



SHAWNYNE GARREN, RECORDER

**AFTER RECORDING,
PLEASE DELIVER TO:**
The Nature Conservancy
Attn: Legal Department
2424 Spruce St.
Boulder, CO 80302

The persons signing this instrument, including any exhibits submitted for recording, affirm that it does not contain the personal information of any person or persons (in accordance with NRS 2398.030).

NOTICE OF AGREEMENT

Clear Creek Ranch LLC, a former Nevada limited liability company dissolved on or about February 28, 2014, granted to The Nature Conservancy, a District of Columbia nonprofit corporation, whose address for purposes of this Notice of Agreement is 639 Isbell Rd. #330, Reno, NV 89509, a conservation easement dated October 24, 2008 and recorded on October 28, 2008 in the Official Records of Douglas County, Nevada as Document Number 732066, Book 1008, Page 4357 (the "**Conservation Easement**"). The Conservation Easement is held by The Nature Conservancy and encumbers certain real property in Douglas County, Nevada, as more particularly described in **Exhibit 1** and depicted on **Exhibit 2**, both of which are attached to and incorporated into this Notice of Agreement (the "**Property**"). The Property is owned by Clear Creek OS, LLC, a Delaware limited liability company, whose address is 3745 Golf Club Drive, Carson City, NV 89705.

On July 5, 2023, The Nature Conservancy, on the one hand, and Clear Creek OS, LLC, along with Clear Creek Holdings, LLC, Clear Creek Partners, LLC, CH-B Clear Creek, LLC, and Clear Creek Residential, LLC, on the other hand (collectively, the "**Clear Creek Parties**") (The Nature Conservancy and the Clear Creek Parties are collectively referred to as the "**Parties**"),

CLEAR CREEK OS, LLC
a Delaware limited liability company

By: [Signature]

Name: LEISHA EHLERT

Title: AUTHORIZED REPRESENTATIVE

Date: 6/27/23

STATE OF Texas)

)ss.

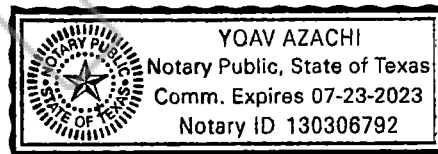
COUNTY OF Travis)

The foregoing instrument was acknowledged before me this 27th day of June, 2023, by Leisha Ehler, as the authorized representative of Clear Creek OS, LLC.

[Signature]
Notary Public

My commission expires: 7/23/2023

Address: 1111 West 11th. street
Austin, TX 78703



DOC # 732066
10/28/2008 09:30AM Deputy: PK
OFFICIAL RECORD
Requested By:
STEWART TITLE - CARSON
Douglas County - NV
Karen Ellison - Recorder
Page: 1 of 25 Fee: 63.00
BK-1008 PG-4357 RPTT: 0.00

APNs: 1419-04-000-017, 1419-10-000-010,
1419-03-000-010 and 1419-03-000-016

WHEN RECORDED MAIL TO:

The Nature Conservancy
Western Resource Office
2424 Spruce St., Suite 100
Boulder, CO 80302

1009882 CC



SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT OF CONSERVATION EASEMENT

Carson River (Clear Creek Ranch, LLC) NV

THIS GRANT OF CONSERVATION EASEMENT (this "Conservation Easement") dated 10-24-, 2008 is made by CLEAR CREEK RANCH LLC, a Nevada limited liability company ("Grantor"), whose address is 990 Ironwood Drive, Minden, Nevada 89423, in favor of THE NATURE CONSERVANCY, a District of Columbia non profit corporation (the "Conservancy") through its Nevada Chapter, whose address is One East First Street, Suite 1007, Reno, NV 89501, as grantee. The terms "Grantor" and "Conservancy," wherever used herein, and any pronouns used in place thereof, shall include, respectively, Grantor and all of its successors and assigns, and the Conservancy and all of its successors and assigns.

WITNESSETH:

A. WHEREAS, Grantor is the owner in fee simple of approximately 853.42 acres of that certain real property located in Douglas County, Nevada (the "Property"), as legally described in Exhibit A and depicted on a map in Exhibit B (the "Property Map"), both of which are attached hereto and incorporated herein by reference; and

B. WHEREAS, the Property is a significant natural area that qualifies as a "...relatively natural habitat of fish, wildlife, or plants, or similar ecosystem," and "open space" as those terms are used in P.L. 96-541, 26 U.S.C. 170(h)(4)(A)(ii), as amended, and in regulations promulgated thereunder, consisting of forest, meadow, riparian, ridgeline, and open space land that provides an important migratory corridor and critical winter habitat for mule deer and other species, that caused the Property to be approved and funded for acquisition by the United States Secretary of the Interior in Round 2 of the Southern Nevada Public Land Management Act; and

C. WHEREAS, the Property lies within The Nature Conservancy Carson River Portfolio Conservation Area and the Audubon Society Carson Range Important Bird Area; and

D. WHEREAS, the Property is adjacent to and connects the Humboldt-Toiyabe National Forest to the west, the Jack's Valley Special Habitat Management Area to the east, and the Nevada State Lands to the north; and

E. WHEREAS, the Property encompasses Clear Creek, a critical tributary to the Carson River listed on Nevada's Impaired Waters List, pursuant to Section 303(d) of the Clean Water Act, for those waterbodies that need additional work beyond existing controls to achieve or maintain water quality standards; and

F. WHEREAS, the Property is the scenic backdrop for Jack's Valley and the greater Carson Valley, designated by Douglas County as the North – West Carson Valley Open Space View Corridor, and contributes to the scenic viewshed enjoyed by the public along U.S. Highway 50 between Carson City and Spooner Summit, one of only three "National Scenic Byways" in Nevada, designated by Douglas County as the Spooner Summit Lake Tahoe Open Space View Corridor; and

G. WHEREAS, the Property encompasses a portion of the land described in Nevada State Historical Marker 261, in particular, a portion of Johnson's Cutoff, also-called the Carson Ridge Emigrant Road, which passed over Spooner Summit and down Clear Creek beginning in 1852, 12 years before Nevada became a state, and a portion of the Carson and Tahoe Lumber and Fluming Company's V-flume that facilitated the delivery of timber from the Lake Tahoe Basin to the Comstock Lode in Virginia City; and

H. WHEREAS, the Property currently remains in a substantially undisturbed, natural state and has significant ecological and open space values, and this Conservation Easement will serve the clearly delineated conservation policies contained in Nevada's "Easements for Conservation" statutes, Nevada Revised Statutes ("NRS") Sections 111.390 to 111.440, inclusive, which recognize the importance of private conservation efforts to protect the natural, scenic, open-space values of real property as among the conservation purposes of the statutes; and

I. WHEREAS, the Douglas County Master Plan clearly articulates residents' desire to retain the County's open, rural, and agricultural character, and declares that the preservation of such land will help secure the quality of life that is the mainstay of Douglas County. The Property is specifically identified on Map G of the Douglas County Open Space and Agricultural Lands Preservation Implementation Plan, 2007 Update ("OSP"), as a large property that meets the County's basic criteria for preservation; and

J. WHEREAS, the OSP provides the framework by which the County may pursue the preservation of agricultural lands and open space, and specifically states that it is a goal of the OSP to have the majority of open space property retained in private ownership through the use of conservation easements; and

K. WHEREAS, protection of the Property is consistent with the following goals and policies of the 2006 Douglas County Master Plan Update: managing slopes, hillsides, and ridgelines to minimize impacts on the county's natural resources and aesthetic character and to protect future residents from safety hazards; minimizing the alteration of natural flood plains, river and stream channels and natural protective barriers that accommodate or channel floodwaters; protecting the functions and values of surface water systems, which include fish and wildlife habitat, aquifer recharge and discharge, and recreational opportunities; creating a system of open space areas and linkages throughout the County that protects the natural and visual character of the County,



provides contiguous wildlife corridors, and provides for appropriate active and passive recreational uses; protecting the County's sensitive wildlife and vegetation in recognition of their importance as components of the County's quality of life; and retaining the beauty, the natural setting and resources, and the rural/agricultural character of the County while providing opportunities for managed growth and development.

L. WHEREAS, the Conservancy is eligible to hold an easement for conservation under NRS Section 111.410 and is also a qualified organization within the meaning of Internal Revenue Code Section 170(h)(3); and

M. WHEREAS, the Conservancy has determined that the restrictions set forth below will limit the uses of the Property to those uses consistent with, and not adversely affecting the conservation values of the property, as defined in Section 1 below; and

N. WHEREAS, Grantor intends to convey to the Conservancy the right to preserve and protect the conservation values of the Property in perpetuity, as defined in Section 1 below.

