agricultural uses of the Property, as provided herein; and to preclude the right to subdivide parcels or to develop and construct housing and other structures on the Property, except as provided herein. In achieving these purposes, Grantor intends that this Conservation Easement will confine the uses of the Property to such activities as are consistent with the purposes of this Conservation Easement. Pursuant to the terms of NRS §111.390 to 111.440 and this Deed, the Property preserved hereby as agricultural, natural, or open-space land may not be converted or directed to any uses other than those provided herein. This Conservation Easement will be a servitude running with the land in perpetuity. Every provision of this Deed that applies to Grantor or Grantee will also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear. A Party's rights and obligations under this Conservation Easement terminate upon transfer of the Party's interest in this Conservation Easement or the Property, except that liability for acts or omissions occurring prior to transfer will survive transfer.

1.1 Paragraphs 2, 3, and 4 of this Conservation Easement identify rights conveyed to Grantee, rights reserved to Grantor, and prohibited uses and practices, respectively. Parties intend in the Paragraphs enumerated above to better define those rights so that Parties can accomplish the purposes of this Conservation Easement in a cooperative and amicable manner. Limitations or other clarifying information specific to rights conveyed to Grantee or rights retained by Grantor are contained in Paragraphs 2 and 3 for the purpose of convenience by grouping related matters.

2. **Rights Conveyed by the Conservation Easement to Grantee.** The following rights are conveyed, without restriction, to Grantee by Grantor in this Conservation Easement:

2.1 Grantor hereby conveys and acknowledges the conveyance to Grantee, and Grantee's extinguishment of, all development rights which are now appurtenant to the Property or which may later become appurtenant, except those development rights that are specifically reserved by the Grantor in Paragraph 3 of this Deed. Grantor further agrees, on behalf of itself, and its successors and assigns that any additional development rights which may hereafter be transferred to, allocated to, implied to, reserved for, or considered inherent in the Property must be transferred to, and deemed the rights of, Grantee upon their attachment to the Property. Grantor and Grantee agree to execute and record any additional instruments as may be necessary or appropriate to effect the transfer of said development rights from Grantor to Grantee. Grantor specifically agrees that such extinguished or transferred development rights may not be (i) used on or transferred to any portion of the Property, (ii) used on or transferred to any other land, whether adjacent to or distant from the Property, or (iii) used for the purpose of calculating permissible lot yield or density of the Property or any other land, with regard to any land use regulation or zoning which affects or may affect the Property. If extinguishment of development rights is not permitted under pertinent laws or ordinances that authorize them, Grantee must not transfer such rights for any reason to third parties and must refrain from exercising such rights for the perpetual term of the Conservation Easement.

2.2 To identify, preserve, and protect in perpetuity the Conservation Values of the Property, subject to the rights reserved by Grantor in Paragraph 3 herein, and further subject to all third-party rights of record in and to the Property that are not subordinated to the terms and conditions of this Conservation Easement.

2.3 Representatives and agents of Grantee may make entry upon the Property at reasonable times and normally upon three day's notice to Grantor, to monitor Grantor's compliance with the terms of this Conservation Easement, all in a manner that must not unreasonably interfere with Grantor's uses of the Property provided such uses are consistent with the terms and purposes hereof. Grantee also has the right to enter upon the Property to enforce the terms and purposes of this Easement, and in accordance with this enforcement right, Grantor also expressly grants to Grantee a right of immediate entry upon the Property if Grantee, in its sole discretion, determines that such immediate entry is necessary to prevent or halt damage to, or destruction of, the Conservation Values protected by this Conservation Easement. In the event Grantee determines that immediate entry is necessary, Grantee must make reasonable efforts to contact Grantor prior to entry, but actual notice will not be a prerequisite to Grantee's entry and access to the Property in this situation. Grantor is encouraged to accompany the representatives and agents of Grantee during these monitoring events. Aside from Grantee's rights of access granted by this Paragraph, this Conservation Easement conveys no right of access by the general public to any portion of the Property; however, Grantor may voluntarily convey rights of public access in the future, if Grantor so chooses, so long as such access is consistent with the terms and conditions of this Conservation Easement and prior approval is obtained from the Grantee.

2.4 To enjoin any unpermitted activity on, or unpermitted use of, the Property that is inconsistent with the terms and conditions of this Conservation Easement, or which may have an adverse impact on the Conservation Values, and to enforce the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use, pursuant to provisions of Paragraph 7.

2.4.1. To require Grantor to perform restoration or rehabilitation work on the Property deemed reasonably necessary to protect or restore the Conservation Values of the Property safeguarded by this Easement, at Grantor's own expense.

2.5 To place and maintain on the Property a sign or signs that the Conservation Easement has been granted to Grantee, subject to the approval of Grantor as to design, size, and location. Grantor will not deny approval to place signs on the Property in appropriate locations to inform the public that the Property is protected by the Conservation Easement.

3. **Rights Retained by Grantor.** Grantor reserves to itself, and to its personal representatives, heirs, successors, and assigns, all rights accruing from its ownership of the Property, including the right to engage or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein, that are consistent with the terms and purposes of the Conservation Easement, and that will not result in injury to or the destruction of any Conservation Value. The following uses and practices by Grantor, though not an exhaustive recital, are consistent with this Conservation Easement. Certain of these consistent uses and practices are identified below as being subject to specified conditions or to the requirement of and procedures for prior approval by Grantee. Procedures for prior approval are listed below. The remainder of these consistent uses are not precluded, prevented, or limited by this Conservation Easement. Grantor may continue to use the Property for agricultural purposes, as it is currently being used, without being subject to any specified conditions or prior approval by Grantee,

except as provided herein. Without limiting the generality of the foregoing statement, the following rights are expressly reserved by Grantor, except as provided herein:

3.1 Agricultural and Other Activities. Grantor reserves the right to engage in agricultural uses of the Property in accordance with sound, generally accepted agricultural practices, and in compliance with federal, state, and local regulations. For the purposes of this Conservation Easement, "Agricultural Uses" include: breeding, raising, pasturing, and grazing livestock of every nature and description, including horses, according to specifications included under this Paragraph 3.1 and its subparagraphs; breeding and raising bees; cultivating, raising, harvesting, and producing grass hay and other crops in accordance with locally accepted standards for crop rotation to protect soils; and the primary processing, storage, and sale, including direct retail sale to the public, of crops and products harvested and produced principally on the Property, with Grantor to retain, free of any claim of Grantee, all income and proceeds resulting and derived from Grantor's Agricultural Uses on the Property. Parties recognize that changes in economic conditions, in agricultural technologies, in accepted farm and ranch management practices, and in the situation of the Grantor may result in an evolution of agricultural uses of the Property, and such uses are permitted provided they are and remain consistent with the purposes of the Conservation Easement and the protection and conservation of the Conservation Values. Parties recognize that certain agricultural activities remove plant communities used by a variety of wildlife species during their lifecycle. Preserving the open space characteristics of the Property will ensure that wildlife can use open fields on the Property while allowed agricultural uses are occurring.

3.1.1. Livestock Boarding. Notwithstanding any other provision hereof, Agricultural Uses allowed under the Conservation Easement do not include boarding livestock or non-livestock animals which require agricultural structures for shelter or other specialized facilities on the Property. Pasture boarding is consistent with the purposes of the Conservation Easement provided fenced pastures are configured to follow generally accepted agricultural practices for rotational cattle grazing.

3.1.2. Commercial Feed Lots. Commercial feed lots and other intensive growth livestock farms, such as swine or poultry farms, are inconsistent with the purpose of this Conservation Easement. For purposes of the Conservation Easement, "**commercial feed lot**" is defined as a permanently constructed confined area or facility within which the Property is not grazed or cropped annually, and which is used and maintained for purposes of engaging in the commercial business of the reception and feeding of livestock.

3.2 Agricultural Structures. Grantor retains the right to maintain, repair, remodel, and replace existing structures and construct new minor agricultural structures, such as loafing sheds, corrals, water lines, water tanks, and other similar structures, provided the new structures, improvements and buildings are intended for and are used solely for agricultural purposes that are consistent with the purposes of this Conservation Easement and that would not result in injury to or the destruction of any Conservation Value. Grantor must notify Grantee prior to any construction of minor agricultural structures or reconstruction of existing structures which requires a building permit pursuant to state or local regulations. Agricultural structures exceeding 500 square feet in size, whether requiring a building permit or not, require the prior written approval of Grantee, which it may withhold in its reasonable discretion.

