

WHEN RECORDED MAIL TO:

Virgin Valley Water District
c/o Bingham & Snow, LLP
840 Pinnacle Court, Suite 202
Mesquite, Nevada 89027

EASEMENT AGREEMENT

This Easement Agreement (“Agreement”) is made as of the last date written below by and between the VIRGIN VALLEY WATER DISTRICT, a political subdivision of the State of Nevada (“VVWD”); and CEDAR DEVELOPMENT COMPANY, L.L.C., a Utah limited liability company (“Cedar”). VVWD and Cedar shall be referred to herein collectively as the “Parties.”

R E C I T A L S

WHEREAS, Cedar owns certain real property located in Clark County, Nevada (the “Property”).

WHEREAS, there is an existing dirt road that crosses the Property (the “Road”).

WHEREAS, VVWD owns a secondary water system and related facilities in the vicinity of the Property (the “Facilities”) which are accessible from the Road.

WHEREAS, VVWD desires to obtain easements over, across, through, and under the Property for purposes of ingress and egress of vehicular traffic on the Road and to install and maintain utilities (including but not limited to electricity and water lines) under and near the Road.

WHEREAS, Cedar desires to grant VVWD the desired easements and rights pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreement herein contained, the Parties covenant and agree for themselves and heirs, successors, and assigns as follows:

1. Recitals. The Parties agree that the foregoing recitals are true and correct and are incorporated by this reference as if fully set forth herein.

2. Grant of Easements. Cedar hereby grants and conveys to VVWD and its agents a permanent, non-exclusive easement over, across, through, and under the Property, as more particularly described on **Exhibit A** attached hereto, for purposes of ingress and egress of vehicular traffic, for the installation and maintenance of utilities to and from the Facilities (including, but not limited to, electricity and water lines) and for pipelines and waterlines for the conveyance of water to and from the Facilities.

3. Maintenance of Road. In consideration of the easements granted to VVWD hereunder by Cedar, VVWD hereby agrees to maintain the portion of the Road that is located on the Property as reasonably necessary for VVWD's use of the Road unless and until VVWD abandons the easement in its sole and absolute discretion. The Road is approximately 12 feet wide and may be maintained using Type 2 road base material. VVWD shall be responsible for maintaining any fencing and gates located on VVWD property including any gates or fences associated with the Facilities; however, Cedar shall be responsible for all gates and fences associated with the Property.

4. Covenants Run With the Land. Each right and obligation in this Agreement (whether affirmative or negative in nature) (a) shall constitute a covenant running with the land; (b) shall benefit and bind every person having any fee, leasehold, or other interest in any portion of the Property to the extent that such portion is affected or bound by the right-of-way, easements, covenants, or restrictions in question, or to the extent that such right-of-way, easements, covenants, or restrictions are to be performed on such portion of the Property; and (c) shall benefit and be binding upon any person or entity whose title is acquired by sale, transfer, judicial foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

5. Damages to Property. In consideration of the easements granted hereunder, VVWD hereby agrees that it shall be responsible for any damages to the real or personal property of Cedar which is caused by VVWD, its contractors, agents or representatives. VVWD agrees to indemnify, defend, and hold Cedar harmless from and against any liabilities, claims, damages, costs, and expenses arising out of or in connection with VVWD's use of the Property and easement including VVWD's contractors, agents, and representatives.

6. Assignment. This Agreement and the rights of VVWD hereunder may not be assigned or transferred by VVWD without written consent of Cedar, which consent will not be unreasonably withheld.

7. Governing Law, Jurisdiction, and Choice of Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada. Any action brought to enforce any provision of this Agreement shall be brought in a state or federal court in Clark County, Nevada. In the event of any litigation arising under or in connection with this Agreement, the prevailing party shall recover from the losing party the prevailing party's reasonable attorney fees.

8. Recording. The parties agree that this Agreement shall be recorded with the Clark County Recorder.

9. Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable, such provision shall be fully severable and the remainder of this Agreement shall remain in full force and effect.

10. Integration. This Agreement constitutes the entire and exclusive agreement between the Parties related to the subject matter hereof and supersedes and cancels any and all prior negotiations, representations, warranties, understandings or agreements between the

Parties. There are no verbal agreements, which modify or affect this Agreement. This Agreement cannot be changed, amended or modified except by mutual written agreement of the Parties.

11. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which together shall constitute one instrument.

12. Titles and Headings. Titles and headings to sections of this Agreement are for the purpose of reference only and shall in no way limit, define, or otherwise affect the provisions of this Agreement.

13. Warranty of Capacity to Execute Agreement. Each of the undersigned parties hereto respectively represents and warrants that each has the right and full authority to execute this Agreement and to give and receive the consideration provided hereunder.

14. Beneficiaries and Successors. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and to their respective heirs, representatives, successors and permitted assignees. This Agreement is intended for the exclusive benefit of the Parties hereto and permitted assignees.

15. Scrivener Acknowledgement / Conflict Waiver. Each of the parties acknowledges and agrees that in preparing this Agreement Bingham & Snow, LLP and its attorneys (collectively "Bingham & Snow") have acted as a scrivener (scribe) only and each party has waived the conflicting interests of the parties and consents to Bingham & Snow's participation as set forth below. The terms and conditions of this Agreement have been presented to Bingham & Snow by the parties pursuant to their negotiations and the parties have executed a Conflict Waiver. Each party acknowledges conflicting interests with the other parties to this Agreement including as they negotiated the terms of this Agreement. The parties believe that they have adequately resolved all terms and differences to their satisfaction and that this Agreement and any and all related documents fully and accurately reflect their understanding.

**CEDAR DEVELOPMENT COMPANY,
L.L.C.**

VIRGIN VALLEY WATER DISTRICT

_____, Manager Date

Karl Gustaveson, President Date

Ken Rock, Manager Date

EXHIBIT "A"
Location of Easement

Located in Tract 37, Township 13 South, Range 70 East, Mount Diablo Base and Meridian, Clark County, Nevada, being more particularly described as:

The South 30.00 feet of the Southeast approximately 180 feet of Clark County Assessor's Parcel Number 002-26-501-009, as shown on the Record of Survey for Kelly Bundy Jensen and Karla R. Jensen, Jeffery Lynn Jensen and Vickie L. Jensen, Bunker Farms, Inc., Roger M. Bunker and Regena Bunker, Cedar Development Corporation, a Utah corporation, in File 83, Page 64 of Surveys in the Official Records of Clark County, Nevada.