NOW, THEREFORE, in recognition of the foregoing recitals and in consideration of the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the State of Nevada, and in particular NRS 111.390 to 111.440, Grantor hereby voluntarily grants and conveys to the Conservancy as an absolute and unconditional gift, and the Conservancy hereby accepts, an "easement for conservation," as defined in NRS 111.410, over the Property of the nature and character and to the extent hereinafter set forth.

1. CONSERVATION PURPOSES AND CONSERVATION VALUES. The purposes of the Conservation Easement are to preserve and protect in perpetuity and, in the event of their impairment, degradation or destruction, to allow for the enhancement and restoration of the conservation values of the Property, while allowing for traditional uses on the Property that are permitted in this Conservation Easement and defined herein (hereinafter, the "**Conservation Purposes**"), which include, but are not limited to open space, natural landforms, waterways and processes, and significant relatively natural features and values of the Property; important habitat for wildlife; rare or unique native plants currently known or later identified; rare or unique aquatic species currently known or later identified; diverse riparian, meadow and forest natural communities and the wildlife inhabiting these communities; and ranchland (collectively, the "**Conservation Values**"). The Conservation Values include but are not limited to the following attributes:

The natural topographic condition and geomorphic processes of the Property consist of the natural landforms that underlie terrestrial and aquatic plant habitats, and the natural ecosystem processes of erosion and stream channel change. We can expect the steep slopes to continue eroding sediment as a natural occurrence. We can expect the stream channel to carry sediment, deposit sediment, and for the stream channel dimensions to change through time.

The natural hydrologic condition and regime of the Property consists of the groundwater table, patterns of surface water flows, and the seasonal regime of water movement through and over the Property. The hydrologic condition and regime is influenced by topographic condition and



geomorphic process. The hydrologic condition of the property includes natural springs that emanate from the ground and the flow of water through Clear Creek.

The riparian natural community consists of herbs, shrubs, and trees growing along Clear Creek and generally dominated by alder (*Alnus* spp.) and willow shrubs (*Salix* spp.), and the fish and wildlife that are dependent upon that riparian plant vegetation. The variety of native plant, fish, and wildlife species, currently known or later identified, found within this riparian natural community constitute a Conservation Value. The amount and quality of the riparian natural community is highly dependent upon geomorphic condition and process, as well as hydrologic condition and regime.

The meadow natural community consists of herbaceous plants growing in areas with high levels of soil moisture and generally dominated by sedges (*Carex* spp.), rushes (*Juncus* spp.) and grasses (*Poa* spp., *Elymus* spp., *Hordeum* spp. and *Agropyron* spp.), and the wildlife that are dependent upon that wet meadow plant vegetation. The variety of native plant and wildlife species, currently known or later identified, found within this meadow natural community constitute a Conservation Value. The amount and quality of the meadow natural community is highly dependent upon geomorphic condition and process, as well as hydrologic condition and regime.

The forest natural community consists of herbs, shrubs, and trees growing along uplands slopes and generally dominated by Jeffrey pine (*Pinus jeffreyi*), Bitterbrush (*Purshia* spp.) and Great Basin sagebrush (*Artemisia tridentate*), and the wildlife that are dependent upon that forest vegetation. The variety of native plant and wildlife species, currently known or later identified, found within this forest natural community constitute a Conservation Value. The amount and quality of the forest natural community is highly dependent upon geomorphic condition and process, as well as hydrologic condition and regime.

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

In evaluating whether a particular use of the Property significantly impairs or interferes, or threatens to significantly impair or interfere with the Conservation Values, Grantor and Conservancy intend that both the magnitude and the duration of actual and expected effects on the Conservation Values will be taken into account. Grantor and the Conservancy do not intend that natural changes in the attributes of the Conservation Values will be considered to impair or interfere with the Conservation Values. Grantor and Grantee also do not intend that minor or ephemeral impacts on the Conservation Values, other than such impacts resulting from the Inconsistent Uses, will be considered to interfere with the Conservation Purpose.

2. INCONSISTENT USES. Any activity on or use of the Property inconsistent with the Conservation Purpose is prohibited. Without limiting the generality of the foregoing and except as otherwise deemed consistent with the Conservation Purpose as set forth in Section 3 hereof,



the following activities and uses are hereby deemed inconsistent with the Conservation Purpose (collectively, the "Inconsistent Uses"):

2.1. Uses. The Property shall not be used for residential, commercial, institutional, or industrial purposes, including, without limitation, the following:

2.1.1. Construction or occupancy of any dwelling, recreational camping vehicle, mobile home or other similar structure;

2.1.2. Manufacture or assembly of any products, goods, equipment, chemicals, materials or substances of any kind or nature whatsoever;

2.1.3. Sale of any products, goods equipment, chemicals, materials, substances or services of any kind or nature whatsoever;

2.1.4. Storage of any products, goods, equipment, chemicals, materials or substances of any kind or nature, except if stored for use upon the Property in connection with Consistent Uses (defined below); and

2.2. Structures. No Structure (hereinafter defined) of any kind shall be built, erected, installed, placed, affixed or assembled within or upon the Property. "Structure" shall mean any assembly of material forming a construction for occupancy or use for any purpose and erected upon or attached to the ground including, for example but not to limit the foregoing definition, the following: building, platform, shed, bin, shelter, dam, dike, tower, tank, antenna, and bulkhead, but excluding fences or gates up to five feet in height above ground level provided such fences are of a wildlife-friendly design that minimizes interference with migrating mule deer and other wildlife species.

2.3. Roads, Driveways, Etc. There shall not be constructed, cut, created or placed on the Property any new road or other means or right of vehicular passage across or upon the Property nor may any road or other means or right of passage located on the Property be used for vehicular access to any use which is prohibited by this Conservation Easement.

2.4. Signs and Advertising Structures. No signs, billboards, or outdoor advertising structures shall be placed, erected, or maintained on the Property.

2.5. Land Disturbance. There shall be no material change in the topography of the Property in any manner, including grading, filling, excavating, dredging, surface mining, drilling, or any removal of topsoil, sand, gravel, rock, peat, minerals or other materials.

2.6. Dumping. There shall be no dumping, disposal, or accumulation of ashes, trash, garbage, refuse, hazardous or toxic wastes and materials, debris, inoperative vehicles or equipment, or any other unsightly or offensive materials at any place on, under, or within the Property.

2.7. Water Courses. There shall be no dredging, channelizing or other new manipulation, diversion, or other alteration of natural water courses, wetlands, or other



natural bodies of water, any new practice that degrades or destabilizes their natural banks or shorelines, any new pumping of groundwater whether tributary or not, or any other new development of water resources.

2.8. Riparian Buffer. There shall be no clearing, cutting or removal of live or dead trees, other clearing or removal of vegetation, clearing or removal of leaf litter or other natural detritus, or digging, earth movement or other alteration of the earth surface or topography within any part of the Property that lies within ten (10) feet of the area between the banks of any permanent or intermittent watercourse (excluding manmade storm water swales not fed by a spring, pond or other natural source) or within any area that is a governmentally regulated wetland (such areas being collectively hereinafter called a "**Riparian Buffer**"). Notwithstanding the foregoing, areas within the Riparian Buffer that are in a meadow condition at the time of granting this Conservation Easement may be mechanically treated for the purpose of controlling or eradicating species designated as noxious weeds by the State of Nevada and listed in Section 555.010 of the Nevada Administrative Code and sound meadow maintenance practices. Grantor shall be responsible for ascertaining the boundaries of the Riparian Buffer, at Grantor's expense, before undertaking any action that may be prohibited in a Riparian Buffer.

2.9. Soil Erosion and Sedimentation Control. All activity on the Property shall be conducted so as to avoid the occurrence of soil erosion and sedimentation of streams or other water courses. Without limitation of the foregoing, Grantor and the Conservancy shall, in identifying practices that will prevent soil erosion and sedimentation, refer to the soil conservation practices as then established or recommended by the Natural Resources Conservation Service of the United States Department of Agriculture, or any successor governmental office or organization performing the same function within the United States government, as approved by Grantor and the Conservancy.

2.10. Non-Native Plant Species. There shall be no introduction of plant species within the Property except those that are native to the area in which the Property is located. Grantor shall have the right to control or eradicate species that are designated and categorized as noxious weeds by the State of Nevada and listed in Section 555.010 of the Nevada Administrative Code as required by Chapter 555 sections .005-.217 of the Nevada Revised Statutes.