3.2.1. Solar Energy. Grantor reserves the right to use solar energy technology to provide electric power to agricultural equipment and other uses allowed by this Easement, such as irrigation control gates, flow meters, or scientific monitoring equipment, provided:

- 3.2.1.1. Grantor will not install solar energy equipment for the purpose of generating electricity to sell on the open market or distribute on the commercial electric grid;
 - 3.2.1.2. Solar energy installations must be sized appropriately for the structure being served and must be installed as near to the structure being served as practicable;
 - 3.2.1.3. Grantor must obtain approval from Grantee when single or total installation on the Property exceeds 1000 square feet in size, including rooftop installations;
 - 3.2.1.4. Grantor must remove or reconfigure solar energy installations when Grantee determines, at Grantee's discretion, that such installation may cause injury to or the destruction of any Conservation Value.
 - 3.2.2. Limits on Agricultural Structures. Consistent with preserving the open space characteristics of the Property and notwithstanding any other provision hereof, agricultural structures allowed under the Conservation Easement do not include greenhouses, construction of new minor agricultural structures for boarding animals, or construction of new minor agricultural structures for use by agricultural lessees who are leasing portions of the Property. Grantor will limit the number of minor agricultural structures to those needed to serve the Property as a single farm or grazing operation consistent with generally accepted agricultural practices.
 - 3.2.3. Grouping of Agricultural Structures. Grantor will not group agricultural structures for the purpose of avoiding permitting requirements or preventing Grantee from exercising its discretion described in Paragraph 3.2.
- 3.3. Agricultural Practices. Grantor retains the right to utilize normal or accepted practices required for agricultural production on the Property, including the use of pesticides, herbicides and agricultural sprays and fertilizers considered appropriate for raising crops, provided such use is in accordance with applicable laws and regulations and the manufacturers specifications and limitations for such use.
- 3.4. Grazing. Grantor reserves the right to graze livestock on the Property provided that grazing is conducted following livestock grazing best management practices that prevent pasture deterioration and which protect the Conservation Values of the Property. Grantor further reserves the right to enter into leases with third parties to use the Property for approved agricultural and grazing practices provided such uses comply with the terms of this Conservation Easement. Parties acknowledge and agree that the grazing and agriculture practices used by Grantor prior to the execution of this Conservation Easement are, and will remain, acceptable provided pasture deterioration does not occur.
- 3.5. Fencing. Grantor reserves the right to maintain, repair, replace, or remove existing fences or to construct new fences using fence designs of their choosing on the Property, provided fencing does not prevent wildlife movement or would not injure wildlife trying to cross. Grantor must immediately repair or remove fences that are in disrepair to reduce the risk of injury to wildlife.
 - 3.5.1. Exclosure Fences. Grantor reserves the right, except as provided in Section 4.1.1, to fence out humans or wildlife from areas within the Property where wildlife movement is not necessary provided such fences would not injure wildlife that may come into contact with them. Such areas may include where agricultural equipment or supplies are stored, areas where food crops are grown or feed is stored where wildlife may cause excessive

damage, areas where wildlife may cause damage to livestock, or areas where wildlife may become safety hazards, such as public roads.

3.5.2. Pasture Division. Grantor reserves the right to determine pasture sizes following generally accepted agricultural practices for the livestock that Grantor manages. To the extent practicable, Grantor will configure pastures based on using the entirety of the Property for a single grazing or farm operation managed by Grantor or their lessee to reduce obstruction or injury to wildlife from multiple fences.

3.6 Roads, Drainage Ways, Ditches and Diversions. Grantor reserves the right to maintain, renovate, repair, improve, or replace roads, drainage ways, ditches, and diversions on the Property as necessary for agricultural purposes. Existing roads may be maintained, renovated, repaired, improved, or replaced without the prior consent of Grantee provided such action does not have an adverse impact on the Conservation Values. Construction of new roads, including the construction of Sundance Lane, is subject to the prior approval of Grantee, which will not be unreasonably withheld if they are intended for and are used solely for purposes that are consistent with the Conservation Easement and that would not result in injury to or the destruction of any Conservation Value.

3.7 Sand, Gravel, and Rock. Grantor reserves the right to extract soil, sand, gravel, or rock without further permission from Grantee so long as such extraction is solely for use on the Property or the Exclusion Area for non-commercial purposes, is in conjunction with activities permitted herein, is accomplished in a manner which is consistent with the purpose of the Conservation Easement, does not substantially diminish or impair the Conservation Values, and has a limited and localized impact on the Property. Any such extraction must be limited to not more than one (1) acre in size in total at any given time. Any area which is disturbed by extraction must be revegetated and restored to the natural condition of such area after completion of the extraction and before new extraction areas are created.

3.8 Utilities. Grantor reserves the right to install, construct, and maintain utilities for the benefit of the Property. Grantor must restore any surface disturbances to the original contour and must revegetate the disturbed area after utilities are constructed.

3.8.1. Overhead Utilities. Grantor must receive prior approval from Grantee before installing new overhead utilities that are for the benefit of the Property.

3.8.2. Third Party Use of Utility Easements. Grantor will not allow new utilities to be constructed within utility easements shown on the Property Map, specifically Douglas County Recorder Document No. 393888, attached as Exhibit B, that are not in support of the agricultural practices allowed by this Easement or are for the benefit of other properties.

3.8.3. Temporary Utility Easements. Grantor retains the right to issue temporary utility easements, not to exceed one year, within 100 feet of the surveyed boundaries of Muller Lane and Foothill Road. Grantor will not extend the term of temporary utility easements or issue replacement easements for the same utility project that effectively extend the easement term beyond one year without consent from Grantee. Grantor must require that surface disturbance within temporary utility easements is restored to a natural condition after completion of utility work.

3.9 Weed and Pest Control. Grantor retains the right to control weeds and predatory and problem animals in a manner consistent with state and local laws, except as provided in Paragraph 3.5 herein. Biological control of weeds which does not materially impair any of the Conservation Values of the Property is consistent with the purposes of the Conservation Easement.

3.9.1. All control techniques used for weeds must be consistent with the labeled instructions of the application materials which constitute the reasonable minimum necessary to control and/or eradicate the weeds, and which minimize impacts on the Conservation Values of the Property.

3.10 Habitat Enhancements. Grantor retains the right to construct or develop wildlife habitat improvements on the Property, provided that any such construction or development must be in compliance with the general and specific purposes of the Conservation Easement, and must comply with all federal, state and local laws, regulations and ordinances.

3.10.1. Habitat Enhancement Plan. If Grantor proposes the construction or development of wildlife habitat improvements, Grantor agrees to develop a general plan for enhancement of wildlife habitats in consultation with Grantee and Nevada Department of Wildlife (“NDOW”) or other recognized state and federal agencies pursuant to Paragraph 6 below. Once Parties and NDOW agree to the terms of the enhancement plan, actions taken to implement this plan will not then require subsequent consultation with wildlife agencies or Grantee unless required in the enhancement plan, except that Grantee will have the right to ensure that Grantor’s implementation of the plan does not impair or harm the Conservation Values protected by the Conservation Easement.

3.11 Removal of Vegetation. Grantor reserves the right to remove vegetation from the Property, but only if such removal is compatible with the purposes of the Conservation Easement and as permitted for Agricultural Practices describes within Paragraph 3.3 above.

3.11.1. Tree Removal. Grantor reserves the right to remove individual trees which present a hazard to persons or property, and to remove trees in connection with the upkeep, maintenance and repair of fences, uses, and structures permitted in Paragraph 3, any of which may be performed without prior notice and approval as described in Paragraph 6 of this Easement. Because of their value for wildlife, the taking of standing dead trees and snags is prohibited unless such taking is necessary to control forest disease or infestation or to protect persons or property from falling trees or other hazards.

3.12 Water Rights. Parties agree that Grantor retains title to all water rights that Grantor uses on the Property. Parties further agree that the water rights beneficially used on the Property by Grantor at the time of this grant are encumbered by this Conservation Easement because the water rights are necessary to maintain certain Conservation Values of the Property. Grantor retains and reserves the right to use any and all water and water rights beneficially used on the Property and all ditches, headgates, springs, reservoirs, water allotments, water shares and stock certificates, contracts, wells, easements and rights of way associated therewith (the “Water Rights”), including, but not limited to, those water rights or interests specifically described on **Exhibit C** attached hereto, for use in present or future agricultural production on the Property and other lawful uses that do not substantially diminish or impair the Conservation Values of the Property, and will not transfer, lease, sell, abandon, or otherwise separate the Water Rights from title to the Property itself; provided that Grantor may lease from the Property such portion of the Water Rights which Grantor demonstrates to Grantee, in Grantee’s sole discretion, are not

necessary for present or future agricultural production on the Property at historic levels for the duration of such lease, or to maintain the Conservation Values. Grantor reserves the right to allocate a proportionate amount of Water Rights on the Property subject to the Easement, based on acreage, as provided herein.

3.12.1. Limited Transfer of Water Rights. Grantor may transfer water rights separately from the underlying fee title to the Property only when the transfer is to a state or federal entity, or other qualified entity, for beneficial use on the Property and only after obtaining prior written approval of Grantee, in Grantee's discretion. Notwithstanding any other provision hereof, water rights encumbered by the Conservation Easement will not be separated from the Property.

3.13 Recreational Use. Grantor reserves the right to use the Property for walking, horseback riding, camping, and other non-motorized and motorized recreational uses, provided such recreational activities are conducted at levels that remain consistent with the protection and maintenance of the Conservation Values. Limited motorized recreational uses are permitted pursuant to Paragraph 3.14 herein.

3.14 Vehicle Use. Grantor reserves the right to use off-road vehicles, including all-terrain vehicles such as dirt bikes and four-wheelers, expressly for agricultural purposes, property management, and maintenance of Property fences.

3.14.1. Off-road vehicle use is permitted for limited recreational activities provided such use must not degrade wildlife habitat, vegetation communities, stream banks, water quality, or other resources and habitat protected by this Conservation Easement from the conditions documented in the Baseline Report.

3.14.2. If Grantee determines that motorized recreational use has caused deterioration of the condition of fish and wildlife habitat, vegetation communities, stream banks, water quality, or other resources and habitat protected by this Easement from the condition documented in the Baseline Report, Grantee must give notice of this deterioration to Grantor as a violation or potential violation of the Conservation Easement, consistent with the provisions of Section 6. Upon Grantor's receipt of such notice, Grantor must develop for review and approval by Grantee, within the time set forth by Paragraph 6 of this Conservation Easement, a recovery plan which promotes recovery of the Property's conditions to the state documented in the Baseline Report. If Grantee approves the recovery plan proposed by Grantor, Grantor must implement the plan. Grantee will periodically review the plan and Grantor's implementation of the plan for compliance.

3.15 Health, Safety, and Emergencies. Grantor reserves the right to undertake activities necessary to protect human health or safety from immediate or urgent threats, provided that any such activity must be conducted so that impacts to the Conservation Values are minimized to the greatest extent practicable. Grantee reserves the right to review such activities after they have occurred and to require Grantor to restore any Conservation Values that have been impaired by any activities undertaken to address immediate or urgent threats once those threats have passed and protection of human health and safety are no longer concerns.

3.16 Public Access. Grantor reserves the right to grant or deny public access to or across the Property at Grantor's sole discretion. Nothing contained in this Easement will be construed as a grant to

the general public or to any other person or entity of any right to enter upon any part of the Property except as otherwise provided for in Paragraph 2.3 of this Easement.

3.17 Divisions of Ownership and Transfers. Grantor retains the right to sell, exchange, devise, gift, convey, or otherwise transfer the Property in unified title as not more than (one) 1 parcel. The Property must be conveyed expressly subject to all terms, conditions, rights, restrictions, and obligations contained in this Conservation Easement. Grantor must give written notice by certified mail to Grantee of any transfer of interest at least twenty (20) days prior to the date of such transfer pursuant to Section 13. Grantor must furnish Grantee with a copy of any document or conveyance utilized to effect the transfer of the Property within thirty (30) days of the execution of said document or conveyance. Subject to Paragraph 4.1, nothing in this Conservation Easement will be construed to prevent Grantor from owning the Property in co-tenancy, wherein each cotenant will have undivided interests in the whole of the Property. Grantor expressly conveys to Grantee the right to enforce the Conservation Easement against, and to seek and recover all remedies for violation of the terms of the Conservation Easement from, all tenants or other occupants residing on or using the property with Grantor's knowledge or consent.

3.18 Other Uses. Grantor reserves the right to make any other use of the Property that is consistent with the Conservation Easement, provided that Grantor must obtain prior approval of Grantee pursuant to Paragraph 6 prior to undertaking such uses, which approval will not be unreasonably withheld by Grantee. Uses reserved pursuant to this Paragraph 3.18 will not be deemed "expressly reserved" for any other purpose of the Conservation Easement.

4. **Prohibited Uses or Practices.** Any activity on or use of the Property that is inconsistent with the purposes or terms of the Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

4.1. Division, subdivision, or de facto subdivision through sales, leases, or otherwise. Specifically prohibited is any subdivision, short subdivision into remainder tracts, platting, binding site plan, testamentary division, or other process by which the Property is divided into lots or in which legal or equitable title to different portions of the Property is held by different owners. Grantor will also not indirectly subdivide all or any part of the Property through the allocation of property rights among partners, shareholders, or members of an entity, the creation of a horizontal property regime, leasing, partitioning in kind among tenants-in-common, judicial partition, interval or time-share ownership arrangements, or any other means. It is the mutual intent of Parties that the entire Property be maintained in unified title as a single unit. The foregoing notwithstanding, changes in the membership of any limited liability company that is the owner of the Property will not be deemed a prohibited practice under this paragraph.

4.1.1. The creation of small, fenced pastures or farm plots on the Property to be used by separate lessees or third parties is prohibited.

4.1.2. Notwithstanding any provision in this Paragraph 4.1 to the contrary, Grantor must make every effort to prevent the need to convey portions of the Property by way of minor boundary adjustment. For the purposes of this Conservation Easement, the term "minor boundary adjustment" will be limited to realignments of boundaries along common fence lines to reflect historic use, and/or to accommodate more effective resource, agricultural, or property management practices in light of localized topography and terrain. Should Grantor or Grantee discover minor trespasses on the Property such as those which could

result in a minor boundary adjustment, Grantor must resolve the trespass by removing the encroachment and keep the Property whole and clear of unauthorized encroachments.

4.2. Construction or placement of any buildings, dwelling units, camping accommodations, temporary living quarters of any sort, mobile homes, antennas, cell phone towers, windmills, wind turbines or generators, water towers, utility poles or towers, or other structures, except that vehicular campers or camper trailers owned by Grantor or Grantor's guests may be parked on the Property on a temporary basis not to exceed 14 days annually, individually or in aggregate.

4.3. Commercial and industrial activities other than those uses related to farming, ranching, and agriculture are prohibited on the Property except for the following:

- (i) Temporary or seasonal commercial activities or events, including photography, bird watching, hunting, or other similar low impact activities, which would not preclude agricultural use of the Property are not prohibited, provided such activities or events would not have an adverse impact on any Conservation Value.
- (ii) Commercial enterprises related to agriculture which do not require buildings or structures including but not limited to agritourism or marketing of farm products.

4.4. Drilling, filling, excavating, dredging, mining or removal of topsoil, sand, gravel, rock, minerals, hydrocarbons, or other materials on or below the surface of the Property, or any similar changes to the topography of the Property except as provided in Paragraph 3 above. Disturbance of the surface of the Property by any surface mining method is expressly prohibited.

4.5. The storage, use, dumping, or other disposal of "Hazardous or Toxic Materials" or of non-compostable refuse on the Property is prohibited; provided, however, this prohibition will not be construed to prohibit the continued agricultural use of the Property consistent with current practices. For the purpose of this Easement 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 agrichemical, 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.

4.6. Manipulation or alteration of natural watercourses, except as necessary for uses permitted by Paragraph 3 above.

4.7. Any alteration of the topography of the Property or other natural features of the Property other than for construction of the improvements permitted herein and other than for agricultural uses permitted herein, including by digging, excavating, cutting, or filling, is prohibited, unless approved by Grantee, which will not be unreasonably withheld.

4.8. The dumping or uncontained accumulation of trash or refuse on the Property is prohibited.

4.9. Outdoor burning of any materials except where and when the burning conforms with applicable governmental controls and regulations; for prescribed burns and, in the case of vegetation, where the burning is also beneficial to wildlife.

4.10. Off-road use of vehicles, except as permitted by Paragraph 3.14.1 above.

4.11. Any timber harvest that does not meet the requirements of Paragraph 3 above.

4.12. Construction of any road, except as permitted by Paragraph 3.

4.13. Any industrial use not otherwise allowed herein.

4.14. Intentional harassment of wildlife by any person or domestic animal.

4.15. Any airstrips or helipads on the Property.

4.16. The granting of rights-of-way or easements for utilities, roadways, or other purposes that are inconsistent with the purposes and terms of the Conservation Easement, and the installation of utility structures, lines, conduits, cables, wires or pipelines upon, over, under, within or beneath the Property, except in connection with the construction of permitted agricultural structures or the improvement or upgrading of existing electrical distribution lines, but only as provided in Paragraph 3 of the Conservation Easement. Subject to the provisions of Paragraph 10.3, easements and rights-of-way may be granted by mutual agreement of Parties in cases where eminent domain statutes apply and clear public necessity has been demonstrated to Parties, provided Grantee receives compensation for the Conservation Easement interest as provided in Paragraph 10.2. In the event that utilities are permitted on or across the Property, said utilities must be buried, and the site restored to native or pre-existing conditions.

4.17. The granting of utility transmission line easements and utility transmission corridor rights-of-way is expressly prohibited. Such right-of-way easements may only be granted by mutual agreement of Parties only in cases where eminent domain statutes apply and clear public necessity has been demonstrated to Parties, pursuant to the standards set forth in NRS Chapter 37 et seq., and other applicable laws pertaining to condemnation of real property interests for public uses.

4.18. No commercial signs, billboards, awnings, or advertisements will be displayed or placed on the Property, except for an appropriate and customary property identification sign no more than sixteen (16) square feet in size, "for sale" or "for lease" signs alerting the public to the availability of the Property for purchase or for lease, and "no trespassing" signs no greater than one (1) square foot in size. No signs will diminish, impair, or interfere with the Conservation Values of the Property at the discretion of Grantee. All other signs are prohibited unless approved by Grantee.