2.11. Development Rights. Except for those rights expressly retained by Grantor pursuant to **Section 3** below, all development rights that are now or hereafter in the Property are hereby transferred to the Conservancy as negative rights. Such development rights may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise, nor used for the purpose of calculating permissible lot yield of the Property or any other property.

2.12. Subdivision. Grantor shall have a limited right to further subdivide the Property and/or adjust the boundaries of the individual parcels that make up the



Property through lot line adjustments for the purpose of leasing or conveying a portion of the Property; provided, however, that the Property shall not be divided into more than eight (8) separate parcels, and provided further that each parcel shall remain fully subject to all the terms of this Conservation Easement. Any lot line adjustment or subdivision must conform to applicable federal, state and local laws and regulations, and Grantor shall be solely responsible for securing any required governmental approvals. The Conservancy makes no representation that any subdivision or lot line adjustment authorized under this Section 2.12 will be approved by relevant governmental authorities.

3. **CONSISTENT USES.** Notwithstanding anything to the contrary in Section 2 hereof, Grantor and the Conservancy have evaluated the following uses and practices and hereby expressly deem such uses and practices consistent with the Conservation Purpose (collectively, the "Consistent Uses") and Grantor, its invitees, permittees, successors, and assigns shall have the right to engage in the Consistent Uses on the Property.

Without limiting the generality of the foregoing, the following list of Consistent Uses, though not necessarily an exhaustive recital of all Consistent Uses, are expressly deemed to be consistent with the Conservation Purpose, and they are not to be precluded, prevented, or limited by this Conservation Easement. Nothing set forth herein shall be deemed to grant any right of use of the Property to any third parties, government agencies or the general public. In the event of any conflict between the terms and conditions of this Section 3 and the terms and conditions of Section 2 hereof, the terms and conditions of this Section 3 shall govern and control.

3.1. **Recreational Uses.** Grantor shall have the right to engage in passive non-motorized recreational activities on the property, including fishing, wildlife viewing, hiking, running, cross-country skiing, snow-shoeing, horseback riding, horse drawn sleigh rides and biking (both on and off-road). Additionally, Grantor shall have the right to temporarily board and graze horses within the Property (including within the meadow) in connection with such horseback riding and sleigh rides; provided, however, that such boarding and grazing must be conducted in a manner designed to produce no material adverse effect on the Conservation Values.

3.2. **Driveway.** Grantor may construct and maintain a single driveway solely for use as access from the nearest public road to the uses permitted under this Conservation Easement; provided, however, that such construction and maintenance must be conducted in a manner designed to produce no material adverse effect on the Conservation Values. The width of the driveway and any area of land disturbance and grading for such driveway shall be no greater than the minimum necessary to meet any legal requirements or, to the extent no legal requirements apply or are lawfully waived, the minimum practicable consistent with sound engineering techniques and methods.

3.3. **Trails and Paths.** Grantor may construct and maintain trails or paths for nature education, outdoor recreation and maintenance purposes, including within the Riparian Buffer, provided that: the surface of such trails shall remain pervious (such as dirt, wood chips or gravel); such trails shall be located, to the extent possible, in the



path of trails or forestry roads existing on the date of this Conservation Easement; the width of the area cleared and improved for such trails shall not exceed that which is necessary for pedestrian, equestrian or off-road maintenance vehicle use; provided, however, that such trails and paths must be constructed and maintained in a manner designed to produce no material adverse effect on the Conservation Values.

3.4. Signs. Grantor may install a reasonable number of signs of the following types:

3.4.1. Regulatory or directional signs including, for example but not for limitation of the foregoing, "no trespassing" signs, "no gunning" signs, or "no hunting" signs;

3.4.2. Signs stating the common name of the Property, the name and address of Grantor or both;

3.4.3. Signs advertising or directing participants to an activity permitted under the provisions of this Conservation Easement;

3.4.4. Signs identifying the interest of Grantor in the Property; and

3.4.5. Signs educating the public as to the ecology of the area.

3.4.6. Notwithstanding the foregoing, any sign that is greater than four square feet in surface area and visible from any public road shall be prohibited unless such sign shall have no material adverse effect upon the Conservation Purposes and such sign is approved in writing by the Conservancy.

3.5. Utility Installations. Grantor has the right to maintain and repair existing utilities. Grantor may grant utility easements over the Property and construct and maintain, and allow others to construct and maintain, new facilities normally used in connection with supplying utility services such as water, sewer, electricity, fuel, and communication lines, provided that all such facilities shall be located outside the Riparian Buffer unless the Conservancy determines that the location of the utility facility will have no adverse effect upon a water course or wetland within the Riparian Buffer, and all such construction and maintenance shall be conducted in a manner designed to produce no material adverse effect on the Conservation Values.

3.6. Maintenance of Roads, Trails, Etc. Grantor may maintain in passable condition the roads, trails or walkways either existing within the Property at the date of this Conservation Easement or permitted by this Conservation Easement. Included within this right of maintenance, without limitation, are: the right to install or apply materials necessary to correct or impede erosion; grading of earth to maintain a passable condition or to control or impede erosion; addition of culverts to direct storm water off of the road and prevent erosion or destruction of the road; replacement of existing or added culverts; replacement of existing water control structures and bridges; and maintenance of roadside ditches. Grantee acknowledges and agrees that Grantor shall have the right, following the grant of this Conservation Easement, to grant an access easement to the owner of that



parcel of real property designated by Assessor Parcel No. 1419-04-000-014 per the approved form Grantor provided to Grantee on October 22, 2008.

3.7. Trespass. Grantor has the right to prevent trespass and to control access to the Property by the general public. Grantor shall have discretion in the manner and extent to which it exercises this right.

3.8. Habitat Enhancement. Grantor may enhance by restoration the natural, ecological and wildlife features of the Property; provided, however, that the Grantor and the Conservancy shall jointly develop plans for all restoration projects, and all projects shall be carried out in accordance with the approved plans.

3.9. Forest Management. Forest Management shall be allowed so long as it is consistent with the *Carson Range Multi-Jurisdictional Comprehensive Fuels Reduction & Wildfire Prevention Strategy* (the "Strategy") dated May 23, 2008.

4. NOTICE AND APPROVAL.

4.1. Any notice, demand, approval, consent, or other communication required or desired to be given hereunder in writing shall be given in the manner set forth below, addressed to the party to be served at the addresses set forth below, or at such other address for which that party may have given notice under the provisions of this Section. Any notice, demand, approval, consent, or other communication given by (a) mail shall be deemed to have been given three (3) days after deposited in the United States mail, postage prepaid, certified and return receipt requested; (b) overnight common carrier courier service shall be deemed to be given on the business day (not including Saturday) immediately following the date it was deposited with such common carrier; (c) delivery in person or by messenger shall be deemed to have been given upon delivery in person or by messenger; or (d) electronic facsimile shall be deemed to have been given on the date and at the time as the sending party (or such party's agent) shall have received from the receiving party (or such party's agent) oral or written confirmation of the receipt of such transmission to:

GRANTOR: Clear Creek Ranch, LLC 990 Ironwood Drive Minden, Nevada 89423 Attn: James S. Taylor	
THE CONSERVANCY: The Nature Conservancy One East First Street, Suite 1007 Reno, NV 89501 Attn: Carson River Project Director	WITH A COPY TO: The Nature Conservancy 2424 Spruce St., Suite 100 Boulder, CO 80302 Attn: Rocky Mountain Regional Attorney



4.2. Grantor shall not undertake or permit any activity requiring prior approval by the Conservancy without first having notified and received approval from Grantee as provided herein; and any such approval by the Conservancy shall not be unreasonably withheld, conditioned or delayed.

4.3. Prior to the commencement of any such activity, Grantor shall send the Conservancy written notice of his/her intention to undertake or permit such activity. The notice shall inform the Conservancy of all aspects of the proposed activity, including location, design, materials or equipment to be used, dates and duration, and any other relevant information, and shall be sent by registered or certified mail, return receipt requested, to the Conservancy, at the address listed above or such other addresses as Grantor may from time to time be informed of in writing by the Conservancy. Notwithstanding the foregoing, Grantor shall be entitled to act under emergency conditions to prevent, abate, or mitigate significant injury to persons or the Property without first notifying the Conservancy provided that Grantor notifies the Conservancy within five (5) business days of taking such emergency action.