4.19. Any other use that is inconsistent with the terms and purposes of the Conservation Easement.

5. Documentation of Use and Condition of Property (Baseline Report). In order to establish the condition of the Conservation Values at the time of the grant of the Conservation Easement, so as to be able to monitor properly future uses of the Property and assure compliance with the terms hereof, an inventory of the Property's relevant natural resources, man-made features, and conditions has been compiled into a Baseline Report. Parties have signed a written acknowledgment, attached hereto as **Exhibit D**, that the Baseline Report accurately represents the condition of the Property at the time of conveyance of the Conservation Easement, as required by United States Treasury Regulation Section 1.170A-14(g)(5)(i). If a dispute arises with respect to the nature and/or extent of the historical and/or present use of the Property or the physical condition of the Property as of the date of the execution of the Conservation Easement, Parties will not be foreclosed from utilizing all relevant or material documents, surveys, reports, and other evidence to assist in the resolution of the dispute. Any characterization of the terms of the Conservation Easement contained in the Baseline Report will not be interpreted so as to alter, amend, or otherwise modify the Conservation Easement. In any conflict or inconsistency between the terms of the Conservation Easement and the Baseline Report, the terms of the Conservation Easement will prevail. The original Baseline Report is, and will remain, on file with Grantee.

6. Notice and Approval.

6.1. Notice of Intention to Undertake Certain Permitted Actions. The purpose of requiring Grantor to notify Grantee prior to undertaking certain permitted activities, as provided in Paragraphs 3 and 4, is to afford Grantee an adequate opportunity to review and monitor the activities in question to ensure that they are designed and carried out in a manner that is consistent with the purposes and terms of the Conservation Easement. Whenever notice is required, Grantor must notify Grantee in writing not less than sixty (60) days prior to the date Grantor intends to undertake the activity in question. The notice must inform Grantee of all aspects of the proposed activity, including, but not limited to, the nature, location, magnitude, schedule, impacts, benefits and any other material aspect of the proposed activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the purposes and terms of the Conservation Easement.

6.1.1. Except as may be otherwise expressly provided for herein, any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other must be in writing by certified United States mail or by Federal Express or by other reputable "overnight" service that maintains delivery records, provided that the sender requests next-business-day delivery and addressed as follows:

To Grantor: Gail P. Teig, Surviving Trust/Manager
Teig Family 1995 Trust
Teig Family Investments, LLC
1974 Foothill Road
Minden, Nevada 89423

To Grantee: Kimberly D. Dow, District Manager
Carson City District Office
Bureau of Land Management
5665 Morgan Mill Road
Carson City, Nevada 89701

Or to such other address as either Party from time to time will designate by written notice to the other. Except as may be otherwise expressly provided herein, (a) if such notice is delivered in person, it will be deemed given immediately upon delivery or refusal of delivery or receipt; (b) if such notice is sent by certified mail, it will be deemed given on the earlier of the date of delivery reflected on the return receipt, or the date of first attempted delivery or the third day after being deposited in the mail; and (c) if such notice is sent by Federal Express or other reputable "overnight" service, it will be deemed given on the earlier of the date of delivery reflected on the delivery records, or the next business day after being deposited with the delivery service. Where notice to Grantor of entry upon the Property by Grantee is required under the Conservation Easement, Grantee may notify any of the persons constituting Grantor or any appropriate agent of Grantor by telephone, mail, e-mail, or in person prior to such entry.

6.2. Emergency Notice. In cases where action is required, as set forth in Paragraph 3.15, the Party giving notice must inform the other Party verbally within 72 hours of commencement of the incident. Additional notice must be provided as set forth in Paragraph 6.1.

6.3. Grantee's Approval. Where Grantee's approval is required, as set forth in Paragraphs 3 and 4, Grantee will grant or withhold its approval in writing within sixty (60) days of receipt of Grantor's written request therefore. In the event that Grantee requires additional information to evaluate the proposed activity described in Grantor's approval request, Grantee will make written request for such further information from Grantor as soon as practicable and in any case not later than thirty (30) days after the receipt of the approval request. Within sixty (60) days after receipt of the initial request, or receipt of the requested additional information, whichever is later, Grantee will provide written notice to Grantor of its disapproval or approval of Grantor's proposal, or that the approval request may be approved with certain specified modifications. In the event Grantee does not provide written notice to Grantor of its disapproval or approval of Grantor's proposal within the time permitted in the previous sentence, Grantor's proposal will be deemed approved if the proposal is consistent with the purpose of this Conservation Easement and would not have an adverse impact on the Conservation Values of the Property. Grantee's approval may be withheld upon a determination by Grantee that the action as proposed would be inconsistent with the purposes or terms of the Conservation Easement, but Grantee agrees not to withhold approval unreasonably. Once a request for approval has been modified to the satisfaction of Grantee, or if Grantee otherwise concurs with the matters set forth in Grantor's request, the proposed activity may thereafter be conducted in the manner approved by Grantee. A proposed activity, use, or enterprise may be commenced or conducted only after Grantor has received Grantee's express written approval or Grantor's proposed activity, use or enterprise has been deemed approved as provided herein, and only in the manner requested by Grantor and approved or deemed approved by Grantee.

6.3.1. Monitoring Third Party Uses. Grantor will be the primary contact for utilities and other third parties with authorization to use the Property. Grantor must notify Grantee if the third-party use may adversely affect a Conservation Value or would be a prohibited use of the property as set forth in Paragraph 4 above. Grantee will not unreasonably withhold approval for the third-party use if such use is consistent with the Conservation Easement.

6.4. Rejection or Refusal. Rejection or other refusal to accept notices, or objections, or approvals by any Party hereto will be deemed receipt thereof.

7. Grantee's Remedies

7.1. Notice of Violation; Corrective Action. If Grantee determines that a violation of the Conservation Easement has occurred, Grantee will give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity that is inconsistent with the terms or purposes of the Conservation Easement, to restore the portion of the Property so injured to its prior condition in accordance with a written plan approved by Grantee.

7.2. Injunctive Relief. If Grantor:

- a) fails to cure the violation within thirty (30) days after receipt of notice thereof from Grantee, or
- b) 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, within 30 days of Grantor's receipt of notice from Grantee, fails to agree with Grantee in writing on a date by which efforts to cure such violation will reasonably begin), or
- c) fails to continue diligently to cure such violation until finally cured, Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement, to enjoin the violation, *ex parte* if necessary, by temporary or permanent injunction, and to require the restoration of the Property to the condition that existed prior to any such injury. Unless otherwise required by law, no bond or other security is required of Grantee in seeking an injunction.

7.3. Emergency Enforcement. If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, Grantee may pursue its remedies herein without prior notice to Grantor or without waiting for the period provided for cure in Paragraph 7.2 to expire.

7.4. Scope of Relief. Grantee's rights herein apply equally in the event of either actual or threatened violations of the Conservation Easement. Grantor agrees that Grantee's remedies at law for any violation of the Conservation Easement are inadequate and that Grantee will be entitled to injunctive relief described in Paragraph 7.2 and 7.3, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of the Conservation Easement, without the necessity of proving either actual damages or the inadequacy of other legal remedies. If injunctive relief is inadequate to restore the Conservation Values as a result of a violation and to compensate Grantee and the public for the loss and damage to Grantee's rights, Grantee will be entitled to recover damages for violation of the terms of the Conservation Easement or injury to any Conservation Value protected by the Conservation Easement including, without limitation, damages for the loss of scenic, aesthetic, or natural resource values. Without limiting Grantor's liability therefore, Grantee, in its sole discretion, will apply any damages recovered to the cost of undertaking any corrective action on the Property. Grantee's remedies described herein will be cumulative and will be in addition to all remedies now or hereafter existing at law or in equity.

7.5. Costs of Enforcement. All reasonable costs incurred by Grantee in enforcing the terms of the Conservation Easement against Grantor, including, without limitation, costs and expenses of suit and reasonable attorneys' fees, and any costs of restoration necessitated by Grantor's violation of the terms of the Conservation Easement will be borne by Grantor. If Grantor prevails in any action to enforce the

terms of the Conservation Easement, Grantor's reasonable costs of suit, including reasonable attorneys' fees, will be borne by Grantee to the extent permitted by law.

7.6. Forbearance. Forbearance by Grantee to exercise its rights under the Conservation Easement in the event of any breach of any term of the Conservation Easement by Grantor will not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of the Conservation Easement or of any of Grantee's rights under the Conservation Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor will impair such right or remedy or be construed as a waiver.

7.7. Waiver of Certain Defenses. Grantor hereby expressly waives any defense of laches, estoppel, or prescription.

7.8. Acts Beyond Grantor's Control. Nothing contained in this Conservation Easement will be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, unauthorized use of the Property by trespass, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or to any person resulting from such causes.

7.9. Mediation. If a dispute arises between Parties concerning the consistency of any proposed use or activity with the terms or purposes of the Conservation Easement, and if Grantor agrees not to proceed with the use or activity pending resolution of the dispute, either Party may request in writing to the other that the matter be mediated. Within fifteen (15) days of the receipt of such a request, Parties may jointly appoint a single independent third-party mediator to hear the matter. Each Party must pay an equal share of the mediator's fee. In referring any matter arising under the Conservation Easement to mediation, Grantor and Grantee agree that mediation offers an alternative to the expense and time required to resolve disputes by litigation and is therefore often preferable to litigation. Nevertheless, mediation pursuant to this Paragraph 7.9 will be voluntary, and this mediation provision will not be interpreted as precluding or limiting either Party from seeking legal or equitable remedies available under this Paragraph 7.