4.4. The Conservancy shall have thirty (30) days from receipt of the notice, as indicated by the date of the return receipt, to review the proposed activity and to notify Grantor of any objections thereto; *provided*, that the 30-day period shall not begin until such time as the Conservancy has received adequate information from Grantor to evaluate the proposed activity. If the Conservancy requires additional information to evaluate the proposed activity, the Conservancy shall request the information from Grantor as soon as practicable, and in any case not later than ten (10) business days after the Conservancy's receipt of the notice of the proposed activity.

4.5. The Conservancy's decision to approve or disapprove the activity proposed by Grantor shall be in writing in the manner set forth above, to Grantor at the address first stated above, or to such other address as the Conservancy may from time to time be informed of in writing by Grantor.

4.6. A decision by the Conservancy to disapprove a proposed activity must be based upon the Conservancy's determination that the proposed activity is inconsistent with the Conservation Purpose. If in the Conservancy's judgment it is possible that the proposed activity can be modified to be consistent with this Conservation Easement, the Conservancy's decision notice shall inform Grantor of such modification(s). Once modification is made to the satisfaction of Grantee, or the Conservancy otherwise concurs with the matters set forth in Grantor's notice, the proposed activity may thereafter be conducted in such approved manner.

4.7. Should the Conservancy fail to post its response to Grantor's notice within thirty (30) days of its receipt of notice or within thirty (30) days of the time that the Conservancy has received adequate information to evaluate the proposed activity, whichever is later, the proposed activity is automatically deemed consistent with the terms of this Conservation Easement, the Conservancy having no further right to object to activity identified by such notice.



4.8. Limitation of Liability. No assurance is given that any of the above uses may be exercised, in such manner as the Conservancy might propose, without having an adverse effect on the Conservation Values. The foregoing procedure is established for the purpose of making that determination. The Conservancy shall bear no liability to Grantor or to any third party for its approval or disapproval of Grantor's request(s) pursuant to this Section 4.

5. GRANTEE'S RIGHT AND RESPONSIBILITIES.

5.1. Periodic Inspections and Access Rights. To accomplish the purpose of this Conservation Easement, the Conservancy is expressly granted the right by Grantor to enter into and upon the Property on an annual basis, and on a more frequent basis if the Conservancy has reason to believe that Grantor's use of the Property is in violation of the provisions of this Conservation Easement, in order to inspect, observe and study the Property for the purposes of (i) verifying the current uses and practices of the Property, (ii) monitoring the uses and practices of the Property to determine whether they are consistent with this Conservation Easement, and (iii) at the sole discretion of the Conservancy, enforcing the rights granted herein; *provided*, that Grantee, with prior written notice to Grantor, may designate an agent(s) to act on its behalf for the above-described purposes, and/or, that the Conservancy, in accordance with NRS 111.410.3 and 111.430 and with prior written approval of Grantor, which shall be given or withheld in Grantor's sole and absolute discretion, may identify a third person with rights of enforcement; *and further provided*, that any entry upon the Property by Grantee, the Conservancy's agent, or any third person with a right of enforcement shall be only at reasonable times, upon reasonable prior notice, and in a manner which does not unreasonably interfere with the use of the Property being made by Grantor, or any lessee, permittee or licensee of Grantor.

5.2. Endowment Funds. The Conservancy shall set aside, hold, invest, and disburse the Endowment Funds (defined below in Section 7.4) in trust solely for the purposes of preserving the Conservation Values of the Property under this Easement in perpetuity and to offset, if only partially, the Conservancy's costs with respect thereof. The Conservancy shall have a fiduciary duty to ensure that the Endowment Funds held in trust for the Conservation Easement's purposes are properly managed.

5.3. Scientific Research. The Conservancy is expressly granted the right by Grantor to enter into and upon the Property to study and make scientific observations of its ecosystems, including, but not limited to, undertaking bird and vegetation monitoring and surveys. The Conservancy shall provide Grantor with copies of all work product produced from such scientific research.

6. GRANTEE'S REMEDIES AND ENFORCEMENT.

6.1. Grantor Violation. If the Conservancy determines that Grantor is in violation of any term of this Conservation Easement or that a violation is threatened, the Conservancy shall deliver written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, if the violation or threatened violation involves injury



to the Property resulting from any use or activity inconsistent with the conservation purpose of this Conservation Easement, to restore the portion of the Property so injured. If Grantor fails to cure the violation within thirty (30) days after receipt of notice thereof from the Conservancy, or under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing such violation within the thirty (30) day period, or fails to continue diligently to cure such violation until finally cured, the Conservancy 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* as necessary, by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Conservation Easement or injury to any Conservation Values protected by this Conservation Easement, including damages for the loss of scenic, agricultural, aesthetic or environmental values, and to require the restoration of the Property to the condition that existed prior to any such injury, but specifically excluding any punitive or compensatory damages. Without limiting Grantor's liability therefore, the Conservancy may apply any damages recovered to the cost of undertaking any corrective action on the Property. If the Conservancy reasonably determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values, the Conservancy may pursue its remedies under this Section without prior notice to Grantor or without waiting for the period provided for cure to expire. The Conservancy's rights under this Article apply equally in the event of either actual or threatened violations of the terms of this Conservation Easement, and Grantor agrees that the Conservancy's remedies at law for any violation of the terms of this Conservation Easement are inadequate and that the Conservancy shall be entitled to the injunctive relief described in this Section, both prohibitive and mandatory, in addition to such other relief to which the Conservancy may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. The Conservancy's remedies described in this Section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity. The failure of the Conservancy to discover a violation or to take immediate action shall not bar the Conservancy from taking such action at a later time.

6.2. Grantee's Discretion. Enforcement of the terms of this Conservation Easement shall be at the sole discretion of the Conservancy, and any forbearance by the Conservancy to exercise its rights under this Conservation Easement in the event of any breach of any term of this Conservation Easement by Grantor shall not be deemed or construed to be a waiver by the Conservancy of such term or of any subsequent breach of the same or any other term of this Conservation Easement or of any of the Conservancy's rights under this Conservation Easement. No delay or omission by the Conservancy in the exercise of any right upon any breach by Grantor shall impair such right or remedy or be construed as a waiver.

6.3. Waiver of Certain Defenses. Grantor hereby waives any defense of laches or prescription.

6.4. Acts Beyond Grantor's Control. Nothing contained in this Conservation Easement shall be construed to entitle the Conservancy 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 natural earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes; provided, that Grantor shall notify the Conservancy of such change in the Property and any emergency actions taken by Grantor.

6.5. No Third Party Rights of Enforcement. Except as provided pursuant to Section 5.1 above, this Conservation Easement may only be enforced by Grantor and the Conservancy, and no third party beneficiary rights, rights of enforcement or other rights are created or intended to be created or granted by this Conservation Easement in or to any other person or entity, the public generally or any governmental authority.

6.6. Cost of Enforcement. If either party prevails in any proceeding to enforce the terms of this Conservation Easement against the other party hereto, such prevailing party shall be entitled to reimbursement from the other party for all costs reasonably incurred by the prevailing party in bringing such action against the other party, including, without limitation, costs of suit and reasonable attorneys' and experts' fees, and any costs of restoration necessitated by the violation of this Conservation Easement.

7. GRANTOR'S RESPONSIBILITIES AND LIABILITIES.

7.1. Managerial Control Retained by Grantor. Nothing in this Conservation Easement shall be construed as giving rise to any right or ability of the Conservancy to exercise physical or managerial control over day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

7.2. Compliance With Law. Grantor shall be solely responsible for complying with all federal, state and local laws and regulations in connection with the conduct of any use of the Property or the erection of any structure permitted hereunder, and Grantor shall be solely responsible for obtaining any required permits, approvals, and consents from the relevant governmental authorities in connection therewith.

7.3. Costs Incident of Ownership. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including the general liability insurance coverage and obligation to comply with applicable law.

7.4. Funding of the Endowment. Concurrently with the execution and recordation of this Conservation Easement, Grantor shall fund an endowment in the amount of Fifty Thousand Dollars (\$50,000.00) [the "**Endowment Funds**"]. The Endowment Funds shall be held in trust by the Conservancy in order to protect the Conserved Values on the Property. The Conservancy shall be entitled to draw upon the proceeds (but not the



principle) to offset, if only partially, its costs in relation to its periodic inspections of the Property pursuant to Section 5.1 hereof.

7.5. Taxes. Grantor shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or against the Property by competent authority (collectively "taxes"), including any taxes imposed upon, or incurred as a result of this Conservation Easement. If Grantor fails to pay taxes which may become a lien on the Property, Conservation Easement, or the rights Grantor represents or grants to the Conservancy, the Conservancy may, but shall have no obligation to, pay such taxes or assessments or any part thereof upon ten (10) days after sending written notice to Grantor, according to any bill, statement, or estimate procured from the appropriate public office. Payment made by the Conservancy shall become a lien on the Property in favor of the Conservancy upon payment by the Conservancy and shall bear interest until Grantor pays the Conservancy at the rate of twelve percent (12%) per annum or at the highest rate of interest per annum as is allowed by applicable law, whichever is less.

7.6. Limitation on Liability. Grantor shall be and remain liable for any breach or violation of this Conservation Easement only if such breach or violation occurs during such time as Grantor is the legal or equitable owner of the Property or any part thereof or is in possession of the Property or any part thereof.

7.7. Indemnification.

7.7.1. Grantor Indemnity. Grantor shall hold harmless, indemnify and defend Grantee and its officers, employees, agents and contractors, successors and assigns and each of them (collectively "Grantee Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands or judgments, including, without limitation, reasonable attorneys' and experts' fees, arising from or in any way connected with the existence or release on or under the Property of any hazardous waste, substance or other contaminants as they are now and may hereafter be defined under any local, state and Federal statute, law or regulation. Grantor's obligations under this Section shall not apply with respect to any such hazardous waste, substance or other contaminants released on the Property by Grantee or Grantee's representatives or agents.

7.7.2. Grantee Indemnity. Grantee shall hold harmless, indemnify and defend Grantor and its officers, employees, agents and contractors, successors and assigns and each of them (collectively "Grantor Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands or judgments, including, without limitation, reasonable attorneys' and experts' fees, arising from or in any way connected with the release by Grantee or Grantee's representatives or agents on or under the Property of any hazardous waste, substance or other contaminants as they are now and may hereafter be defined under any local, state and Federal statute, law or regulation.



8. BASILINE DOCUMENTATION.

8.1. The Conservancy acknowledges by executing this Conservation Easement that the present uses of the Property are consistent with the Conservation Purpose. In order to establish the present condition of the Property's Conservation Values, the parties have prepared the "Baseline Documentation Report" dated August 2008, which will be maintained on file with the Conservancy and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this Conservation Easement. The parties, however, shall not be precluded from using any other relevant or material documents, surveys, reports, and other information to establish the condition as of the date of this Conservation Easement, if there is a controversy over the Property's then-existing conditions.

8.2. The Conservancy has provided Grantor one complete copy of the Baseline Documentation Report, the receipt of which is hereby acknowledged. Grantor has cooperated with the Conservancy's efforts in preparing the Baseline Documentation Report, and Grantor and the Conservancy agree to accept the Baseline Documentation Report as evidence of the condition of the Property at the time of conveyance of this Conservation Easement.

9. GRANTOR'S RIGHT OF CONVEYANCE.

9.1. Perpetual. This Conservation Easement is an interest in real property and runs with the land in perpetuity and shall be binding upon Grantor and its successors and assigns.

9.2. Grantor Conveyance. Except as provided in Section 2.12 above, nothing in this Conservation Easement shall limit the right of Grantor to grant or convey the Property or any portion thereof, provided that any such grant or conveyance shall be under and subject to this Conservation Easement. ||

9.3. Subsequent Transfers. Grantor agrees that the terms, conditions, restrictions and purposes of this Easement or reference thereto will be inserted by Grantor in any subsequent deed or other legal instrument by which Grantor divests either the fee simple title or possessory interest, including, but not limited to, any leases of the Property; and Grantor further agrees to notify the Conservancy of any pending transfer at least thirty (30) days in advance. The failure of Grantor to comply with this Section shall not impair the validity of this Easement or limit its enforceability in any way. Any successor in interest of Grantor, by acceptance of a deed, lease or other document purporting to convey an interest in the Property, shall be deemed to have consented to, reaffirmed and agreed to be bound by all of the terms, covenants, restrictions and conditions of this Easement.

9.4. Effect On Mortgages and Other Liens. All mortgages, deeds of trust and other liens or encumbrances upon all or any part of the Property which either come into existence or are recorded in the place for the recording of such liens or encumbrances



after the date of this Conservation Easement will be subject to and subordinate to this Conservation Easement.

10. GRANTEE'S RIGHT OF ASSIGNMENT.

10.1. Assignment by the Conservancy. The Conservancy may not subsequently transfer this Conservation Easement unless the Conservancy, as a condition of the subsequent transfer, requires that the Conservation Purpose for which the Conservation Easement was originally intended to advance continue to be carried out. In the event that the Conservancy decides to assign its interest under this Conservation Easement, the Conservancy shall provide Grantor with ninety (90) days written notice of such intention. The Conservancy shall allow Grantor such notice period within which to nominate an assignee that must be: (a) qualified to hold a conservation easement under Section 111.410 of the Nevada Revised Statutes; (b) a "qualified organization" as defined in Section 170(h)(3) of the Internal Revenue Code (26 U.S.C. § 170(h)(3)); and (c) willing and financially able to assume all of the responsibilities imposed on the Conservancy under this Conservation Easement. In the event that Grantor chooses not to make such a nomination or the Conservancy and the nominated entity cannot agree to an assignment, the Conservancy may proceed to assign all of its rights under this Conservation Easement to any entity that meets all of the foregoing designation criteria. All rights in this Conservation Easement must be assigned, *provided*, that the Conservancy may assign partial rights to a third party, or designate an agent(s) to act on its behalf, for the purposes of monitoring and enforcement of this Conservation Easement, but only in accordance with the provisions of Section 5.1, the Conservancy's Right of Access.

10.2. Inability to Enforce. If at any time the Conservancy is unable to enforce this Conservation Easement or if the Conservancy ever ceases to exist or ceases to qualify to hold this Conservation Easement under applicable Nevada law or Section 170(h)(3), Grantor shall petition a court of competent jurisdiction to transfer this Conservation Easement to another organization that meets all of the foregoing designation criteria. The parties intend that, in the selection of a transferee entity, preference be given to a qualified agency or organization with experience in private forest management.

11. GRANTOR'S WARRANTIES AND REPRESENTATIONS. By signing this Conservation Easement, Grantor hereby acknowledges, warrants, and represents to the Conservancy the following:

11.1. Grantor has good and sufficient title to the Property, free from all liens and encumbrances except those encumbrances set forth in Title Commitment No. 1009882, dated _____, 2008, issued by Stewart Title Guaranty Company, hereby incorporated herein by reference. The Conservancy shall be entitled to seek title insurance, at its own cost and expense.

11.2. Grantor has been represented by counsel of Grantor's selection, and fully understands that Grantor is hereby permanently relinquishing property rights that would otherwise permit Grantor to have a fuller use and enjoyment of the Property.



11.3. The undersigned individual or individuals signing as or on behalf of Grantor has all legal authority to enter into this Conservation Easement and perform all of the obligations of Grantor hereunder, as the binding act of Grantor.

11.4. Hazardous Materials. Grantor represents and warrants that, to the best of its/his/her knowledge, the Property (including, without limitation, any associated air, soil, groundwater, and surface water) is free of any conditions that individually or in the aggregate (1) pose a significant risk to human health or the environment; (2) violate any Environmental Law, as that term is defined below in Section 17; or (3) could reasonably be expected to cause any person to incur environmental investigation, removal, remediation, or other cleanup costs. To Grantor's knowledge there are no underground tanks located on the Property. Grantor represents and warrants that Grantor shall comply with all Environmental Laws in using the Property and that Grantor shall not engage in any activity that causes material environmental contamination, including any activity that causes any of the conditions listed in subparagraphs (1), (2) and (3) of this Section 11.4.

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

11.6. No Litigation. There is no action, suit or proceeding which is pending or threatened against the Property or any portion thereof relating to or arising out of the ownership or use of the Property, or any portion thereof, in any court or before or by any federal, state, county or municipal department, commission, board, bureau, agency or other governmental instrumentality.

12. MODIFICATION OF CONSERVATION EASEMENT. Grantor and the Conservancy recognize that circumstances could arise that would justify the modification of certain of the restrictions contained in this Conservation Easement. This Conservation Easement may be modified only with the written consent of Grantor and the Conservancy. Any such modification shall be consistent with the Conservation Purpose and Section 170(h) of the Internal Revenue Code and applicable regulations promulgated thereunder, and shall comply with applicable federal and state law. No amendment shall affect the perpetual duration of this Conservation Easement, nor shall any amendment allow additional development or improvements to be undertaken on the Property other than that currently permitted by this Conservation Easement. Any such amendment shall be recorded in the official records of Douglas County, Nevada.