8. Costs, Liabilities, Taxes, and Environmental Compliance.

8.1. Costs, Legal Requirements, and Liabilities. Grantor retains all responsibilities and will bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including the maintenance of adequate general liability insurance coverage. Grantor remains solely responsible for obtaining any applicable governmental permits and approvals for any construction or other activity or use permitted by the Conservation Easement, and all such construction or other activity or use must be undertaken in accordance with all applicable federal, state, or local laws, regulations, and requirements.

8.2. Taxes. Grantor must pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property and this Conservation Easement by competent authority (collectively "taxes") and will furnish Grantee with sufficient evidence of payment upon request. The United States is not liable for payment of any such taxes and assessments.

8.3. Subordination. No provision of the Conservation Easement is to be construed as impairing the ability of Grantor to use the Property as collateral for any loan, provided that any mortgage

or lien arising after the date of execution of the Conservation Easement must be subordinate to the terms of the Conservation Easement.

8.4. Representations and Warranties. Grantor represents and warrants that, after reasonable investigation and to the best of its knowledge:

8.4.1. Grantor has clear title to the Property; Grantor has the right to convey the Conservation Easement; and the Property is free and clear of any encumbrances, except those encumbrances that are specifically approved by Grantee, and except present year's property taxes and water assessments, which are an accruing lien. Grantor must defend title to the Property and this Conservation Easement against all claims that may be made against it by any person claiming by, through, or under Grantor.

8.4.2. Any handling, transportation, storage, treatment or use of Hazardous Materials (as defined in Paragraph 4.5 above), that has occurred on the Property prior to the date of this Conservation Easement has been in compliance with all applicable federal, state, and local laws, regulations, and requirements. No deposit, disposal, or other release of any Hazardous Material has occurred on or from the Property, in violation of applicable law;

8.4.3. There are no underground storage tanks located on the Property, whether presently in service or closed, abandoned, or decommissioned, and no underground storage tanks have been removed from the Property in a manner not in compliance with the applicable federal, state, and local laws, regulations, and requirements;

8.4.4. Grantor and the Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Property and its use;

8.4.5. There is no pending or threatened litigation in any way affecting, involving, or relating to the Property; and

8.4.6. No civil or criminal proceedings or investigations have been instigated at any time or are now pending, and no notices, claims, demands, or orders have been received, arising out of any violation or alleged violation of, or failing to comply with, any federal, state, or local law, regulation, or requirement applicable to the Property or its use, nor do there exist any facts or circumstances that Grantor might reasonably expect to form the basis for any such proceedings, investigations, notices, claims, demands, or orders.

8.4.7. The person or persons executing the Conservation Easement on behalf of Grantor represents and warrants that the execution of the Conservation Easement has been duly authorized by Grantor. The person or person executing the Conservation Easement on behalf of Grantee represents and warrants that the execution of the Conservation Easement has been duly authorized by Grantee.

8.5. Remediation. If, at any time, there occurs, or has occurred, a release in, on, or about the Property of any Hazardous Materials (as defined in Paragraph 4.5 above), Grantor agrees to take all steps necessary to assure its containment and remediation.

8.6. Control. Nothing in the Conservation Easement will be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control

over the day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an "owner" or "operator" with respect to the Property within the meaning of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq. ("CERCLA"), NRS Chapter 459, and other laws of the State of Nevada.

9. Hold Harmless. Parties acknowledge and agree that Grantor retains primary ownership of the Property and therefore Grantor controls day-to-day activities on, and access to, the Property, except for Grantee's limited rights to monitor the condition of the Conservation Values and to enforce the terms of the Conservation Easement. Except as specifically provided in Paragraph 9.2, Grantor therefore agrees that general liability for risks, damages, injuries, claims, or costs arising by virtue of Grantor's continued ownership, use, and control of the Property will remain with Grantor as a normal and customary incident of the right of Property ownership.

9.1. Grantor's Obligation to Indemnify. Grantor agrees to hold harmless and indemnify Grantee from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, Grantee's reasonable attorneys' fees and costs of defense and appeal, arising from or in any way connected with: (i) injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, regardless of cause, except as set forth in Paragraph 9.2 below; (ii) the obligations specified in Paragraphs 8.1 and 8.2; and (iii) the obligations arising from past, present or future presence of any hazardous substance on the Property, and any obligation associated with the generation, discharge, transport, containment, or cleanup of any such hazardous substance.

9.2. Grantee's Obligation to Indemnify. To the extent permitted by law, Grantee will hold harmless and indemnify Grantor from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including reasonable attorneys' fees and costs of defense, arising from or in any way connected with injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, provided such acts or omissions are related to or associated with acts of Grantee's employee or assigns under the terms of the Conservation Easement.

10. Extinguishment of Conservation Easement.

10.1. Extinguishment. If circumstances arise in the future that render the purposes of the Conservation Easement impossible or impractical to accomplish, the Conservation Easement can be terminated or extinguished (as provided for in Treasury Regulation 1.170A-14(g)(6)(i)), whether in whole or in part), by judicial proceedings in a court of competent jurisdiction. The amount of the proceeds to which Grantee will be entitled, from any sale, exchange, or involuntary conversion of all or any portion of the Property subsequent to termination or extinguishment, will be determined in accordance with Paragraph 10.2 and Treasury Regulation 1.170(A-14(g)(6)(ii).

10.2. Valuation. This Conservation Easement constitutes a real property interest immediately vested in Grantee. If this Conservation Easement is terminated or extinguished pursuant to Paragraph 10.1 or Paragraph 10.3, Grantor agrees that Grantee will be compensated for the fair market value of its property right. In such event, Grantee, on the subsequent sale, exchange, or condemnation of the Property after termination or extinguishment of the Conservation Easement, will be entitled to a portion of the proceeds equal to the fair market value of the Conservation Easement, or any part thereof which is terminated, extinguished, or condemned, as of the date of subsequent sale, exchange or condemnation of the Property. Parties agree that they will endeavor in good faith to reach mutual agreement on the

proceeds to which Grantee will be entitled if the Conservation Easement is terminated or extinguished without the need for appraisal. If mutual agreement cannot be reached by Parties, an appraisal of the value of the Conservation Easement that has been terminated or extinguished must be conducted by a licensed, certified real-estate appraiser, who is acceptable to both parties. The appraiser will apply all applicable appraisal standards for conservation easements which are contained in the Internal Revenue Code, and Treasury Regulations promulgated thereunder, at the time of the Conservation Easement termination, extinguishment, or condemnation, or by any other method agreed to by Parties. Parties will share equally the cost of any appraisal pursuant to this paragraph.

10.3. Condemnation. If all or any part of the Property is taken for a public purpose by exercise of the power of eminent domain or acquired by purchase in lieu of condemnation so as to terminate the Conservation Easement, in whole or in part, Parties will act jointly to recover the full value of their interests in the Property subject to the taking or in lieu purchase and all direct or incidental damages resulting therefrom. Grantee's share of the balance of the amount recovered will be determined by multiplying that balance by the ratio set forth in Paragraph 10.2. Grantee will have the right to appear as a party in any eminent domain proceeding concerning the Property.

10.4. Application of Proceeds. Grantee will use all or any proceeds received under the circumstances described herein in a manner consistent with the conservation purposes of the Conservation Easement.

11. Amendment. If circumstances arise under which an amendment to or modification of the Conservation Easement would be appropriate, Parties may jointly amend the Conservation Easement; provided that no amendment will be allowed that will affect the qualification of the Conservation Easement or the status of Grantee under applicable laws, including NRS §111.390 to 111.440., and Section 170(h) of the Internal Revenue Code of 1986, as amended, and any amendment must be consistent with the purposes of the Conservation Easement, and must not affect its perpetual duration, and either must enhance, or have no effect on, the Conservation Values which are protected by the Conservation Easement. No amendment may confer prohibited private benefit or inurement on Grantor or other third parties. Any such amendment must be executed by Grantor and Grantee and must be recorded in the official records of Douglas County, Nevada. The costs associated with the processing and execution of such amendment may be borne by one or both parties as agreed upon at the time of amendment.

12. Conservation Easement Granted in Perpetuity. The Conservation Easement herein granted will be a burden upon and will run with title to the Property in perpetuity and will bind the Grantor and Grantor's heirs, successors, and assigns in perpetuity.

13. Subsequent Transfers. Grantor agrees to incorporate the terms of the Conservation Easement by specific reference in a separate paragraph, along with the recording date of the Conservation Easement, in any deed or other legal instrument by which Grantor divests itself of any interest in all or a portion of the Property, including, without limitation, a leasehold interest. Grantor further agrees to give written notice by certified mail to Grantee of the transfer of any interest at least twenty (20) days prior to the date of such transfer. The failure of Grantor to perform any act required by this paragraph will not impair the validity of the Conservation Easement or limit its enforceability in any way.