13. INVOLUNTARY CONVERSION. Whenever all or part of the Property is taken by exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Conservation Easement, Grantor and Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the proportionate value of Grantor and Grantee's respective interests. All expenses incurred by Grantor and Grantee, including reasonable attorneys' fees, shall be paid out of the recovered proceeds.



14. NO TAX ADVICE. Grantor intends to make a charitable donation equal to the amount by which the fair market value of the Property as if not encumbered by this Conservation Easement exceeds the fair market value of the Property encumbered by this Conservation Easement, as determined at the time of the granting of this Conservation Easement, as established and substantiated by a "qualified appraisal" (as defined under IRS regulations). It is the Grantor's obligation to establish the amount of the charitable contribution involved. Grantor acknowledges that neither the Conservancy, nor any of its employees or agents, has made any representation or warranty concerning the tax consequences of the transaction contemplated by this Agreement, including the value and the deductibility of any intended charitable gift. Neither the Conservancy nor its employees or agents assume any liability in the event that any portion of the intended charitable gift is determined by appropriate authorities to be not deductible. Grantor hereby represents and warrants that Grantor has or will obtain and rely on Grantor's own tax advisors for advice with respect to both the availability of a tax deduction for the charitable contribution and the requirements for appraisals and other documentation to substantiate the value of the charitable contribution deduction.

15. CHANGE OF CONDITIONS. The fact that any use of the Property that is expressly prohibited by this Easement, or any other use as determined to be inconsistent with the purpose of this Easement, may become greatly more economically valuable than permitted uses, or that neighboring properties may in the future be put entirely to uses that are not permitted hereunder, has been considered by the Grantor in granting this Easement. It is Grantor's belief that any such changes will increase the benefit to the public of the continuation of this Easement, and it is the intent of both Grantor and the Conservancy that any changes should not be assumed to be circumstances justifying the termination or extinguishment of this Easement pursuant to this Section. In addition, the inability to carry on any or all of the permitted uses, or the unprofitability of doing so, shall not impair the validity of this Easement or be considered grounds for its termination or extinguishment pursuant to this Section.

16. EXTINGUISHMENT. If circumstances arise in the future that render the purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether with respect to all or part of the Property, by right of eminent domain or by a judicial proceeding in a court of competent jurisdiction.

17. GENERAL PROVISIONS.

17.1. Definitions.

17.1.1. The terms "Grantor" and "the Conservancy," wherever used in this Agreement and any pronouns used in place thereof, shall mean and include, respectively, the above-named Grantor, his/her/their/its personal representatives, heirs, devisees, and assigns, and all other successors as their interest may appear, and the Conservancy, its members, officers, employees, agents and representatives, all of devisees and assigns, and all other successors as their interest may apply.

17.1.2. The term "Hazardous Materials" includes, without limitation: (a) material that is flammable, explosive, or radioactive; (b) petroleum products; and



(c) hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the CERCLA (42 USC 9601 et seq.), and the Hazardous Materials Transportation Act (49 USC section 6901 et seq.), and in the regulations adopted and publications promulgated pursuant to them, or any other applicable federal, state, or local laws, ordinances, rules, or regulations now in effect or enacted after this date.

17.1.3. The term "Environmental Laws" includes, without limitation, any federal, state, local or administrative agency statute, regulation, rule, ordinance, order or requirement relating to pollution, protection of human health, the environment or Hazardous Materials.

17.2. Binding Effect. The Easement created by this Grant-Deed shall burden and run with the Property forever. Every provision of this Easement that applies to Grantor or the Conservancy shall also apply forever to their respective agents, heirs, devisees, administrators, employees, personal representatives, lessees, and assigns, and all other successors as their interest may appear, and shall benefit forever the Conservancy and its successors and assigns.

17.3. Re-Recording. The Conservancy is authorized to record or file any notices or instruments appropriate to assuring the perpetual enforceability of this Easement; for such purpose, Grantor appoints the Conservancy its attorney-in-fact to execute, acknowledge and deliver any necessary instrument on his/her/their behalf. Without limiting the foregoing, Grantor agrees to execute any such instruments upon request.

17.4. Subsequent Liens On Property. No provision of this Easement should be construed as impairing the ability of Grantor to use the Property as collateral for subsequent borrowing, provided that any mortgage, deed of trust or lien arising from such a borrowing is at all times subordinated to this Easement.

17.5. Vesting of Real Property Interest. This Conservation Easement gives rise to a real property right and interest immediately vested in the Conservancy. For purposes of this Conservation Easement, the fair market value of the Conservancy's right and interest shall be equal to the difference between (a) the fair market value of the Property as if not burdened by this Conservation Easement and (b) the fair market value of the Property burdened by this Conservation Easement, as determined at the time of the granting of this Conservation Easement.

17.6. No Public Right of Access. This Easement does not convey a general right of access to the public.

17.7. Applicable Law. The interpretation and performance of this Conservation Easement shall be governed by and construed under the laws of the United States and the State of Nevada.

17.8. Rules of Construction and Interpretation. The parties recognize the Conservation Values of the Property and have the common purpose of preserving these values. Any general rule of construction to the contrary notwithstanding, this



Conservation Easement shall be liberally construed in favor of protect the Conservation Values and promoting the Conservation Purpose of this Conservation Easement. If any provision in this Conservation Easement is found to be ambiguous, an interpretation consistent with the Conservation Purpose that would render the provision valid should be favored over any interpretation that would render it invalid.

17.9. Severability. If any provision of this Conservation Easement is determined by final judgment of a court having competent jurisdiction to be invalid, such determination shall not have the effect of rendering the remaining provisions of this Conservation Easement invalid. The parties intend that this Conservation Easement, which is by nature and character primarily prohibitive (in that Grantor has restricted and limited the rights inherent in its ownership of the Property), shall be construed at all times and by all parties to promote, protect and fulfill the Conservation Purpose.

17.10. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to this Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to this Conservation Easement, all of which are merged herein.

17.11. No Forfeiture. Nothing contained herein will result in forfeiture of Grantor's fee title to the Property.

17.12. Termination of Rights and Obligations. 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 shall survive such transfer.

17.13. Headings. The underlined headings preceding the Sections in this Conservation Easement are intended for convenience of reference only and shall not be applied in the construction or interpretation of the substance of this Conservation Easement nor shall any such headings be construed to add to, detract from, or otherwise alter the substance, meaning, force, or effect of any of the Sections in this Conservation Easement.

17.14. Counterparts. The parties may execute this Conservation Easement in two or more counterparts, which shall, in the aggregate, be signed by both parties, and each counterpart shall 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 shall be controlling.

17.15. Drafting. The parties hereto agree that this Conservation Easement is the product of joint draftsmanship and negotiation and that should any of the terms be determined by a court, or in any type of quasi-judicial or other proceeding, to be vague, ambiguous and/or unintelligible, that the same sentences, phrases, clauses or other wordage or language of any kind shall not be construed against the drafting party.

17.16. Effective Date. The effective date of this Conservation Easement shall be the date on which it is recorded in the official records of Douglas County, Nevada.



TO HAVE AND TO HOLD the said Conservation Easement unto the Conservancy, its successors and assigns forever.

WITNESS the following signatures and seals.

Granted:
CLEAR CREEK RANCH, LLC, a Nevada
limited liability corporation

By: [Signature]

Print: JAMES B. TAYLOR

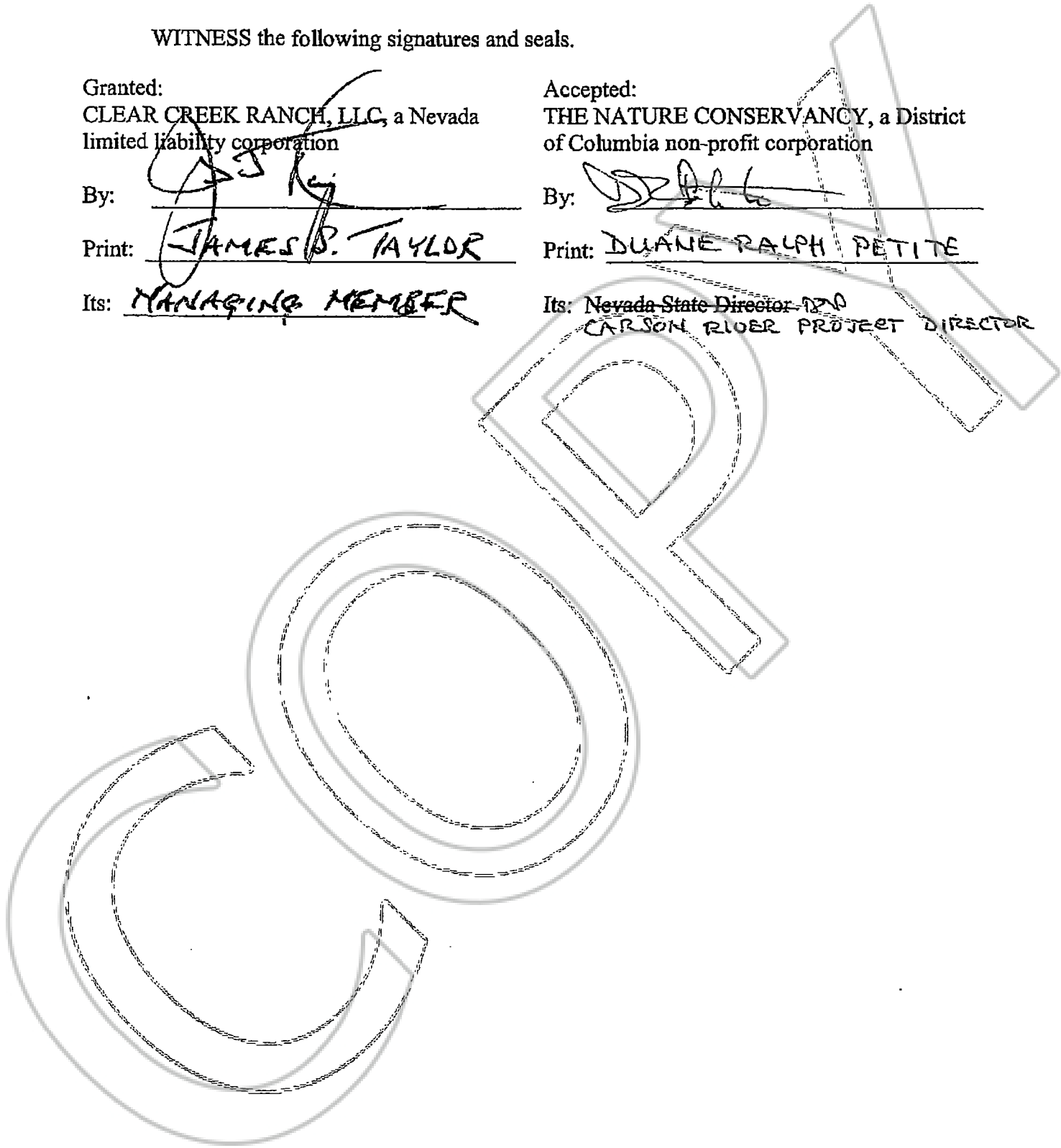
Its: MANAGING MEMBER

Accepted:
THE NATURE CONSERVANCY, a District
of Columbia non-profit corporation

By: [Signature]

Print: DUANE RALPH PETITE

Its: Nevada State Director - DND
CARSON RIVER PROJECT DIRECTOR



ACKNOWLEDGMENT

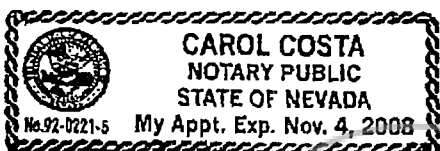
STATE OF NEVADA
CITY/COUNTY OF Carson City, TO WIT:

I, Carol Costa, a Notary Public for the State
aforesaid, hereby certify that Ruben Ralston
P.H.T.E., of The Nature Conservancy, a District of
Columbia corporation, personally appeared before me this day and acknowledged the foregoing
instrument.

WITNESS my hand and official seal this 24 day of Oct, 2008.

Carol Costa
Notary Public

My commission expires: 11-4-08 (SEAL)



ACKNOWLEDGMENT

STATE OF NEVADA
CITY/COUNTY OF _____, TO WIT:

I, _____, a Notary Public for the State
aforesaid, hereby certify that _____, of The Nature Conservancy, a District of
Columbia corporation, personally appeared before me this day and acknowledged the foregoing
instrument.

WITNESS my hand and official seal this _____ day of _____, 2008.

Notary Public

My commission expires: _____ (SEAL)



EXHIBIT "A"
LEGAL DESCRIPTION
CONSERVATION EASEMENT

A parcel of land situate in the Sections 2, 3, 4, 9 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows;

Parcels 1, 2, 3 and 4 of Record of Survey Map, recorded June 27, 2008 as Document No. 725936, Official Records of Douglas County Nevada.

Containing: 853.42 Acres, more or less.

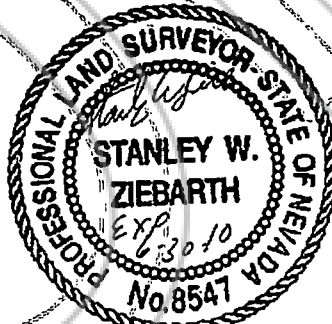
BASIS OF BEARINGS: Record of Survey Map recorded June 27, 2008, Official Records of Douglas County as Document Number 725936

SURVEYOR'S CERTIFICATE

I hereby certify that the attached legal description was prepared by me or under my direct supervision and is accurate to the best of my knowledge and belief.

Stanley W. Ziebarth
Nevada PLS 8547
For and on behalf of

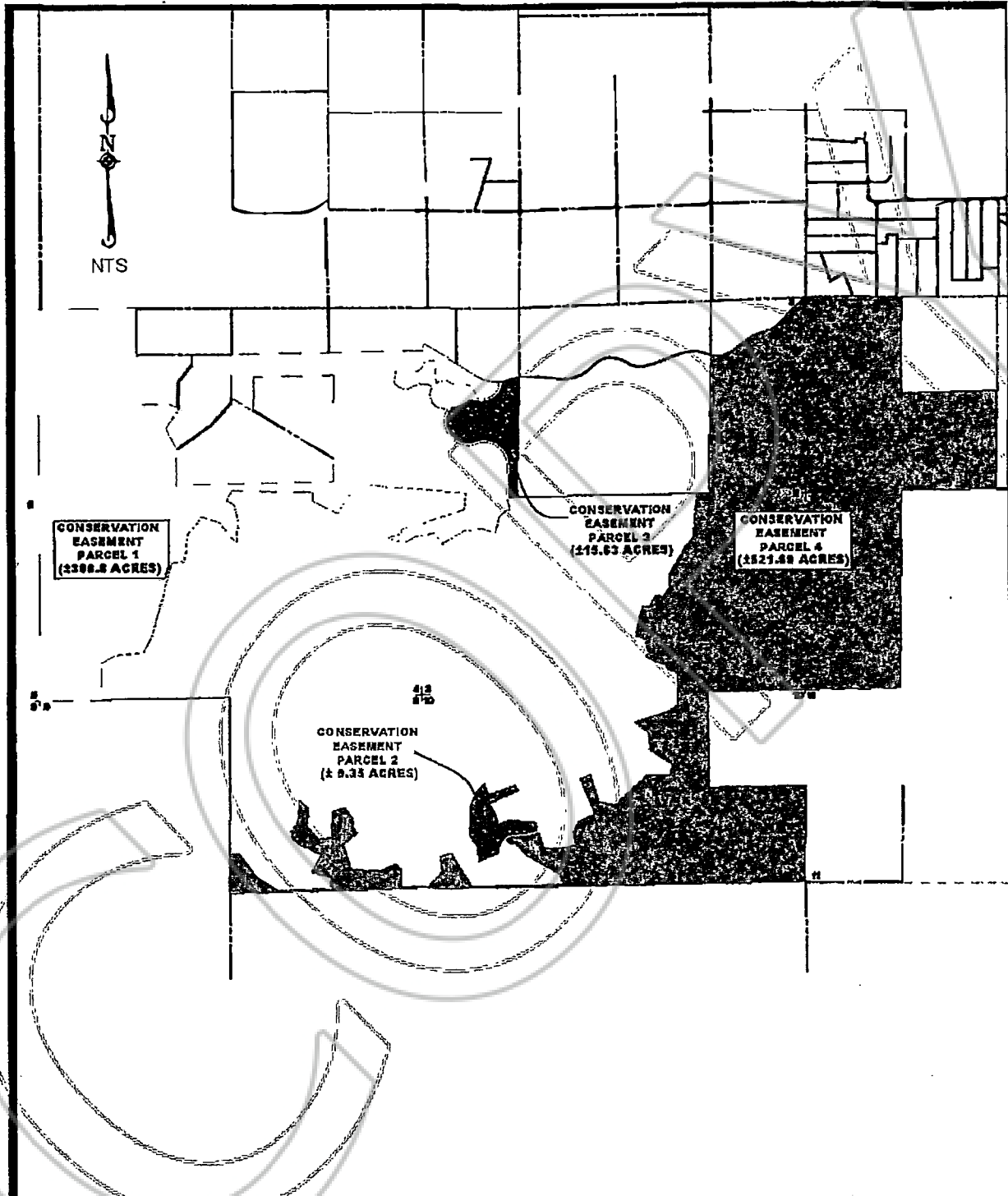
 **Manhard.**
CONSULTING
9850 DOUBLE R BLVD, SUITE 101
RENO, NEVADA 89521
(775) 746-3500