14. Recording. Grantee must record this instrument in timely fashion in the official records of Douglas County, Nevada, and may re-record at any time as may be required to preserve its rights in the Conservation Easement.

15. General Provisions.

15.1. Controlling Law. The laws of the State of Nevada will govern the interpretation and performance of the Conservation Easement.

15.2. Liberal Construction. Parties agree that any ambiguities regarding the terms and conditions of the Conservation Easement will be resolved in a manner consistent with the protection and preservation of the Conservation Values and the purposes of the Conservation Easement and the policy and purpose of NRS §111.390 to 111.440. Parties acknowledge that each Party and its counsel have reviewed and revised the Conservation Easement and that no rule of construction that ambiguities are to be resolved against drafting Party will be employed in the interpretation of the Conservation Easement.

15.3. Severability. If any provision of the Conservation Easement, or application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of the Conservation Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, will not be affected thereby.

15.4. Entire Agreement. The Recitals above, and the Exhibits attached hereto, are incorporated into this Easement and are an integral part of this Conservation Easement. This instrument sets forth the entire agreement of Parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement, all of which are merged herein. No alteration or variation of this instrument will be valid or binding unless contained in an amendment that complies with Paragraph 11 above.

15.5. No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

15.6. Joint Obligation. The obligations imposed by the Conservation Easement upon Grantor will be joint and several.

15.7. Successors. The covenants, terms, conditions, and restrictions of the Conservation Easement will be binding upon, and inure to the benefit of, the Parties hereto and their respective personal representatives, heirs, successors, and assigns and will continue as a servitude running in perpetuity with the Property.

15.8. Termination of Rights and Obligations. A Party's rights and obligations under the Conservation Easement terminate upon transfer of that Party's interest in the Conservation Easement or the Property, except that liability for acts or omissions occurring prior to transfer will survive transfer.

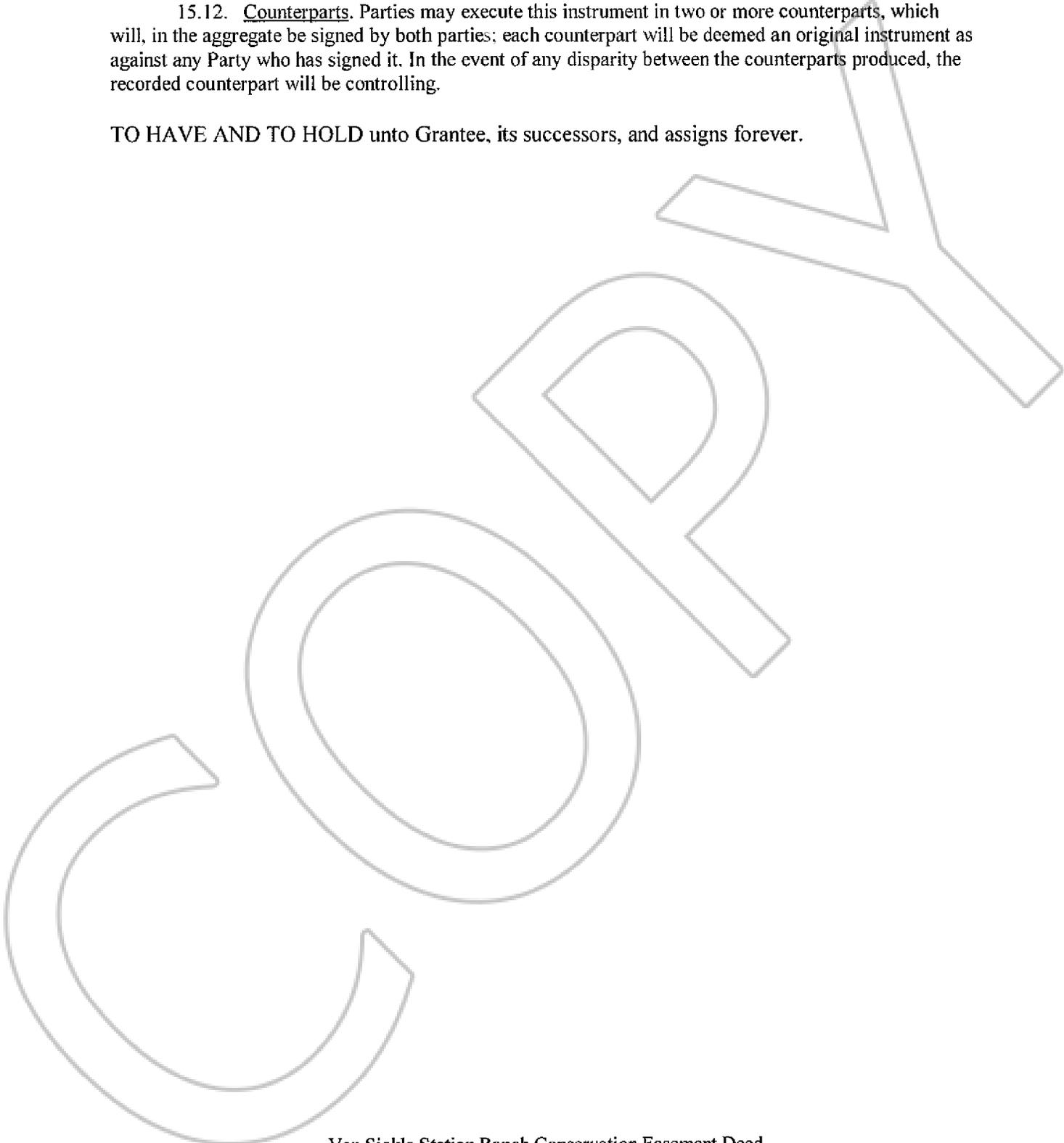
15.9. Non-Merger. Unless Parties expressly state in writing that they intend a merger of estates or interests to occur, then no merger will be deemed to have occurred hereunder or under any documents executed in the future affecting this Conservation Easement.

15.10. No Third-Party Beneficiary. This Conservation Easement is entered into by and between Grantor and Grantee only, and is solely for the benefit of Grantor, Grantee, and their respective successors in interest and assigns and does not create rights or responsibilities in any third parties.

15.11. Captions. The captions in this instrument have been inserted solely for convenience of reference and are not part of this instrument and will have no effect upon construction or interpretation.

15.12. Counterparts. Parties may execute this instrument in two or more counterparts, which will, in the aggregate be signed by both parties; each counterpart will be deemed an original instrument as against any Party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart will be controlling.

TO HAVE AND TO HOLD unto Grantee, its successors, and assigns forever.



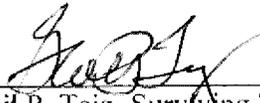
IN WITNESS WHEREOF, the Grantor has set their hands on the day and year first above written.

GRANTOR:

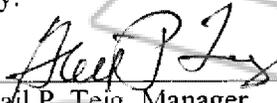
THE TEIG FAMILY 1995 TRUST

TEIG FAMILY INVESTMENTS, LLC
a Nevada limited liability company

By:



Gail P. Teig, Surviving Trustee

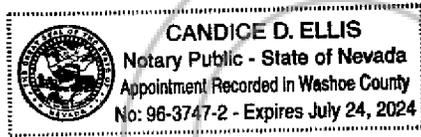


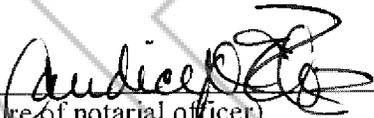
Gail P. Teig, Manager

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on 5-12-2023 by Gail P. Teig, Surviving Trustee and Gail P. Teig, Manager.

S
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A
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(signature of notarial officer)

My commission expires 7-24-24

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

GRANTEE:

UNITED STATES OF AMERICA

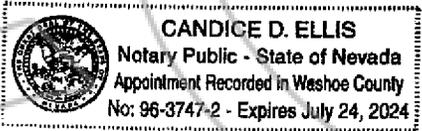
By:

Matthew L. Simons
Matthew L. Simons
Lands and Realty Program Lead
Nevada State Office
Bureau of Land Management
U.S. Department of the Interior

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on 5-12-2023 by Matthew L. Simons who, being duly sworn, did say that he is the Lands and Realty Program Lead of the U.S. Department of the Interior, Bureau of Land Management, Nevada State Office, and that he executed the foregoing instrument by authority of and on behalf of the United States of America; and he acknowledged said instrument to be the act and deed of the United States of America.

S
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L



Candice D. Ellis
(signature of notarial officer)

My commission expires 7.24.24

EXHIBIT A: LEGAL DESCRIPTION OF PROPERTY

Subject to all third-party rights of record in and to the Property that are not subordinated to the terms and conditions of this Conservation Easement.

Land Description for Van Sickle Station Ranch Conservation Easement

A conservation easement located over and across County Assessor Parcel Numbers 1319-22-000-010, 011, 012, and 013; 1319-23-000-010; 1319-26-000-001 and 002; 1319-27-000-007 and 008, situated in sections 22, 23, 26, and 27, township 13 north, range 19 east, Mount Diablo Meridian, Douglas County, Nevada, being more particularly described as follows:

Parcels 5, 6, 7, 8, 9, 10, 11, 12, and 13, as shown on the Map of Division into Large Parcels, LDM #2002, for Teig Family Ltd. Partnership and Pamela Lyn Niehoff, according to the map thereof, filed in the office of the County Recorder of Douglas County, State of Nevada, on August 8, 1996, in Book 896, Page 1541, as Document No. 393888, Official Records.

The areas described aggregate 419.94 acres, more or less, according to Document No. 393888, attached hereto and made a part of as Exhibit A.

EXCLUDING THEREFROM a strip of land located in County Assessor Parcel Number 1319-22-000-012 within section 22, township 13 north, range 19 east, according to the land description document prepared by Matthew P. Bernard, Professional Land Surveyor, on August 14, 2020 for Gail Teig of the Van Sickle Ranch, also referred to as Description 1380-013, attached hereto and made part of as Exhibit A-1, "Land Description of Exclusion Area", more particularly described as follows:

Beginning at the southeast corner of Parcel 7 as shown on the Map of Division into Large Parcels for Teig Family Ltd. Partnership and Pamela Lyn Niehoff, filed for record August 8, 1996 in the office of the Recorder, Douglas County, Nevada as Document No. 393888, said point falling on the north right-of-way line of Muller Lane;

thence along said north right-of-way line of Muller Lane, North 89°15'00" West, 407.63 feet;

thence leaving said north right-of-way line of Muller Lane, North 00°45'00" East, 231.00 feet;

thence South 89°15'00" East, 384.37 feet to a point falling on the easterly boundary line of said Parcel 7;

thence along said easterly boundary line of Parcel 7, South 04°59'59" East, 232.17 feet to the Point of Beginning, containing 2.10 acres, more or less.

The areas remaining within the conservation easement aggregate 417.84 acres, more or less, according to Document No. 393888, attached hereto and made a part of as Exhibit B.

COPY

Exhibit A-1 LAND DESCRIPTION FOR EXCLUSION AREA

1380-013
08/14/2020

**DESCRIPTION
EXCLUSION AREA
(Portion of A.P.N. 1319-22-000-012)**

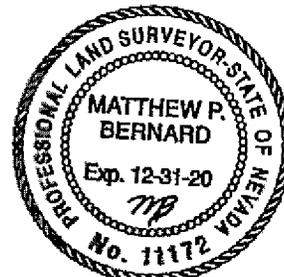
All that real property situate in the County of Douglas, State of Nevada, described as follows:

A strip of land for exclusion from a conservation easement purposes located within a portion of Section 22, Township 13 North, Range 19 East, Mount Diablo Meridian, more particularly described as follows:

BEGINNING at the southeast corner of Parcel 7 as shown on the Map of Division into Large Parcels for Teig Family Ltd. Partnership and Pamela Lyn Niehoff, filed for record August 8, 1996 in the office of Recorder, Douglas County, Nevada as Document No. 393888, said point falling on the north right-of-way line of Muller Lane;
thence along said north right-of-way line of Muller Lane, North 89°15'00" West, 407.63 feet;
thence leaving said north right-of-way line of Muller Lane, North 00°45'00" East, 231.00 feet;
thence South 89°15'00" East, 384.37 feet to a point falling on the easterly boundary line of said Parcel 7;
thence along said easterly boundary line of Parcel 7, South 04°59'59" East, 232.17 feet to the **POINT OF BEGINNING**, containing 2.10 acres, more or less.

The Basis of Bearing of this description is identical to the Map of Division into Large Parcels for Teig Family Ltd. Partnership and Pamela Lyn Niehoff, filed for record August 8, 1996 in the office of Recorder, Douglas County, Nevada as Document No. 393888.