BK-1008
PG-4379

Exhibit B

Property Map



Manhard
CONSULTING LTD
8800 Oddie Road, Suite 101, Reno, NV 89521 tel: (775) 748-4000 fax: (775) 748-0200
 Civil Engineers • Surveyors • Water Resources Engineers • Water & Wastewater Engineers
 Construction Managers • Environmental Scientists • Landscape Architects • Planners

CLEAR CREEK DEVELOPMENT	
CONSERVATION EASEMENT	
DOUGLAS COUNTY, NEVADA	
PROJ. NO.: SAS	SHEET
DRAWN BY: SAS	EXHIBIT B
DATE:	JSDCN
SCALE: NTS	



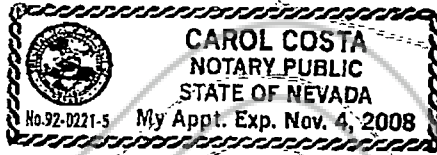
State of Nevada

County of Carson City } ss.
Douglas

This instrument was acknowledged before me on 10-24-08
by: James S. Taylor Managing Member of
Clean Creek Ranch LLC

WITNESS my hand and official seal.

Signature: Carol Costa
Notary Public

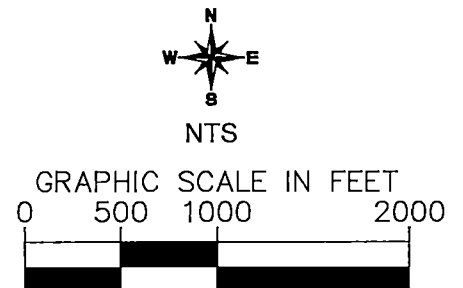
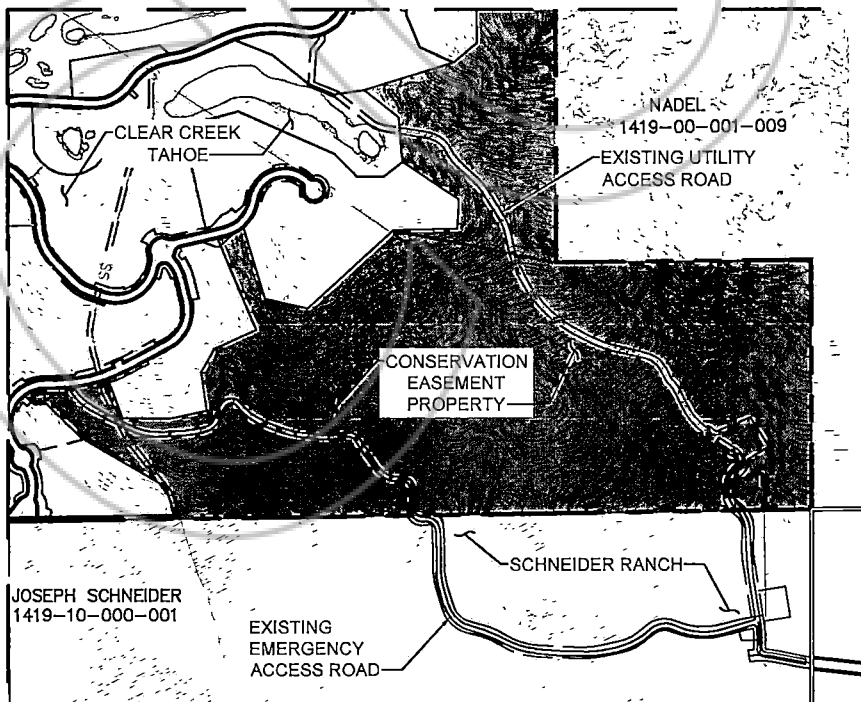
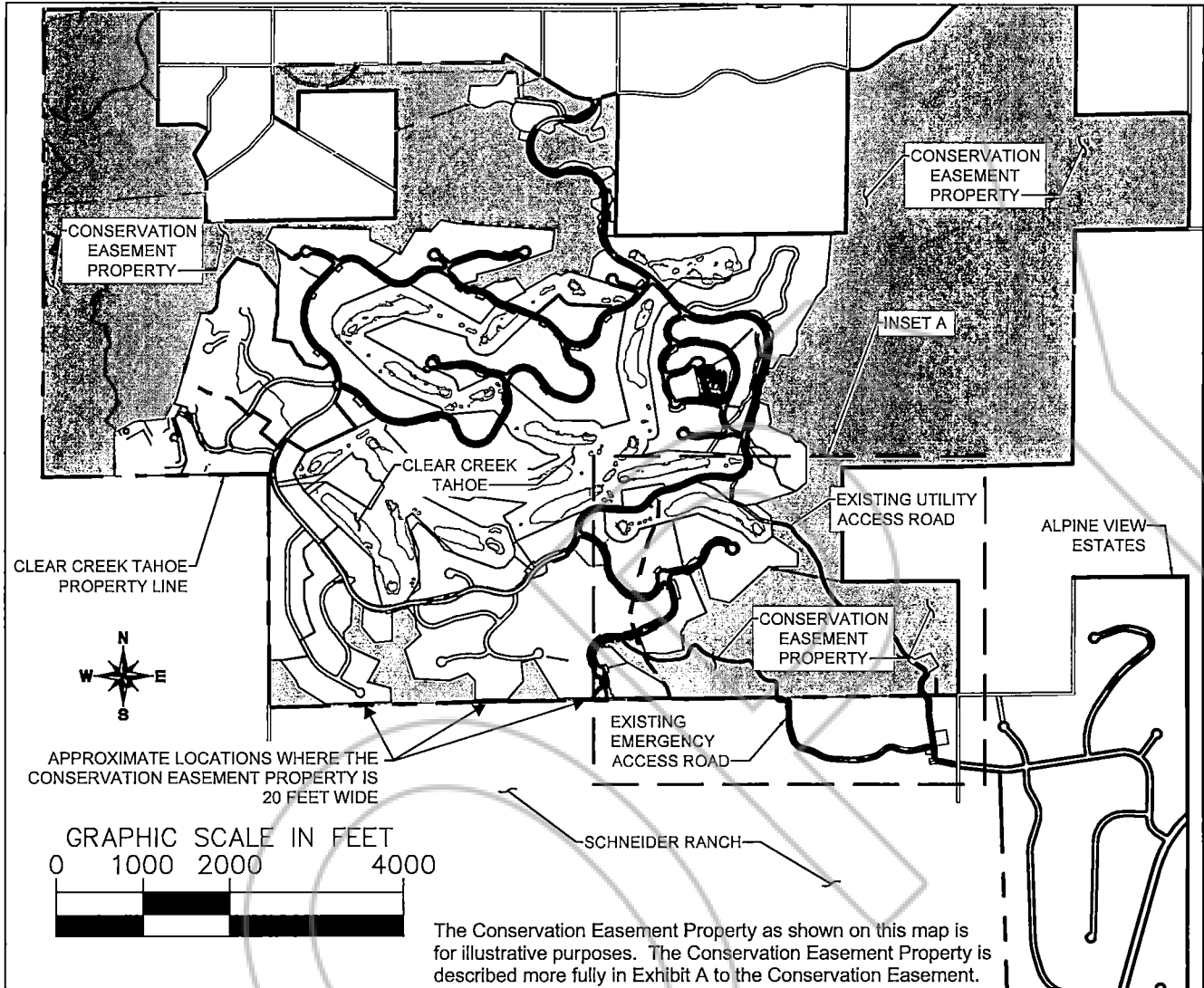


(One Inch Margin on all sides of Document for Recorder's use Only)



BK-1008
PG-4381

EXHIBIT 2



INSET A