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

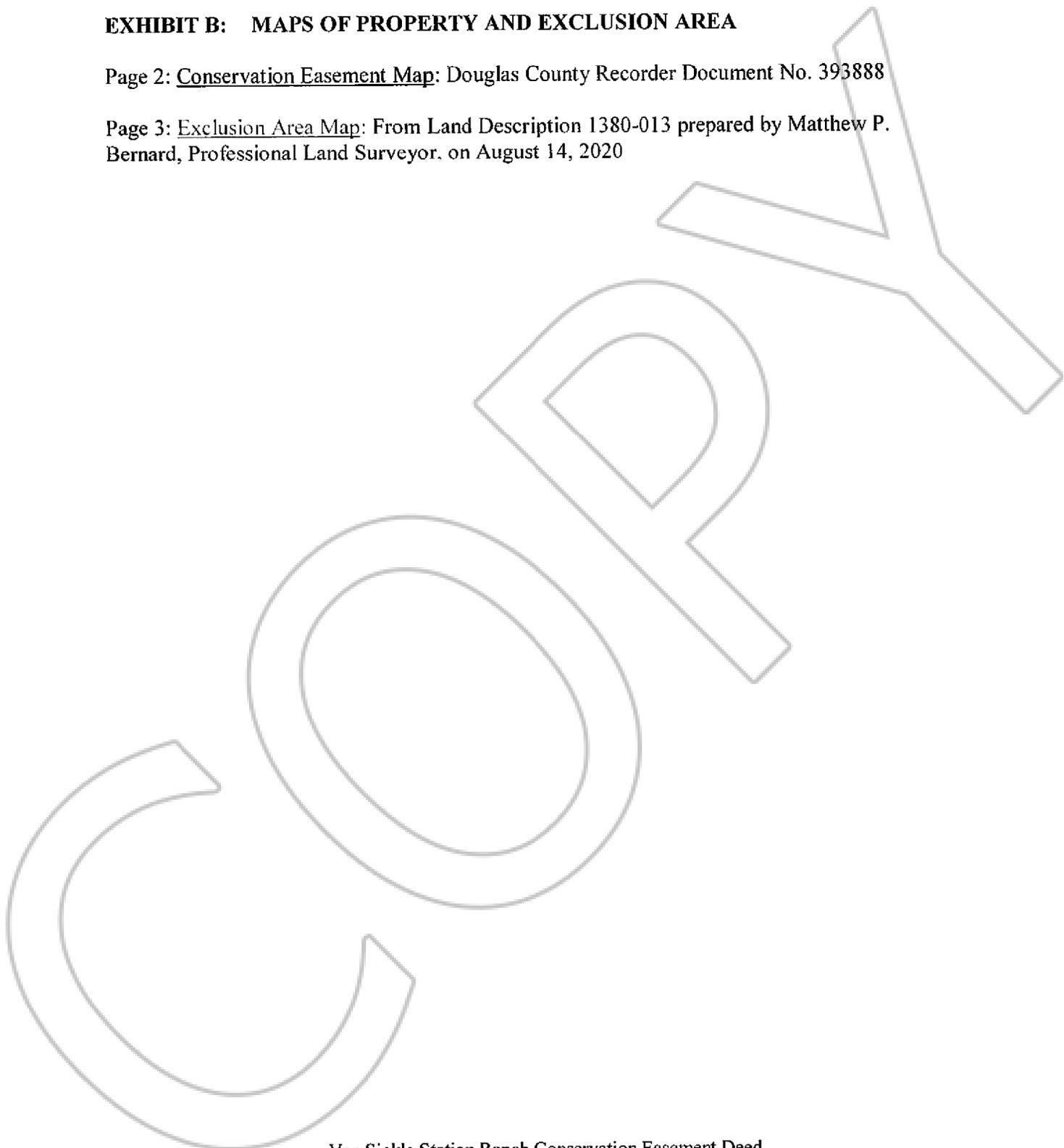


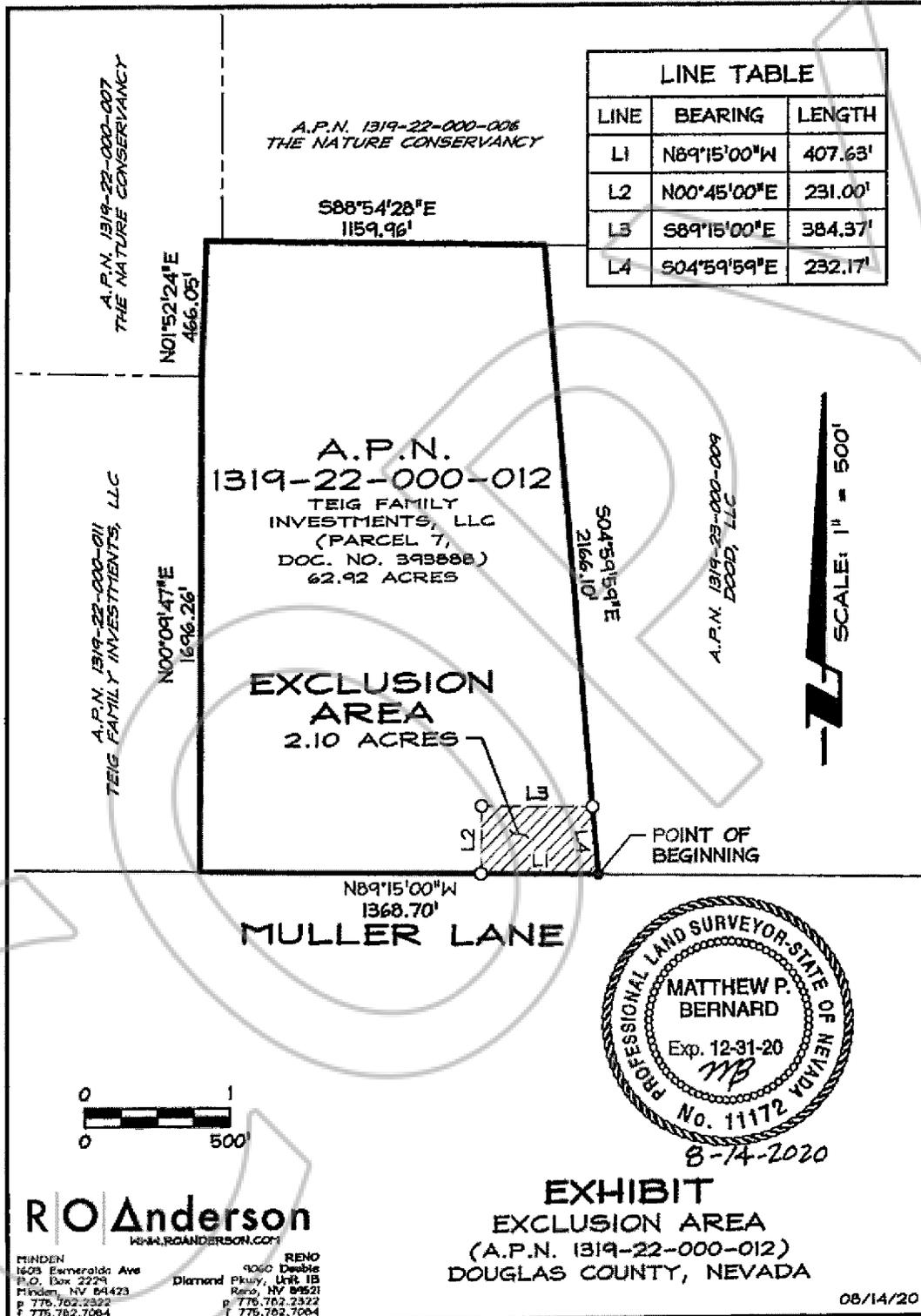
8-14-2020

EXHIBIT B: MAPS OF PROPERTY AND EXCLUSION AREA

Page 2: Conservation Easement Map: Douglas County Recorder Document No. 393888

Page 3: Exclusion Area Map: From Land Description 1380-013 prepared by Matthew P. Bernard, Professional Land Surveyor, on August 14, 2020





Y:\Client\Files\1300\1300-015\CAD\SURVEY\EXHIBIT\1300-013_EXH.dwg 8/14/2020 1:38:37 PM Jeff Shuman

R O Anderson
www.roanderson.com

MINDEN 1603 Emerald Ave P.O. Box 2229 Minden, NV 89423
p 775.782.2329 f 775.782.7064
RENO 9060 Double Diamond Pkwy, Unit 1B Reno, NV 89521
p 775.782.2322 f 775.782.7064

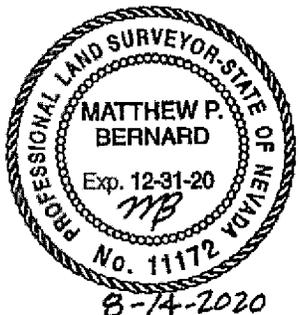


EXHIBIT
EXCLUSION AREA
(A.P.N. 1319-22-000-012)
DOUGLAS COUNTY, NEVADA

08/14/20

EXHIBIT C: DESCRIPTION OF WATER RIGHTS

| ACRES | PLACE OF USE | Claim | Claim | Claim | Claim | Claim | UG IRR | SW IRR | UG IRR | UG IRR | Total | Total | |
|---------------|--------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|----|
| | | DCR-597 | DCR-598 | DCR-601 | DCR-662 | DCR-663 | PERMIT | PERMIT | PERMIT | PERMIT | Supplemental | Non-Supp | |
| | | | | | | | CERT. | CERT. | CERT. | CERT. | Acres | Acres | |
| 40.00 | Parcel 5 | | | | | 15.85 | 40.00 | 22.00 | 22.00 | | 38.85 | 1.15 | gw |
| 40.00 | Parcel 6 | | | 5.60 | | 24.15 | 28.20 | | | | 28.20 | 1.55 | sw |
| 62.92 | Parcel 7 | | | 60.50 | | | | | | | 56.55 | 3.95 | sw |
| 56.28 | Parcel 8 | | | | 33.75 | | | | | | | 33.75 | sw |
| 60.11 | Parcel 9 | | 40.00 | | 16.25 | | | | | | | 56.25 | sw |
| 40.10 | Parcel 10 | 40.00 | | | | | | | | 40.10 | 40.10 | 0.10 | gw |
| 40.00 | Parcel 11 | 40.00 | | | | | | | | 30.10 | 30.10 | 9.90 | sw |
| 40.00 | Parcel 12 | 40.00 | | | | | | | | 40.00 | 40.00 | 0.00 | sw |
| 40.56 | Parcel 13 | 40.00 | | | | | | | | 20.00 | 20.00 | 20.00 | sw |
| 419.97 | TOTAL ACRES | 160.00 | 40.00 | 66.10 | 50.00 | 41.00 | 68.20 | 22.00 | 22.00 | 186.75 | 253.80 | 126.65 | |

125.4=standalone SW
 surface water = sw
 ground water = gw

EXHIBIT D: ACKNOWLEDGEMENT OF BASELINE DOCUMENTATION REPORT

Owner Acknowledgement of Condition

Protected Property: Van Sickle Station Ranch
County: Douglas
State: Nevada

Number of Acres Protected by Conservation Easement: Approximately 417.84 acres.

The condition of the Property on the date of the acquisition is established with the completion of the Baseline Documentation Report which includes: aerial imagery taken by Maxar Technologies in October, 2020; digital photographs documenting the Property's condition; and descriptions of the Property's natural resources documented through field visits and surveys. In addition, the Property has been inspected by representatives of the Grantee, including Matt Simons, Realty Specialist, and Julie Bennett, Assistant Field Manager, to confirm the condition of the Property. In compliance with Section 1.170A-14(g)(5), we hereby confirm that the attached information provides an accurate representation of the Property at the time of the Conservation Easement purchase. In order to effectively monitor for perpetual compliance with the purposes of the Conservation Easement, the Baseline Documentation Report will be supplemented with additional on-site photographs, additional maps and reports on an ongoing basis.

GRANTOR: Teig Family 1995 Trust
Teig Family Investments, LLC

BY: *Gail P. Teig*
Gail P. Teig, Surviving Trustee/Manager

DATE: 5-12-2023

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on 5-12-2023 by Gail P. Teig as Surviving Trustee of the Teig Family 1995 Trust and Manager of Teig Family Investments, LLC, a Nevada limited liability company.

S
E
A
L



Candice D. Ellis
(signature of notarial officer)

My commission expires 7-24-24

GRANTEE: United States of America

BY: Kimberly D. Dow
Kimberly D. Dow, District Manager
Carson City District Office
Bureau of Land Management
U.S. Department of the Interior

DATE: 5/12/2023

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on 5-12-2023 by Kimberly D. Dow who, being duly sworn, did say that she is the District Manager of the U.S. Department of the Interior, Bureau of Land Management, Carson City District Office, and that she executed the foregoing instrument by authority of and on behalf of the United States of America.

S
E
A
L



[Signature]
(signature of notarial officer)

My commission expires 7-24-24

APNs: 1319-22-000-010, 011, 012 and 013; 1319-23-000-010; 1319-26-000-001 and 002; 1319-27-000-007 and 008

STATEMENT ATTACHED TO
EASEMENT FOR CONSERVATION DEED
TO
UNITED STATES OF AMERICA

This Statement is attached to the Easement for Conservation Deed for the interest in real property described therein in the County of Douglas, State of Nevada, from Teig Family Investments, LLC, and Teig Family 1995 Trust, to the United States of America, pursuant to NRS 328.110.

The United States of America does not seek exclusive jurisdiction over the property described in the Easement of Conservation Deed.

**The United States of America
Department of the Interior
Bureau of Land Management**

By: 
Matthew L. Simons

Title: Lands and Realty Program Lead
BLM Nevada State Office

Date: 5-12-2023

ACKNOWLEDGMENT

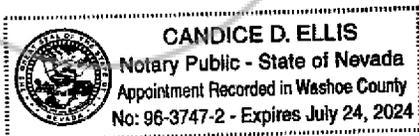
STATE OF NEVADA

COUNTY OF ~~CARSON CITY~~ WASHOE

On this 12th day of MAY 2023, 2022, personally came before me, a notary public in and for said County and State, the within named MATTHEW L. SIMONS, personally known to me, or proven to me on the basis of satisfactory evidence, to be the identical persons described in and who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Seal




Notary Public Signature

My commission expires: 7-24-24